UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 76th CONGRESS
THIRD SESSION

VOLUME 86—PART 4

MARCH 27, 1940, TO APRIL 17, 1940

(PAGES 3481 TO 4678)

Copy 3

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1940

PUBLIC DOCUMENTS DEPARTMENT

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 76th CONGRESS, THIRD SESSION

SENATE

WEDNESDAY, MARCH 27, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid: Cleanse the thoughts of our hearts by the inspiration of Thy holy spirit, that we may worthily magnify Thy holy name by a service to our Nation that is well pleasing in Thy sight, and finally by Thy mercy attain everlasting life; through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 26, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting nominations, was communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Frazier	Lodge	Schwellenbach
Ashurst	George	Lucas	Sheppard
Austin	Gerry	Lundeen	Shipstead
Bankhead	Gibson	McCarran	Slattery
Barkley	Gillette	McKellar	Smathers
Bilbo	Glass	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Bulow	Gurney	Miller	Thomas, Idaho
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Neely	Tobey
Caraway	Hayden	Norris	Townsend
Chandler	Herring	Nye	Tydings
Chavez	Holman	O'Mahoney	Vandenberg
Clark, Idaho	Holt	Overton	Van Nuys
Clark, Mo.	Hughes	Pepper	Wagner
Connally	Johnson, Calif.	Pittman	Walsh
Davis	Johnson, Colo.	Reed	White
Donahey	King	Reynolds	Wiley
Downey	La Follette	Russell	
Ellender	Lee	Schwartz	

Mr. BARKLEY. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Nebraska [Mr. BURKE], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Alabama [Mr. HILL], and the Senator from Missouri [Mr. TRUMAN] are absent on public business.

The Senator from Michigan [Mr. BROWN] and the Senator from Montana [Mr. WHEELER] are unavoidably detained from the Senate.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

REPORT ON LAND IN LINCOLN COUNTY, OREG. (S. DOC. NO. 176)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, in response to Senate Resolution 225 (submitted by Mr. MCNARY and agreed to February 1, 1940), a report on the lands involved in a contract dated December 17, 1920, between the United States Spruce Production Corporation and the Pacific Spruce Corporation, with related data, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry, and ordered to be printed with the accompanying illustrations.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by a convention of the Baptist churches of Puerto Rico, held at San Juan, P. R., protesting against the sending of Hon. Myron C. Taylor as representative of the President to the Vatican, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Mary Jemison Chapter, National Society Daughters of the American Colonists, New York City, N. Y., favoring the preparation and use in the mails of a commemorative postage stamp in honor of Mary Ball Washington, mother of George Washington, which was referred to the Committee on Post Offices and Post Roads.

Mr. LODGE presented a resolution adopted by the mayor and Board of Aldermen of the City of Chelsea, Mass., favoring the presentation of a distinguished service citation to Capt. Joseph A. Gainard, of the vessel *City of Flint,* in recognition of his distinguished conduct in the European war zone, which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (H. R. 8238) providing for the incorporation of the United Spanish War Veterans, reported it without amendment and submitted a report (No. 1345) thereon.

Mr. KING, from the Committee on the District of Columbia, to which were referred the following bills, reported them severally without amendment and submitted a report as indicated thereon:

H. R. 8262. A bill to regulate, in the District of Columbia, the disposal of certain refuse, and for other purposes;

H. R. 8792. A bill to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department; and

H. R. 8917. A bill to authorize the construction of a waiting room and comfort station in Commodore Barney Circle, United States Reservation 55–56, and for other purposes (Rept. No. 1347).

Mr. CLARK of Missouri, from the Committee on Foreign Relations, to which was referred the resolution (S. Res. 186) authorizing an investigation of the activities of agents of foreign nations affecting the neutrality of the United States (submitted by Mr. CLARK of Missouri on September 28, 1939), reported it with amendments and submitted a report (No. 1346) thereon, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the concurrent resolution (S. Con. Res. 40) creating a special joint committee to investigate the matter of losses resulting from the Mediterranean fruitfly eradication campaign in Florida in 1929 and 1930 (submitted by Mr. SCHWARTZ on March 20, 1940), reported it without amendment, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SCHWELLENBACH:

S. 3677. A bill to donate to the city of Seattle a totem pole carved by the Alaskan Native Civilian Conservation Corps; to the Committee on Agriculture and Forestry.

By Mr. HATCH:

S. 3678. A bill to authorize the appropriation of $90,000,000 to be distributed over a period of 5 years to be apportioned to the various States, Territories, and the District of Columbia for the purpose of assisting them in developing a program for the removal of illiteracy among adults, and of providing for training in citizenship and other branches of adult education, to promote the general welfare in the several States and Territories and the District of Columbia; to the Committee on Education and Labor.

By Mr. WILEY:

S. 3679. A bill for the relief of the Fox Head Waukesha Corporation; to the Committee on Claims.

By Mr. SCHWELLENBACH (for Mr. BURKE):

S. 3680. A bill for the relief of Clayton S. Leinbach; to the Committee on Claims.

CONSTRUCTION OF PUBLIC HOSPITALS—AMENDMENTS

Mr. McNARY submitted amendments intended to be proposed by him to the bill (S. 3230) to promote the national health and welfare through appropriation of funds for the construction of hospitals, which were referred to the Committee on Education and Labor and ordered to be printed.

ELIZABETH C. PACE

Mr. PEPPER submitted the following resolution (S. Res. 250), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Elizabeth C. Pace, sister of Charles F. Pace, late financial clerk of the Senate, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PROCEDURE UNDER NATIONAL LABOR RELATIONS ACT

Mr. WAGNER. Mr. President——

The VICE PRESIDENT. When the Senate took a recess yesterday the Senator from Wyoming [Mr. O'MAHONEY] had the floor and expressed the hope that he would be able to conclude his remarks this morning. The Chair recognizes the Senator from Wyoming.

Mr. WAGNER and other Senators addressed the Chair.

The VICE PRESIDENT. Does the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from New York and to other Senators for routine matters.

Mr. WAGNER. Mr. President, a few weeks ago the Brookings Institution published a very penetrating and expert study of the administrative process, by Frederick F. Blachly and Miriam E. Oatman, entitled "Federal Regulatory Action and Control." Because of the widespread interest in the subject, with particular reference to the National Labor Relations Act, I wrote to Dr. Moulton, president of the institution, requesting an analysis by the authors of the various steps in the procedure under the Labor Act and a comparison of such procedure with that of other quasi-judicial agencies established by the Federal Government from time to time.

This analysis has now been completed. I desire to call to the special attention of the Senate Dr. Blachly's concluding statement:

> It should be noted that the procedure before the National Labor Relations Board is far more comprehensive than before any other authorities issuing cease and desist orders, and is more in conformity with a strict due-process-of-law procedure than the procedure of any other authority issuing cease and desist orders.

This analysis and conclusion by an outstanding and disinterested student of the subject should go far to dispel misconceptions about the administrative procedure under the Labor Act. As I recently stated to the Senate, investors under the Securities and Exchange Act, and businessmen under the Federal Trade Commission Act, among other economic groups under the various regulatory statutes, now enjoy the advantages of an administrative procedure similar to that established for the redress of labor's rights under the Labor Act. It cannot be too often recalled that the Supreme Court has held again and again that the procedure of the Labor Act safeguards every constitutional right of employers and employees. As Chief Justice Hughes said in the very first cases under the act to reach the Supreme Court:

> The act establishes standards to which the Board must conform. There must be complaint, notice, and hearing. The Board must receive evidence and make findings. The findings as to the facts are to be conclusive, but only if supported by evidence. The order of the Board is subject to review by the designated court, and only when sustained by the court may the order be enforced. Upon that review all questions of the jurisdiction of the Board and the regularity of its proceedings, all questions of constitutional right or statutory authority, are open to examination by the court. We construe the procedural provisions as affording adequate opportunity to secure judicial protection against arbitrary action in accordance with the well-settled rules applicable to administrative agencies set up by Congress to aid in the enforcement of valid legislation.

I ask unanimous consent that my letter to Dr. Moulton, of the Brookings Institution, the reply thereto, and the report by Dr. Blachy be printed in the body of the RECORD as part of my remarks.

The VICE PRESIDENT. Is there objection?

Mr. KING. Mr. President, with reference to the request made by the Senator from New York, may I state that the report to which he refers, as I understand, is part of a statement by Mr. Blachly and his wife.

I have had an opportunity of examining only a few pages which were preliminary galley-proof sheets of a chapter relating to judicial review. My hasty examination of these pages leads me to the conclusion that some of the views expressed are not in harmony with a proper interpretation of constitutional limitations.

I have prepared some brief comments upon the report which later I may ask to have inserted in the RECORD.

The VICE PRESIDENT. Is there objection to the request of the Senator from New York?

There being no objection, the letters and report were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., March 15, 1940.

Dr. HAROLD G. MOULTON,
Brookings Institution, Washington, D. C.:

MY DEAR DR. MOULTON: I have read with the greatest interest the latest publication of Brookings Institution, entitled "Federal Regulatory Action and Control," by Frederick F. Blachly and Miriam E. Oatman.

I would deeply appreciate having an analysis by the authors of the various steps in the procedure under the National Labor Relations Act, and a comparison of such procedure with that of other quasi-judicial agencies established by the Federal Government from time to time.

Very sincerely yours,

ROBERT F. WAGNER.

THE BROOKINGS INSTITUTION,
Washington, D. C., March 25, 1940.

Hon. ROBERT F. WAGNER,
United States Senate, Washington, D. C.:

DEAR SENATOR WAGNER: As requested by you in your letter of March 15, I am enclosing herewith a memorandum prepared by Mr. Frederick F. Blachly on the subject of the procedure followed by the National Labor Relations Board, as provided for in the National Labor Relations Act. There are three parts to this memorandum:

(1) Significance of particular rules and regulations as to procedure, issued under section 10.

(2) A comparative study of statutory provisions governing cease-and-desist orders.

(3) A comparative study of administrative and procedural provisions.

We hope that this material will be helpful to you.

Very sincerely yours,

MEYER JACOBSTEIN,

MARCH 25, 1940.

MEMORANDUM

To: Senator ROBERT F. WAGNER.
From: Frederick F. Blachly.
Subject: Procedure under the National Labor Relations Act.

Enclosed are three different statements in respect to the cease-and-desist order procedure as used by the National Labor Relations Board and other authorities:

I. Comparison of cease and desist order procedure of different authorities; statutory provisions.

II. Comparison of cease and desist order procedure; administrative procedural provisions.

III. The significance of particular rules and regulations issued under section 10 of the National Labor Relations Act.

COMPARISON OF CEASE AND DESIST ORDER PROCEDURE OF DIFFERENT AUTHORITIES [1]

I. STATUTORY PROVISIONS

National Labor Relations Board, under section 10 of the act (unfair labor practices) (29 U. S. C. 160)	*Secretary of Agriculture, under Packers and Stockyards Act. Unfair practices in re packers (7 U. S. C. 191–195)*	*Federal Trade Commission under unfair and discriminatory practices (15 U. S. C. 45)*	*Interstate Commerce Commission, Federal Communications Commission, Board of Governors of the Federal Reserve System, Federal Trade Commission, under the Clayton Act (15 U. S. C. 21)*
1. Complaint stating charges. 2. Notice of hearing. 3. Complaint may be amended.	Complaint stating charges. Notice of hearing. Reasonable opportunity to be informed as to evidence introduced against him.	Complaint stating charges. Notice of hearing.	Complaint stating charges. Notice of hearing.
4. Filing of answer to original or amended complaint.			
5. Person complained of may appear in person or otherwise at a hearing.	Person complained of may appear in person or by counsel.	Person complained of has right to appear at hearing.	Person complained of has right to appear and show cause why cease and desist order should not be issued.
6. Intervention is allowed at discretion of person conducting the hearing.	Intervention may be allowed by Secretary for good cause shown.	Intervention is allowed upon good cause.	Intervention is allowed for good cause.
7. Testimony is reduced to writing and filed with Board.	Testimony is reduced to writing and filed in records of Department of Agriculture.	Testimony is reduced to writing and filed in the office of the Commission.	Testimony is reduced to writing and filed in office of authority.
8. Board at its discretion may take further testimony.			
9. Board states findings of fact and may issue a cease and desist order.	Secretary makes a report in writing, stating his findings of fact and may issue a cease and desist order.	Commission makes a report in writing, stating finding, and may issue a cease and desist order.	Authority makes a report in writing, stating findings of fact and may issue a cease and desist order.
10. May take affirmative action, including reinstatement with back pay. 11. Board may also state findings of fact and issue an order dismissing the complaint.			
12. Person aggrieved by a final order of the Board may obtain a review in any appropriate circuit court of appeals or the Court of Appeals of the District of Columbia upon a transcript of the record.	Order is final and conclusive unless, within 30 days after service, the packer appeals to the appropriate circuit court of appeals. The appeal is upon the transcript of the record. After transcript is filed court may issue a temporary injunction restraining the packer, etc., from violation of the order.	Person may obtain a review of cease and desist order in an appropriate circuit court of appeals. The appeal is upon the transcript of the record.	Person may obtain a review of order in an appropriate circuit court of appeals. The appeal is upon the transcript of the record.
13. Findings of Board as to facts, if supported by evidence, shall be conclusive.	Evidence taken in the hearing is to be considered by the court as the evidence in the case.	The findings of the Commission as to facts, if supported by evidence, are conclusive.	The findings of the authority as to facts, if supported by testimony, are conclusive.
14. Review by Supreme Court upon certiorari or certified question.	Review by Supreme Court upon certiorari.	Review by Supreme Court upon certiorari.	Review by Supreme Court upon certiorari.

[1] To get situations of like legal nature and effect, the cease and desist order, under various statutes, has been used as a basis of comparison.

II. ADMINISTRATIVE PROCEDURAL PROVISIONS

National Labor Relations Board under section 10 of the act (unfair labor practices) (29 U. S. C. 160). Rules and Regulations, series 2, effective July 14, 1939	*Secretary of Agriculture under Packers and Stockyards Act. Unfair practices (7 U. S. C., 191–195). Order promulating rules of practice to govern proceedings under the Packers and Stockyards Act, 1921, as amended*	*Federal Trade Commission under unfair and discriminatory practices (15 U. S. C. 45), Federal Trade Commission Rules, Policy, and Acts*
A. Charge: 1. Charge of violation of law may be made by any person or labor organization. 2. Charge is made in writing and sworn to. 3. Charge contains: a. Name and address of person or labor organization making the charge. b. Full name and address of the person against whom charge is made. c. Clear and concise statement of facts constituting the alleged unfair-labor practice.	Charge is contained in complaint.	Charge is stated in complaint.
B. Complaint: 1. If it appears to regional director that formal proceedings should be instituted, he issues and serves upon respondent and person or labor organization making the charge a formal complaint. 2. The formal complaint contains a notice of hearing before a trial examiner.	Complaint: Complaint shall state briefly facts complained of. Complaint is served upon respondent by an employee of Department of Agriculture. Secretary shall set time and place for hearing and give notice to defendant and petitioner.	Complaint: Any person, partnership, corporation, or association may apply to the Commission to institute a proceeding in respect to any violation of law over which the Commission has jurisdiction. Application is in writing, signed by applicant and shall contain a short and simple statement of facts constituting the violation of law and name and address of the applicant and party complained of. Commission serves a complaint stating its charges and containing a notice of a hearing.
3. Complaint may be withdrawn by regional director on his own motion.		
C. Answer: 1. Respondents shall have the right within 10 days from service of complaints to file an answer thereto. 2. The respondent shall specifically admit, deny, or explain each of facts alleged in the complaint. 3. Answer is filed with the regional director issuing the complaint. 4. Extension of time may be given for answer. 5. Respondent may amend his answer at any time prior to the hearing.	Answer: If respondent wishes to deny or explain allegations contained in the complaint he files with Secretary an answer. The answer shall fully and completely state nature of the defense and shall admit or deny specifically allegation of complaint. One copy of answer shall be forwarded by Secretary to petitioner.	Answer: Respondent contesting charges files with the Commission an answer to the complaint. Respondent shall specifically admit or deny or explain each of facts alleged in complaint, unless he is without knowledge. Failure of respondent to file answer results in Commission proceeding in regular course on complaint. Respondent may waive hearing and admit material allegations. Upon application in writing made contemporaneously with the filing of such answer, the respondent may be heard on brief or oral argument on whether facts so admitted constitute violation of law.
D. Motions: 1. Motions made prior to hearing are filed with regional director and must state the order or relief applied for and grounds for such motion. 2. Motions made at hearing are made in writing to the trial examiner or stated orally on the record. 3. Trial examiner rules on all motions except as to extension of date of hearing, extension of time within which answer may be filed, intervention and motions filed after the case has been transferred to the Board. 4. All motions, rulings, and orders become part of the record. 5. Rulings by the regional director and by the trial examiner on objections and orders in connection therewith shall not be appealed directly to the Board, except by its special permission, but are considered by the Board in reviewing the record, if exception is taken to the rulings or order when made and included in the statement of exceptions filed with the Board. 6. If any motion in the nature of a motion to dismiss the complaint in its entirety is granted by trial examiner, party making the charge may obtain a review by the Board.	Motions: No provisions; but in practice motions to intervene, etc., are made.	Motions: Motion shall briefly state the nature of the order applied for, and all affidavits, records, and other papers upon which the same is founded (with certain exceptions).
E. Intervention: 1. Is started by a motion.	Intervention:[2] Applications usually made by motion or petition.	Intervention: One wishing to intervene in a contested proceeding must make application in writing, setting out the grounds upon which interest is claimed.
2. Must be filed with regional director making the complaint prior to hearing.	Applications made prior to hearing.	Commission may by order permit intervention by counsel or in person.
3. During the hearing the motion must be filed with trial examiner.	Attorney who represents the Department in special case considers applications. Permission to intervene, if granted, is in name of Department.	
F. Witnesses and subpenas: 1. Witnesses are examined under oath, with exceptions.	Witnesses and subpenas: Witnesses are examined under oath or affirmation.	Witnesses and subpenas: Witnesses are examined orally, except for good and exceptional cause. Commission may permit a testimony by deposition.
2. Any member of Board may issue subpenas.		Subpenas may be issued by any member of the Commission.

[2] See Attorney General's Committee on Administrative Procedure, Monograph No. 11, the Packers and Stockyards Act, p. 33.

National Labor Relations Board, etc.—Con.

3. Applications for subpenas may be filed with regional director, who may grant or deny the application.

4. Application for subpenas during hearing are made to trial examiner, who may grant or deny the application.

G. Hearing:

1. Is before a trial examiner for purpose of taking evidence upon the complaint.

2. Hearings are public, unless otherwise ordered by the trial examiner.

3. Is duty of trial examiner to inquire fully into facts. Counsel for Board and trial examiner has power to call, examine and cross-examine witnesses, and introduce evidence.

4. Any party has right to appear at hearing in person, by counsel, or otherwise, to call, examine and cross-examine witnesses, and to introduce into the record documentary or other evidence.

5. Rules of evidence prevailing in courts of law or equity are not controlling.

6. Stipulations of fact may be introduced in evidence with respect to any issue.

7. Objections with respect to conduct of hearing, including objection to evidence, may be stated orally or in writing.

8. Any party is entitled at the close of the argument to a reasonable period for oral argument. This is not included in stenographic report unless trial examiner so directs.

9. Any party is entitled upon request to file a brief with trial examiner.

10. Chief trial examiner may at any time prior to service of the intermediate report, upon appropriate notice to the parties, direct that the hearings be reopened.

11. Contemptuous conduct at any hearing before trial examiner or Board is grounds for exclusion from the hearing.

H. Intermediate report and transfer of case to Board:

1. Trial examiner prepares an intermediate report after hearing, which contains:

(a) Findings of fact.

(b) Recommendations as to what disposition of the case should be made, which may include recommendation for affirmative action.

2. Intermediate report is filed with regional director issuing the complaint, who transmits the original of the report to Board and serves a copy to each of the parties.

3. Board by order then transfers the case to the Board and sends copies to each of the parties and regional director.

4. Regional director then forwards to Board:

(a) Charges upon which complaint was issued.

(b) Complaint and amendments.

(c) Notice of hearing.

(d) Answer and amendments thereto.

(e) Motions, rulings, orders.

(f) Stenographic report of the hearing.

(g) Stipulations.

(h) Exhibits, documentary evidence.

(i) Depositions.

(j) All of these together with the intermediate report constitute the record of the case.

Secretary of Agriculture, etc.—Continued

Depositions, taken after reasonable notice to the opposite party at a time and place and before a person designated by the secretary, shall be admitted if the evidence is otherwise admissible.

Hearing:

Employee of Department acts as examiner to conduct the hearing.

Parties may appear in person or by counsel.

Hearing is in "accordance with rules of evidence applicable to administrative proceedings."

If party objects to admission or rejection of evidence, he shall state grounds for objection. If objection is overruled, he may take an exception.

At conclusion of hearing examiner announces period of time within which briefs may be filed following receipt by parties of tentative findings of fact.

All persons who appear at the hearing must conform to standards of ethical conduct required of practitioners before the courts of the United States.

TENTATIVE FINDINGS OF FACT AND ORDER

After hearing examiner shall prepare tentative findings of fact and a tentative order, which is served upon the parties who are given an opportunity to file exceptions thereto.

Federal Trade Commission, etc.—Continued

Subpenas for production of documentary evidence, unless issued by a member of the Commission, are issued only upon application in writing.

Application must specify, as exactly as possible, the documents desired and show their competency.

Hearing on complaints:

Is before a trial examiner designated for that purpose.

Hearings are public unless ordered otherwise by Commission.

It is duty of trial examiner to complete the taking of evidence with all due dispatch. He is charged with duty of conducting a fair and impartial hearing.

Where relevant and material matter is embraced in documents containing other matter not material or relevant, it must be excluded or segregated.

Objections to the evidence before the Commission, a commissioner or examiner shall state briefly grounds of objection relied upon, and the transcript shall not include argument or debate thereon.

Trial examiner is charged with duty of conducting a fair and impartial hearing in form and manner consistent with dignity of Commission.

TRIAL EXAMINER'S REPORT

Fifteen days after receipt by him of complete stenographic transcript of the testimony in a proceeding the trial examiner must make his report upon the evidence.

A copy of the report is served upon each attorney for the Commission and upon each respondent not represented by counsel.

"The trial examiner's report upon the evidence is not a decision, finding, or ruling of the Commission. It is not a part of the formal record in the proceedings, and is not included in the transcript of the record." Rule XIII.

National Labor Relations Board, etc.—Con.

I. Exceptions to the record and proceedings:

1. Any party may file exceptions to the intermediate report or to any other part of the record or proceedings including rulings upon all motions or objections.

2. The party filing the exceptions must serve copies of them to each of other parties and file copy with regional director.

3. No matter not included in statement of exceptions may thereafter be objected to before the Board, and failure to file exceptions operates as a submission of case to Board on the record.

J. Procedure before the Board:

1. After expiration of period for filing exceptions, the Board may decide the matter:

(a) Forthwith upon the record;

(b) Or after the filing of briefs, or after oral argument;

(c) Or may reopen the record and receive further evidence;

(d) Or may close the case upon compliance with the recommendations of the intermediate report;

(e) Or may make other disposition of the case.

2. Board notifies parties of time and place for the submission of briefs or oral argument.

3. Where trial examiner has found in his intermediate report the respondent is not guilty of alleged unfair labor practices, and no exceptions have been filed, the case is considered closed.

4. The Board may, upon motion made within a reasonable period and upon proper cause shown, reopen the record for further proceedings.

5. Board may permit charge to be filed with it directly or:

(a) Transferred to it and continued before it;

(b) Or be consolidated for purpose of hearing with any other proceedings instituted in same region.

(c) Or be transferred to and continued in any other region for purpose of consolidation.

(d) Or be severed from any other proceeding with which it may have been consolidated.

6. After a hearing for the purpose of taking evidence upon the complaint in a proceeding over which the Board has assumed jurisdiction the Board may:

(a) Direct the trial examiner to prepare an intermediate report;

(b) Reopen the record and receive further evidence, or require taking of further evidence before a member of the Board or other agent, etc.;

(c) Issue proposed findings of fact, proposed conclusion of law, and proposed order, or

(d) Make other disposition of the case.

7. Party desiring to take exception to proposed findings of fact, proposed conclusions of law, and proposed order, files exceptions and serves copies in other parties and regional director. Upon proper cause shown, the Board may extend the period within which to file a statement of exceptions.

8. Should any party desire to argue orally before the Board or to file a brief with the Board, request therefor must be made in writing to the Board, within 20 days after the receipt of the proposed findings of fact, proposed conclusions of law, and proposed order.

9. The Board shall notify the parties of the time and place for any such submission of briefs and oral argument.

10. Thereafter the Board shall forthwith decide the matter or make other disposition of the case.

Secretary of Agriculture, etc.—Continued

Exceptions:

Any party who wishes to take exceptions to any matters shall transmit his exceptions to the Solicitor. If exception is taken to any tentative finding of fact, reference must be made to pages or parts of record relied upon.

A party filing exceptions shall state in writing whether he desires to make an oral argument before the Secretary.

Where party admits the facts and waives a hearing, he does not necessarily consent to final order of Secretary, and in such case an examiner's report should be prepared and copy filed with respondent giving him an opportunity to file exceptions (Memoranda for Mr. C. W. Kitchen, in Attorney General's committee. The administration of the Packers and Stockyards Act, p. 67).

Procedure before the Secretary:

If oral argument before the Secretary is desired, such an opportunity is afforded and a date is set.

If oral argument is heard in any proceeding by the Secretary or Acting Secretary, the final order in the proceedings shall be issued by the person who heard the argument.

An application for rehearing, reargument, reconsideration, or modification of a final order must be made by a petition filed in duplicate with the Secretary. The petition must state specifically the grounds relied upon. A copy of such application filed with the petitioner or defendant is transmitted by the Secretary to the adverse party.

Federal Trade Commission, etc.—Continued

Exceptions:

Attorneys or other persons served with a copy of the report of the trial examiner may, within 10 days, file in writing their exceptions, if any, to report. They must specify particular parts of report to which they take exception.

Seven copies of the exception must be filed.

If exceptions are to be argued, it is at time of final argument upon the merits.

REOPENING OF PROCEEDINGS

Commission may order reopening of proceedings if conditions of fact or law have changed or public interest requires.

NOTE.—There are some further procedural steps such as review by the Review Division which do not appear in the Rules and Regulations as published.

It should be noted that the procedure before the National Labor Relations Board is far more comprehensive than before any other authorities issuing cease and desist orders, and is more in conformity with a strict "due process of law" procedure than the procedure of any other authority issuing cease and desist orders.

It should be noted that the procedure for cease and desist orders under the Commodity Exchange Commission Act is very similar to that under the Packers and Stockyards Act.

III. SIGNIFICANCE OF PARTICULAR RULES AND REGULATIONS AS TO PROCEDURE, ISSUED UNDER SECTION 10 OF NATIONAL LABOR RELATIONS BOARD ACT

1. In re charge:

It is important that charge be made by a responsible person or organization, that it shall not be frivolous, and that it shall be specific in content and definitely directed. Hence the requirements that charge be in writing, be under oath, be signed, give a concise statement of facts, and give name and address of person against whom the charge is made.

2. In re complaint and notice:

Before formal proceedings are started against a person it is important for the administrative agency to know that there appears to be good ground for the issuing of the complaint. From the viewpoint of the one complained of, it is only fair that he shall know who made the complaint and exactly what charges are contained in the complaint; also that he shall receive notice as to the time and place of the hearing. Amendment to the complaint may be important from the viewpoint of the Government in its prosecution of the case, and also from the viewpoints of both complainant and respondent. A review of a refusal to issue a complaint may be necessary to prevent unjustified or arbitrary action on the part of the regional director.

3. Answers:

Answers to complaints accomplish several things:

a. The answer may sufficiently explain a situation, so that no further action need be taken.

b. An answer may well act as a demurrer, by acknowledging that charges are true but holding that even though true there was no illegal action.

c. The answer gives a clear ground for defense and thus constitutes one side of a basis for a hearing.

Requiring the answer to be in writing and to be sworn places the document on a formal basis, and prevents mere evasive or frivolous answers.

Serving the answer upon other parties gives them an opportunity to develop their side of the case.

Amending the answer by the respondent permits him to meet amendments in the complaint.

4. Motions:

(a) By motions the opposing parties and the Government are informed as to actions which the respective parties think should be taken in respect to the complaint.

(b) The provision that the trial examiner shall rule on motions helps to expedite the case.

(c) By the filing of rulings on the motions, the basis of an appeal on rulings considered wrong is laid.

(d) Service of rulings and orders upon each of the parties, or inclusion of rulings and orders in an intermediate report, gives all parties a chance to know what they are, and to contest them if this seems advisable.

(e) When the rulings are made a part of the record, both the Board in considering the record, and the court if the case is appealed to it, find the rulings valuable as showing whether the trial examiner has acted arbitrarily or without due care.

5. Intervention:

(a) The right of intervention gives those interested an opportunity to participate in the case in order to protect their interests.

(b) The requirement that interveners shall file motions in writing setting out their grounds for intervention prevents unnecessary and uncalled for intervention.

6. Witnesses and subpenas:

(a) The examination of witnesses under oath is required for the purpose of eliciting truthful answers, and further for the purpose of placing the one who answers falsely in the position of a perjurer.

(b) The Board may issue subpenas requiring the attendance of witnesses and the production of evidence. The regional director may grant or deny an application for subpenas made by any party prior to the hearing, or may refer it to the trial examiner, who may grant or deny the application. The reason for this limitation is to prevent careless use of the privilege.

7. Hearing:

(a) A hearing before the trial examiner rather than the Board is necessary because of the great number of cases that must be handled each year.

(b) It is the duty of the trial examiner to inquire fully into the facts as to whether the respondent has engaged in, or is engaging in an unfair labor practice affecting commerce, as set forth in the complaint or amended complaint.

(c) The regulation that in such hearing the rules of evidence prevailing in courts of law or equity shall not be controlling is based upon the statute, and is necessary for the purposes of expediting matters and preventing the great delays caused by regular court procedure.

(d) The rule providing that stipulations as to facts may be introduced in evidence is also adopted for the purpose of expediting the hearing.

(e) The ability to object to the conduct of the hearing or to the introduction of evidence, with the grounds for such objection, gives each party the opportunity to—

1. Have the objection considered by the trial examiner.
2. Have the objection reviewed by the Board.
3. In final analysis have the objections reviewed by the courts.

(f) The provision that no such objection shall be deemed waived by further participation in the hearing makes it possible for the hearing to be continued without either party's forfeiting his rights of objection.

(g) A reasonable period for oral argument makes it possible for both parties to sum up the evidence upon which the trial examiner makes his intermediate report. The reason for not including oral argument in the stenographic report unless the trial examiner so directs is that it is argument and not evidence to be used as a basis for fact finding.

(h) The filing of a brief with the trial examiner makes it possible for the parties to present to the trial examiner, prior to the preparation of his intermediate report, their views as to the proper interpretation of the evidence.

(i) The provision that at any time prior to the service of the intermediate report the chief trial examiner, upon appropriate notice to the parties, may direct that the hearing be reopened, is for the purpose of giving a further opportunity to present evidence in case new circumstances have arisen, or in case the chief trial examiner deems that the evidence is incomplete.

(j) The rule permitting exclusion from the hearing of persons guilty of contemptuous conduct makes for order and decorum at the hearing.

(k) Unless witnesses can be made to answer questions the most vital facts may not be brought out; hence the provision that refusal of a witness at a hearing to answer any questions which have been ruled to be proper shall, in the discretion of the trial examiner, be ground for striking out all testimony previously given by such witness on related matters. This prevents a witness from making a careful selection of facts favorable to his own side of the case, setting them forth on the witness stand, and repressing facts of equal importance which, if brought out, would benefit the other side.

(l) The provision for an intermediate report by the trial examiner is of great importance to the parties; as well as to the Board itself. Since the intermediate report contains both findings of fact and recommendations as to the disposition of the case, the parties are able to know in a preliminary way what is the opinion of the Government as to the meaning of the facts, what conclusions it draws from the facts, and what affirmative action is contemplated. The intermediate report also gives the Board a summary of the evidence, and a plan of action, which (though it is not necessarily followed) is of great assistance in the disposition of the case.

(m) The rule providing that any party may file with the Board at Washington a statement setting forth exceptions to the intermediate report or to any other part of the record or proceeding gives to both sides an opportunity for entering formal protests against any aspect of the trial examiner's activities which they consider illegal or inequitable. It also enables the Board to know and consider the objections made by private individuals or Government attorneys to the procedure, the tentative fact finding, or the recommendations. It also serves as a basis for further action by the Board.

(n) The provision that no matter not included in a statement of exceptions may thereafter be objected to before the Board makes the pleadings before the Board definite and specific, gives the opposing attorneys an opportunity to prepare arguments relevent to the matters which will be discussed, and precludes "surprise" objections at the time of the Board hearing. Failure to file such exceptions acts as a submission of the case to the Board upon the record. This is a necessary requirement, which prevents cases from being unduly drawn out. Obviously, if a person does not file exceptions when provision is made for doing so, he should not be allowed to prolong the hearing before the Board by introducing exceptions at this point.

(o) Provision that the regional director shall forward to the Board the entire record of the case as developed before the regional director and the trial examiner, including the charges and complaint and amendments thereto, motions, rulings, orders, stenographic report of the hearing, stipulations, exhibits, documentary evidence, depositions, and the intermediate report and exceptions, gives the Board a complete basis for the review of the case.

(p) With this material before it the Board may begin to consider the case upon the expiration of the period for exceptions. It may do so forthwith upon the record if no exceptions are filed; it may accept briefs or permit oral argument; or it may reopen the record and receive further evidence.

The reason why it may decide the case upon the record, in the absence of exceptions, has been sufficiently explained.

Permission to argue the case orally or to file briefs gives the party deeming himself injured by the intermediate report, or by the procedure before the trial examiner, opportunity to present his case

in a clear and forceful way. The statutory provision (29 U. S. C. 160 (f)) for judicial review of final orders of the Board serves to prevent it from refusing permission in an arbitrary way. Since the parties must be notified of the time and place for the submission of briefs or oral arguments if such permission is granted, and of the time and place for the taking of further evidence if this is to be done, they can act to protect their interests.

(q) The closing of the case when the trial examiner has found in his intermediate report that the respondent has not engaged in and is not engaging in any of the alleged unfair labor practices, and when no exceptions are filed, expedites the settlement of controversies.

(r) The reopening of the record for further proceedings, upon motion and upon proper cause shown, makes it possible for the parties to introduce new evidence. Under the same circumstances the Board can secure additional evidence if this appears necessary.

(s) The provision that the Board may permit a charge to be filed with it directly, or may, at any time after a charge has been filed with a regional director, order that such charge and any proceeding instituted in respect thereto shall be transferred, consolidated with, or severed from any other proceeding accomplishes the following results:

1. It permits the Board itself to take direct jurisdiction over large and important cases.

2. It enables the Board to consolidate cases that involve similar questions, and thus to expedite matters.

3. It permits the Board to sever from other proceedings those which by their nature should be handled separately.

(t) The provision that after the above transfers to the Board have been made, cases shall be conducted according to the procedure set forth in sections 3 to 35, inclusive, of article II, means that the Board will act as carefully as a trial examiner is required to do.

(u) When the Board has assumed jurisdiction as outlined above, it may (a) direct the trial examiner to prepare an intermediate report; (b) reopen the record and receive further evidence, or require the taking of further evidence; (c) issue proposed findings of fact, proposed conclusions of law, and a proposed order; or (d) make other disposition of the case. In other words, the Board may take the type of action which the situation demands.

(v) The rights of the individual are protected when the Board itself takes jurisdiction over the case by the fact that the parties may file exceptions to its proposed findings of fact, proposed conclusions of law, and proposed order, as well as by the possibility of judicial review over its final orders.

(w) The provision that until a transcript of the record in a case has been filed in a court, the Board may at any time upon reasonable notice modify or set aside, in whole or in part, any findings of fact, conclusions of law, or order issued by it gives the Board freedom in making adjustments which appear to be advisable before the matter is brought into court. It serves also to minimize the litigation necessary to the protection of individual rights by opening the way to a satisfactory adjustment out of court.

ADDRESS BY SENATOR REYNOLDS ON AMERICANISM

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address delivered by him at Asheville, N. C., on January 27, 1940, on the subject "Let's Become Pro-American," which appears in the Appendix.]

FEDERAL BUREAU OF INVESTIGATION

[Mr. BILBO asked and obtained leave to have printed in the RECORD an article under the heading Attacks on F. B. I. Fomented by Leaders of Communism, published in the Bristol (Va.-Tenn.) Herald Courier of March 24, 1940, which appears in the Appendix.]

ARTICLE BY ERNEST K. LINDLEY ON THE N. L. R. A.

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article by Ernest K. Lindley, published in the Washington Post of today, entitled "Strangling the N. L. R. A.," which appears in the Appendix.]

CURTAILMENT OF C. C. C. AND N. Y. A. PROGRAM

[Mr. GIBSON asked and obtained leave to have printed in the RECORD a telegram from Gov. George D. Aiken, of Vermont, relative to the discontinuance of C. C. C. camps and curtailment of the National Youth Administration program, which appears in the Appendix.]

ARTICLE BY LINDSAY CRAWFORD ON RECIPROCAL-TRADE AGREEMENTS

[Mr. MINTON asked and obtained leave to have printed in the RECORD an article by Lindsay Crawford, published in the Nautical Gazette, entitled "Tariff Controversy Revived," which appears in the Appendix.]

LETTER FROM RICHARD L. NEUBERGER TO SENATOR CLARK OF IDAHO

[Mr. CLARK of Idaho asked and obtained leave to have printed in the RECORD a letter written to him by Richard L. Neuberger, of Portland, Oreg., which appears in the Appendix.]

COPYRIGHT LEGISLATION

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a letter from the Committee for the Study of Copyright, in explanation of the origin, character, and fundamental provisions of Senate bill 3043, which appears in the Appendix.]

STATEMENT BY HOWARD I. YOUNG ON RECIPROCAL TRADE AGREEMENTS ACT, ETC.

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD a statement made before the Committee on Finance by Howard I. Young, president of the American Zinc Institute, relative to the extension of the Reciprocal Trade Agreements Act, and a number of communications on the same subject from farm groups in Idaho, which appear in the Appendix.]

COMMUNICATION FROM THE MOTHERS OF SONS FORUM

Mr. REYNOLDS. Mr. President, several days ago I was in Cincinnati to deliver an address. While there I was called upon by a delegation of mothers who were greatly interested in keeping this country out of war, thereby sparing their sons. That group of women, known as the Mothers of Sons Forum, has issued a very interesting bulletin to other mothers in Cincinnati. In part, it says:

We are a sincere group of American mothers who are organizing to do everything within our power to keep our sons from fighting in foreign trenches and being sacrificed on foreign soil.

As a part and portion of my remarks at this time I ask that the entire letter be published in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

To the Women of America:

We wish to invite you to join with the mothers of potential soldiers in our Mothers of Sons Forum.

The Mothers of Sons Forum was born from an original group of 10 mothers. We have grown in number since then and are forming groups throughout the city. It is our aim not only to become city-wide but State-wide and Nation-wide. We have received letters from mothers throughout the country who are interested in our efforts and who wish to organize.

We are a sincere group of American mothers who are organizing to do everything within our power to keep our sons from fighting in foreign trenches and being sacrificed on foreign soil. We believe that war can be abolished and believe that the women of the world are challenged to do it. We appeal to all mothers to rise up to their God-given duties—the protection of life—and demand and insist that the sacrifice of human life as a method of settling international disputes must cease. For if the present devastating warfare continues, there will not be enough of civilization left to make these ideas needed.

We uphold the Monroe Doctrine and pledge our loyalty to our country. We are strictly neutral in our feelings toward the warring nations. We stand for no "ism" but Americanism. We are nonsectarian, nonpolitical, and nondenominational. All mothers are welcome: Few can do nothing, but united we can and will keep our sons out of war. The mothers are concentrating on one thing and one thing only—the outlawing of war—and with the help of God we shall succeed.

Our meetings are held on the first and third Monday of each month in the Price Hill Library, Warsaw Avenue, and the Hyde Park Library, Erie and Michigan Avenues, at 8 p. m. You may obtain any other desired information by writing to Mrs. G. A. Murphy, 4757 Highridge Avenue, Price Hill, Cincinnati, Ohio.

Yours for a speedy and lasting peace,

THE MOTHERS OF SONS FORUM.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

TRADE AGREEMENTS AND SUGAR

Mr. O'MAHONEY. Mr. President, yesterday afternoon, after I had suspended for the day, the Senator from Colorado [Mr. JOHNSON] took the floor and called the attention of the Senate to a supplementary trade agreement which has been entered into by the Department of State with the Republic of Cuba. This agreement is of such a nature that it seems to me every Senator in this body is driven to consider whether the interests of his State are as open to destruction under this Reciprocal Trade Agreements Act as this supplementary trade agreement demonstrates the interests of all the sugar-producing States of the United States are open to destruction.

Yesterday, when I was engaging in a colloquy with the distinguished Senator from Kentucky [Mr. BARKLEY], the majority floor leader, I contended that there would be great doubt as to how the words "existing duties" contained in the Reciprocal Trade Agreements Act should be construed. Every single defense which has been made in the Reciprocal Trade Agreements Act upon this floor has referred—now, mark my words, Senators—to the limitation which is contained in that act by which modifications may be made within the range of 50 percent up or down as the standard which it is claimed makes the delegation valid. It is acknowledged by the distinguished chairman of the Finance Committee, it is acknowledged by the distinguished floor leader, it is acknowledged by every supporter of the joint resolution, that there can be no delegation of legislative power unless there is an understandable, intelligible principle to guide the discretion of the President when he acts; and when we ask the supporters of the bill to point out what this intelligible standard is, they say, "The President cannot change the duties more than 50 percent up or 50 percent down."

The tariff upon Cuban sugar in June 1934, when the Reciprocal Trade Agreements Act was under consideration, was $2 per hundred pounds—the existing duty. What is it now? Ninety cents. Where is the 50-percent limitation? And I say to Senators upon this floor who represent the sugar-producing States of the Union, what answer can we give to our constituents who are interested in the production of beets when that message is carried to them—that under cover of this authority, this delegation limited by 50 percent, the tariff upon Cuban sugar has been reduced from $2 to 90 cents?

Mr. TYDINGS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Maryland?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. Is it the Senator's contention that this action on the part of the administration in reducing the tariff from $2 to 90 cents is unlawful?

Mr. O'MAHONEY. Let me read the act.

Mr. ELLENDER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Louisiana?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. Is it not a fact that the duty on Cuban sugar is $1.50 instead of $2?

Mr. O'MAHONEY. No; the duty now is 90 cents. The duty in June 1934 when the Reciprocal Trade Agreements Act was passed was $2.

Mr. ELLENDER rose.

Mr. O'MAHONEY. Will the Senator listen for just a moment? Let me read the law. I am now reading the law dated June 12, 1934:

> No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty * * *.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. Is it not true that the duty on sugar was $2 less the 20-percent differential?

Mr. ADAMS. Mr. President, it was $2.50 less the 20-percent differential.

Mr. BARKLEY. That would still bring it within the law. The 20-percent reduction would bring the 90 cents within the 50-percent change.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. I am only seeking information. As I understand, the old Cuban duty was $2.20 a hundred.

Mr. ADAMS. Mr. President, the facts were that the general duty was $2.50, with a 20-percent preferential to Cuba; so the Cuban duty was $2.

Mr. TYDINGS. Twenty cents, or 20 percent?

Mr. ADAMS. Twenty cents.

Mr. TYDINGS. So the Senator's contention is that the present duty on Cuban sugar without any trade agreement is $2 a hundred?

Mr. O'MAHONEY. Not now; no.

Mr. TYDINGS. I say, without any trade agreement?

Mr. O'MAHONEY. No; because the flexible-tariff provision of the Smoot-Hawley Act was used to reduce the tariff from $2 to $1.50.

Mr. TYDINGS. That was before the trade agreements were negotiated?

Mr. O'MAHONEY. My understanding is that that was afterward. The change was made about the time the Reciprocal Trade Act was passed. Of course, if it was before, the argument would not hold mathematically, for 90 cents, though more than 50 percent below $2, is not 50 percent below $1.50.

Mr. TYDINGS. That is the reason why I was asking the Senator whether or not the State Department had reduced a duty more than 50 percent. The only way in which we could ascertain that fact would be by learning what the duty was at the time the negotiations were promulgated between the two governments.

Mr. O'MAHONEY. That is correct. I am seeking to have that date fixed.

Mr. TYDINGS. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. Just for the sake of keeping the RECORD straight, let me say that I am advised by authority which I think is very accurate that the duty was reduced to $1.50 before the negotiations. I have not looked up the matter; but the clerk, who has looked it up, advises me that that is the fact.

Mr. O'MAHONEY. I am having it looked up and I shall advise the Senate as soon as I am informed. The important phase of this matter is to be found not only in the point to which I have just alluded, but also in the fact that these modifications, if we are to judge by the present instance, are made without notice to the interests or the States affected.

I hold in my hand a letter which I wrote to the Secretary of State——

Mr. TYDINGS. Mr. President, I ask the Senator to yield further, because I am interested in following his argument, and it will help me if I can get the facts straight. I take it that the Senator contends that if there is a proper limitation, a top and bottom, so to speak, within which the executive branch of the Government can act, Congress may delegate to the executive branch its authority within the limitations it itself fixes.

Mr. O'MAHONEY. Oh, no; I deny that.

Mr. TYDINGS. The Senator denies that?

Mr. O'MAHONEY. I deny that a limitation is a standard. A limitation is not a rule; a limitation is just a limitation, and nothing else. A limitation is not an intelligible principle to guide the Executive in the exercise of a legislative function.

Mr. TYDINGS. I thought the Senator was contending that there was no top and bottom to the proposition.

Mr. O'MAHONEY. The Senator misunderstood me. I am sure I do not get his point at all.

Mr. TYDINGS. Certainly there is no longer any discussion or debate that the administration did not exceed the 50-percent limit in the reduction in the sugar duty.

Mr. O'MAHONEY. It depends on the date upon which the reduction was made from $2 to $1.50. What was the existing duty on June 12, 1934? That is the question. If the existing duty on June 12, 1934, was $1.50, if the flexible-tariff provision had been exercised prior to that date, then, of course, a 90-cent tariff would be mathematically within the limitation, but if, as was my impression—I may have been in error—the flexible-tariff reduction was not made until after the Reciprocal Trade Agreements Act was passed, the limitation has been exceeded.

Mr. TYDINGS. I am advised that the reduction to $1.50 was in effect at the time designated by the Senator, and if that is so, the administration has not, whether or not we agree with the policy, violated the law.

Mr. O'MAHONEY. In that event the limitation has technically not been disregarded. I acknowledge that.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ELLENDER. That is the point I desired to explain to the Senator. At the time the rate, insofar as Cuba was concerned, was actually fixed at $1.50, the world rate was $2, so there was no violation.

Mr. O'MAHONEY. My impression was that the change was not made until after June 12. As I stated to the Senator from Maryland, if it was made prior to that time, then, of course, the discrepancy vanishes.

Mr. TYDINGS. I was out of the Chamber part of the time while the Senator was speaking, though I have been here most of the time, and he may have already referred to the matter I have in mind, but if it would not interrupt the Senator too much, I should appreciate his telling us how far Congress may go, in delegating legislative authority to a department of the executive branch of the Government without, in his judgment, violating or setting at naught its legislative prerogative.

MODIFICATIONS OF RATES WITHOUT HEARINGS

Mr. O'MAHONEY. Mr. President, I shall be very glad to discuss that phase of the matter. In the meantime, however, in order to get the sugar problem behind us, I desire to call the attention of Senators to the fact that once the jurisdiction of the State Department has attached, it undertakes to retain that jurisdiction without any additional hearings of those who are interested in the action to be taken. An agreement made under the first grant is modified without hearings under the extension.

When the reciprocal-trade agreement with Cuba was about to be undertaken, notice was given and all who were interested were permitted to come before the Committee on Reciprocity Information, that committee of—shall I say, clerical sphinxes—who sit in a large hearing chamber while Members of the Senate and of the House, elected to represent their constituents, come and make their statements and are politely bowed out when they have concluded without knowing what, if any, action is to be taken, or what, if any, weight is to be given to their representations, without knowing whether or not the facts and arguments which they have presented will ever go beyond the circle of the membership of that committee.

A hearing was held for the consideration of the sugar tariff, the rate was reduced, and in September 1939, when the quotas were lifted by order of the President, the tariff upon Cuban sugar automatically was restored to $1.50, and the Secretary of State then negotiated another agreement with the Republic of Cuba for the purpose of cutting the rate down to 90 cents.

I protested against that upon the ground that a new notice had to be given and that a new hearing should be held, because the original action was taken under one set of conditions back in 1934 or 1935, and a new set of conditions had arisen 4 years later. Then, without any additional hearing, or the submission of any additional facts, the State Department undertook to cut the rate to 90 cents. It was reported on good authority that it was intended to reduce the rate even further to 75 cents.

What was the theory under which we were acting? The tariff upon Cuban sugar had been raised to $2.20; the differential of 20 cents was in effect. The purpose of that tariff was to keep Cuban sugar out of competition with beet and cane sugar raised in continental United States. Then, exercising the flexible tariff power, after the Tariff Commission had determined the difference between the cost of production in Cuba and in the United States, the President thereupon issued a proclamation authorized by the Smoot-Hawley tariff law reducing the tariff to $1.50. In the agreement it was reduced to 90 cents, in consideration of the fact that a quota had been imposed. The argument was this: "We no longer need the tariff to keep the sugar out. We now have a quota."

The reason for writing into the reciprocal-trade agreement the provision that if the quota were lifted the tariff should go back to $1.50 was that the sugar-producing States of Louisiana and Florida, as well as the beet-growing States, should be protected by a tariff of $1.50 from a flood of Cuban sugar, the flood which in the years before had utterly destroyed the market for our producers.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. JOHNSON of Colorado. Is it not true that, as a matter of fact, by the agreement of December 18, 1939, the Secretary of State has amended the Sugar Act of 1937?

Mr. O'MAHONEY. I think the Senator is correct.

Mr. President, I wrote a letter to the Secretary of State on September 23 last in which I made reference to this condition. The matter is of such importance that I ask that that letter, the Secretary's reply thereto, and my response to him, may be read from the desk.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

EXCHANGE OF LETTERS ON CUBAN AGREEMENT

UNITED STATES SENATE,
Washington, D. C., September 23, 1939.

Hon. CORDELL HULL,
Secretary of State,
Washington, D. C.

DEAR SECRETARY HULL: That the Government of the United States should take every proper precaution to protect the people of the United States from any outbreak of profiteering that might be brought on as a result of the present international situation is a proposition with which there can be no disagreement. To this objective I personally give wholehearted and complete support. It is, however, equally axiomatic that no final action should be taken by the Government except after full consideration and after an opportunity to be heard has been extended to every interest that might be affected.

I write to express the hope that if the Department of State is contemplating the recommendation to the President of any further executive action dealing with the marketing or importation of sugar into the United States, the producers of sugar, and particularly the producers of sugar beets and sugarcane in the United States, shall be heard before any action is taken.

I venture to make this suggestion because of persistent reports which have come to me that the State Department contemplates urging upon the President the proclamation under the Reciprocal Trade Agreements Act of a reduction in the tariff upon Cuban sugar, the quotas of which, imposed by the Sugar Act of 1937, were removed by proclamation of the President on September 11 of this year.

I am advised that the removal of the quotas which, under the existing trade agreement with Cuba, was automatically accompanied by a restoration of the former duty of $1.50 per 100 pounds came as a surprise to the Cuban sugar interests and to the Cuban Government and that the State Department is desirous of making some gesture of reassurance to the Cuban Government and the Cuban sugar interests. It is obvious, I think, that it would be quite as unjust to the American producers of sugar beets and sugarcane to take or to recommend, without notice to them, an action that might grievously affect their interests. I have no doubt that the State Department would not undertake so serious a course without first calling upon the spokesmen of American producers at least to advance their opinions, but lest it should be supposed that this opportunity has already been extended because of the hearings which were held by the Committee for Reciprocity Information pursuant to the public notice of November 30, 1938, I venture to call your attention to the fact that that notice cannot in any sense be regarded as sufficient under the meaning of the Reciprocal Trade Agreements Act.

When the notice of November 30, 1938, was issued the amount of sugar which could be imported into the United States from Cuba was definitely fixed by the quota provision of the Sugar Act of 1937. The tariff upon Cuban sugar at that time was 90 cents per 100 pounds. This Cuban sugar tariff in 1934 was $2 per 100 pounds, but in that year was reduced to $1.50 per 100 pounds under the provisions of the Smoot-Hawley Tariff Act after the United States Tariff Commission had reported to the President that it cost $1.50 per 100 pounds less to produce sugar in Cuba than in the United States.

The order reducing the tariff from $2 to $1.50 was intended to equalize the cost of production between the two countries.

Later, when the existing reciprocal-trade agreement between Cuba and the United States was negotiated, an additional concession of 60 cents per 100 pounds was granted to the producers of Cuban sugar in consideration of the quota limitation contained in the original sugar controlling act and recognized by the trade agreement. It was then provided in the agreement that if for any reason the quota provisions of the Sugar Act of 1937 should become inoperative, the duty in effect upon the date of the agreement should be restored.

It is therefore clear that at the time the hearings were held by the Committee for Reciprocity Information pursuant to the public notice of November 30, 1938, the question was whether with the quota provided in the Sugar Act there should be a reduction of the tariff below 90 cents. The question now is whether, with no quota

whatever upon Cuban importations, the tariff should be reduced below $1.50. The issues, therefore, are wholly different and the evidence which was presented to the Committee for Reciprocity Information on January 3, 1939, under the conditions then existing is wholly insufficient now and cannot be controlling in the decision of any present issue.

Section 4 of the Trade Agreements Act provides, as you know, that before any foreign trade agreement is concluded "reasonable" public notice shall be given "in order that any interested person may have an opportunity to present his views to the President or to such agency as the President may designate." Moreover, this section provides that "before concluding such an agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate."

There can be no disagreement therefore that the intent and purpose of the act was to give any interested person a full and free opportunity to discuss the specific conditions under which a contemplated change of tariff duties or import restrictions should be made. The notice of November 30, 1938, was issued while the world was at peace. Europe is now involved in a war, and I think there can be no reasonable contention that in these circumstances any proper action may be taken under the Reciprocal Trade Agreements Act by virtue of the public notice heretofore issued.

Moreover, it may be proper to point out that the state of war in Europe which now exists has given to the Cuban interests a market advantage which those interests did not have on January 5, 1939. One-third of the Cuban crop is sold in the world market over which the Government of the United States can exercise no control. This world market which has been rising as a result of the present conditions cannot be as beneficial to the American producer as to the Cuban producer, and it seems to me therefore very clear that the careful balance effected by the Sugar Act of 1937 should not be disturbed for the benefit of Cuban sugar interests unless American sugar interests are first invited to state their case.

When the American consumer of sugar was wholly dependent upon foreign sources of supply the price of sugar was many times higher than it can by any possibility go under the provisions of the Sugar Act of 1937. The best interests of the American consumer are conserved by a safe and certain domestic supply the price of which may be controlled by action such as that taken by the President in his proclamation of September 11, 1939, an order which was made possible by the Sugar Act of 1937. The dangers to the American consumer that would be involved in any indiscriminate action to the disadvantage of the American producers of sugar beets and sugarcane are so apparent that I am sure you will be persuaded before any action is taken to follow the suggestion made most respectfully in this letter that representatives of the American producers shall first be given an opportunity to express themselves before any recommendation is made.

Very sincerely yours,

DEPARTMENT OF STATE,
Washington, September 29, 1939.

The Honorable JOSEPH C. O'MAHONEY,
United States Senate.

MY DEAR SENATOR O'MAHONEY: I have received and read with much interest your letter of September 23, concerning the sugar situation and particularly the position of Cuban sugar since the suspension of the sugar-marketing quotas by the President's proclamation of September 11, 1939.

With respect to the specific question of the duty on Cuban sugar, I may say that there are no plans for immediate action in this regard. It would, however, be appropriate for those who are interested in any aspect of the sugar problem, and who may feel that we are not fully informed as to their views in the existing situation bearing on the question of the duty on Cuban sugar, to let us have any additional information or views with which they may wish to supplement the information and views presented in briefs and oral hearings to the Committee for Reciprocity Information last January. The procedure followed under the Trade Agreements Act is broad and flexible with a view to giving American interests every reasonable and practicable opportunity to make their views known. The Committee for Reciprocity Information stands ready at all times to receive such views, whether in writing or, when appropriate and necessary, by means of informal oral conferences.

Thus, if your constituents have any further information or views they may wish to submit as to action which they feel ought or ought not to be taken, they are invited to submit these views now to the Committee for Reciprocity Information and in passing this information on to them you may assure them that any expression of views that they may thus submit will receive every appropriate consideration.

Sincerely yours,

CORDELL HULL.

SEPTEMBER 30, 1939.

Hon. CORDELL HULL,
Secretary of State,
Washington, D. C.

MY DEAR SECRETARY HULL: Let me acknowledge your letter of September 29, in response to mine of September 23, with respect to the tariff on Cuban sugar. I note with satisfaction your statement that there are no plans for immediate action with respect to the specific question of the duty on Cuban sugar. I also note your statement that "it would be appropriate for those who are interested in any aspect of the sugar problem to submit any additional information or views with which they may wish to supplement the material submitted to the Committee for Reciprocity Information last January." You also undertake, through me, to invite my constituents to submit such views now to the committee.

I am sure you will understand my feeling that any notice from me to my constituents would not satisfy the provisions of the Reciprocal Trade Agreements Act and that it would not be at all adequate for the protection of growers of sugar beets and sugarcane in other States nor for the protection of other elements of the sugar industry. In my opinion, there is only one way for such notice to be given and that is formally by the State Department in the manner prescribed by the law and the regulations.

As indicated in my letter of September 23, a notice issued by the State Department of the negotiation of a supplemental trade agreement with Cuba at a time when the Cuban duty was 90 cents and the quota was approximately 1,900,000 tons is ineffective now that the duty is $1.50 and the quota has been lifted. The suspension of the quota and the reversion of the duty to $1.50 is of such recent occurrence that its effect cannot now be measured and representations made to the State Department in the wholly informal manner which you suggest would not, in my opinion, be a proper protection to those who are interested in the preservation of the American sugar industry.

Sincerely yours,

Mr. O'MAHONEY. Mr. President, the response to my inquiry has been received, and I find that the reduction under the flexible-tariff provision was made on June 8, 4 days before the reciprocal-trade agreement went into effect. So technically we have a compliance with the 50-percent limitation. However, it may be pointed out that both these reductions are made under the same law, because the Reciprocal Trade Agreements Act is an amendment of the Tariff Act of 1930; so that the Cuban tariff, which on June 7, 5 days before the Tariff Act was amended by the reciprocity provision, was $2, was reduced the next day to $1.50, and then under the amendment of June 12, was reduced again to 90 cents.

DEGENERATION OF DEMOCRATIC PROCESS

Mr. President, referring briefly to the argument I was making yesterday, I desire to point out that I was discussing the steady process by which the Congress has surrendered to the Executive more and more of its legislative power. Beginning in 1890 we passed the McKinley Tariff Act, which authorized the President to find a certain fact with respect to five or six commodities; and upon finding the fact of discrimination, to put into effect by proclamation certain specified duties fixed in the law. The Supreme Court, in the case of Field against Clark, upheld that grant as a proper legislative act. It denied that it was any delegation of legislative power, because, it said, the law left nothing to the discretion of the President.

Following that, in 1897, there was another tariff act, the Dingley Act, in which was written a provision calling for reciprocal-trade agreements; but the Congress in 1897 recognized that such agreements were in fact treaties, and so wrote into section 4 of that law the distinct provision, first, that they should be ratified by the Senate, and second, that they should be approved by a legislative enactment of both Houses of the Congress.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SCHWELLENBACH. I should like to ask the Senator whether or not he thinks the latter action was necessary. If Congress, recognizing that these were treaties, treated them as such, was legislative action by the Congress itself necessary?

Mr. O'MAHONEY. It is my personal opinion that it was not necessary, but it was exceedingly wise, because it was a recognition by Congress that two constitutional provisions were involved—first, the treaty-making power, and second, the revenue-raising power. Legally and constitutionally a treaty is of equal dignity with a law. Therefore, if a foreign agreement fixing customs duties were entered into by the President and ratified by the Senate, in my opinion it would

satisfy the Constitution, just as in my opinion, if the Executive should enter into a trade agreement with a foreign country in which he dealt solely with customs duties, the Constitution would be satisfied if the agreement were approved by an act of Congress.

What I was seeking briefly to summarize was the historic development of the transfer of the revenue-raising power to the Executive. The act of 1897 followed by several years the decision in Field against Clark and was, therefore, a declaration by Congress that Field against Clark did not sustain a grant of power to enter into reciprocal-trade agreements without ratification by the Senate and approval by Congress.

However, in 1922, when a Republican Senate and a Republican House were endeavoring once more to extend the power of the Executive by giving him authority, under what is known as the flexible-tariff clause, to move rates up and down, Field against Clark was cited as supporting that policy, though clearly it had not been so regarded in 1897, and though clearly, as has been well pointed out on the floor by the senior Senator from Nevada [Mr. PITTMAN], the Supreme Court itself in that case declared that nothing was left to the discretion of the Executive. However, after the Fordney-McCumber Act had been passed and the flexible-tariff provision had been enacted, the act was challenged in the courts, and then came the Hampton case, to which reference has been made. In the Hampton case the grant of power in the Fordney-McCumber law was sustained upon the ground that an intelligible standard had been written into the law; namely, the standard of the difference in the cost of production at home and abroad.

We are now using those two cases and the preceding laws as precedents for a grant which goes far beyond anything that was ever before contemplated. Now, instead of a grant to change tariffs within a limitation of 20 percent according to the difference in the cost of production at home and abroad, we have a grant to change customs duties within 50 percent, without any standard, and with only a limitation. Thus I say that step by step the revenue-raising power has been granted by Congress to the Executive. What is the next step? Only imagination can discern.

POINTS THAT SEEM BEYOND DISPUTE

There are several points which seem to me to be beyond dispute. Indeed, they are not denied by any person who attempts to defend the Reciprocal Trade Agreements Act.

First. The President, under the Constitution, may not make a treaty without the consent of the Senate. Nobody will gainsay that statement.

Second. The President may not make a tariff law without the affirmative approval of Congress. Nobody will deny that.

Third. The President may make an Executive agreement without the consent of the Senate, or without the consent of the Congress; but, as has been pointed cut uniformly by the courts, an Executive agreement is of lesser dignity than a treaty. In the Altman case it was the express declaration of the court that an Executive agreement does not reach the dignity of a treaty. Of course, it does not reach the dignity of a treaty, because an Executive agreement is a pact that does not generally affect the public welfare, as Justice Taney so clearly pointed out.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. The Senator made the point that an Executive agreement such as he cited, which has been upheld by the Supreme Court as being constitutional, is only a temporary arrangement. Has the Senator discussed the trade-agreements program from the angle of being only a 3-year program; and does the Senator think that the trade agreements are temporary agreements or not, in line with what the Court said in the decision cited?

Mr. O'MAHONEY. They are not such within the statement of the Court. I refer the Senator to the quotation from Justice Taney, which he will find at the close of my testimony before the Finance Committee, which clearly points out the difference between Executive agreements and treaties.

The Constitution says that treaties and laws are the supreme law of the land. It is acknowledged that an Executive agreement is neither a treaty nor a law. Of course, it is true that the President has the right to make an Executive agreement without ratification by the Senate or without the passage of an act of Congress; but now we are called upon to argue that because the President has the right to make Executive agreements, he may make such agreements without ratification, and without approval and thus swallow up the treaty-making power protected by the Constitution, and also the revenue-raising power, likewise protected by the Constitution. In other words, we are asked to believe that the lesser is of greater force than the superior. Treaties and laws must give way before agreements which are beneath the dignity of those acts of Government which constitute the supreme law of the land.

Because the President must necessarily have power in the foreign field to make agreements which do not reach the dignity of either treaties or laws, are we now to argue that the treaty-making power and the revenue-raising power may be swallowed up in Executive agreements? To answer that in the affirmative, Mr. President, is to acknowledge that the democratic processes of this Government, as established by the Constitution, are being undermined.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KING. Is not the Senator's statement a little too broad? The Senator stated that the President of the United States may make an Executive agreement. Obviously there are certain fields within which Executive agreements may be made by the President without transcending constitutional limitations, but it seems to me it would be a little too broad a statement to announce that the President would have the authority to make an agreement without limitation or restriction. He might make an agreement affecting revenue or tariffs, which would not be valid because it would not be within the authority which he possesses under the broad interpretation of the authority of the Executive as announced by Mr. Justice Sutherland in the case in which he wrote the opinion. Let me say, not by way of criticism of the Supreme Court or of my dear friend Mr. Justice Sutherland, that I think he went a little too far in conceding authority to the executive department under the theory that it possesses inherent powers outside of those delegated under the Constitution of the United States.

Mr. O'MAHONEY. Mr. President, the Senator from Utah is quite right. What I meant to say, of course, was that an Executive agreement can be made without ratification by the Senate. Frequently congressional authority is given for such an agreement.

THE HISTORIC POSITION OF THE DEMOCRATIC PARTY

Mr. President, it was not my intention to occupy the floor at any great length this morning, and I shall not speak very much longer, but I do wish to call to the attention of the Members of this body the fundamental and primary fact that the position which I take upon this floor today is the historic position of the Democratic Party. So far as my knowledge goes, there has never been a time in all the history of this great political organization when it has not championed the retention by the people of the largest possible amount of initial legislative power. During the long process of development, whereby, beginning in 1890 and down to 1934, the revenue-making power has been in greater and greater degree steadily transferred to the Executive, the spokesmen of the Democratic Party, until this reciprocal-trade agreement was first proposed in this administration, have without exception opposed the surrender of the power of the people's representatives in Congress to fix customs duties.

There never has been a time when its spokesmen upon the floor of the Senate and its spokesmen in the House of Representatives have not resisted grants of the taxing power, regardless of the pretext or of the ground on which the attempt

was made. Always our spokesmen, every great Democratic leader in Congress, from the great statesmen of 1890 down to the passage of the Fordney-McCumber Act has, in the strongest and most eloquent terms, insisted that such a grant of power as contained in this measure is in violation of the Constitution.

Because, as a Democrat, I have been jealous of the right of the elected representatives of the people in Congress to know what disposition is to be made of their most vital interests as involved in the tariff, I have, from the beginning, urged that these trade agreements be submitted to Congress. I proposed such an amendment in 1934 and again in 1937. I could not, without the complete surrender of fundamental political conviction, do otherwise now.

This is a matter of fundamental democratic principle. It is not affected by the fact that the President, today, happens to be a member of my party, that the Secretary of State likewise happens to be a member of my party, and that I have the highest personal admiration and respect for them both. I do not hesitate to say that Mr. Roosevelt ranks among our greatest Presidents and that Secretary Cordell Hull has been one of the greatest of our Secretaries of State. I admire Mr. Hull personally, and honor him as a great and noble man, but I cannot help recalling, as the junior Senator from Nevada [Mr. McCARRAN] so well pointed out yesterday, that when Secretary Hull was a Representative from the State of Tennessee, upon the floor of the House of Representatives, he there took exactly the same position I am taking here today. Not only that, but one of the greatest Senators who ever trod this floor, Senator Thomas J. Walsh, of Montana, than whom there never has been a more distinguished, able, and courageous Democrat, likewise made the argument against the grant of legislative power to the Executive, which I am making today. A man whose reputation had been built up through many years of service in this body, whose progressive tendencies were so well known, whose ability as a constitutional lawyer, and as a champion of the people was so well recognized from one end of the country to the other that he was chosen by Franklin D. Roosevelt to become the adviser of the New Deal in the first Cabinet, Thomas J. Walsh was persuaded to resign his position in this body in order to become Attorney General and great, indeed, was the loss to the people of America, when death stilled his tongue.

THE MEASURE OF DELEGATED POWER

Much has been said here about the measure of delegated power. I want to ask Senators, particularly Democratic Senators, to bear with me while I read just a few paragraphs from a speech delivered in the Senate in August 1922, by Thomas J. Walsh, when he was discussing the question of what constitutes a proper and legitimate delegation of legislative power to any agency. The Senator from Kentucky and the Senator from Mississippi have been asking what constitutes a proper delegation. In the course of the debate yesterday, the majority leader cited the Interstate Commerce Act and asked if that did not constitute a precedent which would justify such a delegation of power to the Executive as is contained in the act now sought to be extended. That question was raised when the Fordney-McCumber Act was under consideration. I am glad to note that the Senator from Kentucky is now in the Chamber, because I want him particularly to listen to the answer given in the words of Senator Thomas J. Walsh.

All the authorities agree—

Said Senator Walsh—

that wherever power of this kind is delegated to an administrative officer it is subject to review by the courts, in order to determine whether the law has been followed and complied with or not, and if provision is not made, or provision does not exist, for such a review in the courts the act cannot be sustained.

That principle has been recognized in all of our legislation. The Interstate Commerce Commission is authorized to fix railroad rates, and to do many other things in connection with the operation of railroads and common carriers generally; but every order it makes is subject to review in the courts, as provided in the act.

In exactly the same way, when we authorized the Federal Trade Commission to issue an order commanding any person complained of to desist from practices in trade alleged to be unfair, an opportunity was given to review in the courts the decision thus made by it, that it might be set aside if the facts did not justify the order that was made.

So we gave a power of review in the case of the "packer" legislation. It becomes necessary, therefore, every time we thus delegate power to fix rates of any kind, or to make any rule or order affecting the rights of a citizen, to give him an opportunity to go into the courts to review any action taken under the power granted and to have it annulled if it shall be oppressive in any way or contrary to the rule laid down by the statute.

Mr. President, it seems to me that that crystal-clear statement from the mind of one of the greatest constitutional lawyers this country ever produced leaves no room for argument in the immediate case, because in the act sought to be extended there is no possibility to review.

What is the test of a proper delegation of power as laid down by the decisions and by the text writers? The test is a very simple one, which defines the distinction between the legislator and the administrator. To the legislator, because he is a representative of the sovereign people and their constitutional spokesman, is committed the responsibility and the duty of exercising discretion and judgment, of considering all the facts and of determining what the law shall be. To the legislator is given the power to make the law; and when that law is made, it must be executed by the administrator, it must be observed by the citizen, and it must be upheld by the courts.

To the administrator, upon the other hand, is committed a distinctly lesser power. It is his duty, not to make the law but to execute the law which has already been made for him. He acts at his peril if he exceeds the provisons of the law. He may be restrained by the courts, which may release the citizen from obedience to his orders. But, observe that there is no appeal to the courts from the law save upon the ground that it is unconstitutional; and an unconstitutional law is no law at all.

So here we have a clear distinction between the law-making power and the law-enforcing power. When Congress delegates, in this modern, complicated civilization of ours, to an executive agency the power to execute its policy, to make rules and regulations, to fix rates, or to exercise any other power, all such acts are reviewable by the courts.

Are the rates excessive?

Were the regulations within the scope of the authority?

Was the action of the executive an arbitrary action?

These and many other questions the citizen may ask of the court; and the court must answer; and when the court answers the administrator must heed and the citizen has his protection; because, Mr. President, he appeals to the court for the enforcement of the law as made by the people's representatives from the act of the executive who carries it out.

But what have we here? What have we in this act which was brought into this body in 1934? We have the express denial of review by the courts. Into this bill now said to be a law, in section 2, the second sentence thereof, was written this sentence:

The provisions of sections 336 and 516 (b) of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act.

Section 516 (b) was the section in the Tariff Act of 1930 which preserved to producers and manufacturers the right of court review. The Trade Agreements Act takes it away; and when the act took away that right of review it struck down the entire difference between a proper and an improper and unconstitutional delegation of authority.

THE WARNING OF SENATOR WALSH

Mr. President, yesterday I remarked upon this floor that conditions in the world clearly point to the fact that the democratic system of government is under attack. We know that the United States of America is almost the only great nation in which popular government still remains. Are we, under the excuse of complexity of our problems; are we, because of difficulty of enforcement, to surrender the power

and responsibility of the legislative arm of this Government to make the law in a democratic way?

Again, Mr. President, I call the attention of Senators to the language of Thomas J. Walsh, than whom there is not now nor ever was a more authoritative spokesman for the Democratic Party or for the sovereign people. He was talking about the delegation to the Executive in the Fordney-McCumber Act:

Whatever doubt may be entertained by anyone concerning the constitutionality of the amendments under consideration, no doubt ought to exist in the mind of anyone, in my judgment, as to their unwisdom. Their stoutest defenders will probably disclaim any attachment whatever to the principle they represent as a feature of a permanent tariff policy; indeed, they hasten to convey the assurance that, were it not for the chaotic business conditions which prevail throughout the world and the instability of foreign exchange, they could not be induced to embrace it or even to tolerate it. Some apology, Mr. President, is certainly in order for such an astounding delegation of the functions of Congress to the Executive, vesting him with an authority no constitutional monarch may exercise, in character quite like that for the assumption of which kings have been brought to the block.

No emergency, however grave, can justify the surrender into the hands of the President of the taxing power intrusted by the people to their representatives in Congress, no matter how profound may be his statesmanship or how exalted may be the character of the man who for a brief period may be elevated to that high office. If this encroachment upon the liberties of the people is either sanctioned or condoned, there is no man wise enough nor prescient enough to foresee the ultimate consequences.

It is said that an exigency exists demanding this departure from the settled policy of our Government. Our skies are never wholly clear; emergencies continually confront us, and when they are wanting an ambitious President or an indolent or subservient Congress will have no difficulty whatever in conjuring up such.

Mr. President, can any Democrat listen to those words and have any doubt remaining in his mind that this Congress should not permit itself to be classified with those Congresses, the possibility of which Thomas J. Walsh foresaw, which, because of indolence or subservience, would be willing to surrender the power given to the Federal Legislature under the Constitution to protect the people by making the people's laws?

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6724) to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 51), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That the time for making the report of the Joint Committee on Forestry (established pursuant to S. Con. Res. 31, 75th Cong.) is hereby extended to April 1, 1941, and any amounts available for the expenses of such committee shall be available for expenditure until such date.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. VANDENBERG obtained the floor.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark, Mo.	Harrison	McKellar
Ashurst	Connally	Hatch	McNary
Austin	Davis	Hayden	Maloney
Bankhead	Donahey	Herring	Mead
Barkley	Downey	Holman	Miller
Bilbo	Ellender	Holt	Minton
Bone	Frazier	Hughes	Murray
Bridges	George	Johnson, Calif.	Neely
Bulow	Gerry	Johnson, Colo.	Norris
Byrd	Gibson	King	Nye
Byrnes	Gillette	La Follette	O'Mahoney
Capper	Glass	Lee	Overton
Caraway	Green	Lodge	Pepper
Chandler	Guffey	Lucas	Pittman
Chavez	Gurney	Lundeen	Reed
Clark, Idaho	Hale	McCarran	Reynolds
Russell	Smathers	Thomas, Utah	Wagner
Schwartz	Smith	Tobey	Walsh
Schwellenbach	Stewart	Townsend	White
Sheppard	Taft	Tydings	Wiley
Shipstead	Thomas, Idaho	Vandenberg	
Slattery	Thomas, Okla.	Van Nuys	

The PRESIDING OFFICER (Mr. McCARRAN in the chair). Eighty-six Senators having answered to their names, a quorum is present.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. VANDENBERG. I yield.

Mr. HARRISON. In view of the remarks made yesterday by the Senator from Colorado [Mr. JOHNSON] and those made this morning by the Senator from Wyoming [Mr. O'MAHONEY] with reference to the sugar agreements with Cuba, in which they quoted the Secretary of State of the United States, I may say that I have just received a letter from the Secretary of State apropos this matter, which I desire to have inserted in the RECORD at this time.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, March 27, 1940.

The Honorable PAT HARRISON,
United States Senate.

MY DEAR SENATOR HARRISON: My attention has been called to the remarks of Senator JOHNSON of Colorado in yesterday's CONGRESSIONAL RECORD on the subject of sugar and the Cuban trade agreement.

The supplementary agreement concluded with Cuba on December 18, 1939, to which Senator JOHNSON referred, in effect restored the provisions relating to sugar of the trade agreement concluded in 1934, with relatively little change. Under the amended agreement the restored rate of 90 cents remains contingent upon a system of sugar-quota limitations such as is provided in the Sugar Act of 1937. Thus the substance of the protection of American producers, inherent in the linking of the tariff concession with the domestic-sugar program, is maintained.

The principal change made by the supplementary agreement provides a safeguard for the American consuming public in the event of a temporary suspension of the sugar-quota restrictions in consequence of an emergency situation such as occurred last September.

It will be recalled that, following the outbreak of the European war in September, sugar prices increased very rapidly and a fear arose on the part of consumers of a possible shortage in sugar supplies. The price of refined sugar rose within a few days from about 4.30 cents per pound to 5.60 cents. On September 11, in consequence of this situation, the President suspended the sugar quotas.

Under the terms of the 1934 agreement with Cuba, however, there resulted an automatic increase in the duty on Cuban sugar from 0.9 cent per pound to 1.5 cents. The effect of this increase was to reduce our imports of Cuban sugar very substantially.

This tariff increase was injurious to our trade with Cuba and placed a substantial burden on an important part of our sugar supplies at the very time when action was taken to make larger supplies available.

In his statement yesterday Senator JOHNSON quoted extracts from my reply of February 7, 1940, to Representative MOUTON. I would like to complete the reference by quoting the final paragraph of that reply.

"As you know, the increase in the duty on Cuban sugar which resulted, under the terms of the sugar note included in the 1934 agreement with Cuba, from the suspension of sugar quotas last September operated to place a substantially increased burden on the importation of Cuban sugar precisely at a time when consumers feared a shortage of sugar and when there had been a large speculative increase in the price of sugar."

With reference to the excise-tax and benefit payments, to which Senator JOHNSON also refers, I may point out that this tax continued to be levied on Cuban sugar, as on other sugar during the period of the quota suspension, and it is my understanding that the benefit payments continued to be made on domestic crops marketed during that period. Cuban producers, of course, do not receive such payments.

I am confident that, in the light of the foregoing explanation, Senator JOHNSON will agree that it was right and equitable that the American consuming public should be protected in the manner indicated, while at the same time the essential interests of domestic-sugar producers remain protected by the continued linking of the tariff reduction on Cuban sugar to the maintenance of legal provision for sugar marketing quota restrictions.

Sincerely yours,

CORDELL HULL.

Mr. VANDENBERG. Mr. President, I rise in opposition to the pending joint resolution to again extend the life of the

Reciprocal Trade Agreements Act. The people of my State of Michigan are seriously divided upon the subject. There are those who earnestly believe in the Hull program; there are those who equally earnestly do not believe in it. Therefore I feel that I owe it to myself, to the record, and to my constitutents to indicate plainly why I now asume the position which I take. I never like to leave any misunderstanding regarding my attitudes or my views. My constituents are entitled to know precisely where I stand.

Mr. President, I oppose the pending measure for the following categorical reasons:

First. The trade-agreements law continues to be an unconstitutional delegation of legislative power and discretion to the Chief Executive. It delegates the treaty power, the tariff power, the internal taxing power, a combination of surrenders which could not be more flagrant or more subversive of the American constitutional system.

Second. It delegates to the Executive, in actual practice to a State Department bureaucracy which finally operates in despotic secrecy, the virtual power of life and death over every protected industry, every protected industrial job, and every protected agricultural commodity in the United States. As Secretary Hull himself once said of an infinitely less expansive delegation of the tariff authority, "This is too much power for a bad man to have, or for a good man to want." It is economic dictatorship come to America.

Third. Through its blind attachment to the unconditional most-favored-nation policy, at a time when most of the rest of the world renders only the scantiest lip service to this doctrine of generalized trade equities, it is slowly but surely, if not deliberately, driving the United States to a basis of uncompensated low tariffs which will ultimately wreck us just as surely as too low tariffs heretofore have always been poison to American wage and living and price standards. We cannot preserve American standards—higher than anywhere else on earth—unless differentials between foreign and domestic costs of production are equalized by protective tariff at the customhouse.

Fourth. It is a weak and wholly inadequate instrumentality for serving even the purpose for which it is presumed to be dedicated, namely, the defense and promotion of our foreign trade, because war conditions and prospective post-war-trade competitions involve a multitude of trade weapons which these wishful reciprocal treaties do not and cannot remotely touch. We require a far more realistic and effective foreign-trade program, one which "fights the devil with fire," if I may use the colloquialism, and one which is geared more intimately to foreign-trade obstacles on the one hand and to the necessities of our own domestic economy upon the other. I yield to none in my desire to promote foreign export trade by every legitimate means which do not create more problems than they solve.

Fifth. It is not working, it cannot work, as was hopefully intended, except in favored spots, and the best exhibit to prove that in a nutshell is submitted to us by the United States Department of Commerce, which tells us that in 1933, the last full year before any trade agreements were in operation, 2,384,000 of our people were engaged in the production, distribution, and servicing of goods for export; whereas in 1937, a full year after the treaties were in operation, the people thus employed numbered only 2,400,000. In other words, the increase was little or nothing and purely incidental in respect to the revival of world trade and our share in it.

Sixth. The alternative is not to abandon all pursuit of foreign trade and all defense of our external commerce. The alternative is not to revert to what is rightfully condemned as logrolling, general revisions of the tariff. The alternative is to seek reciprocity which tangibly reciprocates; to provide a concentrated foreign-trade authority which can cope with all the external trade penalties which American export increasingly confronts; to keep our tariffs elastic, through the medium of a ministerial agency which responds to specific congressional criteria, and in constant adjustment to American costs of competitive production.

Mr. President, I shall endeavor to sustain in somewhat greater detail, although still briefly, each of these six points. But before I do so I think I owe it to candor to make it plain that a substantial sector of the constituency which I have the honor to represent disagrees, at the moment, with the position which I assume and assert. For example, a vast majority of the great automotive industry, which largely centers in Michigan, not only enthusiastically applauds this reciprocal trade treaty law but unreservedly recommends the unencumbered passage of the pending joint resolution.

In the negotiation of these trade treaties, the State Department has been consistently considerate of the automotive industry, and unquestionably has been helpful to it in spots. That industry is the key industry in America today, and if we are to proceed under this particular law, it is to the credit of the State Department that it does everything it can to promote the external welfare of this industry.

I owe it to candor—and certainly to a substantial part of my constituency—to further state that many great commercial bodies, like the Detroit Board of Commerce, approve the Hull program and advocate its unlimited continuation. But I ask Senators to contemplate the position in which I thus find myself, and to attribute to me what must be a profoundly deep conviction when I step away from these great sectors of my constituency to agree with those other sectors, principally in the farming area, in the smaller cities, in the protected industries, and in the mining area, who insist that a continuation of this program is to their everlasting hazard.

I disagree with these power industrial interests of my State with the greatest reluctance, but the fact that I disagree I hope proves the deep sincerity with which I cling to the position I have taken ever since this Hull program has appeared in the halls of Congress. I want to save American wage standards in our factories. I want to promote parity prices on our American farms. I want to protect our American advances toward greater social security than has been attempted anywhere else on earth. It cannot be done, Mr. President, if we are leveled off, in any degree, to foreign standards.

Mr. President, I may say at that point in respect to the automotive industry, since it is a matter of great concern, and since it is constantly used as one of the great exhibits to defend the utility of the Hull program, that the testimony of those who spoke for the industry before the Senate Finance Committee, is a substantial answer to their own assertions respecting the value and the importance of the contribution which the Hull program makes to their export prosperity. This is what I mean. They present figures which show that their automotive export trade has increased from $76,000,000 in 1932 to $282,000,000 in 1938, and they invite the inference that that great increase is substantially attributable to the Hull program. But, Mr. President, when you break their figures down you find that they had recovered $250,000,000 of their $282,000,000 before the Hull program was even substantially under way. In other words, the major recovery in export trade, be it the automotive industry whose figures I am particularly quoting, or any other industry—the major recovery in exports is not due to the Hull program. It is due to the recuperation of world consumptive buying power, and no other conclusion can honestly be drawn from the statistics.

I have said that others of my constituents do agree with the position I take. I think every farm organization in Michigan, precisely like every substantial farm organization in the country, has insisted upon at least some sort of additional protection before this law shall be extended, and in all but one instance every other major agricultural organization is insisting, either that the whole program shall be suspended, or that Senate ratification of future treaties shall inject some small degree of representative democracy and democratic protection into this terrifically important trade process.

There are other interests in my State of Michigan that are involved. Mr. President, the Upper Peninsula of my State would be literally on fire against this measure today if the State Department, with a shrewd precaution worthy of practical diplomacy at its best, had not hastened to announce on the threshold of this discussion that it has decided at least for the time being to forego any tampering with the excise tax on copper in connection with the still pending Chilean negotiation. Yes, and the great sections of the agricultural West would be marching against this measure if the State Department on the eve of this issue had not conveniently announced its abandonment of negotiations for an Argentine treaty, which could not have failed to jeopardize our western agricultural interests. These gentlemen may not be logrollers, but at least they are extremely practical in their strategy.

It can be argued that these timely announcements prove that the State Department does not intend to abuse its power, but, Mr. President, that is not enough for me. I do not think any powers should exist which can be abused. I prefer that the chastening and ameliorating influence of congressional review should always and constantly be present to temper the wind to the shorn lamb and to keep the State Department in constant consciousness of the presence of a House and Senate on the hill, when handling any sector of our foreign relations.

There is one other preliminary thing I wish to say. I wish to join in the expression of deep personal respect for the distinguished Secretary of State, for whom this measure is the climax of a consistent life ambition. I consider Cordell Hull one of the great men of his time. He has a purity of character and an integrity of purpose that shines like the noonday sun in a clear, blue sky. He believes in low tariffs. He has always believed in low tariffs. He devoted a distinguished congressional career to the pursuit of low tariffs. He has never deviated in his course. At last he has found a way to get what he wants.

But I happen to be a congenital protectionist. So our paths part. For precisely the same reason that he is basically in favor of this measure I am basically against it. Nonetheless I present him with my respect, and my affection, and my congratulations that, in the language of the street, he has found "there is more than one way to skin a cat." What he could not get in Congress he now gets from Congress.

Mr. President, let me develop without too much detail the fundamental points to which I have adverted, which move me to oppose the pending measure. Even if it were possible to concede a great cash-register advantage to us from the Hull treaties, which I deny, I am unable to accept commercial advantage as an excuse for breaking down the constitutional formula which protects an American interest in free institutions wholly transcending transient profits from trade. Certainly none of us will consciously put a price upon our constitutional fidelities. Yet the pending measure creates, in the fictitious name of commercial profit, a complete emasculation of constitutional warrants and controls.

There are few, if any, Democrats upon this floor who do not violently condemn the elastic provision of previous tariff laws as an indefensible delegation of congressional power and discretion to the President. Yet these "elastic tariffs" which they all condemn put the President within the boundaries of a hard and fast rule that he must not reduce American duties below the difference in cost of production at home and abroad. The Hull law contains no such rule of thumb at all; it contains no effective limitations. There is a vague and general permission which lets the President—that is to say, a committee of State Department bureaucrats—do whatever they please, within a 50-percent range—whatever they think will please, America, according to their economic ideas.

If they happen to think that free trade will benefit America, we forthwith get as much free trade as they can give us. They, the State Department bureaucrats, thus settle a great question in fundamental policy which heretofore has been an undefiled prerogative of the American people to settle for themselves at the polls in the election of a Congress which should act for itself; or, better still, through a scientific tariff control continuously exercised through a foreign-trade board acting within specific statutory limitations.

This thing now being done was not what the Constitution intended. It is not what Secretary Hull himself thought and said the Constitution intended—until he reached his contemporary eminence.

I am now referring to the same exhibit which was presented to the Senate by the able junior Senator from Nevada [Mr. McCARRAN], who now occupies the Presiding Officer's chair, in his able and unanswerable address yesterday. It is so important as revealing a fundamental philosophy for which the Secretary of State himself was a flaming devotee and advocate that I must refer to it again.

While Mr. Hull was a Member of the House of Representatives he opposed the "elastic tariff," and, I repeat, the "elastic tariff" was an infinitely minor delegation of power compared to this—he opposed this lesser delegation of power in a speech on May 13, 1929, from which I quote. Mr. Hull is speaking:

> The proposed enlargement and broad expansion of the provisions and functions of the flexible-tariff clause is astonishing, is undoubtedly unconstitutional, and is violative of the functions of the American Congress.

Secretary Hull speaking:

> Not since the Commons wrenched from an English King the power and authority to control taxation has there been a transfer of the taxing power back to the head of the Government on a basis so broad and unlimited as is proposed in the pending bill.

Secretary Hull still speaking:

> As has been said on a former occasion, "this is too much power for a bad man to have or for a good man to want."

Mr. Hull still speaking:

> This proposal embraces another revolutionary policy—

"Revolutionary policy" is the phrase which the eminent Secretary used to describe this lesser delegation of power a decade ago—

> This proposal embraces another revolutionary policy, which is to abandon the law and the Republican doctrine to the effect that all tariffs should be measured by the difference between production costs here and abroad by adding a number of alternative so-called methods to ascertain what is termed conditions of competition between this and other countries. It is proposed thus to give the President and his Tariff Commission, which, by the way, is virtually taken away from Congress, authority to use what in practical effect will be any sort of basis on which to fix tariff rates.

Mind you, he is complaining against any legislation which delegates tariff-making authority either to the Executive himself or to the State Department, or to the Tariff Commission, which in practical effect permits them to choose "any sort of basis on which to fix tariff rates."

That simply was not so in connection with the thing he was talking about at the time, but it is a complete and accurate definition, word for word, of the delegation of power which the Secretary not only now accepts but urges that he shall have the privilege to continue to accept for 3 more years.

Mr. Hull was later in the Senate. I repeat, he has always been a very consistent man up to this point. Even at this point he is consistent because he is obtaining low tariffs through a back-door method, but he ceases to be consistent with respect to his attitude toward this delegation of power.

This is Mr. Hull speaking in the Senate on May 19, 1932:

> The President goes further and refers to the retention of the flexible-tariff clause. At the time this clause was enacted I called attention in a speech in the House to the significance of this flexible-tariff policy and the effect of the proposed enactment of the present law in the following language—

Whereupon he quotes himself as I have already substantially quoted him. Then Mr. Hull continues:

> Unless and until the executive department can make permanent the policy of the present Tariff Commission law, with its flexible provision, Congress can lay claim to some semblance of its taxing power under the Constitution; but I deny the right of the executive department practically to assume—to arrogate to itself—the chief power of tariff taxation in this country, while it ignores the great lawmaking body charged with that function and duty under the language of the Constitution.

If that is not a literal definition of the thing which the Senate is now asked once more to approve, then I cannot understand the English language.

This is some more from Mr. Hull:

> There is an issue sharply presented as to whether this hand-picked high-tariff commission, under the domination of the President, who at the same time shows an amazing subserviency to the chief tariff beneficiaries of this country, shall be vested with the chief control of tariff making. I am opposed to it, and I believe that the sober second thought of the American people will repudiate this unprecedented and unusual and wholly unjustifiable arrogation of power and authority to the President.

Mr. President, that was excellent doctrine on May 19, 1932, and it is excellent doctrine on March 27, 1940.

Thus, Mr. President, we find that he who insisted only 8 years ago on the unconstitutionality of the elastic tariff—which, remember, was far more limited than the pending reciprocal-tariff powers—is now the earnest sponsor of a continuing proposal which removes Congress still further from its rightful authority in tariff making. It is impossible to compose these violently different points of view. The elastic tariff, which Mr. Hull and most of his colleagues said was unconstitutional, did not permit the President to make a treaty or a commercial agreement with anybody. It did not permit the President to invade the internal-tax structure of the country and change existing internal-tax laws or to tie the hands of Congress against future changes in internal-tax laws. It stopped far short of the enormous Executive prerogatives which the pending joint resolution would validate and extend. It laid down a cost-of-production rule which the Executive could not violate. Yet Mr. Hull said time and again that these lesser elastic tariff powers were the most reprehensible surrender of popular sovereignty "since the Commons wrenched from an English King the power and authority to control taxation."

The Supreme Court has said that Mr. Hull was wrong in respect to the elastic tariff, because—quoting from the Supreme Court—that law laid down "by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform," and because the law left no discretion upon these questions to the congressional agent.

These elements are wholly lacking in the pending measure. Yea, more, the joint resolution goes infinitely further. It sometimes gives exclusive treaty-making powers to the President, as I have demonstrated with the Colombian exhibit. It gives power to the President over internal taxation, as we find when he reached into the excise taxes on copper, coal, oil, and lumber, although the distinguished chairman of the Senate Finance Committee stood upon the floor of the Senate at the time the law was passed and assured us upon his responsibility that the President would have no such authority to invade the excise taxes to which I have referred.

Mr. President, I oppose such a clearly unconstitutional surrender of legislative responsibility; and I am consoled by the thought that Secretary Hull himself, as recently as 1932, would have given me powerful support in my position. In the light of the record, he could not have done otherwise. In the light of the record, I shall sustain what I believe to be the constitutional position.

One of two things should happen. Either these treaties should come back to the Senate for ratification or the law should be amended to provide specific criteria to prevent the State Department negotiators from ignoring the adequate defense of American costs of production. Better still, we should create a foreign-trade board, which, among other things, shall permanently keep the tariff in nonpolitical adjustment to American costs of production. I have introduced such a bill.

I now leave the constitutional argument to the lawyers. However, there is a phase of it which even a layman can comprehend. Many industries in this country cannot survive without legitimate and adequate tariff protection to equalize our higher wages, costs, and living standards. Many agricultural commodities cannot survive in unequalized competition with foreign agricultural imports. This is a condition, not a theory. But the Reciprocal Trade Agreements Act permits a committee of State Department bureaucrats to decide for themselves—in ultimate secrecy—whether protected industries and commodities shall live or die.

They decide for themselves which industry and which commodity shall be traded off in favor of benefits for other more fortunate industries and commodities. They pick the winners, and they pick the losers. If they are omnisciently wise, all is well. If they are wrong, the victims suffer without recourse; and the victims are the people of the United States. If they believe that wisdom dictates a rule that no American activity is entitled to survive unless it is economically able to meet foreign competition without a protective-tariff differential—that view is highly held by some of the administration's chief spokesmen, and has been asserted more than once—if that be their view, then goodbye to many protected industries and farm commodities under the latitude of the pending joint resolution. Goodbye also to American wage standards, and to at least half the American jobs which still remain filled.

This is a discretion, mark you, placed in the hands of a group of appointed officials who have never answered to the electorate for their power or for their acts. It is the most tremendous of all the delegated powers which have transferred us from democracy to government by executive decree.

It is not enough to say that this power has not been and will not be abused. It is not a question of abuse. It is a question of human judgments. Borrowing the language of Mr. Hull upon a previous occasion, it is too much power for a bad man to have, or for a good man to want. It leaves all protected agriculture and all protected industry in a state of constant suspense and uncertainty. It defeats long-range planning and long-range recovery. It makes dependable planning in private enterprise impossible. It makes government the master of American industry and agriculture. Even though it were to produce economic benefits—which I deny, considering the country as a whole—still I confess that I cannot understand how some of our great industries, even though they may themselves be the transient beneficiaries of the system, can upon the one hand demand free enterprise and inveigh against the deadening hand of bureaucracy, while on the other hand they sustain the reciprocal trade-treaty law, which is the deadliest hand of bureaucracy which has yet descended upon American life. The battle for freedom cannot be a battle of any such compromise; and I shall continue to decline the compromise.

Mr. President, I now wish briefly to discuss the double proposition: First, that it is impossible for the United States to operate safely under the so-called unconditional, most-favored-nation policy in a world at war; and second, that the reciprocal formula in the joint resolution is wholly inadequate, if not actually a handicap, in meeting the external trade-controlling devices which dominate the world at war and will inevitably dominate the competitive post-war trade readjustments.

Despite the bravely wishful suggestions of the Under Secretary of State Welles in Paris 2 weeks ago to the contrary, there can be no argument that straight tariffs are now a relatively minor factor in the trade controls with foreign governments. Yes; and even we ourselves have not hesitated to invoke export subsidies and barter agreements upon occasion in complete negation of our own contemporary philosophy. We can scarcely criticize others for kindred realism, but, as realists curselves, in the face of these conditions, we should no longer lean on one poor, broken crutch. It is neither wise nor safe.

Straight tariffs, I repeat, are now a minor factor and will be for many years to come. Instead we face exchange restrictions, exchange allotments, bilateral agreements, quotas, embargoes, barters, special regulations, formation of trade areas, currency blocs, and, the most devastating weapon of all, depreciated currencies. Few of these trade barriers

against us are ever conclusively reached by reciprocal-trade treaties. Under the unconditional most-favored-nation policy, which we still faithfully pursue, we generalize all our tariff benefits to others; oh, yes; foreigners get everything; there is no question about that; but we get precious little generalized reciprocal benefits in return under existing conditions. We saunter complacently down a one-way street, and we are about to lose our shirts.

As long ago as 1935, 5 years ago, the very able Assistant Secretary of State, Henry F. Grady, now in charge of the reciprocal-trade treaties at the State Department, said this:

Even more serious than tariffs and trade barriers and far more threatening with respect to the future of world industrial development, is the virtual destruction during the last 4 years of the structure of international prices because—

Because of what? Because of tariffs? Oh, no.

because of the gross discriminations, preferential trading arrangements, and the arbitrary control of trade through import quotas, exchange allocation, and the like.

That was back in 1935. The intervening years, despite trade treaties, have not leveled off these obstacles; on the contrary, they mount higher and ever higher.

The Bureau of Foreign and Domestic Commerce says, in its annual report for 1939:

Obstacles to foreign intercourse * * * became perhaps even more numerous and more complex during the past year than in preceding years. * * * Various forms of exchange restrictions imposed by foreign governments have created a problem of obtaining effective payments in dollars quite apart from the ordinary difficulties of securing and holding foreign markets for American products. Not only are restrictions placed upon the free conversion of foreign currencies into dollars, but it may be required also that exchange allotments must be obtained before goods are passed through customs or even before goods are ordered. Imports from the United States are frequently on a different footing from shipments originating in other countries.

Mark that phrase—

Imports from the United States are frequently on a different footing from shipments originating in other countries.

This is the testimony of the Department of Commerce. We are supposed to be trading under the unconditional most-favored-nation theory in dealing with the world and the world is supposed to reciprocate in dealing with us in kind. If they deal with us in kind, they treat us as they treat others. What does the Department of Commerce say about the way they treat us. This is what the Department of Commerce says:

Imports from the United States are frequently on a different footing from shipments originating in other countries, notably in instances in which clearing and compensation agreements are in effect or in which bilateral trade results in an excess of exports from this country; and special regulations are sometimes applied to the importation of particular commodities. Transfers of dividends, profits, royalties, and other payments not directly related to trade in goods are often subject to rigid controls. Moreover, the operations of American-owned enterprise in certain foreign countries, involving investments of large propositions, have been placed under severe disabilities.

This is still the Department of Commerce discussing the realities of the obstacles to our export trade, realities that utterly laugh at any conclusive relief that can come from reciprocal-trade treaties:

In the case of barriers to trade in goods there has been increasing resort to measures beyond the familiar tariff duties. For example, quota systems which stipulate maximum quantities of specified commodities which may be imported from all countries, have become common. * * * The situation has been rendered the more confusing during recent times by political dislocations in central Europe and Asia and by the formation of trade areas and currency blocs to which access from outside areas is completely or partially closed by the use of extraordinary control devices.

That is what we confront, "extraordinary control devices" on every hand all around the globe. Yet we blandly, naively extend the "unconditional most-favored nation" privilege to the world, and we usually get nothing back from it except a very casual and occasional general tariff benefit. There are some exceptions but not many.

In the hearings before the Senate Finance Committee, Secretary Wallace very frankly said—page 67:

I would say exchange controls and quotas are probably more significant than tariffs.

Of course they are. Yet the Trade Agreements Act, which is supposed to be the alpha and omega of our export salvation, deals almost solely with tariffs, and tariffs are utterly a minor factor in the problem which we confront in this war-torn world and in the inevitably highly competitive circumstances which will control the post-war readjustment.

Secretary of State Hull himself said before the National Foreign Trade Convention in New York City on October 10, 1939:

From the very outset of the present war, the belligerents have begun to subject their foreign trade to rigorous government controls, which have already far surpassed in comprehensiveness and thoroughness the regulations put into force during the earlier period of the last war. The drastic restriction by the belligerents of imports unessential to the prosecution of hostilities and their concentration on imports needed for war will place before our exporting industries serious problems of adjustment. Whether the net result of these factors will be an increase or a decrease of our total exports to Europe, no one can tell at this moment. Whatever the result, it will be determined by conditions over which we have little or no control.

That is my complaint, among others. It is one of my fundamental complaints against extending the trade-treaty program at the present time.

The distinguished Senator from Colorado [Mr. JOHNSON], who now occupies the chair, repeatedly stated in the hearings before the Senate Finance Committee that it might be well to leave the existing treaties where they are, but to stop where they are for the period of the present and approaching emergency, because conditions are so utterly chaotic, so utterly unpredictable that it is absurd to think that we can deal with them on any such wishful good-neighbor basis as we have contemplated in the past. I am not complaining about good neighborliness or even about the unconditional favored-nation policy in connection with tariffs in normal times; that is all very well; but these are abnormal times. Mr. Hull himself says that the result of these trade obstacles around the world will be determined by conditions over which we have little or no control. Yet we go right along writing unconditional most-favored-nation tariff treaties, giving everything we have to everybody else in the world, holding nothing back, while the world, in turn, gives us precious little reciprocating dividends, and we cannot do anything about it under existing circumstances.

Mr. HARRISON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. VANDENBERG. I am very happy to yield.

Mr. HARRISON. So the Senator is against the most-favored-nation provision in trade agreements?

Mr. VANDENBERG. Yes; under war and post-war readjustment conditions.

Mr. HARRISON. Does the Senator make that exception? He agrees with the platform of his party in 1932 and in 1928, does he not?

Mr. VANDENBERG. Yes, indeed.

Mr. HARRISON. And he is in agreement with the views and expressions of Chief Justice Hughes on this question?

Mr. VANDENBERG. The Senator is going back to 1922. I have forgotten precisely what the Chief Justice said when he was Secretary of State, but I am inclined to think that what he said I could agree with.

Mr. HARRISON. He did not say anything about an exception in time of war. He himself was strong for the most-favored-nation clause.

Mr. VANDENBERG. He was acting then in a peace era and did not have the conditions to confront which we confront today.

Mr. HARRISON. And the Senator's party said nothing in its platform about war being an exception.

Mr. VANDENBERG. It does not make any difference whether the platform said anything about a war exception or not; I make a war exception so far as I am concerned, and the war has made an exception whether the Senator from Mississippi or I like it or not.

Mr. HARRISON. I just wanted to get the matter clear, because the Senator's views will have great weight through-

out the country, and they might be accepted as a repudiation of his party's prior platform; and we would not want that to happen.

Mr. VANDENBERG. No. I appreciate the Senator's belief that Senatorial opinion still has some authority in the country. If it does, the statement which the Senator from Mississippi himself signed—if he wants to discuss ancient history—on September 29, 1929, ought to have a great deal of influence with the country.

Mr. HARRISON. When I signed that statement the Supreme Court had not passed on the question; and I abide by the action of the Supreme Court, as expressed through Chief Justice Taft.

Mr. VANDENBERG. Yes; the Senator has to abide by the opinion of the Supreme Court, and so do I.

Mr. HARRISON. Yes; and I thought the Senator from Michigan was a good enough soldier to abide by it also.

Mr. VANDENBERG. So do I have to abide by it. As a matter of fact, the Court sustained my own position when it repudiated the position of my genial friend the Senator from Mississippi. But I do not have to surrender any great, fundamental convictions if the Court and I should happen to disagree upon some proposition; and when I read what the Senator from Mississippi had to say in 1929 about the horror and the degradation to which Congress was submitting itself by delegating a little, limited, elastic-tariff power to the United States Tariff Commission and the Chief Executive, I am amazed that even his fidelity to the opinions of the Supreme Court can so completely wipe out all of the convictions which he so bravely asserted upon that occasion. Mr. President, it almost breaks my heart. I will not read the statement. [Laughter.]

Mr. HARRISON. It would be the best part of the Senator's speech if he should read it. [Laughter.]

Mr. VANDENBERG. Under the Senator's urging, I will read it. [Laughter.] The Senator from Kentucky [Mr. BARKLEY] will now have to relieve me of the hopeful promise I made to him that I should be through in 60 minutes.

Mr. BARKLEY. Mr. President, of course it is not the first time a Republican ever broke his promise. [Laughter.]

Mr. VANDENBERG. No; but I can think of no Republican promises that have been broken so spectacularly as certain Democratic promises. What were some of those promises about reducing the expenses of government 25 percent? Well, that breaks my heart, too. I will not go into that subject. [Laughter.]

Mr. HARRISON. If it will please the Senator or shorten his speech so that we may get along, I will admit everything that appeared in that statement at that time.

Mr. VANDENBERG. I thank the Senator for his confession.

Mr. HARRISON. And I withdraw the suggestion that if the Senator should read the statement, it would be the best part of his speech.

Mr. VANDENBERG. All right. That further complicates the situation.

I will compromise with the Senator from Mississippi, and content myself with merely a few quotations from the philippic which he delivered in 1929 against a very modest, limited delegation of tariff-making power to the Executive under the elastic provision.

Was the Senator about to rise?

Mr. HARRISON. No, Mr. President. I merely want to say that I have heard that statement so often from Republican lips that I know it by heart; but I am not going to let that cause me to read from the Senator's speech of 1932, which was just opposite to the position he has now taken.

Mr. VANDENBERG. I disagree with the Senator. I will stop right now and let him read that speech. I should like to hear it.

Mr. HARRISON. No. The Senator talked about logrolling, and bringing tariff changes back to Congress for approval, and so forth.

Mr. VANDENBERG. No; let us have a quotation. The Senator has charged me with inconsistency. According to the Senator from Arizona [Mr. ASHURST], that is not a crime; but I should like to know in what respect I am inconsistent.

Mr. HARRISON. The Senator has not yet argued the question of submitting agreements to Congress for approval. I imagine that will be in his second edition.

Mr. VANDENBERG. The Senator thinks I am going to be inconsistent by and by?

Mr. HARRISON. Probably, yes; because the Senator talked about logrolling, and about tariff changes having to come back to Congress for approval.

Mr. VANDENBERG. Suppose we wait until I am inconsistent before I discuss the matter.

Mr. HARRISON. Very well; then I will delay it. [Laughter.]

Mr. VANDENBERG. Mr. President, these detours are very interesting and somewhat illuminating, but they really do not bear very heavily upon the desperately important point which is before the Senate. I think I shall return to my fixed plan of presenting what remains of my argument upon this subject, and simply ask that at this point there be inserted in the RECORD this magnificent statement, which is not alone that of the distinguished Senator from Mississippi [Mr. HARRISON], but is equally the statement of the distinguished Senator from Utah [Mr. KING], the distinguished Senator from Georgia [Mr. GEORGE], the distinguished Senator from Massachusetts [Mr. WALSH], the distinguished Senator from Kentucky [Mr. BARKLEY], the distinguished Senator from Oklahoma [Mr. THOMAS], and the distinguished Senator from Texas [Mr. CONNALLY].

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. The view which was expressed by those Senators at that time was subsequently overruled by the Supreme Court of the United States; was it not?

Mr. VANDENBERG. Yes. Before the Senator from Missouri came in, we canvassed that ground.

Mr. CLARK of Missouri. I do not want to lead the Senator into repetitious byways.

Mr. VANDENBERG. I simply suggest in rebuttal that although the Supreme Court can decide the law, I am sure my dear friend from Missouri has many convictions which no court could overturn.

Mr. CLARK of Missouri. That is perfectly true, Mr. President; but when I undertake to state a legal proposition, I take the law as it is and not as I think it ought to be.

Mr. VANDENBERG. I am not discussing a legal proposition. I am discussing the theory and purpose of this trade program.

Mr. CLARK of Missouri. The Senator is discussing what these other Senators stated at that time as a legal proposition, upon which they have subsequently been overruled by the Supreme Court of the United States on a number of occasions.

Mr. VANDENBERG. No; the statement is not a statement of a legal proposition at all. In fact, I do not think much is said in the statement about the legalistic phase. It is a magnificent apostrophe to the importance of retaining in the Congress of the United States control over taxation.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

JOINT STATEMENT ISSUED BY DEMOCRATIC MEMBERS OF SENATE FINANCE COMMITTEE ATTACKING PRINCIPLE OF PERMITTING PRESIDENT TO PASS UPON TARIFF RATES

September 29, 1929, the eight Democratic members of the Senate Finance Committee issued a public statement in which they attacked the principle of permitting the President to pass upon tariff rates as being unconstitutional and a menace to the democratic form of government. The statement follows:

"A question of far-reaching consequence transcending considerations of party, prompts us to issue a public statement in relation to the so-called flexible provisions of the tariff bill now pending before the Senate.

"The question involved is one that in our opinion strikes at the very roots of constitutional government. It concerns the preservation unimpaired or the abandonment of the power of levying taxes

by that branch of the Government which the forefathers agreed should alone be charged with that duty and responsibility.

"Whatever argument could be advanced during the war and immediately following for delegation to a degree of the taxing power to the Executive unquestionably no longer exists. To incorporate now in the law any recognition of a right of the Executive to impose taxes without the concurrence of the legislative branch is without justification.

"Authority in the Executive to make the laws that govern the course of commerce through taxation is especially objectionable. It is an entering wedge toward the destruction of a basic principle of representative government, for which the independence of the country was attained and which was secured permanently in the Constitution.

"There is no issue here as to the integrity of any Executive who has had or may have extended to him the exercise of this power. The issue is one of taxation by one official, be he President or monarch, in contrast to taxation by the representatives of the people elected, entrusted exclusively with the power to seize the property of the citizen through taxation. If proof were needed that the danger which the forefathers foresaw is inherent in this issue, a mere casual inquiry into the methods employed, selfish influences used, sinister schemes and contrivances brought to bear, one need but examine the record.

"The principle is: Are taxation laws and their application to be made virtually in secret, whatever may be said about a limiting rule, or are they to be enacted by the responsible representatives of the people in the Congress, where public debate is held and a public record made of each official's conduct?

"The arbitrary exercise of the taxing power, all the more dangerous if disguised and not obvious, in its basic character is tyranny. Resistance to the impairment of this popular right has largely occasioned many of the wars and revolutions of the past.

"An issue of this importance should not be associated with the opinions or necessities of those interests, States, or sections that directly profit by some rate schedule in the body of the tariff act. With respect to the principle here at stake, any trading or log-rolling is especially unjustifiable and indefensible. Neither should we be unduly influenced by the attempt to divert attention from this momentous issue by condemnation of and emphasis upon the dilatory and unsatisfactory results of congressional procedure.

"No one seeks to prevent or in any way to interfere with the investigations and reports of the Tariff Commission in connection with emergency tariff legislation. The point is, we emphatically insist that final action and responsibility based on Tariff Commission reports shall be taken by the Congress.

"For the purpose of preventing apprehended congressional delay an amendment has been made providing for the submission of the reports to the Congress by the President, and, furthermore, an amendment will be presented strictly limiting action by the Congress to matters germane to the particular subject matter or rates recommended by the President after investigation by the Tariff Commission.

"We do not hesitate to say that if this extraordinary and what we believe to be unconstitutional authority passes now from the Congress, it is questionable if there will ever again be a tariff bill originated and enacted by the Congress.

"It is our solemn judgment that hereafter all taxation through the tariff, and regulation of commerce thereby, will be made by the Executive. It is the inherent tendency of this tariff-changing device and the apparently conscious purpose of its proponents to use it to keep the tariff out of Congress, where it is such an embarrassing business, as everyone knows, to the party that profits politically by it. So, also, it will be of distinct advantage to the interests that are the direct beneficiaries of the tariff.

"In an age where there has been a steady tendency to rob the individual citizen of his power and influence in his Government through bureaucracy, we deem it our duty to vigorously protest any further encroachments in this direction, and especially with respect to taxation.

"In the hope of arousing the people, regardless of party, to take a broad public view of this important public question, we make this appeal.

"FURNIFOLD M. SIMMONS, of North Carolina.
"PAT HARRISON, of Mississippi.
"WILLIAM H. KING, of Utah.
"WALTER F. GEORGE, of Georgia.
"DAVID I. WALSH, of Massachusetts.
"ALBEN W. BARKLEY, of Kentucky.
"ELMER THOMAS, of Oklahoma.
"TOM CONNALLY, of Texas."

Mr. VANDENBERG. Now, let me get back to a discussion of the unconditional most-favored-nation policy and its relationship to this law, because I think it is of fundamental importance in connection with the decision we are about to make.

In the trade conditions now existing throughout the world, in the presence of all these various new trade obstacles and trade devices, it is absolutely impossible for us to get our money's worth, or anything like our money's worth, under the unconditional most-favored-nation policy. There is an "escape clause" in most of these treaties which would permit us to terminate the treaties on short notice in case of a few of these foreign obstacles; notably, in case depreciated currencies prejudice the industry or the commerce of the United States. But "escape clauses" seem to make little difference. We have never used them, although between the signing dates of the treaties and the last of November 1939 currencies of European agreement countries had depreciated as follows:

	Percent
France	66
Belgium	29
Switzerland	31
The Netherlands	22
The United Kingdom	17
Finland (before the war)	9
Sweden	6

This means that one American dollar buys more foreign money, and that imported goods thus become proportionately cheaper. But look briefly at some of the other barriers which shut us off from most-favored-nation treatment, while we continue to grant most-favored-nation treatment to those who cut us off, making of Uncle Sam a sort of international Santa Claus now, as it were.

The United States Tariff Commission tells me, under date of March 5, 1940, that 1,584 bilateral agreements have been made between other countries since January 1, 1935, which is to say, since our trade-treaty program got into full swing. Some of them are inconsequential, and some do not directly affect trade. This is what the Tariff Commission says about it—and I quote briefly from a recent letter to me:

> Ordinarily, provisions relating to quotas cannot be generalized; and there are more and more important instances of discrimination against the United States in the case of quotas than in that of customs duties.

I do not care where we turn in exploring this problem. We may turn to depreciated currencies, we may turn to embargoes, we may turn to bilateral agreements, we may turn to any of these devices, and I can bring official testimony out of the executive department of the Government, to prove that all those obstacles are infinitely more important to export trade and to the prevention of the recapture of our export trade, than are the regular tariff laws themselves.

I repeat, Mr. President, I am complaining that this is a desperately dangerous time for us to go on with unconditional most-favored-nation agreements, at least until we have weathered our way through the devious and probably devilish post-war competitions which we yet confront in connection with ultimate readjustments.

Mr. AUSTIN. Mr. President, I wish to understand that point more fully, and I ask the Senator from Michigan whether he found that the Executive had reduced the rates of duty on 1,584 items.

Mr. VANDENBERG. No, Mr. President; that is a different figure. I said that other countries, with most of whom we have trade agreements, since January 1, 1935, have made 1,584 bilateral agreements among themselves, giving one benefit to one and another benefit to another, none of which are generalized to us, except with a few casual exceptions.

Mr. AUSTIN. Will the Senator permit an observation?

Mr. VANDENBERG. Certainly.

Mr. AUSTIN. I notice in the CONGRESSIONAL RECORD, page 1768, that Representative ANGELL, of Oregon, makes this claim, namely, that the Executive "has reduced over 1,000 rates of duty, has agreed not to increase rates on 100 additional items, and has agreed not to place duty on some 150 products" which are now on the free list. I am very much interested in the Senator's able discussion.

Mr. VANDENBERG. I think the figures cited by the Senator are correct. The latest compilation I have is approximately the same as that which the Senator has read.

Mr. President, when we generalize to all the world the tariff benefits we give to some one country in a trade treaty on the naive theory that they are going to generalize everything else to us in this present distraught, chaotic world, we inevitably get the worst of it, in the face of all these other trade restrictions. For example, when we reduced our tariff on manganese in the Brazilian trade treaty of 1936, in return for some presumed reciprocal advantage from Brazil,

we then promptly generalized this reduction to all the world. Since then Brazil has sent us 250,000 tons of manganese under the reduced duty, but Russia has sent us 960,000 tons of manganese under the reduced duty. And what did Russia give us in return for this great tariff advantage? I should be glad to suspend and let someone tell me if he knows. What did we get? Exactly nothing, not even the gratitude of Mr. Browder and his fellow travelers.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CHAVEZ. With reference to the manganese item, which the Senator is now discussing, at the last session the Senate and the Congress passed the Thomas Act, dealing with strategic materials which have to do with national defense. There are several States, including my own State, which are deeply interested in manganese production and have manganese developments, and while we are trying to get along and develop in an orderly way the manganese industry, in keeping with the Thomas Act and in keeping with national defense, the events to which the Senator from Michigan has adverted have occurred. In other words, instead of helping develop the industry in this country so that we could take care of the slack of unemployment about which we talk once in a while, we are getting manganese from Brazil.

Mr. VANDENBERG. I thank the Senator. That is the way it works. Let me use a very simple, plain example of not only how it could work, but how it will work, undoubtedly, just as soon as the law is extended again; because I am perfectly sure that just as soon as the law is extended we shall then be told that a new reciprocal-trade agreement has been made with Chile, which undoubtedly will reduce the tariff on white beans.

What will happen in connection with white beans? We import 800,000 pounds of white beans from Chile. We reduce the tariff on white beans from Chile on 800,000 pounds in return for some other alleged tariff favor from Chile. Then we generalize that reduction to every other country on the globe, and we proceed to take in 8,000,000 pounds of white beans, chiefly from Russia and Manchuria, under the reduced tariff; and we get nothing in the world in return. It just does not make sense, as I view Yankee trading.

Of course, that is not the worst of the white-bean situation. At the same time we are reducing the tariff on beans, and thus increasing the imports and increasing the surplus, we are using the funds of the Federal Surplus Commodities Corporation to take the surplus off the market.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. AUSTIN. I should like to ask the Senator from Michigan whether he is aware that that extension is merely one of the legislative acts performed by the Executive, entirely by the Executive, because it happens that we do not have a most-favored-nation treaty with Russia?

Mr. VANDENBERG. Yes; the Senator is quite correct. The National Cooperative Milk Producers' Federation, which, by the way, bitterly opposes the extension of the trade-treaty law, put its story into statistics. It showed the Senate Finance Committee an authenticated table indicating what happened in respect to duty reductions we received and gave on all products in terms of 1938 trade. It showed a favorable balance of $62,000,000 with trade-agreement countries. But all this was wiped out, and more, by a loss of $137,000,000 to nonagreement countries to whom we gave unconditional most-favored-nation treatment.

The theory is that we will get something back from the countries some day, if and when they are reducing their general tariffs; but, I repeat, that is an utterly broken reed in the present condition of world trade. World trade is not being primarily channeled today by tariffs; it is being channeled by embargoes, bilateral agreements, currency allocations, and block exchange, and all these other devices to which I have referred; and, if the Senate does nothing else, I beg of it to listen when the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE] presents his proposed amendment to the joint resolution, which will at least partially arm us in a world that is armed against us economically.

Mr. President, I have about concluded what I wish to say.

Mr. HARRISON. Mr. President, will the Senator yield in that connection?

Mr. VANDENBERG. I yield.

Mr. HARRISON. Would the Senator object to having printed in the RECORD following his remarks the views and comments of the Tariff Commission with reference to the Holman report, to which the attention of the Senate has been directed?

Mr. VANDENBERG. I have not the slightest objection. I am glad the Senator interrupted me, because I have a letter from Dr. Grady dealing with the subject of unconditional most-favored-nation reciprocal advantages which I think should also be in the RECORD for whatever it is worth.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi? The Chair hears none and it is so ordered.

The matter referred to will be found following Mr. VANDENBERG's address.

Mr. VANDENBERG. Mr. President, I shall avoid any long presentation, at least for the present, of the rival statistics which are available in connection with this question. I think anyone with an ordinarily acute imagination can take the figures which are available in the House and Senate committee hearings and make a tariff argument to any possible conclusion he desires to reach. I would not want anyone to think that the favorable figures which will be presented have a monopoly, however, upon the argument, because it seems to me that an equally honest interpretation of the figures leads to a different result.

I merely wish to go into the figures sufficiently to indicate the foundation for this conclusion. I submit, to begin with, that no figures can be produced to sustain the convenient thesis that the American depression resulted from the Smoot-Hawley tariff of 1930, and that our world trade recovery results from the Hull treaties.

Foreign prices for the basic commodities which enter international trade stood at an index of 160 in 1925. This index fell to 71 by July 1932. Half of this decline, representing a collapse in foreign buying power, occurred prior to July 1930. The Tariff Act of 1930 could not have been even a remote cause. It was merely a belated effort to protect our own market against this foreign situation. It was in line with similar action taken by a large number of other countries at about the same time to deal with the acute world-wide price deflation which continued increasingly to plague us with numerous other devices such as exchange controls, bilateral trade agreements and finally by currency depreciation. Building construction in the United States fell a billion dollars in 1929—a year before the passage of the Tariff Act of 1930—and the total value of stocks on the New York Exchange had dipped 25 billions in this same period. The dollar value of imports fell off nearly 70 percent from 1929 to 1932; but that this resulted from the price collapse, and was not related to our tariffs or our rates of duty, is conclusively demonstrated by the fact that the decrease was at the same rate in the case of "imports free from duty" as in the case of "imports subject to tariff." I have no particular disposition to plead the cause of the Smoot-Hawley tariff or any other general Congressional revision of the tariff because I know, by painful experience, that any such general revision is bound to be a haphazard mobilization of economic decisions that cannot hope to be accurate. I hope we shall never have another general revision. On the other hand, I think the figures prove it to be indefensibly absurd to make the Smoot-Hawley tariff the "whipping boy" of the depression. This administration, in complete control of both branches of Congress, has not once moved in the direction of amendment or repeal. It has been content with a flank attack through the reciprocal trade treaty law. But if it be said that this is their answer, then this measure is frankly a device for the general downward revision of the tariff through the

State Department instead of through the Congress as required by the Constitution. I doubt, Mr. President, whether the prolonged depression can ever be rationalized to a point where we can put an accurate finger on any one cause. But if I were to attempt it, relatively speaking, I should say that the President made one of the major contributions when he forced the collapse of the London Economic Conference in 1933.

But back to the figures for just a moment more. Recovery—that is, relative recovery, because stabilized recovery is still somewhere around that mystic "corner" which we have never reached—relative recovery timidly began in 1932. As foreign prices hit bottom, production declined and inventories were absorbed and prices advanced. With this beginning in world-wide recovery came increases in the dollar value of both exports and imports. This is noted in the world volume of foreign trade as early as 1933. By 1936, when the Hull program got in full swing, we had already increased our exports by nearly a billion dollars and our imports by approximately $700,000,000. Thus, increases in our foreign trade were as great before the trade treaties as they have been since. The Hull treaties had nothing to do with this reversal in trends. The total volume of world trade is the factor of prime control. We had 13.8 percent of world trade—exports and imports—in 1929. This was down to 10.8 percent in 1932. It was still 10.7 percent in 1938. The 1939 figure is not available. Certainly the Hull treaties have helped—in spots. They have hurt—in other spots. The important point is that a world depression hit us in 1929 and we shall ourselves pull out of it, in terms of external trade, in just about whatever degree the world itself pulls out.

Does this mean we need to do nothing about it? No, indeed. We shall not hold our share of world trade except as we are prepared to fight, in an economic sense, for it. I freely concede that the Hull program conscientiously pursues this purpose. It was intended to implement this need. But in my view it is wholly inadequate and unrealistic—for reasons which I shall presently indicate; and it makes the colossal blunder, in my humble opinion, of failing fundamentally to gear itself to our paramount need always to preserve domestic economy in our domestic market where, over the years, we have found 93 percent of our prosperity and where we must look for it in constantly increasing degree.

Let me say again that I am rather impatient with reliance upon statistics in a contemplation of this nature because they may be used to prove so many rival conclusions. I repeat that the dislocations of recent and contemporary wars throw all calculations out of balance. Therefore I should attach unusual significance to the only table in the evidence which takes these dislocations into account. It covers the period of 1934 to 1937. First it separates out our exports in special commodity groups to countries then in war to which is assigned an export increase, in dollar value, of 14.9 percent. Then it shows an export increase of 117.9 percent to trade-treaty countries and an export increase of 126.4 percent to all other non-trade-treaty countries. In other words, we seem to do about equally well regardless of trade treaties. These trade treaties—which, by the way, are reducing our customs revenues an average of about $113,000,000 a year—are not the magic benediction which their zealous devotees, in complete good faith, have convinced themselves they are.

There are many other phases and factors of this problem, Mr. President, to which I could advert. But I think I have said enough to prove the faith that is in me. I have the deeply conscientious conviction that I am defending the best interests of American industry, American labor, and American agriculture.

Mr. President, that is all I care to say today upon this subject. I have tried to present the fundamental reason why in my view it is unwise, unsafe, unsound for the Senate to extend the reciprocal trade treaty law.

The matter presented by Mr. HARRISON during Mr. VANDENBERG's address, and ordered to be printed, is as follows:

UNITED STATES TARIFF COMMISSION,
Washington, March 20, 1940.

The Honorable PAT HARRISON,
Chairman, Senate Finance Committee.

DEAR SENATOR HARRISON: In accordance with your request (p. 864 of the hearings on the extension of Reciprocal Trade Agreements Act), the Tariff Commission has reviewed the tables presented in evidence (pp. 711–717) by Mr. Charles W. Holman, at the hearing held by the Finance Committee on March 5, 1940. The Tariff Commission's comments are in the attached memorandum. I trust that they will be helpful.

Sincerely yours,

OSCAR B. RYDER,
Acting Chairman.

[Enclosure]

COMMENTS ON TABLES OF THE NATIONAL COOPERATIVE MILK PRODUCERS FEDERATION OFFERED AS EVIDENCE TO THE SENATE COMMITTEE ON FINANCE ON MARCH 5, 1940, AT THE HEARING ON THE PROPOSED EXTENSION OF THE RECIPROCAL TRADE AGREEMENTS ACT

Summary table 1 contains serious defects which are enumerated in detail in the attached appendix and which may be summarized as follows:

1. In a number of instances the values of exports given as representing concessions obtained from individual trade-agreement countries are much too low;

2. In the figures for United States exports benefiting from "duty concessions" (which include bindings on the free list), no account is taken of the value of United States exports covered by concessions in the form of enlarged quotas, liberalized exchange treatment, etc., which, in the case of such countries as the Netherlands, Belgium, France, and Switzerland, were major factors in the agreements;

3. The very large value representing imports of articles on which concessions were made to trade-agreement colonies is improperly credited as representing imports of concession articles from non-trade-agreement countries; and

4. A value is given for United States imports from non-trade-agreement countries which automatically benefit from generalized concessions, whereas no corresponding value is shown for United States exports which similarly benefit from reciprocal most-favored-nation treatment. This last omission is serious inasmuch as there are several hundred trade treaties relating to tariffs entered into by foreign governments—many negotiated before and many since the trade-agreement program went into effect—from which the United States has benefited by virtue of either most-favored-nation agreements or the policy of the countries in extending such treatment to the United States.

Most of the other tables (except 10 and 11) submitted by Mr. HOLMAN are based on the same data as those in table 1 and consequently contain the same general defects as that table. No attempt has been made to check the accuracy of all of the data in the remaining tables, but certain errors in them may be mentioned.

The values shown for imports of industrial products in table 2 in fact include all the noncompetitive agricultural imports, such as raw silk, rubber, coffee, tea, raw wool for carpets, and cacao beans.[1]

The classification of competitive agricultural imports in tables 3 and 4 apparently follows a former practice of the United States Department of Agriculture, except that bananas are classified as competitive,[2] whereas the Department of Agriculture does not so regard them. Some of the competitive imports shown, however, actually compete only to a limited extent, if at all, with American products. Thus, of the $11,152,000 worth of competitive agricultural imports from Turkey shown in the table, $11,125,000 represents Turkish cigarette leaf tobacco, which is scarcely competitive with domestic tobacco, being used for blending purposes in order to give the flavor desired by consumers. Incidentally, the Department of Agriculture, in recognition of the difficulty of properly classifying imports according to their competitiveness, last year substituted the terms "supplementary" and "complementary," respectively, for the terms "competitive" and "noncompetitive" in reference to imports.

In table 3a (which is a summary of tables 4 and 5), it is stated that Belgium reduced duties on $5,623,000 worth of imports from the United States, whereas the correct value is $13,117,000. The figure given for Canada is $131,870,000, whereas it should be over $200,000,000;[3] the figure given for Sweden is $337,000, but should

[1] The Department of Agriculture classifies all of these as agricultural products. That a departure from this practice is made is first mentioned in a footnote in table 9 and then only with respect to rubber.

[2] That this practice is followed is not mentioned in tables 3 and 4, but it is mentioned in a footnote referring to the data in table 8.

[3] The exact value has not been computed for 1938 trade on the basis of the second agreement with Canada. On the basis of 1937 trade, however, the value would be $240,000,000; but inasmuch as

be $2,327,000; and that for Switzerland is $858,000, but should be $1,019,000. Moreover, none of the values in these tables takes account of United States exports for which increased quotas or other more liberalized treatment were obtained; such concessions have frequently been more important than duty reductions or bindings would have been. If all mitigations of import restrictions be taken into account (not including bindings of dutiable or free-list articles), Swiss concessions would apply to $12,514,000 worth of imports from the United States instead of the $1,019,000 mentioned above. Corresponding concessions from France would account for $21,977,000[4] worth of trade instead of the $5,778,000 shown in table 3a.

The total value shown for imports of competitive agricultural products (table 4) from non-trade-agreement countries appears to be much too large. On the basis of the commodities classified as competitive agricultural products by the Department of Agriculture (Foreign Crops and Markets, May 6, 1939, p. 336) plus wines and fruit juices, the value of duty-reduction imports from agreement countries corresponds closely with the value shown in the table. Imports of the same classes of commodities from non-agreement countries, however, approximated $27,000,000 instead of the $57,753,000 given in the table. Moreover, as already pointed out, the extent to which imports classified as competitive are in fact competitive is open to question in some instances, for example, cigarette leaf tobacco. Imports of this commodity alone from trade-agreement countries amounted to $11,125,000, and from non-trade-agreement countries, $13,535,000.

The comparisons shown in summary table 7 as well as in the detailed tables 8 and 9 are subject to the same general criticisms as those in preceding tables and have certain additional defects. In table 8, trade with Cuba is totaled with that for other trade-agreement countries, whereas it is excluded from such totals in all of the preceding tables. This shift in basis involves the inclusion of sugar in the list of competitive agricultural imports, although it is not so classified in tables 3 and 4. The inclusion of Cuban sugar in this category results in conclusions which are the opposite of what they would have been if Cuban sugar had been excluded.

No comments are offered concerning tables 10 and 11, neither of which was submitted at the time of the hearing and neither of which has been scrutinized by the Tariff Commission.

APPENDIX

Comments on table 1

1. The values shown under "Total exports" are in some instances based on foreign import statistics and in others, on United States export statistics. The values for Canada and France, for example, are based on foreign statistics whereas the value for the United Kingdom is apparently based on United States statistics, although no footnote is attached to indicate that fact, as is done in the case of certain less important countries. (The value of the United Kingdom's imports from the United States was about $576,500,000, compared to $513,955,000 shown in the table.)

2. No account is taken of the value of United States exports covered by concessions in the form of enlarged quotas, liberalized exchange treatment, guarantees against discriminatory internal taxes, and the right to compete on a nondiscriminatory basis in the supply of materials marketed by Government monopolies or agencies, or used for public works. In the case of a number of countries, concessions of this type have benefited United States export trade more than bindings or reductions in duty have done.

3. As regards the values shown under "Total imports," imports from Finland in 1938 were $18,071,000, not $24,769,000, and those from Costa Rica were $4,102,000, not $5,060,000.

4. Under the caption "Total duty concessions" there are included the values of trade covered by bindings on the free list, which constitute a large fraction of the values of imports into the United States shown under this caption. Comparisons between concessions granted and concessions obtained which include such bindings may be questioned because the proportion of United States total imports which has been bound on the free list is several times larger than the proportion of foreign countries imports from United States which they have bound on their free lists.

5. The values and ratios shown under "Exports—Total duty concessions" for several of the trade-agreement countries are much too low. The value for Belgium should be $21,816,000 instead of $17,989,000; that for Colombia should be $31,022,000 instead of $16,182,000; that for the Netherlands should be $34,568,000 instead of $19,338,000; that for Switzerland, $15,939,000 instead of $8,340,000; that for Canada about $300,000,000[5] instead of $186,565,000; and that for France, $26,074,000[6] instead of $9,875,000.

6. The values shown under "Exports—Total duty concessions" do not take account of the value of trade covered by concessions to third countries which trade-agreement countries have generalized to the United States by virtue of their most-favored-nation commitments. The Tariff Commission has not attempted to determine the value of such trade but it is considerable. About 300 commercial agreements relating to tariffs have been negotiated by trade-agreement countries between 1935 and 1940. The United States has received by generalization all the concessions made by these countries to third countries not only in these agreements but also in all prior commercial agreements which had not expired.

7. The values shown under "Imports—Total duty concessions" are substantially correct for the individual trade-agreement countries actually listed in the table but it is a serious defect to credit the "non-trade-agreement countries" with the value of trade covered by concessions of the United States to trade-agreement colonies (a footnote indicates that this procedure was followed). Of the $641,263,000 shown for imports of concession articles from non-trade-agreement countries, at least $215,000,000 represents imports from trade-agreement colonies of such commodities as rubber, tin, coffee, and tea, which were bound on the free list, and a considerable additional sum represents duty reductions and duty bindings on imports from such colonies. Adjusting the figures for only the $215,000,000 worth of free commodities from colonies would give a total for imports of concession items from trade-agreement areas much larger than that for imports of corresponding items from non-trade-agreement countries—the opposite of what is indicated in the table.

8. The required revisions in the other columns of table 1 would, of course, greatly affect the values shown in the net gain column.

Mr. GEORGE obtained the floor.

Mr. HARRISON. Mr. President, I make the point that there is no quorum present.

The PRESIDING OFFICER (Mr. WILEY in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Frazier	Lodge	Schwellenbach
Ashurst	George	Lucas	Sheppard
Austin	Gerry	Lundeen	Shipstead
Bankhead	Gibson	McCarran	Slattery
Barkley	Gillette	McKellar	Smathers
Bilbo	Glass	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Bulow	Gurney	Miller	Thomas, Idaho
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Neely	Tobey
Caraway	Hayden	Norris	Townsend
Chandler	Herring	Nye	Tydings
Chavez	Holman	O'Mahoney	Vandenberg
Clark, Idaho	Holt	Overton	Van Nuys
Clark, Mo.	Hughes	Pepper	Wagner
Connally	Johnson, Calif.	Pittman	Walsh
Davis	Johnson, Colo.	Reed	White
Donahey	King	Reynolds	Wiley
Downey	La Follette	Russell	
Ellender	Lee	Schwartz	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. GEORGE. Mr. President, I shall have no objection to interruptions; but first I should like to finish, without interruption, what I have to say on two main phases of the proposal to extend the Reciprocal Trade Agreements Act; and then I shall be glad to answer whatever questions may arise in the minds of Senators.

In the beginning, I should like to say that I presume that the thoughts of most of us undergo changes as we advance in years and experience. We do not necessarily grow wiser, but nevertheless our opinions and judgments undergo changes. I have never at any time been a free-trader. I have never at any time doubted that reasonable tariff duties

---

total Canadian imports from the United States were about one-eighth lower in 1938 than in 1937, an estimate based on a corresponding reduction in the aforementioned value would give a total of about $210,000,000. The $240,000,000 includes trade covered by duty reductions under the most-favored-nation provision which had not been in effect before the agreement of 1936.

[4] This value includes trade covered by most-favored-nation treatment first extended under the agreement. Without this inclusion, the above value would be $20,035,000.

[5] The exact value has not been computed. An estimate based on the value for 1937 ($358,000,000), however, would indicate a total of about $310,000,000 for 1938. The $358,000,000 includes duties reduced by the most-favored-nation provision which had not been in effect before the agreement of 1936.

[6] Including also trade on which duties were reduced by the most-favored-nation provision not previously applicable. Without such inclusion, the value would be $24,132,000.

are proper and necessary for the protection of American labor and industry and the standards of living in America.

I very well remember what a distinguished Republican stated to me when I first entered this body. I refer to the late Albert B. Cummins, of Iowa. He said that all his life he had believed in the protective doctrine of his party as he understood it, but that as he neared the end of a long career in the Congress of the United States he found that he had never been able to vote for a single Republican tariff bill when it had been finally framed and was ready for final vote.

By that statement Mr. Cummins meant that, although he believed in protection, and although he was thoroughly in accord with the doctrine of protection as he interpreted it, by the time a tariff bill had reached the final stages and was ready for passage so much logrolling had entered into it, so much pure politics, so much insistence by Senators and Members of the House on higher or lower duties as they thought the interests of their particular districts and States demanded, that the thing had become an unscientific application of what he regarded as true protective principles.

Subsequently I learned that he was entirely correct. I did not then altogether share his view; but after I had lived through the 18 months of 1929 and 1930 in considering the present Tariff Act, both in committee and on the floor of the Senate, I reached the conclusion that whatever intent and purpose might guide those who were honestly trying to frame a fair and reasonable protective tariff, and whatever sincerity of purpose might guide those who candidly believed in lower tariff rates and duties, when we finally reached the end of the day the Tariff Act itself spoke all manner of compromise, as all legislation must. Obviously in this field such compromise altogether left out of sight the fair, reasonable, and just protection to which many industries, in my judgment, had shown they were entitled, and overrode and altogether lost sight of reasonable reductions in rates in the many instances in which such reductions should have been made.

I dare say that the bill pleased no one. I do not have to remind the Senate that eminent Republicans voted against the Smoot-Hawley bill for the same reason given by the late Senator Cummins in his statement to me shortly after I entered the Senate.

Mr. President, in the course of the years some of us have held to the view that the flexible tariff, as found in section 315 of the 1922 act, and section 336 of the 1930 act, constituted an unconstitutional delegation of legislative power to the Executive. However, we are obliged to deal realistically with matters of this kind. The courts have clearly settled the issue which was raised by many eminent Democratic Senators and Members of the House who were undoubtedly learned in the law, as well as by some Republicans. I shared the view that an unlawful delegation of legislative power was attempted in the flexible provisions of the Tariff Act, and I so expressed myself.

Since I have been a Member of the Senate I have shared the view—and I hope to leave the Senate with that view still strong within me—that it is more than unwise for Congress unnecessarily and improperly to delegate its power to the executive branch of the Government or to any agency, even though it may lawfully do so. I think no one can deny that, Mr. President, because since 1933 I think I have objected more often than has the average Senator on this side of the aisle—and I dare say more often than has any voice on the other side of the aisle—to acts which I thought certainly and unmistakably gave to the Executive powers which should have been retained by the Congress.

But, Mr. President, there are fields in which Congress cannot exercise its legislative power save through reliance upon the executive branch of the Government. It would be folly to say that Congress could consider the almost innumerable transportation rates which apply to various articles carried in commerce between the several States; in other words, that Congress could fix passenger rates and all the multitude of freight rates that apply to our domestic commerce. Yet Congress is given the power to make the rates; that power resides nowhere else; but the Congress must use a well-informed and experienced group of experts to consider all the problems involved in our vast, complicated, and complex system of transportation.

So, Mr. President, Congress, and Congress alone, has the power to regulate commerce between the United States and foreign countries. But can Congress do it alone? The power would be a futile grant if Congress alone were called upon to discharge that important duty and obligation. Congress can impose tariffs on imports coming into our country, but suppose the time arrives when we must consider the volume of our exports, when we must consider the volume of our foreign commerce and trade, how can the Congress regulate all of our foreign commerce save by calling on the Executive, by invoking the powers of the Executive?

The Executive has no power to regulate foreign commerce. The President of the United States, by virtue of his position as Chief Executive under our Constitution, has no power to fix a single rate upon an American railway or to impose a single fractional part of a duty upon a single import coming into our country or to impose or raise an embargo against any import coming into our country. That power resides in Congress, and whenever the President has exercised it, as he has exercised it since the very beginning of the Government under the Constitution—he has exercised it in his uncontrolled discretion as to when he would put on an embargo or take off an embargo, with no rules whatever laid down—he has exercised that power under a grant given him by the Congress; that is to say, the Congress has provided for the embargo and left it to the President whenever, in his discretion, in the national interest, it became necessary to impose it or to lift it.

Mr. President, I said a few days ago—and I repeat, because I think it is important—that the Trade Agreements Act is in no sense a tariff act. It is section 350 of the present tariff act; that is to say, it is added to the tariff act as a separate section and provision. It does provide for increasing or lowering tariff duties under certain fixed standards, or, at least, principles, as I hope to show later, all the rates fixed upon the various articles of manufacture in commerce within the tariff act; but it is not a tariff act.

It is predicated upon the single ground that whereas the Tariff Act of 1930 sought primarily to measure duties upon dutiable articles coming into the country by the difference between the cost of production of the article abroad and the cost of the same or a similar article in the United States, whereas that Tariff Act was predicated upon the recognition of the necessity of protecting our industries—and let us say, fairly, our labor, so as to maintain the American standard of living—it had entirely left out what also is an essential part of commerce, what also is the very life of commerce, what also is the very breath of commerce, and that was the distribution of our commerce, the distribution of articles produced in foreign countries and in the United States into the channels of international trade.

So the Trade Agreements Act was designed and intended, and in every line it manifests its purpose, to increase the distribution of foreign commerce. We certainly had gone far enough, in the opinion of Congress, by 1934 in raising rates to take care of any reasonable difference between the cost of production at home and abroad. We found ourselves, whether because of the passage of the tariff act or of world conditions or of what not, with a suddenly dwindling commerce. We virtually saw foreign commerce, international trade, cease. It is not necessary to say that all that was due to the operation of the Smoot-Hawley Tariff Act; but that was the condition, and that is what I am trying to emphasize. How should we meet it? If we wanted to increase our foreign commerce, Congress alone had the power to do it, because it alone had the power to restrict or to prohibit or to regulate commerce between the several States of the United States and all foreign countries; and that power was useless, that

power was futile, that power could not be made effective, unless the power of the executive branch of the Government could be invoked.

We can reason about this all we want to; we can exert ourselves as much as we please about concentrating power in the Executive, but we were merely making a sensible and necessary use of another branch of the Government in our effort to exercise our own undoubted and exclusive power to regulate foreign commerce.

Mr. President, I do not intend to take any great length of time on the general question that even a tariff act is a regulation of commerce, but I am going to read an excerpt or two from the opinion of the court in the case of Board of Trustees of Illinois University—the other day I said "Chicago University"—the Board of Trustees of Illinois University against the United States. Chief Justice Hughes handed down this opinion:

Appellant argues that the Tariff Act is a revenue measure—

He is speaking of the Tariff Act, not of the Trade Agreements Act—

that it is not the less so because it is framed with a view, as its title states, of encouraging the industries of the United States (*Hampton & Co.* v. *United States*, 276 U. S. 394, 411, 412); that the duty is a tax, that the act is not one for the regulation of commerce but is an exercise of the taxing power, and that, as such, it is subject to the constitutional limitation that the Congress may not lay a tax so as to impose a direct burden upon an instrumentality of a State used in the performance of a governmental function.

Said the Chief Justice:

It is true that the taxing power is a distinct power; that it is distinct from the power to regulate commerce—

Citing the old case of Gibbons against Ogden.

It is also true that the taxing power embraces the power to lay duties. But because the taxing power is a distinct power and embraces the power to lay duties, it does not follow that duties may not be imposed in the exercise of the power to regulate commerce. The contrary is well established.

Citing Gibbons against Ogden.

Under the power to regulate foreign commerce Congress impose duties on importations, give draw-backs, pass embargo and non-intercourse laws, and make all other regulations necessary to navigation, to the safety of passengers and the protection of property.

In this case the Court flatly and explicitly held that the Tariff Act of 1922 was itself an act to regulate commerce, and undoubtedly the act which it is now sought to extend is one designed entirely to regulate commerce, to wit, to increase the volume of our foreign commerce.

Mr. President, it has been suggested that a different Chief Executive, acting under the Trade Agreements Act, might raise duties. In the case of some particular special interest that might be true; but I very much doubt whether many duties could be raised, because the President would be compelled to act within the terms of the act. The whole act points unmistakably to a reasonable reduction of duties for the single purpose of increasing the volume of commerce. The President could not go contrary to the act, and I dare say that no Yankee, with his capacity to trade, would ever think he could get a bargain by increasing the price of the thing he had to sell when the price already was too high and in the beginning had been placed too high. The whole purpose of the act is to provide for reasonable readjustments of these rates.

Mr. President, two important legal questions are involved in this proposal to renew the Trade Agreements Act.

The first one raised here has been and is whether or not a trade agreement negotiated under this act and proclaimed by the President is a treaty. If a treaty, the distinguished chairman of the Foreign Relations Committee [Mr. PITTMAN], in a most admirable address, frankly said that it should be ratified by two-thirds vote of the Senators present. That, of course, is true. If it is a treaty, then even though the Congress may have in advance given to the President some authority to negotiate—which, of course, would be a mere gratuity, because the President does not need any authority to negotiate a treaty; he may negotiate a treaty on any question on which he wants to negotiate a treaty—even if the Congress had asserted its desire, at least, to instruct the President to negotiate a treaty, and had told the President in effect what it wished put into the treaty, if it were a real treaty, undoubtedly within the category in which we place treaties, the mere fact that the Congress by its predecision had requested its negotiation would not make the treaty a valid treaty and a part of our supreme law as it is declared in our Constitution unless it should be ratified by the Senate by two-thirds vote of the Senators present.

I think unquestionably that position is sound.

Mr. President, I do not think trade agreements negotiated by the President under the Trade Agreements Act of 1934 constitute treaties in the constitutional sense. I know that I shall be repeating some things which have been said here, but I shall read them for the purpose of emphasizing them.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Wyoming?

Mr. GEORGE. I shall be glad to yield. I should be pleased if the Senator would withhold his question until a little later; but I shall be glad to yield.

Mr. O'MAHONEY. I will not press the question. It was pertinent to the remark just made by the Senator from Georgia. I understood the Senator to say that he did not regard a trade agreement to be a treaty within the meaning of the Constitution. My question was to be: Would the Senator make that statement if a trade agreement undertook to modify an existing treaty?

Mr. GEORGE. Oh, yes, Mr. President; if it related itself to the powers and provisions of the statutory enactment upon which the agreement was made, I would.

Mr. O'MAHONEY. So it is the Senator's contention that a trade agreement which is not a treaty is of sufficient validity to alter the terms of a treaty?

Mr. GEORGE. No; not at all. My contention is—but I did not want to anticipate it in my argument—that a trade agreement is a law, and that a law may modify a treaty, but it is not a treaty.

Mr. President, I read an excerpt from the old case of *Holmes v. Jennison* (14 Pet. 540, at p. 571) not so much for the sake of defining a treaty, but for the single purpose of showing, at least, that from the very beginning of the Government it has been recognized that treaties, and other agreements not amounting to treaties, were recognized by the Constitution as a part of our basic law.

I quote from Mr. Chief Justice Taney:

In the very next clause of the Constitution, the States are forbidden to enter into any "agreement" or "compact" with a foreign nation; and as these words could not have been idly or superfluously used by the framers of the Constitution, they cannot be construed to mean the same thing with the word "treaty."

* * * * * * *

A few extracts from an eminent writer on the laws of nations, showing the manner in which these different words have been used, and the different meanings sometimes attached to them, will, perhaps, contribute to explain the reason for using them all in the Constitution; and will prove that the most comprehensive terms were employed in prohibiting to the States all intercourse with foreign nations.

Here was involved an extradition treaty between Vermont and Canada. The opinion quotes Vattel, who, by the way, was an eminent writer on international law whose writings were current at the very time the Constitution was framed, at the very time the Constitution was adopted by our several States.

Vattel, page 192, section 152, says: "A treaty in Latin foedus is a compact made with a view to the public welfare by the superior power either for perpetuity or for a considerable time."

Section 153: "The compacts which have temporary matters for their object are called agreements, conventions, and pactions. They are accomplished by one single act and not by repeated acts. These compacts are perfected in their execution once for all; treaties receive a successive execution, whose duration equals that of the treaty."

Mr. President, I am reading that decision for the purpose of showing that at the time the Constitution was framed, and in the Constitution itself, treaties, and agreements less than treaties, compacts, pactions, or whatever else we may wish to call them, were all recognized.

The Government of the United States in the field of international affairs is an absolute sovereign. It does not exercise granted powers or delegated powers. When the States created the Federal Government, with respect to those things that pertain to a nation in its relation and intercourse with other nations, this Nation stood boldly erect as a sovereign nation, clothed with all the power of any sovereign. Was it intended by the Constitution, which in language recognizes the existence of agreements other than treaties, to say that agreements of that sort could not be made by the sovereign unless ratified by two-thirds vote of the Senate? Undoubtedly not. By the requirement that when an international agreement reached the dignity of a treaty it must be ratified by two-thirds vote of the Senate there was not the slightest intimation or suggestion that any other form of agreement available to a sovereign nation through its executive branch might not be freely and completely used in such intercourse as this Nation might have with foreign nations.

Mr. PITTMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Nevada?

Mr. GEORGE. I yield.

Mr. PITTMAN. Is there any limitation upon the kind of agreements that the President may make with foreign governments?

Mr. GEORGE. Oh, yes.

Mr. PITTMAN. What are the limitations?

Mr. GEORGE. If the President's agreement relates to a matter within the power of the legislative branch of the Government, he may make it only under the direction of the legislative branch. If the agreement that he negotiates rises to the dignity of a treaty, it must be brought back to the Senate and confirmed by the Senate. There is a difference. I am now simply trying to point out that there were always recognized forms of international agreement other than mere treaties.

Mr. PITTMAN. What is the Senator's opinion with regard to this matter: Suppose the President of the United States should negotiate all the agreements he is authorized in the act to negotiate—that is, negotiate with foreign governments rates of duty on various articles for a period of 3 years—would such agreements, in the Senator's opinion, be temporary agreements of the kind the Senator has just quoted a reference to in the decision of Chief Justice Taney?

Mr. GEORGE. If made within the provisions of the act of Congress, yes; because they would have all the validity of a statute. It would not be because they were treaties.

Mr. PITTMAN. May Congress enter into contracts with foreign governments?

Mr. GEORGE. No. That is the reason I have been arguing here for quite a while that Congress may not exercise its power to regulate foreign commerce except by invoking the Executive power.

Mr. PITTMAN. Then if Congress may not enter into contracts with foreign governments, no agency of Congress may do so; may it?

Mr. GEORGE. Congress may authorize the Executive to do it; and if the Executive acts within his power, undoubtedly the act is a valid one.

Mr. PITTMAN. If Congress may authorize the President to enter into agreements with foreign governments fixing our tariff duties for a period of 3 years, can that authorization in any way obviate the necessity of ratification under the Constitution with regard to agreements made with foreign governments?

Mr. GEORGE. Oh, yes; I think so, Mr. President, provided Congress had itself determined how the rates were to be fixed, and had merely delegated to the Executive the authority to make the rates.

Mr. PITTMAN. That is admitted, because that was in the case of Field against Clark and the Altman case, but in this case certainly no rate is prescribed which the President shall put into effect.

Mr. GEORGE. Oh, Mr. President, I do not desire at this time to go into the Altman case and the case of Field against Clark, but the whole argument here has proceeded as a result of the scrambling of two different things. The Supreme Court did say in the Field against Clark case that the agreement there involved was not a treaty.

Mr. PITTMAN. And why?

Mr. GEORGE. The Senator argued that it was because the rates were fixed. That relates alone to the delegation of power.

Mr. PITTMAN. Oh, no.

Mr. GEORGE. That bears alone upon the question of delegated power. I think so. That is my position, anyway. So I think I have answered the question.

Mr. PITTMAN. I do not desire to disturb the Senator——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Nevada?

Mr. GEORGE. I yield.

Mr. PITTMAN. I call attention to the fact that the court stated that it was not a treaty——

Mr. GEORGE. Exactly.

Mr. PITTMAN. And it stated why, namely, because the President had been authorized to put into force and effect one of two laws, it was not a treaty. Again, it was not a treaty because there was no obligation placed on the United States Government. In both cases the President placed these understandings in effect for so long as he wanted them to be in effect.

Mr. GEORGE. Exactly, the difference between putting them into effect indefinitely, and for a limited time.

Mr. PITTMAN. In the reciprocal-trade agreements, our Government is being bound for 3 years.

Mr. GEORGE. Mr. President, the Senator is forcing me to anticipate my argument, but that is all right.

Mr. PITTMAN. I am sorry.

Mr. GEORGE. That is all right. I repeat at this point, the discussion of Field against Clark and other cases has disclosed a notable and lamentable scrambling of two arguments which have no real relation to each other. In Field against Clark the Supreme Court held that the agreement in question was not a treaty. If it was not a treaty, it made no difference how it was arrived at. If it was not a treaty, it made no difference how it came before the Congress or before the Court. The Court held it was not a treaty.

On the other question, whether there was an improper delegation of power, it is all good and well to say that two rates were fixed, both fixed by the Congress, and the President selected between the two rates, in his judgment, when he could get reciprocally equal benefits by putting in the lower rate or the higher rate. But on the question of whether the instrument in question was or was not a treaty, the Court held that the agreement which the Court had before it was not a treaty; that that fact could be determined within the four corners of the agreement, and could be rightly determined not outside of the four corners of the agreement. Whether or not there was an unlawful delegation of power is in the case, and it is very properly in the case, but not on the question of whether or not the instrument was a treaty.

I do not think anyone can doubt that when the Court is called upon to say whether an agreement constitutes or does not constitute a treaty, it will look at the instrument itself. Perhaps it will look at what led up to it, perhaps it will take into consideration all those matters which might properly be considered as a part of it. But, after all, the paper considered by the Supreme Court in the case of Field versus Clark was held not to be a treaty, that is all; it did not rise to the dignity of a treaty.

In the Altman case it was held that the agreement was not a treaty. Yet the Altman case was based upon a solemn agreement entered into by this country and France through interchange of notes. What difference does it make whether the agreement is in writing or whether it is verbal?

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. PITTMAN. In those cases the agreement was reached by modus vivendi because the agreement did not provide any

duration, but could be terminated at the will of either Government whenever it saw fit.

Mr. GEORGE. Mr. President, that is not what the lawbook says. There is simply no period for its termination provided. It may be argued that it could be terminated. So can any treaty be terminated. So can the trade agreements be terminated. In fact, the trade agreements contain four or five escape clauses which permit them to be terminated upon short notice.

In the Altman case, by an interchange of notes, an agreement was reached, an agreement which the merchant in this country thought applied to his merchandise, but which the court held did not apply to his merchandise, it is true. It was not, however, a treaty. It was held by the court not to be a treaty. It was held to be an agreement, which was beneath a treaty in point of dignity.

Mr. PITTMAN. They did hold that it was to carry out a definite statute.

Mr. GEORGE. I would think I was making myself understood to little purpose if I did not say that a trade agreement made by the President must be in conformity with the statute. I have not reached the question of delegated power. It must be in conformity with the statute and must comply with the statute. The President of the United States has no power to fix a duty, but the Congress has no actual, practical way of regulating foreign commerce unless it calls on the President of the United States, who has the diplomatic power to negotiate with a foreign country, and enter into negotiations looking to a trade agreement which will stimulate, at least according to the view of those who make it, an increased volume of foreign trade and commerce.

Mr. President, I shall read all that I find in the Altman case. I quote what the Supreme Court said about the agreement it had under consideration in that case:

> It is reciprocally agreed on the part of the United States, in accordance with the provisions of section 3 of the United States Tariff Act of 1897, that during the continuance in force of this agreement, the following articles of commerce, the product of the soil or industry of France, shall be admitted into the United States at rates of duty not exceeding the following, to wit:
>
> Paintings in oil or water colors, pastels, pen-and-ink drawings, and statuary, 15 per centum ad valorem.

Mr. President, that was an agreement which affected a tariff rate, an agreement made under a statute, it is true. It fixed one rate of 15 percent on the merchandise with which they thought they were dealing, and another rate of 45 or 60 percent, I have forgotten which, on the same commodity, depending on which rate was put into effect. According to Altman's contention, the higher rate was imposed, and he said he was entitled to the lower rate, or 15 percent, upon the importation of the merchandise purchased from France. The instrument was held to be an agreement. Of course it was an agreement. It was an agreement binding on this country. Of course it was binding on this country, because in express language it was stated, "as long as this agreement is continued in force." It was not a treaty. That is my contention.

Mr. PITTMAN. The language was, "until otherwise declared."

Mr. GEORGE. That is correct.

Mr. PITTMAN. Delegating specific power to the President to cancel at any time.

Mr. GEORGE. I suppose so, but the trade agreements carry the same power. Whether it is in fact exercised is a different question. The Trade Agreement Act merely provides that the trade agreements may be entered into, but for not longer than 3 years, and each agreement which I have examined—I have not examined them all, though I have examined a great many—provides two or three or more ways of cancelation of the agreement, even within the 3-year period, if this country desires.

Mr. PITTMAN. Does that appear in the statute?

Mr. GEORGE. The authority for it does.

Mr. PITTMAN. I do not think it appears in the statute.

Mr. GEORGE. I think the authority does appear.

Mr. PITTMAN. We are considering what power is authorized.

Mr. GEORGE. That is true; but I think the power is authorized in the statute.

Mr. President, I should like to make the general observation that there is no simple or categorical definition which for all purposes distinguishes Executive agreements from treaties. In some respects there are similarities, and in other respects there are important differences. The fact is that both theoretically and as a matter of actual practice, both types of international obligations serve a useful purpose in the conduct of international affairs. Both are equally binding obligations on this country in the eyes of international law. From the viewpoint of our domestic law, it is well to remember that the Constitution does not attempt to define a treaty, nor does it undertake to say that all international agreements entered into by this Government must be made as treaties. Although the Constitution does not refer explicitly to other forms of international agreements which the Federal Government may enter into, it does expressly recognize that treaties are not the only means for undertaking international obligations.

That point, Mr. President, I have already covered in my argument.

While we are all familiar with the fact that from the very earliest days of our Nation the Executive has utilized all types of agreements in conducting our foreign affairs, few of us realize that in fact at least 1,000 such agreements have been concluded without going through the cumbersome procedure of treaty making. Such agreements have been of varying degrees of formality and the subject matter covered by them has included a wide field. It is not necessary to enumerate them.

In 1934 before the Senate I undertook to indicate some of the ground covered by various trade agreements, or Executive agreements, as I called them.

International undertakings involving important political issues or changes of international policy and those involving international arrangements of a permanent character usually take the form of treaties and are concluded pursuant to the treaty-making power. Executive agreements, on the other hand, generally have been either of a temporary character or they have been made terminable at a specific time or upon comparatively short notice. For example, the authority of the President to conclude trade agreements under the Trade Agreements Act has been limited to 3 years, and the agreements themselves may not be for periods of more than 3 years, after which they are terminable on not more than 6 months' notice.

As a matter of domestic law there are certain important factors which distinguish Executive agreements from treaties. This difference can be stated most clearly in terms of things that cannot be done through Executive agreements and things that can be done under the treaty-making power. Since the purpose of this statement is to attempt to simplify rather than to complicate the problem of understanding this matter, no useful end would be served in discussing the various technical and theoretical issues which arise from this aspect. Suffice to say that books have been and continue to be written on the subject. For present purposes there are certain general propositions which illuminate the principal dividing line between Executive agreements and treaties. Our Government is based upon a three-way division of powers between the legislative, judicial, and executive branches. It is axiomatic that the Executive cannot himself make laws. Under the Constitution this is done by Congress, and, in some international matters, by the Executive and the Senate acting through the treaty-making power. Accordingly, although the Executive has the sole constitutional power in the conduct of our foreign affairs to make agreements and other international arrangements with foreign governments, he cannot, acting alone, through such agreements enact or change domestic laws.

On the other hand, in the case of treaties made by the President with the advice and consent of two-thirds of the Senators, the Constitution expressly provides that they, along with the other laws, "shall be the supreme law of the land." Thus

a treaty, generally speaking, can make or change domestic law while an Executive agreement can only operate pursuant to or in conformity with domestic law.

To understand the true function which Executive agreements such as the trade agreements play when, pursuant to prior congressional authorization, they deal with matters relating to domestic law, it is necessary to turn back to the Constitution and the fundamental division of powers between the executive and legislative branches. The Constitution grants to the Congress certain defined powers. Nothing is said in the Constitution with respect to the means or methods which the Congress may utilize for the most effective exercise of its basic powers and responsibilities except that it is provided that Congress shall have the power—

> To make all laws which shall be necessary and proper for carrying into execution the foregoing [granted] powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Chief Justice Marshall recognized the necessity for permitting a wide latitude to Congress in choosing the most effective means for exercising its power when he set forth in the old McCulloch against Maryland case, what sometimes is spoken of as poetry, but nevertheless is one of the finest delineations of the limits to which the Congress may go in the enactment of valid legislation:

> Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited but consistent with the letter and spirit of the Constitution, are constitutional.

The powers granted to Congress to regulate commerce with foreign nations and to regulate postal affairs afford excellent examples of situations where Congress has from time to time recognized that effective regulation could only be carried out in cooperation with other nations.

Mr. CONNALLY. Mr. President, would it disturb the Senator if I should interrupt him now? I shall be glad to wait, if he prefers.

Mr. GEORGE. I shall be through with the matter to which I am referring in a very few minutes, and then I shall be glad to yield to the Senator.

Mr. CONNALLY. Very well.

Mr. GEORGE. Manifestly, although Congress had the responsibility for administering to the needs of the Nation in these fields, it had no constitutional power to deal with foreign governments, nor, as a practical matter, could it undertake to conclude the international agreements which were essential to make its regulatory policies effective. Under these circumstances, Congress has on numerous occasions exercised its powers by invoking the assistance of the Executive, delegating to him the power to adjust certain matters of domestic law in accordance with the policies laid down by Congress and in connection with the negotiation of international agreements. This method has been used by Congress in fixing international postal rates and regulating the handling of our foreign mails since 1792 and the constitutionality of this procedure was upheld in an opinion by William Howard Taft as Solicitor General in 1890. The statute in effect today provides:

> That for the purpose of making better postal arrangements with foreign countries, or to counteract their adverse measures affecting our postal intercourse with them, the Postmaster General, by and with the advice and consent of the President—
>
> Not the Senate—
>
> may negotiate and conclude postal treaties or conventions (5 U. S. C. A., sec. 372).

Likewise, in the field of foreign commerce Congress has on many occasions invoked the assistance of the Executive to make its legislative policies effective. By section 3 of the Dingley Tariff Act of 1897 the President was expressly authorized to conclude reciprocity agreements without Senate ratification. This act and some 15 agreements concluded pursuant to its authorization constitute a square precedent for the present Trade Agreements Act so far as the treaty issue is concerned.

It was that point which I just argued with the distinguished chairman of the Foreign Relations Committee.

In that instance, as under the present act, the agreements related to adjustments of our domestic tariff laws, such adjustments being made only to the extent and in accordance with the policies prescribed by Congress. Such agreements, like most of the postal agreements, having been concluded pursuant to a congressional statute, there is no necessity for submitting them to the treaty-making procedure in order to effect a change in our domestic law. In these cases where executive agreements deal with matters of domestic law pursuant to prior statutory authorization the change in domestic law is in fact made by the congressional statute and not by the agreements; in the case of a treaty, on the other hand, the enactment or change in domestic law is effected by the treaty itself, as provided for in the Constitution. In either case the international obligation undertaken by this Government is based squarely upon our fundamental law.

Let me say in passing that the requirement of a two-thirds vote was undoubtedly intended to place a definite check upon the Executive. The framers of our Constitution said to the executive branch, "You may negotiate treaties, and when they are ratified, not by a mere majority, as in the case of ordinary legislation, but by two-thirds vote, they then become a part of the supreme law of the land." So the two-thirds vote requirement was by way of a definite check upon the executive power. If the only thing the President does in a trade agreement is merely to change domestic law—a change which the Congress may make—why the necessity of having it submitted to the Senate and requiring a two-thirds vote to change that domestic law, to wit, a tariff rate or a tariff duty?

The whole purpose of the act was to tear down the unreasonably high duties and other restrictions as well—not only duties but quotas and exchange arrangements, and the other devices that have grown up to fetter, to cripple, and practically to stop international trade and commerce. Congress wanted to do something. Congress wanted to regulate foreign commerce. Congress wanted to make it possible to regulate foreign commerce. Congress had the power to lower its own duties, its own rates—to lift its own restrictions. Congress had all that power, but Congress did not have the diplomatic power. It did not have the power to treat with another nation. It did not have the power to say to the United Kingdom, "We want to lower our rates on some of our imports from you, but we also want you to agree to do something for us." We call on the President to do that because it is beyond the scope of our power.

But why tie the President's hands or the hands of Congress by asking that that kind of an agreement be submitted to the Senate for a two-thirds vote when Congress, in the exercise of its undoubted power—and, as I think, its duty—to regulate foreign trade and foreign commerce, has already said to the President, "All we want you to do is to carry out the part which is beyond the arm of Congress, and which touches outside nations whose duties and restrictions we should also like to see reduced, modified, or made more reasonable"?

I now yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, let me say to the Senator from Georgia that I always admire him and have great respect for his arguments. I wish to ask him a question. I do not wish to engage in a controversy with him.

As I understand the Senator from Georgia, he bases the authority of Congress on the subdivision of section 8 of article I of the Constitution, which relates to the power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

Mr. GEORGE. Primarily.

Mr. CONNALLY. Is not that power a continuing power? In other words, Congress may exercise that power whenever and however it desires.

Mr. GEORGE. Undoubtedly.

Mr. CONNALLY. Suppose we should pass the joint resolution, thinking that we wish to make certain arrangements with foreign nations about tariffs and customs. Suppose we

should make such agreements, and suppose that next year Congress may wish to make some other kind of agreements.

Mr. GEORGE. Undoubtedly, so far as domestic law is concerned, it could do so.

Mr. CONNALLY. I am talking about agreements with foreign nations.

Mr. GEORGE. Congress could not do so.

Mr. CONNALLY. It could not do so?

Mr. GEORGE. Not under international law.

Mr. CONNALLY. Why could it not do so?

Mr. GEORGE. Different principles apply. The true principle of international law undertakes to hold every nation to the faithful performance of its own undertakings.

Mr. CONNALLY. The point I am getting at is this: If the authority to regulate interstate and foreign commerce is a continuing congressional power, Congress cannot relinquish it. It is a continuing power. If this year we thought one thing and authorized trade treaties, and next year we thought differently, we could not legislate to regulate commerce if the legislation were in violation of a trade agreement; could we?

Mr. GEORGE. Yes; we could do it.

Mr. CONNALLY. We would be breaking a treaty, would we not?

Mr. GEORGE. We would not be breaking a treaty, but we would be breaking our word.

Mr. CONNALLY. We would be breaking an agreement. I shall not use the word "treaty." We would be breaking our agreement.

Mr. GEORGE. Yes.

Mr. CONNALLY. It is the purpose of the act that we shall not break our agreement, but shall adhere to it for 3 years.

Mr. GEORGE. Undoubtedly so. I hope so.

Mr. CONNALLY. I thank the Senator.

Mr. GEORGE. Mr. President, let me enlarge on that point for a moment.

Let us say that international trade has fallen off to a very low level, as it did in 1932 and 1933. Let us say that it has almost disappeared. Let us say that Congress examines the Constitution and finds in the Constitution its authority to regulate trade with foreign nations. Let us assume that Congress says, "We should like to reduce some of our duties and lift some of our restrictions; but in order to effectuate what we have in mind, to stimulate foreign trade and commerce, we must have corresponding reciprocal action on the part of foreign countries. In other words, we must persuade some other nation to agree with us."

Congress, having the authority to regulate commerce, but finding that the grant of power to it is futile unless it can invoke the arm of the Executive, decides to invoke the arm of the Executive and call upon the President to negotiate agreements with other countries. Now, suppose Congress says, "It would be useless for us to do this for 3 months or 3 weeks. It would be silly for us to negotiate an agreement with Great Britain, Canada, France, Brazil, or any other country for a few days, or for 6 months, or for 1 year." But suppose Congress should honestly decide that 3 years is about the shortest period of time in which it could be demonstrated whether or not a trade agreement would be effective in stimulating commerce between our country and foreign countries:

Is the mere fact that another Congress may have power under the Constitution to upset such an agreement to deter this Congress from exercising its power under the Constitution, from doing its dead level best to regulate commerce and to stimulate the flow of commerce for as long a period of time as possible?

So Congress said, "We will put a definite limitation on the power of the President. We will let him have it for only 3 years at a time; and if he wants it again, he must come back and let us renew the power."

Let me say to my distinguished friend from Texas—and there is no abler Member of this body or greater American—that, in my opinion, we can never afford to overlook the fact that while we cannot bind a future Congress, which may come along and upset the apple cart if it so desires, whenever we enter into an agreement with a foreign country, though it be accomplished by the mere interchange of notes, which does not rise to the dignity of a treaty, and whenever we give our pledged word to a foreign government, we then come under international law. Under the plainest principles of international law we cannot morally break our agreement. That is the restraining influence on the Congress of the United States.

Mr. CONNALLY. Mr. President, will the Senator again yield?

Mr. GEORGE. I yield.

Mr. CONNALLY. I do not wish to argue with the Senator, because I do not want to get licked. [Laughter.] I thank the Senator very much for his courtesy. What I had in mind was to direct the Senator's attention to the fact that every 2 years there is a new Congress. The old Congress, of course, cannot bind any future Congress. Suppose, on the other hand—a situation which I think is wholly improbable—that the American people should elect a Republican Congress next year. That Congress would have the right to act. We hope it would act wisely. I doubt it, but we hope it would act wisely. Would not that Congress have as much power as has this Congress to regulate interstate commerce?

Mr. GEORGE. Undoubtedly.

Mr. CONNALLY. If that be true, and if a future Congress should repeal what we are now about to do, we should then be placed in the unenviable attitude of having repudiated an international agreement.

Mr. GEORGE. Yes.

Mr. CONNALLY. Out of respect for the Senator I shall not call it a treaty.

On the other hand, is there not a distinction to be drawn between the two types of legislation? I have not recently examined the historic examples which have been cited, although I examined them some years ago when the flexible tariff was under consideration. When Congress enacts a law providing that the President shall have power within certain limits—naming the articles and the rates—to apply such rates to any other country which has similar rates, or to any other country which does so and so, that is an act which brings within its effect any nation which does certain things. A criminal statute does not bring any of us within its provisions until we violate the law; but if we bring ourselves within the compass of the statute, we are amenable to it. Is there not a distinction to be drawn between the kind of legislation which does not bind the Government to do anything, and which we are at liberty to repeal the next day, and the legislation now proposed, which binds us not to change it? Under the proposed legislation we should not be at liberty to say, "We will not observe this law any longer. It is true that certain other countries have these duties, but the policy is wrong, and we will not follow it."

Mr. GEORGE. Undoubtedly there is a distinction. I think I should be the last to deny that there is a very definite distinction. However, I do not think that fact has any real bearing upon the question of whether or not the agreements are treaties, or whether the Congress is bound to abstain from doing this year anything which it believes to be the wise and necessary course merely because it may find itself in disagreement with some future Congress.

As I read the Reciprocal Trade Agreements Act, it provides for the abrogation of the trade agreements upon certain conditions. The agreements themselves, as I have read them so far, all have one or more escape clauses or conditions enumerated, upon which the agreement may be terminated.

Mr. CONNALLY. Mr. President, I must not annoy the Senator further. I think there is much mistaken opinion as to the effect of a treaty under the clause in the Constitution making a treaty the supreme law of the land.

A treaty has two aspects, one of which is domestic law. It is binding on all our people, and has the effect of a law. As to foreign nations, it has another effect. It has the

effect of an agreement or contract. It is frequently said that we can repeal a treaty by a statute. We can repeal a treaty by a statute insofar as the treaty is a domestic law binding on our citizens; but we cannot repeal by a statute a contract or agreement with a foreign nation. We can break it, of course, but we cannot repeal it without breaching it.

Mr. GEORGE. I think the Senator is entirely correct. We say, loosely, that we can repeal a treaty by a statute, which, generally speaking, is true; but international complications might grow out of a treaty relationship. Under international law we have no right to abrogate a treaty except in conformity with the treaty itself.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. McKELLAR. Before the Senator leaves the question asked by the Senator from Texas, is it not easily conceivable that what the Senator suggests may be done? For instance, suppose a trade agreement were entered into with a foreign government for 3 years, and the foreign government should violate the treaty, and the matter should be brought to the President, and the President should not abrogate the agreement under his power. Then manifestly under those circumstances a future Congress—or even the present Congress—if apprised of the fact that the foreign country had violated its part of the agreement, would have the right to declare the contract ended.

That is equally applicable to the question of treaties. I recall distinctly that one of the first acts I voted for in the House of Representatives in 1912 was one providing for the abrogation of the Russian treaty. That treaty was, as I remember, to continue until the year 1939, and the action to which I refer took place in 1912, as I recall. The Congress abrogated that treaty, and it remained abrogated until about 6 or 7 years ago when we entered into another treaty with Russia. So the Congress, in a broad way, has the right to repeal a treaty as it has the right to repeal any other law. A treaty is simply a law enacted in a different way; the Congress has the right to repeal it, and in that instance, I know, did repeal the Russian treaty at that time.

Mr. GEORGE. The Senator is undoubtedly correct. Of course, if a foreign nation with whom we have a trade agreement should refuse to abide by the agreement or to do certain things for failure to do which the agreement itself authorizes its discontinuance, we would, of course, legally and morally have the very clear right to abrogate it, end it, and walk out from under it.

Now, Mr. President, to continue briefly with my statement, the proclamation of the President pursuant to the authority granted him in the Trade Agreements Act actually effects a change in the domestic tariff law, just as in the case of proclamations by the President changing tariff rates pursuant to the flexible provisions of the 1930 tariff act or the 1922 act. The agreements themselves are merely one aspect of the procedure provided in the law itself for creating an international obligation which secures for us reciprocal concessions from the other country. Congress itself has provided that the proclaimed rates which are fixed in a trade agreement shall be the law. The situation is precisely the same as with every other statute in which Congress has sought the assistance of the President or another agency in carrying out the policy laid down in a statute, such as, for example, the Interstate Commerce Act or the flexible provisions of the 1930 Tariff Act, as I have just said. As the Supreme Court said with respect to the authority conferred on the Interstate Commerce Commission, when "the Commission declares a specific rate to be the reasonable and lawful rate for the future, it speaks as the legislature, and its pronouncement has the force of a statute."

That was held in the case of the *Arizona Grocery Co.* v. *Atchison, Topeka & Santa Fe Railway Co.* (284 U. S. 370–385).

Finally it is important to remember that there never has been a decision by any of our courts in which the validity of any executive agreement has ever been challenged so far as I have been able to find. To the contrary, whenever any of these agreements have come before the courts they have been sustained and given effect. I should perhaps qualify that statement by saying that some one or more of the acts of the Executive may have been challenged upon the ground that they were not authorized by act of Congress.

Some 10 reciprocity agreements were entered into in connection with the administration of section 3 of the Tariff Act of 1890 without being submitted to the Senate or the Congress, as I have already said.

It was in the case of Field against Clark, to which I have already referred, that this section was challenged as delegating to the President both the legislative and treaty-making powers, but the United States Supreme Court specifically rejected this contention, stating at page 694, of 143 United States:

> The Court is of opinion that the third section of the act of October 1, 1890, is not liable to the objection that it transfers legislative and treaty-making power to the President.

The Altman case I have already referred to.

In the case of *Monaco* v. *Mississippi* (292 U. S.) Justice Hughes stated that the Federal Government may effect an international settlement through treaty, agreement of arbitration, or otherwise.

I should like to invite the attention of the Senator from Texas to this decision or this statement of the present Chief Justice of the Supreme Court in the Mississippi case in which he stated specifically that the Federal Government may effect an international settlement—that is, reach or consummate an agreement—through treaty, agreement of arbitration, or otherwise. Not exclusively through the treaty-making power.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. PITTMAN. I should like to ask the Senator if that case was not the one in which Monaco sued the State of Mississippi on bonds which had been issued.

Mr. GEORGE. I think it was.

Mr. PITTMAN. Was there any question of treaty involved in that case?

Mr. GEORGE. No; but the Chief Justice, in elaborating his opinion, said that the Federal Government may conclude a settlement by treaty, by agreement to arbitrate, or otherwise.

Mr. PITTMAN. Did not that arise by reason of the fact that the State of Mississippi contended that it had no authority as a State to negotiate a settlement with a foreign country?

Mr. GEORGE. I think that is true. I was not speaking of the ruling of the Court; I was speaking of the language used, which, I think, is pertinent to the whole opinion of the Chief Justice.

Mr. PITTMAN. I do not doubt that diplomatic settlements may be made.

Mr. GEORGE. Two recent pronouncements of the Supreme Court of the United States give unquestioned authoritative recognition to the constitutional standing of such agreements; that is, trade agreements.

In 1936, in the case of the *United States* v. *Curtiss-Wright Export Corporation* (299 U. S. 304), the Court, referring to "treaties, international understandings, and compacts," declared that "the power to make such international agreements as do not constitute treaties in the constitutional sense," although not "expressly affirmed by the Constitution, nevertheless exists as inherently inseparable from the conception of nationality."

Mr. PITTMAN. Mr. President, will the Senator state if the Court at that point did not cite the Altman case?

Mr. GEORGE. Yes.

Mr. PITTMAN. We know what the Altman case was.

Mr. GEORGE. Yes; and the Court went back to the Holmes case in Fourteenth Peters, page 540; they went back to the very beginning. I know what the cases were; I think the Supreme Court knew what they were, and they were citing them as sustaining their ruling in this case.

In 1937 when the question was raised in the case of *United States* v. *Belmont* (301 U. S. 324), the case referred to by the distinguished senior Senator from Nevada in his very admirable argument before this body 2 days ago, which involved certain Executive agreements made by this Government, the Court disposed of the question in these clear terms—I am not quoting this language necessarily for the sake of saying that the agreement then under consideration was on all fours with those made under the Trade Agreements Act or the things done under it, but as showing that the Court itself recognized the existence of separate methods by which certain international agreements and arrangements may be made.

> The assignment and the agreement in connection therewith did not, as in the case of treaties, as that term is used in the treaty-making clause of the Constitution (art. II, sec. 2) require the advice and consent of the Senate.

There was undoubtedly some sort of an agreement; there was undoubtedly some sort of an arrangement, and irrespective of whether the Court was right or wrong, the significant thing is the Court's recognition of the fact that certain international agreements and relationships may be created without resort to treaty.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. PITTMAN. In that case there was an assignment by the Government of Russia to the President of the United States of an account in the Belmont Bank of New York, of certain sums which the Government of Russia claimed to own by sequestration. The only agreement as shown by the opinion of Court is a letter from the President to the Russian Government in which he expressed appreciation for their action and said he would conform with their desire to report as the sums were recovered. There was nothing except diplomatic correspondence.

I do not want the Senator to misunderstand me. I thoroughly agree that the President may make agreements to carry out a specific act of Congress, which is specific in its terms and which he is to execute and that he may make diplomatic settlements without the authority of Congress by virtue of his position as Chief Executive of a sovereignty, such as settlements of foreign disputes. I merely contend that all the cases to which the Senator has referred in which the Court has held that a given agreement was not a treaty were very much like those arising under the act of 1890 by which the President was simply authorized to put into effect certain duties on goods that were on the free list as against a government which would not act fairly with our Government.

In the other case, under the act of 1897, in section 3, under which the Altman case arose, there were two rates—one 45 percent, and the other 15 percent. Again, the President was authorized to put the lesser rates in effect.

Mr. GEORGE. Yes.

Mr. PITTMAN. He did it by diplomatic correspondence in the case of the 1890 treaty, and no written thing at all except correspondence.

In the other case cited just now, the Belmont case, there was nothing in writing except a letter from the President of the United States, as the Court says; and it says the chief item in the letter of the President was that he thanked the Russian Government for its action, and stated that he would gladly notify it as the money was recovered. I admit that that was not a treaty, and I admit that the Court was right, so far as my opinion is concerned.

Mr. GEORGE. Yes; I understand that.

Mr. PITTMAN. But I contend that the very differentiation the Court made in all of those cases, in which they defined what constituted a treaty, carries with it the affirmation that an agreement such as is authorized in the Trade Agreements Act, that is, an agreement with a foreign government for 3 years with regard to an important subject of public welfare, such as changing the laws of our country with regard to revenues and taxes, is a treaty. These agreements under the act itself cannot be terminated except upon violation by the foreign government. Such an agreement certainly comes within all the definitions of the Supreme Court that I have ever read as to what constitutes a treaty.

Mr. GEORGE. Let me ask the Senator just one question. Since I have argued out the question with him before, I hope he will be frank in answering it.

Suppose the Congress, in the Trade Agreements Act, had said to the President, "Negotiate treaties for 3 years; offer to the other nations to cut our prevailing duties by 50 percent in order to get them to cut theirs;" would that have been a treaty when the President carried it out?

Mr. PITTMAN. In my opinion, it would have been a treaty. In my opinion, if we entered into a contract with a foreign government which we were morally and legally obligated to carry out for the period of 3 years with regard to any subject which affected the public welfare, it would be a treaty.

Mr. GEORGE. So the Senator thinks that would be a treaty. Then will the Senator please explain to me how Congress may regulate foreign commerce?

Mr. PITTMAN. I think, of course, that every section of the Constitution has to be taken into consideration with the other sections.

Mr. GEORGE. Exactly; I think so, too.

Mr. PITTMAN. I find in the Constitution the section to which the Senator refers. I find in the Constitution another paragraph which delegates to the other House of Congress the exclusive power to initiate revenue legislation. I find that the President may make foreign contracts with the approval of the Senate, two-thirds concurring. I think we must harmonize all those provisions, if possible. I do not believe for one moment that the interstate and foreign commerce clause of the Constitution intended to repeal the primary clause with regard to the initiation of revenue legislation, or the clause dealing with treaties.

Mr. GEORGE. Oh, no; it did not intend to do that; but I asked the Senator a fair question. I asked him if it would constitute a treaty if, under the Trade Agreements Act, the Congress itself had said, "We cut our duties 50 percent. Mr. President, as the executive branch of the Government, we call on you to enter into an agreement for not more than 3 years with any other country that will do likewise with its tariffs, and then these reduced rates of ours will become effective." The Senator has said that would constitute a treaty. Very well; I am satisfied with the Senator's answer; but I call his attention to the fact that in the very case of Field against Clark, in the case construing the act of 1890—I believe it was 1897 or 1890——

Mr. PITTMAN. The Field case dealt with the act of 1890. The Altman case dealt with the act of 1897.

Mr. GEORGE. The 1897 act of Congress had two sections, section 3 and section 4. In section 3 it did exactly what I asked the Senator; to wit, it prescribed the rates on certain specific articles, and then authorized the President to put those reduced rates in force if he found that any other country would grant reciprocally equal concessions to the United States. Very well. Now, the Senator is obliged to know that the Supreme Court held that that was not a treaty. Does the Senator take the slightest consolation from the fact that there was no time fixed during which these low rates should remain in effect in that case and under that agreement, whereas in this instance the President is limited to not more than 3 years?

Mr. PITTMAN. I think that is all the distinction that would exist in such a case.

Mr. GEORGE. The Senator thinks it is?

Mr. PITTMAN. Yes.

Mr. GEORGE. Then the Senator thinks Congress was just playing with the Executive; that Congress was saying, "Mr. Executive, we are going to reduce our tariffs on molasses, on sugar, on spices, and we are going to authorize you to go out and trade, but your trade is not worth a continental darn. We may violate it tomorrow, because it is not a treaty." Is that the Senator's position?

Mr. PITTMAN. Wait a minute. I do not say it could be violated, but it could be altered, because the agreements themselves, which were only diplomatic, provided that they

could be suspended at any time without any excuse by the President or by Congress. Of course that is no contract.

Mr. GEORGE. I do not read in the act that which the Senator does. The Supreme Court clearly said that the agreements were not treaties, and it said it upon the ground that they were of a character below the level of treaties. There was not any of the kind of argument that has been made here about our ability to violate a solemn agreement at will. The Supreme Court never suggested that as a basis of its decision.

Mr. PITTMAN. There was not any argument on the treaty at all in any of these cases, and yet these are all the cases the other side has cited.

Mr. GEORGE. They are the only cases that have been to the courts. We cannot cite cases that have not yet been there.

Mr. PITTMAN. I know; but the facts were as stated by the Court in those cases, and I have introduced into the RECORD here the proclamations made, which are called agreements. They are in the RECORD here now. Those proclamations state that these understandings shall last until changed.

Mr. GEORGE. Certainly. The trade agreements say the same thing.

Mr. PITTMAN. Oh, no.

Mr. GEORGE. Yes; they do. I shall get nowhere by merely disputing the Senator's word about it.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Senator from Georgia refuses to yield.

Mr. GEORGE. The trade agreements that I have read specifically provide that they may be changed.

Mr. PITTMAN. Well, what will be the agreement next week?

Mr. GEORGE. I do not know.

Mr. PITTMAN. We have to look to the statute.

Mr. GEORGE. I do not know, but in the prior decided case, in which the Supreme Court has said that Congress might fix a rate, and might say to the President, "Put this low rate in force on the merchandise and articles of another country, provided the other country will grant reciprocally equal concessions to you," if it had been put into effect without saying a single word about how long it should last, I know that when the Supreme Court says that such an agreement is not a treaty, the arrangements made under the Trade Agreement Act are likewise not treaties, because it is said they shall not last more than 3 years, and that is a limitation which the legislative branch was putting on its own power. That is a safeguard that it was imposing on itself. It did not want to tie its hands beyond 3 years, and not then if certain unfair practices were engaged in by the opposite party, but certainly the Congress was trying to do something effective. Certainly it was not merely indulging in child's play. Certainly it was not frittering away its time. Certainly the Supreme Court did not mean to say, "The only thing, Mr. President and the Congress of the United States, that keeps your act and what you, Mr. President, have done under that act from being a treaty, the only thing that takes it out of the solemn category of treaties, is that the United States has reserved the right to violate its pledged word without notice at any time that it sees fit." That cannot be the distinguishing basis between a treaty in that case and a lack of a treaty in this case.

Mr. PITTMAN. Mr. President, I trust the Senator will not attribute to me the word "violation." The word "violation" is not a suitable word to employ, because the understanding itself provided that it could be terminated by a declaration at any time.

Mr. GEORGE. Mr. President, the Supreme Court did not say anything about that. There is no place where they have emphasized that fact. In fact, they have not thought that worthy of notice; and, so far as I am concerned, I am profoundly grateful to the Supreme Court for not narrowing its determination of whether an agreement was a treaty or a mere executive agreement made by our country to the one thing which I think would be unworthy of a great nation, that is to say, its power to disregard it, to walk out from under it, to forget it whenever it wanted to do so. Certainly, so long as the conditions existed that were in existence when the President acted under a bona fide act of the Congress, there was an implied promise upon the part of the President and the Congress that these lower rates would be continued. Surely, between ordinary men upon the streets, armed traders attempting to cut each other's throats, that would be true. That is the law which I think would be recognized in any municipality.

Mr. LUCAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Illinois?

Mr. GEORGE. I yield.

Mr. LUCAS. Does the Senator agree with me that even a more powerful argument might be made when there is no limit in the treaty, as suggested by the Senator from Nevada, than when there is a fixed time, so far as limitation is concerned, as is the case in the trade agreements?

Mr. GEORGE. I do not think there is a doubt about it; but I had not reached that point. I was coming to it.

Mr. BONE. Mr. President, before the Senator yields the floor, there are one or two matters about which I should like to make inquiry. I do not, however, desire to interrupt the thread of the Senator's argument at this point.

Mr. GEORGE. I will be through in a moment, on the point I am discussing, at least, and I shall be glad to yield to the Senator, and answer as best I may.

Mr. President, there is one thing about which I do not think there can be any doubt, and that is that trade agreements are not treaties within the constitutional sense of the term, requiring the assent of two-thirds of the Senate before they become effective. I am sure it would be useless to pass an act making provision that, as treaties, they would have to be submitted to and approved by the Senate, because it would never be possible to arrive at any agreement with any trading or industrial nation with which we might wish to increase our trade or increase the flow of commerce. That, of course, is merely a practical consideration. But it seems to me to be beyond all doubt that these trade agreements are not treaties in the constitutional sense, and that was the only point which I thought vital in the discussion of this matter, save what I confess is a difficult question, whether the Trade Agreements Act attempts to carry with it an unconstitutional delegation of legislative power to the Executive.

There is one phase of that suggestion which I wish now to discuss; and I may say that I will not be able to go on with the main discussion of that point in the limited time remaining this evening, because I regard it as of very great importance. The point to which I refer is that the Supreme Court of the United States, in the recent case to which I referred, *United States* v. *Curtiss-Wright Export Corp. et al.* (299 U. S. 304), has made a very significant decision, not new, but nevertheless significant. Rather than read the Court's language, which is far more impressive than mine would be, I will confine myself to reading what we call in my State the "headnote" of the case, as follows:

> The powers of the Federal Government over foreign or external affairs differ in nature and origin from those over domestic or internal affairs.

That is necessarily true, because with reference to internal affairs the Federal Government exercises delegated powers, and only delegated powers, or those which spring by necessary implication from the powers granted; but with respect to foreign or international matters, the Federal Government is absolutely a sovereign. Not that the President may do anything and everything. He must, of course, act under the generally applicable and related constitutional provision, even in the exercise of his power as Chief Executive of the Nation.

I read further:

> The broad statement that the Federal Government can exercise no powers, except those specifically enumerated in the Constitution, and such implied powers as are necessary and proper to carry into effect the enumerated powers, is categorically true only

in respect of our internal affairs. In that field, the primary purpose of the Constitution was to carve from the general mass of legislative powers then possessed by the States such portions as it was thought desirable to vest in the Federal Government, leaving those not included in the enumeration still in the States.

The States severally never possessed international powers.

As a result of the separation from Great Britain by the Colonies, acting as a unit, the powers of external sovereignty passed from the Crown, not to the Colonies severally, but to the Colonies in their collective and corporate capacity as the United States of America.

The Constitution was ordained and established, among other things, to form "a more perfect union"—

And so forth. The point I have already covered is pertinent. I wish to call attention to one significant statement in the opinion. The court said:

In *Burnet* v. *Brooks* (288 U. S.) we said: "As a nation with all the attributes of sovereignty, the United States is vested with all the powers of government necessary to maintain an effective control of international relations."

Citing numerous authorities:

Not only, as we have shown, is the Federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate, and manifold problems, the President alone has the power to speak or listen as a representative of the Nation. He makes treaties with the advice and consent of the Senate, but he alone negotiates. Into the field of negotiation the Senate cannot intrude, and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, "The President is the sole organ of the Nation in its external relations and its sole representative with foreign nations."

So, Mr. President, in this case the court held that the delegation to the President of the power to act was not required with the same exactness or with the same high degree of accuracy that would be required if the President were exercising a function exclusively of the legislative branch of the Government. They pointed out as the basis of the decision that the President was exercising a power which he himself, as the Chief Executive, had the right to exercise, but that he did not have the authority to impose an embargo, or to prevent the shipment of goods; that that, after all, lay within the power of the legislature.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. GEORGE. I will yield in a moment.

Mr. ADAMS. I thought the Senator had concluded.

Mr. GEORGE. I am calling attention to that principle for this purpose, to wit, that in this instance the legislative power undoubtedly is to regulate commerce with foreign countries, but in order to make effective that power the Executive is called in by the Congress itself and is invited to carry on the diplomatic end of the bargaining process which the Congress itself has established. So there is here a very clear combination of the legitimate function of the Executive under the Constitution with the legitimate power of the legislative branch under the Constitution, and, although the Supreme Court has not had occasion to pass upon the exact question, I believe it highly probable—indeed, very certain—that the Supreme Court would hold that in such a case the same precision, the same high degree of specification, in laying down the standard to be administered by the Executive who was to consummate the program, would not be required, and could not be required, as in the case of the delegation of a purely legislative power to a board or commission, as was the case under the flexible provision of the Tariff Act of 1922 and under the flexible provisions of the present act.

Mr. BARKLEY. Mr. President, will the Senator yield in that connection?

Mr. GEORGE. I am glad to yield; then I will yield to the Senator from Colorado.

Mr. BARKLEY. It seems to me the Senator's view is confirmed by the fact that in dealing purely with a domestic problem in the first act to regulate commerce the only standard set up for the guidance of the Interstate Commerce Commission was the justice and reasonableness of the rates imposed. Nothing was laid down in the statute to guide them as to what was just and reasonable.

Mr. GEORGE. Precisely.

Mr. BARKLEY. It was left entirely to them.

Mr. GEORGE. Exactly; and the Supreme Court pointed out that it was wholly beyond the power of Congress, as a practical question, to fix all the rates applicable to both freight and passengers to be transported by the carriers.

Mr. BARKLEY. Yes.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. GEORGE. I must yield first to the Senator from Colorado.

Mr. ADAMS. The Senator has largely answered the inquiry I had in mind; but I gathered from the Senator's view, and from the reading of the decision of the Court in relation to foreign exports, that the power the President has by virtue of his Presidential office may not be limited by an act of Congress; in other words, it is an absolute power, subject only to the restrictions imposed upon him by the Constitution itself. That is, we, as a legislative body, could not restrict the President in the exercise of his Executive power.

Mr. GEORGE. In international matters.

Mr. ADAMS. Yes.

Mr. GEORGE. Undoubtedly that is true, when the power is one which lies exclusively in the hands of the Executive.

Mr. ADAMS. And he can, as he did in the Curtiss-Wright case, exercise two functions. One is an executive function.

Mr. GEORGE. Primarily that was the function he exercised.

Mr. ADAMS. Congress by the passage of a resolution had delegated to the President certain legislative activities, and those two functions were exercised by the President in conjunction. The legislative powers can only be delegated subject to the proper rules and standards.

Mr. GEORGE. That is correct. But it was said in that case that the same rule of strictness did not apply because primarily the President was exercising what the Senator has described as the Executive power.

Mr. ADAMS. There are two types of executive agreements. We have one executive agreement which the Executive makes as the Executive. We have others, which we call executive agreements, which are lesser than treaties in their stature, which the President enters into by virtue of the authorization of Congress.

Mr. GEORGE. Yes.

Mr. ADAMS. I was simply trying to get those two types clear. I have some difficulty in following the Supreme Court in saying that when the President enters into an executive agreement by virtue of an act of Congress in relation to a foreign matter, there is a lesser requirement as to compliance with the theory of delegation. I know that that statement was made by the Court.

I did not mean to take up so much of the Senator's time, but let me make one further suggestion. The control over foreign commerce is vested in the Congress.

Mr. GEORGE. Undoubtedly.

Mr. ADAMS. So that the President is narrowed in his executive capacity to make executive agreements of a strictly Presidential character by the power which Congress has to control commerce. As to those things there must be a delegation.

Mr. GEORGE. No; I did not go that far. The Senator misapprehended what I was trying to say. I do think that the President, under his undoubted treaty-making power, may enter into any kind of relation that he wishes. Part of the treaty terms might apply, of course, to tariff matters as well as any other matter which he might wish to include within them, and then I do not think he would be bound by what the Congress had not previously done. In that event, of course, the treaty would come back to the Senate for ratification or rejection. I do not think the power of Congress to regulate foreign commerce can properly be regarded as restricting the treaty-making power or any other power which the President has as Executive.

Mr. ADAMS. Of course, the treaty-making power involves the executive and the legislative.

Mr. GEORGE. It involves both.

Mr. ADAMS. Both are involved in making effective a treaty.

Mr. GEORGE. Both are involved. That is, the Senate is involved in the ratification of the treaty, not in its negotiation. It has no right to interfere with or to limit the President in that regard.

Mr. ADAMS. But a treaty might involve a purely executive question.

Mr. GEORGE. It might; yes. But if it involved a purely executive question, one that lay within the jurisdiction of the Executive, I think the Congress would have nothing to do with it.

I think the Congress would have to do only with the placing of any limitations upon an action to be taken in carrying out the power granted to it, the Congress. If the power is granted to the Congress I think it might, by an act previously passed, call on the Executive, or if it were appropriate, call upon the judiciary. Of course, we cannot conceive of a circumstance under which the latter course would be appropriate. But if that power were granted to Congress it might call upon the Executive to exercise certain acts in furtherance of the execution of the power vested in the Congress, because there are manifestly some powers given to Congress which it cannot appropriately exercise, or which it can exercise only with the utmost difficulty, if at all, and particularly, it seems to me, it could not reach any general understanding with a foreign country with regard to domestic legislation. And what similar action or treatment could be expected from the foreign country unless the Congress could call on the Executive to open negotiations with the foreign country, and exercise his diplomatic power as the head of the Nation, indeed the head of the Federal Government, in dealing with a foreign government?

I do not know that I make myself entirely clear.

Mr. ADAMS. I am sorry to have taken so much of the Senator's time.

Mr. BONE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from Washington.

Mr. BONE. Mr. President, I am tempted to ask the Senator from Georgia about an aspect of this problem that parts company entirely with the question of the legality or constitutionality of these agreements. I solicit answers from the Senator because in much correspondence and in many talks I have had with people of an inquiring mind who have the highest motives—and they are very purposeful—I find much confusion. I should like to ask the Senator from Georgia, whose judgment I value highly, whether he believes that the flexible-tariff provision, which has been in our tariff law for many years, is a wise provision, that is, a provision which permits the Tariff Commission to lift or lower tariff rates by 50 percent.

Mr. GEORGE. I am very frank to say to the Senator from Washington that originally I strongly doubted the wisdom of that provision, but I lived to see the growth of the process of tariffs and other trade restrictions gradually climbing until I thought the process had reached a danger point, and looking at the question practically I concluded that the only way to meet that situation was through some agency such as the Tariff Commission, or through the President, by reciprocal-trade agreements made under the Trade Agreements Act.

I very frankly say to the Senator from Washington that originally I questioned very seriously whether the flexible provision should be enacted, and I cannot say, of course, that there are no objections to it. I do not think anyone can argue that there are no valid objections to that kind of delegation of authority, even conceding we have a right to make it. But, in my opinion, we have to look at it practically; and if there is to be any gradual cutting down of rates which are high and which have within themselves not stimulated trade or perhaps have called for various adverse restrictions upon our trade and commerce by other countries, if there is to be any remedying of that situation, looking at it practically, we have to approach it by the method now being followed. Frankly, I think if we entered into a general revision of the tariff, we would find ourselves swamped in hopeless confusion, and the net result would probably be rates less scientific than the rates now in effect. Certainly they would not be more scientific.

Mr. BONE. This formula, which I believe is to be found, logically, in our tariff statutes after the Fordney-McCumber Tariff was adopted, rests upon the assumption that the Congress of the United States in its wisdom should establish first a schedule of tariff rates as a predicate upon which the formula could rest. That job, of course, under our present tariff set-up, has to be done by this body. We are not parting company with that formula. We are resting all our arguments and our assumptions on the theory that it is the duty of Congress to pass a law establishing certain levels of tariff schedules and customs duties.

Then we give flexibility to that principle by writing into the law the flexible clause which gives a leeway of 50 percent up or 50 percent down. That was the only fundamental modification of the law, until the enactment of the Reciprocal Trade Agreements Act.

Mr. GEORGE. That also is limited by the same 50 percent up or 50 percent down.

Mr. BONE. I understand, but its application rests first upon a tariff law, which is the old orthodox tariff law.

Mr. GEORGE. That is correct.

Mr. BONE. I have listened to the argument of the Senator with much interest, and I have read a great deal about the device of logrolling, which seems implicit in the making of tariff schedules in a legislative body; so I have tried to inquire of those who are interested, with respect to the wisdom of going beyond these orthodoxies of tariff making, such as Congress has indulged in for 150 years, and to adopt an entirely new system of making tariffs. If there be vice and evil in the logrolling implicit in all tariff operations, and if the reciprocal-trade idea, which is perhaps not a new thing, but certainly new in its operations so far as the tariff is concerned, is wise and just and proper, because it gets away from legislative logrolling, and if there is absolute virtue in it which may not be legitimately and honestly challenged—and this is the point raised by many of my correspondents—would it not be the part of wisdom to vest, not a portion of the control of so vital a thing in the Presidential discretion, but to allow the President himself and his Tariff Commission to establish all schedules, regardless of any 50 percent up or 50 percent down, so as to eliminate entirely the logrolling aspect in Congress, because the inherent vice is still there? We have written into the law these revisions, and we have given ourselves a 50-percent leeway one way or the other.

If the theory underlying the trade agreements be morally and economically sound, would it not be wise to have the President take over the job of making all tariffs, and get rid of the whole business, which has so many vices inherent in it?

That question has been posed to me many times. I find it diffcult to answer.

Mr. GEORGE. In the first place, let me say to the Senator that Congress could do what the Senator suggests, but it could do it only by laying down certain principles and standards which would prevent a collision with the general constitutional provision that we cannot delegate our legislative power.

Mr. BONE. I am assuming in my question that such limitations are written into the law.

Mr. GEORGE. Let me answer the Senator further. I do not think it would be wise to do so, in any event, because from time to time the Congress may—and I think should—undertake as nearly as possible a general revision of tariffs, or a complete revision of tariffs. I think that power should remain in the hands of the Congress. I think it is quite sufficient to give the tariff at least a reasonable flexibility, and then to establish an intelligible principle or standard to be used by some expert body in running the rate up or down within fixed limitations.

Mr. BONE. Mr. President, let me ask the Senator another question.

Mr. GEORGE. I think it would be unwise and undesirable from any point of view for the Congress to undertake to put the whole burden on any agency of government.

Mr. BONE. The limit now is 50 percent either way.

Mr. GEORGE. That is the first limit; yes. There are other limits in the act.

Mr. BONE. Suppose that Congress, instead of approaching the question in the fashion I have suggested, and within such limits as would make the delegation of power constitutional, should say, "We will give the President of the United States power to regulate tariffs up or down by 80 percent or 85 percent." That would be accomplishing by indirection that which possibly might not be directly accomplished. If by giving the President 50-percent leeway either way we can do directly and constitutionally the thing we seek to achieve, possibly the court would sustain a 90-percent leeway either way.

Mr. GEORGE. Possibly. I think it would do so if adequate standards were laid down.

Mr. BONE. If that were true, the President would be permitted almost to remove tariffs, or to add to a tariff such an amount as to constitute practically an embargo.

Mr. GEORGE. That is true. I do not believe such a situation would be desirable, although I do think some flexibility in the rate is desirable, particularly to meet an emergent situation or a condition which is stubborn, as the case of constantly dwindling trade volume.

Mr. BONE. I hope I am not embarrassing the Senator by asking him to express an opinion as to whether or not a tariff commission such as the Interdepartmental Committee could exercise more discretion and wisdom than the Congress of the United States in framing tariff schedules. I have had that question put squarely and plainly to me by reputable high-minded men in both Houses of Congress. They say there is so much vice implicit in the logrolling arising from the consideration of tariff schedules that it would be much better, and would serve a higher public morality, to permit a committee such as the Interdepartmental Committee to fix schedules.

If that argument be valid, and if it has weight, it seems to me we ought seriously to consider doing so, even to the extent of allowing a leeway of 90 percent. Certainly a leeway of 90 percent would get the tariff problem out of Congress in a hurry.

Mr. GEORGE. I will say to my friend from Washington that I do not agree that that would be desirable, although it might result in obtaining a tariff which theoretically would be more nearly correct. However, it would leave out of consideration a vital principle which I think we never can afford to sacrifice. I refer to the judgment of men from every State in the Union and from every district in every State, representing the people, familiar with their purposes, wishes, hopes, aspirations, and needs. In the high sense, legislative power should never pass entirely out of Congress. It has passed out so far as making rates on our common carriers is concerned, as the Senator knows.

Mr. BONE. We retain no control over that subject.

Mr. GEORGE. No; but we could withdraw the power at any time.

Mr. BONE. That is true.

Mr. GEORGE. As the Senator says, we do not actually retain the control.

Mr. BONE. As I listen to these arguments, I am forced to ask myself whether or not the power which we have granted the Interstate Commerce Commission and all the other governmental agencies is as vital to the welfare of America as the power we grant to the President in the negotiation of reciprocal-trade agreements.

I want the Senator and my brethren to understand that in these questions I imply nothing about my own attitude. I merely seek information. If we willingly grant to the Interstate Commerce Commission and the other great agencies which we have set up, powers similar to those granted by States to departments of public works to regulate power, electric-light, and telephone rates, why are we squeamish about granting to the President or to a departmental committee the power to make tariff schedules? Perhaps we could not do any greater harm to the American economy than we did to our economy by granting similar powers to the Interstate Commerce Commission. Let me employ what may seem to be a vulgarism. Why make fish of one and fowl of the other? Why draw such subtle distinctions, which I confess as a lawyer I cannot understand?

If it be proper to give to the Interstate Commerce Commission almost the power of life and death over all the railroads, which represent billions of dollars of investment, why should we withhold approval, if such a suggestion were ever made, to a proposal to give to the interdepartmental committee on tariffs and the President of the United States the power likewise to regulate tariff rates?

I ask these questions because I have had them dumped into my lap, and I wish to know the answers before I vote on the joint resolution.

Mr. GEORGE. Mr. President, I am not willing to go all the way. However, I think a reasonable flexibility, such as the Trade Agreements Act, to meet situations which are constantly changing and which are very difficult at best, should be approved. In section 350 we have a method of carrying out the formula which I have already described as one which will adequately serve the people's needs without a reckless delegation of authority. Under the trade-agreements procedure we start with the Smoot-Hawley law. That law embodied the judgment of men from every State in the Union and every district in those States. Then finding that conditions had arisen which made it impossible for the tariff alone to serve as the regulator of foreign trade, we, as a Congress, felt that certain changes should be made in the 1930 act which would stimulate our foreign trade. We developed a formula, and said to the Executive, "Put this formula into effect." But, we also said, "In carrying out this function you must act within a limitation, that is, you cannot change existing law by more than 50 percent.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me for a question?

Mr. GEORGE. I yield.

Mr. O'MAHONEY. The question I desire to ask the Senator from Georgia bears upon the colloquy he has just had with the Senator from Washington and also with the Senator from Kentucky [Mr. BARKLEY], in which reference was made to the grant to the Interstate Commerce Commission of power to fix reasonable rates, to use the phrase of the Senator from Kentucky. The Senator from Kentucky said that the power had been entirely given to the Interstate Commerce Commission. In response to the Senator from Washington, I have just understood the Senator from Georgia to say that we had completely surrendered that power to the Interstate Commerce Commission, although, of course, we could take it back.

Mr. GEORGE. Yes. I did not mean to say that we had surrendered it, but that we are now exercising our power through the Commission.

Mr. O'MAHONEY. Does the Senator bear in mind, when he makes that statement, the fact that the reasonableness of the rates fixed by the Interstate Commerce Commission is always subject to review by the courts?

Mr. GEORGE. Oh, yes.

Mr. O'MAHONEY. They are, are they not?

Mr. GEORGE. Yes.

Mr. O'MAHONEY. Does not the Senator recognize the fact that in the present act the customs duties to be fixed by the President are not subject to any review?

Mr. GEORGE. No one has a vested interest in a customs duty.

Mr. O'MAHONEY. Of course.

Mr. GEORGE. No one has any such right. Fundamentally, we cannot give anyone such a right.

Mr. O'MAHONEY. Because of that fact, Congress has given the right in the act of 1930 and in previous acts——

Mr. GEORGE. Only in one previous act.

Mr. O'MAHONEY. Very well; to be technically correct, in the act of 1930 and in a previous act, Congress, recognizing the importance of having a review of a delegated power, gave to the courts the power to review; and section 516 (b) of the Tariff Act of 1930 was eliminated by the Reciprocal Trade Agreements Act.

Mr. GEORGE. Yes; it was eliminated.

Mr. O'MAHONEY. So there is no possibility of review.

Mr. GEORGE. The Senator is correct. However, I will not permit the Senator to lead me into the statement that that is why section 516 (b) came into the act. Let me turn the argument around. Section 516 (b) came into the act because the methods adopted in securing tariffs had run wild. Many industries in the Nation were fast becoming committed to the doctrine that they were entitled to an embargo tariff, and that every possible hampering restriction should be thrown around every import which came to our shores.

Mr. President, if there were nothing else in our whole tariff history to cause me to support the Reciprocal Trade Agreements Act, the presence of a statute with so little moral basis as section 516 (b) would do so. It was a recognition that a producer of merchandise has some sort of vested interest in maintaining a tariff or tax imposed for his protection as against an importer who brings in merchandise.

What happened under section 516 (b)? Imports were stopped at the coasts. They were tied up almost interminably. The importer virtually had to go out of business. That is one of the reasons why our trade and commerce went down so very rapidly under the 1930 act. We had carried the embargo protectionism doctrine so far, and it had provoked so many retaliatory measures in other commercial and industrial countries, that the stream of commerce was fast drying up. I grant—and I am pleased to grant it—that when any act of the Congress may be difficult of review, or may be beyond the reviewing powers of our courts, that is a very strong argument why the Congress should go very slowly in that direction, and why it should exercise its power with the utmost care and caution in placing the authority to act in any board, bureau, or other department of the Government. I grant that. I thoroughly agree with that.

Mr. O'MAHONEY. I am very happy to have the Senator say that, because we are approaching another national election, and no Senator on this floor can foresee who will administer this act in the period for which it is proposed to be extended. The persons in authority in the State Department in 1941, 1942, and 1943 may not have the high standard of morality which distinguishes the present occupant of the most distinguished position at the head of the State Department. The persons in charge of the executive arm of the Government in 1941 may have exactly the point of view which the Senator now so eloquently and clearly deplores; and I feel that he has raised a very powerful argument against the continuance of the present act when he states that the Congress should go very slowly in delegating this extraordinary power to the executive arm of the Government.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. GEORGE. I yield.

Mr. McKELLAR. I was called out of the Chamber just a moment ago, and I do not know whether or not the Senator has touched upon this question.

As I understood the Senator from Michigan [Mr. VANDENBERG] earlier in the afternoon, he made an argument to the effect that it is particularly undesirable at this time to continue in force these trade agreements because of the present war conditions in the world. Is it not the opinion of the Senator from Georgia that in these war conditions we are very much better off with the power in the President to make trade agreements, and with the trade agreements we have, than if we were restored to the terms of the old Smoot-Hawley Act?

Mr. GEORGE. I think so, Mr. President, and I also think that in a time of great world stress we cannot afford to abandon the sound principle of equality of treatment of other nations upon which we have insisted certainly for a long time, and nobody more strongly insisted upon that principle than did the present Chief Justice of the United States when he was Secretary of State under a Republican administration.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I yield. I was about to yield the floor for the night.

Mr. LUCAS. I merely wish to ask one question before the Senator yields the floor.

I have listened for 2 days now to the debates upon the constitutionality of the Trade Agreements Act. I should like to ask the Senator from Georgia if he agrees with me that after we strip the frills from the amendment which is now before the Senate which, as I understand, is the amendment offered by the Senator from Nevada [Mr. PITTMAN] seeking to have the trade agreements ratified by a two-thirds vote of the Senate—the sole question comes down to whether or not the trade agreements are agreements or treaties, one or the other.

Mr. GEORGE. In my opinion, yes.

Mr. LUCAS. And, as I understand, the Senator from Georgia takes the position that they are not treaties, but they are merely trade agreements.

Mr. GEORGE. They are Executive agreements on the one side, as distinguished from treaties. They are instruments falling below the level of a treaty.

Mr. LUCAS. If, on the other hand, they are treaties, as contended for by the Senator from Nevada—who seeks through this amendment to have them ratified by a two-thirds majority of the Senate—then the question of the delegation of power from the legislative branch to the Executive, as so ably argued by the Senator from Wyoming [Mr. O'MAHONEY], is not involved at all.

Mr. GEORGE. No; if the instruments are to be treated as treaties, of course they have to be ratified by a two-thirds vote of the Senate, and no question of delegation of power is involved, because we could not restrict the President. He is free to do as he pleases, of course.

Mr. LUCAS. Then if the Senator from Georgia is correct that these instruments are purely trade agreements and not treaties, the only question which the Senate has to deal with is solely with respect to the delegation of power, and the safeguards surrounding that delegation.

Mr. GEORGE. That is correct.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. GEORGE. Yes; I yield to the Senator from Missouri.

Mr. CLARK of Missouri. If, on the other hand, the contention of the Senator from Nevada [Mr. PITTMAN] were correct, and it were considered that these agreements are treaties, then this whole act would be in limitation and in derogation of the constitutional authority of the President to negotiate treaties; would it not?

Mr. GEORGE. Entirely.

Mr. CLARK of Missouri. In other words, under the Constitution the President does not need any statutory authority from us. He may go ahead and negotiate any treaty on the face of the earth that he pleases, and send it to the Senate for ratification, and he does not need any statute of this sort; and, as a matter of fact, the whole nature of this statute would be a limitation on his constitutional authority.

Mr. GEORGE. Undoubtedly so.

Mr. President, I have concluded what I wished to say, although I have not covered all the ground I desired to cover on the question of the nature of the Trade Agreements Act, and the things done thereunder; that is, whether a trade agreement is a treaty or whether it is a mere Executive agreement. The important question in this matter, as I see it, is whether the Trade Agreements Act constitutes an unlawful or unconstitutional delegation of legislative power to the President in negotiating a treaty.

Mr. CHANDLER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Kentucky?

Mr. GEORGE. I shall be glad to yield. I was about to yield the floor for the day.

Mr. CHANDLER. I desire to compliment the Senator from Georgia upon his address on this very important question. I have listened to it with a great deal of interest, and I do not think I have ever heard a more eloquent or more persuasive address on this very important subject.

Mr. GEORGE. I thank the Senator.

Mr. CHANDLER. If the amendment of the Senator from Nevada [Mr. PITTMAN] were agreed to by the Senate, is it the opinion of the Senator from Georgia that that might preclude the possibility of arranging effective trade agreements between the United States and other countries in the immediate future?

Mr. GEORGE. Undoubtedly, in my opinion, it would preclude the possibility of doing anything.

Mr. BARKLEY obtained the floor.

Mr. HARRISON. Mr. President, I ask the distinguished leader on this side if we may not recess until 11 o'clock tomorrow morning?

Mr. BARKLEY. Yes; I think it would be very desirable to do so. Has the Senator from Georgia concluded his remarks?

Mr. GEORGE. There is one phase of the matter which I should like to cover in the morning. It will not take very long, I hope.

Mr. BARKLEY. I was asking merely for information. It is entirely agreeable to me to have the Senate meet at 11 o'clock, and I have conferred with Senators on the other side on the subject.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. May I understand what the request is?

Mr. BARKLEY. The Senator from Mississippi [Mr. HARRISON] asked me if it would be agreeable to have the Senate recess until 11 o'clock in the morning instead of 12 noon, and I said it would be.

Mr. AUSTIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Vermont?

Mr. BARKLEY. I do.

Mr. AUSTIN. It had been my intention to take the floor following the distinguished Senator from Georgia, whose address I have listened to without interrupting him, and with great admiration for his able presentation of his views relating to the pending amendment. I give notice that I shall try to obtain the floor after the Senator from Georgia shall have concluded his address tomorrow.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Wyoming?

Mr. BARKLEY. I yield to the Senator.

Mr. O'MAHONEY. I was about to remark that there are so few Senators upon the floor at this moment that it may be difficult to ascertain whether or not 11 o'clock would be a convenient time for Senators to meet. Most of those who have departed undoubtedly have gone in the belief that the Senate would not assemble until noon.

Mr. BARKLEY. The Senator from Wyoming will recall that yesterday we discussed the feasibility and advisability of meeting at 11 o'clock today.

Mr. O'MAHONEY. The Senator was very courteous to me in not having that done, because it would have been inconvenient for me to proceed with my remarks at 11 o'clock today.

Mr. BARKLEY. The only committee which is to be in session tomorrow, I understand, is the Appropriations Committee. I have conferred with some members of that committee, and have been told that to have the Senate meet at 11 o'clock would not work any great inconvenience to them. They are close to the Senate Chamber, anyway; and inasmuch as it is desired to obtain a vote on this amendment this week, if possible on Friday, so that we may then know what the future course of the joint resolution will be, it has been thought desirable to have the Senate meet at 11 o'clock tomorrow. I hope the Senator will not object to that.

Mr. O'MAHONEY. Mr. President, I have no objection.

PAYMENTS BY RURAL ELECTRIC COOPERATIVES

Mr. BARKLEY. Mr. President, in view of certain remarks made a few days ago by the junior Senator from Ohio [Mr. TAFT] that there was not a rural electrification association in the United States which had earned the interest on the repayments it had to make to the Government of the United States, I send to the desk a telegram from one of these organizations which I ask to have read.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

OWENSBORO, KY., *March 22, 1940.*

Senator ALBEN BARKLEY,
Senate Chamber, Washington, D. C.

DEAR SENATOR: We deeply resent the remarks made by Senator Taft about R. E. A. as quoted in today's paper. We suggest he acquaint himself with the facts before again making such unfair accusation about a matter so close to the heart of the American farmer. Here are a few facts about the Green River Rural Electric Cooperative Corporation of Owensboro, Ky., serving five counties. Fifteen months after energizing we paid $10,000 of principal and $7,000 of interest not due and have met every interest and principal payment each month since and have a sizable fund in the bank besides. After meeting all operating expenses and all interest charges 34 percent of our monthly collects are available for amortizing our loan. If the Senator wants proof these figures are on file with the R. E. A. Administration, Washington.

Sincerely,

HOWARD DANIEL,
President, Green River Rural Electric Cooperative Corporation.

Mr. McKELLAR and Mr. AUSTIN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I wish to say that since the colloquy occurred last week in regard to this subject, I have made an effort to secure a statement of the facts from rural electrification associations, and I hope to be ready to submit some data covering the subject at an early date, when I can get the floor without conflicting with the pending business. I could be ready tomorrow if I could get the floor, but I do not desire to interfere with the debate on the trade-agreements measure. At the first opportunity after the pending bill shall have been disposed of I will submit the facts to the Senate.

Mr. BARKLEY. Mr. President, I am sure that the Senate will be glad to have the Senator's presentation. I have had this telegram read, because it is brief, and it states the facts as to the particular situation covered by the message.

Mr. McKELLAR. I am glad the Senator had it read.

Mr. BARKLEY. Did the Senator from Vermont desire to ask me a question?

Mr. AUSTIN. I did not realize that the Senator from Ohio had come into the Chamber during the colloquy.

Mr. McKELLAR. I may say to the Senator from Ohio that I feel confident he will have all the facts he has been desirous of obtaining.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. TAFT. I hope the Senator will have the facts as to the 800 rural electrification cooperatives, so that we may know the whole situation, and not merely as related to 1 out of 800.

Mr. McKELLAR. The Senator will have reports from all of them.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate a message from the President of the United States, submitting the nominations of sundry officers in the Foreign Service, which was referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nomination of Hugh Gladney Grant, of Alabama, to be Envoy Extraordinary and Minister Plenipotentiary to Thailand.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotion in the Navy.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc. That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until tomorrow at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 28, 1940, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 27 (legislative day of March 4), 1940

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for promotion in the Foreign Service of the United States, effective as of March 1, 1940:

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

Raymond H. Geist, of Ohio.
Loy W. Henderson, of Colorado.
Laurence E. Salisbury, of Illinois.
Lester L. Schnare, of Georgia.
Samuel H. Wiley, of North Carolina.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:

Charles A. Bay, of Minnesota.
Selden Chapin, of Pennsylvania.
George F. Kennan, of Wisconsin.
Samuel Reber, of New York.
Robert Lacy Smyth, of California.
Angus I. Ward, of Michigan.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

William W. Butterworth, Jr., of Louisiana.
Paul C. Daniels, of New York.
Cecil Wayne Gray, of Tennessee.
Gerald Keith, of Illinois.
George H. Winters, of Kansas.

From Foreign Service officer of class 7 to Foreign Service officer of class 6:

Sidney A. Belovsky, of New York.
Burton Y. Berry, of Indiana.
George M. Graves, of Vermont.
James B. Pilcher, of Alabama.

From Foreign Service officer of class 8 to Foreign Service officer of class 7:

Montgomery H. Colladay, of Connecticut.
William S. Farrell, of New York.
William E. Scotten, of California.
James H. Wright, of Missouri.

From Foreign Service officer, unclassified, to Foreign Service officer of class 8:

Reginald Bragonier, Jr., of Maryland.
Carl Breuer, of New York.
Mulford A. Colebrook, of New York.
Overton G. Ellis, Jr., of Washington.
Howard Elting, Jr., of Illinois.
Frederick E. Farnsworth, of Colorado.
T. Muldrup Forsyth, of Virginia.
L. Randolph Higgs, of Mississippi.
Walter W. Hoffmann, of California.
Walter J. Linthicum, of Maryland.
Aubrey E. Lippincott, of Arizona.
Robert Mills McClintock, of California.
Harold E. Montamat, of New Jersey.
Walter W. Orebaugh, of Kansas.
W. Leonard Parker, of New York.
Wales W. Signor, of Michigan.
Orray Taft, Jr., of California.
Robert M. Taylor, of Washington.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 27 (legislative day of March 4), 1940

PROMOTIONS IN THE NAVY

TO BE CAPTAINS

Herbert R. Hein
George B. Ashe
Carlos A. Bailey
Virgil C. Griffin, Jr.
Schuyler Mills

TO BE COMMANDERS

Thomas E. Flaherty
John B. Barrett
William E. McClendon
Charles E. Olsen
Elmer R. Runquist
Walton R. Read
Robert B. Crichton
Thomas B. Fitzpatrick
George V. Whittle
Herman P. Knickerbocker
Cornelius V. S. Knox
John B. McGovern
Arthur W. Peterson
Benjamin C. Purrington
Anton L. Mare
Sumner C. Cheever
Jack E. Hurff
Edward B. Peterson
William H. Ferguson
Frederick C. Sachse

TO BE LIEUTENANT COMMANDERS

Edward S. Pearce
Lewis S. Parks
Kenneth C. Hurd
William L. Benson
Everett E. Mann
Hunter Wood, Jr.
Barton E. Bacon, Jr.
George J. Dufek
Frank P. Tibbitts

TO BE LIEUTENANTS

Richard H. Best
John R. Leeds
Travis R. Leverett
George E. Hughes
Ernest M. Snowden
Herbert J. Campbell
Barry K. Atkins
Henry G. Munson
Thomas K. Bowers
Frank C. Acker
Howard F. Stoner
William E. Townsend
John H. Kaufman
Joseph H. Kuhl
Howard R. Prince
Jacob A. Lark
Milton F. Pavlic
Anthony H. Dropp
William L. Richards
William M. Ryon
William B. Short, Jr.
Ray M. Pitts
Jack I. Bandy
Thomas F. Williamson
Richard H. Blair
Nicholas J. Nicholas
John R. Spiers

TO BE LIEUTENANT (JUNIOR GRADE)

Louis J. Gulliver, Jr.

POSTMASTERS

COLORADO

Lloyd W. Failing, Craig.

INDIANA

Clarence H. Andres, Batesville.
Lawrence M. Slough, Bourbon.
William W. Workman, Kokomo.
William H. Lauterbach, Rosedale.
Walter H. Droege, Seymour.

IOWA

Edward J. Kooreman, Alton.
Martin C. Fitzpatrick, Greeley.
Wilford S. Smiley, Grinnell.
John L. Harrison, Hornick.
Albert S. Barry, Muscatine.
Philip J. Carolan, Ridgeway.
Florence Gilman, Rock Rapids.

MAINE

Annie D. Thompson, Waldoboro.

NEBRASKA

James M. McKinley, Sutherland.
May E. Nichols, Valley.

NEW YORK

Gertrude L. Miller, Accord.
Frank Crowley, Bombay.
Charles W. Dunn, Calcium.
Edward J. O'Mara, Cornwall.
Evenor A. Andre, Croghan.
Hattie D. Lyon, East Setauket.
Leon L. Rider, Falconer.
Dennis J. Sullivan, Fort Plain.
Barbara J. Kelly, Frankfort.
Grant W. Fuller, Gouverneur.
Nathan D. Williams, Highland.
John J. Gaffney, Liverpool.
George H. Bogardus, Morristown.
Chester J. Brown, Newburgh.
Thomas E. Roeber, Port Washington.
Daniel S. Foster, Saranac Lake.
Beatrice A. Sweet, Smyrna.
Marie D. Proctor, Theresa.
Edward N. Skinner, Westfield.

OREGON

Otis A. Snook, Drain.
Harry D. Force, Gold Hill.
James E. Jenks, Jr., Tangent.

PENNSYLVANIA

Robert W. Baggs, Beaver Falls.
Ann K. Hunt, Darlington.
Ralph H. Shook, Spring Mills.

WASHINGTON

Clara Wilson, Rainier.
John M. Eager, Raymond.
Clara G. L. Phipps, Spanaway.
Bert B. Schmitz, Waterville.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 27, 1940

The House met at 11 o'clock a. m.

Rev. Joseph Coleman Richards, D. D., pastor of the Pleasant Ridge Methodist Church, Cincinnati, Ohio, offered the following prayer:

Infinite Father, Thou who art the ruler of the world's destiny, we worship Thee for the wonder and glory of life, and for its terror also; because we have learned that beneath its hurt and heartache there is a wise love that never fails, never forgets, never forsakes. Earnestly we would seek Thee this day, beseeching Thee to be the spirit of our prayer, the leader of our thoughts, and the consolation of our hearts. Open our minds we humbly pray, purify our hearts, grant us eyes to see Thy truth wherever it is unveiled, and ears to hear all voices that speak to us concerning Thy will and way for us. Admit us, O Lord, if we be worthy, into the communion of vision that we may be sure of Thy truth—seeing it clearly and with honest hearts—sure of the moral order of the world, and surer of the life eternal which flashes in the dreams of great and pure minds. Forgive our sins, heal our sorrows, and so cleanse our prayer that it may lead us in that noble and faithful service of our fellow souls wherein lieth our nearest duty and our truest joy. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 39. Concurrent resolution extending the time for the submittal of the report of the Joint Committee on Forestry.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1955) entitled "An act to authorize the Secretary of Agriculture to delegate certain regulatory functions, and to create the position of Second Assistant Secretary of Agriculture."

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. CALDWELL, from the Committee on Appropriations, reported the bill (H. R. 9109) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 1886), which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. STEFAN reserved all points of order on the bill.

THE TOWNSEND PLAN

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

Mr. TABER. Mr. Speaker, according to the Townsend organization, H. R. 8264 represents the present ideas of the Townsend clubs. They represent to the people of the country that under it there would be paid to everyone over 60 years of age from $60 to $200 each, per month.

Assuming that the enormous tax collected would not reduce the volume of business, the greatest amount that could be paid to each pensioner over 60 years of age would be $12.25 per month. The probabilities are that the tax would slow business down and reduce the volume of gross income and that each pension would soon be less than $12.25 per month.

The bill proposes a 2-percent tax on gross incomes but provides an exemption of $3,000 per year. In other words, if a man receives a salary of $3,000 per year, he pays no tax; if a merchant has gross sales of $20,000 and has a net profit of 7½ percent, or $1,500, after taking out an exemption of $3,000 on his gross income, he would pay 2 percent on $17,000, or $340. In this particular case the man with an income of $3,000 in salary would pay no tax, while a man with a net income of $1,500 in a business would pay $340, or 22½ percent upon his net income.

Senator DOWNEY, one of the joint authors of the bill, engaged in a discussion of it in Washington on Sunday, February 25, 1940, in the American Forum of the Air. His talk appears in the Appendix of the CONGRESSIONAL RECORD, and the particular part of it to which I wish to refer appears on page 1425. Senator DOWNEY states that the gross income of the United States would be about $300,000,000,000.

Now, it appears that only 30 percent of the gross income is received by individuals and corporations whose gross income exceeds $3,000 a year. This means that a total of $90,000,000,000 would be earned by those who were subject to tax. It is estimated by the Bureau of Internal Revenue that 3,500,000 earners, both individuals and corporations, earned this amount. Therefore, the exemption would be $3,000 multiplied by 3,500,000, or $10,500,000,000. This would leave an amount subject to the 2-percent tax of $79,500,000,000, and 2

percent on this amount is $1,590,000,000, from which we would have to deduct the expense of collection and operation of the act, which at the very least would be $120,000,000, which would leave the sum of $1,470,000,000 available to the pensioners. Under the proposed bill this amount would be distributed equally.

Senator DOWNEY claims that there are 10,000,000 people who would qualify for this pension. This would mean $147 per year, or $12.25 a month to each pensioner. In other words, taking the figures offered to us by the advocates of the bill and nothing else, and using a pencil and paper to figure it out, we find that adding practically $1,600,000,000 to the taxes of the country would only result in the payment of $12.25 to each individual pensioner. Instead of meaning less taxes, it would mean more taxes. The present pay-roll taxes upon business have operated to stifle and prevent recovery. These new Townsend taxes—double the old-age annuity pay-roll taxes—would have no other effect than to make business worse. They would stifle and interfere with real estate transactions and would seriously interfere with the marketability of stocks and bonds. Its general effect would be very serious, and the benefits to the individuals would not exceed $12.25 a month. These same people have been deceived by promoters into believing that the bill would yield them from $60 to $200 a month each.

I am not going into an analysis in this statement of other bills that have been introduced by the same organization. I am simply going to say that none of these bills would have worked out as the Townsend promoters stated.

I doubt very much the ability of the people in this country under 60 years of age to pay taxes enough to provide a substantial pension to those over 60. Except in case of actual disability, I think that all old-age pensions must be limited to those above 65 years of age, and I think that it is absolutely impossible to tax the people of this country enough to pay the same pension to those in the South, where the cost of living is lower, that we pay to those in the North.

These Townsend taxes would either raise prices or drive more people out of business, and in that way they would bear most heavily on the poor.

I do not propose to support any measure that is very evidently designed to deceive the people and to get money out of them, rather than to accomplish the purpose that they pretend to stand for.

A little later on, as the opportunity comes, I propose to discuss the entire social-security problem and to make such constructive proposals with reference to that problem as are possible. [Applause.]

Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to insert a table.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of business on the Speaker's table and at the conclusion of the legislative business in order for the day and after any other previous orders heretofore entered I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, in my reply to the gentleman from New York the other day, I got consent to revise and extend my remarks and I desire to insert some data which I think I have a right to include, but for fear I might be mistaken I ask unanimous consent to include it.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

Mr. RICH. Mr. Speaker, reserving the right to object, what data does the gentleman wish to insert in the RECORD?

Mr. RANKIN. Relative to power rates in the State of New York.

Mr. RICH. I may say to the gentleman from Mississippi when he puts these articles and tables in the RECORD and he states he is the author of them I wonder when he has the opportunity to do it. Because he puts so many tables and articles in the RECORD.

Mr. RANKIN. I may say to the gentleman that I have devoted a great deal of time to getting up and compiling this information. It is accurate, I will say to the gentleman from Pennsylvania.

Mr. RICH. If I have to take information from the statements that the gentleman from Mississippi puts in the RECORD I do not want very much of it. Because he is badly guided and misinformed by someone and I am wondering who it might be.

Mr. RANKIN. I know the gentleman does not want information on this subject.

Mr. RICH. I want information that is authentic and I am not interested in putting the Government in business. I want to keep the Government out of business that competes with its citizens. The gentleman from Mississippi is interested in having the Government get into all kinds of business. That is a revolution, I will admit, from our customs. He quotes from the T. V. A., a corporation owned and operated by the Federal Government. The Federal Government pays the taxes, pays for the investment, and gives the people of Mississippi electric power for less than it costs the Federal Government, which sets up the Corporation for the benefit of Mississippi, Alabama, Georgia, and Tennessee, and the Government provides 45 percent of the money in Mississippi for electric appliances then the people go and borrow the other 55 percent from Government agencies and everything is done down in the gentleman's State at the cost of the taxpayers of Pennsylvania and my district and the other States. I object to such procedure. I think it is unfair, unethical, illogical, and dishonest. The gentleman is trying to get money out of the Federal Government for the benefit of only his people at the expense of mine. If he continues, his people down there will not amount to a tinker's darn, if they have to live completely off the Treasury of the Federal Government. He ought to teach them to work. He should be trying to get them to be independent instead of being dependent.

Mr. RANKIN. As I said, the information may not do the gentleman from Pennsylvania any good, but I think it will help the rest of the House and the country.

Mr. RICH. If it will help anybody, we will be glad to see it, but I want to see some things done that will help the country pretty soon instead of the people of the entire country taking care of the people of Mississippi. Where the utilities pay no tax, that the Government operate, such as the T. V. A.

Mr. RANKIN. It is helping the power consumers of Pennsylvania in getting reductions in their light and power rates, in spite of the gentleman from Pennsylvania [Mr. RICH].

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

Mr. RICH. Mr. Speaker, reserving the right to object, if they do something in Mississippi at the cost of the people of Mississippi, we do not object to it, but I do object to our people in Pennsylvania supporting in full all the people of Mississippi; they should do something for themselves.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

CALL OF THE HOUSE

Mr. KEEFE. Mr. Speaker, I make the point of order that there is not a quorum present.

The SPEAKER. Obviously there is not a quorum present.

Mr. RAYBURN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 57]

Barden	Burgin	Cole, N. Y.	Durham
Bates, Mass.	Byrne, N. Y.	Cooper	Evans
Beam	Byron	Culkin	Flaherty
Brewster	Chapman	Darden	Flannery
Buckley, N. Y.	Clark	Darrow	Folger
Burdick	Clason	Dirksen	Gilchrist

Goodwin	Lemke	Routzohn	Taylor
Hancock	McKeough	Sandager	Wadsworth
Hess	McLean	Satterfield	West
Hook	Maas	Seger	Wheat
Jacobsen	Mansfield	Shafer, Mich.	Whelchel
Jarman	May	Shannon	White, Idaho
Jarrett	O'Brien	Sheridan	White, Ohio
Jenkins, Ohio	Osmers	Short	Whittington
Kee	O'Toole	Smith, Conn.	Wolcott
Kelly	Reed, N. Y.	Smith, Ill.	Zimmerman
Larrabee	Risk	Sweeney	

The SPEAKER. Three hundred and sixty-three Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

DEPORTATION OF CERTAIN ALIENS

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6724) to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, after "Has" insert "been convicted of, or has voluntarily."

Page 1, lines 9 and 10, strike out ", or been convicted of,".

Page 1, line 10, after "espionage" insert: ", as defined in the act of June 15, 1917 (40 Stat. 217)."

Page 1, lines 10 and 11, strike out "for a foreign government" and insert "affecting the national defense or the foreign relations of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Mr. Lindley appearing in the Washington Post this morning, excerpts from an article from the Christian Science Monitor, certain excerpts from the hearings on the appropriation bill now under consideration, and a letter from Dr. Leiserson.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Southern Planter of Richmond, Va., and several letters from residents of the Southern States.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. IZAC. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a report from the N. Y. A. supervisor of San Diego, Calif.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief table of statistics relating to the N. Y. A.

The SPEAKER. Is there objection to the request of the gentleman from Washington.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief article from the San Francisco Chronicle.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered by myself.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania.

There was no objection.

Mr. FULMER asked and was given permission to extend his own remarks in the RECORD.

COMMITTEE ON THE JUDICIARY

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to file a supplemental report on the bill (S. 607) to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, as an addendum to report No. 1759.

The SPEAKER. Does the gentleman desire to include any time limit in the request?

Mr. HOBBS. No, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EXTENSION OF REMARKS

Mr. EDWIN A. HALL. Mr. Speaker, I am receiving scores upon scores of letters from farmers in my district regarding the hay shortage. I ask unanimous consent to extend my own remarks in the RECORD and include therein two of these letters.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered over the Columbia network last Saturday night.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the Saturday Evening Post entitled "After the Deficit—What?"

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief article by William Green on the labor question.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the Superintendent of the West Point Military Academy.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

LABOR-SECURITY APPROPRIATION BILL, 1941

Mr. TARVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further

consideration of the bill H. R. 9007, with Mr. BUCK in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. At the conclusion of the session on yesterday the Clerk had read through line 12, on page 14 of the bill.

Mr. CASEY of Massachusetts. Mr. Chairman, I have an amendment at the desk.

The Clerk read as follows:

Amendment offered by Mr. CASEY of Massachusetts: On page 14, line 9, strike out "$4,830,000" and insert "$5,865,000."

Mr. CASEY of Massachusetts. Mr. Chairman, the amendment which I have offered at this time is simply to restore the Budget figure for salaries of employees of the Wage and Hour Division. It is of tremendous importance because, ordinarily, a reduction in an appropriation means merely that the organization which suffers the reduction should tighten its belt and go on and adjust itself to the reduction, but right here I want to make it plain that the vote upon this amendment is a vote either for the Wage and Hour Act or against it. I cannot make this too plain. I say it because the Wage and Hour Division is engaged in the enforcement of wages and hours in industries throughout the United States. Colonel Fleming himself is the authority for the statement that if it is not efficiently and effectively enforced, it ought to go off the books. Let me repeat that—if his law is not efficiently and effectively enforced, it ought to go off the books.

If you allow this cut to go through and not pass my amendment, you are going to cut the contemplated personnel by one-third. It will be impossible to enforce wages and hours. The law will be inefficiently enforced, sloppily enforced, it will fall of its own weight and the enemies of wages and hours will rejoice. But make no mistake. Do not comfort yourselves with the idea, "Well, I favor the wage and hour principle, but in this instance the appropriation is more than last year and therefore I will vote for the reduction rather than to put back the Budget estimate."

Because the Appropriations Committee proposes to reduce the appropriation recommended by the President for the Wage and Hour Division by $1,346,400—20 percent of the total amount recommended by the President, which was $7,486,000. This would reduce the recommended appropriation for salaries by $1,035,000.

This would be a crippling reduction. The Division is now operating on the basis of annual expenditures of $7,716,000. Moreover, when the Wage and Hour Division appeared before the Appropriations Subcommittee of the House in July 1939 to ask for additional sums in the deficiency bill, the statement was made, and apparently was understood, as appears in the record, from both sides, that the rate of expenditure at the beginning of the fiscal year 1941, by reason of appropriations then made, would be annually $7,716,000; that is, that the money which was available for the fiscal year 1940, through the regular and deficiency appropriations, would be spent in increasing amounts each month so that in the final month of that year and the first month of 1941 the annual rate of expenditure would be $7,716,000. Consequently, the appropriation recommended by the President is $230,000 less than the annual rate that was contemplated last July.

The proposed reduction in the amount recommended by the President would mean a reduction in the inspection force of 350 men—more than a third of the total inspection staff contemplated. In addition a very substantial number of attorneys in Washington and in the field must be discharged or furloughed without pay.

The results of such reductions on inspection are obvious. With the enforcement staff so reduced it will be simply impossible for the Division to achieve adequate enforcement. Inadequate enforcement means nonuniform discriminatory enforcement. Employers who have been voluntarily complying with the labor standards prescribed by the act will be subjected to price competition by chiselers whom the Division will be powerless to bring to book. As a result of this situation noncompliance could be expected to spread like fire or pestilence. It would become too unprofitable to comply and too easy to violate.

The only motive disclosed by the committee for making this drastic reduction is found in a unique statement on page 13 of the committee report:

The committee recognize the necessity for some expansion in the work of the Wage and Hour Division as it develops its organization and proceeds with its program of properly policing the industries that fall within the terms of the act. They do feel, however, that until Congress shall adopt legislation amendatory of the Fair Labor Standards Act which will serve to clarify certain ambiguities in the existing law, and until those charged with the administration of the act have been able to bring about simplification of procedure, and clarification in the interpretation of the rules and regulations promulgated pursuant to any such amendatory legislation, it would be improvident on the part of Congress to approve a greatly enlarged administrative set-up that could only serve in lending further difficulties to an already confused administrative problem.

This is tantamount to a statement by the Appropriations Committee that they will refuse to recommend sufficient funds to enforce legislation enacted by Congress unless and until it is amended to the committee's satisfaction.

Except in minor particulars the act is not ambiguous. The drafters of this statement are not worried about ambiguities. They are attempting to coerce amendments which would exempt over 1,000,000 sweated workers who are now clearly included in the benefits of the act.

I say to you that the issue is plain, and I want to talk to my Republican brethren on this side of the House, the gentlemen who believe in a living wage, the gentlemen who believe in decent, American working conditions, the gentlemen who believe in protecting the high-type American manufacturers. You ought to vote for my amendment, and let only those who believe in the opposite of that vote against it. You cannot comfort yourselves on this side by saying, "It is a Democratic reform bill and we are going to rejoice in the fact it is going to be inefficiently enforced; that it will give us political capital," because we should not make ducks and drakes of such an important measure that means so much in the lives of the men who labor and the manufacturers who employ labor. What happens is this. You have in an industry a man who is obeying this law and you have in the same industry a man who is a chiseler and does not want to obey the law. What great comfort he will take from the fact it cannot be enforced. The decent, law-abiding manufacturer is going to obey this law, whether it is enforced or not, as long as it is on the books, but the chiseler or the profiteer, the one who will take comfort out of employing people at 10 or 12 cents per hour—and this is being done—will slip by because it is being inefficiently enforced. You are giving comfort to the chiseler, you are giving comfort to the type of manufacturer who should be punished, by not appropriating the amount asked for by the Budget and by the President.

I say to you that the issue is plain and it is this. If you want wages and hours, if you believe in the philosophy of a floor under wages and a ceiling over hours, you will vote to put back the Budget figure and the President's figure. [Applause.]

[Here the gavel fell.]

Mr. HOUSTON. Mr. Chairman, I rise in opposition to this amendment, reluctantly. I voted for the creation of the Wage and Hour Act, and I am for it today, and if I thought for a moment that the disapproval of this amendment would effectively imperil the efficiency of the Wage and Hour Division, I would support the amendment. I do not believe it is necessary to send an army of inspectors all over the entire United States to police industry, when only 7 percent of the industries of the country are complained against. Furthermore, I do not believe it is essential to have an army of inspectors at this time, until the Congress itself has the courage to sit down in a legislative committee—and I am speaking for myself alone, and not the Appropriations Committee—such as the Labor Committee of the House, and define what the area of production is. The way it is today, there is great confusion all over the country. Nobody seems to be able to tell what the area of production is; certainly not Congress, nor

the Administrator of the Wage and Hour Division. At one time it was said that it was from Maine to Ohio.

Mr. WOOD. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. WOOD. How would the gentleman define the area of production? What does the gentleman mean? Has the gentleman anything in mind?

Mr. HOUSTON. When this bill was passed by the House and the Senate, it went to conference. The bill was rewritten in conference, and in that conference there was inserted in the bill the item "area of production." It has never been clearly defined by the Congress; it is left to the Administrator, and they, themselves down there, are confused upon it, and until such time as the Congress sits down and defines what it is, we shall always be in a state of confusion.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. KELLER. How many industries are there in the United States to which the wage and hour law would apply?

Mr. HOUSTON. About 259,000.

Mr. KELLER. How much would 7 percent of that be?

Mr. HOUSTON. It would be 7 percent of that amount.

Mr. KELLER. About 17,500?

Mr. HOUSTON. Yes.

Mr. KELLER. How many men does the gentleman think it would take to investigate 17,500 businesses intelligently during the period of 1 year?

Mr. HOUSTON. I agree with the gentleman to this extent: That I think complaint cases should be investigated, and our objective is to work toward routine inspection; but I call your attention to one item here in the hearings, on page 346, where the gentleman from Georgia, Judge TARVER, asked these questions, and the replies which were given by Colonel Fleming:

Mr. TARVER. I notice, for example, that during the next fiscal year you have 32 inspectors for location at Charlotte, N. C. My recollection is that in the evidence last year it was indicated the purpose was to have, during the fiscal year 1940, 74 inspectors located at that office. How many have been in fact located there during the present fiscal year?

Colonel FLEMING. We now have at Charlotte 1 supervising inspector and 12 inspectors.

Mr. TARVER. There is, then, no necessity for stationing an extremely large number of inspectors which I mentioned, 74, at Charlotte for the present fiscal year?

Colonel FLEMING. It so happens you have selected a region which is a little different than all other regions, in that we have recently entered into an agreement, which is permitted under our act, with the State of North Carolina whereby they are undertaking our inspection work for us there, using inspectors of their own department of labor, supplemented by others whom we pay for.

It should be remembered that these hearings were held only about 2 or 3 weeks ago.

They are allowing States to do that and paying for it with Federal funds.

Mr. KELLER. That is in one State?

Mr. HOUSTON. No; in others.

Mr. KELLER. In what States?

Mr. HOUSTON. Well, in Minnesota and Wisconsin and others.

Mr. KELLER. Nevertheless, if the amount were provided, they would not be able to do the work, even with all of it.

Mr. HOUSTON. As a matter of fact, they have not assigned the number of inspectors that they have been authorized to appoint and have appropriations for under the present law and for the present fiscal year.

Mr. KELLER. The gentleman knows the reason for that, does he not?

Mr. HOUSTON. Oh, I understand that the Civil Service Commission is slow. I cannot yield any further.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. VOORHIS of California. Is it true or not that in the case where the State law-enforcing officers carry on for the Wage and Hour Division the State is reimbursed for the salaries of those people?

Mr. HOUSTON. They are reimbursed by the Federal Government.

Mr. VOORHIS of California. Then the expense might be just as great in one case as in the other.

Mr. HOUSTON. Not necessarily because after a man has been trained and put into the work you can eliminate the traveling expenses.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. Yes.

Mr. LUTHER A. JOHNSON. What is the amount of this appropriation as compared with the appropriation for the same item last year?

Mr. HOUSTON. The entire thing?

Mr. LUTHER A. JOHNSON. No; on this particular item involved in this amendment.

Mr. HOUSTON. We are increasing the appropriation by $1,576,000 over last year.

Mr. LUTHER A. JOHNSON. A million and a half?

Mr. HOUSTON. Yes; more than that. On page 44 of the report there is a comparative statement made.

Mr. LUTHER A. JOHNSON. One million five hundred and seventy-six thousand dollars?

Mr. HOUSTON. That is correct.

Mr. THOMASON. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield.

Mr. THOMASON. That is an increase over what is being spent this year, but there is a reduction of more than a million dollars in the amount recommended by the Budget?

Mr. HOUSTON. That is correct for the entire item.

Mr. THOMASON. In the RECORD of yesterday, at page 3467, the gentleman from Georgia [Mr. RAMSPECK] inserted a statement, which he says came from the Wage and Hour Division, in which he says it will be necessary to discharge a large number of employees. Immediately following the statement of the gentleman from Georgia [Mr. RAMSPECK] was a speech made by the gentleman from Georgia [Mr. TARVER], in which he concludes with these words:

It would be very apparent to anyone who reads the hearings with a desire to find out what the true facts may be that there is not only not any reduction of personnel in the employment contemplated by the provisions contained in the pending bill, but that the appropriations contained in the bill will be sufficient to very considerably enlarge the existing personnel.

Now, what is the truth about that? Are we going to have a lot of employees discharged, or is the chairman of your subcommittee right when he says there will be none discharged? That is what I want to know.

Mr. HOUSTON. I would like to know how any employees could be discharged when we have given them $1,644,000 more than they have during the current year. They might discharge some, but others will be engaged to take their places, and if the committee recommendation is approved by the House 744 additional jobs will be created. I now call your attention to page 400 of the hearings on the area-of-production item. I ask you to read the discussion before the committee on that subject.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I would like to see if we cannot agree on a limitation of time on this matter. We had considerable discussion of this item yesterday. I am sure the House wants to consider the matter fully. May I submit a request that in addition to the debate already had this morning we have 20 minutes of additional debate?

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Let me submit this request, Mr. Chairman, that we have 30 minutes' additional debate.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes. Is there objection?

Mr. MARCANTONIO. Reserving the right to object, may I say to the Chairman, who I know has been very fair and

generous throughout this debate, that yesterday many of us would like to have taken part in this particular discussion when the gentlewoman from New Jersey [Mrs. NORTON] offered an amendment, but, unfortunately, the time was limited then. This is one of the most controversial items in the bill, and all the Members requesting time now should at least be given 5 minutes.

Mr. TARVER. The time limitation was had yesterday by unanimous consent.

Mr. MARCANTONIO. That is right. I am not complaining about that.

Mr. TARVER. I have no desire to try to foreclose reasonable debate, but there are several controversial items in the bill. Another bill is coming up tomorrow, so it is absolutely necessary to finish today, if possible.

Mr. Chairman, I submit this amended request—that the debate be limited to 40 minutes.

The CHAIRMAN. Is there objection to the amended request?

Mr. EDELSTEIN. Mr. Chairman, reserving the right to object, this affects my particular district and is of utmost importance. I think that sufficient time should be allowed, so that I at least will be granted 5 minutes to be heard.

Mr. TARVER. Mr. Chairman I have exhausted every means to reach an agreement with the Members with reference to debate on this matter. So I move that all debate on this paragraph and all amendments thereto close in 1 hour.

The CHAIRMAN. The question is on the motion of the gentleman from Georgia that all debate on this paragraph and all amendments thereto close in 1 hour.

The motion was agreed to.

The CHAIRMAN. The gentleman from Missouri [Mr. COCHRAN] is recognized for 3½ minutes.

Mr. COCHRAN. Mr. Chairman, I come from one of the great industrial centers of this country, St. Louis. I have not as yet received what I feel is one legitimate objection to the Wage and Hour Act as a whole, nor have I heard one legitimate objection from any section of the country to the administration of that act. True I have letters, inspired propaganda, against any form of wage and hour legislation but none advocated a legitimate objection. Now, remember this amendment is simply to restore the figure submitted by the President through the Bureau of the Budget.

It is no crime to ask to restore an amount recommended by a House committee. That committee is simply the agents of the House. They recommend, the House approves or rejects.

The first Administrator made an excellent record.

The present Administrator is likewise making an excellent record. All I ask is to give him a fair chance to do what you said you wanted done when you passed the law.

This is a new law. Why was it enacted? It was enacted to do away with the chiseler and the sweatshops and to give legitimate business an equal opportunity with those who followed unethical business methods in dealing with their employees and in production. Its enactment was advocated after the Supreme Court held the N. R. A. unconstitutional. I bow to the decision of the Court but I challenge anyone to say the N. R. A. was not beneficial to business as well as to the wage earner. The little-business man especially suffered by this ruling of the Court.

I understand that many of the arguments advanced by employers are being settled across the table. In other words, a real determined effort is being made to make this new law work. I am not speaking for jobs, I am speaking for proper enforcement of a good law and I do not want to see the intent of Congress destroyed by failure to properly provide the machinery to carry out the provisions of this act.

As I said, this is a new law. Anyone will admit that from time to time it is necessary to perfect a new law, and when experience has shown that amendments to this law will be beneficial to the employer and employee, then I think the Congress will respond and pass the necessary amendments.

I am just as much for economy as anyone in this body, but I do not believe in destroying progressive legislation by failing to appropriate sufficient money to properly administer the law. If this law is not properly administered, it will be due solely to the failure of the Congress to provide the proper and necessary tools to do the job. We were liberal at the outset, but as it became necessary to build up, to investigate and consider complaints, naturally there must be expansion.

We have one organization where the personnel is being blamed today for the manner in which the law has been administered. No such complaints come to us with reference to the administration of this act.

I have never been in the Wage and Hour office but once, and that was on a legal holiday. The one man that I saw working there was the attorney who was attacked on this floor the other day, one of the most brilliant young lawyers who has ever worked for this Government.

I was at my office and received a telegram urging me to send by air mail a copy of a decision of the Administrator. I called the office and an attorney answered, saying while the office was closed, still he would be there for the day, and said if I could call he would give me his copy and would replace it the following day. When I called I met the assistant to the general counsel, Mr. Rauh. He has charge of the opinion section of the Legal Division. I was rather surprised when I read in the hearings how critical some had been of this young man. True, he is a young man; but if they had looked into his background they would have found, young as he is, his brilliant record does not warrant criticism. He graduated from Harvard in 1935 at the head of his class. He improved his legal education during the period he was law clerk to Justice Cardozo, of the United States Supreme Court. After the death of Justice Cardozo he became associated with the National Power Policy Committee, and while in that position he was called upon and assigned to assist Judge Calvert Magruder, then the general counsel of the Wage and Hour Division, prepare the regulations. Mr. Rauh was drafted to help get the act in operation. He was not on the Wage and Hour pay roll. So exceptional was his work, about a year after he was offered and accepted a position with the Wage and Hour Division. Colonel Fleming, in defending the appointment and service of Mr. Rauh, called attention to outstanding generals in our Army who were less than 30 years of age when they reached the grade. He insisted there are individuals who at a young age are competent to hold responsible jobs. I agree with him fully in this case. The day I called on Mr. Rauh was the only time I ever contacted him, but I have looked into his record and service and commend those who were responsible for assigning him to this important post.

Let us not cloud the issue before the House at the moment. Remember this is not an increase over Budget figures, but is to make the bill carry the amount the President says is necessary for proper administration. I sincerely hope the amendment is adopted. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. The Chair is in a very embarrassing position. The time has been apportioned among the 16 gentlemen who were on their feet at the time the debate was limited to 1 hour.

Mr. EDELSTEIN. Mr. Chairman, there has already been much debate on the Labor Department-Federal Security Agency 1941 appropriation bill. At this time I only wish to discuss three items, those relating to the Wage and Hour Division of the Labor Department, the National Youth Administration of the Federal Security Agency, and the National Labor Relations Board. I shall deal briefly with each.

The first item I shall examine relates to the Wage and Hour Division of the Labor Department. The Fair Labor Standards Act was enacted to protect the workers of this country from being underpaid and overworked by unfair employers, thus injuring workers, fair-minded employers, and the prosperity of our country. We all know that when labor is exploited in this way society must bear the burden of making up the difference between low wages paid and the minimum necessary for bare existence.

The Fourteenth Congressional District of New York is primarily a district inhabited by those who earn their living by physical labor. In the many tenements to be found in that district, women and children for many years have supplemented low family incomes by doing industrial home work. Instead of being able to play in the streets, children have stayed in the dark, unhealthy tenements working long hours on the making of artificial flowers, feathers, and various types of ornaments. All this heavy and confining work has resulted in an income of only a few cents a day for each worker. The bill the community has had to pay for this industrial home work has been a heavy one. It has meant a deprivation of the right of children to grow up as normal Americans. It has meant a heavy health bill for the city and State. It also has meant that those employers engaged in the same line of endeavor, using modern sanitary factories, paying decent wages for a reasonable number of hours per week, were placed at a disadvantage against their unfair competitors. It meant that eventually those employers, despite their best intentions and their desires to do what was right, would be forced to change over to the other type of production.

All this has been ended by the Fair Labor Standards Act. That act was a declaration by Congress that industry in this country would operate on the single standard and not a double standard. It has meant that the people of my district engaged in certain lines of work for which there is no union protection as yet, have been brought under the shield of minimum standards as to hours and wages set up by this act. It has meant for the children of my district who were forced to aid in industrial home work the end of a system imposed only because of economic necessity.

That is what the declaration contained in the Fair Labor Standards Act has meant to them. All this, however, is only a promise. The reality is yet to be accomplished. This can only be done by a fair but vigorous enforcement of the various provisions of the Fair Labor Standards Act. If we do not appropriate enough funds so the Wage and Hour Division of the Labor Department can maintain its present staff of inspectors and increase them in order to cope with the duties required of them by this act, the promise will remain a vision never to be realized.

In the light of this situation, let us see what appropriations were requested for enforcement of this act for the coming fiscal year. The Wage and Hour Division asked for $6,185,000 and got $5,105,000 for salaries and expenses. In my opinion, in view of the task which confronts the Wage and Hour Division, this sum is far from adequate. This House in considering various appropriation bills has been plunged into an atmosphere of economy. I do not believe that reasons of economy are sufficient to justify what the Appropriations Committee has done.

The committee report at page 13 gives the following reasons for allowing less than the amount requested:

> The committee recognize the necessity for some expansion in the work of the Wage and Hour Division as it develops its organization and proceeds with its program of properly policing the industries that fall within the terms of the act. They do feel, however, that until Congress shall adopt legislation amendatory of the Fair Labor Standards Act which will serve to clarify certain ambiguities in the existing law, and until those charged with the administration of the act have been able to bring about simplification of procedure, and clarification in the interpretation of the rules and regulations promulgated pursuant to any such amendatory legislation, it would be improvident on the part of Congress to approve a greatly enlarged administrative set-up that could only serve in lending further difficulties to an already confused administrative problem.
>
> The present Administrator of the Wage and Hour Division has been but recently confirmed in his office. The committee are confident that he will satisfactorily work out means and methods of administering this act that will be in conformity with elements of reasonableness and good judgment. The committee further know it is the intention of the present Administrator to build up the enlarged organization in a slow and methodical manner in order that a real selective and efficient personnel may be acquired.

Even the hasty reader can easily see that the cut in this item would frustrate the purpose of the Fair Labor Standards Act. The objection that Colonel Fleming has only recently been confirmed cannot be intended as a statement that he does not know what the Division is all about. He has been on the job ever since Commissioner Andrews left.

At page 341 of the committee hearings, Colonel Fleming said as to the 1941 estimates:

> I think I should say, first of all, while this is an apparent increase over last year, it is really not an actual one.

Colonel Fleming then pointed out that in July 1939 it was understood that by the end of the present fiscal year, the annual rate of expenditure would be $7,716,000. The estimate was for $7,486,000. Colonel Fleming never indicated that a lesser appropriation would be satisfactory to him.

I believe that too often legislation has been destroyed by cutting down appropriations to carry out the law. The amount reported out by the committee, in the face of Colonel Fleming's statement, at page 345 of the committee hearings, that the Budget estimate will do only 70 percent of the job, with only incidental routine inspections, is clearly subject to this charge. The committee is to be commended for its effort to save $11,000,000 from the Budget estimate but I cannot approve this saving. Instead of waiting for the Senate to correct this mistaken economy, we should do so.

As I have already stated, my district has a very vital interest in this matter since a large part of my constituency is employed in industries affected by the Wage and Hour Act. If adequate funds are not provided for the proper enforcement of this act at this time, a psychology of noncompliance will be set up in business which will make enforcement, when it is attempted, extremely difficult. The promise of betterment held out by this act, to underpaid and overworked employees will be only an empty promise, never to be fulfilled.

There is another consideration involved which, while secondary, is still important. According to Colonel Fleming's statement at page 340, the Division and the Appropriations Committee mutually understood in July 1939 that expenditures would be at about $7,716,000 annually by this June. Increases in personnel were made on this understanding. This recruiting program involved expense in the selection and training of these new employees. The reduction in the appropriation will require the dismissal of many of these employees. The expense incurred in hiring them will have been wasted and the morale of these employees will be seriously injured. They will be discharged, or shall I say "furloughed" through no fault of their own and even though the Government actually stands in need of their services. The reduction of this appropriation proceeds along no scientific lines of personnel management. It has no real relation to economy. It simply expresses dissatisfaction with legislation enacted by this Congress.

The appropriation for the National Youth Administration of the Federal Security Agency once more calls to mind that one-third of our unemployed come from the youth of this country. Experts and Dorothy Thompson may differ as to the extent of unemployment today, but however they resolve their dispute, this body cannot afford to ignore the existence of our 4,000,000 young people, ranging in age from 18 to 24, who are unemployed and who want to work. The National Youth Administration is an effort to ameliorate their plight. I cannot conceive it to be a solution of their problems. Nevertheless, it is better than nothing and I regard it as a disastrous mistake for this House to agree to the curtailment of N. Y. A. activities in any way, and they are limited enough even now. Last year, before I was a Member of Congress, N. Y. A. was given over $100,000,000. For the coming fiscal year we are only allowing it $85,000,000. Is the need any less than before? No one has said that it is and all evidence points to a contrary conclusion. Shall we go along with the Appropriations Committee because it chooses to go along with the Budget Bureau? The answer is obvious. One Member of this House has charged it with saving blood money. I do not think that is an overstatement.

We are dealing here in millions of dollars, but concretely what does the N. Y. A. program mean? It means aid in many ways for American youth at a minimum cost to this country. Remember, if the school program of N. Y. A. were to cease, almost half a million students would be forced onto our overglutted labor market. The meager average stipend of $4.41 per month for 300,000 high-school students over 16, and $12.59 per month for 117,000 college students for work profitable to themselves and their schools, keeps them in school.

In New York City almost 13,000 high-school students and 4,311 college students in 200 schools and 54 colleges were given part-time N. Y. A. work which enabled them to remain in school so that they could benefit not only themselves, but our country. The total funds allotted to New York City for the current fiscal year were a little over $5,000,000. Two-thirds of this sum went to the work program and only one-third to the school program. Think of it, for only $1,665,000, 23,000 young people were enabled to stay in school for 1 year.

The cut in this year's appropriation will require a reduction of the program by one-sixth. This means that in the next school year over 57,000 high-school students will be forced out of schools to hunt for jobs that do not exist. Twenty-one thousand college students who would otherwise achieve their goal of higher education will achieve only heartbreak instead. They will become fertile soil for the unrest and disaffection which "isms" seek to implant in order to destroy democracy.

The lower East Side of New York City has long realized that the salvation of its youth lay in higher education. No sacrifice was too great to obtain knowledge that would be the open sesame to security. Today no sacrifice avails to achieve that end. There are few enough from my district who can afford to go even to the free colleges New York City provides. That small number have been materially aided by N. Y. A. assistance.

Six hundred and three students at Brooklyn College received N. Y. A. aid. One thousand one hundred and twenty-eight received similar aid at City College, 700 at Hunter College, 110 at Queens College. The money paid to these students is not a dole but compensation for work that they have done which has benefited their schools. I know that the president of each of these free colleges, if asked, would assure this body that the N. Y. A. program has been of inestimable benefit to their institutions in getting work accomplished for which they had no funds, as well as aiding students, most of whom rank high in scholarship. Pass this bill as it stands, at $85,000,000, and you deprive them of the right to go to school and college, to acquire a vocation or a profession.

N. Y. A. also has a program for youth out of school. Four million youth are unemployed. With this year's appropriation 322,000 were given aid at an average salary of $15.09 per month, with a minimum of $12 for 40 hours' work per month. A reduction of one-sixth will mean that 45,000 of these next year will be left without hope when there are 300,000 already certified as being eligible for N. Y. A. work projects and at least 2,000,000 who would be if adequate funds were given to N. Y. A.

An N. Y. A. project is no sinecure and it pays no princely wages. It provides useful work and training for the unskilled so that they will have a better chance to obtain private employment. The monthly turn-over is about 9 percent, so that on the average each project annually has a complete change in its workers. About one-third of N. Y. A. workers find jobs in private industry and the other two-thirds wish they could.

The achievements of N. Y. A. under this aspect of its program have been of material value to those engaged in its work projects and those public agencies which have sponsored them. In New York City last month almost 11,000 people from 18 to 24 were engaged in various sorts of useful work. One thousand seven hundred and seventy-six helped construct and preserve various types of minor recreational facilities. Almost 4,000 were employed on clerical and service projects. Over 3,500 acted as leaders for community recreational activities. Four hundred were engaged in making useful articles in workshops established to provide training for those who were unskilled. Five hundred were employed as assistants for public-health work, library work, and other work of a professional nature. Seven hundred were employed in preparing and serving lunches to needy school children, conducting nursery schools and acting as homemakers. The diversification of projects is even greater outside of New York City.

With $100,000,000, only 322,000 young people out of work could be given N. Y. A. work and training. The other 3,678,000 were left out in the cold. Dare we add to that number by cutting that appropriation still further to $85,000,000? I dare not. I shall vote for $85,000,000 only when I realize that economy—false economy—trafficking with the lives of our youth, refuses to squeeze out any more from the Budget for their salvation and that of our country.

If we let our youth go their way, unaided by us, their way will be the way of youth in other lands which have succumbed to dictatorship. If we do not provide for them by democratic means, they will throw away their birthright of democracy for the security, slavery, and militarization of the labor battalions. Erika Mann, daughter of Thomas Mann, noted German exile, in speaking of the importance of the Hitler youth organization, has well said: "Who has the youth—of a nation—behind him has all."

The issue before us is not economy but democracy, the maintenance of America and real Americanism, as against a saving of $15,000,000. We have heard much of 100-percent Americanism. We can show ours by voting 100 percent for a 100-percent appropriation of $100,000,000. If we vote for only $85,000,000, we shall go down in history as the 85-percent patriots.

I shall be very brief in dealing with the reduced appropriation of the National Labor Relations Board, reported by the Appropriations Committee on the ground, as set forth at page 35 of its report, that new cases docketed are decreasing and the firm belief of the committee that the Board is overstaffed. In addition, the committee recommends the entire elimination of the Division of Economic Research.

As to the reduction of the Board's case load, while it is true that representation cases are on a current basis, complaint cases are not and are steadily falling behind. This is shown at pages 556–7 of the subcommittee hearings. In view of this fact and until the committee substantiates its firm belief that the Board is overstaffed by tangible proof, the reduction from the Budget estimate should not be approved.

Although the subcommittee hearings show that the importance and necessity of the Division of Economic Research were fully stressed, the Appropriations Committee recommends its abolition. This cannot be economy, since, according to page 579 of the hearings, $45,600 is the amount paid to 15 economists who used the services of 14 other people who received a total compensation of $23,700. If the economists necessary to establish the jurisdiction of the Board are to be fired, why in the name of economy and common sense should their clerical help be retained?

I believe that this reduction is merely an indirect way of amending the Wagner Act out of existence, and on that ground I oppose it. Without the work of this section of the Board, it could not establish the existence of interstate commerce in each case. If that fact were not proven, the Board would not have jurisdiction, and it is a fact which must be established to the absolute satisfaction of the courts.

The National Labor Relations Board should be allowed the full amount of the Budget estimate.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. LAMBERTSON] for 3½ minutes.

Mr. LAMBERTSON. Mr. Chairman, I am very much astonished to hear the gentleman from Missouri say that he has heard no objection to this act and its administration.

At the outset let me confess that I am opposed to it. I was opposed to it when it was originally brought before the House, and I moved to recommit it. The act passed not because of the will of Congress but because it came from the White House. It was passed because it was forced on this House from the White House. It was defeated the first time it was

presented. This is one of the places where the White House won its victory.

One real result of this act is that small businesses are being destroyed. Another aim of its friends is to comprehend all labor obliterating State lines. Under the interstate-commerce phase it is obliterating State lines, and the act as conceived and passed was intended to comprehend all labor within its scope. If those administering the act dealt with the problem of subnormal conditions in really interstate business, if they stayed within the original purposes of the act, they would not need as much money as they had for the current fiscal year; but they are trying to run the world, they are trying to run everybody's business. They are concerned now about subnormal bank clerks. Is it not ridiculous? The sweatshops have been forgotten. Labor accepted this act as a device to raise all labor. That is the impetus behind it, and at a time when agriculture was way below parity.

I never was more satisfied with any fight ever made than the one I made against the passage of this act. It stands next to the Labor Relations Act in the hamstringing of business in America. If I had my way I would wipe it out and let business have a chance again. I would at least limit it to the correction of subnormal conditions such as it was intended to correct.

This law may not be held constitutional when it reaches the Supreme Court, because it is a substitute for the N. R. A.; it is a stepchild of the N. R. A., forced on us against our better judgment.

In closing let me say that I resent the appointment of Army officers as administrators of these acts. The Army officer knows but one thing, loyalty to his Commander in Chief. The President of the United States is the Commander in Chief of every Army officer in particular, and he obeys the chief, the man who made this act.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO] for 3½ minutes.

Mr. MARCANTONIO. Mr. Chairman, the committee should be judged by its own language. We find set out on page 13 of the committee's report the underlying reason why this cut was made against this particular agency. I think this language most significant. It tells the whole story, it tells the tale of substituting for orderly procedure in the House a new doctrine, that of dictatorship by appropriation. The language on page 13 reads as follows:

WAGE AND HOUR DIVISION

The committee recognize the necessity for some expansion in the work of the Wage and Hour Division as it develops its organization and proceeds with its program of properly policing the industries that fall within the terms of the act. They do feel, however, that until Congress shall adopt legislation amendatory of the Fair Labor Standards Act which will serve to clarify certain ambiguities in the existing law, and until those charged with the administration of the act have been able to bring about simplification of procedure, and clarification in the interpretation of the rules and regulations promulgated pursuant to any such amendatory legislation, it would be improvident on the part of Congress to approve a greatly enlarged administrative set-up that could only serve in lending further difficulties to an already confused administrative problem.

In other words, in one sentence the committee says, "Yes; this money is necessary; it is necessary to keep up with the expansion of the operations of this law"; but in the next sentence it says, "Until you amend this law, until you virtually tear it to pieces, then, and then only, will we give any thought to appropriating adequate funds."

What does this constitute? It constitutes a dictatorship on the part of the Committee on Appropriations, a dictate to the effect that unless we change this law, unless we bow to the will of a few in this House who want to destroy the law, this agency will not receive the funds which are necessary for a proper administration of the act. This is an indirect method of destroying this law by crippling its administration. This procedure lends aid and comfort to every chiseling and labor-exploiting employer in the country. True friends of the wage and hour law have only one alternative, and that is to vote for the Casey amendment.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New Hampshire [Mr. JENKS].

Mr. JENKS of New Hampshire. Mr. Chairman, on an important question such as this is 3½ minutes seems a very limited time to make any sort of an argument.

Mr. Chairman, I do not know how many Members of this House have ever worked in industry and received a pay envelope on Saturday night; I do not know how many Members of this House have ever been at the head of industry and therefore know what it is to meet competition and their pay roll every Saturday night; but any of those who are here must realize that this wage-hour law that we put on the statute books is one of the greatest things for not only the employee but the employer. [Applause.]

I am mighty glad to have the remembrance that I did my small part in passing this wage-hour law. I was a member of the Labor Committee of the Seventy-fifth Congress that reported this bill. I shall remember and I shall always feel pleased and gratified that I did my part toward helping labor.

The law may not be administered 100 percent in all respects, but no law can be immediately effective in all particulars. However, if we pass a law in this Congress, why should we not appropriate sufficient funds to put that law into effect and to adequately carry it out? [Applause.] When we fail to do that, we fail to do our whole duty. I have had something to do with industry, and I know what competition is when I say to you that we should appropriate this money to clean out these rats who are infecting industry, who are sucking the lifeblood from the innocent women and children who are being subjected to low wages in this country.

I clipped an article from my home paper last night which states that 6,000 New Hampshire workers in the shoe industry out of 20,000 members of the shoe industry have been benefited by recent decisions of the Wage-Hour Board.

Mr. Chairman, as we all know, from the viewpoint of the employee, the general purpose of this act was to abolish sweatshop conditions in interstate industries, to build a floor below which wages could not sink—the minimum is now 30 cents an hour—and a ceiling above which hours should not rise, the maximum now being 42 hours a week. Through the enforcement of these provisions, the standard of living of millions of workers is gradually being raised to the level to which every human being is entitled.

From the viewpoint of the employer, the general purpose of this act was to free him from the unfair competition of the "chiseler," who, through sweatshop methods and unfair tactics, would and could undersell the industrialist who took pride in his organization and community, and wanted to do the right thing by his employees.

The enactment of the Fair Labor Standards Act will gradually correct a great evil in our economic life. The passage of such an act was long overdue, but now that we have it on our statute books, let us do our best toward its equitable and efficient enforcement, thus equally benefiting employee and employer.

I do not contend that the administration of the Fair Labor Standards Act has been perfect, but I do contend that we are on our way toward improving conditions. No longer can child labor be exploited nor can men and women be reduced to a wage level that does not afford them at least the necessities of life.

I shall always feel a great satisfaction in the knowledge that during my tenure as a Member of Congress I contributed something toward bringing into being this Fair Labor Standards Act.

I hope that the Members on my side of the House will realize that the adoption of this amendment is vital to the success of the enforcement of the Fair Labor Standards Act.

[From the Manchester (N. H.) Leader of March 25, 1940]

SIX THOUSAND IN NEW HAMPSHIRE WILL RECEIVE WAGE BOOST—DAVIE DISCLOSES SHOE INDUSTRY EMPLOYS 20,000—THIRTY-FIVE-CENT RATE HELPS THOSE ON LOW-PRICED PRODUCTS

CONCORD, March 25.—Between 6,000 and 7,000 of New Hampshire's 20,000 shoe workers will be benefited by the new 35-cent minimum wage for the industry, labor authorities estimated today.

The 35-cent-per-hour minimum wage was recently approved by the Federal Wage and Hour Division on recommendation of a national wage board for the boot and shoe industry, which was appointed on March 17, 1939, and submitted its findings several months ago.

TWENTY THOUSAND TWO HUNDRED AND THIRTY-FOUR EMPLOYED IN ALL

Statistics on file in the office of State Labor Commissioner John S. B. Davie show that the fiscal year ending June 30, 1939, there were 68 shoe plants in New Hampshire, furnishing employment to 20,234 persons, of whom 10,525 were men and 9,706 were women.

Of this number, 7,081—3,431 men and 3,650 women—were employed by 24 shops, making low-priced shoes, and this is the group which will benefit chiefly from the new hourly minimum rate, it is believed.

Commissioner Davie said that there had been virtually 100 percent compliance on the part of New Hampshire shoe establishments with the provision of the Federal wage and hour law. The law required payment of a 25-cent minimum hourly wage during the first year of its operation, for a 44-hour maximum workweek, rising to 30 cents for a 42-hour week last October 24.

HOURS DROP NEXT OCTOBER

Next October the ceiling on hours will drop to 40, but the minimum wage will remain unchanged for 5 more years, when, unless the law is changed, it will rise to 40 cents. Payment of time and one-half for overtime will continue to be required in the shoe industry, as in other industries, of course.

New Hampshire had two representatives on the committee for the shoe industry which recommended the 35-cent minimum wage. They were James F. Molloy, president of the Farmington Shoe Co., of Dover, who resigned because of ill health last June, and Homer O. Rondeau, treasurer of the Rondeau Shoe Co., of Farmington.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I think it very evident from the remarks made by the gentleman from Kansas [Mr. LAMBERTSON] that he would if he could absolutely make ineffective the wage and hour law by a denial of adequate appropriations that seems to be the issue here. I come with no criticism of the Appropriations Committee. I am willing to admit that perhaps the law needs amending but I doubt if a single Member would vote for its repeal. We have our regular legislative process for amending and perfecting laws. But what I am interested in is to see to it that we at least retain the status quo and give this law a fair opportunity to work. I think since Colonel Fleming took charge they are doing a swell job, and they have only started.

This law is founded upon justice and right. It is not yet perfect. It was intended to stop child labor, to close sweatshops, and to see to it that laboring people have fair wages and decent hours. I concur in the remarks made by the gentleman from Missouri [Mr. COCHRAN] when he said that so far as he knew there is very little, if any, criticism of the administration of the act. They are entitled to a chance and cannot succeed without adequate appropriation.

The gentleman from Kansas complains that an Army man is now the Administrator. If I remember correctly, he and others were claiming that some politician was at the head of this agency when it was first established. All I have to say about Colonel Fleming is if you will look up his record, whether in Army life or serving his Government in an administrative capacity you will find that he has been a fair, just, and successful administrator in everything he has ever touched. He was drafted for this job. He is not in politics. If given proper support he will make an outstanding record in his present position.

Mr. Chairman, if the Members will look at page 3467 of the RECORD of yesterday they will find that a very sincere friend of labor, the gentleman from Georgia [Mr. RAMSPECK] placed in the RECORD a brief report made to him by the administration. I do not have time to read it in detail, but among other things it says:

(1) It would prevent the expansion of the Division in accordance with the 1940 Budget. The expenditure of 1940 funds was planned on a monthly increment basis. If the Division expanded according to plan, the total personnel on the pay roll on June 30 could not be carried during the 1941 fiscal year on the reduced amount proposed by the committee.

(2) It would require the discharge of employees now working for the Division. The recruitment of inspectors has been retarded by the necessity of setting up civil-service lists. Other branches of the Division have been able to expand to their June 1940 personnel already. It will therefore be necessary to discharge employees in these branches of the Division in order to have an inspection staff proportionate to the rest of the Division.

(3) The Appropriations Committee slash equals roughly 460 inspection personnel and 30 legal personnel.

If we are to believe this statement, then more money is needed. It is interesting to note that 93 percent of industry is complying with the law without protest. The balance should be made to do so. If the law needs amending or the regulations changed, let us meet the issue squarely. I hope the amendment is adopted. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, the question of determination of the area of production or any other question having to do with specific provisions of the Wage and Hour Act is not at stake here today. The only question before us is the question of an adequate appropriation for proper enforcement of this law. It seems to me as yet the argument made by the gentleman from Massachusetts [Mr. CASEY] has not been answered in one single respect. Now let us see exactly what the present situation is.

It is obviously impossible, when a new law is passed, for the enforcement machinery to swing into full operation overnight. It is necessary to begin on a comparatively small scale and build up your force for the purpose of the enforcement of the law over a period of time. Clearly, these expenditures in the early months of enforcement will be less than it will when the work gets fully under way. That is the way the Wage and Hour Administration has been doing. The rate of expenditure for the last month of the fiscal year 1940, as stated by Colonel Fleming in the hearings on page 341, has been expected to be at the rate of an annual expenditure for all items of $7,716,000. The Budget figure submitted and which this amendment seeks to restore is some $230,000 below that figure. That is the estimated rate of expenditure for the last month of the current fiscal year. What has happened here is that the committee has cut below that rate of expenditure so that the enforcement machinery planned for over a period of time to bring into operation an effective enforcement machinery will necessarily be crippled in the year that lies ahead. The whole plan has been to build the enforcement around a corps of inspectors and to pattern the rest of the personnel around that force. The corps of inspectors that has been planned for from the beginning of this administration will have to be cut unless the Casey amendment is adopted.

On page 341 of the hearings Colonel Fleming makes a most significant statement. He says:

We feel we have a very serious enforcement problem ahead of us and, unless we enforce promptly and thoroughly, we probably will have an increasing load of work, whereas if we do enforce thoroughly, I think we will have a rather decreasing problem afterward.

The point is a matter of justice as between the employer who is in voluntary compliance with the act, on the one hand, and the one who is not, on the other hand. Most of the employees of the Nation are no doubt complying with this law with absolute faithfulness. In justice to those employers it is essential that an adequate amount of money be provided for the enforcement of this act, so that other people can be brought into proper compliance.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Kansas.

Mr. HOUSTON. I believe the gentleman wants to be correct.

Mr. VOORHIS of California. I certainly do.

Mr. HOUSTON. The gentleman mentioned the figure "1940" in connection with the proposed expenditure of $7,716,000. The gentleman meant that as of the beginning of the fiscal year 1941?

Mr. VOORHIS of California. That is right. I was referring to the rate of expenditure at the close of the fiscal year 1940 and the beginning of the fiscal year 1941. As I read the hearings, the figure for 1941 is based on the rate of expenditure in the closing month of 1940.

Mr. HOUSTON. Does the gentleman believe that if he had the $7,716,000 that would be adequate?

Mr. VOORHIS of California. I am not in a position to judge, obviously, but I believe the head of the Wage-Hour Administration is in a position to judge and, furthermore, that is the Budget figure. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman, I voted for the wage and hour bill for the reason that I believed the purpose and the intent of the bill was in the interest of the wage earner of the country and that if properly administered in line with the purpose and the intent of the act, it would not operate against industry. We have had considerable trouble in connection with the administration of the wage and hour law, but it is my firm belief that the trouble was with Mr. Andrews and those who had charge of administering the act. The trouble in connection with the administration of this legislation is largely in line with the administration of many constructive pieces of legislation passed by the Congress. That is, under rules and regulations written by the Administrator, many of which are not in line with the real purpose and intent of the bill, therefore, as stated, in my judgment, the trouble has not been with the Wage and Hour Act, but as administered under the rules and regulations written by the Administrator. I believe Colonel Fleming is deeply interested in working out and rewriting the rules and regulations governing the administration of the Wage and Hour Act so that he will be able to more nearly carry out the real purpose and intent of the legislation. This being true, naturally, Colonel Fleming and his assistants will have to be in a position to employ proper personnel, including many investigators, so as to be able to send them into the various sections of the country for the purpose of securing information and real facts in the interest of properly administering the act.

Therefore, the pending amendment, as far as I am concerned, is a good, common-sense, businesslike amendment, and I shall be very glad to support this amendment. One of the major complaints in my country has been against the manner in which the act had been administered in that the administration has not been based on a practical, common-sense basis.

For instance, in my district there can be several cotton mills in one county. Some of these cotton mills have continued to operate with old machinery which necessitated the employing of a large number of employees. Other mills, perhaps in the same community, have been operating with improved machinery, which naturally have cut their employment considerably.

I visited one of these mills and had the privilege of looking over one piece of machinery that was taking the place of 25 employees. The mill that did not install that type of machinery, as stated, continued to employ these 25 persons. This is true in many other industries. For instance, some time ago I visited two or three large sawmill plants in Alabama. They own thousands of acres of timberland where they are largely carrying on proper forestry practices. In other words, they are using a considerable amount of Federal fire-protection money and their timber resources are growing into wealth. These large sawmill operators have installed improved and up-to-date machinery. From their logging operations on up to and through their sawmills and even in loading the lumber on trucks, it is done by machinery.

Therefore, they do not employ the number of people that those mills do that continue operating with wage earners instead of improved machinery. Many of the small sawmill operators and other small industries are being forced out of business because they are unable to pay the wages that the large operators, who have installed improved machinery, as stated. I believe that the wage earners in the small plant should receive a fair wage; but certainly if you are going to place them on the same basis with the operator of a large sawmill plant, or the operator of any other type of large industry, then you simply force the small operators and small industries out of business, which brings about increased unemployment and tends to assist the large operators in bringing about a hogtied monopoly.

Let me refer to one problem we have in the Southeast, and I particularly call this to the attention of the Members from the Southeast. During recent years we have had some forty-odd pulp and paper mills locating in the South. Not only are these people paying very small wages to a great many of their own employees, but in that they have a hogtied monopoly in buying pulpwood from farmers; farmers are not getting anything like the cost of production for their pulpwood, and thousands of employees engaged in cutting and hauling pulpwood are not getting enough to support their families. They are not only robbing the farmers of one of the greatest resources we have in that area, but they are bleeding the wage earner white. We have wonderful resources in the South, and if we had proper prices for our raw material and fair wages for thousands of wage earners, all of which would mean proper income, it is my firm belief that the years would not be many before we would have the greatest section in the South to be found anywhere in the United States.

This amendment, I understand, will increase the amount carried in the bill to the figures suggested by the Budget Director. I have every confidence in Colonel Fleming and his ability and his good intentions in rewriting many of the rules and regulations so as to secure a proper administration of the act which we should have in behalf of the innocent wage earners of the country. The wage and hour law should be amended in several instances, and I think it is very unfair on the part of those who are doing everything possible to keep down the consideration of proper amendments for the reason that unless this act is properly amended and properly administered, it will prove to be a failure, and if so it will prove to be the biggest blow and set-back to labor we have had in many years. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. WOOD].

Mr. WOOD. Mr. Chairman, those who are in favor of the Wage and Hour Act and want to see it adequately administered in the interest of all the people should vote for this amendment. This law has been honestly, conscientiously, and ably administered by both Mr. Andrews and Colonel Fleming. The act has been very difficult to administer. You must remember that the law has undergone changes each year. The start was made with the 25-cent minimum, and in the year 1939 it was stepped up to a 30-cent minimum. The hours began at 44 hours a week, and the next year they were reduced to 42 hours. In October they will be reduced to 40 hours a week. Therefore, in order to administer the act properly, they must go over the field again. In order really to weed out the chiselers they must have the proper personnel. Think of it; 815 employees is the personnel of the Wage and Hour Division.

In my State there are nearly 900 in the personnel of the Social Security. The reason the law has not been administered as some think it should be is because of a lack of personnel. There is no confusion, as held by the Appropriations Committee, in the administration of this act, but if there was it would not be because agricultural labor is not clearly defined in the act. This confusion has been brought about by the processors, the packers, and those who want to make legal home work, this disgraceful and damnable home work we have been fighting to abolish for 50 years. They want to legalize home work. They want to exempt from the act every employee that in any manner touches any farm products, Swift and Armour and Dole, the large packing companies. They all want to be exempted. They want to exempt 2,000,000 industrial workers and call them agricultural workers. Mr. Andrews tried to institute the area of production, and that is why he got into most of his trouble. He tried to define the area, and within that area the canners and packers and processors were under the act, but those

over the line were not under the act, and he immediately caused chaos and received condemnation everywhere from the men who were inside the area.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. THOMAS F. FORD].

Mr. THOMAS F. FORD. Mr. Chairman——

Mr. HOUSTON. Mr. Chairman, will the gentleman yield to me just a half minute?

Mr. THOMAS F. FORD. I cannot yield now if it is to be taken out of my time.

Mr. Chairman, I am in favor of the Casey amendment for three reasons. The first is because I am convinced that the Wage and Hour Division needs the money to effectively enforce the law, and if the amendment is not adopted the Wage and Hour Division is going to be hogtied and hamstrung and prevented from carrying out the most important provisions of the law; and, second, because if the law is not fully enforced, many of the honest, fair-minded employers will be injured because of the existence of and the encouragement of that most reprehensible of human bloodsuckers, the chiseler; and, third, because it has for its purpose the raising of the standard of living among workers in these industries that have heretofore refused to or by reason of the existence of the chiseler, been forced to refuse to, pay a decent wage.

The increased pay due to this act has increased purchasing power, this increased purchasing power increases business and makes for a better type of employee, and in increasing business it increases employment and in increasing employment it gives a stream of new lifeblood to the entire economic system of the United States. Labor needs this act in the interest of justice, industry needs it in the interest of fair dealing among competitive industries. For these reasons I urge that the Casey amendment be adopted.

I now yield to the gentleman from Kansas.

Mr. HOUSTON. I want to reply to a statement made by the gentleman from Missouri [Mr. WOOD] when he spoke of 896 employees as being the personnel. Did I understand the gentleman from Missouri correctly on that?

Mr. WOOD. I just got that information from Colonel Fleming this morning.

Mr. HOUSTON. The personnel of Wage and Hour?

Mr. WOOD. That is it.

Mr. HOUSTON. They are just the field employees. Altogether in administrative employees they are authorized to have at this time 1,446 and if the bill, as reported by the committee, goes through they will have 744 more.

Mr. WOOD. The information Colonel Fleming gave was that they have 815 men now and if this appropriation carries they will have 2,000, and that is what they need.

[Here the gavel fell.]

Mr. IZAC. Mr. Chairman, 2 years ago I was a supporter of this legislation. When I went back home and told the chamber of commerce what I had done they were very much disappointed in their Congressman. However, I told them I thought I was right. We talked it over and they said, "Yes; but you are doing all of this from a humanitarian standpoint. You are all for the worker, and here we are composed of manufacturers, and where do we come in on this picture?" "Ah," I said, "that is the question I wished you would ask me. You are going to find that nobody in this country is going to use California products if they can get some State's products cheaper, and when I vote for wage and hour legislation that equalizes these dollars and cents and hours, you are going to find that they will use your products, not to the detriment of any other State's products but on exactly the same basis, and as good businessmen I think you will like that."

I did not hear any more on this question until about 3 weeks ago. Imagine my surprise to receive a complaint from the chamber of commerce and some of the canners in my district. They complained that under the California law they had to pay the women workers 33⅓ cents an hour, which is correct, and they were competing against certain sections of this country where employers were paying that same type of labor 7 cents an hour. All were engaged in interstate commerce and therefore my people felt that the Wage and Hour Division should do something about it. I thought so, too, and so I took it up with the Division and I found that they did not have enough of a field force to go into these competitive districts and actually enforce the Wage and Hour Act that we had placed on the statute books. Now, there is a case that comes right straight home to me.

You can well imagine how I feel on this question. I shall vote for the Casey amendment, and I shall vote for enforcement of this law right down into every section of this country; and if they want to make the rate of pay 50 cents an hour, all the better with me. [Applause.]

Mr. GIFFORD. Mr. Chairman, just a word to my delightful friend from Massachusetts [Mr. CASEY]. He says if you vote against this increase you are unfriendly to the act itself. Mr. Chairman, I was one of the original few who favored the act. I even signed the petition, a most unusual proceeding for me, and the gentleman will recall it. However, I must support the committee. As the ranking man on the Committee on Expenditures, I must try to stop these raids on the Treasury. I favor this law, but I do not wish a large police force that will be greatly increased yearly, as in every other bureau, and later impossible to pry from the pay roll. I desire to proceed carefully with this law. There are many groups that we did not mean to include in it, and who are now suffering hardships as a result and should obtain immediate relief. Again I want to be reasonable. Among other items in this bill, I might like to vote to increase the appropriation for the N. Y. A., but if I refuse to increase the appropriation, that does not signify that I am opposed to the project. I believe in the wage-hour law, and I want it to remain on the statute books. I want it enforced reasonably and not in a way that will harass business too much. I have naturally been hesitant to vote for measures that would harass business. I felt that this law was necessary. I am now speaking from the standpoint of the Expenditures Committee. I am greatly worried about this attempt to increase the liberal appropriations that the committee has made. I am worried about the recent huge appropriations made for agriculture. I have given a little bit of advice. I share it with you. If you want to get greatly increased appropriations "make a noise like a farmer."

Mr. DUNN. Mr. Chairman. I intend to support the Casey amendment. If the amendment presented by the gentleman from Massachusetts is not adopted, it means that several hundred persons will lose their jobs. Congress has been quite successful this year in cutting appropriations and when appropriations are cut it means that men and women are forced out of employment and are compelled to go into the bread lines. The honest businessman is not opposed to this act but the unscrupulous businessman is. The unscrupulous businessman knows it would be a difficult task to have this law repealed so he resorts to underhanded methods by having his friends in Congress cut the appropriations and that is what has been taking place. As I said on the floor yesterday, and I say it again today, there are at least ten or twelve million people out of work and do not think for a moment they are going to be satisfied with these conditions, and we Members of Congress are responsible for the troubled conditions existing in the United States. [Applause.]

Mr. GEYER of California. Mr. Chairman, the case of the businessman has been very well explained by the gentleman from New Hampshire [Mr. JENKS]. I want to say a word or so from the standpoint of labor. I have in my hand several telegrams that I have received from labor organizations out in my area, and I shall read some of them to you:

United Furniture Workers of America, Local 756, demands that slash bill for N. L. R. B. and Wage-Hour Administration not be effected. Imperative that you exert all efforts toward this end.

Labor Non-Partisan League of Los Angeles County urges you vote against slashing appropriations for administration of National Labor

Relations Act and Wage and Hour Act. These poorly disguised efforts to starve out effective administration of these laws must be defeated by those who believe in fair play for labor.

HUGH WILKINS,
Los Angeles County Chairman of Labors.

Oil workers union, Long Beach, 4,000 members, unanimously ask you vote against reduction appropriations National Labor Relations Board and Wage and Hour Administration. You vote against all amendments National Labor Relations Act.

J. C. COULTER,
Oil Workers Union, No. 128.

Los Angeles handlers urge you represent them by voting against reduced appropriations of Wage-Hour Administration and National Labor Board.

P. W. O. C. STOCKHANDLERS, LOCAL 68, C. I. O.

Armour workers against reduced appropriations of Wage-Hour Administration and National Labor Board. Oppose this vicious antilabor legislation.

P. W. O. C., LOCAL 12, C. I. O.

The International Longshoremen's Warehousemen's Union protests slashes Labor Board and Wage-Hour Administration proposed by the House Appropriations Committee. Urge you actively oppcse and vote against vicious underhanded attack on labor legislation.

Vote against reduced appropriations of National Labor Board and Wage-Hour Administration. Swift & Co. workers need action from these agencies.

P. W. O. C., LOCAL 67, C. I. O.

Organized Pacific coast packing-house workers and livestock handlers need more Wage Hour Act enforcement and Labor Board action. Fight reduced appropriations for these agencies.

DISTRICT 5, P. W. O. C.

One hundred thousand California C. I. O. members protest slashes Labor Board and Wage-Hour appropriations proposed by House Appropriations Committee. Urge you actively oppose and vote against vicious, underhanded attack on labor legislation. Please advise us your action.

CALIFORNIA STATE INDUSTRIAL UNION COUNCIL.

Reduced appropriations to National Labor Board and Wage-Hour Administration deprives Los Angeles Cudahy workers of their rights. Oppose these reductions.

P. W. O. C., LOCAL 107, C. I. O.

In view of tremendous responsibility resting upon shoulders of our democracy to take care of its youth in these times of mass unemployment and poverty, this organization urges you vote against cutting down original appropriations of $100,000,000 for National Youth Administration.

HUGH WILKINS,
Los Angeles County Chairman, Labor Nonpartisan League.

I have another group of these telegrams on my desk, which I did not bring, but I say that labor as well as industry will benefit by a real administration of this act. It might be of interest to know that among those who are fighting most viciously against this measure are to be found some people from a certain section of the country, where democracy is unknown, the poll-tax States.

The CHAIRMAN. The time of the gentleman from California has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, I first want to put my unqualified mark of approval upon the short but very effective speech of the gentleman from South Carolina [Mr. FULMER], especially for this reason: The gentleman comes from that part of the South that makes his word largely a matter of law to me, because it is the result of experience and clearly indicates what possibilities are involved there.

I also want to endorse what the gentleman from New Hampshire [Mr. JENKS] said a few moments ago, because he also speaks from the facts in actual business. Then I want to point out to this Committee as best I can the perfectly evident fact to any student of this subject that a law that really benefits labor also in the long run benefits the investor in legitimate industry. You cannot separate the two. Our difficulty is a matter of lack of getting together, a failure to understand, because that part of this country that is in most continuous prosperity is the place where wages are high and where those wages are acceptable to the men who are paying them just as well as they are to the men who are receiving them. If we are going to solve the problem we are up against at the present time, we ought to understand that much about it at least.

Now, actually what we are driving at is to do exactly what the gentleman from South Carolina, Mr. Fulmer, says is necessary in South Carolina, and I add in every other State where wages are below what they ought to be as well. That is, we must come, as soon as possible, to the 40-hour week and the 40 cents per hour wage as a basis. When we get to that, as we are going to, we will be where we can make a new start along economic lines in this country. Until we do, we are going to find ourselves doing futile things that we ought not be doing. We have to understand that this is one country economically as well as politically. We have to learn that in those sections where wages are low, they will be more benefited by a raise in wages than any other part of this country—the employer, the merchant, the professional man, all alike. We have to understand that in those places where the wages are highest, it is only through the raising of the wages in the low-wage sections to a certain general level that we can get what we are driving at, a national standard of wages and living conditions, and thereby make prosperity permanent throughout our whole country. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I do not think that the argument in this case, which involves an appropriation, should justify the assertion that the Appropriations Committee is seeking to emasculate and destroy the wage and hour law. Nor do I think that the argument, typified by that of the gentleman from Massachusetts [Mr. CASEY], that every person who contemplates voting against this amendment is necessarily voting to crucify the wage and hour law, is justified. That type of argument is of the character that has been used by prosecuting attorneys for years, who stand before a jury when a man is charged with a crime and say to the jury, "Unless you vote to convict this man you are voting against law and order generally, and in order to sustain law and order you must vote to convict this man."

The fact of the matter is your subcommittee gave intelligent study to this question, and has given to this Wage and Hour Division $1,640,000 more than it had last year.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield right there?

Mr. KEEFE. I do not have time to yield.

Mr. CASEY of Massachusetts. I would like to answer the gentleman.

Mr. KEEFE. Just a moment. I refuse to yield. I call your attention, if you will read the testimony of Colonel Fleming, to the fact that he, himself, stated that they had immeasurable difficulty with this so-called area-of-production situation that is involved in this law. The general counsel, Mr. McNulty, does not know what it means. The Administrator does not know what it means. They are trying to enforce regulations, by inspections, that they do not understand, and they have so testified. They want additional inspectors to go out and enforce a law which they testified before our committee they, themselves, do not understand.

Mr. PATRICK. Mr. Chairman, will the gentleman yield right there?

Mr. KEEFE. I do not yield. I do not have time to yield.

The argument has been made repeatedly that if this appropriation bill is passed as reported by the committee it will result in the discharge of employees. That statement has been made repeatedly. The fact of the matter is, if you will read the record, that the Department has not even appointed the number of inspectors they were provided for in the appropriation for the current fiscal year. You will also find the statement made, "Oh, we know that, but they had to put on

the supporting personnel in the Department, and they built up their secretarial staff and their attorneys in contemplation of the appointment of additional inspectors." The fact is, if you will turn to page 342 of the hearings and read the testimony of Colonel Fleming—and that is what I am going by—that that is not the fact. He says it is not the fact; that the supporting personnel is not put on in the Department until the inspectors are first appointed.

Now, will somebody be kind enough to tell me how there will be any discharge of employees when we have given them $1,600,000 increase in their appropriation, and when they could still appoint some 50 inspectors more than they have now, on their present appropriation?

Mr. CASEY of Massachusetts. I would like to answer the gentleman if he will yield.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Kansas.

Mr. HOUSTON. Is it not a fact that, in the event this bill passes the House the way the committee brought it in, they still will be authorized to appoint 744 additional employees?

Mr. KEEFE. Exactly. The impression has been given out that, instead of giving this Department an increase in line with what it needs to gradually carry on the enforcement activities of the Wage and Hour Division, that the Appropriations Committee is going to cut the personnel. The fact is, we are giving them over 700 new personnel if this appropriation carries as your committee reported it. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, as a member of the Committee on Appropriations I feel that we should give the Wage and Hour Administration sufficient funds to carry out the act. I do not believe we should do anything to limit their activities which are so necessary if they are to carry out what Congress intended them to do. For that reason, as a member of the Appropriations Committee, I am in favor of and will support the Casey amendment. [Applause.]

In the Appropriations Committee meeting I opposed the cutting out of the appropriation of $3,000,000 for administrative increases for Federal employees. I appreciate the good work done by the subcommittee on this bill and their sincerity in making their recommendations. However, I believe the House should accept the amendment offered by the gentleman from Massachusetts [Mr. CASEY] which will restore the Budget recommendation. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I hope I may be permitted to proceed without any of my colleagues who have spoken in favor of this amendment feeling that I am unduly critical. Most of the arguments I have heard advanced in favor of this amendment if valid would be equally valid in favor of an appropriation of $10,000,000, $15,000,000, or any other sum which might be suggested.

The thing I believe we ought to consider is: What sum is reasonably necessary for the Wage and Hour Administration to carry out its functions in an orderly way? I feel sure that no Member of the House desires to make provision for their use of funds in excess of such amount as may be reasonably necessary, especially under existing financial conditions of the Government.

Lest we forget, may I again make reference to the fact that in the number of field inspectors they have as of February 1, 1940, they are still 64 below the number authorized for the present fiscal year. This information will be found on pages 345 and 346 of volume I of the hearings. If you will turn to page 360 of the hearings you will find that in the field force they have 868 people at the present time. They intend to recruit 757 more during the present year, and they propose to add 411 for the fiscal year 1941, making a total in excess of 2,000 that they propose to have next year in the field force as against 868 at the time the hearings were conducted, or an increase of approximately two and one-half times the number of the present field force.

The appropriation we have recommended here, which envisions an increase of $1,644,000 for their use for the next fiscal year, will provide them with nearly twice the field personnel they have now. May I advert to an item we discussed yesterday?

The travel item is connected with this item. The House decided not to allow the increase of $140,000 for this purpose additional to that proposed in the Budget estimate. I said to the House then that if you intended when we reached the salaries item to increase that you ought to increase the travel item, otherwise you would have an increase in salaries with no travel money to enable the additional field personnel to function.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. TARVER. So I think that, unless the House has changed its mind on that subject, we certainly should not adopt the pending amendment, because it is inseparably connected with the other item which the House rejected on yesterday.

I yield to the gentlewoman from New Jersey.

Mrs. NORTON. On yesterday, when the gentleman made a similar remark, I tried to say that the amendment I offered yesterday was the first of a series of three that dealt with the Wage-Hour Division.

Mr. TARVER. The gentlewoman is entirely correct. If the personnel is to be increased, then, of course, the travel item also ought to be increased, as was proposed in the gentlewoman's amendment.

If you grant the increase of personnel which is here requested, in view of the action which you took yesterday upon the amendment offered by the gentlewoman from New Jersey, you would have additional personnel but no money on which they could travel to enable them to function.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. KELLER. Is there any reason why if this amendment is passed the small item proposed yesterday could not be inserted in the Senate?

Mr. TARVER. The gentleman will understand, of course, that I am not interested in the action of the Senate; I am simply endeavoring to be consistent in the position which I take with regard to this bill. I am sure the membership of the House desire to be consistent in the votes they may cast on the pending amendment. I do not believe that the Wage-Hour Administration, in its operations for the next fiscal year, will in any way be hampered by the action which has been recommended to the House by the subcommittee. I want to say to you frankly that if I did feel it would be so hampered I would not have participated in the action.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CASEY].

The question was taken; and on a division (demanded by Mr. CASEY of Massachusetts) there were—ayes 90, noes 98.

Mr. CASEY of Massachusetts, Mr. VOORHIS of California, and Mr. WOOD demanded tellers.

Tellers were ordered, and the Chair appointed Mr. HOUSTON and Mr. CASEY of Massachusetts to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 115, noes 148.

So the amendment was rejected.

The Clerk read as follows:

Miscellaneous expenses (other than salaries): For all authorized and necessary expenses, other than salaries, of the Wage and Hour Division in performing the duties imposed upon it by the Fair Labor Standards Act of 1938, including contract stenographic reporting services, purchase (not to exceed $2,250), maintenance, repair, and operation outside the District of Columbia of motor-propelled passenger-carrying vehicles, law books, books of reference, periodicals, manuscripts and special reports, newspapers and press clippings, supplies, office equipment, advertising, postage, telephone and telegraph service, reimbursement to State, Federal, and local agencies and their employees for services rendered, $275,000.

Mr. CASEY of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to explain the situation as it now exists. I have several amendments pending on the desk, but I am not going to speak on them. I am going to allow them to be presented pro forma because I consider the last amendment the most important amendment, the one on which we joined issue. I am happy to have this opportunity to thank the Republicans as well as the Democrats who joined in swelling our total to 115 to restore the Budget and the President's estimate of what is necessary in order to efficiently administer the Wage and Hour Division.

Mr. Chairman, I want to talk to some of my Republican friends, because I cannot get anywhere talking to those on the Democratic side who voted against my amendment. They voted against it because they are opposed to the principle of wages and hours. I am happy to speak to those on the Republican side who are in favor of this principle. In the original wage-hour fight we had some Republican support. As a matter of fact, we could not have passed this act had we not had Republican support. I want to speak to those Republicans who favor wage and hour legislation and ask, Why did you oppose the Budget estimate? Did you take consolation and comfort in the fact that this is a higher estimate than last year? If so, let me disabuse your minds. The chairman of the subcommittee who instigated this cut in the Budget is unfriendly to wage-hour legislation. I do not believe he voted for the wage-hour legislation originally.

The Appropriations Committee virtually promised Colonel Fleming last July that it would go through with his estimate made then. On page 341 of the hearings the first thing he said to this subcommittee was:

> I think I should say first of all while this is an apparent increase over last year, it is really not an actual one.
>
> When the Wage and Hour Division appeared before the subcommittee last July to ask for additional sums in the deficiency bill, the statement was made, and apparently was understood, as appears in the record, from both sides, that the rate of expenditure at the beginning of the fiscal year 1941 by reason of appropriations then made, would be annually $7,716,000.

My amendment was in accord with that rate of expenditure. In other words, while not signed, sealed, and delivered, it was understood by the deficiency subcommittee of the Appropriations Committee that it would go along on these figures.

Mr. MAY. Will the gentleman yield?

Mr. CASEY of Massachusetts. I yield to the gentleman from Kentucky.

Mr. MAY. May I say to the gentleman that I voted with him to raise this amount to the Budget estimate. However, I do not believe it is fair to the other members of the Democratic Party who voted the other way that they should be criticized for having done so, in view of all the legislation the Democratic Party has put on the statute books for labor.

Mr. CASEY of Massachusetts. Mr. Chairman, in answer to the gentleman, may I say that I would rather not have the wage-hour law on the books at all than to have one which cannot be enforced. I would not have it there if it cannot be properly enforced. I believe Colonel Fleming is in agreement with that statement. If we do not appropriate the necessary money to properly enforce that law, it will fall of its own weight, and it will become unpopular. You cannot say to the manufacturer in Massachusetts that we have not enough money to enforce the law in other sections and make him live up to the provisions of the act. The manufacturers in my district, the manufacturers of New England, never needed a Wage and Hour Act. They were paying over and above the minimum. They were paying time and a half for overtime. If we do not have a force sufficient to crack down on the manufacturers who are not obeying this law, we are being unfair to the employers who do obey it; and I say to the Members who say it is unnecessary to have the amount set forth in my amendment that I will stake the opinion of Colonel Fleming, the Budget Bureau, and the President against the chairman of the subcommittee, who is not in favor of the sentiment expressed by the wage-hour law. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

> This title may be cited as the Department of Labor Appropriation Act, 1941.

Mr. MAY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have offered this motion for the sole purpose of making a further explanation of my position in respect to this matter, which my colleague refused to let me do a few minutes ago by not further yielding. I am not one of those who believe in enacting legislation and making it law, then crippling it by withdrawal of sufficient appropriations. I voted for the raising of the amount back to the Budget estimate, for enforcement of the wage and hour law, not only on that principle but because I feel when we have a statute on the books we ought to see to it that it is enforced. I regret that my splendid colleague the gentleman from Massachusetts [Mr. CASEY] has seen fit to criticize our Democratic colleagues who voted against the amendment offered by the gentleman.

I differ from my colleague from Massachusetts in this respect: If there is any party under the sun that is entitled to full credit for dragging labor out of a hole in America, and freeing it of economic slavery, it is the Democratic Party and the present administration. When men have views based on conscientious objections in opposition to some proposal here and they happen to be Democrats, I do not think they ought to be singled out and lambasted and criticized by one of our colleagues. I think the House Committee on Appropriations has done what its members thought was right, and ordinarily they ought to be upheld. I believe in economy, but I do not believe in economy at the expense of the workers of this country.

I regret the amendment was not agreed to and I do not think it is a proper or fair way of controlling the methods of enforcement of the law, to withdraw appropriations which can only have one effect and that is to weaken rather than strengthen enforcement. Strict and adequate enforcement is imperative if honest labor is to be protected against the enemies of the wage and hour law and that cannot and will not be accomplished by reducing this appropriation. I have stated that the present Democratic administration has been the real friend of labor and, what are the facts to support our claim? Early in the New Deal administration we Democrats, in full control of both branches of the Congress, enacted what is known as the National Industrial Recovery Act that broke the shackles of slavery from the limbs of the toilers of this land and guaranteed the right to collective bargaining. Having that right, labor marched forward and set up the finest and best system of organized effort known to all our history in behalf of labor. As a result of collective-bargaining agreements wages have been raised from a rate that was a disgrace to any nation, to a living wage, and, as a direct result, economic recovery was made possible and our country was saved from economic chaos. That was followed by the enactment of the wage and hour law that fixed a floor under wages and a ceiling over hours of labor. It is the difference between economic liberty on the one hand and servitude without adequate compensation on the other. That was followed by enactment of the Labor Relations Act, to insure enforcement and protection of the rights of organized labor. That has been supplemented by the enactment of laws to provide for social security in the form of old-age pensions, unemployment insurance, maternal and child welfare, public health, and numerous other things I have not time now to mention. The people know too well the merits of the achievements of our party.

My position is that I shall never, under any circumstances, rise on the floor of this House and question the right of any man to vote as he pleases on any matter that comes before the House for consideration. To that extent I wholly disagree with my splendid colleague from Massachusetts, and

I shall vote to reinstate the appropriation for the Labor Board. [Applause.]

Mr. BENDER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I was glad to hear the gentleman from Massachusetts [Mr. CASEY] pay tribute to the Republicans in Congress and to the Republican Party for their support of labor, and that tribute is well deserved. Frankly, in every State legislature which the Republican Party has dominated, the Republicans have for many years sponsored, voted for, and voted for consistently, every important measure providing for labor benefits, such as minimum-wage laws for women, workmen's compensation laws, and many other similar laws which I could name.

I respect the gentleman from Kentucky, but I wish to take issue with him when he says that the Democratic Party has done so much for labor. We find labor now divided into two armed camps, and ever since this administration came into power labor has been divided.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. BENDER. No; I do not yield.

Labor has never been so divided.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield? The gentleman has mentioned me.

Mr. BENDER. I will yield in just a moment.

To me, this is the crux of the whole matter. As I understand, $1,644,000 more has been appropriated for the conduct of this Division than was appropriated last year by the committee and by the House, according to its action today. There were 896 inspectors provided for in 1940. According to the Casey amendment, the number would be raised to 2,018. On February 1 of this year there were 334 field inspectors, although the Budget authorized the employment of 398 inspectors; in other words, we had fewer field inspectors employed by the Department than the Budget authorized. Further, we have increased the number of field inspectors in the present Budget as of February 1 from 334 to 661. In my opinion, we are increasing the number of field inspectors for better enforcement of the law.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield now?

Mr. BENDER. Yes; I yield.

Mr. CASEY of Massachusetts. The gentleman has distorted my remarks. I did not praise the Republican Party; I praised the few, the all-too-few members of the Republican Party sitting here who voted progressively on labor. However, there were not enough of them. I do not believe the Republican Party is friendly to labor, but it has a few progressive members who are. The Democratic Party by a vast majority has always shown its friendship to labor.

Mr. BENDER. I will take issue with the gentleman on that question and will be pleased to compare notes with him.

Mr. CASEY of Massachusetts. How many Republicans voted for the wage-hour bill?

Mr. BENDER. In the Ohio Legislature the Republican Party, when in control, has consistently supported legislation for labor. I was a member of the Ohio Senate for five terms, and there was a great deal of labor legislation passed during that decade for the improvement of labor. That was long before we ever heard of Franklin D. Roosevelt. Some people in this country have the idea that everything began as of March 4, 1933. I believe, and there are many who support my contention, that the worst period for labor in the history of our country started on March 4, 1933, and labor will pay the price and will continue to pay the price in the years to come. As I say, instead of labor being united and being on one side of the fence, we now have labor almost evenly divided into two camps. [Applause.]

Mr. ENGEL. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I wish to make this statement in justice to the able chairman of this committee. I worked on this bill personally for weeks before the subcommittee went into session. We worked on this bill in committee week after week from 10 o'clock in the morning until 12:30 and from 1 o'clock until 5 o'clock, going over the bill item by item. This bill came out of the committee with every member of the subcommittee, Republican and Democrat, supporting every item in it.

I believe it is unfair for any Member, be he Republican or Democrat, to insinuate that any personal opinion the chairman of this subcommittee may or may not have had with regard to the wage and hour bill was the guiding influence in his actions on any part of the work the committee has done. Nothing was said on or off the record that I can recall by our able and distinguished chairman of the subcommittee that would display any unfairness of any kind. He gave the best that is in him to this bill and to the wage and hour part of the bill. He worked fairly, hard, and impartially on it.

Up until this moment, Mr. Chairman, the word "Republican" or "Democrat" has not been mentioned in the discussion of this bill. The votes on these amendments have not been along party lines. I regret that partisanship has been injected into this issue. I sincerely hope that from now on we can discuss whatever may come before the committee not as Republicans or Democrats but as Members of the House who are interested in the issues before us. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, there are no amendments to this paragraph except pro forma amendments. In the interest of conservation of time I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close. This will not prevent the gentlemen who wish to speak from getting time a little later, but let us move along now.

Mr. HEALEY. Reserving the right to object, Mr. Chairman——

Mr. SACKS. Mr. Chairman, reserving the right to object, I want 5 minutes.

Mr. HEALEY. I object to the request, Mr. Chairman.

Mr. TARVER. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto do now close.

The question was taken; and on a division, demanded by Mr. HEALEY, there were—ayes 115, noes 23.

So the motion was agreed to.

The Clerk read as follows:

For the Division of Personnel Supervision and Management, $427,520.

Mr. SACKS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I listened with a great deal of interest to my colleague from Ohio when he stated that it was only under Republican-controlled legislatures that labor got anything in these United States. I think it has come time to look at the record. Let us find out what labor did receive under the Republican administrations. I can best do this by citing the record in my own State, a neighboring State to the one of the gentleman from Ohio.

Before the 1938 election, the Democratic Party in Pennsylvania, through the legislature, gave to labor for the first time such important bills as the little Labor Relations Act and the anti-injunction bill. They raised the standing of the State in compensation payments from No. 20 up to about No. 2, increasing the minimum payments from about $9 to $15. They gave them much additional labor legislation.

Let us look at the record since 1938.

Mr. McGRANERY. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield to my colleague from Pennsylvania.

Mr. McGRANERY. After the Democrats gave these things to the working people of Pennsylvania, what happened after the Republicans took control of the Legislature of Pennsylvania in 1938?

Mr. SACKS. I am just coming to that. In 1938, during the campaign, the Republican Party went up and down the State promising the voters that they would continue with a liberal administration. But let us look at the record of Mr. James and let us look at the record of the Republican Party. The first thing they did when they got control of the legisla-

ture was to send back the standing of the State of Pennsylvania on compensation from No. 2 to No. 20. They reduced, Mr. Chairman, the minimum payments under workmen's compensation from $15 back to $9. That was the gods' gift of the Republican Party to the workers of Pennsylvania, but that was not enough. They repealed the Anti-Injunction Act. They went further and sabotaged the administration of the Labor Relations Board. They even went further than that and, in conjunction with their administration, sabotaged the Women's Minimum Age Act.

The Republican Party in Pennsylvania today, by its own admission is not the friend of labor and would return labor to the control of the manufacturers and the special interests, which was the situation that existed before the advent of the Democratic administration in Pennsylvania in 1934.

What else did they do? They came along and promised in our own city of Philadelphia, where they were in control, that they would take care of labor, and what did they do? They dug down into the pockets of the wage earner in the city of Philadelphia and put a tax on the salary of even the relief worker in Philadelphia.

This is their shining record for labor; and how about my friend's own State? What did Governor Bricker do when labor needed help in the State of Ohio? The record speaks for itself.

Mr. BENDER. What did he do? Will the gentleman answer that?

Mr. SACKS. I will tell the gentleman what he did. He allowed the State of Ohio to go back to where it was before the Democrats took control of that State. [Applause.]

Mr. BENDER. Is it not a fact that Governor Bricker——

Mr. SACKS. I do not yield any more. The gentleman did not yield to me.

I want to say now that if the Republican Party wants to stand on its record in the legislatures of the various States, then I say that we can go to the country and ask labor whether the Democratic Party gave them a fair deal or whether the Republicans gave them a fair deal.

Mr. McGRANERY. Mr. Chairman, will the gentleman yield?

Mr. SACKS. I yield.

Mr. McGRANERY. Did Governor Bricker do a little head knocking with the militia on labor?

Mr. SACKS. Certainly, and everybody knows that in the State of Ohio. [Laughter.]

I say to my friends there is only one thing to do. If my friend wants to stand on the record of 1938, we will stand on the Democratic record for the last 7 years. [Applause.]

Mr. TARVER. Mr. Chairman, I shall proceed only for a moment or two. I very regretfully shall have to make points of order against gentlemen who do not discuss the bill. I shall not make a point of order against any gentleman who moves to strike out the last word and who talks about the subject matters included in the bill. I shall not attempt to hold him to a discussion of the last word, which could be done under the rules, but in view of the unanimous-consent agreement reached in the House that general debate would be confined to the bill itself after the first day, I think I am acting in accordance with the will of the House when I say that I shall hereafter make points of order against any gentleman who undertakes to discuss matters, under a pro forma amendment, that are not related to the bill.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Yes.

Mr. RICH. Does the gentleman think it is fair when we have Members of Congress get up and condemn things that are going on in Pennsylvania—and we know what happened there during the Earle administration for 4 years—that we ought not to have a chance to get up here and tell the gentleman from Philadelphia, Pa. [Mr. SACKS], that he is absolutely wrong?

Mr. TARVER. Permit me to say to the gentleman that in view of the speech which has just been made, if the gentleman from Pennsylvania or any other gentleman on his side of the aisle desires to address the House for 5 minutes on the same subject matter, I shall make no point of order against him, because I deem it fair that you have an opportunity to reply to what a gentleman has said; otherwise, I shall insist on the point of order.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield.

Mr. BRADLEY of Pennsylvania. I would like to ask the gentleman this question: In view of the speech that my friend possibly would make, does not the gentleman think we should be accorded the same opportunity?

Mr. TARVER. Mr. Chairman, I do not think we ought to have a general field day on political matters. We have a bill here which we are considering which involves $954,000,000.

Mr. McGRANERY. Mr. Chairman, will the gentleman yield?

Mr. TARVER. Yes.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania, a member of the committee.

Mr. McGRANERY. Mr. Chairman, but I was on my feet and had asked the distinguished chairman of the committee, the gentleman from Georgia [Mr. TARVER], to yield to me and he graciously did yield.

Mr. LAMBERTSON. Mr. Chairman, will the gentleman from Pennsylvania yield?

Mr. RICH. Yes; I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Is it not a fact that the Member from Pennsylvania [Mr. SACKS] who spoke just a moment ago, until 6 years ago was himself a member of that terrible Republican Party in Pennsylvania, which he now condemns?

Mr. RICH. Absolutely that is the fact.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. RICH. No; I cannot yield. The gentleman had his 5 minutes. Mr. Chairman, I want to answer this gentleman from Pennsylvania. Under the Earle regime, with the terrible new dealers that we had in Pennsylvania—it almost wrecked Pennsylvania. It was a bad administration for our State.

Mr. HOOK. Mr. Chairman, I rise to a point of order. The gentleman from Pennsylvania is not addressing himself to his amendment.

Mr. RICH. But I was permitted by the gentleman of Georgia to have 5 minutes out of order; he is chairman of the subcommittee and promised me that courtesy.

Mr. HOOK. Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman from Pennsylvania must confine himself to the amendment.

Mr. RICH. Mr. Chairman, I hope this will not be taken out of my time.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the distinguished gentleman from Ohio.

Mr. BENDER. A gentleman who previously spoke referred to Governor Bricker and to the militia. In answer to that——

Mr. HOOK. Mr. Chairman, I make the point of order that the gentlemen are not addressing themselves to the amendment.

The CHAIRMAN. If the gentleman from Michigan insists upon his point of order, the Chair will reluctantly be obliged to state that the gentleman from Pennsylvania must either confine himself to the bill or cease.

Mr. RICH. I am confining myself to the amendment, when I yield to the gentleman from Ohio, who will reply to the gentleman from Pennsylvania [Mr. SACKS].

The CHAIRMAN. The gentleman from Ohio must also confine himself to the amendment.

Mr. BENDER. I am confining myself to a statement made previously, I understood, with permission to reply to that statement.

The CHAIRMAN. But no point of order was made previously to any such argument.

Mr. MARCANTONIO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from New York to submit a parliamentary inquiry?

Mr. RICH. I do not. I yield now to the distinguished gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Is it not a fact that during the administration of Governor Bricker, of Ohio, the militia has not been called out at any time? The Democrats are confused; it was Davey, the Democrat, who called out the militia, and not Bricker.

Mr. RICH. The gentleman is exactly right. Governor Bricker is a fine Governor and obeys the law and enforces it.

The CHAIRMAN. The gentleman from Pennsylvania will proceed in order.

Mr. RICH. Mr. Chairman, it seems to me that there is a great deal of discussion here this afternoon relative to matters as to which some Members of the House would like to protect themselves from the criticism they are receiving back home because of legislation that was passed, especially back in the State of Pennsylvania, when we had the Earle administration 4 years ago in Pennsylvania whereby many bad laws were passed.

Mr. HOOK. Mr. Chairman, I make the point of order that the gentleman is not addressing himself to his amendment.

The CHAIRMAN. The gentleman from Pennsylvania will proceed in order or the Chair will advise him to take his seat.

Mr. RICH. But whenever I start to get to a conclusion on something that pertains to the bill, then some of these fellows who do not understand what the discussion is about try to interrupt with a point of order. They can give it, but they cannot take it.

The CHAIRMAN. The Chair sustains the point of order. The gentleman from Pennsylvania will proceed in order.

Mr. RICH. Mr. Chairman, we were discussing this labor bill, and the gentleman from Georgia made the statement that because of the fact that certain accusations had been made in reference to the party in power in Pennsylvania, which is the best administration we have had for a great many years—on labor and jobs. A great Governor is James.

Mr. HOOK. Mr. Chairman, I renew my point of order.

Mr. RICH. Mr. Chairman, I would like to have order.

Mr. HOOK rose.

The CHAIRMAN. For what purpose does the gentleman from Michigan rise?

Mr. HOOK. To insist upon my point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOOK. I make the point of order that the gentleman from Pennsylvania is not confining himself to his amendment.

Mr. TABER. May I be heard, Mr. Chairman? The gentleman from Pennsylvania had not concluded his sentence so that anybody could tell whether he is speaking to the bill or not.

The CHAIRMAN. The Chair sustains the point of order and the gentleman will proceed in order.

Mr. RICH. If the gentleman from Michigan [Mr. HOOK] would keep his seat long enough so that we could get to the point and be able to explain this amendment, he would probably be able to see the point, but if anybody is so dense—then I am sorry for him.

Mr. HOOK. Mr. Chairman, I renew my point of order.

Mr. RICH. Mr. Chairman, the new dealers can give it but they cannot take it. Their day is about over, and over for good, we hope.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that the bill be considered as read and printed in the RECORD, down to line 20 on page 17, which relates to the C. C. C., with the right on the part of any Member to offer any amendment if he so desires. I am not advised that anyone desires to submit amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. TABER. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

For all authorized and necessary expenses to carry into effect the provisions of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, including personal services in the District of Columbia and elsewhere; the purchase and exchange of lawbooks, books of reference, periodicals, and newspapers; rents in the District of Columbia and elsewhere; the purchase (including exchange), operation, maintenance, and repair of motor-propelled and horse-drawn passenger-carrying vehicles to be used only for official purposes; hire, with or without personal services, of work animals, animal-drawn and motor-propelled vehicles, and watercraft; printing and binding; travel expenses, including not to exceed $2,000 for expenses of attendance at meetings concerned with the work of the Corps when specifically authorized by the Director; construction, improvement, repair, and maintenance of buildings, but the cost of any building erected hereunder shall not exceed $25,000; and all other necessary expenses; of which $143,130,000 shall be available only for pay, subsistence, clothing (and repair thereof), transportation, and hospitalization of enrollees; and $325,000 may be expended in the District of Columbia for salaries and expenses of the office of the Director; $230,000,000: *Provided*, That an enrollee in the Civilian Conservation Corps, or member, or former member of the Military Establishment, who shall furnish blood from his or her veins for transfusion to the veins of an enrollee or discharged enrollee of the Civilian Conservation Corps undergoing treatment in a Government or civilian hospital authorized to treat such patient, shall be entitled to be paid therefor a reasonable sum not to exceed $50 for each of such transfusions undergone: *Provided further*, That the Director may authorize the exchange of motor-propelled and horse-drawn vehicles, tractors, road equipment, and boats, and parts, accessories, tires, or equipment thereof, in whole or in part payment for vehicles, tractors, road equipment, or boats, or parts, accessories, tires, or equipment of such vehicles, tractors, road equipment, or boats which the Corps has acquired: *Provided further*, That expenditures under the several classes of objects of expenditure for which this appropriation is available shall not exceed by more than 10 percent the amounts estimated for such objects of expenditure by classes, in the schedule for the fiscal year 1941 appearing in the Budget for such fiscal year under this head, and any such excess must be approved in writing by the Federal Security Administrator in such amounts as he shall designate: *Provided further*, That the foregoing proviso shall not apply, to whatever extent the President shall direct, in the event of an emergency declared, by the President, to exist.

Mr. SCRUGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCRUGHAM: On page 18, lines 14 and 18:

On line 14, strike out "$143,130,000" and insert "$150,000,000."

On line 18, strike out "$230,000,000" and insert "$240,000,000."

The CHAIRMAN. The gentleman from Nevada is recognized for 5 minutes.

Mr. TARVER. Will the gentleman yield to see if we can reach an agreement as to time on this matter?

Mr. SCRUGHAM. I yield.

Mr. TARVER. What time does the gentleman suggest?

Mr. SCRUGHAM. I have no suggestion.

Mr. TARVER. Would 30 minutes be sufficient?

Mr. SCRUGHAM. As far as I am concerned; yes.

Mr. PITTENGER. Mr. Chairman, I would like to have some time.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto be limited to 30 minutes.

Mr. CASE of South Dakota, Mr. ELLIS, and Mr. HOOK rose.

Mr. TARVER. There are no amendments except with reference to the amount, and the amendment offered by the gentleman from Nevada covers that point. I think 30 minutes should be sufficient.

Mr. PITTENGER. Mr. Chairman, I have an amendment increasing the amount from $230,000,000 to $280,000,000.

Mr. TARVER. I say all the debate will relate to the question of amount. Therefore it seems to me this is a reasonable time. There are no amendments except those which will relate to the amount, as I understand it.

I modify the request, Mr. Chairman, to make it 45 minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that all debate on this paragraph and all amendments thereto close in 45 minutes. Is there objection?

Mr. KEEFE. Mr. Chairman, reserving the right to object, this is a very important provision in this bill and we should have at least 1 hour of discussion on this subject.

Mr. TARVER. Mr. Chairman, in deference to my colleague, who has been very cooperative in connection with this bill in all of its phases, I modify my request and I ask unanimous consent that the debate on this paragraph and all amendments thereto be limited to 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. PITTENGER. Mr. Chairman, reserving the right to object, I understand the gentleman from Oklahoma [Mr. JOHNSON] will offer an amendment which may perhaps develop to be a better amendment than the one now offered. I do not want all the time put on this amendment and have the gentleman from Oklahoma deprived of any time on his amendment.

The CHAIRMAN. As the Chair understands the unanimous-consent request, the time is not devoted entirely to this amendment, but to the paragraph and all amendments thereto.

Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

There was no objection.

Mr. SCRUGHAM. Mr. Chairman, the increase sought in this amendment will not increase the total appropriation carried in the bill to exceed the total Budget estimate. I wish that fact to be distinctly understood, although it is not an essential feature. This amendment, if carried, will permit operation of a minimum of 55 additional C. C. C. camps and the employment of at least 10,000 additional enrollees. If the C. C. C. item as carried in the bill is adopted, it means abandonment of 273 camps, including 27 veteran camps. It will mean that about 168,000 worthy boys such as made application for enrollment in the C. C. C. camps as of January 1, 1940, will practically be denied, even the hope of future enrollment, unless Congress permits new vacancies to occur. If there lies a choice between reducing our vast civilian and military bureaucracies by the relatively small amounts proposed, or in giving another chance to 10,000 or more unemployed boys for useful employment, I do not think that any Member in this House should hesitate in making the latter choice.

Acceptance of the proposed amendment will still permit all reasonable demands for economy in appropriations to be fulfilled, and many thousands of boys will be given an opportunity for employment and to learn useful trades.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. MURDOCK of Utah. If the gentleman's amendment carries, how many camps below the present number will we lose?

Mr. SCRUGHAM. A minimum of 55 camps will be added; 273 is the total number proposed to be destroyed. So subtract 55 from 273 and that will give you the result.

Mr. PITTENGER. You mean that even with your amendment 218 camps will be abolished?

Mr. SCRUGHAM. Exactly.

Mr. O'CONNOR. Will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. O'CONNOR. Would the gentleman favor a continuance of the present number of C. C. C. camps?

Mr. SCRUGHAM. Certainly, I favor the continuance of all of them, but inasmuch as the subcommittee feels bound to keep within total Budget estimates, by direction of the Appropriations Committee, I offer this amendment, but I expect the total to be raised by further amendment to enable all of the camps to be retained.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. COFFEE of Nebraska. In the event the gentleman's amendment carries, how many reclamation camps will be restored?

Mr. SCRUGHAM. I do not know, but on a pro rata basis about two of them. That is my best recollection.

Mr. COFFEE of Nebraska. In what States?

Mr. SCRUGHAM. I cannot tell what States will benefit by the restoration.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. CASE of South Dakota. And the figure that the gentleman is suggesting will still not raise this bill to the total of the Budget estimate.

Mr. SCRUGHAM. The total of the Budget estimate for the entire bill will not be exceeded by this proposed amendment. We have kept within the reasonable expectations of economy. It is entirely unjust to place the burden of reductions so heavily on the C. C. C. administration.

Mr. HARRINGTON. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. HARRINGTON. The fact still remains that we are going to lose 218 of these C. C. C. camps if the gentleman's amendment is not adopted.

Mr. SCRUGHAM. Yes. Somewhere in the report, I think on page 18, the facts relating to these camps are set forth in detail. I have not the time to read it in full, but no proper minded man can read the fine record of accomplishment and realize the opportunity for employment which has been given to some two-million-odd boys, and not support the C. C. C. movement.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. SCRUGHAM. I yield.

Mr. KEEFE. Do I understand the gentleman to state that if his amendment is carried it will still be necessary to curtail the C. C. C. camps to the extent of the elimination of 218 existing camps?

Mr. SCRUGHAM. Yes; and also some 45,000 enrollees will have to be dropped that otherwise would not be dropped.

Mr. KEEFE. And if the Budget estimate is carried through what will be the result?

Mr. SCRUGHAM. Fifty-five thousand enrollees and 273 camps that heretofore have been carried will cease to be supported unless we adopt this or a substitute amendment increasing the funds provided, thus allowing more camps to continue in existence.

[Here the gavel fell.]

Mr. PITTENGER rose.

The CHAIRMAN. The Chair will first inquire if any member of the committee desires recognition.

Mr. CASE of South Dakota. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota for 5 minutes.

Mr. CASE of South Dakota. Mr. Chairman, the gentleman from Nevada has offered an amendment which does not increase the bill above the total that was recommended by the Budget for the total of the bill. The item for the C. C. C. camps that was recommended by the Budget is the item in the bill as it appears, but other cuts were made in the bill, so that the total bill as reported to the House is approximately $11,800,000 below the total Budget estimate.

The pending amendment to increase the C. C. C. item by ten million may not represent what a great many friends of the C. C. C. would like to see, but still it will save at least 55 camps and will keep the total of the bill within the amount recommended by the Budget for the bill as a whole.

Much has been said with respect to the value of the C. C. C. work and its benefits to veterans, to young men, and to the families who share in the pay checks. As you know, about $22 a month goes to the family of each enrollee. It means a lot. Not merely is the young man in camp getting a great deal out of his experience, but the family at home is kept from going on relief. The C. C. C. is not the millenium for the

enrollee or his family, but under present conditions something can be said for any activity that helps young men. I had rather see them in work camps than in Army camps. I wish, however, to emphasize a different point. It is that most of the C. C. C. work is performed for the Federal Government. It is directly valuable to the Federal establishment. This is not true in the same degree of general relief expenditures. Most of the work done by the Civilian Conservation Corps is done on the public domain or on public property in the public forests and parks—all of it, I believe, except that performed for conservation districts. Thus the Federal Government itself receives a direct return from the improvement work that is done by the Civilian Conservation Corps.

Let me give you a concrete illustration. My home town is situated within the confines of a national forest. Last year during the dry season there were over 100 fires in that forest, yet the total acreage burned by these fires was less than 150 acres. In other words, the average area burned by a forest fire was less than 2 acres, because these boys were there, and no matter what work they were engaged in doing they were subject to call for the control of these fires. The experience in my district shows that the saving to the public domain, the actual saving in public property, by the work of the C. C. C. exceeded the cost of maintaining these camps. So this work should not be regarded as made work, but as distinctly and definitely of benefit for the protection and conservation of public property—most of it Uncle Sam's property.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. BROOKS. I know there are differences of opinion about it, but does not the gentleman feel that the fact that these young boys are employed in outdoor, wholesome exercise, eliminates a great deal of crime which otherwise might be committed in the United States?

Mr. CASE of South Dakota. Yes, that is true; and if the gentleman has had as I have, personal contact with some of these boys, he knows that many of them have received new ideals, and many have been trained in vocations through which they are better fitted to make a living than they otherwise would be.

Mr. PLUMLEY. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Vermont.

Mr. PLUMLEY. I am interested in ascertaining if anybody knows to what sections of the United States the additional camps provided for under the provisions suggested by the amendment offered by the gentleman from Nevada would be allocated? If I could be sure that Vermont would get the four camps now being stricken from the list I might be interested in voting for the amendment.

Mr. CASE of South Dakota. Of course, I have the same problem. I do not know whether any of the camps that will be saved will go to my particular district or not, but I do believe this work as a whole has justified itself and I am sure the authorities will make a fair distribution of the camps according to the funds made available.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Chairman, I offer a substitute to the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM].

The Clerk read as follows:

Amendment offered by Mr. LEAVY as a substitute to the amendment offered by Mr. SCRUGHAM: Page 18, line 14, after the word "which", strike out "$143,130,000" and insert "$166,880,000", and in line 18, after the word "Director", strike out "$230,000,000" and insert "$280,000,000."

Mr. LEAVY. Mr. Chairman, this substitute amendment is also being offered by the gentleman from Arkansas [Mr. ELLIS] and the gentleman from Oklahoma [Mr. JOHNSON], both having demonstrated many times their friendship for the C. C. C. This substitute amendment will insure the keeping of the C. C. C. camps at the present level of 1,500 camps. It is $15,000,000 under the amount for this fiscal year, but by the practice of certain economies and by reason of the fact that these camps are generally established, we will maintain the camps as they are, 1,500 in number, and where they are at this time if the work being undertaken is not complete at the particular place where the camp is located. In this manner we will be able to avoid a reduction of enrollees anywhere in the United States for the coming year and still be able to save $15,000,000 in costs of this wonderful activity.

It is true that we will exceed the Budget slightly; there is no question about that; but the Budget cannot be held so sacred, nor must this Congress regard it so solemnly that we cannot change any item fixed by it. The Budget Bureau fills an important place in our Government, but it has never asserted that we as a Congress do not have final responsibility. The C. C. C. activity has directly touched the lives of more than two and one-half million boys. It has directly benefited 13,125,000 American people in their homes. Its record of accomplishment is one that men with far more ability than I have could not paint in hours of time. But more than the dollars-and-cents side of this picture is the human salvage side of it. Thousands and thousands of young men are now valuable, useful American citizens, whereas, if we had not had the C. C. C., hundreds of them—and I can say this from personal contact and experience in my work previous to coming here—would be occupying felons' cells and would have to go through the remainder of their lives branded as ex-convicts. Why, in 1 week in 1933, just before C. C. C. came into the picture, 9 boys appeared in my court in the city of Spokane and pleaded guilty to major criminal offenses, of crimes against property. In every case poverty and lack of a chance to get work was the controlling cause. Every one of these boys could have qualified for C. C. C. activity if it had been in effect. It was my painful duty to send those 9 young men, between the ages of 17 and 23, to State prison. The taxpayers of the State of Washington had to pay from $100 to $125 a month to keep them there, not taking into consideration the fact that the individual's life was ruined and his family shamed, and he has the gloomy prospect of going through life an ex-convict. Have we become so sordid that we measure human life and happiness entirely in terms of balanced financial budgets?

Are we going to stand back in order to say that we have saved $50,000,000 and tell thousands of deserving boys and other thousands of needy families, "We are going to cut you off in the interest of a balanced Budget"? This substitute should be agreed to. Again I reiterate, we save $15,000,000 over what we are spending this year, and we do not cut out a single camp.

Every time a camp is moved it costs this Government around $20,000. Every time one is constructed, it costs somewhere in the neighborhood of $60,000. Why let these beautiful camps, ready to serve the needy boys of this country, stand idle during this next year and many of the boys themselves allowed to go down the path to complete destruction?

Mr. DEMPSEY. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from New Mexico.

Mr. DEMPSEY. What is going to happen to the boys who are now employed if the reduction takes place?

Mr. LEAVY. They will be thrown out to become drifters. They will be a fertile field from which subversive groups will secure recruits.

Mr. DEMPSEY. And will we not have to increase the relief appropriations?

Mr. LEAVY. There is no question about that. Every one of these boys represents a needy family if he has family connections and if we take the family source of income away, then we will be adding to the relief burden.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. If the present bill is adopted without the pending amendment it will force 54,000 young men who are now in the C. C. C. camps out of those camps. Not only that, but in doing so it will place a very large percentage of those enrollees on relief, if it is possible for them

to get on relief. It also will mean that a majority of the families of such boys will be forced on relief rolls.

Mr. LEAVY. The gentleman is correct.

Mr. ENGEL. Will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Michigan.

Mr. ENGEL. Does the gentleman say all these boys come from relief families? That is not in accord with the testimony.

Mr. LEAVY. One of the prerequisites is that the boy shall be from a family that is needy and $22 of the $30 paid the boy goes back home to the family, or if no family connections, he must be personally in need.

Mr. ENGEL. The gentleman will find in the hearings that Mr. McIntee testified they did not all come from the relief rolls.

Mr. LEAVY. They may not be people who have been compelled to go on the relief rolls, but they are from families in straitened financial circumstances.

Mr. Chairman, I hope my substitute amendment will be agreed to. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. PITTENGER].

Mr. PITTENGER. Mr. Chairman, I rise to support the substitute amendment.

Mr. Chairman, there are two national forests in the district I have the honor to represent. One of them is the Superior National Forest. I called the attention of the House the other day to what it meant to the United States Forest Service to have the C. C. C. camp in that area discontinued. I now wish to call attention to another national forest, the Chippewa National Forest, which is partially in the eighth district. There is a fine stand of timber in that forest, and it is worth millions of dollars. Under this new economy program it is proposed to discontinue C. C. C. camp No. 707 near Deer River, Minn., and take away from the United States Forest Service one of the finest fire-protection agencies it has. It is proposed by this economy program to scrap 273 camps throughout the United States and make it possible for forest fires to rage throughout regions where forests are located and destroy millions of dollars worth of timber belonging to the people of the United States. That is false economy.

I wish to subscribe to what the last speaker said with regard to the problem of unemployed youth. There is no more valuable agency of this Government than the Civilian Conservation Corps when it comes to offering unemployed young men an opportunity to earn money. I do not care about your theory and I do not care about your figures about administrative expense. I know what you say about those things. This appropriation ought to be increased by $50,000,000 if you are going to prevent the discontinuance of these 273 camps. Four of these camps are in the district I represent, and they ought to be continued.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. PITTENGER. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Does not the gentleman agree that it is a good insurance policy to keep these camps at the full force now existing—if for no other reason—in order to save our national forests?

Mr. PITTENGER. I do.

Mr. MURDOCK of Arizona. I feel that it would be a serious mistake to cut down on this program. I have that opinion from the secretaries of the chambers of commerce in my State and from many substantial businessmen.

Mr. PITTENGER. Mr. Chairman, I shall insert in my remarks a letter from Mr. H. E. Wolfe, publisher of the Deer River News, of Deer River, Minn., near which C. C. C. camp No. 707 is located, indicating that if the Federal Government abolishes this camp a great mistake will have been made in removing fire protection to the forest. It is no theory that the camp may be abolished. Announcement has already gone out from persons who know to those who are interested that this camp is gone, and so are the other three camps in my district, and so are camps in other sections of this country where this program of youth rehabilitation and of affording opportunity to a young man to do something worth while, where the Government can help make an honest and clean citizen out of him, has been carried on. This program must be continued and this substitute amendment adopted, or else this Congress will make one of the major mistakes of this session.

Mr. HARRINGTON. Mr. Chairman, will the gentleman yield?

Mr. PITTENGER. I yield to the gentleman from Iowa.

Mr. HARRINGTON. Does the gentleman have any knowledge of whether or not any soil-conservation camps, which have been doing such good work, will be continued if this appropriation is increased by $50,000,000, as contemplated by the amendment offered by the gentleman from Washington?

Mr. PITTENGER. No; I cannot answer that question.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PITTENGER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I was going to ask whether or not the work of the C. C. C. camps for the benefit of the agricultural sections of the country would be continued if this amendment is adopted.

Mr. PITTENGER. I understand, and I believe my information is correct, that if the substitute amendment is adopted the Civilian Conservation Corps will carry on the present program.

Mr. BROWN of Ohio. We have in Ohio a number of the soil-conservation camps of the C. C. C., and they have been doing good work in the agricultural districts. I am informed that the abandonment of them means that the work will not be completed and that much of the investment already made will be lost.

Mr. PITTENGER. I may say that if those camps are included in the present program, then I do not know of any reason they would not be continued. [Applause.]

Mr. Chairman, the letter to which I referred earlier in my remarks is as follows:

DEER RIVER, MINN., *March 20, 1940.*

Hon. W. A. PITTENGER,
Representative Eighth Minnesota District,
Room 244, Old House Office Building, Washington, D. C.

MY DEAR MR. PITTENGER: Ever since it was first rumored here, which I announced in my paper a few weeks ago, that Company 707, C. C. C., was to be taken out of the Chippewa National Forest, I have been waiting for people to come to their senses and set the order aside.

Mr. PITTENGER, this order simply must be vacated. It is unbelievable that the C. C. C. heads should make such a disastrous decision.

Company 707 is now the only one in western Itasca County. It is located right close to the eastern line of the most heavily timbered portion of the Chippewa Forest. Within the range of its patrol, stand more then 200,000,000 feet of the finest timber in the Chippewa, most of it virgin. It must not be left to the mercy of spring fires.

This timber, lying northeast, north, and northwest of Lake Winnibigoshish, is probably the best in Minnesota. This region is a favorite spot for tourists to visit, thousands coming every year with the opening of the fishing season in May. This increases danger of fires, always great enough. It is a matter of record that Company 707 has, during the fire seasons of the spring and fall, been called upon as many as six times in a single day for aid in fighting fires.

It is also a matter of record that the Chippewa is the most productive and profitable forest in the Lake States region. In substantiation of that statement, I am enclosing a release from the regional office, sent out last December. And the best district in the Chippewa is that of Cut Foot Sioux, in which Company 707 is located.

Read this release. It is from forest authority. Then read newspaper clippings enclosed. If they do not afford ample reasons why Company 707 should be kept here, then I do not know what argument could.

May I implore you to lay this before the proper authority at once? If nothing more can be done, ask them at least to leave the camp here until July 1 to carry us over the spring fire season.

The Government can afford this. It is just good plain business sense. Left without protection, this area could have a single fire that would do more damage than it would cost to keep the camp there. That statement is amply proved by conditions which existed before the C. C. C. camps came in.

Very truly yours,

H. E. WOLFE,
Publisher, Deer River News.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I rise in support of the substitute amendment. Should the Committee unfortunately reject that amendment, I shall support the amendment offered by the distinguished gentleman from Nevada.

I wish to congratulate the members of the Committee on Appropriations on the splendid arguments they offered here this afternoon in support of these amendments. Specifically I refer to the gentleman from South Dakota [Mr. CASE] and the gentleman from Washington [Mr. LEAVY]. As always, in this instance they have risen to the occasion and shown that they are the friends of the youth and the needy of this country.

Mr. HARE. Mr. Chairman, will the gentleman yield for an observation?

Mr. O'CONNOR. I yield to the gentleman from South Carolina.

Mr. HARE. May I suggest that the gentleman from Nevada [Mr. SCRUGHAM] also made a grand argument, and he is a member of the Committee on Appropriations.

Mr. O'CONNOR. I thank the gentleman. I will say to the gentleman that just as he asked me to yield to him I was going to specifically mention the gentleman from Nevada [Mr. SCRUGHAM], who, as the gentleman has just said, made a most convincing and elaborate argument in favor of the youth and needy. I may say to the gentleman from South Carolina that the gentleman from Nevada [Mr. SCRUGHAM] has always shown his sympathy and supported all measures which had to do with the relief and betterment of the condition of the young and poor, and today, stronger than ever, he did himself proud in their behalf.

There are 4,000,000 unemployed youths in this country. If the choice arises as to persons being idle, it is safer to have a man of 60 or above walking the streets without employment than it is to have a youth in his late teens or his early twenties unable to secure employment or make a living or find a place to sleep and a place to eat and hungry. The young man is going to get those things, and if in order to do so he finds his way into the penitentiary it is our fault and not the fault of the boy, because he is a victim of circumstances over which he has no control. How well I know, as I have defended in cases like this.

One-third of the State I have the honor to represent is owned by the Federal Government, and nearly two-fifths of the State is in national forests. I have personal knowledge from observation of how these boys protect the forests. I well remember one day a year or so ago when I was on a ranch that I unfortunately own in a territory that is very sparsely settled. Looking over toward the mountains early one morning I saw smoke rising toward the heavens from virgin forest that fire had theretofore never touched. Before sunset that evening the flames were licking the topmost limbs of those magnificent trees and spreading fast, leaving destruction in its wake. During that night, I may say, four or five gray trucks wended their way up to this territory loaded, if you please, with C. C. C. boys, and before the sun set upon the next day, that fire was out. That magnificant forest was saved. These young men put it out at the danger of losing their lives. We could not get any of the citizens over there to go to these fires because they were afraid of being destroyed by the fire and we had to rely upon these C. C. C. boys. What is true in this instance is true in many other instances of the same kind throughout our country. In all ways they have proven their worth. Our country is getting value received and more. Also we are making character.

I hope the amendment will be carried. [Applause.]

Mr. MOTT. Mr. Chairman, where the President first got the idea of the C. C. C. I do not know, but wherever he got it there is little doubt that it is the most popular of all the emergency activities of his administration. I have heard some Republicans say that it is the only good piece of New Deal legislation that has been offered during the present administration. I would not go so far as to concur entirely in that view, but I have heard a great many Republicans praise the C. C. C. who are opposed to the New Deal generally, and I have never heard any serious objection made against the C. C. C. by Republicans, either in Congress or out of it.

You have heard a number of gentlemen speak here within the last few minutes from the land-grant States. The land-grant States are the 11 Western States which came into the Union with some strings attached to their admission. In my own State, for example, 56 percent of the area of the State of Oregon belongs to the Federal Government. This Government ownership was one of the conditions of its admission, and the people of our State are not allowed to tax that federally owned area in order to raise the revenue to defray the expenses of the State and local governments. This is the situation which obtains largely in all of the 11 land-grant States.

Now, in these States particularly the Civilian Conservation Corps performs a very valuable and a very necessary work by building trails in the forests, by protecting our forests from fire, and by doing a great deal of useful work which would not otherwise be done and which, probably, could not otherwise be done. Most of the C. C. C. camps in these States are located in the national forests, which comprise a large portion of this Federal domain.

In my own State of Oregon, unless this appropriation is increased, 15 very useful camps are slated, under the curtailment program, to be discontinued. I have made a personal investigation of every one of these 15 camps, most of which are in my own district, and of my own knowledge I know that these camps are all doing excellent work, and that their discontinuance would result in very great detriment to the areas in which they are located.

As I said a moment ago, there is no criticism of the C. C. C. From the viewpoint of useful work, it comes near being a perfect organization, and from the viewpoint of relief its record is not surpassed by any governmental agency. The boys and the families of the boys who are employed in the C. C. C. camps are in need of relief, and if it were not for the C. C. C. the taxpayers of this country would be obliged to raise the money to give this relief in some other form. The C. C. C. not only gives the relief to the boys and to their families, but furnishes to the country and to the Government, on whose property the camps are located, a great deal of useful and valuable work.

Like everyone else I favor economy, but I think by abolishing or curtailing some of the useless activities of the Government we can practice economy and still not handicap the functions of this very necessary agency. [Applause.]

[Here the gavel fell.]

Mr. NICHOLS. Mr. Chairman, I shall, of course, support the substitute amendment to bring this appropriation back to the point where the C. C. C. can operate and function. My purpose in doing this is that it seems to me if the Civilian Conservation Corps has in the past been doing a good job and an adequate job they should be permitted to go ahead. If they have not, then let us wipe them out entirely upon the basis that it is a useless expenditure of public funds to carry on their work.

Most of the cuts that will be made in this bill, I understand, will be made in what is called park camps. Oklahoma will suffer very little from a reduction of soil-conservation camps. We have no forests in Oklahoma which these C. C. C. boys can protect, but we have forests of human beings down there and there are forests of human beings all over the United States who are not being destroyed by the ravages of forest fires that wipe out timber, but who are being destroyed by the ravages of unemployment, and the most eloquent argument that can be made in support of this substitute amendment is contained in the report from this committee that now recommends the reduction in the appropriation.

I quote briefly from the report of the Committee on Appropriations under the heading of Civilian Conservation Corps:

The Civilian Conservation Corps began its work in 1933 and from the time the first camp was established on April 17 of that year until February 1 of the current year 2,615,000 young persons have been given employment, and on a basis of estimates, something

over 13,000,000 persons have received direct benefits through the program.

The enrollees receive $8 per month and the balance of $22 is sent to their families. As a matter of statistical interest, during the period the C. C. C. has been operating more than 1,700,000,000 forest trees have been planted; forest-stand improvement has been completed on nearly 3,500,000 acres; fire-hazard reduction has been prosecuted on nearly 2,000,000 acres; enrollees had devoted over 5,000,000 man-days to fighting forest fires; 75,000 miles of telephone lines have been constructed; 109,000 miles of truck trails and minor trails have been completed with nearly 500,000 miles maintained; saving check dams numbering nearly 5,000,000 have been built to prevent erosion; and tree-, plant-, and pest-control operations have been carried on over 18,600,000 acres. The camps are operated under the general supervision of the Civilian Conservation Corps with immediate supervision of the camps in the hands of the Department of the Interior and the Department of Agriculture and the various bureaus under those Departments. The War Department acts as fiscal officer in the program and furnishes all supplies, equipment, and medical care.

I agree with my friend, the gentleman from Oregon [Mr. MOTT] that the Republicans will surely support this amendment, because they must agree that the Civilian Conservation Corps has done a good job. [Applause.]

Mr. LEAVY. Mr. Chairman, I ask unanimous consent to change the figure in my substitute amendment from "$166,880,000" to "$176,880,000," as there is an error in my calculation. I do this in order to maintain the same ratio in these increases.

Mr. O'CONNOR. Mr. Chairman, I reserve the right to object, to find out if we allow this whether it would preserve the status quo.

Mr. LEAVY. It would.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Washington, as a substitute for the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM], as modified by the unanimous-consent agreement.

The Clerk read as follows:

Page 18, line 14, after the word "which", strike out "$143,130,000" and insert "$176,880,000"; also in line 18, after the word "Director", strike out "$230,000,000" and insert "$280,000,000."

Mr. TARVER. Mr. Chairman, I ask to be recognized in opposition to the amendment. I think it is advisable at this time that the position of the subcommittee be stated. Let us understand at the beginning of the discussion of this subject matter that this subcommittee has made a smaller reduction below the Budget estimates in comparison to the total amount of the bill than any subcommittee reporting an appropriaiton bill to this House during the present session. The reductions below the Budget in this bill aggregate only about $12,000,000 out of total estimates of approximately $966,000,000. If gentlemen will read the report, they will find that the committee is not only not antagonistic to the C. C. C., but is highly enthusiastic about its work. Personally I do not believe, and I think I am speaking the sentiments of all of the members of the subcommittee, that there has been any work undertaken during recent years by the Government which has been more productive of good, both in the conservation of our natural resources, and in the conservation of our human resources. The committee has allowed the full amount of the Budget estimate. In addition to that, it has added $6,000,000 to the item for the pay, subsistence, and hospitalization of enrollees.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I cannot yield at this time. That will have the effect of adding at least 10,000 to the number of enrollees, and will amount to an addition of 55 camps beyond the 1,227 camps estimated for by the Budget. It is true that we do not add anything to the lump sum total of the appropriation, but in the examinations of the witnesses which we had, it was clearly developed that it is possible to make savings in expenses to a greater amount than the $6,000,000, without in any way crippling the administrative part of this organization, and that the proposed $230,000,000 can properly take care of at least 1,282 camps.

I am sure that it is the purpose of the House to cooperate with the committee in an effort to bring about a reduction in the administrative expenses. It will be observed from the hearings that the estimated expense per enrollee, including all items, in the next fiscal year, is approximately $1,000. The cost of every enrollee for pay and subsistence items alone is approximately $600; or, in other words, the administrative cost, equipment cost, and other costs in addition to pay, subsistence, and hospitalization items, averages, according to the estimates submitted—or will average for the next fiscal year—$400 per enrollee. If you will examine the evidence we took day after day, you will find that if this appropriation could be broken down into the various activities it covers, there are many portions of those activities where very substantial reductions could be made. In addition to that, the substitution of civilian supervisory employees for Army Reserve officers which has now been accomplished, is estimated to bring a reduction in cost for the next fiscal year of $3,800,000. Yet there is no reflection in the Budget estimates of that saving. Last year the Civilian Conservation Corps had four and a half million dollars which it did not expend. This year, they have failed to expend during the first 6 months of the present fiscal year, approximately $4,000,000 less than one-half of the appropriation for the present fiscal year, although they have maintained 1,500 camps. We have not only no desire to cripple the work of this corps but we want to help carry it on in as great volume as reasonably possible, but we do think if we are to have any economy, that we must be willing to economize in those things near and dear to us, which we all value very highly, because if we do not economize except in things we do not like, we will never accomplish a substantial saving.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The Chair recognizes the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. Mr. Chairman, of course, I shall support this pending amendment. In fact, I gave notice several days ago that I would offer such an amendment if someone else did not offer it.

If this amendment is adopted, it means that every C. C. C. camp in the United States will continue to operate. If it is not adopted, then there is no use of our kidding ourselves; there will be a closing of 273 camps in the United States, even though the subcommittee made a heroic effort to open 55 of those camps on paper, without any concrete evidence on which to base such an unusual action.

Now, who is the best authority on this matter of the actual expense of operating C. C. C. camps? It seems reasonable to say that Mr. McEntee, the able, active, and popular Director of the C. C. C., is considered the best authority on the subject. The committee has complimented Mr. McEntee on the savings he has made. The committee has made it plain that he has done a good job. I have asked Mr. McEntee the point-blank question if he can do what the committee says he can do—keep 55 camps open without additional funds. I placed in the RECORD yesterday Mr. McEntee's reply to me over his own signature. He says in his letter:

The action taken is administratively impractical and will, I fear, seriously interfere with the craftsmanshiplike job the corps has been performing over the last 7 years.

Again he says:

To operate 55 more camps with no increase in funds simply means that all camps will be very seriously curtailed with regard to proper expenditure for education, training, supplies, equipment, and competent supervisory personnel.

Of course, we could cut down the price of the meals these fine young men are eating. We could cut 2 to 4 cents off of their meals and make a pitiful little saving. We could cut down on the clothing they wear, but I am sure that Congress does not want to do that, and Congress is not going to do anything like that in the name of economy.

Further Mr. McEntee says:

The same is true of the 10-percent limitation which the committee has added to the appropriation language. In addition to

other arguments against this 10-percent limitation clause, it may be stated that the bookkeeping cost or accounting cost of the Civilian Conservation Corps will be considerably increased. These blockages will constitute a separate appropriation in the eyes of the Comptroller General.

Then he goes on to speak about this overhead that we hear so much about. Many people think that overhead is just the overhead of the camp, the personnel, educational director, and so forth, but a great deal of this overhead is behind the lines. Some of this overhead is down here at the regional office of the Forest Service. Several hundred people are employed there. Mr. McEntee says further about overhead:

The additional accounting work will run into a very large sum. It is our opinion that the recommended changes, if put into effect, would be likely to disrupt the corps.

I submit if we want to keep these camps open we will support this amendment, and if we do not we will vote against it. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. ELLIS].

Mr. ELLIS. Mr. Chairman, to do anything less than is proposed by this substitute amendment—prepared by myself and offered by the gentleman from Washington, a member of the committee—is to mark the beginning of the end of the C. C. C. The committee has proposed that this reduction can be had and 55 camps retained over and above the reduction that would come if 273 camps were deleted. The Administrator of the C. C. C. says it cannot be done. Then to follow the committee is certainly to eliminate 273 camps and mark the beginning of the end. If the first amendment which was offered this afternoon is adopted, that means a substantial reduction in the number of camps, and that, too, means the beginning of the end of the C. C. C.

The committee itself and the chairman of the subcommittee both make eloquent appeals actually for this amendment, when they say in their report, and when the gentleman from Georgia [Mr. TARVER] says here on the floor substantially the same thing—that the C. C. C. in this country has planted more than 1,700,000,000 forest trees; that the C. C. C. has accomplished fire-hazard reductions in this country on 2,000,000,000 acres of American forests; that 75,000 miles of telephone lines have been constructed by the C. C. C. boys; that 109,000 miles of truck trails and minor trails have been constructed by the C. C. C. boys; and when they say that 5,000,000,000—not 5,000,000 but 5,000,000,000—saving check dams have been constructed in this Nation to prevent soil erosion by the C. C. C. The C. C. C. boys of this Nation have been adding to the capital wealth of the United States. This money has not been wasted; no, indeed. We have been building ourselves a greater nation.

Gentlemen, when you turn 54,600 of these boys out of these camps onto the streets, representing a quarter of a million people, you have not only added to the relief rolls of this Nation but you have added to the crime rolls of this Nation. Some of these days the time may come when these boys who today are in despair and walking the streets will be in the majority in this country, and if they react like the youth of Europe have reacted this democracy may no longer be safe. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, the Springfield (Mass.) Republican, certainly not a publication which could be branded new dealish in any manner, has this to say of the Civilian Conservation Corps program:

Hundreds of thousands of unemployed youth, who under similar conditions in China or even Mexico would have recruited bandit armies, were taken and made a social asset instead of a social liability through the C. C. C.

Nonpartisan support for this amendment should be given this afternoon because it will bring about the continuation of a program not only to build better land, but also better youth. [Applause.]

Mr. CARTWRIGHT. Mr. Chairman, I rise to support the Leavy substitute amendment. I wish to strongly urge that the cut in funds for the Civilian Conservation Corps be restored in order to maintain the present number of camps now in operation.

Since its inception, I have been an enthusiastic supporter of the C. C. C. program and believe that its success in the conservation of youth and natural resources has made it one of the outstanding achievements of the present Administration which has met with almost universal approval. The C. C. C. is rendering a real service, not only in the constructive work it is doing, but in the development of high ideals of citizenship among our youth. As a Nation we are giving more and more recognition to the inherent value of our youth and have come to appreciate how necessary it is to the welfare of the state that our young citizens be healthfully and profitably employed. In addition to actual work accomplishments in drainage, forestry, soil erosion, recreational parks, emergency wildlife feeding, stream and lake protection, and so forth, it has stimulated a new interest on the part of States, private individuals, and other Federal bodies in conservation. For instance, in Oklahoma, where no State parks existed prior to the coming of the C. C. C., we now have a chain of eight such areas. This program affords many unemployed veterans who are unable to obtain employment in private industry, an opportunity to provide for the needs of their families and at the same time render a useful service to the community and to the Government.

I understand if this cut in appropriation is made, it will mean that 273 camps will have to be abandoned and Oklahoma will lose 9. My district is scheduled to lose 3 of the 7 camps now in operation.

I have received over 300 letters and telegrams from civic organizations, educators, ministers, and prominent businessmen of the towns where these camps are to be terminated, and would like to read some excerpts from a few of them:

Abandonment of the camp at this time would be about as logical as starting into constructing a home, laying the foundation, erecting walls, and then moving in or abandoning it without putting on a roof. I am sure no one would call that kind of procedure sane economy. Our State treasury has just issued a warrant paying for more land, completing approach of this park area from previous boundaries to the river. If abandonment is to be an inflexible rule once a camp is designated, why could not such a step have been taken in time to prevent such extra investment, which, by the way, not only lies there idle but also removed perhaps 80 acres of land from McCurtain County tax rolls? Furthermore, how about the minor personnel of our country's citizens who are now constructively earning for themselves, learning trades, etc., which would be discharged and perhaps become roving waifs? I recently attended a citizenship program out at the camp one evening for those youths arriving at a majority in the last 90 days. I wish you could have been present and seen those young men in the vim, vigor, and vitality of youth, the earnest hope expressed by their faces.

Unemployment is one of the greatest problems in our country, so what will become of the thousands left jobless? There were 20 illiterate boys at the Beaver's Bend Park camp last year, and they are learning more in camp than they would at any other place.

The dissolution of the Beaver's Bend C. C. C. camp would impose upon the people of this part of the State a great hardship by forcing many boys out on the highways looking for jobs that do not exist for them and for the families that would be left in destitute circumstances were it not for the money sent home each month by these boys, meager as it is.

A magnificent road has been built; camp cabins, water system, and sewer connections are almost finished, and fencing is well under way. Should this camp be abandoned now, all that money, time, and labor will be lost. On the other hand, if the camp could be maintained long enough to finish the improvements already begun, in a short time it would be able to meet its own expenses.

If these forest camps are ended it is going to greatly affect the preservation of our forests and game, the vacation spots of Oklahoma, and the general trade and commerce of our particular locality.

The businessmen of McCurtain County have been out quite a sum of money on the purchase of this park, and if abandoned now we feel that it would remain forever an unfinished monument. If the

camp could remain there for 2 more years the park would be in a state of completion and would be something of which the entire State would be proud.

Two hundred boys and families are being aided in Nashoba camp and doing excellent work. Four years' needed work in view. It would be detrimental to county to move this camp, as this is only camp in county. Forest protection is necessary, as it is county's principal resources.

We are for economy, but to discontinue a program on which the work is not completed would be a waste. It is no use to review to you that Lake Murray State Park contain more area than all other State parks in Oklahoma. The program of roads around the lake and to picnic grounds is not completed. Then there are a number of cabins started but about one-half completed.

I wish to give a brief summary of the work done by the C. C. C. camps in the Third District of Oklahoma.

Major items of work completed by Civilian Conservation Corps camps in counties of Carter, Latimer, Leflore, McCurtain, Pittsburg, and Pushmatah, Okla., during period April 1933 through December 1939

Structural improvements:		
Bridges, vehicle	number	295
Lookout houses and towers	do	9
Fences	rods	25,981
Guard rails	do	651
Telephone lines	miles	686
Springs, waterholes, small reservoirs	number	31
Transportation improvements: Truck trails and minor roads	miles	1,326
Erosion control:		
Bank sloping, gully control	square yards	72,898
Check dams, gully control	number	360
Tree planting, seeding and sodding	square yards	578,803
Erosion control—Continued.		
Terracing	miles	27
Outlet structures, terrace outletting	number	481
Sheet erosion planting	acres	263
Contour furrows and ridges	miles	241
Preparation for strip cropping	acres	157
Forest culture:		
Trees planted (reforestation)	number	157,600
Forest stand improvement	acres	46,532
Nurseries	man-days	1,568
Tree seed collection, conifers (cones)	bushels	3,295
Tree seed collection, hardwoods	pounds	116,716
Collection of tree seedlings	number	64,100
Forest protection:		
Fighting forest fires	man-days	51,636
Fire breaks	miles	1,380
Fire hazard reduction, roadside and trailside	do	719
Fire hazard reduction, other	acres	22,019
Fire prevention and presuppression	man-days	33,048
Tree and plant disease and insect pest control	acres	3,380
Landscaping and recreation:		
Moving and planting trees and shrubs	number	273,549
Public picnic- and camp-ground development	acres	263
Seed collection, other than trees	pounds	41,850
Range:		
Range revegetation	acres	1,025
Pasture sodding	do	2,334
Pasture and range terracing	do	87
Wildlife:		
Food and cover planting and seeding	acres	460
Fish stocked	number	40,000
Stream development (wildlife)	miles	5

I trust we can keep the C. C. C. camps at their present strength. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS] for 3 minutes.

Mr. VOORHIS of California. Mr. Chairman, I want to make just one point: In my judgment, with the economic condition of the country as it is today, a sound minimum rule for this Congress to follow would be to say that it was not going to cut the employment of anybody at the present time. Unless you adopt the amendment offered by the gentleman from Washington it means, as has already been stated, that you are going to deprive some 50,000 C. C. C. enrollees of employment at a time when employment in private industry is not expanding but going down. You will be contributing to the same tendency unless you adopt this amendment. I believe most earnestly that it should be adopted because I think, as has been stated by many other gentlemen, that this program has been a real character-building program. Not only has it been that, but it has saved the forests and soil of America. In my own country it has prevented forest-fire damage of an inestimable amount. I hope the amendment will be adopted.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. MAY. Does the gentleman know of a single program this administration has adopted that has been more successful than this one?

Mr. VOORHIS of California. I think it is one of the very best and finest things that has been done by any government at any time.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. JOHNSON of Oklahoma. The gentleman has mentioned the unemployed rolls of the country. The gentleman knows, does he not, that on January 1 last there were 165,000 unemployed eligible youth who applied for positions as enrollees in the C. C. C.? With only 60,000 places open, this meant that 105,000 of the eligibles had to be turned down.

Mr. VOORHIS of California. That is right; and unless we take action to increase the appropriation for this item, we will be adding 55,000 more to that number.

In the year 1937 Congress did exactly the same sort of thing that is proposed here today by opponents of this amendment. The consequence of it was one of the sharpest drops in industrial production and activity that this country has ever known.

Mr. IZAC. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to my able and distinguished colleague from San Diego.

Mr. IZAC. I wonder if my colleague is not also aware that 70 Members of this House are now engaged in an effort to solve the unemployment problem at the very time it is proposed to take 50,000 enrollees from the C. C. C.

Mr. VOORHIS of California. I thank the gentleman for his contribution. I may say that these 70 Members, of whom I am proud to be one, are working mighty hard on that job. We believe the solution of the unemployment problem is the main task of this Congress. I know the gentleman from California [Mr. IZAC] believes that, for he is one of the most earnest Members of our unemployment conference, of which he spoke.

Mr. SHEPPARD. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. SHEPPARD. Does the gentleman know of that number how many enrollees are returnable enrollees in the current year?

Mr. VOORHIS of California. I am sorry, but I do not.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. ALEXANDER. I have no national forests in my district, but I am interested in this amendment and I am for it. It seems to me it is a good dollars-and-cents proposition, for when we study the crime figures we find that the crime bill amounts to $15,000,000,000 a year and that half the criminals are under 21 years of age. This is an average of $3,750 apiece. Is it not a good investment to pay the cost of keeping these boys in the C. C. C. rather than to have to pay the higher cost of those who might otherwise go bad?

Mr. VOORHIS of California. There can be no question about it. I may say to the gentleman from Minnesota that I have been a school teacher most of my life and that a good many of the boys I used to teach in school have found in the C. C. C. program an opportunity to work to build up their physique, to help their families, and to gain a feeling that they are pulling their own weight in the boat of our national life. My only suggestion and hope is that the vocational training opportunities in the C. C. C. camps might be extended.

Mr. KEEFE. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. KEEFE], a member of the committee, for 5 minutes.

Mr. KEEFE. Mr. Chairman, I shall not take the entire 5 minutes.

Mr. Chairman, I addressed the House yesterday on the subject of the N. Y. A. and stated clearly my position in reference to that organization and the work it is doing. I also stated rather briefly, in answer to a question of the gentleman from South Dakota, my opinion in reference to the C. C. C. Everything I said in reference to the N. Y. A. yesterday can be said for the work of the C. C. C., so far as I am concerned.

I think the report of the committee itself very definitely and clearly indicates that the committee feels that the work of the Civilian Conservation Corps at least represents one contribution to the welfare of our youth in this country that no very serious-minded person may challenge. The serious question, however, is: Are we going to stultify ourselves by standing here at one time arguing in support of a proposed amendment because it is claimed the President and his Budget asked for an amount, and at other times using the argument that we ought to increase the Budget which has been sent here by the same individual?

I stated at that time that it was my firm conviction from what I had learned that there would not be serious objection on the part of the head of the budgetary department of this Government if this appropriation for the C. C. C. were perhaps increased, but I want to propound the inquiry again, Why do we not have presented to this Congress an honest Budget? Why did not the President and his Budget committee bring before this Congress a Budget asking for enough money to take care of the existing needs of the C. C. C.? Why is it necessary always for the Congress to go beyond the budgetary estimates in connection with great humanitarian movements such as this in order to carry out the will of the people of this country?

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Of course, the gentleman knows as well as anyone that under the Constitution appropriations must originate in the House of Representatives?

Mr. KEEFE. Oh, I understand that appropriations must originate in the House of Representatives. It seems that there is not any particular necessity for a Budget at all, because we hear people say every day, "We do not intend to pay any attention to it." When they want the Budget to support their contention, then they rely on it, but when they do not like the way the Budget handles the thing then they say, "Pay no attention to it." It seems we ought to have an honest Budget.

Mr. O'CONNOR. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Montana.

Mr. O'CONNOR. May not the President and the Director of the Budget very honestly assume that the Congress is going to exercise its constitutional powers on the question of appropriations and not rely entirely on what they say?

Mr. KEEFE. I think that is very clear in this particular case, and I think it is very clear in a number of other cases. Why have a Budget at all unless it is an honest Budget? Why have one at all unless it is honest?

Mr. O'CONNOR. They may think it is an honest Budget but in the final analysis it is up to the Congress.

Mr. KEEFE. Yes; in the final analysis it is up to the Congress, and I am going to exercise my right as a Member of Congress to vote what I think this organization ought to have, Budget or no Budget. [Applause.]

Mr. RANDOLPH. Will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. The Senate of the United States has on at least one occasion voted to make this program a permanent part of our governmental policy. The House did not do so. Does the gentleman think it might be advisable for this body to give a permanency to this program?

Mr. KEEFE. I am not prepared to pass on that question yet. I hope the time will come in America when we are able to offer something else to the youth of America beside the chance to work in C. C. C. camps, and I think that time is rapidly approaching, if you please. When we abandon some of the wild extravaganzas of the New Deal and give some inspiration to the people of this country, we will not have to make it a permanent agency of the Government. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM].

The Clerk read as follows:

Amendment offered by Mr. BOREN as an amendment to the amendment offered by Mr. SCRUGHAM: On page 18, line 18, after the word "Director", strike out "$240,000,000", as proposed by the Scrugham amendment, and insert "$300,000,000."

Mr. BOREN. Mr. Chairman, I only wish to announce at this time that my amendment to the amendment will give the House an opportunity to do what it ought to do; that is, increase rather than decrease the C. C. C. There was a time when we had the C. C. C. on a proper footing and this will put it back where it was 1 year ago today. If we want to do what should be done we will expand the C. C. C. and make it permanent. Everyone knows it is a good investment. Everyone admits it is one of the best Government programs. Does the Congress have the courage to trade one battleship for 300 C. C. C. camps. I am giving you a chance to do that, or, better still, I am giving you an opportunity to trade 6,000 useless bureaucrats for 300 C. C. C. camps to benefit 60,000 boys, 60,000 families, and 300 soil-conservation districts. Let us make the trade and vote this amendment. Let us economize on the battleships or bureaucrats.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, let no one here today mistake the issue. The President of the United States submitted a budget to this Congress, and in that budget he told us the amount of money he thought we ought to allow for the various projects or activities of Government. He also told us the amount of revenue we would receive, and that it would require approximately a half billion dollars in new taxes to balance the Budget without raising the debt limitation.

The Appropriations Committee has worked hard, in the face of criticism, and I may say even abuse, in trying to make a saving of a half billion dollars so that it would not be necessary for the Congress to pass either a tax bill or legislation increasing our debt limit.

Mr. Chairman, the issue here today is not the question as to whether or not we are going to raise the C. C. C. ten, fifty, or seventy-five million dollars. The issue is whether this House is going to stand behind the Appropriations Committee in its effort to reduce or maintain the Budget estimates and make unnecessary the passing of a tax bill or legislation increasing the debt limit.

Mr. Chairman, I have a 3,000,000-acre national-forest area in my district. I have C. C. C. camps that will be discontinued if this Budget estimate is maintained, but I am going to support the President's recommendation of $230,000,000 just the same. Let us see whether we can save enough money for the additional 55 camps the committee provides for. Thirty-two thousand civilian employees this year are receiving over $58,000,000 in pay, while the 270,000 enrollees are receiving approximately $100,000,000 in pay. There are from 14 to 16 civilian employees in each camp, drawing as high as $3,600 per year each. If we could cut off from the pay roll of each camp 2 of these employees in the higher brackets, you would have a saving of $5,000,000 to $6,000,000, or the amount the committee transferred from overhead to the enrollee pay-subsistence item.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I have only 5 minutes. Everyone has been talking for the increase and the gentleman from Georgia [Mr. TARVER] and I are practically the only ones giving the other side of the question. I cannot yield.

In 1937 the C. C. C. made a survey of the 350,000 enrollees with this result: 55 percent of the enrollees came from rural areas or cities with a population under 2,500; 12 percent of them came from cities with a population between 2,500 and 10,000. Only 33 percent of them came from cities of 10,000 or over. If this bill were passed as submitted by the President, of the 221,000 enrollees there will be about 73,000 coming from cities of 10,000 and over. To say that these 73,000 all come from the slums and the pool rooms is absolutely ridiculous. The 1930 census shows that we have 9,000,000 boys between the ages of 17 and 25, so we would be helping about 1 out of 130 of these boys if they all came from the city slums which, of course, they do not. We gave the C. C. C. an additional 25 percent last year, adding 300 camps to the Budget estimate. They justified $16,326,296 for supplies and materials but they spent $18,645,062. We gave them $8,965,026 for travel of persons and they spent $11,718,475. For repairs and alterations we gave them $10,518,056, and they spent $15,114,133. For structure and parts we gave them $9,330,777, and they spent $10,285,159. For equipment we gave them $4,198,486, and they spent $12,635,879, or three times the amount we gave them. If, in the face of these facts, Mr. McEntee cannot save enough out of this appropriation for 55 extra camps he had better get out and let somebody come in who can do it.

The record shows that only 23 percent of the total amount of money appropriated for the C. C. C. since its beginning went to the families of the enrollees. The record shows on page 85 of the hearings on my questioning that they did not go into the question of relief in selecting these boys, and I do not believe they should. Nowhere near all these boys are taken from families on the relief rolls. I know most of the rural boys are not. Anyone who thinks he is going to reduce the relief rolls by increasing this appropriation is just kidding himself.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. BOREN] to the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM].

The amendment to the amendment was rejected.

The CHAIRMAN. The question now recurs on the substitute amendment offered by the gentleman from Washington [Mr. LEAVY] to the amendment offered by the gentleman from Nevada.

The question was taken; and on a division (demanded by Mr. LEAVY) there were—ayes 108, noes 87.

Mr. TARVER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SHEPPARD and Mr. LEAVY.

The Committee again divided; and the tellers reported that there were—ayes 134, noes 100.

So the substitute amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Nevada [Mr. SCRUGHAM] as amended by the substitute amendment.

The question was taken; and the Chair announced that the noes seemed to have it.

Mr. SCRUGHAM. Mr. Chairman, I demand a division.

Mr. FITZPATRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. If this amendment is now defeated, that will defeat the Leavy amendment?

The CHAIRMAN. The gentleman is correct.

Mr. FITZPATRICK. So if this amendment is voted down, we will defeat the amendment that was just adopted.

The question was taken; and on a division there were—ayes 104, noes 103.

Mr. ENGEL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. SHEPPARD and Mr. SCRUGHAM.

The Committee again divided; and the tellers reported that there were—ayes 134, noes 109.

So the amendment was agreed to.

Mr. WOODRUM of Virginia. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. WOODRUM of Virginia. Mr. Chairman, this is not a pro forma amendment. I do not offer amendments often on the floor of the House and I never offered one more seriously in my life than the one I have just offered, and I do not yield to any Member of the House of Representatives in my appreciation of the importance of the Civilian Conservation Corps and the work that it has done.

Last year the Budget cut the C. C. C. $50,000,000, and I presented a joint resolution, and the Congress adopted it, reinstating that amount. I would be perfectly willing to join in any kind of a movement to prevent the reduction of these C. C. C. camps, but I say to my colleagues here today, in humility, respecting your judgment as I respect my own, that I think what we have just done is a tragic thing in the history of this country.

Mr. SCRUGHAM. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. No; I have only 5 minutes.

Now, put the C. C. C. out of it. This action has shown a reversal of the spirit which the Congress adopted in the beginning to try to live within the Budget estimates, to try to hold down appropriations and to try to assist the President in keeping the deficit down in order to avoid taxes or raising the debt limit. If we are now going to go ahead, pell-mell, and appropriate above the Budget, then I submit to you that it is only legislatively honest to decide how you are going to pay the bill. Are you going to have a tax bill or are you going to raise the debt limit and borrow the money? You know as well as I know that the Congress has no idea of doing either one of those things at this session of the Congress. I do not know anything else to do but to do myself what you are doing—try to make your record and take your position and stand on it, but I feel this afternoon very much like the poet who said:

> I was at the funeral of all my hopes
> And tombed them one by one;
> Not a word was said, not a tear was shed,
> When the mournful task was done.

Ah, very much more important, my fellow Americans, than keeping that C. C. C. camp in my district and yours is to try to protect the economic foundations of this country and, today, they are in danger. [Applause.]

Mr. SCRUGHAM and Mr. JOHNSON of Oklahoma rose.

The CHAIRMAN. Does the gentleman from Georgia desire recognition?

Mr. TARVER. Mr. Chairman, I simply want to call attention to the fact that, insofar as pro forma amendments that may hereafter be offered are concerned, all debate on amendments to this paragraph has been closed by action of the Committee.

The CHAIRMAN. The Chair will state that this is a preferential motion.

Mr. TARVER. I understand that. I am only referring to gentlemen offering further pro forma amendments.

Mr. SCRUGHAM. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, the gentleman from Virginia [Mr. WOODRUM] spoke most feelingly of the tragedy of adding $50,000,000 to this appropriation bill. In deepest sincerity, I call your attention to the much greater tragedy of throwing thousands, tens of thousands, and even hundreds of thousands of barely matured boys into a hopeless wandering of the streets through a denial to them of opportunity for wholesome employment. [Applause.]

If this Congress can approve of appropriations of $50,000,000 or even $100,000,000, for the purchase of instrumentalities of destruction and sudden death, they certainly should not oppose an appropriation of $50,000,000, for the benefit of underprivileged young men coming to maturity, and which will give them employment and an opportunity

to become useful citizens. I have little or no sympathy with the idea of a spoon-fed young manhood, but likewise have no patience whatever with arguments about the tragedy of disturbing a subcommittee recommendation. The mighty economic strength of this Nation gives us the privilege of offering continuous opportunity of employment for our youth.

The CHAIRMAN. The question is on the motion offered by the gentleman from Virginia.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 94, noes 117.

So the motion was rejected.

Mr. TARVER. Mr. Chairman, so far as I am advised, no amendments will be offered to the language making provisions for the Office of Education, and if there should be, the request which I desire to submit will take care of the situation.

I ask unanimous consent, Mr. Chairman, that the language providing appropriations for the Office of Education, beginning in line 20, on page 19, and ending at the bottom of page 25, be inserted in the RECORD at this point and that the entire provisions be open for amendment on the part of anyone who may desire to offer amendments.

Mr. TABER. I object, Mr. Chairman.

The Clerk read as follows:

Salaries and expenses, vocational rehabilitation: For carrying out the provisions of section 6 of the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry, etc.," approved June 2, 1920 (29 U. S. C. 35), and the acts of June 5, 1924 (29 U. S. C. 31), June 9, 1930, and June 30, 1932 (29 U. S. C. 31, 40), August 14, 1935 (49 Stat. 620), and August 10, 1939 (53 Stat. 1381), and for carrying out the provisions of the act entitled "An act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes," approved June 20, 1936 (49 Stat. 1559, 1560), $111,200 including not to exceed $2,000 for expenses of persons attending conferences called to meet in the District of Columbia and elsewhere, $113,000.

Mr. TARVER. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Amendment offered by Mr. TARVER: Page 24, line 22, strike out "$111,200."

Mr. TARVER. That is an amendment to strike out surplusage in the language of the bill. It does not make any change.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Grants to States for aid to dependent children: For grants to States for the purpose of enabling each State to furnish financial assistance to needy dependent children, as authorized in title IV of the Social Security Act, approved August 14, 1935, $75,000,000, of which sum such amount as may be necessary shall be available for grants under such title IV for any period in the fiscal year 1940 subsequent to March 31, 1940: *Provided*, That payments to States for the fourth quarter of the fiscal year 1940 and for any quarter in the fiscal year 1941 under such title IV may be made with respect to any State plan approved under such tite IV by the Social Security Board prior to or during such period, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan was submitted to the Board for approval.

Grants to States for aid to the blind: For grants to States for the purpose of enabling each State to furnish financial assistance to needy individuals who are blind, as authorized in title X of the Social Security Act, approved August 14, 1935, $10,000,000, of which sum such amount as may be necessary shall be available for grants under such title X for any period in the fiscal year 1940 subsequent to March 31, 1940: *Provided*, That payments to States for the fourth quarter of the fiscal year 1940 and for any quarter in the fiscal year 1941 under such title X may be made with respect to any State plan approved under such title X by the Social Security Board prior to or during such period, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan was submitted to the Board for approval.

Mr. CASE of South Dakota. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 38, line 20, after the figures "1935", insert the words "as amended."

Mr. TARVER. Mr. Chairman, the committee accepts that amendment.

TO MAKE GRANTS FOR AID TO DEPENDENT CHILDREN ON 50–50 BASIS AS AUTHORIZED BY AMENDMENTS TO SOCIAL SECURITY ACT

Mr. CASE of South Dakota. Mr. Chairman, my amendment simply inserts two words, "as amended," after the description of the Social Security Act. The purpose of this amendment, and of a like amendment which I shall offer to the next paragraph, is to make the appropriations for grants to States for aid to dependent children and to the blind available for matching on a 50-50 basis, as intended by the amendments to the Social Security Act, passed by this Congress last summer.

The amendment does not change the amount of the funds appropriated. They were calculated on the basis of doing what the amendment will permit. The language in the bill, however, is a carry-over of the old language in previous appropriation bills and would limit the funds to use—

as authorized in title IV of the Social Security Act, approved August 14, 1935.

The act of August 14, 1935, with respect to both of these funds, aid to dependent children (title IV) and aid to the blind (title X) limited the Federal grants-in-aid to one-third of the aid given each client. They differed in this respect from the aid for old-age assistance which were one-half Federal grants and one-half State.

Several States did not establish A. D. C. programs on that account. The legislature of my own State of South Dakota did not. The legislature of 1937, however, did provide for an A. D. C. program conditioned upon a change in the Federal law. The condition provided that the plan would not become operative until the Federal Government placed its grants-in-aid for these purposes on the same 50-50 basis as other grants-in-aid.

Thereupon, when the legislature adjourned, I introduced a bill in the Seventy-fifth Congress, H. R. 6041, March 31, 1937, to amend the Federal Social Security Act in that respect. It received considerable favorable comment. The principle was endorsed by numerous authorities. I again introduced the bill on the opening day of this Congress, January 3, 1939, as H. R. 954.

The item was one of the recommendations of the Social Security Advisory Council. The matter came before the Ways and Means Committee in their consideration of amendments to the act, during the first session of this Congress, a year ago, and the language of the bill was incorporated as one of the paragraphs in the committee bill which this Congress adopted last summer, amending generally the act of August 14, 1935.

Accordingly, I am sure that the committee presenting this appropriation bill carried out the intent of the Congress when it reported an appropriation bill based on estimates for 50-50 grants in harmony with the amended law. To make them effective, however, they must not be disbursed as authorized by the original act, but as authorized by the act as amended. My amendment in this paragraph, and in the succeeding paragraph, then, simply inserts the words "as amended" after the words "act of August 14, 1935," and insures that the intent of Congress will be followed in the making of the grants in aid. I appreciate the courtesy of the chairman and the subcommittee in accepting the amendment, and have simply made this statement so that the RECORD will show its intent and purpose.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CASE of South Dakota. Also the following amendment, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 39, line 10, after the figure "1935", insert the words "as amended."

Mr. TARVER. Mr. Chairman, the committee accepts the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

NATIONAL YOUTH ADMINISTRATION

PAR. 1. Part-time youth work and student aid: To enable the National Youth Administration, which is hereby extended to and including June 30, 1941, under the supervision and direction of the Federal Security Agency, to engage in the following types of programs for assistance to needy young persons, $79,635,000, namely:

(a) To provide part-time employment for needy young persons in schools, colleges, and universities to enable such persons to continue their education.

(b) To provide employment and training for unemployed young persons on public projects of the following types:

(I) The construction, improvement, and repair of non-Federal public buildings and grounds, parks, and other recreational facilities; bridges, highways, roads, streets, and alleys; airports and airway facilities; water and sanitation facilities; facilities for conservation; irrigation and flood control; pest eradication; and work on all other non-Federal public facilities including cooperative associations receiving financial assistance from the Rural Electrification Administration or other public agencies;

(II) The construction, improvement, and repair of buildings or other facilities of Federal agencies;

(III) The production, repair, and renovation of goods, articles, and foodstuffs for needy individuals and for public institutions providing that products so produced do not replace normal purchases of such individuals or institutions;

(IV) Professional, clerical, and other nonconstruction services in the fields of education, recreation, research, professional, cultural, and clerical activities for the benefit of public and nonprofit organizations;

(V) The prosecution of work of the types enumerated above which involve the maintenance of young persons in camps, institutions, and other resident facilities.

Mr. COLLINS and Mr. TABER rose.

The CHAIRMAN. For what purpose does the gentleman from Mississippi rise?

Mr. COLLINS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. COLLINS: Page 41, line 4, strike out "$79,635,000" and insert "$94,635,000."

The CHAIRMAN. The gentleman from Mississippi is recognized for 5 minutes.

Mr. TARVER. Mr. Chairman, will the gentleman yield so that I may see if we can reach an agreement on time?

Mr. COLLINS. Certainly.

Mr. TARVER. Mr. Chairman, I ask unanimous consent that debate on amendments to this paragraph be limited to 1 hour.

The CHAIRMAN. Is there objection?

Mr. NICHOLS. Mr. Chairman, I reserve the right to object. It seems to me that gentlemen who want to be heard on this are entitled to be heard for at least 5 minutes each.

Mr. TARVER. Mr. Chairman, we have had a great deal of discussion of this matter under general debate. There was a great deal of discussion yesterday in connection with the adoption of the rule. I do not desire to be unreasonable in my request, but the limit of 1 hour was suggested by an ardent supporter of the amendment of the gentleman from Mississippi. I hope we will be able to agree to that limitation. If not, then I do not feel that I can afford to let the matter go on further than an hour, and in due time shall move to close debate at the end of that hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. COLLINS. Mr. Chairman, reserving the right to object. Of course, that limitation will take effect after I have made my speech.

Mr. TARVER. It was not so intended, but I shall ask that it be effective after the speech of the gentleman from Mississippi, the sponsor of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. PATMAN. Mr. Chairman, I reserve the right to object. How many will be recognized and how much time will each have if this request is granted?

The CHAIRMAN. The Chair has counted 18 gentlemen standing.

Mr. TABER. Mr. Chairman, I don't know what the attitude of the others is, but I am opposed to the amendment, and I have an amendment which would reduce the amount. I feel that at least 5 minutes should be given to those who are opposed to the proposition and that if the chairman of the subcommittee desires to speak he should at least have that much.

Mr. TARVER. I ask the Chairman to reserve for the committee out of the hour 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COLLINS. Mr. Chairman, the amendment I have offered would give the National Youth Administration $100,000,000, approximately the sum of money that was appropriated to it for the fiscal year 1940. The bill as reported by the Appropriations Committee gives this agency the Budget estimate of $85,000,000, or about $15,000,000 less than the appropriation for 1940. The amendment I propose will, if adopted, raise the amount from $85,000,000 to $100,000,000.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. I am not reflecting upon the subcommittee or any member of it. I have only praise for the position taken by the gentleman from Wisconsin.

The policy of aiding needy citizens is likewise in line with governmental policy. Throughout our history the Government has made grants and subsidies to business to enable them to successfully carry on their work of building the country. Likewise the Government has aided needy citizens by donations in land and money. From 1863 down to 1890 the Federal Government gave each individual who wanted land up to 160 acres.

The combined area of land given to needy individuals over 21 years from 1863 down to 1890 amounted to the total area of New England, New York, Pennsylvania, New Jersey, Indiana, Illinois, Michigan, Wisconsin, and half of Kentucky, combined. The persons given this land used it for their own personal needs. In the instant case the N. Y. A. students labor so they can continue in school or to gain a vocation. Their average wage is about $11 a month, and the fruits of their labor is given to society. They build roads, schools, and other types of public improvements for the common benefit of all. Certainly it is not contrary to our American policy to aid young people to secure an education. This is all we are doing and all we propose to do.

I maintain that if the proposal of the Appropriations Committee, of which I am a member, is adopted, 125,000 young men now in schools or learning trades will be thrown out of school or relieved of the small wage they now earn while taught a trade. There are approximately 750,000 of them receiving N. Y. A. aid. If we fail to raise the appropriation from $85,000,000 to $100,000,000, 125,000 of these young men and women will be denied an education or a vocation. I favor economy in government, but I refuse to economize by denying to the youth of the country the right to become educated citizens.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. COLLINS. I yield.

Mr. MURDOCK of Arizona. Much has been said about the Budget recommendation. Did not the Budget a year ago recommend $123,000,000 for this very work?

Mr. COLLINS. Absolutely; and in adopting $100,000,000 we are following the Congress of the United States and not some single individual in the Budget Bureau whose judgment cannot be any better than that of a Member of this House. Congress has already established a policy on this subject. That policy was made at the last Congress. The amount agreed upon was $100,000,000. It should not be reduced.

In this struggle for existence among nations it is evident that only those with high intellectual standards can survive. It is therefore the highest patriotism to build up the intellectual levels of our people. [Applause.]

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Oklahoma to the amendment offered by Mr. COLLINS: Strike out the figure "$94,635,000" and insert "$97,085,000".

Mr. JOHNSON of Oklahoma. Mr. Chairman, the purpose of the amendment offered by me is to give the National Youth Administration exactly the same amount it actually had during the present fiscal year. If the Collins amendment is adopted we will actually reduce all of the available funds for the N. Y. A. exactly $2,450,000 below the amount expended during the present year.

Mr. TARVER. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. TARVER. There is included in this bill exactly $85,000,000. You had $100,000,000. The Collins amendment proposes to add $15,000,000. How does the gentleman reach his conclusion?

Mr. JOHNSON of Oklahoma. That is correct, but I will say to the distinguished chairman of this subcommittee, that Mr. COLLINS, in offering his amendment, overlooked the fact that the Treasury of the United States was allowed $2,000,000 for servicing the N. Y. A. That $2,000,000 must be added if we desire that the N. Y. A. have the same appropriation during the next fiscal year.

Mr. LYNDON B. JOHNSON. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. LYNDON B. JOHNSON. Did not the N. Y. A. also this year have the use of $450,000 in unexpended balances?

Mr. JOHNSON of Oklahoma. That is correct, and that $450,000 added to the $2,000,000 makes up the exact amount that I propose to raise the Collins amendment.

Mr. LYNDON B. JOHNSON. Then your amendment is $2,450,000 in excess of the Collins amendment?

Mr. JOHNSON of Oklahoma. That is correct, and that will give the N. Y. A. exactly the same amount that was expended on the N. Y. A. last year to maintain it.

Now, those figures are correct. I have them from the National Youth Administration and from the Treasury, and if there is any question about the figures I present I invite questions from any Member at this time. This body a few moments ago, by its vote, refused to slash the amount for the C. C. C. camps. We have just said by our vote that we want to retain all of the 1,500 camps; that we will refuse to turn the 54,000 boys now in the camp back on the streets and alleys. Unless my amendment or the Collins amendment is adopted we will say to 123,000 young men and women now on the N. Y. A. rolls, the fact that they will lose their jobs is no concern of ours. I am sure none of us wants to do that.

It was pointed out a moment ago that last year the Budget recommended $125,000,000. The Congress did not choose to follow the Budget last year and appropriated $100,000,000. Now, it seems passing strange that this all-wise, infallible Budget at this time should decide that the N. Y. A. must be cut $15,000,000. It is the responsibility of this Congress to make the appropriation. So if we really believe in the National Youth Administration, in its fine, patriotic program for youth, and desire to maintain it, on the same basis that we have for the past year, then I submit that my amendment should be adopted.

It occurs to me that the only question involved is whether or not the National Youth Administration actually needs the amount it now has in order to operate efficiently. I have heretofore pointed out that a large committee of businessmen representing various business activities, and coming from widely separated sections of the country, met in the city of Washington last December and gave a very careful study and investigation of the N. Y. A. as well as the problems of the American youth. This committee of conservative businessmen in its report not only places its stamp of approval upon this great organization, but calls on Congress to appropriate at least $200,000,000 to carry on this great youth program for another year. Yet the amendment I have proposed only permits the N. Y. A. to carry on on the same basis and with the same amount of funds as is being actually expended by this organization during this year.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I am in favor of the amendment offered by the distinguished gentleman from Oklahoma [Mr. JOHNSON]. If it does not carry, I am in favor of the amendment offered by the equally distinguished gentleman from the State of Mississippi [Mr. COLLINS]. No one can cover this problem in 3 minutes.

I again want to call to your attention the fact that we have 4,000,000 unemployed workers in the United States today below the age of 25 years. Those unemployed youth represent more than one-third of the unemployed, although the youth constitute only one-fourth of all laborers in the market.

Mr. Chairman, I heard this afternoon a great speech made by the distinguished gentleman from Virginia [Mr. WOODRUM]. The gentleman is singularly gifted. However, I wish he would employ his great talents along lines more liberal to the needy and unfortunate. We must not lose sight of humanity in our desire to economize. We must not forget youth. The unhappy, dissatisfied, discontented, and idle youth is easy prey to those preaching short, unsound, and revolutionary ways to places in life and society.

I hope that Congress will come to the conclusion before it is too late that we must find work for the unemployed and the youth so that this country will not go the European way. This is Congress' No. 1 job. I am one of a committee of about 60 Congressmen trying to find a solution. Up to date no one has found the answer. We must not quit, however, in dispair.

I want to call your attention to another element that enters into this situation. Every single year more than 1,250,000 new workers enter the labor market, practically all of whom are young people leaving school. Because of death, retirements, disabilities, and voluntary withdrawals from the labor market only about 600,000 of these new workers become additions to the working forces of the country. This means that unless more than half a million new jobs are created each year, the number of unemployed will increase. We must not only preserve the present status of the N. Y. A., but we better go further and make provision for the additional workers thrown onto the labor market every year that the labor market cannot absorb. In my own State, Montana, 4,660 of these youths come from needy families and are engaged in the most constructive sort of work.

They work on a wide variety of projects, such as highways, roads, streets, improvement of grounds around public buildings, educational buildings, social and recreational buildings, airport buildings and facilities, recreational facilities other than buildings, conservation, irrigation and flood control, clerical assistance and service projects, library service and book repair, arts and crafts, music, drama and writing, recreational leadership, workshops, sewing, resident projects, nursery schools, and some other unclassified projects.

The type of work performed on the student-work program also covers a wide range of projects including research work and services, community-service work, ground and building maintenance, departmental service, library service, clerical work, and construction. The individual institutions supervise the work for the National Youth Administration, and all costs other than the wages paid to the youth are borne by the schools. Currently, there are 196 institutions in Montana that are assisting the National Youth Administration in providing part-time work for needy youth on the student-work program. Of these, 185 are high schools and 11 are colleges and universities.

The students that are employed on the N. Y. A. student-work program are selected by the institutions on the basis of need and scholarship. Last year, the average family income of all students in the United States whose applications were

approved for N. Y. A. work was $557, with 44 percent of the families having incomes of less than $550 a year. Studies have shown that more than half of the young people who leave school do so because of lack of funds to continue their education. The National Youth Administration, with the cooperation of local educational institutions, has provided part-time work for many of these youth. The earnings on this program are sufficient to keep them in school, reducing the number who would otherwise be out of school and seeking work.

Our N. Y. A. set-up in Montana is a perfect organization headed by our very capable James Love. He and his subordinates are doing excellent work and, indeed, it will be regretted if he should be curtailed by lack of funds in the great work he and his organization are doing.

I sincerely hope the amendment offered by the distinguished gentleman from Oklahoma will be adopted. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. PATMAN] for 5 minutes.

NATIONAL YOUTH ADMINISTRATION

Mr. PATMAN. Mr. Chairman, more than 744,000 young men and women will be helped by this appropriation.

Mr. Chairman, every time the Government invests $1 in a young man or young woman the investment is good for 40 years on an average. It is an investment in good citizenship. I do not know of a better way for the Government to spend money, and may I invite your attention, Mr. Chairman, to the fact that we have a large sum of money in the Treasury of the United States that is not being used. I think it should be put into circulation. If we were to reduce our general fund in the Treasury to its normal level from the present balance of $2,729,483,901.91 as of March 25, 1940, we could use much more than $1,000,000,000 that is now in the general fund. Why have that money there idle, hoarded, absolutely not used, when there are 4,000,000 young men and young women under 25 who are out of jobs? We might just as well make up our minds that if we do not distribute privileges and opportunities and give people an opportunity to work that there will be a serious demand made in this country to distribute the wealth of the country. In addition to the money that I have mentioned, there is more than $1,800,000,000 in the stabilization fund that is not being used.

Are you going to vote to reduce appropriations like this and still have $3,000,000,000 in money in the United States Treasury that is not used at all? In 1937, as the gentleman from California pointed out a while ago appropriations for relief were cut, and we went into a recession; in fact, this country went into a tailspin, and that was one of the reasons. I have only a short time and cannot talk long, but I have a map here that shows the amount of money that is spent in each State for the education of the young people. You will notice in a number of States that a very small amount has been spent—an amount entirely too small. The map will be placed in the Speaker's lobby, and I hope you will examine it.

This money is used not only for pupils in high schools but for students in colleges and for out-of-school work to the extent of an average of $9 per month per pupil. Seven hundred and fifty thousand young men and women are being made better citizens at $9 a month. If I had my way and thought the House would support it, I would offer an amendment to double this appropriation and put 1,500,000 young men and young women on N. Y. A., give them a chance, an opportunity that they should have. I hope the Johnson amendment is adopted. If it is not adopted, I am for the Collins amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, I have no doubt about my vote for increasing appropriations for the C. C. C. camps.

I am going to vote for the pending amendment, but I have serious doubt as to whether we are moving in the right direction with the National Youth Administration program. I hope it can be strengthened. I have said many times to high-school classes: "Do not worry about the boy who is sent to college loaded with money by kind parents or an indulgent uncle for that boy undoubtedly will find employment in after years with the boy who is now working his way through school."

I am just wondering whether we are doing right in passing out these allowances to these young people in college. It is all right when the work is useful and carefully planned. The C. C. C. camps are different. That is a job which really makes rigid work requirements, and the most of the money goes back to parents who would otherwise be on relief.

I was the author of the soldier's education bill in Oregon that gave a total of $800, or $25 a month, to returning soldiers to enable them to secure higher education after the war. Under that bill a total of $4,000,000 was spent. I have often wondered whether we chose the best way to help the boys.

Perhaps the approach to the youth program is wrong. We must give the opportunity to work, we ought to give opportunity to do something, but when we pass out a sum every month, so much every year to the boys or the girls, possibly we are undermining character and ambition to do things for themselves. Are we making them dependent on subsidies?

When the president of Johns Hopkins left home as a boy of 21, he had very few dollars in his pocket. When he reached middle age he was president of one of the greatest institutions of research and learning in the country. Look back into your own careers and experiences. Where are the boys who went to school backed up by a lot of money? Where are the boys who went to school with but little? Most of the latter have made their mark.

I am doubting whether we are approaching the problem in the right way, making them all dependent on Government jobs and "made work." I do believe we have got to have some drastic legislation for youth and opportunity, but is this the line it should take? This is what is troubling me. I have hoped for development of a vocational program. I am going to vote for the amendment increasing the amount but doubting, yes, doubting, whether we are approaching the problem of aid to youth properly and correctly.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York [Mrs. O'DAY].

Mrs. O'DAY. Mr. Chairman, there is not anyone here today, I venture to say, who does not very frequently talk with young men and women who are looking for work, who are well qualified to do work, and cannot find work. Probably most of these young people we talk with are more fortunate in their educations and their family circumstances than the great majority of those now employed on work projects of the National Youth Administration. The 325,000 young men and women between 18 and 25 years of age who work part time on N. Y. A. projects have not had the chance to stay in school. Two-fifths of them never went beyond grammar school. Only a fourth have high-school diplomas. And over a half of them have never known what it means to have a job. We can all realize what they face when they look for work—and I am sure we all believe in the young people of America enough to know that they do look for work. What are the first questions asked applicants for jobs? "What is your training?" "Where have you worked before?"

The N. Y. A. program for out-of-school and unemployed young people fills these two important needs of job-seekers—it gives them sound work experience and it provides them with related training which helps them to meet the requirements for jobs. Young people certified for N. Y. A. work are paid an average of $15.58 a month for approximately one-third time work. On their own time and without pay they resume studies which N. Y. A. arranges wherever possible with existing educational institutions. And every N. Y. A. worker is registered in a public employment agency.

We will all agree, I feel sure, that our young people have a right to be busy working and learning. But what is the result? Here are the figures. Youth do not stay on N. Y. A. longer than is absolutely necessary. There is a 90- to 100-percent yearly turn-over. Thirty-one percent of the youth leaving N. Y. A. reported that they received private employment. Twenty-three percent leave because of loss of eligibility—that is they reach the age limit, or their families lift themselves up so that their young people no longer are in dire need. Five and three-tenths percent go back to school. Four and three-tenths percent are discharged from projects. The great majority of the rest who leave, undoubtedly get private jobs, too. After work experience on N. Y. A., these young people can enter an employment office and say, "Yes, I have worked. I have had a job. I know how to do the work you want." It is impossible to measure the value of that only in dollars and cents.

Besides this splendid work program for out-of-school and out-of-work young Americans, N. Y. A. provides part-time employment for needy students, 16 to 25 years old, in high schools and colleges. These are not the unemployed young people—but the very great majority of them would be on the labor market if they did not have this chance to earn enough to stay in school. They, too, perform useful work either for the schools which they attend or for the communities in which they live. Those in high school earn on an average $4.50 a month for the school year, and those in college earn a monthly average of $12.94. All N. Y. A. student workers are selected by the institutions which they attend on the basis of need and ability. This program has widened democracy in education. And young people today want to see democracy in action as well as hear about it in speech. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, I want to say to the gentleman from Oregon [Mr. PIERCE] that I have no such fears as he entertains. He evidently is under the impression that the N. Y. A. is passing out a dole of $10 or $15 a month to students in order to induce them to go to school. I have been a school teacher for many years. I have worked with these people ever since the N. Y. A. was established, and I have seen its effect upon several thousand college students as well as upon a large number of high-school students.

Those young people come to the campus at registration time, they have come to my office, and they have begged for an opportunity to do some work in order to go to college. If they can get $15 to help pay their expenses, that is often sufficient, but it is not presented to them on a silver platter. Those who are typists type many hours each month for their pay. Those young men who are without stenographic or typing skill ask for an opportunity to work on the grounds at manual labor. I have seen young women, graduates of high schools with honor and high resolve, come to my college and ask for a menial job, because that was the only thing left for them. They would even dust the furniture and mop the floors and the steps of the academic buildings as well as doing housekeeping duties in dormitories. I have seen all this and more, and I want to say to the gentleman from Oregon that I take off my hat out of respect for such courageous striving. Because of this respect I have employed some of these young persons in my office here in Washington, the most competent young persons to be found in the State of Arizona. Those young folk I know positively come from homes which could not afford to send them to college if they had not worked their way through.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Does the gentleman know of any N. Y. A. students who are now receiving or who have ever received a dole at the hands of the Government?

Mr. MURDOCK of Arizona. No; I do not. It was not a dole they received but a job of hard but useful work.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from California.

Mr. VOORHIS of California. What has the gentleman found in his State to be the opinion of the heads of schools of his State regarding the N. Y. A. and its effect on the young people in those schools?

Mr. MURDOCK of Arizona. They are universally in favor of it. I have telegrams from many schoolmen to that effect.

Mr. VOORHIS of California. May I say that the same thing obtains exactly in my district and in my State. They are enthusiastically in favor of this program.

Mr. MURDOCK of Arizona. I believe it was the old Roman Quintilian, or possibly Cicero, whose parents moved from the farm to the city for his education—brought him into Rome to study so that he might become a great man. Parents have ever been like that. I know many parents, similar to those in the story of Enoch Arden, who want their children to have a little better education than they have received. I know fathers and mothers who say, "I want my girl or my boy to have an education." Parents want this work to continue.

Year after year we have very much the same fight to make concerning the appropriation for the National Youth Administration. We not only have to fight hard to get an amendment through increasing the Budget estimate for N. Y. A., but we likewise have to fight to keep those who are unfriendly to this agency from reducing the amount even below the committee figure. We recall that about the middle of June last year when this particular appropriation was then before the House the gentleman from New York [Mr. TABER] moved to reduce the amount so drastically that had his amendment been adopted on June 16, 1939, we would not have today an N. Y. A. worth debating about. Quite probably a similar attempt will be made in this case so that those who value the N. Y. A. must fight valiantly in two respects—to increase the amount sufficiently and to block any proposed decrease successfully. Naturally, I favor the amendment of the gentleman from Mississippi [Mr. COLLINS] and I should like to see his amendment amended by the proposal of the gentleman from Oklahoma [Mr. JOHNSON] and shall vote accordingly. If these amendments should fail, I have an amendment of my own to offer.

I was much interested in the statement of the gentleman from Mississippi [Mr. COLLINS] when he on introducing his amendment explained that he was but attempting to carry out the long-established policy of the American Government. As I followed his reasoning it was that formerly the Government gave, or virtually gave, its adventurous citizens 160 acres of free land on which to make a living, but that now he proposed that the Government should furnish young citizens with a little different kind of start in life—help to secure an essential education. I know the gentleman from Mississippi is a friend of youth and of the cause of education, and it strikes me that his patriotic idea represents sound statesmanship.

Ours has been a land of opportunity for several generations past. Our energetic and adventurous citizens, our fathers, and grandfathers could easily acquire 160 acres of virgin and fruitful land out on the frontier which was the beginning of an estate for himself and for his family. That day is past. The geographical frontiers have vanished. However, there are new frontiers in which our young citizens may do pioneering. These are frontiers of science and knowledge and business, and one cannot do this pioneering without a more extensive preparation than our generation or any former generation in America have had. Surely it is just as good Americanism and statesmanship for this Nation to provide nearly free the minimum of educational advantage to as large a number as possible as it was in times past for this Government to furnish nearly free a homestead on public lands to as large a number of citizens as possible. I urge a full support of the Johnson amendment to the Collins amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I shall support the amendment offered by the gentleman from Oklahoma [Mr.

JOHNSON], and in the event that amendment fails I shall support the amendment offered by the gentleman from Mississippi [Mr. COLLINS.] With 4,700,000 young men and women in this country without jobs and without the opportunity of securing an education we are just playing and shadow-boxing with the youth problem in jacking up this appropriation from $85,000,000 to only $100,000,000. It is most unfortunate that the Budget recommendation did not carry the sum that the agency had last year, and it is also most unfortunate that the committee did not assume the responsibility to raise the amount. However, even a $100,000,000 appropriation is not going to do the job. The only proposal that will meet the problem is the American Youth Act. Since this bill cannot be considered at this time I strongly urge the increase for the National Youth Administration.

I want to call the attention of the members of this Committee to the basic theory upon which these cuts are being advocated nowadays. They are being advocated in the hope that the so-called war boom will absorb our unemployed and in the hope that people will be put to work as the result of war purchases abroad. May I read, in answer to that expectation, a paragraph contained in a pamphlet, Program of Action for American Youth, which was issued in October 1939 by the American Youth Commission, on which there are such men as Robert E. Wood, chairman of the board of Sears, Roebuck & Co., and Owen D. Young, chairman of the board of General Electric Co.

The American Youth Commission has this to say:

> While it seems probable that business will be stimulated by war purchases, the most optimistic estimates indicate only two or three million new jobs for the many millions of unemployed workers. The Commission believes that the remaining unemployment will be concentrated heavily in the lower-age groups. The continued pressure of unemployment on youth, in the midst of a war boom, will add to the danger of drifting into active participation in the war.

Hence, unless we provide jobs and education for American youth, we must take the responsibility for forcing them into war as a result of legislation which is based on a war economy. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MASSINGALE].

Mr. MASSINGALE. Mr. Chairman, I am very glad to rise here in support of the substitute amendment offered by my colleague the gentleman from Oklahoma [Mr. JOHNSON]. In the event of the failure of his amendment, I intend to support the Collins amendment. I am impelled to do this because of my intimate knowledge of the workings of the national youth program in my part of the country.

Heretofore on the floor of this House I have repeatedly expressed myself to the effect that we had better begin to pay more attention to our internal or domestic affairs. We cannot lightly turn aside and disregard the youth of this Nation. Two or three years ago I saw an estimate that there were more than 5,000,000 young men and young women, graduates of colleges and universities in the United States, who had never had a job in their lives since their graduation from these institutions. I do not know whether or not this condition has improved, but I do know that we are graduating every June from the high schools, colleges, and universities of this country approximately 1,000,000 young men and women, and they cannot get work. We cannot ignore this condition.

I love my friend the gentleman from Oregon [Mr. PIERCE], who has just made the statement that when he got up here to consider this bill he did so and was going to vote for it with his fingers crossed, but I may say to the gentleman that I have had my fingers crossed since long before this bill was ever brought to the floor of this House, and I rather believe he has, too. Every other Member of this House must have had his fingers crossed if he has much mentality about him.

My understanding is that there are approximately 750,000 young men and women who are now receiving the benefits of the National Youth Administration program. If the bill recommended by the subcommittee providing $79,635,000 carries, 125,000 of the 750,000 that are now receiving the benefits of the program will have to be left out of consideration. We must not forget the fact that about a million boys and girls take on their full-fledged citizenship every year, and it is well that we should cross our fingers for it is a great problem in sociology that we are facing.

I do not know of anything that would be more tragic in this period of depression when the most worthy and the fittest of our young men and women are unable to find employment of any kind than to refuse to appropriate adequate funds for carrying on the National Youth Administration program. It is well enough to talk about economy, and it would be a fine thing to practice, but I believe it is real economy to look after this growing army of a million young men and women each year and let some of the other things go by until conditions change. Of course, all of us unhesitatingly vote for huge appropriations for the Navy and air force and the Army of the country. I have done this consistently because that is in the interest of the self-defense of the Nation. This program of the National Youth Administration is equally in the interest of our own self-defense, if not more so, than any of the other appropriations we have made. If we have to cut somewhere to economize, we should not begin on a program of this sort because it is a human program and the consequences of abolishing this program are too serious for Congress to hesitate to do its duty about it.

Specifically, I shall give you the following in regard to the operation of the National Youth Administration in my own State of Oklahoma: The National Youth Administration is employing a total of 22,578 boys and girls. Of this number, 13,722 are earning sufficient money to continue their education either in the secondary schools or in the colleges and universities. It is estimated that in addition to the 22,578 who benefit by the program, there is a total of 60,826 needy youths in the State who are yet unable to be assigned and receive the benefits of this program. Of this 60,826 needy unassigned youths, a very large percent of them would now be furthering their education in the educational institutions of the State if sufficient funds were made available. The amount of money spent on each youth in Oklahoma ranges from $3 to $20 per month, and the average is about $15. This is a meager sum for the Government to spend rather than take chances on what may happen without a National Youth Administration program in operation. It should never be lost sight of that this program is not merely a play program; for these boys and girls that earn this money and attend these schools show their interest in education and preparation for the duties awaiting them by doing all kinds of menial services.

The boys and girls we are helping through the schools and colleges and who are training themselves for some calling in life are merely the victims of a bad economic condition which we are responsible for in this country. We have made it so that very few persons who live on farms can get money enough out of their entire production to send even one child to a higher institution of learning. This National Youth Administration program will make up for the delinquency to a very large extent. I know of no safer way to fix the character of the future citizenship of this country than to do this kind of work, which the boys and girls of America appreciate. They do not want to be regarded in the light of receiving a dole or as being dependent on anybody. We had just as well acknowledge the corn and make the frank admission that had it not been for the failure of this and other legislative bodies in America to properly provide against such catastrophic economic conditions, the probabilities are that there would not be such a vast army of unemployed, and that the laboring man and the farmer would be in that economic condition that would enable him to do for those boys and girls what this bill undertakes to do for them.

While the ship of war is an instrumentality without which we cannot afford to do in the necessary defense of this Government of ours, I believe the people of the country would applaud very loudly the effort of Congress to see to it that there are other things that should be equally engaging to

PUBLIC WORKS ADMINISTRATION

Members of Congress as building warships, airplanes, and large armies. I think these precautionary measures should all be taken along together.

We can drop the National Youth Administration program if we better the economic conditions. We can better the economic conditions, but we have not done so. No boy or girl in my section of the country can find any such thing as industrial employment. They must either go to the farm or do without employment, and no farmer under present price conditions can afford to hire one of these boys or girls. The defeat of this appropriation for the National Youth Administration would be a serious blow to the future welfare of this country. We can ill afford to take the chance. If we will stay with the boys and girls of America, we know they are going to stand behind America under any and all conditions, for it is up to them in a few years to furnish all the man-power and the spiritual power without which we cannot expect to go forward.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. PACE].

Mr. PACE. Mr. Chairman, a short time ago the House expressed itself as favorable to the continuance of the C. C. C. program next year as it is the present fiscal year. I sincerely hope the Congress will not make an unjustified distinction between the C. C. C. program and the N. Y. A. program. There is, of course, this distinction: The C. C. C. program costs $1,000 per youth while the N. Y. A. program costs about $135 per annum per youth. Boys and girls are both drawn into the N. Y. A. program. The boys in the C. C. C. program and those in the N. Y. A. program are drawn from the same families, and have the same need.

It seems to me, in response to the criticism of the distinguished gentleman from Oregon, that we are free to support the N. Y. A. program, particularly because it is so far away from the question of the dole. These young men and young ladies are working for an average of only $6.85 a month; they are actually earning every penny of it. I believe my greatest disappointment as a Member of this Congress is that we have made no really constructive headway toward solving the problem of unemployment that faces this Nation. Until some progress is made in the solution of that problem, I believe this N. Y. A. program should be continued as a worth-while investment in the youth of this Nation. I hope the substitute offered by the gentleman from Oklahoma will be adopted.

There are about 4,000,000 unemployed workers below 25 years of age in the United States today. These unemployed youth represent more than a third of the unemployed, although youth constitute only a fourth of all workers in the labor market. Thus, the problem of unemployment is more severe among younger workers than any other age group. Also, since unemployment concentrates among low-income families, most of the unemployed youth come from families whose incomes are insufficient to provide them with minimum needs. In this connection, it should be remembered that one-third of American families receive total incomes of less than $780 a year. Most of the unemployed youth come from this portion of the population.

There are three major programs of the Federal Government that provide assistance for unemployed workers below 25 years of age.

Current employment

N. Y. A. out-of-school work program	312,000
Civilian Conservation Corps	250,000
Work Projects Administration	278,000
Total	840,000

In addition the National Youth Administration provides part-time work for 434,000 students in the schools, colleges, and universities. By providing this part-time work, the National Youth Administration enables the students to remain in school and keeps them out of the labor market, where they would increase the competition for jobs or swell the number of unemployed workers.

The Federal Government, in providing employment for 840,000 unemployed youth, is assisting only 21 percent of the total number of unemployed youth. There remains over 3,000,000 unemployed youth who are not being helped by these employment programs.

As a further indication of the unmet need of the unemployed, there are 340,000 youth certified to the National Youth Administration as in need of employment on the out-of-school work program beyond the 312,000 now employed on that program. In addition, the N. Y. A. State administrators report that there are 2,119,000 youth who are not yet certified to the National Youth Administration, but who are unemployed and are members of families whose income is insufficient to provide the basic needs of a family. Thus, there is a total of nearly 2,500,000 unemployed youth not receiving employment from Federal programs who are desperately in need of work.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, I rise in support of the amendment of the gentleman from Oklahoma [Mr. JOHNSON]. If that is defeated, of course I shall then support the amendment of the gentleman from Mississippi [Mr. COLLINS]. I view the appropriation which we are making and which we have been making for the N. Y. A. as a great investment in American citizenship. Surely no one can make a greater investment. The greatest dividends that we can receive will come from our investments in the youth. When the historian of the future comes to review the work of this period in our American civilization, I believe he will place near the top of the list the investment which the American Nation has made and is making in our youth. This investment will be paying dividends 40 and 50 years from today. Yea; the principal will be passed on to children yet unborn.

PRESERVING DEMOCRACY

We hear a great deal said these days about preserving democracy in America. I submit that this investment which we are making in our youth will go far to make this country safe for democracy. A nation owes a chance to its citizens. If we are to hold up before the youth of our land the great advantages in a democracy, we should strive to make those advantages real by giving them a chance. If this appropriation is cut, as has been proposed by this bill, it will mean that more than 100,000 of our deserving young men and young women will be turned out without an opportunity to go to school. It is tragic to contemplate.

STAND BY THE YOUTH

Mr. Chairman, all of my life I have persistently and consistently battled to give our young people a chance. As a boy on the farm, who had to go to school long distances and under very adverse circumstances, I knew what poor boys had to confront. Later, in the Louisiana State University, I knew what it meant to wash dishes, wait on tables, patrol the campus at night and do everything honorable to stay in school. I say without shame that I knew what it was to live on two meals a day and to go without other necessities in school. It is an inspiration to me now and an opportunity, the memory of which I shall cherish to my dying day, to stand in the Well of this House and plead for a chance for boys and girls situated like I was. Everyone who is left out if this appropriation is reduced will in all probability not be able to go to school at all. Do we want this democratic Nation, this richest nation in the world, to turn these deserving boys and girls away from our high schools and colleges? I do not believe the American people want that done.

The sum proposed by the gentleman from Oklahoma [Mr. JOHNSON] is the very least which this Congress ought to consider. This sum will give us, as I understand it, about the same that we had last year. We really ought to have more. We ought to make it possible to take care of more youths, but, by all means, let us not reduce the amount. I sincerely hope that this Congress will not take this backward step.

N. Y. A. IN EIGHTH DISTRICT

I have received some information concerning the N. Y. A. work in the Eighth Congressional District of Louisiana, which I have the honor to represent. To me it is very

interesting and enlightening and I will give it briefly. From January 1, 1937, to June 30, 1940, the N. Y. A. erected in the Eighth District no less than 16 buildings for various purposes. From January 1, 1937, to June 30, 1937, a total of 433 young people were assisted through the N. Y. A. From July 1, 1937, to June 30, 1938, a total of 460 were assisted. From July 1, 1938, to June 30, 1939, a total of 978 were assisted, and from July 1, 1939, to June 30, 1940, a total of 1,008 will be assisted. The Government spent on these young people in the Eighth District from January 1, 1937, to June 30, 1940, a total of $640,543.62. Many of them were assisted in high schools.

The Eighth District of Louisiana, in the session of 1939–40, is represented in 18 colleges through N. Y. A. assistance. Eighty-three students from the district are receiving aid at Louisiana State University; 19 at Louisiana Polytechnic at Ruston; 101 at the State Normal at Natchitoches; and 25 at Louisiana College, Pineville. If this appropriation is reduced, in line with what this bill calls for, it will not only mean that there will be no additional students taken care of, but actually a smaller number can be assisted next year. My stand and my vote always have been, are today, and always will be in behalf of the youth. I shall, therefore, support these amendments to increase the appropriation for this very worthy cause, and thereby give more chance to deserving young people. I believe, Mr. Chairman, that this is a real investment in democracy.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from California.

Mr. VOORHIS of California. Is not true that 123,000 of these young people will be laid off of this program unless this amendment carries?

Mr. ALLEN of Louisiana. I understand so. That would be a tragedy in America, Mr. Chairman. Let us not do that to these fine young people.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Louisiana. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Is it not also true that a committee of businessmen, called here last December, passed a resolution stating that it would take a minimum of $200,000,000 to do the job as far as the N. Y. A. is concerned?

Mr. ALLEN of Louisiana. I believe that is correct.

[Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Chairman, a year ago I spoke in favor of an amendment increasing the amount for the National Youth Administration from $85,000,000 to $100,000,000. Last Monday I spoke before the Members of this House and called attention to the program of the N. Y. A. and stated that I would vote to restore the amount to what it was last year. I understand the Johnson amendment will do this. If it will not, then I am for the Collins amendment. I am for anything that is going to help the youths of this country, because I think I know about as much about the problems of the youths as anybody can know, because, as I have said before, I worked my way through high school and college. The only difference here is that these boys and girls are getting about $4.15 a week for their work, and I got $1.50 for the work I did.

This is an investment, as the gentleman who just preceded me said. It is an asset to this Nation if we can teach these boys and girls in a republic what a democracy is, and the only way we can ever maintain this Nation is by educating youths in democracy. This is what Germany is doing with youths in nazi-ism today and what Russia is doing with youths in communism, and unless we can keep the minds of these boys and girls occupied during a restless period through which they must pass, they are going to spend their time listening to some soap-box orator out on the street corners some place, and they are not going to get the teachings they should have.

This is an investment of only about $15,000,000 more than what has been recommended by the committee. There is nobody in this House can say that I am not for economy. Last year I said this Government could be run with $8,000,000,000, and I voted for that amount, but Congress voted $13,000,000,000. The President has come almost to my conclusion, and he is asking for $8,400,000,000 this year. So he and I are just about agreed on the amount, but this is no place to economize. I voted against an amendment for $50,000,000 a few moments ago because I did not believe the amount should be increased that much. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The gentleman from Washington [Mr. HILL] is recognized.

Mr. HILL. Mr. Chairman, this is my fourth term as a Member of this House and the longer I stay here the more I am amazed at the smug complacency of Members of this House when we consider the tragedies all around us. The gentleman from Virginia spoke of the tragedy of not balancing the Budget. May I mention three tragedies that are right about us? Here are men and women in the sunset of life, in old age, and yet we cannot give them the decencies and comforts of life, but they must dread the future. Yet we will not consider that problem—that of old-age pensions. Tragedy No. 1. We must adjourn over week ends, and we are talking about adjourning June 1. Then we have unemployment with 10,000,000 asking for a job in America, the land of opportunity.

This country does not owe any man a living, but it owes every man a job to earn a living to feed his wife and his children. Yet we have not solved this problem. Tragedy No. 2. Here we have our youth problem. The greatest resource in America is our boys and girls, and in the C. C. C. and N. Y. A. we are trying to give them something worth while, in the morning of life as they come to us. We have not solved that problem. Tragedy No. 3. We have those in the sunset of life, those in the prime of life, and those who in the morning of life coming to ask us to help them. Yet we refuse to heed their appeal.

I say I am amazed at the smug complacency of the Members of this House who have a good salary, who have mileage, and I am informed that one of them who is so strong about balancing the Budget, has about $50,000 coming to relatives and himself annually. He also wanted to appropriate $350,000 besides the $250,000 allowed to send Mr. Byrd down to the Antarctic to find penguins and bring them back to America. But he cannot see his way clear to help the needy boys and girls of America to education, to opportunity, and to success. [Applause.]

Mr. TABER. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER as a substitute to the amendment offered by Mr. COLLINS: On page 41, line 4, after the first comma, strike out "$79,635,000" and insert "$39,000,000."

Mr. TABER. Mr. Chairman, I have offered an amendment designed to save a little money. Now, let me tell you what the situation is, so that you may know it. The estimates proposed by the N. Y. A. called for approximately $28,000,000 for the so-called school and college program for these students who are going to school and to college. This amendment would leave money enough to carry that on and would leave $11,000,000 to take care of tapering off the so-called work program. The work program as I have seen it—and I have seen quite a little of it—is totally demoralizing. It is not a constructive proposition. The part of it that relates to the students of schools and colleges is entirely out from under the thumb of Aubrey Williams. The other part is directly under him. If we are going to teach our boys and girls ways of self-reliance, independence, capacity, and individual initiative, we must get rid of that part of the activity that is under the thumb of Aubrey Williams. Just think of offering to increase an item of this kind at a time when the Federal Security Administration reported on Monday last the following:

State and local communities had 1 percent fewer relief cases in February than January, and cut their cost 3 percent, a survey by the Federal Security Administration reported yesterday. Reports

from 109 urban districts in 39 States showed the biggest increase in Huntington, W. Va., and the biggest decrease in Charleston and Wheeling, W. Va.

We are at a place now where the cost of relief is going down. Why should we at this time provide funds for work projects in competition with W. P. A.? It is the most ridiculous and scandalous proposition that I ever heard of, to turn boys loose to demoralize them under the tutelage of Aubrey Williams. He has shown himself one of those who are not capable of teaching any young men Americanism, and I do not want to see those boys put in the position where they are demoralized. I hope that we can show a little sense in the line of economy and adopt this substitute that I have offered and save a dollar for the Treasury and save many boys from the influence of Aubrey Williams.

Mr. NICHOLS. Mr. Chairman, two and a half minutes is not very long to discuss this thing, but statements have been made by Members this afternoon and by the distinguished gentleman from New York [Mr. TABER], who just preceded me, that it is so necessary to preserve the economic structure of this Government, so necessary to save money.

I submit to you in all fairness that the economic structure of this Government is secondary compared to the human fiber of this country, and this Government is no stronger, nor will it ever be any stronger than the strength of the youths of the country. We would better have more concern with equipping our youths with education, training, and knowledge that will fit them to carry on the traditions of this Government, than be here quibbling about the difference between $100,000,000 and $33,000,000. Insofar as the gentleman from New York [Mr. TABER] being worried about whether or not these youths will be demoralized under the influence of Aubrey Williams, I am not ready to admit that Aubrey Williams is a Communist, but even if he were, I submit to you, is it of greater danger so far as demoralization is concerned for them to be under the influence of Aubrey Williams, than to be forced into the highways and the byways, the poolrooms, and unemployment? Which would demoralize them most?

If you want to take the youths of this country out of Communist organizations such as the National Youth Congress, a thing which I abhor, if you want to win them away from communism, give them education, give them opportunity to grow strong, to get the thing which youths are naturally entitled to, and then you will not find Communist organizations growing up all over the country with the young folks. [Applause.]

We talk about the coming generation, which will have to pay back the money that we have been spending. We must make certain that this coming generation is equipped by education and training to take its place upon the scene of human action and do its part to extend the frontiers of accomplishment of our people.

The part of the National Youth Administration in rounding out our educational system has brought unanimous approval from the educators of my State. Thousands of young folks have been enabled to complete their high-school education and hundreds have been enabled to obtain college degrees through the assistance they have thus received. In addition, a great number have obtained out-of-school training in shop work in various trades which will quickly fit them for taking their place in industrial pursuits.

With the course of world events, these young folks know that at any time they may be called upon to take up arms in defense of our country and its ideals. They are willing to do this, as long as our country gives them a fair chance. But if we do not give them this chance we may be faced with serious consequences.

Of course no one wants to waste money, or appropriate money that is not needed. I would be willing to agree to reduction in N. Y. A. appropriations if the need had passed or even been lessened, but I am acquainted with the situation intimately in my country, and know that the need is as great as ever for this form of assistance.

I am hopeful that my colleagues will give sympathetic consideration to our needs.

Mr. HARE. Mr. Chairman, I rise in opposition to the substitute amendment offered by the gentleman from New York [Mr. TABER] which would reduce the N. Y. A. appropriation by about $40,645,000. I would not undertake, even if I were so inclined, to refute the arguments made here this afternoon in support of the increased appropriation for the National Youth Administration, for I do not think there is any disagreement as to the very efficient work that has been done by the N. Y. A., but I would like to say the National Youth Administration so far is purely a relief activity and, when viewed from a sound governmental standpoint, such an activity ought first to have a definite, clean, and clear-cut plan approved by this Congress before we go too far with our appropriations.

I see no justification for reducing the N. Y. A. appropriation as provided in the substitute amendment offered by the gentleman from New York, and as long as Congress is unwilling to make the N. Y. A. a permanent policy of government and outline specifically the functions and duties of this activity, I do not see any particular reason why the appropriation recommended by the President and the Budget Bureau should be disturbed. However, when the functions and duties are specifically designated by Congress I am sure your committee will see to it that adequate appropriations are provided. I do not believe the people of the country expect Congress to go "hog wild" and make excessive appropriations without having some idea as to where and in what manner the money is to be used.

I would be unfair to myself, as well as to the N. Y. A., should I fail to take this opportunity to express my commendation for the assistance or aid furnished those young men and young women who have been unable to continue their high-school or college work, including those who have been able to continue their high-school and college work by reason of the assistance furnished, because I am quite sure there are many cases where the assistance rendered has determined the future life and career of a number of young men and women. You will pardon this personal allusion, but I can well remember that following my second year in college the ability to remain there was contingent upon raising 50 cents per week, or $25 per year. It is not necessary to explain the outcome in detail, but I desire to say for the record I have never been the beneficiary of a favor which has commanded a more sincere and more lasting gratitude than the favor of that friend who was willing to make a sacrifice and provide me with the $25 necessary to continue my college work. In this bill such students are not limited to $25 per year but may be furnished as much as $20 per month, and the program of the past few years can be continued without impairment on the appropriation provided for in this bill.

It is true the gentleman from Mississippi [Mr. COLLINS] makes a strong argument for increasing the appropriation when he shows that for a generation or more following the Civil War our Government was very generous in making grants to young men by giving them a 160-acre farm each in order to get a start in life and thereby be able to contribute to the welfare of the Nation in future years. He argues that free land is no longer available and in lieu thereof it is entirely proper to make these contributions in order to assist the future citizenry of the Nation. However, the amendment offered to reduce the amount carried in this bill should not prevail, because this would practically destroy the existing program.

OLD-AGE PENSION

Mr. Chairman, as nothing has been said in this debate so far about a change in the ratio between the Federal contribution and the States' for old-age assistance, I would like to call attention to some of the testimony before the committee which suggests a more equitable arrangement than the 50–50 provision of the existing law.

Under the present law the Federal Government contributes dollar for dollar to the States up to $20 per month

for every needy person over 65 years of age who can qualify under the State law. Under this arrangement the average monthly payment ranges from about $6 per month to $32 in the several States, and it is generally known there are many needy people over 65 years of age whose applications have not been approved in a number of States for the reason that such States have not been financially able to meet their part of the payments. There was testimony submitted to you committee to the effect that the present arrangement operates as an actual burden to a number of States where the per capita wealth is low. To illustrate: One State may contribute only $6 per month and another may contribute $20 per month, but the former will be contributing more in proportion to its per capita wealth than the latter. At the same time, the poor States contribute their share to the contribution made by the Federal Government, and in actual operation the wealthier States, while making a greater contribution to the needy old-age persons, are actually placing an additional burden on the poorer States to assist in the contribution made by the Federal Government to the wealthier States.

I think it is generally understood the present arrangement is not satisfactory, and an effort was made last year to change the uniform matching ratio from 50–50 to 75–25. That is, in the latter case the Federal Government would pay 75 cents to the States' 25 cents of each dollar paid in the way of old-age assistance. Of course, this would improve the situation, in the minds of many of us, because it would decrease the contribution made by the States directly, but at the same time it would force the States to increase their contribution to the Federal Government to meet its proportionate share.

It has been suggested by the Social Security Board there ought to be a system of variable grants to the States by the Federal Government instead of the flat matching, and that the variable grant should be related to the economic capacity and the need of the individual States. According to the testimony of Dr. Altmeyer, Chairman of the Board, such a plan should not be very difficult to administer for the reason that statistics of average income in the States are now being collected and published annually by the Department of Commerce, and he expressed the firm conviction that a formula could easily be worked out on such a basis, saying this plan would be more desirable than the existing one. On page 809 of the hearings he says:

> We think there ought to be a system of variable grants instead of this flat matching, and that that variable grant should be related to the economic capacity and the need of the individual States.

On page 813 of the hearings he states:

> We think that this average per capita income is the best single criteria.

However, he testified with a great deal of emphasis as well as logic that it would be most unfortunate for the Federal Government to assume full responsibility and pay the full amount, saying that the States should be charged with the duty and responsibility of determining the eligibility of applicants and, at the same time, contribute to their needs in proportion to the per capita wealth. That is, the contributions by the States should be in proportion to their ability to pay. This will enable the poorer States to increase the number of beneficiaries, as well as the amount paid to each.

I am calling attention to the above problem at this time with the hope the matter may receive careful study and consideration in the next Congress.

CONCILIATION SERVICE

Mr. Chairman, there are a number of matters in this bill I would like to discuss, but time will not permit. However, there is one suggestion I want to submit relative to the Conciliation Service in the Department of Labor. There has been much legislation in recent years for the purpose of promoting conciliation of disputes in our industrial and transportation activities, and the Congress is still called upon to provide increased appropriations from year to year to enlarge the Service and provide conciliators to assist in the solution of open breaches between employers and employees. I am satisfied in the action of Congress and the cooperation of employers and employees to promote the economic life of each all have acted sincerely in an effort to properly interpret, analyze, and solve the problems of each, and there is no doubt but what distinct progress has been made, although it must be admitted the efforts have not been as fruitful as they might have been. The Conciliation Service in the Department of Labor is one of the most valuable activities of our Government and has contributed much toward the promotion and establishment of industrial peace, but it is greatly to be regretted we have not reached the point when open breaches are prevented or averted. As a matter of fact, the number and complexity of controversial issues seem to be multiplying in spite of the honest and determined efforts on the part of both elements to adjust and conciliate their differences.

Some will say it is an indictment against our civilization and a challenge to our educational system to find that when legislation is enacted for the social and economic betterment of all the people there must be increased annual appropriations to employ more and more men and women to act as inspectors and investigators to enforce the laws against an ever-increasing number of violators, indicating there must be something wrong with our intellectual or moral fiber when a majority of our citizenry incorporate an agreed policy into law for the benefit of all and then have to employ from year to year an increased number of people to compel obedience to such a policy.

Right or wrong, correct or incorrect, in these observations I am going to suggest that, if there are to be increased appropriations from time to time, a part of such increase should be used in promoting a program of education that will enable our industrial management to better understand the viewpoint and appreciate the equitable and legal rights of employees and to better evaluate labor's contribution to the value of the finished product. At the same time, such a program should not fail to include the millions of employees so that after years of study each and all will be able to recognize and understand not only their own rights and obligations but will be able to appreciate and recognize the functions and rights of others. Mr. Chairman, I can possibly better explain my thought by illustration:

Suppose A, an employer, and B, an employee, disagree as to their rights and duties under any of our laws and a strike or shut-out follows. A conciliator, C, is called in. They all discuss the problem and finally A and B agree and settle their dispute. The assumption is that C was able to give both A and B some information they did not have before, or else they could not have agreed, and the point I am trying to make is that if C was able to furnish information after the breach that convinced A or B that one or both were wrong, why could they not have had the same information in advance and avoided the breach which may have caused great loss or inconvenience to employer, employee, and the public in the meantime. That is, if they can agree after conferring with the conciliator following a breach it seems to me they might, with the same information, be able to agree beforehand and avoid such a breach.

It appears to me that if there could be some way to utilize the Conciliation Service to a greater extent in some organized or systematic educational way far enough in advance of a breach we might hope to reach a point some time in the future when we could reasonably expect to make a reduction in appropriations to be used for employing inspectors, investigators, and prosecutors. That is, if we could transfer some of the conciliators and place them in front of the breach instead of after it, I believe that within one generation open conflicts between labor and industry, such as strikes and shut-outs, would be a thing of the past. This appropriation could then be reduced to a minimum or abolished; hundreds of inspectors, referred to here today as "snooping detectives," would be eliminated; capital would emerge unafraid from its hiding places; new and added industries would spring up in every section of our country; labor would no longer be afraid of oppression or the empty dinner pail; starving children

would cease to clamor at the withered breast of hungry mothers; and this country would again bloom and blossom as the rose, because there would be an honest and intelligent understanding and cooperation between the two great productive agencies of this Nation—labor and industry.

Mr. Chairman, I submit this suggestion for whatever it may be worth, for I cannot believe but what the great majority of the people of this country want to be fair and honest and will demonstrate these virtues when mutual opportunities are afforded. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, of course I am opposed to the amendment offered by the gentleman from New York [Mr. TABER]. I am surprised that he did not make a motion to strike out the entire appropriation.

These young people are not going to school to Aubrey Williams. They are going to the various schools throughout the country that are operated by the authorities of the various States.

The gentleman from New York [Mr. TABER] and the rest of the Old Guard on his side amuse me. They rise in holy indignation because they say a man like Aubrey Williams is not fit to carry on an Administration of this kind, and therefore we should keep these boys cut of school and strike this appropriation from the bill or reduce it by 50 percent. I can remember when Albert B. Fall was Secretary of the Interior and when they were actually stealing Teapot Dome. Somehow that did not stir the indignation of the Old Guard on the other side of the aisle.

I was here when Daugherty was Attorney General and when he was driven from power for misconduct in office. I did not hear that wave of indignation that seems to rise now every time someone of the minority party wants to criticize a part of the present administration.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. WOODRUFF of Michigan. I think if the gentleman will look back over the years, he will remember that some of us on this side did not approve of what happened at that time.

Mr. RANKIN. Oh, yes. I am not putting the gentleman from Michigan [Mr. WOODRUFF] in that class at all.

But you had a man here by the name of Keller, from Minnesota, who introduced a resolution to impeach Daugherty for misconduct in office, and the Old Guard got on him so hard they drove him out of office and into a premature grave, and yet almost by the time the poor fellow was buried, Daugherty was driven from power for the very misconduct he charged him with.

Oh, I know something about what it is for a boy to work his way through college. I worked my way through school. Every dollar I ever spent in my life for school purposes I made myself.

You are spending a billion dollars for a Navy that everyone knows will be obsolete before the keels are laid. You are willing to spend hundreds of millions for military preparation for a war that everybody knows will not happen; but when it comes to giving these boys and girls an opportunity to prepare themselves to do the things in life they are going to have to do, then you rise in your indignation and attack Aubrey Williams. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, I am very sorry to hear the gentleman from New York [Mr. TABER] repeat this afternoon some of the statements he made yesterday with reference to Mr. Williams, particularly when he made the statement this afternoon that Mr. Williams "has shown himself capable of not teaching our young men Americanism." I think the gentleman from Wisconsin [Mr. KEEFE] ably answered that argument yesterday, and in my humble way I attempted to answer it, with other Members. All I have to say is that any man who, like Aubrey Williams, served his country during the World War, who served overseas in the American Expeditionary Force, and who was wounded, certainly has shown his loyalty to the great principles for which our Government stands. [Applause.]

In Massachusetts we have a State director, John L. Donovan, a very fine man. There is no politics in N. Y. A. in Massachusetts. I know nothing about other States. John L. Donovan had occasion to terminate the services of a woman employee who was secretly the wife of Manuel Blank, who is head of the Communist Party in Massachusetts, and Aubrey Williams supported John L. Donovan in his action in terminating her connection with the N. Y. A. when Mr. Donovan found out she was married to the Communist leader in Massachusetts.

You and I know that the Communists work into different organizations. They hide their identity. They are not concerned with numbers, but they penetrate and they want to get into pivotal positions so they can determine policies of an organization. They hide their identity. If they can, they get into all kinds of organizations. I found that out when I was chairman of the committee that investigated communism, nazi-ism, and fascism. The gentleman from New York [Mr. FISH] found the same thing. The gentleman from Texas [Mr. DIES] and his associates on his committee are finding the same thing now.

Mr. ENGEL. Mr. Chairman, will the gentleman yield?

Mr. MCCORMACK. I yield.

Mr. ENGEL. The gentleman is an able and outstanding member of the Ways and Means Committee. Will the gentleman tell the House whether he favors a debt-limit increase or a tax increase to pay for the increased expenditures that will be voted by this House and the other body?

Mr. MCCORMACK. The gentleman's question is not related to this but I will answer it. I never ducked a question upon which I have an opinion. I will sit down and prepare a tax bill. I am on record as in favor of increasing our taxes; and, if necessary, no matter which party is in office, if I am a Member of Congress next year and the Republicans should by the fortunes of politics be put into power and the recommendation were made to increase the $45,000,000,000 debt limit I would be for it if the man elected President should decide that it should be raised.

One observation in conclusion: This is an investment in the best interests of the country. The N. Y. A. steps into the present emergency as a stopgap, enabling hope to be held out to thousands of the youth of America. In addition to enabling them to be employed, they are receiving needed assistance. In other countries we witness dictators devoting unlimited attention to the youth of their land, indoctrinating them with anti-God and antidemocratic teachings, with hatred for others, the purpose of which is to perpetuate their dictatorship in power for at least another generation. They know if they can reach the youth of today, and indoctrinate them with their false teachings, that the probability is that they will retain power for at least a generation. The youth problem in the United States cannot be solved by inaction and inattention, as some advocate. There is more concerned than mere dollars and cents. When young men and women are unable to obtain employment due to the world-wide conflagration that has enveloped us, the appropriation made by the subcommittee, and the increase sought by the Johnson and the Collins amendments, administered through the National Youth Administration, constitutes an investment that will return large dividends in future years to our country and ourselves. This money is being spent to inculcate into the minds of our youth, particularly those who are the beneficiaries, the real meaning of democratic processes of government. The appropriation of this money gives hope in the future to thousands of the youth of our country. I submit that the Johnson amendment should be adopted. If it is not, then I am in favor of the amendment offered by the gentleman from Mississippi [Mr. COLLINS]. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. FITZPATRICK].

Mr. FITZPATRICK. Mr. Chairman, I am in sympathy with the amendment to increase the appropriation for the National Youth Administration. I feel it is necessary at this time. I think it is better to take the youth off the streets and the highways of this country and those places where so often they go astray and afoul of the law. I think it much better to put them in schools where they will be educated to make a living and become self-supporting. I do not care if we increase the Budget providing we can take care of the unemployed youths of this land who will be the future citizens of tomorrow to make and administer the laws of our country. For this reason I am going to support this amendment to increase the appropriation. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Chairman, I do not desire to chide Members for their position with regard to matters of this sort. Although yours may not agree with mine, I realize you have your opinions and the right to adhere to your opinions just as I have the right to adhere to mine, but I do hope you will not see proper to adopt either one of these amendments; and I say this as one who is as deeply interested in the program of the National Youth Administration as any Member of this House could possibly be.

We must use some reason, some judgment, restrain our enthusiasm somewhat, in undertaking to make provision for those things we think highly desirable and beneficial to the people of our country. Who started this youth program? The President of the United States started it in 1935 by Executive order. How much did he provide for it? Approximately $42,000,000. The exact figures are $42,331,268 for the fiscal year 1936. In 1937 the amount was $65,000,000 approximately; in 1938 it was $48,000,000; in 1939 it was $74,997,762; and for the present fiscal year it was $99,979,240. The average for the 4 years is approximately $83,000,000. In stating these amounts, I have in mind the amounts actually allocated to N. Y. A., not amounts spent in its behalf by the Treasury Department for accounting or disbursement.

The amount reported in this bill for the National Youth Administration is $85,000,000, which is more than the average for the 4 years. If we are to have a successful program, we must not build it to proportions so elaborate that when taken together with appropriations made for other humanitarian agencies of the Government that are being carried on the total of the appropriations rise to the point where the credit of the Government may be unable to sustain the program, with the possible result that the whole structure will crash, and instead of getting the wonderful benefits we are receiving and should continue to anticipate through the C. C. C., the N. Y. A., and the other humanitarian activities of the present administration, the work of the last several years will, in effect, be destroyed through economy moves that may veer as far toward niggardliness as you are now being asked to veer toward extravagance. When you vote to increase the amount of the Budget estimate for this item you disagree with the President himself, who started this program and who says that the Budget estimate provides an amount sufficient for carrying it on in an orderly way, and you do not, in my opinion, vote for the benefit of the youth of America. You vote, in my judgment, to endanger further expansion and the possible successful continuance of this program. The man who votes for any and all increases in the amount proposed here by the Budget is not, in my judgment, thereby demonstrating his friendship for American youth.

I do not believe there is anything else I could say within the few minutes allowed me that would aid in your decision of the issue before the House. I desire to repeat that I feel the subcommittee have dealt as generously as it is possible for reasonable men to deal with this item in the appropriation bill. Every man on the committee had the interest of this program at heart. No man desired to hamper it in any way. All we desire is for it to be carried on in as extended a way as may be practicable under present financial conditions; and certainly we did not feel that the committee would be justified, or that the membership of the House would be justified in providing $15,000,000, or any other amount, in excess of the Budget estimates which we have approved.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Georgia has expired. All time has expired.

Mr. NICHOLS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NICHOLS. In what order will the amendments on the Speaker's desk be voted on?

The CHAIRMAN. The question will first occur upon the amendment offered by the gentleman from Oklahoma [Mr. JOHNSON] to the amendment offered by the gentleman from Mississippi [Mr. COLLINS].

Mr. NICHOLS. Mr. Chairman, I ask unanimous consent that the amendment may be again reported in order that the House may be advised as to what it is voting on.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk again read the Johnson amendment.

Mr. KELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KELLER. When will the vote occur on the amendment offered by the gentleman from New York?

The CHAIRMAN. That will be the next amendment to be voted on.

The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 108, noes 111.

Mr. JOHNSON of Oklahoma and Mr. NICHOLS demanded tellers.

Tellers were ordered, and the Chair appointed Mr. HARE and Mr. JOHNSON of Oklahoma to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 144, noes 133.

So the amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from New York [Mr. TABER].

Mr. TARVER. Mr. Chairman, I move the Committee do now rise.

The question was taken; and on a division (demanded by Mr. NICHOLS) there were—ayes 147, noes 83.

Mr. NICHOLS. I demand tellers.

Tellers were ordered, and the Chair appointed Mr. SHEPPARD and Mr. NICHOLS to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 160, noes 101.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. RAYBURN, having resumed the chair, Mr. BUCK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 9007, the Labor Department-Federal Security appropriation bill, 1941, had come to no resolution thereon.

MEDAL IN COMMEMORATION OF THE THREE HUNDREDTH ANNIVERSARY OF THE DEVELOPMENT OF GREENWICH, CONN.

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7806) to authorize the striking of an appropriate medal in commemoration of the three hundredth anniversary of the establishment of Greenwich, Conn., as a town.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in commemoration of the three hundredth anniversary of the establishment of Greenwich, Conn., as a town, and the granting of a charter for such establishment, there shall be struck at a mint of the United States to be designated by the Director of the Mint 50,000 commemorative medals of a special appropriate single design, size, weight, and composition to be fixed by the

Director of the Mint with the approval of the Secretary of the Treasury.

SEC. 2. Such commemorative medals shall be delivered to the duly authorized officers of Greenwich Tercentenary Committee upon payment to the Director of the Mint of an amount to be fixed by the Director of the Mint not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Directors of the Mint shall be furnished to indemnify the United States for the full payment of such cost.

SEC. 3. Whoever shall falsely make, forge, or counterfeit or cause or procure to be falsely made, forged, or counterfeited or shall aid in falsely making, forging, or counterfeiting any medal issued under the provisions of this act, or whoever shall sell or bring into the United States or any place subject to the jurisdiction thereof from any foreign place, or have in his possession any such false, forged, or counterfeited medal, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TARVER. Mr. Speaker, I ask unanimous consent that all Members who have discussed the appropriation bill in the Committee of the Whole today may have 5 legislative days in which to extend their own remarks in the RECORD on that bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today, and to incorporate in connection therewith certain tables which I have.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. ALLEN]?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial on airplanes from the Adrian (Michigan) Daily Telegram.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

Mr. SMITH of Washington and Mr. KEFAUVER asked and were given permission to extend their own remarks in the RECORD.

COMMITTEE ON UN-AMERICAN ACTIVITY

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. EBERHARTER]?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, once again the Special Committee on Un-American Activities has made the first page of the newspapers all over the country. This was accomplished by sending an airplane on a dash to my home city of Pittsburgh in order to pick up what it thought was a very renowned Communist. The facts as developed by the investigation of the matter are that the party which this committee went to the expense of sending an airplane to Pittsburgh for was a man well known to practically all Pittsburghers, a man who is at present on relief, drawing the sum of $4.40 a week from the relief authorities.

We authorized this committee to spend, I think, $75,000 this year. All the information obtained from this particular person could have been obtained by simply writing a letter to the Communist, who has avowed his principles by letters to newspapers and by every other method to the general public for years; and I protest against this sort of procedure, this waste of the taxpayers' money simply for publicity purposes.

[Here the gavel fell.]

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include in the RECORD at this point an editorial on this subject which appeared in the Pittsburgh Press of yesterday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The editorial referred to follows:

[From the Pittsburgh Press of March 26, 1940]

WASTING GOOD MONEY

James H. Dolsen has been an active Communist in Pittsburgh for many years. So far as we know, he has never tried to hide his sympathies. He is registered as a Communist. And he has bombarded this newspaper for years with letters to the editor denouncing capitalism and lauding communism.

Considering that, we are surprised to see the Dies committee dramatically seize Dolsen, rush him to Washington by airplane, and hail him before the committee for questioning as if he were a person of mystery or importance. Aside from the questionable legality of such a method of corraling a witness, we never thought Dolsen was important enough, in Communist or any other circles, to rate such treatment, and such an expenditure of taxpayers' money. He is what is popularly known among newspapermen and politicians as a petty pest.

Even the intimation that Dolsen may be an Ogpu agent leaves us cold. We doubt very much if any espionage service, including that of the Russians, would engage as an agent somebody as blatant as Dolsen. Spies are supposed to be subtle people. Dolsen, in contrast, parades his communism at every opportunity and makes of himself a nuisance.

The whole procedure strikes us as rather silly and a waste of taxpayers' money. If the committee wanted to find out whether Dolsen is an ardent Communist, which is all they learned from questioning him yesterday, they could have done so simply by spending a 3-cent stamp on a letter.

Dolsen, and we speak from practical experience, would have respondent to the invitation to tell all about himself with a willingness that would have made gullible MARTIN DIES' head swim.

* * * * * * *

POSTSCRIPT: After this editorial was written the Dies committee cited Dolsen for contempt, because of refusal to answer certain questions. This is a perfect example of trying to make a whale out of a sardine. Here is an agitator of such trivial proportions that he's only worthy of serious attention by the relief authorities—from whom he gets $4.40 a week—treated as if he were an international spy from an E. Phillips Oppenheim novel.

EXTENSION OF REMARKS

Mr. JENKS of New Hampshire. Mr. Speaker, I ask to have printed in the RECORD in connection with the speech I made today an article which appeared in the Manchester Union Leader on the subject of wages and hours.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD, and include therein several telegrams and letters regarding the wage and hour law.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. NICHOLS asked and was given permission to revise and extend his own remarks in the RECORD.

STATE TITLE OF ALABAMA

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATRICK. Mr. Speaker, a few days ago I had occasion to mention to this body that the World Almanac had referred to Alabama as the Lizard State. I never thought I would hear about it any more, and spoke only in the hope that we might induce the World Almanac to refrain from calling us the Lizard State. We are the Cotton State.

Mr. PARSONS. Mr. Speaker, will the gentleman yield?

Mr. PATRICK. I yield to the gentleman from Illinois.

Mr. PARSONS. Does the gentleman desire to insert the World Almanac in the CONGRESSIONAL RECORD?

Mr. PATRICK. Not the entire World Almanac. I thank the gentleman for suggesting it, however. It may be a good idea, but we will take that up at another time.

But it has resulted in the organization of a group called the Alabama Committee for Correction of State Titles. Incidentally, I suggest it would be a good idea for all States that

are having troubles with State titles to take up the same idea. A resolution was drawn up by this group and forwarded to the Congress of the United States, but I shall not take the time to read it. E. Homer Brooks, of Birmingham, Ala. is president of the organization and chairman of the committee. It was suggested at its meeting by resolution that we get together as Representatives in Congress for the State of Alabama and provide that this State and all other States be protected from being arbitrarily dubbed with a wrong title. It could accidentally stick and refuse to be jarred loose and the State be forced to journey down the avenue of time with the door shut behind it. Therefore I wish to again, on the floor of Congress, remind the publishers and editors of that excellent work, the World Almanac, that the eyes of the Alabama Committee for Correction of State Titles is upon them and they would do well to think twice, or three times, before adopting a general policy of taking liberties with State titles. I thank you.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain telegrams and clippings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SCHWERT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter and a resolution on the St. Lawrence waterway.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MURDOCK of Arizona and Mr. RICH asked and were given permission to revise and extend their own remarks in the RECORD.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an extract from the Eagle magazine.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the N. Y. A. in Connecticut.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address made by the late Speaker Clark.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement made by the Secretary of War today before the House Committee on Military Affairs on the question of the sale of airplanes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. STEAGALL] be permitted to extend his own remarks in the RECORD and to include therein a few excerpts from letters and telegrams.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a telegram received from a college in my district.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LEAVE OF ABSENCE

Mr. THILL. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHAFER] be granted an indefinite leave of absence because he was called back to Milwaukee on account of the critical illness of his mother.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two short tables, two short newspaper articles, and some excerpts from hearings.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

NATIONAL YOUTH ADMINISTRATION

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD and to include therein a telegram received by me this afternoon from the gentleman from Maine [Mr. BREWSTER] in reference to the N. Y. A. appropriation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The telegram referred to follows:

BANGOR, MAINE, *March 27, 1940.*

Hon. FRANK KEEFE,
House Office Building:

Maine and Vermont support National Youth Administration and call as witnesses Governor Aiken, of Vermont; President Hauck, of University of Maine; and Dr. Bertram E. Packard, Maine Commissioner of Education. For good measure, include Governor Baldwin, of Connecticut; and Henry A. Harriman, of Boston; former president of the New England Power Co.; and the New England Chamber of Commerce to substantiate the New England faith in this approach to industrial development for our youth. Owen D. Young, a former New Englander, goes much further in his approach to this problem. The N. Y. A. program here in Maine has met with the cordial commendation of all educational and industrial leaders who have investigated its operation under the charge of Capt. Charles Huet, of the Maine National Guard. You may use this wire in any way you desire as occasion makes it advisable.

RALPH O. BREWSTER, M. C.

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, in the debate this afternoon I indicated that I would include in my remarks a letter from Mr. H. E. Wolfe, of Deer River, Minn., in connection with the C. C. C. program. I ask unanimous consent that I be permitted to do so.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

COMMITTEE ON IMMIGRATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the Committee on Immigration may be permitted to sit during the session of the House until 1 o'clock tomorrow afternoon. We need this extra hour to take the testimony of certain witnesses.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ADJOURNMENT

Mr. TARVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.) the House adjourned until tomorrow, Thursday, March 28, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 2, 1940:

H. R. 7169, authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation.

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation on Friday, March 29, 1940, at 10:30 a. m., for the consideration of H. R. 9930.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 2, 1940, at 10:30 a. m., in room 328, House Office Building, for the consideration of H. R. 3648.

COMMITTEE ON THE JUDICIARY

On April 2, 1940, at 10:30 a. m., there will be continued before Subcommittee No. 4 of the Committee on the Judiciary, a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building, and will be continued on the following dates: April 3, April 9, and April 10, at 10:30 a. m.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in reports on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HOBBS: Committee on the Judiciary. Supplement to part II to accompany S. 607. An act bringing Menominee Indians within Compensation Act (Rept. No. 1759). Referred to the Committee of the Whole House on the state of the Union.

Mr. CALDWELL: Committee on Appropriations. H. R. 9109. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes; without amendment (Rept. No. 1886). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 490. Joint resolution providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee; without amendment (Rept. No. 1887). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 8772. A bill to amend the act of August 23, 1912 (37 Stat. 414; U. S. C., title 31, sec. 679); without amendment (Rept. No. 1888). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 9016. A bill to amend the joint resolution creating the Niagara Falls Bridge Commission; without amendment (Rept. No. 1890). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 495. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair, 1939, authorizing an appropriation therefor and for other purposes", approved July 9, 1937, to provide for participation in the New York World's Fair, 1940, to authorize an appropriation therefor, and for other purposes; without amendment (Rept. No. 1892). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 429. Joint resolution to provide for participation of the United States in the Golden Gate International Exposition at San Francisco in 1940, to continue the powers and duties of the United States Golden Gate International Exposition Commission, and for other purposes; with amendment (Rept. No. 1893). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. H. R. 8785. A bill for the relief of Blanche W. Stout; without amendment (Rept. No. 1889). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 8868. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Bolinross Chemical Co., Inc.; without amendment (Rept. No. 1891). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARE:

H. R. 9110. A bill to revise the method of determining the annual payments to be made by the United States to the several States in which conservation lands subject to the jurisdiction of the Department of Agriculture are situated, to repeal existing acts inconsistent herewith, and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of Indiana:

H. R. 9111. A bill to exempt from the 10-percent limit on obligations to a national banking association obligations secured by liens on readily marketable nonperishable staples; to the Committee on Banking and Currency.

By Mr. McGRANERY:

H. R. 9112. A bill conferring jurisdiction upon the Court of Claims of the United States to consider certain claims arising out of the Tariff Act of 1922; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 9113. A bill to donate to the city of Seattle a totem pole carved by the Alaskan Native Civilian Conservation Corps; to the Committee on Labor.

By Mr. NICHOLS:

H. R. 9114. A bill authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a Recorder of Deeds Building in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANDOLPH:

H. R. 9115. A bill to authorize the Commissioners of the District of Columbia to provide for the parking of automobiles in the municipal center; to the Committee on the District of Columbia.

By Mr. LANHAM:

H. R. 9116. A bill designating building guards employed in buildings under the jurisdiction of the Federal Works Agency as United States Building Police, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. BUCK:

H. R. 9117. A bill to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine, and for other purposes; to the Committee on Ways and Means.

By Mr. MANSFIELD:

H. R. 9118. A bill to provide for the reimbursement of travel expenses to certain employees of the Corps of Engineers, United States Army; to the Committee on Rivers and Harbors.

By Mr. MOUTON:

H. R. 9119. A bill to amend section 301 (a) of the Sugar Act of 1937; to the Committee on Agriculture.

By Mr. SMITH of Virginia:

H. R. 9120. A bill to amend section 9 of an act entitled "An act to prevent pernicious political activity," approved August 2, 1939 (— Stat. —); to the Committee on the Judiciary.

By Mr. MAY:

H. R. 9121. A bill to authorize the establishment of boundary lines for the Wilmington National Cemetery, North Carolina; to the Committee on Military Affairs.

By Mr. COOLEY:

H. R. 9122. A bill to provide a mixed civil and criminal term of 2 weeks at Raleigh of the United States District Court for the Eastern District of North Carolina; to the Committee on the Judiciary.

By Mr. KING:

H. R. 9123. A bill to approve Act No. 65 of the Session Laws of 1939 of the Territory of Hawaii, entitled "An act to amend Act 29 of the Session Laws of Hawaii, 1929, granting to J. K. Lota and associates a franchise for electric light, current, and power in Hanalei, Kauai, by including Moloaa within such franchise;" to the Committee on the Territories.

H. R. 9124. A bill to approve Act No. 214 of the Session Laws of 1939 of the Territory of Hawaii, entitled "An act to amend Act 105 of the Session Laws of Hawaii, 1921, granting franchise for the manufacture, maintenance, distribution, and supply of electric current for light and power within Kapaa and Waipouli in the district of Kawaihau on the island and county of Kauai, by including within said franchise the entire district of Kawaihau, island of Kauai"; to the Committee on the Territories.

By Mr. MOUTON:

H. J. Res. 500. Joint resolution relating to the conditions for payment with respect to sugarcane harvested from certain plantings in the mainland cane-sugar area; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to consider their resolution with reference to beach erosion; to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNES:

H. R. 9125. A bill for the relief of the heirs of Ora Lee Ruble; to the Committee on Claims.

By Mr. CLUETT:

H. R. 9126. A bill granting an increase of pension to Amelia B. Rice; to the Committee on Invalid Pensions.

By Mr. ENGLEBRIGHT:

H. R. 9127. A bill for the relief of W. A. Facht; to the Committee on Claims.

By Mr. FAY:

H. R. 9128. A bill for the relief of Vincenzo (James) Di Maggio; to the Committee on Immigration and Naturalization.

By Mr. GEYER of California:

H. R. 9129. A bill granting a pension to Harry E. Duffield; to the Committee on Invalid Pensions.

By Mr. GOSSETT:

H. R. 9130. A bill for the relief of Leonard A. Shelton; to the Committee on Claims.

By Mr. EDWIN A. HALL:

H. R. 9131. A bill granting an increase of pension to Marion Vorhees; to the Committee on Pensions.

By Mr. HOUSTON:

H. R. 9132. A bill granting an increase of pension to Lenora Royal; to the Committee on Invalid Pensions.

By Mr. McANDREWS:

H. R. 9133. A bill for the relief of the Inland Bonding Co.; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 9134. A bill for the relief of Walter D. Hellum; to the Committee on Claims.

By Mr. O'NEAL:

H. R. 9135. A bill for the relief of Frederick W. Gausman; to the Committee on Military Affairs.

By Mr. POLK:

H. R. 9136. A bill granting an increase of pension to Harriet C. Thoroman; to the Committee on Invalid Pensions.

By Mr. SMITH of Virginia:

H. R. 9137. A bill for the relief of John F. Jackson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7198. By Mr. BUCK: Memorial of the Assembly of the State of California, Assembly Joint Resolution No. 16, relative to memorializing the President and Congress against the passage of legislation to prohibit the filing of separate income-tax returns by spouses in reference to community income; to the Committee on Ways and Means.

7199. By Mr. MICHAEL J. KENNEDY: Petition of the Joint Board for Dressers and Dyers, 5,000 members, opposing reductions in the appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7200. Also, petition of the National Grange, favoring enactment of the administrative-law bill (H. R. 6324); to the Committee on the Judiciary.

7201. Also, petition of the American Communications Association, Postal Local 36–A, representing 3,000 members, protesting against the reduction of appropriations for the

National Labor Relations Board and the Wage and Hour Administration; to the Committee on Labor.

7202. Also, petition of the International Association of Machinists, protesting against reduction in appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7203. Also, petition of the United Federal Workers of America, New York Regional Council, supporting House bill 6327, which will allow automatic increases in salary for customs employees; to the Committee on Ways and Means.

7204. Also, petition of the New York State Industrial Union Council of the Congress of Industrial Organizations, representing 900,000 members, protesting against reduction of appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7205. Also, petition of the Transport Workers Union of America, opposing reduction in appropriation for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7206. Also, petition of the New York Joint Board, Textile Workers' Union of America, opposing reduction in appropriations for the National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7207. Also, petition of the Steel Workers Organizing Committee, opposing reduction in appropriation bill for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7208. Also, petition of the Utility Workers Organizing Committee, opposing reduction in appropriations for National Labor Relations Board and Wage and Hour Administration; to the Committee on Labor.

7209. By Mr. MARTIN J. KENNEDY: Petition of the American Communications Association, New York City, Postal Local 36–A, concerning reduced appropriations for the National Labor Relations Board and Wage and Hour Administration; to the Committee on Appropriations.

7210. Also, petition of the International Association of Machinists, Washington, D. C., concerning reductions in the budgets of the Wage and Hour Division of the Department of Labor and the National Labor Relations Board; to the Committee on Appropriations.

7211. Also, petition of the United Cigar Workers Union, Local No. 273, New York City, concerning reduction in appropriations for the National Labor Relations Board and the Wage and Hour Administration; to the Committee on Appropriations.

7212. Also, petition of the United Cannery Agricultural Workers, District No. 7, New York, concerning reduction in appropriations for the National Labor Relations Board and Wage and Hour Administration; to the Committee on Appropriations.

7213. By Mr. KEOGH: Petition of the New York State Industrial Union Council, opposing any reduction of appropriation for National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7214. Also, petition of Michael J. Quill, Transport Workers Union of America, opposing any reduction in appropriation for National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7215. Also, petition of the International Association of Machinists, Washington, D. C., concerning reductions of the Wage and Hour Division and National Labor Relations Board; to the Committee on Labor.

7216. Also, petition of Central Queens Allied Civic Council, Inc., Jamaica, Queens County, N. Y., favoring the Barry bill (H. R. 7636), providing for a 2-cent postage rate on first-class mail matter within the boundaries of the county of Queens, N. Y.; to the Committee on the Post Office and Post Roads.

7217. Also, petition of the Union Bag and Paper Corporation, New York City, concerning the Sugar Act of 1937; to the Committee on Foreign Affairs.

7218. Also, petition of the Furriers Joint Council of New York City, opposing any reduction in appropriation for the National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7219. Also, petition of the Utility Workers Organizing Committee, opposing any reduction in appropriation for National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7220. By Mr. RAYBURN: Petition of sundry citizens of Fannin County, Tex., to restore the disability allowance to veterans of the World War who were cut off the rolls by the Economy Act; to the Committee on World War Veterans' Legislation.

7221. By Mr. TINKHAM: Petition of sundry residents of Massachusetts favoring enactment of the General Welfare Act (H. R. 5620); to the Committee on Ways and Means.

7222. By the SPEAKER: Petition of the United Furniture Workers of America, Local 616, Congress of Industrial Organizations, New Castle, Ind., petitioning consideration of their resolution with reference to Senate bill 591 concerning the United States Federal Housing Authority; to the Committee on Banking and Currency.

7223. Also, petition of the Mary Jemison Chapter, National Society, Daughters of the American Colonists, New York, N. Y., petitioning consideration of their resolution with reference to set aside August 25 as "Mary Ball, Mother of Washington Day"; to be observed annually with proper ceremonies throughout the Nation, in commemoration of Mary Ball Washington, the mother of George Washington, the Father of his Country; to the Committee on the Judiciary.

7224. Also, petition of L. R. Bowker, of Rock Island, Ill., and others, petitioning consideration of their resolution with reference to the Hatch bill (S. 3046); to the Committee on the Judiciary.

7225. Also, petition of the International Association of Bridge, Structural and Ornamental Iron Workers, Local 172, petitioning consideration of their resolution with reference to United States Housing Authority program; to the Committee on Banking and Currency.

7226. Also, petition of the United Cannery, Agricultural, Packing, and Allied Workers of America, Congress of Industrial Organizations, Local No. 32, Elwood, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

SENATE

THURSDAY, MARCH 28, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O Lord, our heavenly Father, the high and mighty Ruler of the universe, who dost from Thy throne behold all the dwellers upon earth: Most heartily we beseech Thee, with Thy favor to behold and bless Thy servant the President of the United States, and all others in authority; and so replenish them with the grace of Thy Holy Spirit, that they may always incline to Thy will, and walk in Thy way. Endue them plenteously with heavenly gifts; grant them in health and prosperity long to live; and finally, after this life, to attain everlasting joy and felicity; through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 27, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 7806) to authorize the striking of an

appropriate medal in commemoration of the three hundredth anniversary of the establishment of Greenwich, Conn., as a town, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1955. An act to authorize the Secretary of Agriculture to delegate certain regulatory functions; and

H. R. 6724. An act to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Schwellenbach
Ashurst	Frazier	Lodge	Sheppard
Austin	George	Lucas	Shipstead
Bankhead	Gerry	Lundeen	Smathers
Barbour	Gibson	McCarran	Smith
Barkley	Gillette	McKellar	Stewart
Bilbo	Glass	McNary	Taft
Bone	Green	Maloney	Thomas, Idaho
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Tobey
Byrnes	Harrison	Murray	Townsend
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Reed	Wiley
Davis	Johnson, Colo.	Reynolds	
Donahey	King	Russell	
Downey	La Follette	Schwartz	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Nebraska [Mr. BURKE], the Senator from Virginia [Mr. BYRD], the Senator from Alabama [Mr. HILL], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Illinois [Mr. SLATTERY], the Senator from Missouri [Mr. TRUMAN] are absent from the Senate on public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained from the Senate.

The PRESIDENT pro tempore. Eighty-five Senators having answered to their names, a quorum is present.

ALFRED G. BALLS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation for the relief of Alfred G. Balls, former special disbursing agent, Alaska Railroad, Anchorage, Alaska, which, with the accompanying paper, was referred to the Committee on Claims.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of the Treasury, War, Justice, the Post Office, the Navy, the Interior, Agriculture, Commerce, and Labor (3), the Federal Security Agency, the Federal Works Agency (2), and the Government Printing Office, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. GIBSON members of the committee on the part of the Senate.

EXTENSION OF TIME FOR JOINT COMMITTEE ON FORESTRY TO REPORT

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 51, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the time for making the report of the Joint Committee on Forestry (established pursuant to S. Con. Res. 31, 75th Cong.) is hereby extended to April 1, 1941, and any amounts available for the expenses of such committee shall be available for expenditure until such date.

Mr. BANKHEAD. Mr. President, the same day House Concurrent Resolution 51 was passed the Senate passed an exactly similar resolution. They have crossed each other. Each House has passed a concurrent resolution, but the same resolution has not passed both Houses. There is no opposition to the measure. There is nothing in it but an extension of time for filing the report. I ask unanimous consent for the present consideration and adoption of the House concurrent resolution.

There being no objection, the concurrent resolution was considered and agreed to.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of the Illinois Department of the Polish American Council for Relief in Poland, Chicago, Ill., praying that the rendering of all aid and relief from the American people for the peoples of Poland and Czechoslovakia be supervised through American agencies and not through the German Red Cross, which was referred to the Committee on Foreign Relations.

Mr. WILEY presented a resolution of the Board of Supervisors of Milwaukee County, Wis., protesting against reduction of the appropriation for the W. P. A. and consequent increase of the relief load in Milwaukee County, which was referred to the Committee on Appropriations.

Mr. BARBOUR presented the following concurrent resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Agriculture and Forestry:

Whereas beach erosion in several of the municipalities bordering along the Atlantic Ocean in the State of New Jersey and particularly along the shores of Cape May County is continuing to an alarming extent, causing destruction of bathing beaches and valuable property of the public; and

Whereas these beaches are visited by large numbers of people in the summer months from all parts of the Nation seeking health and recreation; and

Whereas valuable tax property is being destroyed and finances of the municipalities are not sufficient to successfully combat this erosion; and

Whereas the loss caused by this erosion is one of national significance: Now, therefore, be it

Resolved by the House of Assembly of the State of New Jersey (the senate concurring), That the Congress of the United States is hereby memorialized to recognize the condition as set forth in the preamble of this resolution as one of national significance, and that such proper steps be taken to appropriate moneys sufficient in amount to give such financial aid as may be necessary to cope with the problem and directly aid the prevention of further erosion; and be it further

Resolved, That true copies of this resolution, signed by the speaker and attested by the clerk, be forthwith transmitted to the Representatives of New Jersey in both Houses of Congress, the President of the Senate and the Speaker of the House of Representatives.

Mr. BARBOUR also presented the following resolution of the House of Assembly of the State of New Jersey, which was referred to the Committee on Commerce:

Whereas the Federal Government is about to take the decennial census of the inhabitants of the United States; and

Whereas advance information indicates it is proposed to extend the data to be collected to a point that will prove embarrassing to and violate the privacy of the citizens of this country; and

Whereas there is a growing resentment from the people of New Jersey against certain of the proposed questions which they are to be interrogated upon, the claim being that they transgress their constitutional rights and privileges and tend to destroy the secrecy of their personal affairs: Now, therefore, be it

Resolved, That we members of the House of Assembly of the State of New Jersey, having the best interests of our citizens at heart, do hereby oppose this proposed infringement upon the privacy of the personal affairs of our citizens; and be it further

Resolved, That we urge our Representatives in Congress to support any move to prevent any such imposition and unnecessary snooping into the private affairs of the people of this country; and be it still further

Resolved, That a copy of this resolution signed by the speaker and attested by the clerk be forwarded promptly to each Representative in Congress from the State of New Jersey and to the Vice President of the United States and Speaker of the House of Representatives in Congress.

The VICE PRESIDENT laid before the Senate a resolution identical with the foregoing, which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. CHANDLER, from the Committee on the Judiciary, to which was referred the bill (S. 2303) authorizing the continuance of the Prison Industries Reorganization Administration, established by Executive Order No. 7194, of September 26, 1935, to June 30, 1941, reported it without amendment and submitted a report (No. 1348) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 993) for the relief of J. H. Wootton, reported it with amendments and submitted a report (No. 1349) thereon.

Mr. HUGHES, from the Committee on Claims, to which was referred the bill (S. 3233) for the relief of C. T. Jensen, reported it with an amendment and submitted a report (No. 1350) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H. R. 4561) for the relief of Mrs. George C. Hamilton and Nanette Anderson, reported it with an amendment and submitted a report (No. 1351) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 5812. A bill for the relief of Marguerite P. Carmack (Rept. No. 1352); and

H. R. 5866. A bill for the relief of Howard Daury (Rept. No. 1353).

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (H. R. 658) for the relief of the estate of Dr. B. L. Pursifull, Grace Pursifull, Eugene Pursifull, Ralph Pursifull, Bobby Pursifull, and Dora Little, reported it with amendments and submitted a report (No. 1354) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2487. A bill for the relief of Krikor Haroutunian (Rept. No. 1355);

H. R. 5928. A bill for the relief of Ella Ragotski (Rept. No. 1356); and

H. R. 7855. A bill for the relief of Morrison-Knudson Co., Inc., and W. C. Cole (Rept. No. 1357).

Mr. TYDINGS, from the Committee on the District of Columbia, to which was referred the bill (H. R. 3838) to protect trade-mark owners, producers, distributors, and the general public against injurious and uneconomic practices in the distribution of competitive commodities bearing a distinguishing trade-mark, brand, or name through the use of voluntary contracts establishing minimum resale prices and providing for refusal to sell unless such minimum resale prices are observed, reported it without amendment and submitted a report (No. 1358) thereon.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BULOW:

S. 3681 (by request). A bill to amend section 8 (a) of the Independent Offices Appropriation Act approved June 16, 1933, to conform with the amendment of the Independent Offices Appropriation Act, approved June 30, 1935; to the Committee on Civil Service.

By Mr. CHANDLER:

S. 3682. A bill for the relief of the estate of Dr. A. G. Lovell; to the Committee on Claims.

By Mr. KING (for Mr. WHEELER):

S. 3683. A bill to remove the time limit for cooperation between the Bureau of Reclamation and the Farm Security Administration in the development of farm units on public lands under Federal reclamation projects; to the Committee on Agriculture and Forestry.

By Mr. SCHWELLENBACH (for Mr. BURKE):

S. 3684. A bill to provide for the reimbursement of certain officers and men of the Coast and Geodetic Survey for the value of personal effects lost, damaged, or destroyed in a fire aboard the Coast and Geodetic Survey launch *Mikawe* at Norfolk, Va., on October 27, 1939; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 3685. A bill to amend the act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved June 28, 1938; to the Committee on Commerce.

HOUSE BILL REFERRED

The bill (H. R. 7806) to authorize the striking of an appropriate medal in commemoration of the three-hundredth anniversary of the establishment of Greenwich, Conn., as a town, was read twice by its title and referred to the Committee on Banking and Currency.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—AMENDMENT

Mr. ADAMS submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, which was ordered to lie on the table and to be printed.

AMENDMENT TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. WAGNER submitted an amendment proposing to appropriate not to exceed $20,000 for the establishment and maintenance of a mine rescue station to serve the New York and New England area, intended to be proposed by him to House bill 8745, the Interior Department appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

ADDRESS BY SENATOR VANDENBERG ON THE ISSUES IN THE NOVEMBER ELECTION

[Mr. McNARY asked and obtained leave to have printed in the RECORD a radio address on the issues in the November election delivered by Senator VANDENBERG on Monday, March 25, 1940, which appears in the Appendix.]

ADDRESS BY SENATOR MINTON ON HATCH BILL

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD a radio address on the subject of the Hatch bill, delivered by Senator MINTON, which appears in the Appendix.]

SENATOR GUFFEY, OF PENNSYLVANIA

[Mr. HUGHES asked and obtained leave to have printed in the RECORD an editorial from the Philadelphia Record of March 28, 1940, under the heading "Why GUFFEY should be renominated," which appears in the Appendix.]

EDITORIALS PERTAINING TO THE CENSUS

[Mr. TOBEY asked and obtained leave to have printed in the RECORD editorials pertaining to the 1940 census from the Cincinnati Times-Star, the Easton (Pa.) Express, the St. Louis Globe-Democrat, the Salem (Oreg.) Journal, the Concord (N. H.) Monitor, the Oregon Journal, the Kennebec Journal, the New York Sun, the Colorado Springs Gazette, the Bayonne (N. J.) Times, and the Ashland (Ky.) Independent, which appear in the Appendix.]

OPINION OF SUPREME COURT IN ETHYL GASOLINE CORPORATION ET AL. AGAINST UNITED STATES

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD the opinion of the Supreme Court of the United States in the case of Ethyl Gasoline Corporation et al. against the United States of America, which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

[Mr. MEAD asked and obtained leave to have printed in the RECORD a letter from the Buffalo Chamber of Commerce, of Buffalo, N. Y., and a telegram from Mrs. Joseph Palmer, president of the East Aurora (N. Y.) League of Women Voters, relative to the proposed extension of the Reciprocal Trade Agreements Act, which appear in the Appendix.]

RECIPROCAL-TRADE AGREEMENTS

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD a letter from F. E. Mollin, secretary-treasurer of the American National Live Stock Association; an article from National Wool Clip for March 15, 1940; and an article printed in the Grand Forks Herald of February 25, 1940, entitled "Trade Pacts Damaging Agriculture, Buttz Says," all relating to the subject of reciprocal-trade agreements, which appear in the Appendix.]

RECIPROCAL-TRADE AGREEMENTS—EDITORIAL FROM DES MOINES REGISTER

[Mr. HERRING asked and obtained leave to have printed in the RECORD an editorial from the Des Moines Register entitled "Do We Repudiate Dolliver?" pertaining to the Trade Agreements Act, which appears in the Appendix.]

EDITORIAL BY PAUL BLOCK ON BUSINESS RECOVERY

[Mr. DAVIS asked and obtained leave to have printed in the RECORD an editorial by Paul Block on the subject of business recovery published in the Pittsburgh Post-Gazette of March 25, 1940, which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. GEORGE. Mr. President, I hope to be as brief this morning as I may. In order to accomplish that purpose I shall confine myself to a discussion of the question of the delegation of power under the Reciprocal Trade Agreements Act.

In approaching the question of what is and what is not a forbidden delegation of legislative power, it is essential to remember that this is a matter which cannot be settled by the mere application of a rigid formula. The particular legal principle involved is laid down in the first line of article I of the Constitution, where it is stated that—

> All legislative powers herein granted shall be vested in a Congress of the United States. * * *

Our courts and great jurists have recognized that this is one of the constitutional questions which, under our system of government, can be answered wisely only when the general legal principle has been illuminated by the underlying realities of our statecraft.

Coming directly to the Hampton case, Mr. President, Mr. Chief Justice Taft brought the whole question into clear focus in that case when he spoke of the flexible provisions of the act of 1922, as follows (*Hampton Co.* v. *United States*, 276 U. S. 394):

> In determining what it [the Congress] may do in seeking assistance from another branch [the Executive], the extent and character of that assistance must be fixed according to common sense and the inherent necessities of the governmental coordination.

Further quoting:

> If Congress shall lay down by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform, such legislative action is not forbidden delegation of legislative power.

The vital relationship of the Trade Agreements Act to the "common sense and inherent necessities of the governmental coordination," of which Mr. Chief Justice Taft spoke, is fully seen when we think of this act in its true bearing as an exercise by Congress of the power to regulate commerce rather than as a taxing measure. There cannot be the slightest doubt that this is the light in which the act would be appraised by our courts, as I attempted to show yesterday.

There is no need to review here the situation which required Congress to take this step to protect and promote our overseas commerce. The record of congressional consideration of this measure in 1934, 1937, and 1940 gives concrete and unmistakable meaning to the express statement in the act that it is a measure "for the purpose of expanding foreign markets for the products of the United States."

Mr. President, it will be recalled that reference was made yesterday to the University of Illinois case; and I do not care to quote the language which I cited yesterday, but I do wish to quote a little further from the opinion in that case. This was said with reference to the Tariff Act:

> The purpose to regulate foreign commerce permeates the entire congressional plan. The revenue resulting from the duties "is an incident to such exercise of the power. It flows from but does not create the power."

The Trade Agreements Act is essentially an effort to regulate our foreign commerce so as to restore a mutual and beneficial flow of trade. As the greatest business community in the world, perhaps, we certainly know that there can be no one-way trade lane, that trade must be mutually profitable in order to be sustained at all.

Mr. Chief Justice Hughes, in the quotation which I have already read, said further:

> Congress may, and undoubtedly does, in its tariff legislation consider the conditions of foreign trade in all its aspects and effects. Its requirements are not the less regulatory because they are not prohibitory or retaliatory.

In enacting the so-called flexible tariff provisions in 1922 and 1930 Congress was primarily concerned with attempting to regulate imports in accordance with difference in costs of production at home and abroad, a theory running through those two tariff acts. During recent years the situation of world trade was such that it was imperative for Congress to address itself quickly and effectively to another vital aspect of our foreign commerce theretofore largely neglected, namely, the distribution of our goods in foreign markets. That was a point which I undertook to emphasize in my address yesterday.

The Trade Agreements Act rests upon the principle of bargaining to open foreign channels of distribution and markets so as to restore a normal flow of trade. This could not be accomplished by merely dealing with tariff duties, which are only one means of regulating the flow of international trade. In fact, in many cases the principal restrictions to our trade encountered in other countries have not been tariffs but rather quotas, exchange control, and other more stringent forms of governmental regulation.

This is well illustrated in the Netherlands agreement. The Netherlands maintain a very low tariff, a tariff which might be properly described as a tariff for revenue. The general level of the Netherlands duties on exports from the United States to the Netherlands is probably in the neighborhood of 10 to 12 percent, but there were other measures which were adopted and which had to be guarded against in the agreement in order to continue the flow of commerce and trade with that government.

Mr. President, the Trade Agreements Act was designed to and in practice has permitted us to deal with all those varying types of trade regulation which have been used by other governments. Likewise, on our part we have in the trade agreements, whenever necessary, used such devices as customs quotas in order to permit the restoration of trade, and at the same time to safeguard the normal flow of trade from untoward developments.

Yesterday, at the conclusion of what I stated in the Senate, the question arose as to whether any court review was possible under the reciprocal-trade agreements. Some facts have been brought to my attention, and on further reflection I think there is no question of doubt that the quotas proclaimed by the President, imposed under the Trade Agreements Act, open the way for a definite and clear test of the validity and constitutionality of the Trade Agreements Act.

Under section 514 of the Tariff Act I think, on reflection, the conclusion is compelled that when imports from a given country reach the level of the quota fixed by the United States, and any importer is then denied the right to bring in further merchandise of a particular description, the way is open in the courts for a fair, square, direct, and immediate test of the constitutionality of the whole act, because the quotas have been fixed, as well as duties modified or changed within the 50 percent range, up or down, under the Trade Agreements Act.

Perhaps there are other ways in which the question can be raised, but I do not believe there is a doubt that the question

can be raised, and can be raised now, because the quota imposed upon certain Canadian imports certainly will reach, if it has not already reached, the limit of the quota. The moment that limit is reached, it is open to any importer, or to any person desiring to import a further quantity of the articles subject to the quota, to raise the question of validity of the quota imposed under the Trade Agreements Act.

Mr. President, the Congress could not effectively deal with this situation in any other way than by setting up a flexible procedure which could operate through negotiations with the various foreign countries. We all understand that there must be a certain amount of flexibility in handling any problem by negotiation. This point I tried to emphasize yesterday in the debate.

Let us see, now, whether the principle declared in the Trade Agreements Act is an intelligible principle laid down by the legislative branch of the Government within the rule in the Hampton case, in which case there was a unanimous decision of the Supreme Court. The Trade Agreements Act has but one purpose—and I invite Senators who are now present to follow what I am about to say as closely as they can, in view of other things which may be somewhat distracting. The Trade Agreements Act has but one purpose, namely, "expanding foreign markets for the products of the United States." The Congress has prescribed the limitations and policies to which the President must conform in carrying out this purpose through the negotiation of foreign trade agreements. The law fixes a basic limitation, in the first place, of 50 percent within which tariff modifications may be made. Within this basic limitation, the President must adhere to the policy prescribed in the act of—

> Regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production, and so that foreign markets will be made available * * * by affording corresponding market opportunities for foreign products in the United States.

Thus, the adjustments made must be determined, within the basic 50-percent limitation, by both "the characteristics and needs of various branches of American production" and the "corresponding market opportunities" which are made available to American producers by the concessions secured from the other government in the agreement.

The tariff adjustments made under the act are subject both to the basic limitation of 50-percent changes and the facts found in regard to the needs and characteristics of various branches of American production. The actual determination of the rates within these two limitations is governed by the corresponding market opportunities for American producers which the other government makes available by its concessions. In short, within the bargaining range fixed by the two limitations mentioned above, the trade-agreement tariff rates and the other provisions for regulating the flow of our foreign commerce are determined pursuant to the intelligible principle of bargaining for "corresponding market opportunities."

Mr. President, the act provides further that only such tariff modifications may be made as are required or appropriate to carry out any foreign trade agreement. This means that only those products may be affected which are of sufficient interest to a foreign country to warrant its agreeing on its part to grant compensatory concessions on our exports.

It will be seen that the bargaining process prescribed in the act constitutes a very definite limitation on the items which may be dealt with at all, as well as a standard or principle, as has been stated above, which guides the Executive in determining the actual reductions which are to be made.

Finally, it is to be noted that no agreement may be entered into unless the President finds as a fact that existing duties or other import restrictions of the United States or of the foreign country in question are unduly burdening and restricting the foreign trade of the United States, and that the purpose of the act will be promoted by such an agreement.

It can be stated emphatically that the experience of the past 6 years, during which some 20 trade agreements have been concluded, has demonstrated that these limitations and standards have real significance in guiding the action of the Executive in carrying out the policy laid down by Congress.

In the first place, the basic 50-percent limitation prescribed by the law has cut the field of possible action in half. Secondly, before negotiations are commenced with any country the interdepartmental trade agreements organization, which is made up of experts representing the Tariff Commission, and the Departments of State, Agriculture, Commerce, and Treasury, and other interested Government agencies, makes a thorough study of each product which might be the subject of a concession by this country to the other country. In the case of each such item the characteristics and needs of various branches of American production are carefully studied and as the result of these studies some items are eliminated from consideration entirely, on other items the particular reductions which might be justified, within the 50-percent range of action, are determined by the facts found with respect to the characteristics and needs of domestic production.

At this point, Mr. President, I wish to insert the statement of Commissioner Fox, of the Tariff Commission, before the Committee on Ways and Means, descriptive of the factual inquiries made and of the actual steps taken in the negotiation of a reciprocal-tariff agreement.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

Under the reciprocal trade agreements program, involving as it does complex and highly technical problems, there has been developed an effective procedure for gathering and analyzing factual data, and a system of checks and balances has been evolved. To insure the proper consideration of the material gathered, a number of agencies have been set up. Before any agreement is formulated, these agencies examine thoroughly all available information bearing on the trade between the United States and the country with which negotiations are under consideration. To this work are assigned competent technical, economic, and other experts, who review and sift the mass of pertinent information furnished by domestic producers, trade associations, and others interested in the commodities that may be affected.

Since the trade agreements program was initiated during the depression, each agreement had to be planned with extreme caution. The selection of commodities on which the rates of duty were to be reduced demanded meticulous care. To effect any modification of trade barriers by foreign countries the United States had to reduce some of the tariffs, but tariffs could not be indiscriminately reduced. The level to which particular rates could be lowered and the effect of each change had to be judiciously weighed. This could best be done by experts and organizations qualified to examine objectively the economic and competitive factors affecting the trade in each commodity.

Since tariff revision by Executive authority through negotiations with foreign governments represents a new procedure in American administrative practice, new machinery had to be created. New agencies had to be set up and a new procedure developed for handling the work. Direct responsibility for the work is vested in the Department of State, which has charge of the actual negotiations of all agreements. All departments interested, however, are represented on interdepartmental committees; these committees assist in the preparation of the necessary material, review all data, consider all problems, and make decisions subject to approval by higher officials. As a result of the 5 years' operation of the trade agreements program, there is now closer cooperation between the departments in foreign trade matters than ever before.

The agencies and steps involved in the trade-agreements procedure are as follows:

A. Agencies:
1. Trade Agreements Division.
2. Interdepartmental Trade Agreements Committee.
   (a) Country subcommittees.
   (b) Commodity subcommittees.
   (c) Special subcommittees.
3. Committee for Reciprocity Information.

B. Procedure:
1. Exploration.
2. Formal notice of intention to negotiate.
3. Hearings by Committee for Reciprocity Information.
4. Studies by committees.
5. Negotiations.
6. Proclamation.

From our observation, no other country in the world has our facilities for gathering the underlying facts. In a number of the agreements negotiated there were instances of our having more complete information regarding trade matters for the particular country than did its negotiators.

A. AGENCIES

1. Trade Agreements Division of State Department: Upon the passage of the Reciprocal Trade Agreements Act, the Department

of State created a new division, that of Trade Agreements. This Division handles all trade-agreement matters in the Department of State and coordinates the trade-agreement activities of the different departments. The Chief of this Division is Mr. Harry Hawkins. In 30 years' experience inside and outside the Government, I have met few men more conscientious or with finer character and greater ability than Mr. Hawkins.

2. Interdepartmental Trade Agreements Committee: This committee is composed of representatives of the Departments of State, Commerce, Agriculture, and Treasury, and of the United States Tariff Commission. The Chief of the Trade Agreements Division of the State Department is its chairman.

The Interdepartmental Trade Agreements Committee directs all necessary studies, reviews the reports and recommendations of its subcommittees, and approves, subject to final approval by the Secretary of State and the President, all details of the agreements. This committee in turn has organized a number of supporting committees, the most important of which are the "country" committees.

(a) Country subcommittees: For each country with which a trade agreement is contemplated, or is in process, a subcommittee is organized. It is composed of representatives from the various departments. Each country committee prepares reports giving the economic background and the trade between the United States and the country with which an agreement is contemplated, together with a detailed analysis of the economic factors pertinent to each commodity concerning which a concession is to be considered.

The representatives of the Tariff Commission supply these committees with data concerning each import item on which a concession may be granted to the particular country. The representatives of the Commerce Department furnish the data on export items on which the United States may request concessions. Experts of the Department of State prepare the so-called general provisions of each trade agreement, and the Department of Agriculture furnishes special information on agricultural commodities. The representatives of the Treasury supply information on customs and tariff classifications.

The country and trade-agreements committee are in a position to take a realistic view of the concessions the particular country is likely to demand and of its attitude toward our requests, for the committee, usually has sitting with them, during the preparation and review of the basic material, and sometimes during the negotiations, the American commercial attaché stationed in that country. The country subcommittees report directly to the Trade Agreements Interdepartmental Committee. I want to point out, too, that the members of these country committees do not have an easy time when they come before the Interdepartmental Trade Agreements Committee. They must be prepared on the basic economic facts to be considered and they must be able to defend any suggestion they make. And, likewise, the trade-agreements committee must be able to justify its recommendations before the higher officials.

These country subcommittees continue in existence even after the trade agreement has been consummated, watching carefully the import and export trade with the particular country and being ready to help solve any trade agreement problem that may arise pertaining to the country. It must be obvious that the members of the country committees, selected in the first instance for their expert knowledge, have had the opportunity to become thoroughly versed in the trade of the country and the economic problems relating thereto.

Some idea of the comprehensiveness of the study made for each country may be had from a statement concerning the volume of material gathered for the agreement with Belgium. The summarized analytical data on the commodities for which concessions to Belgium were to be considered covered 15 large volumes each the size of a large telephone book and filled one section of a standard office bookcase. Although concessions were ultimately made to Belgium on only 47 items, studies were made for 165 commodities on which concessions might conceivably have been made to that country. Many of these items were rejected for concessions by the various committees even though no representations respecting them had been made by interested parties.

Following the proclamation of practically every trade agreement made, the United States Tariff Commission has prepared a document containing digests of the trade data with respect to products on which concessions were made to the particular country. Such documents have been prepared for Belgium, Brazil, Canada (two), Czechoslovakia, Finland, the Netherlands, Sweden, Switzerland, Turkey, and the United Kingdom.

The United States Tariff Commission is a fact-finding and fact-reporting agency. It is now, and has been ever since its creation in 1916, an independent organization. At all times, the major task of its staff of experts is to keep abreast of developments in their respective fields in the United States and elsewhere and to have up-to-date information respecting them. The Commission is thus always prepared to serve the Congress and the President with data on any tariff or import item and to cooperate with other Government departments or agencies in matters pertaining to import and foreign trade.

It may be of interest for me to describe how a digest of information for any particular product is prepared in the Tariff Commission before its representative on the country committee submits it to that committee. The digest is prepared in the first instance by an economist working in conjunction with a commodity expert. It is then reviewed by the chief of the commodity division concerned and by another economist, then examined by the Commission's planning and reviewing committee, then finally reviewed by a subcommittee of the Commissioners. During the past year this subcommittee of Commissioners happens to be composed of the three Republican members of the Commission. The digest is then submitted by the representative of the Commission to the particular country committee for consideration and for suggestions as to changes in duty, the Tariff Commission representative being one of the committee.

The meetings of the country committee are held in the Tariff Commission offices when import items are considered, and commodity experts familiar with the subjects under consideration are invariably called into the meeting for consultation and participation in the discussion. These experts are also present when the subjects are considered by the interdepartmental trade-agreements committee. Oftentimes, when there is need for information in addition to the large fund already available in the Tariff Commission's files, a commodity expert and an economist are sent into the field to consult with the domestic producers and importers in order to obtain such additional information.

The nature of the information covered for any particular product in the digest prepared by the Tariff Commission for the country committee may also be of interest. Not all of the items which I am going to list are included for each product, but certainly all that have any pertinency to the product and for which data are available. The list I am going to read really constitutes a check list, the purpose of which is to make certain that all economic phases of each product are covered.

PRODUCT A

Concessions sought by country M.
Representations made through Committee for Reciprocity Information:
  Opposing a reduction in duty.
  Favoring a reduction in duty.
Rank of country M as supplier.
Status: Present over-all picture of trade between United States and country M.
Bargaining importance.
Description and uses of product.
Present duty and tariff history.
Equivalent ad valorem over a period of years.
Effectiveness of duty, including its relation to other duties.
Relations of duty to domestic control programs.
Raw material and domestic sources of supply.
Domestic consumption and markets.
Localization of foreign competition.
Domestic production.
Cost of production and competitive factors, such as methods of production, comparability as to quality, technological changes, and other similar factors.
Imports.
Principal sources of imports.
Importance of United States market to foreign suppliers.
Foreign controls of prices and markets, including cartel operations.
Exports.
Selection of country for bargaining.
Competitive conditions and probable effect of concessions.
Reclassification, compensatory rates, and customs administrative problems.
Other pertinent economic factors favorable to making concession and unfavorable to making concession.

(b) Commodity subcommittees: For the most important commodities or groups of commodities there are also "commodity" committees upon which technical exports from the various governmental departments serve. These committees assemble all essential information with respect to their commodities, and study the effects which changes in rates of duty on these commodities might have upon the economic situation in the industry or upon other industries.

I hold in my hand the textile commodity report with reference to Belgium. In this report is given a detailed story with respect to every textile item on which Belgium might conceivably ask a concession from us, and also a detailed story with respect to each textile item respecting items on which we might get a concession from Belgium. As a result of that sort of a study made by commodity experts, the various committees are able to get a realistic picture of each particular commodity or group of commodities.

(c) Special subcommittees: The special subcommittees were appointed to study complicated economic problems such as quotas, monetary and foreign exchange, and tariff reclassifications.

3. Committee for Reciprocity Information: I turn now to the Committee that we have heard discussed a number of times today, the Committee for Reciprocity Information—another important instrument for carrying out the trade-agreements program. This Committee, created by Executive order of June 27, 1934, is composed of the Vice Chairman of the Tariff Commission, who is the Committee Chairmain, and representatives of the Departments of State, Agriculture, Commerce, and Treasury.

Upon the announcement that a trade agreement is to be undertaken with a particular country, a date for a public hearing is set, 30 or more days thereafter, and a date for the filing of briefs. The purpose of this hearing is to give an opportunity to interested parties (producers, importers, exporters, and consumers) to appear and present information upon the particular subjects in which they are interested. In the hearings held thus far and in the briefs filed thus far, parties at interest have usually set forth the reasons why particular rates of duty should or should not be reduced, have called attention to specific restrictions in foreign countries which

deterred the flow of trade, and have attempted to show what concessions should be sought from the foreign country with which negotiations are undertaken. Transcripts of each hearing, together with all briefs submitted and all correspondence on each subject, are summarized carefully by the technical experts and economists of the Tariff Commission, and the summarized statements are circulated among the members of the country and trade-agreements committees, and other interested Government officials. This new service assures consideration of the representations of all interested parties.

I hold in my hand here the digest of the hearings of the agreement with Belgium. The first part, the green sheets, consists of summary statements of the witnesses in regard to export items. The yellow sheets in the back, and you see there are very many more of them, cover the statements of witnesses who appeared in regard to import items.

Now, in addition to these statements, a brief summary of all correspondence is circulated among the members of the Committee for Reciprocity Information. Nobody ever appears, files a brief, or sends a letter to that Committee in regard to any trade-agreement matter without the information so submitted being summarized and put before the people who are going to have anything at all to do with the trade agreements.

Besides the summaries above referred to the original briefs and letters are available to those who are going to have a part in the negotiations and in the working up of the agreement.

In addition to its formal hearings, the Committee for Reciprocity Information holds many conferences with interested parties. The Chairman and executive secretary of the Committee are constantly available for interviews with persons having questions to ask concerning trade-agreement matters.

During the last 5 years the Committee for Reciprocity Information has been reorganized and its personnel strengthened. Practically all members are now also members of the Trade Agreements Committee. When a hearing is announced, there is published a list of the commodities for the use of interested parties in order that they may know definitely the import items which may be involved in the negotiations. These are only a few of the many improvements which have been made in procedure during the last 5 years.

Service on these various committees has brought together men and women who are peculiarly qualified to deal with the subjects under consideration. To them the records and information, both public and confidential, of the various Departments have been made available. On numerous occasions technical Government experts have been called before these committees as consultants. Most of the members of these committees, together with a large supporting staff in a number of the Government Departments, devote all of their time—days, nights, and holidays over considerable periods—to trade-agreements work. It is their main job.

Now, as to the procedure under the trade-agreements program. I shall describe briefly these six steps listed here. But before I leave the question of agencies, I want to say that what is done in the trade agreements by any of these trade-agreement agencies and in any of those proceedings is no mystery. It is the very same thing that the members of the Ways and Means Committee do. They are conscientious in the service they render their country.

You may not always agree with the result, but as far as the procedure is concerned I don't think there is any possibility of disagreement.

B. PROCEDURE

First then as to exploration. When an interest is manifested in a particular trade agreement, the interdepartmental trade agreement committee has a special study made for the particular country. If this special study leads to the conclusion that an agreement is feasible, the possibility of making such a trade arrangement is explored through diplomatic channels. Without publicity all phases of the trade relations between the two countries are analyzed and the problems outlined. During these explorations a friendly search is made for solutions to these problems.

Now, let us, without revealing anything out of school, assume that we face the period prior to the announcement of the British trade agreement. Don't you believe for one moment that the question of preference didn't come up and that had England been unwilling to modify those preferential treatments you would never have had the second step—an announcement to negotiate. So during this first exploratory period some of the outstanding difficulties are often cleared away. If they can't be cleared no one hears about it. If they can we go on to the next step.

Now, the second step is the formal notice of intention to negotiate and the publication of a list of concession items. When it is determined that an agreement is possible, a formal notice of intention to negotiate is published by the Secretary of State, together with a list of products on which the United States will consider granting concessions. This list is sometimes supplemented by other lists, but not all products in the list will finally be included in the trade agreement, should one be consummated. Simultaneously the Committee for Reciprocity Information issues notice of the date of public hearing and of the last date for submission of briefs.

Then comes the third step—the public hearings by the Committee for Reciprocity Information, at which interested parties are given an opportunity to present their cases. These are followed, as I have indicated, by many conferences and interviews.

Studies by committees: After the members of the country committee have carefully reviewed all available data gathered for it by the experts of the various departments, or presented by interested parties before the Committee for Reciprocity Information, or prepared by special committees organized from time to time, they report to the Trade Agreements Committee. Their report gives the essential economic background for the particular country, the outstanding restrictions that should be removed or modified, and detailed economic information and recommendations concerning each commodity on which it is suggested that a concession be granted to, or requested from, the other country. After considering this report, the Trade Agreements Committee prepares a special report, setting forth the concessions which it recommends, for review by State Department and other high Government officials and for final approval by the President of the United States.

Actual negotiations: Now, the next step is the actual negotiations. One of the gentlemen on the committee this morning asked: "Why don't you at the very beginning, at the early part of the operations, choose negotiators?" Well, our method is far superior. A few members of the Country and Trade Agreements Committees, serving as negotiators, undertake actual negotiations with representatives of the foreign country. One of the negotiating group is invariably an experienced negotiator from the Department of State who has previously served as a member of the country committee. After months of conferences during which many problems are referred back to the Country and Trade Agreements Committees, a tentative trade agreement is prepared. This is given careful review by both the particular country committee and the Trade Agreements Committee before it is recommended for official acceptance.

I want to make another point concerning the committees that I have described and the procedure which I have indicated. Let us assume that the men who are assigned in the first place to a country committee or to any step in the proceedings are dumbbells. And we try not to pick dumbbells. We choose men for their particular expertness. Certainly by the time they are through working on a particular country they have become thoroughly versed, not only in the problems of that country but with respect to the problems in our country of the products which that country supplies us.

The proclamation: Finally, the President of the United States, after his review and formal approval of the agreement by the foreign government, issues a proclamation putting the agreement into effect and prescribing the date for its enforcement.

The new rates apply to all countries except those whose treatment of American commerce the President has found to be discriminatory, or such as tends to defeat the purposes of the Trade Agreements Act.

This recital of procedure should suffice to show that, before any trade agreement is formulated, all available information regarding our trade with the country concerned is carefully scrutinized. Technical, economic, and other experts in the several departments are consulted, and all information furnished by interested parties is carefully reviewed. It must be obvious that there are many and varying points of view and that there is a great deal of study, deliberation, and debate before final decision in any matter is reached. Some decisions represent a compromise of conflicting views, but no decision is reached without carefully weighing the economic consequences of each action or consideration of the general public's interest.

Opinions may differ as to the merits of any particular action taken under the trade-agreements program, but it is difficult to see how anyone familiar with the procedure which I have outlined can fail to be impressed by its thoroughness. Those who have carefully followed the trade-agreements program admit that a new tariff technique far in advance of previous methods is being developed.

The trade-agreements program has an excellent personnel, a good, constantly improving procedure, and scientific technique; it assumes a rational, common-sense attitude; there are adequate checks and balances; a keen desire to be guided by general public interest; and increasing evidence that every action is being watched to safeguard and protect the legitimate interests of American producers, agriculture, and labor.

May I, in conclusion, read the following statement:

"I will also stress the fact that in carrying out the trade-agreement policy by Mr. Hull, great credit should be given to the fact there has been no suspicion of political influence regarding the reduction in duties on any article placed on the reciprocal-trading list. I believe that everyone who has had occasion to contact the staff that makes up the schedules must admit that regardless of whether we approve of the policy or not, the agreements are prepared solely from the viewpoint of endeavoring to increase foreign trade with the least injury to domestic industries."

This statement was made by none other than Mr. William L. Munro, president of the American Tariff League at the annual meeting of that organization in 1938.

Mr. GEORGE. Mr. President, in many cases these determinations with respect to the characteristics and needs actually fix a further limitation in the case of particular items which narrows the range of the negotiations much more than the basic 50-percent limit. Thereafter, and only within the range fixed either by the basic limit of 50-percent change or the limitation fixed by the characteristics and needs of each

branch of production, depending upon which is the more restrictive limitation, the actual negotiations take place. Within the range fixed by these limitations the actual reductions made in our duties are determined by the principle of bargaining for reciprocal concessions which will afford corresponding market opportunities. That is almost identically the legislative principle declared in the tariff act which was discussed yesterday, and which was reviewed by the Supreme Court of the United States.

In many cases this bargaining standard has itself cut down the amount of the reduction which we might otherwise have made within the limitations fixed by the 50-percent base or the facts found with respect to the characteristics and needs of domestic production. If the other country is not willing to grant us concessions which in one form or another give us corresponding market opportunities, then the very application of this bargaining standard results in our cutting down the size of the concessions which we would otherwise be warranted in granting.

In short, negotiations under the Trade Agreements Act with respect to the reduction of our tariff rates are never carried on below the limits fixed by the 50-percent base and the characteristics and needs found to be applicable to specific items; and within the bargaining range established by these limits the actual reductions are made only in accordance with the corresponding market opportunities which are afforded to American export products by the other country's concessions.

Manifestly, these limitations and standards constitute an intelligible principle or standard for the guidance of the Executive which, in the words of Chief Justice Taft, accords with "common sense and the inherent necessities of the governmental coordination." These limitations and standards compare very favorably with the standards contained in the flexible provisions of the Tariff Acts of 1922 and 1930 which authorized the Executive to adjust tariff rates on the basis of the difference between the cost of production of goods in the United States and foreign countries, or to change tariff rates or to exclude articles from importation on the basis of findings of—

> Unfair methods of competition and unfair acts * * * the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated * * * or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce.

The quotation is from the Tariff Act of 1930.

These provisions were upheld by the courts in the case of *Hampton Co.* v. *United States* (276 U. S. 394), *Frischer* v. *Bakelite Corp.* (39 Fed. (2d) 247), and *Frischer* v. *Elting* (60 Fed. (2d) 711). I believe the latter case was a circuit court of appeals decision.

The same favorable comparison is to be found between the standards of the Trade Agreements Act and the reciprocally unequal and unreasonable standard of the reciprocity provisions of the Dingley Act of 1890, which was upheld in the case of *Field* v. *Clark* (143 U. S. 649). Certainly the standards laid down in the Trade Agreements Act are no degree less precise than the "just and reasonable" and "necessary or desirable in the public interest" standards which have been prescribed for the guidance of the Interstate Commerce Commission in regulating railroad rates under the interstate-commerce clause and which have been upheld by the courts. In the case of Federal Communications Commission against Pottsville Broadcasting Co., decided by the Supreme Court January 29, 1940, Mr. Justice Frankfurter said with respect to the statutory provisions governing the regulation of broadcasting—and I invite the careful attention of Senators who are present to this excerpt:

> In granting or withholding permits for the construction of stations, and in granting, denying, modifying, or revoking licenses for the operation of stations—

And this is the only intelligible principle laid down in the act—

> public convenience, interest, or necessity was the touchstone for the exercise of the Commission's authority. While this criterion is as concrete as the complicated factors for judgment in such a field of delegated authority permit, it serves as a supple instrument for the exercise of discretion by the expert body which Congress has charged to carry out its legislative policy. * * *

Thus, even tested by the constitutional principles which govern legislation which does not involve international affairs the Trade Agreements Act is clearly supported by the precedents and the court decisions. However, as has been stated above, this act is in fact directly and importantly related to our international affairs. The Trade Agreements Act was predicated upon the vital necessity of adopting a procedure which would permit Congress to fulfill its responsibility to regulate our foreign commerce so as to relieve and protect our overseas trade from excessive and arbitrary interference by foreign governments. The express purpose of the act is to expand foreign markets for American products; and this purpose is to be achieved, and under the circumstances can only be achieved, by negotiations with the foreign governments which control and regulate access to those markets. Viewed in this light alone the act stands squarely within the bounds of the Constitution as laid down by the Supreme Court in the case of *United States* v. *Curtiss-Wright Export Corporation* (299 U. S. 304 (1936)), where it was stated that:

> It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved.

Some opponents of the trade-agreements program have attempted to distinguish the Curtiss-Wright case. It has been said that no question of delegation of power was involved, as the Executive was merely exercising his constitutional powers in the field of foreign affairs. This clearly is not so. The action taken by the President in prohibiting the sale of arms and munitions of war in the United States to the countries engaged in armed conflict in the Chaco was solely an exercise of the power which was delegated to him by the Congress. The Executive, in the field of foreign affairs, or elsewhere, has no authority himself to prohibit sales or to lay embargoes—he gets that power only when and as Congress vests it in him. The delegation-of-power issue was directly raised in the Curtiss-Wright case. Mr. Justice Sutherland stated the issue as follows:

> It is contended that by the joint resolution the going into effect and continued operation of the resolution was conditioned (a) upon the President's judgment as to its beneficial effect upon the reestablishment of peace between the countries engaged in armed conflict in the Chaco; (b) upon the making of a proclamation, which was left to his unfettered discretion, thus constituting an attempted substitution of the President's will for that of Congress; (c) upon the making of a proclamation putting an end to the operation of the resolution, which again was left to the President's unfettered discretion; and (d) further, that the extent of its operation in particular cases was subject to limitation and exception by the President, controlled by no standard. In each of these particulars appellees urge that Congress abdicated its essential functions and delegated them to the Executive.

The Court rejected each of these contentions, stating that—

> Both upon principle and in accordance with precedent, we conclude there is sufficient warrant for the broad discretion vested in the President.

The foreign-affairs aspect of this case related to the fact that the President was authorized to exercise the power by proclamation only after he had found that such action might contribute to the reestablishment of peace between those countries, and after he had consulted with other governments with a view to securing their cooperation. In the case of the Trade Agreements Act the conduct of our foreign affairs is, if anything, more directly involved, since the authority granted to the President can only be exercised through international agreements. Likewise, contrary to the suggestion made by some, there is a direct parallel between the objectives of the arms-embargo resolution and the Trade Agreements Act—both are primarily and directly concerned with effecting a change in a foreign situation. In the case of the

arms embargo the purpose was to contribute to peace in the Chaco by prohibiting the sale of arms in the United States. In the Trade Agreements Act the purpose is to restore and protect our markets in foreign countries by permitting the sale of certain foreign goods in this country through carefully regulated reductions of our tariffs. The striking parallel between these two acts on the constitutional question is inescapable as long as the purpose and true nature of the trade-agreements program is kept in mind. It is a program for the restoration of a flow of foreign trade, and the adjustment of our tariffs is merely a means of effecting that objective and not the objective.

Mr. President, I wish to read very briefly from an opinion in which the Court held that the delegation of power was an unauthorized delegation and that, therefore, the particular provision of the act under consideration was void. I do not care to read at length, although the opinion is an exhaustive one. The opinion is by the able Chief Justice of the Supreme Court.

Mr. President, we often find what the law is by reading a case which holds to the contrary of what we have immediately under consideration. I think that a reading of the case of *Panama Refining Co.* v. *Ryan* (293 U. S. 388) at the October 1934 term of the Supreme Court illustrates the point I have tried to make. The Chief Justice, speaking for the Court in that case, found that section 9 (c) of the old National Recovery Administration Act constituted an attempt unlawfully to delegate legislative powers. The Chief Justice says of that section:

> Section 9 (c) * * * does not attempt to control the production of petroleum and petroleum products within a State. It does not seek to lay down rules for the guidance of State legislatures or State officers. It leaves to the States and to their constituted authorities the determination of what production shall be permitted. It does not qualify the President's authority by reference to the basis or extent of the State's limitation of production. Section 9 (c) does not state whether, or in what circumstances, or under what conditions the President is to prohibit the transportation of the amount of petroleum or petroleum products produced in excess of the State's permission.

Let me read that again:

> Section 9 (c) does not state whether, or in what circumstances, or under what conditions the President is to prohibit the transportation of the amount of petroleum or petroleum products produced in excess of the State's permission.

It establishes no criterion to govern the President's course. It does not require any finding by the President as a condition of his action. The Congress, in section 9 (c), thus declares no policy as to the transportation of the excess production. So far as this section is concerned, it gives to the President an unlimited authority to determine the policy and to lay down the prohibition, or not to lay it down, as he may see fit. And disobedience to his order is made a crime punishable by fine and imprisonment.

Even in that case there was a dissent, although it seems that the Court stood upon perfectly sound ground. There was a dissent by that eminent Associate Justice, now deceased, Mr. Justice Cardozo, in which he said that it was the duty of the Court not merely to scrutinize the language of the particular section but to look through the entire act to find, if possible, whether or not the legislative branch of the Government had laid down an intelligible principle. He thought that he had found such an intelligible principle; but it is to be noted, Mr. President, as the Supreme Court said in that case, that even when the President found facts to exist which he was not required to find, he then had the final decision as to whether he would issue his proclamation prohibiting the transportation of petroleum or petroleum products in interstate commerce, or whether he would withhold such proclamation. In that case, as I see it, the Congress clearly had not placed any duty upon the President after having laid down an intelligible principle for his guidance.

Mr. President, I think there is a misconception—which I formerly held—in regard to the delegation of legislative power. I hold to the view—and I think it is a correct one—that Congress may not delegate legislative power. In its true sense legislative power must be retained by the Congress. I think there has been a misconception—and I confess that I also have held to that view, as I have just said—of what the Congress must do in order to delegate its proper power. We have talked about yardsticks. In none of the opinions is there any requirement for an exact yardstick. It is true that in some cases the Court has said, "Here is an exact measure, a standard which we can apply." However, in the case which directly reaches this question, the Hampton case, the Chief Justice, speaking for the whole Court, said:

> It may be that it is difficult to fix with exactness this difference—

That is, the difference between the cost of production abroad and the cost of production at home—

> but the difference which is sought in the statute is perfectly clear and perfectly intelligible.

Mr. President, I very well remember the testimony of Chairman O'Brien, a Republican member of the Tariff Commission under the Hoover administration, who in his appearance before the Finance Committee said that it was practically impossible exactly to measure the cost of production abroad against the cost of production of an article at home.

Continuing to quote from the Chief Justice in the Hampton case:

> Because of the difficulty in practically determining what that difference is, Congress seemed to have doubted that the information in its possession was such as to enable it to make the adjustment accurately, and also to have apprehended that with changing conditions the difference might vary in such a way that some readjustments would be necessary to give effect to the principle on which the statute proceeds. To avoid such difficulties, Congress adopted in section 315 the method of describing with clearness what its policy and plan was and then authorizing a member of the executive branch to carry out this policy and plan.

Mr. President, to repeat what I have already said, or what I have already quoted, the rule laid down is not a yardstick, is not a fixed standard, a definite standard which may be applied with mathematical precision; but the rule is:

> If Congress shall lay down by legislative act an intelligible principle to which the person or body authorized to fix such rate is directed to conform, such legislative action is not a forbidden delegation of legislative power. If it is thought wise to vary the customs duty according to changing conditions of production at home and abroad, it may authorize the Chief Executive to carry out this purpose, with the advisory assistance of a Tariff Commission appointed under congressional authority.
>
> This conclusion is amply sustained by a case in which there was no advisory commission furnished the President—a case to which this Court gave the fullest consideration nearly 40 years ago.

Citing the case of Field against Clark.

In this decision the basic principle bearing directly on the point of analogy between the Court decision sustaining the Interstate Commerce Act and the flexible provision in the Tariff Act is repeated and is emphasized.

So, Mr. President, I pass from the consideration of the two legal questions involved in this case with the statement that undoubtedly in the Trade Agreements Act an intelligible principle is laid down. It is first said that the whole field of negotiation must be cut in half, because the President cannot raise rates more than 50 percent, and he cannot reduce rates more than 50 percent. In the second place, the field is again circumscribed by the competitive circumstances and needs of the producer in the United States, by competitive conditions, using a shorter term; and, in the third place, the field is further restricted by prescribing that the kind of bargaining which may be made, within the limitations indicated, shall be such as will procure equal treatment of our exports into the foreign country with which the trade agreement is made. Finally, Mr. President, the legislature has said that not one piece of machinery in the Trade Agreements Act can be made to turn unless the President shall find as a fact that the tariff duties or restrictions upon our commerce imposed under our Tariff Act, or the duties or restrictions imposed by the foreign country, are unduly burdening the flow of our foreign commerce.

There is an intelligible principle; I have no doubt in my own mind that it is an intelligible principle. It is difficult of application, perhaps impossible of exact application, as

the Court said in the Hampton case and as Commissioner O'Brien admitted in his testimony before the Finance Committee; yet the intelligible principle is there, and a body of expert men, working conscientiously under the direction of the Departments of State, Commerce, Agriculture, and Treasury, and the Tariff Commission, representing particularly the State Department and the President of the United States, can apply the intelligible principle enunciated in this act.

Mr. CLARK of Missouri. Mr. President, I do not wish to interrupt the Senator's train of thought.

Mr. GEORGE. I am glad to yield.

Mr. CLARK of Missouri. I simply desire to call the Senator's attention to the fact that Chief Justice Taft was President of the United States in 1910, and he suggested the very same standard long before the Hampton case, when he said in 1910:

> When we understand that the cost of production differs in one country abroad from that in another, and that it changes from year to year and from month to month, we must realize that the precise difference in cost of production sought is not capable of definite ascertainment, and that all that even the most scientific person can do in his investigation is, after consideration of many facts which he learns, to exercise his best judgment in reaching a conclusion.

So it seems that before the Hampton case was decided the same standard was set up.

Mr. GEORGE. I thank the Senator for reading from President Taft, because it illustrates the whole meaning of his decision when he finally reached the conclusion that there is not an exact yardstick, not a standard that can be mathematically administered, but there is an intelligible principle which lies within the power of the Congress to lay down. That is the legislative act, and the mere administration of that act is in the body selected by the Congress to carry out its will.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LUCAS. In order to amplify what the Senator from Georgia is now discussing and what the Senator from Missouri has said, I wish to make this observation.

Thomas W. Page, who at one time was Chairman of the Tariff Commission, in discussing the cost-of-production formula at the time the Hampton case was under consideration, said:

> To use as the basis of a general tariff act a thing so fleeting, evasive, and shadowy would be neither right nor possible.

Mr. GEORGE. I think that is correct.

Now, Mr. President, I am about to conclude. I apologize to the Senate for having detained it so long.

Yesterday the distinguished Senator from Michigan [Mr. VANDENBERG], near the conclusion of his address, took occasion to refer to the equality of treatment provided in the most-favored-nation clause of the numerous agreements we have negotiated, and took occasion also to call attention to the fact that in the present disturbed condition of the world, with war raging in so many different quarters, it would be unwise to renew this authority in the President.

In the hearings before the Finance Committee, the distinguished Senator raised this precise question. He raised it while Mr. Rogers was appearing before the committee. Mr. Rogers is not only a member of the Senator's party but he was Assistant Secretary of State in charge of commercial treaties during the Hoover administration. Senator VANDENBERG propounded this question:

> Senator VANDENBERG. I so completely agree with your statement about the need for flexibility in the present and prospective condition of the world that I do not see how in the world you can rely on as narrow an instrumentality as the trade agreements, which deal almost solely with rates, to meet the impacts we are going to confront. You have already said that the external world is shot through with what you call mercantilism already, bilateral agreements—1,500 of them in the last few years—extreme protectionism; self-containment all around, blocked exchange, embargoes, subsidies—how are you going to deal with all those menaces to our trade through the relative inflexibility even of a trade-agreements program?

Mr. Rogers answered:

> Every choice of a political policy, Senator, is a choice between a bundle of strengths and weaknesses. Any political policy has its weaknesses. This is a question of the net result proportionately of the strengths and weaknesses, and the varying types of policy we can follow. My judgment is, as I was trying to say, that the weaknesses for the United States, particularly in a bilateral bargaining policy, are infinitely greater than the obvious weaknesses connected with the most-favored-nation reciprocity policy.
>
> Senator VANDENBERG. But in a world which is distressed with all of these other artificial interferences, which both of us agree exist to a tremendous degree at the present time, and constantly multiplying, in that kind of a world—first, a world at war, and second, a world facing a subsequent readjustment which will be bitterly competitive—in that kind of a world, it seems to me, that when we pursue the unconditional most-favored-nation policy, we are just bound to get the worst of it.

Yesterday the distinguished Senator from Michigan said "we would lose our shirts."

Continuing his own language in the hearings—

> We are the ones who maintain the ideal which you speak, and the other fellow takes our shirt.

Even in the hearings the Senator from Michigan had discovered that we were about "to lose our shirts."

Mr. Rogers replied:

> If we abandon the principle of equality, which is the word meant by the most-favored-nation clause—if we abandon the principle of equality and proceed to strike special bargains with any country you please, country A at the present moment, our whole structure of economics, international economics, falls in a moment.

I will not read further, but I think Mr. Rogers' statement in the hearings is a rather satisfactory reply to the argument advanced by the distinguished Senator from Michigan.

Mr. President, I have not dealt with the merits of the trade agreements concluded under the Reciprocal Trade Agreements Act. I regret that I did not have the opportunity to devote myself exclusively to that side of the question. I will not now attempt to go into it, beyond the statement that when the war period to which the distinguished Senator from Michigan yesterday referred shall have passed and the world is again attempting to make necessary readjustments, unquestionably international trade relations will be much out of joint; and even before peace shall finally come it is imperative, in my judgment, to retain the only instrumentality, the Trade Agreements Act, under which we can make necessary adjustments even in the twenty-odd trade agreements which have been negotiated and are now in operation between this country and other countries.

It may be that in the rapidly changing circumstances of the time it will become vitally necessary to supplement the agreements already in existence by other agreements in order to protect our interests. If the Trade Agreements Act shall expire, then not only will there be no machinery under which that process can be carried forward but there will be no law which will authorize our Government to attempt to protect itself even against the existing trade agreements which so many distinguished Members of the Senate seem to fear are working great injury to our trade, to our commerce, and to our own domestic affairs.

Mr. President, when the history of the time between 1934 and this hour shall be written coolly and deliberately, it will be found, I dare say, that the Trade Agreements Act advanced by that able and patient and devoted statesman, the distinguished Secretary of State, Hon. Cordell Hull, and energetically supported by the President of the United States, is the only step taken by any great commercial nation during this hectic period looking to the readjustment of trade and commerce between the nations of the earth on anything like an equitable basis that would give us such a flow and volume of commerce, without injury to our own industry and to our own standards, as to make possible a tolerable condition in the commercial relations of the great industrial and commercial countries of the globe.

Mr. AUSTIN obtained the floor.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Schwellenbach
Ashurst	Frazier	Lodge	Sheppard
Austin	George	Lucas	Shipstead
Bankhead	Gerry	Lundeen	Smathers
Barbour	Gibson	McCarran	Smith
Barkley	Gillette	McKellar	Stewart
Bilbo	Glass	McNary	Taft
Bone	Green	Maloney	Thomas, Idaho
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Tobey
Byrnes	Harrison	Murray	Townsend
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Reed	Wiley
Davis	Johnson, Colo.	Reynolds	
Donahey	King	Russell	
Downey	La Follette	Schwartz	

The PRESIDENT pro tempore. Eighty-five Senators having answered to their names, a quorum is present.

Mr. AUSTIN. Mr. President, I am glad I have had the opportunity to listen to all the distinguished debate by the great Senator from Georgia [Mr. GEORGE], for whose opinion I have the utmost respect, not only on account of his great background of legal learning and natural ability, but also because I have found him, in my brief service in the United States Senate, to be a very fair, judicial statesman, who brings to the discussion of our problems here an unusually candid and nonpartison consideration. I think that from his point of view—that is, upon the consideration of powers which I call subordinate powers—his argument is an excellent one. If I could start with the assumption he makes, and add it to my characterization of the powers which he describes, I could follow him. The great difficulty which I encounter at the outset is that I believe the Senate now is concerned not with subordinate powers but with dominant powers—powers not created by any Congress or any parliament on earth. They are the vital, the paramount, the essential things which constitute sovereignty, and they came to the people of the United States because sovereignty never dies. They were not endowed upon the people of the United States. They were never granted to the Federal Government by the States. The powers with which we are dealing today are powers superior to any form of law. They descended to us as a living thing when we cut off our relations with our forefathers across the sea.

We gained no powers by revolution. Our successful revolution merely continued sovereignty which theretofore had existed on this continent in the person of the King, and at that particular time a tyrant, George III.

To me this is one of the most interesting periods of my experience as a United States Senator. I think no more important question has ever engaged my interest than the amendment proposed by the Senator from Nevada [Mr. PITTMAN]. If these undertakings made between the United States and foreign lands are treaties, we have no choice at all, it is not for us to say by statute whether we will or will not ratify them. Why? Because when it devolved upon the people of this country, at the successful termination of the revolution, to administer sovereignty, the people said, "There are certain powers of sovereignty which we will restrict in their operation. We will say that this tyrannical exercise of sovereignty shall never again be possible, for we will divide up the sovereign powers so that no one man and no one department of government can exercise them all."

We were especially careful about sovereignty which concerned the vital matter of foreign relations. We hedged that around by unusual and extraordinary limitations and safeguards. We put two checks on that power. We provided that the Congress should not meddle in the negotiation of our foreign arrangements. We gave the Executive of the United States of America that part of sovereignty which concerned itself with day to day relations with foreign countries, and we did not allow any other department of the Government to interfere with the negotiation of our relations with our neighbors in the world.

The President of the United States has the exclusive authority to negotiate treaties, but when it comes to the consummation of an agreement between another nation and our Nation, having to do with substantial and dominant affairs vital to the life and sovereignty of this Nation, then there is a check upon the transaction at once, and the Senate of the United States is called into the transaction and brought to the table, and it is only by and with the advice and consent of the Senate that treaties are made. They must be negotiated by the President, and they must be made by the President and Senate combined. Why? Because the sovereigns—that is, the people of the United States—considered so important this matter of their relations to Great Britain, a former enemy, and to all other nations which are foreign, that they must secure and safeguard their liberty from destruction by the interference of foreign domination, foreign "isms," foreign influence, foreign power, foreign economics, foreign religion, foreign philosophy, and everything else that was foreign. The life of the Republic as it was viewed then, and as I view it now, depended upon this safeguard, that every individual in the United States shall have representation, through the Senators here assembled under the Constitution, upon the conclusion of an agreement with a foreign country relating to a measure of great public interest, a primary right, a dominant power of the United States.

Why did they say that the Senate should confirm treaties, and that the House should originate legislation which would levy taxes? Obviously these two powers were hitched up in such a way that they could work only if they worked in harmony, but always separately as to the origin of the legislation which affected vitally the liberty and perhaps the safety of the people of this country.

Mr. President, it is the recognition of that difference which constitutes the reason involved here. We say that if these arrangements constitute treaties, then these arrangements are void and invalid unless they have the ratification of the Senate, and there is not a man within the sound of my voice who will deny that. And why? Because it is written? No. Because it is reason. It is because everyone recognizes the fundamental necessity of safeguarding affairs so transcendent as international contracts, to run for a period of time, affecting the public welfare against the possibility of error or of fraud, or of any of those adventitious circumstances which might injuriously affect the result of the exercise of this great and dominant power by one single department of the Government of the United States.

So we have this postulate—and it is something for which I have searched the reports on this legislation and failed to find; it is something I have hearkened for throughout all these debates and failed to hear—that we cannot avoid recognition of the distinction between dominant and subordinate powers when we are handling this amendment, and if we conclude that we are dealing with dominant powers our duty is marked out; there is no evading it.

Choose whichever we wish, ultimately that duty will be effectuated in some way. That duty is that when it comes to a dominant power Congress may not delegate it at all. What is the use talking about yardsticks and standards when we are dealing with a primary power, with several primary powers, as a matter of fact—legislation, taxation, commerce between foreign nations and ourselves, and treaty making. Mention the last, and we know we have named the most important and vital and essentially sovereign power of the American form of government, and we know that is so because of the effect of treaties upon the life and welfare of the Nation.

Montesquieu said that reason is the spirit of the law, that if there be no reason, there is no law. So, Mr. President, that is our situation now in determining whether these are treaties. Who will challenge Vattel as an authority on international law? Who will question the extracts from Vattel quoted by the distinguished Senator from Georgia?

They speak with a venerable soundness which will endure throughout all time, and the recognition of the fact that we may have agreements between nations will not be disputed.

All history shows that mankind depends on agreements between nations not having the dignity or the formality of treaties, to carry on certain transactions which are as clearly marked as the importance of their object makes them.

Senators will remember this definition by Vattel, which has already been referred to. This was in section 153:

> The compacts which have temporary matters for their object are called agreements, conventions, and pactions. They are accomplished by one single act, and not by repeated acts. These compacts are affected in their execution once for all. Treaties receive a successive execution whose duration equals that of the treaty.

Time, therefore, of the effect of the engagement has something to do with the determination of whether that which we enter into is a treaty or a contract. But time is not the only element. All the circumstances surrounding the transaction, especially the effect of the transaction or the contemplated effect of the transaction upon life, upon the public good, these also must be taken into account in considering whether the engagement constitutes a mere agreement or a treaty.

Mr. President, is it because the act itself calls them agreements that we must treat them as agreements? Let me ask to apply all that has been said by the learned Senator from Georgia to the case, if we were to change the word and describe in the act the instruments as "treaties." He would reply, I am sure, "I would not say what I have said as to treaties. I know what I have said as to treaties is fundamentally wrong because I know that treaties must be ratified by the Senate."

I quote from the act of 1930 this small extract:

> Is authorized from time to time—
> (1) To enter into foreign-trade agreements with foreign governments or instrumentalities thereof.

Now change that to read:

> To enter into foreign-trade treaties with foreign governments or instrumentalities thereof.

Would we thus make the engagements authorized by the act treaties? Oh no, Mr. President, we must do something more than hitch a label to these transactions. We must look into the act and see what the scope of the power is, what is contemplated to be done by the President to whom we delegate the power to make these arrangements in order to ascertain whether or not they are treaties. That is a fundamental principle which ought not to require citation, but, since there has been a very full support in decisions for all that has occurred here, I shall call attention to the following from a very early case, that of Wayman et al. against Southard et al., in which Chief Justice Marshall delivered the opinion of the Court. After stating the case, he says:

> It will not be contended that Congress can delegate to the courts, or to any other tribunals, powers which are strictly and exclusively legislative.

And again at another place:

> The line has not been exactly drawn which separates those important subjects, which must be entirely regulated by the legislature itself, from those of less interest, in which a general provision may be made, and power given to those who are to act under such general provisions to fill up the details.

There is an interpretation of our form of government by one of the greatest jurists this country has ever known, a man who specialized in government, and who is attributed to have had tremendous influence upon the molding of our form of government through his remarkably constructive interpretations of the Constitution. There is the postulate. The line has not been exactly drawn between those primary functions which Congress alone may exercise, and those subordinate functions which may be delegated to some other department of the Government to perform for the Congress. There is the early recognition of something that will be found running like a golden thread through all the jurisprudence of this country from that time to this, so axiomatic that scarcely ever will it be found reproduced in exactly the same language that appears there.

Comment on it was made in the case of *United States* v. *Grimaud* (55 L. Ed., pp. 563, 567), from which I read an extract. This was an opinion delivered by Mr. Justice Lamar:

> It must be admitted that it is difficult to define the line which separates legislative power to make laws from administrative authority to make regulations. This difficulty has often been recognized, and was referred to by Mr. Chief Justice Marshall in *Wayman* v. *Southard*, * * * where he was considering the authority of courts to make rules. He there said: "It will not be contended that Congress can delegate to the courts, or to any other tribunals, powers which are strictly and exclusively legislative. But Congress may certainly delegate to others powers which the legislature may rightfully exercise itself." What were these nonlegislative powers which Congress could exercise, but which might also be delegated to others, was not determined, for he said: "The line has not been exactly drawn which separates those important subjects, which must be entirely regulated by the legislature itself, from those of less interest, in which a general provision may be made, and power given to those who are to act under those general provisions to fill up the details.

The same opinion cites Marshall Field & Co. against Clark, a case which is constantly referred to with misapplication, as I believe, a case that will not apply unless it is applied to the delegation of a subordinate power. As I conceive it, this decision relates to the delegation of a legislative act and not to the delegation of the power to make a treaty. But I think Senators will see the application to the case before us now. I read from this language. Again he said:

> In *Marshall Field & Co.* v. *Clark*: * * * The legislature cannot delegate its powers to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes or intends to make its own action depend. To deny this would be to stop the wheels of government. There are many things upon which wise and useful legislation must depend which cannot be known to the lawmaking power and must therefore be a subject of inquiry and determination outside of the halls of legislation.

Again at another place he quotes as follows:

> That Congress cannot delegate legislative power is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution.

Mr. President, it is apparent that every time one tests a proposal to ascertain whether or not it contains the delegation of a primary or dominant power he must consider the proposed legislation and see what its probable effect is. Upon what does it intrude—if it intrudes at all—that belongs exclusively to the Congress because of its importance? So I take the Tariff Act of 1930 and point out that, in the first place, it takes something away from Congress. Can an act of Congress give away or completely invalidate a power of Congress? Think that over. Power arises not from what we do. We do not lift ourselves by our own boot straps. If we have power, we take it from the people, from the source of sovereignty.

I am sure we are ready to admit that treaty making is a power of which we cannot divest ourselves. Treaty making, we are confident, is something that the President cannot do alone. Yet by this act we say that the duration of the so-called agreements shall be 3 years and 6 months from the date of making them. Ah, but the time is longer than that, because we also say that the rate of duty applied to each and every article shall be extended in its effect to articles from all countries on earth—not merely the unconditionally most-favored nations and the conditionally favored nations, but all nations. Can we do that? Let us see. I quote:

> The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly.

Then we added the following provisions, which amplified what we meant by such duties:

> As used in this section, the term "duties and other import restrictions" includes (1) rate and form of import duties and classification of articles; and (2) limitations, prohibitions, charges, and exactions, other than duties, imposed on importation or imposed for the regulation of imports.

Having done that, what about the 3 years and 6 months? When do we come to the end of the obligation which as a

country we have made? Is this a temporary arrangement? We see that by the overlapping which we ourselves make in the act the time involved in which we have divested ourselves of the right to legislate upon duties and import restrictions, rates and forms of import duties, classification of articles, limitations, prohibitions, charges and exactions other than duties, extends to 3 years and 6 months after the date of the last treaty which the United States makes by virtue of the act.

Ah, there is the test! Is it a fundamental power? Is it a primary power? Is it a dominant power? Is it an element of sovereignty that Congress shall legislate with respect to duties and imposts?

Mr. President, the answer is clear. The Constitution of the United States made that matter a primary obligation of the Congress. Not only that, the people hedged that power still further by saying that that kind of legislation shall originate only in one place in the Congress—namely, the House of Representatives, which is always as close to the people as within 2 years of an election. The people said, "We will so tie down this power that we can within 2 years control the purse strings ourselves by changing entirely the personnel of the body which must originate the legislation imposing these duties."

Is that a primary power? Can anyone conceive of anything more essential and vital to sovereignty than the matter of raising revenue or of using duties, imposts, and excises as a means of regulating international trade? What difference does it make whether or not the purpose is to restrict international competition? If we step into that category of powers, namely, the power to levy taxes and imposts, then we can start only in one place with the legislation, and that is in the House of Representatives. Is that a power involved in the act and undertaken to be transmitted to the President? Who can deny it? The act gives the President power "to proclaim such modification of existing duties"—section 350 (a) (2). By making one contract he suspends that power for us for 3 years and 6 months. By making a contract near the end of the time he extends the suspension for 6 years, and so forth. It is absurd; it is ridiculous; it is against reason to claim that the scope of the delegation attempted does not include dominant, essential, vital powers of sovereignty.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Vermont yield to the Senator from New Mexico?

Mr. AUSTIN. I yield.

Mr. CHAVEZ. Would the Senator consider it a delegation of power or an abdication of power?

Mr. AUSTIN. I think it is an attempt to delegate power. It is hardly an abdication, because when we passed the act the assumption was that it was an emergency act, temporary in its nature, and limited in its time. It will be remembered that one section said:

> The authority of the President to enter into foreign-trade agreements under section 1 of this act shall terminate on the expiration of 3 years from the date of the enactment of this act.

So it was not intended to be an abdication. We can scarcely abdicate. I cannot bring myself to admit it anyway. The act was undertaken specifically as an emergency measure, and if the Senator will be patient a moment I shall read what Secretary Hull said about that element when testifying before the Finance Committee of the Senate on April 27, 1934:

> With due respect to this opposing view, it is my judgment that extraordinary conditions call for extraordinary methods of treatment, and that the proposed measure of relief is urgently needed at this time.

Again he said:

> If the exigency requiring the proposed reciprocity trade agreements did not call for reasonably prompt action in many instances, the special and temporary authority asked for would naturally not be sought.

Mr. CHAVEZ. Mr. President, will the Senator further yield?

Mr. AUSTIN. I yield.

Mr. CHAVEZ. What I am trying to get through my mind is this: If we are to consider trade agreements as treaties, we cannot delegate the power to the Executive, because he already has the power to negotiate treaties. But if we were to have nothing to say with reference to ratifying treaties, would we not be abdicating a power which Congress has over that particular subject?

Mr. AUSTIN. Mr. President, I am certain that if the word is applied in a limited way, that is true. For the time being we divest ourselves of the power to legislate on all the subjects comprehended, including the regulation of international commerce and trade, the levying of excise taxes, and so forth. It will be recalled that the levying of excise taxes is involved. Let me say in passing that that is an internal interference of grave importance. Of course, the fundamental function of entering into treaties with foreign nations is involved. All these things are involved in this delegation.

There is one other thing that is very strange, that by the express terms of the act of 1934 we enabled the President of the United States by what we called an agreement to terminate other treaties. Here it is:

> (b) Nothing in this section shall be construed to prevent the application, with respect to rates of duty established under this section pursuant to agreements with countries other than Cuba, of the provisions of the treaty of commercial reciprocity, concluded between the United States and the Republic of Cuba on December 11, 1902, or to preclude giving effect to an exclusive agreement with Cuba, concluded under this section, modifying the existing preferential customs treatment of any article the growth, produce, or manufacture of Cuba.

We do not have to debate, do we, that under the Constitution and the doctrine of inherent sovereignty, the President of the United States, even though he does have the right to negotiate treaties, has not the right to denounce them, amend them, or modify or change them? Congress alone may do that, either through that form of legislation which we all dislike, namely, by treaties duly entered into, negotiated by the President and ratified by the Senate, or by denunciation of the treaty by an act of Congress of both Houses. There is no doubt about it. Then, why question, for a moment, the necessity of the amendment offered by the Senator from Nevada [Mr. PITTMAN]? We must have it because trade agreements are treaties; they are treaties because they involve the exercise of dominant power. They involve the exercise of sovereignty in its highest form. That is why they are treaties, and that is the real reason and sense of it; that is the spirit of the law. Since these are matters that affect the very life and vitality of nationality and the position of the country in the world, since they are that, they require the exercise of the checks and balances which the people placed upon their exercise.

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Vermont yield to the Senator from Illinois?

Mr. AUSTIN. I yield.

Mr. LUCAS. Does the able Senator from Vermont take the position that the reciprocal-trade agreements are treaties in the true sense of the word?

Mr. AUSTIN. Truly.

Mr. LUCAS. May I ask the Senator this hypothetical question: Assuming that the Senator's views upon that point are in error, and that instead of treaties they are international compacts or executive agreements, as is contended by a number of Senators on the floor, would the Senator say that there are sufficient safeguards or sufficient standards or an intelligible principle written into the legislation which would take care of the delegation of power?

Mr. AUSTIN. I am glad to answer that question candidly. I would answer it with the one word "No," but I should like to explain my answer. The standards are withdrawn by express legislation in the act. There were standards, and those standards were not repealed; they still exist as section 336 of the Revenue Act of 1930. Those standards are still the law, and they are quite exact. In a general way, they are covered by the reference to the equalization of costs of production, but

that in nowise adequately expresses the detail of standardization contained in section 336. All the minute characteristics which must be taken into account in ascertaining the differences in cost of production at home and abroad are set forth in the law. Very well. That is the law today. No effort has been made to repeal it. Here it is. I now read from the act whose temporary term is to be extended:

SEC. 2. (a) Subparagraph (d) of paragraph 369, the last sentence of paragraph 1402, and the provisos to paragraphs 371, 401, 1650, 1687, and 1803 (1) of the Tariff Act of 1930 are repealed.

Now, we come to the action taken on the Trade Agreement Act with respect to section 336 of the Tariff Act of 1930:

The provisions of sections 336 and 516 (b) of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act, or to any provision of any such agreement.

Where must we look to find out whether there has been laid down a standard to guide an administrative body? If it is assumed it is a minor matter with which we are dealing, and that it does not affect a vital element of our national life, what do we look to? To nothing more than the act. Then, where do we find any standard in the act? We find that the act prescribes the time when the President may start negotiations for an agreement; we can find the purpose for which he is to enter into an agreement; but we cannot find a single standard upon which the (1) rate and form of import duties and classification of articles, and (2) limitations, prohibitions, charges, and exactions other than duties imposed on importation or imposed for the regulation of imports can be based.

I am willing to say in passing that outside the fundamental questions involved here, which I regard as vital and as timely for discussion, the matter of detail contained in the several treaties is of little importance; for the conditions in the world have entirely upset old standards, and there is no agreement that can be entered into today that will fend off the exigencies of war, such as quota importations and other restrictions, exchange blocs, and all those things that interfere with the normal flow of trade and commerce. So I say that notwithstanding its unimportance, and notwithstanding that any rule we might have applied, such as the rule which I know many persons think is the only one that would apply now—namely, that the standard shall be the difference between landed costs and costs of production here—it would not be of much value today; and who could foresee for 6 months the events which might change the rate now fixed under such a standard? But there is no standard here.

I had a letter this morning showing how important this matter seems to be to an agricultural segment of our population. The letter is from the American Farm Bureau Federation. In an official resolution they have urged that no trade agreements be consummated without the approval of the Secretaries of State, Commerce, and Agriculture. There is nothing in the act to satisfy them. The act says that the purpose of these treaties shall be to expand foreign markets—

for the products of the United States * * * by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States.

That is a noble objective. Probably it is the same objective that is considered by the federation in its letter to me this morning; but there is no way that is laid out, not even a vague way, not even a general rule laid down, that shall be followed by the President in fixing the rates of these duties, and in fixing the limitations, prohibitions, charges, and other exactions.

Mr. President, it will be observed that in discussing this matter I have treated the abolition of the standard as a part of the evidence showing the importance or magnitude of the function we are trying to delegate. We show that what we are trying to turn over to the President is the whole legislative power. To him is the discretion. If, in his judgment, he can attain the objectives named in the act, if he can serve the purpose named in the act, then, when a certain event occurs, he may start his treaty negotiation.

Mr. WHITE. Mr. President, will the Senator from Vermont yield?

Mr. AUSTIN. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Schwellenbach
Ashurst	Frazier	Lodge	Sheppard
Austin	George	Lucas	Shipstead
Bankhead	Gerry	Lundeen	Smathers
Barbour	Gibson	McCarran	Smith
Barkley	Gillette	McKellar	Stewart
Bilbo	Glass	McNary	Taft
Bone	Green	Maloney	Thomas, Idaho
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Tobey
Byrnes	Harrison	Murray	Townsend
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Reed	Wiley
Davis	Johnson, Colo.	Reynolds	
Donahey	King	Russell	
Downey	La Follette	Schwartz	

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present.

Mr. AUSTIN. Mr. President, a further examination of this act shows that another repeal of importance in determining whether these are treaties or agreements occurs in the act; namely, section 516 (b); that is, it is a repeal for the time being. It may be said that it is a suspension. At any rate, it makes not to apply one of the vital rights, one of the important privileges of the American citizen, and that is the privilege of appeal.

We so far valued justice in our system that we provided that when a citizen is in conflict with his Government, the distribution of powers shall be such that no injustice shall occur through tyranny of the Government. So we said: If we have an administrative body or an officer out on the borders representing the United States, and he begins to mistreat our people by putting wrong classifications upon our importations, by exacting too great duties, by applying to us embargoes or quotas or any import restrictions that ought not to be applied, we do not have to bow down abjectly and suffer. We have an appeal to a judicial body which will protect the rights of the citizen and give him a hearing.

Mr. President, that is true with respect to all articles in the United States today excepting those articles which come under the trade agreements. As to them the appeal is suspended. Why? It must have been foreseen that we were doing an exceedingly strange thing, in the first place, in letting a foreign country have something to do with fixing a rate of duty on goods which we import, in other words, letting our President deal with a ruler across the seas to find out how much our tariff duties shall be and what import restrictions shall be laid down here to protect our farmers and our workmen, and then allow an appeal to a judicial body in the United States where freedom exists and where justice is administered. That could not be done. That is confounding confusion. No; if we are going part of the way, and let Russia or Germany or any other foreign nation, no matter under what conditions of servitude their workmen are laboring, to step in here and negotiate with the President of the United States on the rates of customs duties and on the conditions of importation we shall put up as a barrier against their competition, we might as well go the whole way and make it thoroughly tyrannical in its aspects. We will remove the right of appeal. So we said: The provisions of section 336 and 516 (b) of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act or to any provision of any such agreement.

Mr. President, that was the American characteristic of the Tariff Act of 1930, the right to go to a sanctuary when one

is in trouble with his Government, the setting up of a place where one might find justice and not be dependent solely on the fiat of the President of the United States. Is it important or is it subordinate? I have not begun to cover all the details of the exercise of primary functions of government which are involved by this act in our international relations which may be determined under it by the President of the United States alone.

Mr. President, the question of the primary importance of the power that is attempted to be delegated, the clear-cut test of whether these are treaties or not treaties, is repeatedly referred to with respect to all kinds of attempts at delegation of authority. It is not limited to treaty making and the regulation of commerce, whether interstate or international, is not free from the limitation. That, too, is a vital power, and has been held by the Supreme Court of the United States not to be subject to delegation except as to those subordinate actions which are governed by a general rule laid down by the Congress.

Mr. President, I wish to call attention to two or three references which show how the Supreme Court constantly keeps in mind the distinction between vital powers and incidental powers, dominant powers and inferior powers, general powers and the mere filling in of details.

I shall first read from the case of *Bromley* v. *The Collector of Internal Revenue, McCaughn* (280 U. S. 124, p. 137). That case had to do with taxation, as taxation is involved in the measure before the Senate, for the power to tinker with excise taxes, to fix them at the rate they now bear, to promise not to levy them in the future, all such powers are expressly contained in the delegation under the Trade Agreements Act; and no man lives who can say with any probity that that is not taxation. In the Bromley case the Court said:

> So far as the constitutional power to tax is concerned, it would be difficult to state any intelligible distinction, founded either in reason or upon practical consideration of weight, between a tax upon the exercise of the power to give property inter vivos and the disposition of it by legacy, upheld in *Knowlton* v. *Moore, supra,* the succession tax in *Scholey* v. *Rew, supra,* the tax upon the manufacture and sale of colored oleomargarine in *McCray* v. *United States, supra,* the tax upon sales of grain upon an exchange in *Nicol* v. *Ames, supra,* the tax upon sales of shares of stock in *Thomas* v. *United States, supra,* the tax upon the use of foreign-built yachts in *Billings* v. *United States, supra,* the tax upon the use of carriages in *Hylton* v. *United States, supra;* compare *Veazie Bank* v. *Fenno, supra,* 545; *Thomas* v. *United States, supra,* 370.
>
> It is true that in each of these cases the tax was imposed upon the exercise of one of the numerous rights of property, but each is clearly distinguishable from a tax which falls upon the owner merely because he is the owner, regardless of the use or disposition made of his property (see *Billings* v. *United States,* supra; cf. *Pierce* v. *United States* (232 U. S. 290)).
>
> The persistence of this distinction and the justification for it rest upon the historic fact that taxes of this type were not understood to be direct taxes when the Constitution was adopted and, as well, upon the reluctance of this Court to enlarge by construction, limitations upon the sovereign power of taxation by article I, section 8, so vital to the maintenance of the National Government. *Nicol* v. *Ames,* supra, 514, 515.

Mr. President, that citation is a good witness of the vital character of the power to tax with which we are asked to tinker now, and which we are asked to delegate to the President of the United States for another 3 years, under a statute which we were told was solely an emergency measure, intended to be terminated within 3 years, and which would have been wholly uncalled for except for the conditions of the emergency which existed at the time the act was passed.

Chief Justice Hughes, in the "gold clause" cases, made a reference to this recognition of primary power in the following manner:

> But the right to make binding obligations is a competence attaching to sovereignty. In the United States sovereignty resides in the people who act through the organs established by the Constitution.

That is what I have been trying to emphasize.

> The Congress as the instrumentality of sovereignty is endowed with certain powers to be exerted on behalf of the people in the manner and with the effect the Constitution ordains. The Congress cannot invoke the sovereign power of the people to override their will as thus declared. The powers conferred upon the Congress are harmonious. The Constitution gives to the Congress the power to borrow money on the credit of the United States—

See how this power is described:

> an unqualified power, a power vital to the Government, upon which in an extremity its very life may depend. * * * The Congress has not been vested with authority to alter or destroy those obligations * * *.

In the last sentences quoted the Court recognized what constitutes a vital power, a dominant power, a primary power, such as those contained in the scope of the Trade Agreements Act of 1934, delegating to the President of the United States the sole power to extinguish laws in existence, to make treaties with foreign nations so that laws that still existed should not apply; to change the rates of duties, and to levy excise taxes; to promise not to tax, and have this promise last for years, thus divesting Congress of the power to tax during all that time.

How absurd to treat those powers as if they were such subordinate things as we have heard referred to in the debate, such subordinate powers as the power reposed in the Interstate Commerce Commission to require railroads to keep accounts in the manner specified, or to fix in interstate commerce rates of transportation which are just and reasonable; the power of the Commissioner of Internal Revenue to make regulations pertaining to sale of unbranded oleomargarine; the power of the Federal Reserve Board to permit national banks to act as trustees; the power of the Interstate Commerce Commission to suspend rates as to car service. Are these powers vital to the life of the country? Ah, no. We know the difference. We know the difference, not alone because that difference is expressed in the fundamental law, although that ought to teach it to us, for we take an oath to support that law, but we recognize that difference because it is founded in reason. And parties may not, cannot, remove their transactions from the reach of dominant constitutional power simply by making contracts.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Vermont yield to the Senator from Tennessee?

Mr. AUSTIN. I yield.

Mr. McKELLAR. As the Senator knows, I have great respect for his views. I want to ask him a question. Is it the Senator's argument that the only way the power which the Congress has to regulate commerce—which to my mind is full and plenary—can be exercised is by means of tariff laws?

Mr. AUSTIN. I assume that the Senator's question relates to international commerce.

Mr. McKELLAR. To international commerce. The Constitution says that Congress shall have the power to regulate commerce with foreign countries. Is the Senator of the view that it can only regulate it by passing what is known in the ordinary parlance as a tariff law, and it cannot go beyond that?

Mr. AUSTIN. No.

Mr. McKELLAR. Would the Senator elaborate on that idea, as to how the power should be exercised other than by a tariff law?

Mr. AUSTIN. We exercised it in the last extraordinary session of Congress, did we not? We said to all the world "We are willing to make one of the greatest sacrifices any nation has ever made with respect to its commerce, and we will withdraw from the sea lanes our ships that are in danger, and we will not allow a single article which is American, of great or of little value, to get into that zone of trouble."

In other words, there is a way in which we can regulate international commerce by imposing restrictions upon our nationals. Very well. That is only one way. If we find that the civilization of the world has broken down, that wars have devastated property and caused the death of many human beings, and diet is so limited, clothing so poor, shelter of agricultural producers and factory workers and miners and employees of the mills so abject, and their needs so great

that when they come to our shores with a competitive product they offer it at a price that takes away from the products of our own laborers and producers of agricultural products their natural market, then we can regulate that commerce. We can do it in a number of ways.

Mr. McKELLAR. Mr. President, will the Senator further yield?

Mr. AUSTIN. I yield.

Mr. McKELLAR. Perhaps I did not express my question clearly. What I meant to ask was, Is it the Senator's idea that we can pass a tariff law under the constitutional provision, fixing rates, but we cannot give to the President or to any agency which we may establish, the power to regulate those rates further by reducing them or increasing them?

Mr. AUSTIN. No; I have not made that claim. Of course, I am aware of the flexible features of the Tariff Act of 1930, by which we said to the President of the United States, "You may raise and lower within certain limitations, provided a fact-finding body of experts finds certain facts." Then we laid down four or five pages of facts he must find in order to take action. In other words, Congress did the legislating and the Tariff Commission and the President did the executing, which is a perfectly normal American act.

Mr. McKELLAR. Mr. President, in a modified way, is that not exactly what is proposed in the Trade Agreements Act?

Mr. AUSTIN. No.

Mr. McKELLAR. It is just a trifle different way of handling it, but in essence and in fact is it not the same thing?

Mr. AUSTIN. Mr. President, I have heard the learned Senator assert his views on that subject, and his question implies that he thinks it is, but I differ. My view is that the act does not contain any general rule; it does not contain even the vaguest of standards. It has no legislative direction in it. It merely states a purpose, and a time when these powers may be exercised, but it does not tell how they shall be exercised, nor does it tell upon what set of circumstances the tariff duties shall be laid down. The power the Senator referred to is a mere beginning of the list of powers contained in this attempt at delegation.

Mr. KING. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. KING. Perhaps this is not quite germane to the point which the Senator is now discussing, but it seems to me, if the Senator will pardon me, that the obligation rests upon Congress whenever it is dealing with legislation, to remember the fact that our Government was formed, I may say, as a sort of a protest against the assertion of power by an Executive, and in the provisions of the Constitution of the United States our fathers were determined to bind the authorities, to bind the hand of the Executive, and to point out, with proper limitations, and with sufficient clarity, the duties and responsibilities of the tripartite organizations which were set up, namely, the executive, the legislative, and the judiciary.

The fathers had in mind the fact that the great abuses which had resulted in the Revolution, and in the achievement of the independence of the Colonies, grew out of the tyranny of the king, and they determined more than anything else to limit the authority of the Executive.

Therefore, they said that the Congress should have the power to deal with questions of taxation, and with revenue, and with the numerous other questions. It would seem to me that the first thing to which we should address ourselves in the consideration of the legislation is, Are we impinging upon the concept of the fathers when they said that the Executive shall have no power except that which is specifically granted, and that the residue of the power is reserved to the other branches of the Government and to the people themselves?

Mr. AUSTIN. Mr. President, the learned Senator from Utah always contributes something to thought that is worth considering seriously. I am very glad that he has taken the trouble to interpolate these fundamental ideas, for really we are not dealing with precedents here. This is a matter of principle. It rests very largely upon our reasoning. If we cannot see the difference between those acts which are necessary to be kept safeguarded and protected from usurpation or delegation or abdication—if we cannot reason that out for ourselves, then perhaps we are entirely wrong in the assumption that there are any such powers.

The Senator from Utah has laid his finger on something which we recognize, and that is that away back behind the Magna Carta, and of course, therefore, before the separation of authority by our Constitution, three fundamental principles were recognized by our British ancestors, principles which go back so far that no man knows when they did not exist. Those three fundamental principles were: First, that the King could not legislate without the consent of Parliament; second, that he could impose no tax without the consent of Parliament; and third, that he was bound to conduct the executive administration according to the laws of the land. Sometimes a king lost his head when he violated those principles. The people on this continent rebelled and revolted against the tyranny represented by the violation of those principles. Our existence as a nation depended upon the affirmation of those principles. What are we, and who are we, voluntarily to surrender them?

Mr. President, I realize that I have taken much time in very imperfectly presenting my views; but I feel that this is one of the most important issues which I have considered since I came to the Senate. In the amendment offered by the Senator from Nevada [Mr. PITTMAN]—a simple, short amendment requiring that hereafter any agreement entered into under the provisions of the act must be brought back to the Senate for advice and consent before it shall become effective—is wrapped up the safety of the Republic. The great, fundamental acts of sovereignty are all comprehended in the power of negotiating contracts with Great Britain, France, Germany, Italy, Japan, Russia, and other countries—contracts which involve imposts, excises, customs duties, and limitations on commerce, and also involve legislation by us, namely, the legislation ordinarily found necessary for levying excise taxes within the United States. These are all tied up in the joint resolution to extend the power of the President to exercise these great sovereign powers for another 3 years. With my views I cannot conscientiously sit silent and allow the joint resolution to come to a vote without first registering a very strong feeling, a very firm persuasion, that we are about to do something which affects the very life of the Republic.

Mr. President, I desire to supplement in the RECORD some of the citations I have made, particularly bearing upon the theory that the regulation of commerce cannot be delegated by Congress except in respect of minor or subordinate particulars.

In this connection I quote from a letter written by Judge Thomas D. Thacher, former Solicitor General of the United States, to the Senator from Michigan [Mr. VANDENBERG], and published in the CONGRESSIONAL RECORD of June 25, 1935, as follows:

> In *Panama Refining Co.* v. *Ryan* (293 U. S. 388), and in *A. L. Schechter Poultry Corporation* v. *United States* (55 Sup. Ct., 837), the Supreme Court of the United States has recently declared section 9 and section 3 of the National Industrial Recovery Act invalid because of the unconstitutional delegation of legislative power to the President; and the Court has twice declared:
>
> This is a quotation:
>
> Congress cannot delegate legislative power to the President to exercise an unfettered discretion to make whatever laws he thinks may be needed or advisable for the rehabilitation and expansion of trade or industry.

In other words, merely because it is a matter of trade or industry does not take it out of the realm of what is vitally important to our sovereignty.

I should like to have permission to insert what follows, as it has been marked by me in the quotation from the CONGRESSIONAL RECORD of a former session, volume 79, June 25, 1935. A portion of the quotation I should like to say illustrates the difference between a primary power such as that which is attempted here to be delegated and those subordinate powers which the Court has passed on and said are proper to delegate.

I ask leave to insert at this point a list of citations from cases in which the Court has held such delegation of subordinate powers to be proper.

The PRESIDING OFFICER. Without objection, the request of the Senator from Vermont is granted.

The matter referred to is as follows:

[From the letter of Judge Thacher to Senator VANDENBERG, CONGRESSIONAL RECORD, June 25, 1935]

Upon the principles laid down in the oil and poultry cases, the act clearly appears to be an unconstitutional delegation of legislative power to the President. It is necessary, however, to consider legislation of Congress which has in the past delegated to the President the power to suspend, increase, and decrease customs duties. A summary of this legislation appears in *Norwegian Nitrogen Co.* v. *United States* (288 U. S. 294, at pp. 308–309). Such legislation was under consideration by the Supreme Court in *Hampton & Co.* v. *United States* (276 U. S. 394) and *Field* v. *Clark* (143 U. S. 649) and while in each of these cases the particular delegation of power was sustained as constitutional, the principles upon which such delegations of power must be tested were fully developed and defined by the Court, and these principles controlled decision in the oil and poultry cases.

[From CONGRESSIONAL RECORD, June 25, 1935, p. 10440]

Bromley v. *McCaughn* (280 U. S. 124) and the authorities cited by Justice Stone in that case establish the validity of the proposed tax. As Justice Stone said in the Bromley case, "while taxes levied upon or collected from persons because of their general ownership of property may be taken to be direct, this Court has consistently held, almost from the foundation of the Government, that a tax imposed upon a particular use of property or the exercise of a single power of property incidental to ownership is an excise which need not be apportioned." Since taxes on the right to give property (*Bromley* v. *McCaughn, supra*) to dispose of property by legacy (*Knowlton* v. *Moore*, 178 U. S. 41), to manufacture and sell colored oleomargarine (*McCray* v. *United States*, 195 U. S. 27), to sell grain upon a commodity exchange (*Nicol* v. *Ames*, 173 U. S. 509), to sell shares of stock (*Thomas* v. *United States*, 192 U. S. 363), to use foreign-built yachts (*Billings* v. *United States*, 232 U. S. 261), to use carriages (*Hylton* v. *United State*, 3 Dall. 171), to use certain manufactured articles (sec. 622, Revenue Act of 1932), to process agricultural commodities (sec. 9, Agricultural Adjustment Act) are valid excises, certainly there can be no doubt of the validity of an excise tax imposed upon the owner of furs for the privilege of dressing and dyeing them or having them dressed and dyed for him by another.

Mr. CAPPER obtained the floor.

Mr. AUSTIN. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

Mr. CAPPER. I yield.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Schwellenbach
Ashurst	Frazier	Lodge	Sheppard
Austin	George	Lucas	Shipstead
Bankhead	Gerry	Lundeen	Smathers
Barbour	Gibson	McCarran	Smith
Barkley	Gillette	McKellar	Stewart
Bilbo	Glass	McNary	Taft
Bone	Green	Maloney	Thomas, Idaho
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Tobey
Byrnes	Harrison	Murray	Townsend
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Reed	Wiley
Davis	Johnson, Colo.	Reynolds	
Donahey	King	Russell	
Downey	La Follette	Schwartz	

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Eighty-five Senators have answered to their names. A quorum is present.

Mr. CAPPER. Mr. President, I am opposing the extension, through the joint resolution now pending, of the Reciprocal Trade Agreements Act, unless the resolution is amended to require ratification by the Senate of any such agreement before it becomes effective.

I am in favor of increasing our foreign trade, and I favor a general lowering of tariff barriers and the removal or mitigation of other trade barriers in order to attain that objective.

It is not necessary for anyone from the State Department or from a college faculty to shout at me that we cannot hope to sell abroad unless we also buy from abroad. I learned long ago that foreign trade, and also domestic trade, means the exchange of goods and services, not just the sale of commodities.

Mr. President, I am in favor of the United States negotiating and making effective reciprocal trade agreements to attain this worth-while objective.

But I am not willing to sacrifice the American farmer, nor to endanger our form of government, by the kind of futile efforts which have been put forth during the past 5½ years under the present act.

Mr. President, no section of the country is more interested in building up our foreign trade than my own, unless it is the Cotton Belt.

No group of people in our Nation is more vitally interested in restoring foreign trade than are the producers of those surplus crops—wheat, cotton, corn, hogs, tobacco, rice.

We in the Wheat Belt know, as do those in the Cotton Belt, that unless we can regain and retain our foreign markets or a good percentage of the foreign markets for our production, that production must be seriously curtailed for many years to come.

Six years ago, Mr. President, I shut my eyes to the constitutional question involved in the Reciprocal Trade Agreements Act. In spite of grave misgivings because of the fact that the Senate was surrendering a measure of its control over the treaty-making powers granted by the Constitution; in spite of the fact that the Congress was surrendering its power over the purse strings—the taxing power—to the Executive, I voted for the enactment of the original Reciprocal Trade Agreements Act.

I have lived to regret that action.

I had hoped, and the farmers of the country had hoped, that the State Department and the President would use the legislative powers thus vested in them to increase the markets abroad for our surplus farm commodities.

Those hopes have not been realized. On the contrary, the power to lower tariff duties has been used to permit—yes, to encourage—imports of farm commodities of which we ourselves produce surpluses. Under this policy the Federal Surplus Commodities Corporation buys surplus farm products for distribution among relief clients, while at the same time we encourage the importation of additional quantities of such commodities in larger amounts than the Surplus Commodities Corporation buys.

At the same time the State Department encourages and makes possible increased importations of farm commodities which are produced in the United States, the Department of Agriculture pays our farmers for reducing production of farm commodities.

In effect, through the State Department we subsidize farmers of foreign lands to produce more for the American market, while through the Department of Agriculture we subsidize the American farmer to produce less for the American market and to throw away what foreign market he had left.

Mr. President, the American farmer was sacrificed for the benefit of the manufacturing industry during the years we wrote higher and higher tariffs.

That policy was wrong, as we have learned to our sorrow. In the long run I do not believe the manufacturing industry has gained by it, although many individuals in that business have.

But now, what are we doing, through these reciprocal trade agreements, to correct the wrong that was done the farmer by the high protective tariff system.

Mr. President, we are again sacrificing the American farmer for the benefit of the American manufacturer—and the foreign farmer.

The farmer paid the price of high tariffs.

Now he is to pay the price of lowering those high tariffs.

Under higher and higher tariffs the American farmer was penalized so that the American manufacturer could build up his domestic market.

Now farm tariffs are being lowered so that the American manufacturer can build up his foreign market.

I say that is wrong. More than that, it is, in the long run, an unsound public policy, one that will hurt industry as well as agriculture.

Six years ago we were promised—at least that was my understanding—two things:

First. That the reciprocal trade agreements negotiated would result in increased markets for the farmer. Naturally, I took that to mean, as I believe the American farmers took it to mean, that there would be increased foreign markets for the export of American farm products. We certainly did not understand it to mean that there were to be increased American markets for the production of the farmers of other lands.

Second. We were promised by President Roosevelt in a speech delivered, I believe at Baltimore, that the tariff protection on American farm products would not be lowered to the detriment of the American farmer.

As I read the record neither of those promises has been kept.

I am aware of the fact that figures can be misleading, especially trade statistics. I can select certain months and certain years, and certain commodities, and paint a picture in figures that may be true in detail, and yet convey an entirely erroneous impression as to the whole situation. I know this because I have listened to some of the speeches of those favoring the trade agreements—and that is just what those speakers have done.

On the other hand, I believe we can go to the record and get the facts. That is what I have tried to do.

As is generally known, there are two classes of farm commodities which are imported into the United States. Some are competitive, such as cattle, hogs, beef, pork, lard, butter, grains, cotton, and so on—a long list. Some are noncompetitive, such as coffee, rubber, bananas, and other tropical fruits not produced in marketable quantities in the United States.

The Department of Agriculture has divided the farm commodities that are imported into these two classes, and keeps separate records of them.

It would manifestly be unfair, in making comparisons, to include noncompetitive farm commodities, such as coffee, rubber, and so forth, and I would not be guilty of that.

It would be unfair to compare the years 1929 and 1939 to show whether farm exports had increased or decreased under the reciprocal trade agreements. All the world knows that foreign trade was at a peak along about 1929. It was far below the peak last year.

Neither, to my mind, would it be fair to base comparisons solely on 1932 with any trade-agreement years.

After thinking over the matter, I decided that if I should take the last 5 years before the trade agreements were effective, and the first 5 years afterward, and if I should keep competitive and noncompetitive farm imports separated, I might get a fairly accurate picture of what had happened.

I should not be able, even then, to say that any results shown would absolutely be caused by the trade agreements, but at least I should have a picture of what happened along with the trade agreements.

The Bureau of Agricultural Economics, as I understand, makes its crops statistics generally on a fiscal-year basis, that basis corresponding more closely to crop marketing years than do the calendar-year figures. So I got those figures, and here they are:

First, there are competitive farm products for the 5-year period ending June 30, 1934. The Trade Agreements Act was approved in June of 1934, and became effective in September of that year. Here is the record on imports of competitive farm products.

These figures are for fiscal years ending June 30 of the year shown:

Competitive farm imports

Before:	
1930	$889,122,000
1931	512,020,000
1932	374,890,000
1933	282,428,000
1934	418,515,000

Competitive farm imports—Continued

Since:	
1935	$497,892,000
1936	641,622,000
1937	866,775,000
1938	588,316,000
1939	486,140,000

The average for the 5-year period before the trade agreements was $495,395,000 worth of competitive farm products imported.

The average for the 5 years of trade agreements was $616,149,000 of competitive farm products imported.

In other words, imports of competitive farm products in the 5 years under the trade agreements averaged annually $120,754,000 more than for the 5 years before the trade agreements.

Imports of competitive farm products increased 25 percent under the trade agreements. These are the commodities grown for market on American farms.

Now, let us see what the record shows on imports of noncompetitive farm commodities for the same two 5-year periods:

Noncompetitive farm imports

Before:	
1930	$1,010,399,000
1931	649,572,000
1932	459,000,000
1933	331,309,000
1934	420,437,000
Since:	
1935	435,882,000
1936	499,569,000
1937	669,920,000
1938	566,820,000
1939	486,140,000

The average value of noncompetitive farm commodities imported in the 5 years before the trade agreements was $574,143,000 annually.

The average value of noncompetitive farm commodities imported in the 5 years of trade agreements was $536,933,000 annually.

In other words, for the 5 years of the trade agreements the average annual value of noncompetitive farm commodities imported was $37,210,000 less, or a decrease of 7 percent.

What that means is just this:

Under the trade agreements, whether because of them or in spite of them, based on the records of the two 5-year periods, imports of competitive farm commodities increased 25 percent. Imports of noncompetitive farm commodities, which farmers are glad to see come into the United States, decreased 7 percent.

Now, let us see what happened to our farm-export trade during these two 5-year periods—the last 5 years without the trade agreements, the first 5 years under the trade agreements. Here are the figures:

Exports of farm commodities

Before:	
1930	$1,495,823,000
1931	1,038,018,000
1932	752,132,000
1933	589,650,000
1934	787,343,000
Since:	
1935	668,713,000
1936	766,303,000
1937	732,474,000
1938	890,771,000
1939	682,962,000

The average annual value of farm exports for the last 5 years before the trade agreements was $932,593,000.

The average annual value of farm exports for the first 5 years of the trade agreements was $784,244,000.

In other words, the average annual value of farm exports was $184,389,000 less under the trade agreements, or a decrease of approximately 20 percent.

Mr. President, I should not consider it fair to attribute this drop of 20 percent in farm exports during the 5 years of the trade agreements to the trade agreements. In the first place, world trade was less during the second 5 years than during the first 2 years of the first period; also, world prices were lower.

That, however, is not the point.

The significance of these figures is that for the first 5 years of the trade agreements, as compared with the last 5 years before the trade agreements—

Imports of competitive farm commodities increased 25 percent.

Imports of noncompetitive farm commodities decreased 7 percent.

Exports of farm commodities decreased 20 percent.

Frankly, I do not see how it can be maintained that any program under which imports of competitive farm products have increased 25 percent, while exports of farm commodities have decreased 20 percent, is helping the American farmer.

It may be that the program is helping the farmers of the rest of the world, but it certainly is not helping the American farmer. We are supposed to be taking care of the American farmer first, as I understand—and we were given to understand 6 years ago that this program would help the American farmer.

I maintain, on the contrary, that the American farmer has suffered under the trade-agreements program, whether that suffering has been caused by the trade-agreements program or not.

I think the figures tell their own story.

While on the subject of exports and imports, Mr. President, I believe I shall read an excerpt from a statement released by the Department of Commerce on January 31, commenting on foreign trade in 1939. Incidentally, I may state that the figures in this statement refer to calendar years, while the figures I quoted from the Department of Agriculture deal with fiscal years.

Under the heading "Foreign trade in 1939," the Department of Commerce statement just referred to says:

> Total United States exports during the 12 months ending in December were larger in both volume and value than in 1938. The increase in aggregate value was from $3,094,000,000 in 1938 to $3,177,000,000 in 1939. * * * In terms of volume, export trade was about 5 percent larger in 1939 than in either 1937 or 1938. * * * In December the volume of exports reached the high level of the final months of 1929, although their aggregate value was considerably smaller because of lower export prices.
>
> The rise in exports during 1939, as compared with 1938, was primarily the result of the increase in foreign demand for United States manufactures during the last half of the year. During the early months of 1939, exports of both manufactured and agricultural products dropped below those in the same period in 1938.
>
> Beginning in May, however, there were consistent gains in shipments of manufactured articles which resulted in substantially larger exports of metals and manufactures, aircraft, machinery, lubricants, and chemicals for the year.
>
> Comparatively heavy exports of cotton during the last 5 months of 1939 brought total shipments for the year above the total for 1938.

Now comes the sentence to which I particularly wish to call the attention of the Senate. I quote:

> The value of the exports of all agricultural products dropped from $828,000,000 in 1938 to $656,000,000 in 1939, the lowest figure in a number of years. Exports of grain and preparations declined by 55 percent.

I wish to point out at this time, Mr. President, that so far as wheat is concerned, what exports there were resulted from subsidization of exports by the Department of Agriculture, and were not due in any respect to the reciprocal trade agreements program.

I asked Secretary of Agriculture Henry Wallace about this subject when he was before the Senate Finance Committee, and he said—page 87 of the unrevised hearings:

> Secretary WALLACE. I would like to indicate, with respect to wheat, Senator, that it would prove absolutely nothing, because we had during this period an export subsidy working.

The Senator from Mississippi [Mr. HARRISON], chairman of the committee, asked Secretary Wallace:

> It is a fact that the price has increased on wheat, is it not? Wheat is higher now than it was 2 or 3 years ago, or in 1932.
>
> Secretary WALLACE. Why, yes, of course, the price is higher, but I would say the price is higher now chiefly because of the drought.
>
> The CHAIRMAN. Then the record also shows in 1933——
>
> Secretary WALLACE (interposing). I wish to point out that all of this discussion about wheat is totally irrelevant and has no bearing on the trade-agreement program. We should not attribute the high price of wheat at the present time to the trade agreements. I do not think the trade agreements have had anything important to do with that.

In other words, Mr. President, the reciprocal-trade agreements have not helped the wheat farmer; and there certainly has been nothing to indicate that they have helped him either directly or indirectly.

Returning for a moment to the subject of all agricultural exports, I desire to call attention to another phase of that matter. I desire to call the attention of the Senate to the decreasing share agriculture has in what export trade the United States enjoys.

In the fiscal year 1930 the percentage that farm exports was of total exports had reached a new low of 32.4 percent. That was not unnatural. This Nation has become increasingly an industrial nation. For the decade after the World War we were a creditor nation, not a debtor nation; and, also, from 1925 on, the nations of Europe were engaged on a program of self-sufficiency, particularly as to foodstuffs.

But suppose we take the two 5-year periods again—the last 5 years without the trade agreements and the first 5 years of the trade agreements. Here are the percentages farm exports were of all exports for those 10 years:

Before the trade agreements:

	Percent
1930	32.4
1931	34.2
1932	39.4
1933	41.8
1934	39.2

Then the reciprocal-trade agreements, which were to increase the foreign markets for farm commodities, went into effect. What happened?

Mr. President, the percentages tell the story:

	Percent
1935	32.1
1936	32.3
1937	26.3
1938	26.5
1939	23.7

I might add, Mr. President, that for the calendar year 1939 American agriculture's share in our export trade was a fraction over 20 percent.

Have the reciprocal-trade agreements helped American agriculture?

Under the trade agreements, imports of competitive farm commodities have increased 25 percent. Exports have decreased 20 percent.

In the last year before the trade agreements, American agriculture's share of our export trade had risen from the depression low of 32.4 percent to 41.8 percent in 1933 and 39.2 percent in 1934.

Under the promised stimulus of the reciprocal-trade agreements, American agriculture's share of our export trade has now dropped to a fraction over 20 percent.

Mr. President, by what process of rabbit-from-the-hat reasoning can we expect the American farmer to believe that the reciprocal-trade agreements have been helpful to him, or, in fact, anything but hurtful?

Mr. President, I had intended to confine my remarks on the economic aspects of the reciprocal-trade agreements to agriculture, because that is my main interest in them.

I had had the impression, without having made any study of the matter, that the trade agreements probably had been helpful to the manufacturing industries of the United States. I presume I followed a line of reasoning like this:

The trade agreements have not helped American agriculture. While they have been in existence agriculture has lost more and more of its export trade. Imports of competitive farm products have notably increased. It is not conceivable that any administration would adopt and follow and advocate a trade policy or program that hurt both agriculture and manufactures. Therefore, since this program has hurt agriculture, it must have helped manufactures.

But some facts presented by Dr. John Lee Coulter, a former member of the Tariff Commission and former president of

the North Dakota College of Agriculture, a man for whose integrity and knowledge I always have had the highest respect, have caused me to doubt whether the trade agreements have helped even the manufacturing industry of the United States on the whole, though they may have been of benefit to certain industries, such as the automobile- and typewriter-manufacturing industries.

Dr. Coulter was one of the witnesses before the Finance Committee, of which I happen to be a member. Because I regard him as an authority on the subject of foreign trade as a whole, I am going to include part of his statement in my remarks at this time. I will say that his testimony before the committee and the figures he presented have raised grave doubts in my mind as to whether even the manufacturers of the United States have benefited from these reciprocal-trade agreements to date. I know that agriculture has not.

Great stress has been laid, Dr. Coulter told our committee, upon the idea that under the reciprocal-trade agreements the United States has been able to secure many so-called concessions from foreign countries intended to mitigate foreign-trade barriers, thereby increasing the export trade of the United States. Proponents of the trade agreements have urged that the United States might at least, through these agreements, hope to recover some of the foreign market formerly held for surplus agricultural products of the United States, in addition to certain industrial products of mass production. It has been maintained that this would aid directly in solving the farm problem, and that indirectly, by providing employment in factories for the export market, a better domestic market for American farm products would be provided. But an objective analysis of our foreign trade, Dr. Coulter stated, does not bear out this contention. While foreign nations have made gestures of friendship in the form of so-called concessions, many, if not most of the same nations, have proceeded to increase, rather than decrease, barriers against our export trade.

These trade barriers erected against us, in exchange for our lowering of barriers against imports, have consisted of: First, quota systems with licenses, permits, and so forth; second, exchange-control programs, including blocked exchanges, and so forth; third, barter arrangements, compensation agreements, and so on; fourth, internal regulations and controls, such as in the use of imported products in combination with or as substitutes for domestic materials; and, fifth, a dozen other miscellaneous devices which have the effect of revisions of tariff schedules to offset the gestures of lowering barriers through trade agreements.

It would seem—

said Dr. Coulter—

that the only objective approach would be to attempt to measure the results secured from the so-called foreign concessions in trade agreements thus far put into effect. The first trade agreement negotiated under the program did not become effective until September 1934. We may, therefore, take the first 8 months of 1934 as the last substantial period prior to the first trade agreement. It is unsatisfactory to go back to an earlier period such as 1932 or 1933 because of the complete change in international monetary relations due to currency devaluation—

And so forth. Dr. Coulter maintained before the Senate Finance Committee:

In contrast, after September 1, 1939, a new World War had enveloped the leading countries of Europe. We may, however, take the first 8 months of 1939 as the most representative recent period available, especially since the new Canadian agreement and the agreement with the United Kingdom became effective January 1, 1939.

I myself think that for the purpose of obtaining a fair comparison between two representative periods, the comparison between the first 6 or 8 months of 1934 and the first 6 or 8 months of 1939 is an equitable comparison.

During the first months of 1939, trade with five foreign areas was in a state of chaos, as Dr. Coulter told the committee, due to invasions, declared and undeclared wars, revolutions, moral embargoes, economic sanctions, trade discriminations, and so forth. These five areas were Germany, including Austria and Czechoslovakia; Italy, including Ethiopia and Albania; Spain; Japan; and China, including Manchuria and the Chinese ports. So, to make the comparison fair, we eliminate those five areas from the trade totals for both periods.

Bear in mind, I am now discussing all exports, not just those of farm commodities. Mr. President, I ask unanimous consent to insert at this point in my remarks the table presented to the committee by Dr. Coulter, showing United States exports, including reexports, for the first 6 months of 1934 and 1939, by groups of countries, the monetary figures in the table being in thousands of dollars.

The PRESIDING OFFICER (Mr. REED in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

United States exports (including reexports first 6 months of 1934 and 1939) by groups of countries

[1,000 dollars]

	1934	1939	Increase 1939 over 1934	
			Amount	Percent
Total exports to all countries	1,036,053	1,415,427	379,374	33.4
A. COUNTRIES INVOLVED IN WARS, REVOLUTIONS, ETC.				
Greater Germany	72,665	38,382	−34,273	−47.1
Germany	70,631	34,624	−36,007	−50.9
Austria	784			
Czechoslovakia	1,240	3,758	2,518	203.0
Italy	31,097	26,368	−4,729	−15.2
Spain	19,366	7,009	−12,357	−36.1
China, including foreign ports	43,493	44,949	1,456	3.3
China	37,946	25,755	−12,191	−32.1
Hong Kong	3,504	10,932	7,428	211.9
Kwantung	2,043	8,262	6,219	304.0
Japan	90,634	111,037	20,403	22.5
Total, war-stricken states	257,245	227,745	−29,500	−11.4
All other countries (groups B and C below)	778,808	1,187,682	408,874	52.5
B. TRADE-AGREEMENT COUNTRIES				
Belgium	27,368	33,080	5,712	20.9
Sweden	15,076	39,008	23,932	156.0
Switzerland	4,420	5,874	1,454	32.8
Finland	2,495	6,257	3,762	110.7
Netherlands	28,699	41,504	12,805	44.5
Netherlands possessions	10,752	35,573	24,821	230.0
France	62,915	70,301	7,386	11.7
French Colonial Empire	5,616	9,633	4,017	71.5
United Kingdom	172,008	229,733	57,725	33.5
British Colonial Empire	20,113	38,368	18,255	90.7
Canada	149,840	201,768	51,928	34.6
Five Central American republics	8,850	14,482	5,632	63.6
Haiti	1,922	2,262	340	17.6
Colombia	9,934	24,505	14,571	146.7
Brazil	18,671	33,367	14,696	78.7
Ecuador	1,111	2,181	1,070	96.3
Total, trade-agreement countries	539,790	787,896	248,106	45.9
Cuba	21,402	36,480	15,078	70.4
Total, including Cuba	561,192	824,376	263,184	46.8
C. NON-TRADE-AGREEMENT COUNTRIES [1]				
Total, non-trade-agreement countries	221,120	374,238	153,118	69.2

[1] Excluding those involved in revolutions and declared or undeclared wars.

Mr. CAPPER. Mr. President, I wish now to call the attention of the Senate to what this comparative table shows without reciting all the detailed figures.

First, it shows total exports to all countries for the first 6 months of 1934. The 6-month, instead of 8-month, comparison is used because figures for 6-month periods are more easily available. The figures for 8 months would not show any material difference in percentages.

Second, total exports to all countries for the first 6 months of 1934 amounted to $1,036,053,000.

Total exports to all counties for the first 6 months of 1939 amounted to $1,415,427,000.

Total exports to all countries during the 1939 period were $397,374,000 more than for the 1934 period, or an increase in export trade of 33.4 percent.

Total exports to the war-torn countries for the first 6 months of 1934 amounted to $257,245,000.

Total exports to the war-torn countries for the first 6 months of 1939 amounted to $227,745,000.

Total exports to the war-torn countries for the 1939 period were $29,500,000, or a decrease of 11.4 percent.

To all other countries, exports in the 1934 period amounted to $778,808,000; for the 1939 period, to $1,187,682,000; showing an increase in exports of $408,874,000, or 52.5 percent.

Now we come to the separation of the trade-agreement countries from the nonagreement countries, excluding the five war-torn areas—greater Germany, Italy, Spain, China, and Japan.

The record shows that our total exports to these trade-agreement countries in the first 6 months of 1934, including Cuba, with whom we really have a bilateral instead of the unilateral agreement, amounted to $561,192,000. This was before the agreements were in effect.

Total exports to these trade-agreement countries for the first 6 months of 1939 amounted to $824,376,000.

Total exports to these trade-agreement countries were larger during the trade-agreement period by $263,184,000, showing an increase of 46.8 percent.

But the total exports to the non-trade-agreement countries, excluding the war-torn areas, increased from $221,120,000 in the 1934 period to $374,238,000 in the 1939 period. This is an increase of $153,118,000, or 69.2 percent.

The point is that in these representative periods the increase in exports to the trade-agreement countries was 46.8 percent; the increase to the non-trade-agreement countries was 69.2 percent.

After checking these figures, Mr. President, I fail to see where the reciprocal-trade agreements have been of any material assistance to our exports of manufactures.

We already know that the trade agreements have injured, rather than helped, American agriculture.

So, except for propaganda and campaign purposes, I fail to see the value of these reciprocal-trade agreements at all beyond the expression of a praiseworthy aspiration to return the world toward a free-trade basis at the expense of American agriculture and American industry.

Before leaving the economic aspects of the trade agreements, I desire to call attention to another thing which has injured one of our basic industries. I refer to the petroleum industry. In 1932 a long-delayed protection was afforded the independent petroleum producers by the levying of an import excise tax on petroleum and certain petroleum products. The protection afforded was not large, only 21 cents a barrel, which certainly was not excessive. At the same time import excise taxes were levied on coal, lumber, and copper.

I think it was plainly the intent of Congress, when the original Reciprocal Trade Agreement Act was considered, that these excise taxes were not to be included in the scope of any trade-treaty negotiations. I call attention to the following statement in the reports of the Senate Finance Committee and the House Ways and Means Committee to the respective branches of Congress.

> In order that the necessary reciprocity be accorded, the President is empowered to promise that existing duties which affect imported goods will not be increased during the term of any particular agreement. It should be carefully noted, however, that the President is given no right to reduce or increase any excise duty. His power of reduction of duties is limited to those which are, in fact, customs duties.

I think that Congress intended—it certainly should have intended—to keep control over these excise taxes in its own hands.

However that may be, last December a trade agreement was negotiated with Venezuela by which the excise tax on imports of crude petroleum and other products of petroleum was reduced 50 percent.

Mr. President, this reduction threatens the stability of the petroleum industry in both the midcontinent and the west-coast fields. It is a serious threat to the independent petroleum producers. It does not materially help Venezuela; it does tend to give three large oil companies the power to control prices of petroleum products in the Atlantic seaboard region; it breeds monopolistic control of the oil industry.

Mr. President, I do not intend to discuss this situation at length at this time. I have offered an amendment to correct this misuse, as I see it, of the powers granted the Executive through the Reciprocal Trade Agreements Act, which I intend to call up at the proper time. I ask unanimous consent that the amendment be printed at this time as a part of my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

> On page 1, line 8, after "1940," insert a comma and the following: "with the proviso that the authority conferred in the said act does not embrace authority to include in any trade-agreement negotiations excise taxes imposed under the provisions of paragraphs (4), (5), (6), and (7) of subsection (c) of section 601 of the Revenue Act of 1932, as amended, which are now a part of the Internal Revenue Code, subtitle (c), chapter 29, subchapter (b), part 1, sections 3420, 3422, 3423, 3424, and 3425."

Mr. CAPPER. Mr. President, the effect of this amendment is to exclude changing these import excise taxes on oil, copper, coal, and lumber from the provisions of the Reciprocal Trade Agreements Act. I believe it should be agreed to.

Before closing, Mr. President, I desire to discuss briefly some of the broader implications of this legislation, especially the surrender by the Senate of its constitutional power over the ratification of treaties, and the surrender of the Congress of its power over revenue and taxation.

Mr. President, we have been called upon from overseas in the past to save democracy in a world in which democratic institutions are seriously imperiled. We are looking forward to a repetition of that call in some form in the not-far-distant future. It seems to me that we also have a call, and a much more urgent one, to save the democratic processes here at home.

All over the world we see details of government, powers of government, turned over or being turned over to the executive. For several years past the same trend has been distinctly observable here. The American people are alarmed over the encroachments of arbitrary power and the tyranny of one-man government. The country is greatly disturbed over the unrestrained increase of Executive authority without the full knowledge of the people.

One by one Congress is turning over legislative functions, powers, responsibilities, and duties to the executive branch of the Government. Some of these powers, it is true, are merely matters of administrative details. Theoretically it may be true that what Congress gives Congress later may take away. But getting back power from a strongly entrenched executive department is not a simple matter. It is not an easy thing to do. When the time comes when we wish to restore to Congress the legislative powers which have been granted the Executive we may find that impossible without something approaching revolution.

Mr. President, the original Trade Agreements Act, extension of which for another 3 years we now are considering, I believe transcends and violates the Constitution by allowing the Executive to negotiate treaties and make them effective without ratification by the Senate. When we approved the original act we attempted to short-cut the Constitution to get quick results. All over the world legislative powers have been surrendered to the Executive in the effort to attain results by short-cut methods. All over the world we see the baneful results of this surrendering by the legislative representatives first one and then another of the legislative powers to the Executive. Not always do the people have an opportunity of getting these powers back. We believe that every citizen should have the right to be heard.

In this instance the people of the United States, through Congress, have the power to get back the constitutional con-

trol over treaty making—a power first granted temporarily for a 3-year period, since extended another 3 years. Congress can take a step back toward representative government by adopting the Pittman amendment to the pending joint resolution. I have had a similar amendment before the Senate for more than 3 years, requiring ratification by the Senate of all treaties negotiated under the Reciprocal Trade Agreements Act. My amendment failed of adoption when it was submitted to the Senate in 1937. I hope the amendment offered by the Senator from Nevada will prevail at this time.

This amendment simply provides that—

> No foreign-trade agreement entered into after the date of the enactment of the joint resolution under section 350 shall be effective unless concluded by and with the advice and consent of the Senate, as in the case of treaties.

It may be contended that trade agreements do not rise to the dignity of treaties. If that were the case—and I make no admission that it is the case—then evidently the trade agreements would have the effect of laws.

Considering trade agreements as laws, it is evident that they are laws affecting revenue, because in them are provisions by which the revenues collected by the Government may be increased or decreased by changing the rates of customs duties on imports. It seems to me perfectly plain that the fixing of tariff or customs rates is a legislative function, under our Constitution. The same Constitution provides that all legislative power is vested in the Congress. It also provides that revenue legislation must originate in the House of Representatives.

It seems to me the conclusion is inescapable that if we, as Senators, as Members of Congress, are alive to our duties and responsibilities, we must take one of two views on this matter; we must choose between these alternatives, or be derelict in our duties under the oath we took to support the Constitution.

First, we can decide that these trade agreements are in effect treaties, and require Senate ratification.

Second, if we decide not to hold them as treaties, then we must view them as amendments to the revenue laws, and as such they should receive the approval of Congress.

My own view is that a trade agreement is both a treaty and an amendment to existing revenue laws, and as such should have Senate ratification, as in the case of a treaty, and congressional approval as an amendment to existing revenue acts.

I believe also, however, that the form and spirit of representative government would, for all practical purposes, be preserved if either Senate ratification or congressional approval were required. Therefore, I am suggesting Senate ratification, though I will gladly support an amendemnt to require congressional approval.

In this connection I desire to call attention to the fact that the nations with which we have negotiated 22 trade agreements on the whole take the view that these agreements are subject to legislative control. Eighteen of the twenty-one nations with which we have negotiated these agreements—two agreements were entered into with Canada—have required their parliamentary bodies to approve them before they became effective. Only three nations—Ecuador, Venezuela, and Cuba—did not require this approval. Mr. President, we lay claim to being the leading democracy of the world. We will not be if we continue this whittling away of legislative powers, this continual transfer of all government powers in the Executive.

Mr. President, one more thought in closing. It seems to me that the time has come for the United States to take stock, to get a revaluation of fundamental national policies.

In the domestic field we are pursuing a high-price, high-wage level, the so-called American standard-of-living policy. If those prices, those wages, that level of living are to be maintained, we cannot, in the light of reason, carry on at the same time a foreign trade policy which provides for imports of commodities produced under conditions such as low wages, long hours, low living conditions, and low price levels.

If we are to maintain prices, wages, and living conditions on a much higher than the world level, it seems inconsistent at the same time to be trying to promote imports produced on the lower world level of wages, prices, and living.

I have known men who could work both sides of the street, to use a phrase understood by most Senators. In the circus I have seen performers ride two horses at once—but the horses had to be going in the same direction.

I do not remember ever having seen even a circus performer attempt to ride two horses going in opposite directions. It seems to me that is what we are trying to do here.

Along the same line of thought I might mention also that through our Department of Agriculture and our Department of State we have in force two absolutely contradictory farm programs.

Secretary of Agriculture Wallace is making payments to American farmers to adjust production downward, subsidizing American farmers for producing less.

Secretary of State Hull is in effect subsidizing the farmers of other nations to produce more, and to sell that increased production in the American market.

Mr. President, those two programs just do not make sense.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. CAPPER. I yield.

Mr. LODGE. Is it not also true that we are committed in our wage and hour law and in similar statutes to work for a rising level of wages and a reduced scale of hours, and that that is equally in contradiction of the policy of lowering tariffs?

Mr. CAPPER. That is true.

Just one other point upon which I will not elaborate. I am convinced it is a mistake to include the unconditional most-favored-nation clause in these agreements. Without going extensively into the matter, I call attention to the fact that trade agreements are a very special type of commercial treaty. They should be bilateral in character; otherwise, in too many instances, it will be found that we make concessions to a number of nations and get concessions only from one.

If any most-favored-nation clause is inserted in any of these agreements, it should be the conditional construction, not the wide open and greatly abused unconditional most-favored-nation clause. In support of this I quote from the United States Tariff Commission in its special 1919 report on reciprocity and commercial treaties, page 42:

> The evidences show that the conclusion of reciprocity treaties is likely to lead to claims from states outside the agreement, which, if granted, will defeat the purpose of the treaties, and which, if not granted, occasion the preferring of a charge of disloyalty to treaty obligations. The practice of making reciprocity treaties requires the conditional construction of the most-favored-nation clause.

Mr. President, I also point to the case of the zinc industry in this connection. The second trade agreement with Canada included sizable concessions on zinc and cadmium. Canada is not and was not a heavy importer of products into the United States, the amount being 12 percent of total zinc imports and 8 percent of cadmium imports. But Mexico, from whom we received no concessions, sends us 59 percent of our total imports of zinc, and Belgium sends us 71 percent of the cadmium we import.

Only the outbreak of the World War saved the domestic zinc-mining industry from serious injury by reason of letting down the bars against Mexican and Netherlands importations of these metals, as the result of our granting what appeared to be a minor concession to Canada.

I say that is an argument in favor of restricting the concessions made to those countries granting us no concessions in return.

Mr. President, let us abandon this nonsensical reciprocal trade agreements program and get down to earth in our economic thinking. I shall vote against the pending joint resolution unless it is amended to include the constitutional safeguard of Senate ratification before the negotiated treaties become effective.

I ask unanimous consent to have printed as part of my remarks numerous resolutions and letters from farm and

other organizations supporting the views I have just expressed in opposition to the reciprocal trade agreements program as it is being administered at present, and appealing to Congress to provide for Senate ratification of all treaties if the Reciprocal Trade Agreements Act shall be reenacted by Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

THE NATIONAL GRANGE,
Washington, D. C., March 25, 1940.

To the Members of the Senate:

If the legislation calling for the renewal of the Reciprocal Trade Agreements Act for another 3 years, which is now before the Senate, is to be approved, the National Grange is strongly of the opinion that this measure should be amended in certain respects so as to safeguard the interests of the American people.

In the first place, this measure should be amended so as to provide for joint congressional ratification of all future trade agreements that may be made. It is interesting to note that in 16 of the 22 countries with which we have made trade pacts these agreements or treaties have been subject to parliamentary ratification. But here in the United States, the greatest republic in the world, in violation of both the letter and the spirit of the fundamental law, the Senate has been deprived of its constitutional right to pass on these treaties.

Moreover, the Constitution provides that all revenue legislation must originate in the House. It cannot be denied that the right to raise or lower tariff duties to the extent of 50 percent affects revenues. As an illustration, by virtue of the fact that the duty on Cuban sugar was reduced from 2 to .9 cents per pound the Treasury sustained a loss of revenue between September 3, 1934, and December 31, 1939, amounting to $133,924,000. In the days when we depended upon the tax yield rather than deficit financing to defray the cost of government this would have been considered quite a sizeable sum. In the meantime the retail price of sugar to the consumer has not been reduced to the extent of a single mill. The chief beneficiaries have been two of the biggest banks in Wall Street, which own the major portion of the Cuban sugar industry. All this was done in violation of the constitutional principle that revenue legislation must originate in the House.

Senator MCCARRAN has announced his intention of proposing an amendment providing for the levying of excise taxes on all imports on the dutiable list when the landed costs of such goods fall below the American wholesale selling price. It is understood that this rule shall apply only to imports of commodities that are commercially available in the United States.

Since many artificialities and restrictions have been imposed upon our system of free enterprise during recent years which operate to increase our cost of production and of doing business, it is manifestly impossible to maintain these artificial standards while permitting unrestricted competitive imports from countries where substandard labor conditions exist and where costs of production are lower than in the United States. We are therefore heartily in favor of the adoption of Senator MCCARRAN'S amendment. There are various other amendments that should be made to this legislation, but we consider the two that have been indicated as of primary importance.

From the standpoint of the American farmer, the working of the 22 trade agreements that are now in effect have been worse than useless. Since 1934, when the Reciprocal Tariff Act was passed, the value of our agricultural exports has declined while competitive imports have increased. No amount of specious reasoning nor the juggling of foreign-trade statistics can obscure the facts in the case.

Under the guise of soil conservation the Government is paying the farmers of the country approximately $500,000,000 a year to reduce acreage and production, while permitting, and even encouraging, competitive imports of farm products valued at more than this sum. Moreover, it is important to keep in mind that our imports are priced on the basis of foreign costs. The import figures do not include the cost of transportation, insurance, and customs duties. If these items were added, the total import figures would be much higher.

Then, too, it must not be forgotten that competitive imports are always offered at a lower price than that which prevails at home. These imports place a ceiling, so to speak, on our price level, rendering it virtually impossible for domestic producers to secure prices commensurate with our higher costs of production and the American standard of living. The situation with which we are now confronted under the workings of the Trade Agreements Act is destroying the morale and the independence of the farmers of the country, and it is gradually reducing them to the status of wards of the Government.

Those who take the position that the United States Senate cannot be trusted to perform its proper functions in regard to these trade treaties not only turn their backs on the Constitution, but they betray their lack of faith in the processes of popular government. We regard it as a very grave mistake and a perversion of fundamental principles for Congress to delegate legislative power to the executive branch of the Government. That is what the Reciprocal Trade Agreements Act does, and it should not be renewed without proper amendments.

Yours sincerely,

THE NATIONAL GRANGE,
FRED BRENCKMAN,
Washington Representative.

[Adopted at Seventy-third Annual Convention of National Grange at Peoria, Ill., November 23, 1939.]

THE AMERICAN MARKET

Since many artificialities and restrictions have been imposed upon our system of free enterprise during recent years which operate to increase our cost of production and of doing business, and since it is useless to attempt to maintain these artificial standards while permitting unrestricted competitive imports from countries where substandard labor conditions exist, and where costs of production are lower than the United States, it is manifest that proper steps must be taken to protect American interests. Under prevailing conditions, we favor the levying of excise taxes on all imports on the dutiable list when the landed cost of such goods falls below the American wholesale selling price. Provided, however, that this rule should only apply to imports of commodities that are commercially available within the United States.

RECIPROCAL-TRADE AGREEMENTS

The reciprocal trade agreements program has caused serious damage to American agriculture. It has depressed farm prices by encouraging imports of competitive products from countries where substandard labor conditions prevail. It is wrong in principle and violates the Constitution. It should not be renewed when it expires by its own limitations on June 12, 1940.

[Adopted by Thirty-fourth Annual Convention of Kansas State Farmers Union at Wakeeney, Kans., on October 24, 1939.]

We deplore the large importations from foreign countries of farm products in competition to American farmers; be it resolved that the Farmers Union take a firm stand against reciprocal-trade agreements which are negotiated without congressional ratification.

The National Farmers Union, in its 1939 convention at Omaha last November, left the reciprocal-trade program unmentioned, but stated its reaffirmation for "Protection of the domestic market for American agriculture."

[Adopted by Forty-third Annual Convention of American National Livestock Association held at Denver, Colo., January 11, 1940.]

RECIPROCAL TRADE ACT

Whereas a large majority of our people, and particularly of our agriculturists, is unalterably opposed to reciprocal-trade agreements; therefore be it

Resolved, (a) That we are definitely opposed to an extension of the Reciprocal Trade Agreements Act; and (b) That, if said act is extended, it be only on the condition that all new agreements thereunder and extensions of existing agreements be ratified by the Senate in the manner provided by the Constitution.

KANSAS LIVESTOCK ASSOCIATION,
Topeka, Kans., March 16, 1940.

Senator ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: Enclosed you will find complete copy of resolutions adopted by the Kansas Livestock Association in their annual convention at Wichita, March 8, 1940.

I feel that perhaps these will be of assistance to you in opposition to pending legislation, which we consider so detrimental to the welfare of our livestock industry.

Your active support in behalf of such measures as are set forth will be appreciated as have all your other stands on such matters.

Sincerely yours,

WILL J. MILLER, *Secretary.*

[Adopted by Kansas State Livestock Association]

The following resolution was adopted by the Kansas State Livestock Association at its annual meeting, March 8, 1940, at Wichita, Kans.:

"In view of the large volume of importation of livestock, livestock products, fats, oils, and other commodities competing with our industry, be it resolved, that adequate tariff protection be accorded our domestic products; also that Congress continue its vigilant guard against importation of livestock and its products from Argentina and other countries infected with disease. We also urge Senate ratification of trade treaties by two-thirds majority."

KANSAS STATE GRANGE,
North Topeka, Kans., March 21, 1940.

Hon. ARTHUR CAPPER,
United States Senator,
Washington, D. C.

DEAR SENATOR: Enclosed please find pages 56 and 57 as taken from the 1939 Journal of Proceedings containing the resolutions passed

at the last session of the Kansas State Grange regarding reciprocal trade.

The Grange has always been nonpartisan in this matter and has led in the fight for tariff justice for more than 50 years.

Thanking you for your interest in this matter, I remain

Very truly,

C. C. COGSWELL,
Master, Kansas State Grange.

[Adopted by Kansas State Grange at annual meeting at Neodesha, Kans., on December 14, 1939]

Whereas the reciprocal-trade treaties which permit the exchange of our manufactured products for agricultural products from foreign countries work to the detriment of the American farmer by bringing the products of foreign labor and land into direct competition with products of our farms: Therefore be it

Resolved, That this body go on record as being opposed to such treaties as ask the repeal of laws that authorize their negotiation; be it further

Resolved, That we condemn the action of Congress in surrendering the treaty-making power.

Resolved, That we reemphasize our former declaration that the American farmer is entitled to the American market up to the limit of his ability to supply it.

American agriculture is not being given the American market which it has been demanding for many years. Reciprocal-trade agreements have worked to the detriment of agriculture instead of to the benefit of it. American agriculture must be given a square deal as compared with other industries if either American agriculture or the Nation itself is to return to its usual prosperous condition. Agriculture is basic, and the sooner other industries recognize it the better it will be for all of us.

[Reciprocal-trade resolution adopted by the National Farmers' Guild at Monticello, Ind., November 21]

For the past several years the Congress of the United States, without constitutional authority, has granted to the President treaty-making powers, without the advice or consent of the United States Senate. Under this reciprocal trade agreement policy, our foreign trade in agricultural products has been penalized for the benefit of certain few large-scale manufacturers. We, therefore, firmly oppose the extension of the Reciprocal Trade Agreements Act beyond the date of its expiration, June 1940.

AUGUSTA, KANS., *February 6, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

Whereas the reciprocal-trade treaties which permit the exchange of our manufactured products for agricultural products from foreign countries work to the detriment of the American farmer by bringing the products of foreign labor and land into direct competition with products of our farm: Therefore be it

Resolved, That this body go on record as being opposed to such treaties and ask the repeal of laws that authorize their negotiation; be it further

Resolved, That we condemn the action of Congress in surrendering the treaty-making power.

Yours truly,

INDIANOLA GRANGE NO. 1875,
HARRIET MARKLEY, *Secretary.*

The Zenor Farmers' Union local, at its regular meeting, passed the following resolutions:

"We believe there is too much difference in the price that we get for our products and that which we have to pay for the things which we have to buy: Therefore be it

"*Resolved*, That we ask our Senators to do all in their power to get the appropriation for parity on wheat.

"We believe that the endeavor to economize on Government expenses should not be at the expense of the farmer in favor of war preparation."

The above resolution was passed at our regular meeting, held February 27, 1940.

RAY HORNBAKER, Stafford, Kans.,
HERMAN HILDEBRAND, Stafford, Kans.,
L. F. WEBRING, Zenith, Kans.,
Committee.

AUGUSTA, KANS., *February 6, 1940.*

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR FRIEND: Whereas the reciprocal-trade treaties which permit the exchange of our manufactured products for agricultural products from foreign countries work to the detriment of the American farmer by bringing the products of foreign labor and land into direct competition with products of our farm: Therefore be it

Resolved, That this body go on record as being opposed to such treaties and ask the repeal of laws that authorize their negotiation: Be it further

Resolved, That we condemn the action of Congress in surrendering the treaty-making power.

Yours truly,

[SEAL]

INDIANOLA GRANGE NO. 1875,
HARRIET MARKLEY, *Secretary.*

BIRD CITY, KANS., *March 18, 1940.*

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.:

At meeting stockmen and farmers here strongly oppose the Trade Agreement Act unless it contains a provision for Senate ratification and ask for a complete congressional hearing in the matter at which their opposition to any trade agreement can be presented by their duly elected representatives.

ALBERT WEAVER.

MACKSVILLE, KANS., *February 27, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: I just want to say a few words against the reciprocal-trade agreements. While I know how you stand on that question, I want to bring up a couple of instances which came to my notice a few days ago. I was talking to a man from California who said he was a chemist, knew nothing about farming. He said: "I see shipload after shipload of corn coming into San Francisco harbor from foreign countries, while at the same time our farmers are asked to reduce acreage." He said, "I can't understand it." A friend of mine was talking to a Canadian a short time ago. The Canadian said: "We Canadians are tickled to death over the trade agreements. We can get much more for our livestock than we could before."

What is Secretary Hull and his cohorts up to? Does he want to make slaves of the farmers of the United States? Does he not know, and does he not know that the farmers of this country know, that some of the "ism" countries across the water have just such agreements whereby they can ship in foodstuffs in sufficient quantities to hold prices down for their own farmers, even in a year of short crops. What if these agreements do help industry, which I doubt to any great extent at least.

Our farmers are denied the right of fair prices, while at the same time they are required to pay high prices for machinery and other manufactured goods. The Plains farmer is pretty resourceful. He rebuilds his tractors and combines, and with the aid of the numerous machine shops, many of which are owned by farmers, he can make a good workable machine from a 10-year-old tractor, but don't think he enjoys this. He would rather be able to buy a new model once in a while.

Now as to trade agreements. If those could be negotiated so as not to ship into this country products of which we already have a surplus, it would probably work out all right, but I don't see how any man or group of men can be loyal to our constitutional form of government and still vote for treaties and other programs which are copied from some "ism" form of government. Lets keep America free from foreign "isms." They have nothing to offer except a lot of promises which cannot be fulfilled.

Yours for a continuation and strengthening of our representative form of government.

Yours truly,

C. S. WALKER.

BLUE VALLEY BREEDING RANCH,
Irving, Kans., March 4, 1940.

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR MR. CAPPER: I am writing you in regard to the amendment for Senate ratification of the Trade Treaties Act.

Please do what you can to get this amendment measure through. This country has just got to get business and trade in place of destroying it as the New Deal administration has been doing. We must eliminate all trade barriers.

Kansas is strictly a livestock and agricultural State and we must have open markets. This New Deal outfit has been catering to the C. I. O.'s, the racketeers, and roughnecks long enough, and the businessman, the honest hard-working man, the farmers, and stockmen are getting tired of it.

Thanking you in advance for anything you can do for us, I remain,

Yours respectfully,

FRED R. COTTRELL.

[From the Kansas State Livestock Association]

KANSAS LIVESTOCK ASSOCIATION,
Topeka, Kans., December 20, 1939.

Senator ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: I am writing you in the interests of the livestock industry of our country which are again being threatened through reciprocal-trade pacts and agreements made, and proposed to be made, by the State Department.

Any reduction in duties on meat animals, meat, or meat products, might retard the industry at a time when it is trying hard to reestablish itself. Kansas farmers and livestock producers oppose any reduction in the duties on beef, beef products, wool, turkeys, eggs, dairy products, corn, flax, alfalfa, or other farm and ranch products.

Farmers of our country desire to cooperate with the State Department and industrial interests, but contend that these agencies should make it easy for them, by helping to remove those things which injure agriculture.

To those of us who have followed the long fight made by livestock interests against importation of beef and beef animals or dairy stock from the Argentine, this is nothing new. It has been

on the calendar for many years, and every time there is an excuse to bring the matter up for further consideration, it is done by Government agencies at Washington who are seeking every possible means to increase trade relations with foreign countries, regardless of their economic effects on domestic production. It seems to me that the matter of trade agreements is one of economics rather than of foreign relations, and should be approached from that angle alone.

The fact that importation of meat and meat animals, dairy products, and products of the farm and ranch works a hardship on American producers, and the fact that the dread foot-and-mouth disease is prevalent in many sections of South America, seems not to have any consideration. Secretary Hull apparently intends to strengthen trade relations with South American countries wherever possible, even at heavy cost to American agriculture.

On behalf of the Kansas Livestock Association, a voluntary nonprofit organization composed of progressive farmers and livestock producers of Kansas and adjoining States, including feeders, marketers, and producers of cattle, hogs, and sheep, I am urging you to use every means at your command to safeguard domestic interests in the matter of these trade agreements. Authority for submission of this statement on behalf of the Kansas Livestock Association and for such representation on behalf of the association as may be contained herein is given in a resolution adopted by our association at its last annual convention, March 1–3, 1939, reading as follows:

"We recommend, in view of the large volume of importation of livestock, livestock products, fats, oils, and other commodities competing with our industry, that full and adequate tariff protection be accorded our domestic products; also that Congress continues its vigilant guard against the importation of livestock and livestock products from Argentina and other countries infected with diseases."

At every annual meeting of the association in recent years resolutions of almost identical content and language as that just above quoted have been adopted. Therefore adequate, equitable protection for our domestic producers against the importation of livestock and livestock products from foreign countries has long been an established policy of our association.

It is our sincere belief that full protection of our domestic market for our domestic producers, based on such tariff rates and import levies as will at least equalize cheap production costs prevailing in foreign countries with those encountered by our domestic producers, will serve to promote higher living standards in all agricultural pursuits and will revive agricultural buying power, the possibilities of which can only be released by placing agriculture on an equality with the industrial and commercial lines of our domestic economy.

Therefore on behalf of the membership of the Kansas Livestock Association I desire to respectfully enter protest against the granting of any concessions by way of reduction in existing tariff rates or import levies covering any of the items hereinabove referred to and to urge that existing rates be not only maintained but increased within reasonable bounds wherever possible.

Also may I urge that the 22 now existing and effective treaties with foreign nations be abrogated insofar as their provisions have to do with imports of agricultural products, and that all future negotiations of this character have Senate approval before they are effective?

Yours very truly,

WILL J. MILLER,
Secretary, Kansas Livestock Association.

RIO LINDA, CALIF., *January 9, 1940.*

Senator CAPPER,
Washington, D. C.

DEAR SENATOR: Your address of January 6 on reciprocity agreement I heartily concur in as one of the most aggressive and comprehensible arguments I ever heard of, and I am 85 years old and always took great interest in our Republican tariff enactments and always found them to be in principle the best legislation that could possibly be enacted.

My experience and observation brought me to believe and assert that the Democratic Party as a whole did not have the business ability to properly run our great country and now know I was absolutely right.

Democratic administrations most always upset business and always were improved by a change to Republican administrations.

The New Deal is proving the most disastrous administration on record. You have my full consent and approval as Senator from Kansas, and hope you will again be successful in the next Congress.

Respectfully yours,

T. J. MOCK.

AMERICAN NATIONAL LIVESTOCK ASSOCIATION,
Washington, D. C., March 8, 1940.

Hon. ARTHUR CAPPER,
United States Senate.

DEAR SENATOR CAPPER: We wish to submit our views relative to the following legislative matters, which are of vital concern to our industry:

1. Reciprocal Trade Act:

Because of the fact that there is a sharp increase in domestic meat supplies, at a time when export outlets for surplus meat products have been drastically curtailed, and because of the fact that the tariff on cattle weighing more than 700 pounds has already been reduced the full 50 percent possible under the act, the tariff on calves 40 percent, despite which reductions have been proposed on numerous other products, such as canned beef, hides, tallow, etc.;

Therefore, in order adequately to safeguard this important industry, we recommend:

A. That the act be allowed to expire on June 12, 1940.

B. In case it is extended, that an amendment providing for either Senate ratification or congressional approval be adopted.

2. Farm Credit Administration:

We recommend that legislation be immediately adopted that will restore the Farm Credit Administration to its former status as an independent agency.

3. Fair Labor Standards Act:

The original wage and hour bill contained an exemption supposed to apply to packing-house workers during peak periods of employment. The interpretation of this act by the Administrator thereof has narrowed the exemption so as to apply only to the initial operation of slaughtering and dressing and does not give the tolerance that the Congress intended, thereby imposing a serious burden on livestock producers and shippers.

Therefore, we endorse the Barden bill, now pending in the House, but urge that it be so amended as properly to clarify the exemptions on packing-house workers.

4. Wheeler-Lea transportation bill (S. 2009):

We consider it unfortunate that the conference report on this measure, highly important to all branches of American enterprise, cannot be given studied consideration. In the final consideration of same we deem it very essential—

A. That the right of shippers to the shortest direct or through route at the lowest rate perscribed by tariffs between any two given points be insured through the elimination of section 15 (4) of the House bill.

B. That there be no essential change in the provisions of the present fourth section of the Interstate Commerce Act which would nullify the restrictions of the long-and-short-haul clause.

C. That there be nothing included in the declaration of policy and no changes in the present rate-making rule that will operate to increase the cost of transportation service to the shipping public.

Respectfully submitted.

AMERICAN NATIONAL LIVE STOCK ASSOCIATION,
By FRANK S. BOICE,
Chairman, Legislative Committee.
By F. E. MOLLIN, *Secretary.*

Approved:

J. ELMER BROCK, Kaycee, Wyo.,
President.
A. D. BROWNFIELD, Florida, N. Mex.
J. L. BIVINS, Amarillo, Tex.
J. H. NASON, Spearfish, S. Dak.,
WILLIAM B. WRIGHT, Deeth, Nev.
Members, Legislative Committee.

CENTRAL COOPERATIVE ASSOCIATION,
South St. Paul, Minn., March 4, 1940.

Hon. ARTHUR CAPPER,
United State Senate Office Building,
Washington, D. C.

DEAR SENATOR: Your address of January 6 on reciprocity agreemously passed at the annual meeting of the stockholders of the Central Cooperative Association, composed of delegates from Minnesota, Wisconsin, North Dakota, South Dakota, and Montana, and which was held at the Lowry Hotel, St. Paul, Minn., on February 14, a copy of which I am enclosing herewith, we respectfully request that you use your influence to secure senatorial ratification of all future trade agreements, and also seek to have the bill amended so that American citizens may enter the courts in behalf of their rights, or to test the constitutionality of the act itself.

The livestock interests of this Northwest territory are very much concerned and alarmed about the possibility of the extension of the Trade Agreements Act in the form passed by the House of Representatives last week. This state of mind has resulted from their experiences under the operation of this act during the past several years. They believe that the authority granted to the administrative branch of our Government under the Trade Agreements Act should be returned to the legislative branch of our Government where the voice of the people of this country can still be heard.

I sincerely hope that you can actively support these views.

Believe me, I am

Sincerely yours,

N. K. CARNES, *General Manager.*

RE TRADE AGREEMENTS

Northwest agriculture has evidenced its apprehension that trade agreements as now negotiated will have the effect of reducing prices of farm commodities; and

The safeguarding of these price levels is essential to the welfare of Northwest agriculture, and to the welfare of all the interests and industries dependent upon it: Therefore, be it

Resolved, That the Central Cooperative Association urges the Representatives and Senators from the Northwest to exert their best efforts to secure amendments to the reciprocal trade agreement provisions of the Tariff Act of 1930 to provide that:

(1) No tariff concessions may be made, the effect of which would be likely to reduce or hold the domestic price of any farm commodity below parity; and

(2) In developing trade agreements full hearing must be given to spokesmen for industries or producers of commodities to be affected by treaty concessions, with guaranties of real consideration of such representations, and assurance that no treaty shall be completed until a full and complete record of such hearings has been made available.

(3) The United States Senate must approve each such proposed treaty without amendment of any particular schedules, in order to make it effective.

CALIFORNIA CATTLEMEN'S ASSOCIATION,
San Francisco, Calif., March 12, 1940.

Hon. ARTHUR CAPPER,
United States Senator,
Washington, D. C.

DEAR SENATOR: At our annual convention, held in San Francisco in December 1939, the following resolution about reciprocal agreements was adopted:

"*Be it resolved,* That no further tariff or trade agreements shall hereafter be entered into or caused to become effective until the same have been ratified by the United States Senate, and that we heartily endorse the Coffee bill, H. R. 7589."

When the Reciprocal Trade Act was adopted, Congress declared the purpose was the expansion of foreign markets for our products, as a means of assisting in overcoming a number of our internal problems.

Congress also stated this would be done by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production.

The act, however, has been administered as a tariff-reduction program. Further, the agreements which were under consideration with Argentina and Uruguay listed for concessions on the part of the United States several livestock products.

Official estimates indicate that our domestic cattle population is now 69,000,000 head, an increase of 2,000,000 in the past year. Further increases are expected for the next few years. In 1934, Secretary Wallace guessed that a proper number of cattle for this country at that time would be around 64,000,000, or 5,000,000 less than we now have on hand. Obviously there is no need for encouraging the importation of more cattle and more cattle products.

In view of the attitude of the State Department in favoring tariff reductions on competitive livestock products, we contend that all agreements should be subject to Senate or congressional ratification, so that the domestic livestock industry will receive proper consideration and protection.

Thanking you for your consideration,
Very truly yours,

JOHN CURRY.

THE NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION,
Washington, D. C., March 14, 1940.

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: By direction of our executive committee I am writing to express the opposition of our federation to the passage of House Joint Resolution 407 intended to extend the life of the Trade Agreements Act.

I am further directed to advise you that our organization believes that congressional approval of the revenue phases of any future trade agreements which might be enacted, and Senate ratification of the treaty phases of such agreements, together with the right of court review, constitute the minimum protection which Congress should extend the citizens of the United States with regard to the administration of this law, should it be extended.

Following is a summary of our analysis of the act:

1. It gives to the Executive too much power.
2. No definite rule is established to guide the Executive with respect to the reasons why a concession should be made.
3. The act generally may be interpreted as extensions of power rather than limitations of power.
4. The right of persons to court review is practically eliminated.
5. The act extends the President's authority to modification of other import restrictions such as internal taxes on imported products.
6. Notwithstanding claims made by the Secretary of State, the trade agreements are tending to inhibit the liberty of Congress with respect to the enactment of sanitary regulations on imported products.
7. With the act permitting trade agreements to be entered into for periods of not to exceed 3 years, a situation is created whereby one administration may materially interfere with changes of policy with respect to foreign trade which might be intended to be made by a succeeding administration.
8. Contrary to popular impression, the act is not a reciprocity act. It is, in fact, the very opposite of being reciprocal.
9. We believe evidence is overwhelming to prove that the Department of State has exercised bad judgment and has been out-traded in the total of the agreements signed to date.

In my testimony before the Senate Finance Committee (pp. 651–689, inclusive), I laid before that body the result of an appraisal of the trade-agreement program. In terms of our trade in the year 1938 this study showed that we gave to foreign countries total concessions on $561,734,000 more of goods than we received. On duty reductions alone we came out in the red to the extent of $70,420,000. Eleven tables were offered in substantiation of this generally bad trading position in which the United States finds itself as a result of the present trade-agreement program.

We, therefore, respectfully urge the defeat of the resolution in the first instance; and if that is impossible, we urge the minimum of legislative protection as outlined above.

Sincerely yours,

THE NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION.
CHAS. W. HOLMAN, *Secretary.*

MILROY, MINN., *March 7, 1940.*

Hon. ARTHUR CAPPER,
United States Senate Office Building, Washington, D. C.

DEAR SENATOR: The members of the Milroy Livestock Shipping Association, numbering upward to 300 farmers, wish to appeal to you to do all in your power to safeguard the interests of American agriculture during the hearing and in the final vote on the pending legislation to extend the Trade Agreements Act.

We believe that the act, as it now operates, is detrimental to our best interests, principally because its lower tariffs allow foreign goods, which are produced far more cheaply than we can produce them, to come into direct competition with our own.

We cannot reconcile the policy of spending large sums of money to supplement the income of the farmer with that of removing the tariff protection to which we are rightfully entitled.

Hoping that this Congress will give us the protection afforded by congressional approval of all trade pacts, we are,

Respectfully yours,

MILROY LIVESTOCK SHIPPING ASSOCIATION,
By H. W. LADURG, *President,*
By HAROLD REDDING, *Secretary.*

TWIN CITY MILK PRODUCERS ASSOCIATION,
St. Paul, Minn., March 13, 1940.

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: The question now before the Congress of the United States giving the farmers of this country the most concern is that of extending the Reciprocal Trade Agreements Act for another 3 years without amendment.

We feel that every Senator who votes for such extension without amendment either does not appreciate the farmer's problem and his condition or else is willing to sacrifice his welfare to further the interests of other groups in this country. That the farmer's interests have been betrayed through the reciprocal-trade agreements entered into by this country through our State Department is unquestionably true. That further and even more disastrous curtailment of his income will be made is certain if the act is continued for another 3 years without amendment.

The farmer groups are asking that opportunity for court review and questioning of the constitutionality of the act itself be permitted. Is the Senate now ready to say that the constitutional right of American citizens to appeal to the courts should be taken from them?

The other amendment asked by farm groups is that our Senate approve all trade treaties. Certainly the Senate fails in its obligation under the Constitution as representatives of our democracy—if it still is a democracy—if they fail to pass this amendment. Judge John D. Miller, a well-known Democrat of Susquehanna, Pa., president of the National Council of Farmer Cooperatives and counsel for the Dairymen's League of New York, in his address to this council on January 10, 1940, I believe, stated the position of farm groups the best to date I have seen it outlined, and I therefore quote from his address:

"TRADE AGREEMENTS

"Next June the power of the executive department to conclude trade agreements with other countries will expire unless continued by Congress, and the question now widely discussed is whether the law, if continued, should be amended so as to require ratification by the Senate.

"The policy of this council as established several years ago and since adhered to is that these agreements should be ratified by the Senate. In doing so, we would not only be following the orderly processes of democracy but would be following the example of other countries, the most of whom require ratification of such agreements by their respective parliaments.

"Why is the State Department now so aggressive in trying to prevent Senate ratification? It cannot be because they fear the Senate will not act with the best of motives, for this would impeach both the mental and moral integrity of the Members of the Senate.

"It cannot be because they believe the Members of the Senate are not able to decide the questions involved intelligently, for our distinguished Secretary of State, who for several years was a useful Member of the Senate, knows that with remarkably few exceptions the Senate throughout the 150 years of our Nation's life has been composed of able men.

"It therefore seems clear that the reluctance of the executive department to permit ratification of these agreements by the Senate is because they fear that some of the agreements that may be negotiated will not meet with the Senate's approval.

"This position emphasizes the need of Senate ratification, for it is clear that the Senate, composed as it is of two representatives from each of the States, each knowing conditions in their own State, can, by debate and consultation, more accurately appraise

their effects than can any small group, however able and sincere, in the executive department, and can therefore ratify such agreements as are helpful and can refuse to ratify those that are harmful.

"Anyone who disagrees with this statement also disagrees with an inspired writer who, many centuries ago, said:

" 'Where no counsel is, the people fall; and in the multiude of counselors there is safety.'

"Some in the Department of State have been quoted in the newspapers as saying that the purpose of those who urge ratification by the Senate is to kill the entire trade-agreement program. This is unjust to both those within and without Congress who favor such ratification. If any of those who urge ratification have such an objective, I doubt if one can be found in the ranks of this council.

"Trade agreements are helpful if they conform to sound policies, which are that under them each of the contracting nations receives things it needs in exchange for things it does not need with balances settled in cash. As a result of some of the agreements that have been concluded large quantities of farm products have been imported that were not needed and that merely added to existing surpluses.

"If the trade-agreement program is killed, the responsibility therefor will not rest upon those who urge ratification but upon those who seem to distrust the orderly processes of democracy."

May we ask with all the emphasis at our command that you use your best efforts to secure these amendments to the Reciprocal Trade Agreement Act and vote for them?

Thanking you for any efforts you may make for agriculture by so doing, I am

Very truly yours,

W. S. MOSCRIP.

National Council of Farmer Cooperatives at Washington, D. C., on January 10, 1940, approved stand taken by President John D. Miller, as follows:

"FAVOR SENATE RATIFICATION OF TRADE AGREEMENTS

"Next June the power of the executive department to conclude trade agreements with other countries will expire unless continued by Congress, and the question now widely discussed is whether the law, if continued, should be amended so as to require ratification by the Senate.

"The policy of this council as established several years ago and since adhered to is that these agreements should be ratified by the Senate. In doing so we would not only be following the orderly processes of democracy but would be following the example of other countries the most of which require ratification of such agreements by their respective parliaments.

"Why is the State Department now so aggressive in trying to prevent Senate ratification? It cannot be because they fear the Senate will not act with the best of motives, for this would impeach both the mental and moral integrity of the Members of the Senate.

"It cannot be because they believe the Members of the Senate are not able to decide the questions involved intelligently, for our distinguished Secretary of State, who was for several years a useful Member of the Senate, knows that with remarkably few exceptions the Senate throughout the 150 years of our Nation's life has been composed of able men.

"It therefore seems clear that the reluctance of the executive department to permit ratification of these agreements by the Senate is because they fear that some of the agreements that may be negotiated will not meet with the Senate's approval.

"This position emphasizes the need of Senate ratification, for it is clear that the Senate, composed as it is of two representatives from each of the States, each knowing conditions in his own State, can by debate and consultation more accurately appraise their effects than can any small group, however able and sincere, in the executive department, and can therefore ratify such agreements as are helpful and can refuse to ratify those that are harmful.

"Anyone who disagrees with this statement also disagrees with an inspired writer who many centuries ago said:

" 'Where no counsel is, the people fall; and in the multitude of counselors there is safety.'

"Some in the Department of State have been quoted in the newspapers as saying that the purpose of those who urge ratification by the Senate is to kill the entire trade-agreement program. This is unjust to those both within and without Congress who favor such ratification. If any of those who urge ratification have such an objective, I doubt if one can be found in the ranks of this council.

"Trade agreements are helpful if they conform to sound policies, which are that under them each of the contracting nations receives things it needs in exchange for things it does not need with balances settled in cash.

"As a result of some of the agreements that have been concluded, large quantities of farm products have been imported that were not needed and that merely added to existing surpluses.

"If the trade-agreement program is killed, the responsibility therefor will not rest upon those who urge ratification but upon those who seem to distrust the orderly processes of democracy and therefore oppose ratification."

[Resolution adopted by Kansas Independent Oil and Gas Association at Wichita, December 13, 1939]

Whereas the excise taxes on petroleum imports were imposed by Congress in order to grant some measure of protection to the American petroleum industry against competition with foreign oil produced by cheap labor; and

Whereas the oil-producing States and the domestic petroleum industry have found these taxes an important factor in the constructive national efforts to balance supply with demand in the interests of conservation: Therefore be it

Resolved by the Kansas Independent Oil and Gas Association, That we hereby protest to the President of the United States and to the Secretary of State against the reduction of these taxes under the Venezuela trade agreement recently promulgated, for the reason that this reduction in the excise taxes will enable importers who are also large purchasers of domestic crude to further reduce the crude price which is already below a proper level, thereby seriously affecting the incomes of thousands of employees, operators, and the general public in the thousands of communities where the production of oil constitutes their major industry; and that this reduction in the excise taxes actually constitutes a rebate granted to importers of foreign oil at the expense of the United States Treasury and to the harm of the domestic petroleum industry; and we also protest on the ground that Congress did not authorize any reduction in these excise taxes through any reciprocal-trade agreement; that the benefit of the reduced taxes will not go to the Republic of Venezuela nor to the people of Venezuela but to a few American importing companies which, with others, control Venezuelan oil resources. This condition also applies to other nations named in the recent proclamation setting out certain import quotas which are to be allowed at the reduced tax; and be it further

Resolved, That we request the President of the United States to give formal notice, according to law, of the discontinuance of that portion of the Venezuelan trade agreement which pertains to petroleum or its products at the earliest date possible, and cancelation of the quotas outlined in his recent proclamation; and be it further

Resolved, That we petition the Congress of the United States to take appropriate steps to restore these excise taxes to full force and effect.

THE DERBY OIL CO.,
Wichita, Kans., January 13, 1940.

Hon. ARTHUR CAPPER,
The Senate Office Building, Washington, D. C.

DEAR SIR: This will serve to express our emphatic disapproval of the State Department's action in consummating the Venezuelan trade agreement, whereby a 50-percent reduction in excise taxes on imports of crude and fuel oil was effected.

It is obvious from trade journals and statistics that the steadily increasing imports of foreign oil have had a depressing effect on our domestic market with a resultant reduction in pay rolls and income to the American public. As you know, we now have the largest reserve of petroleum that has ever been estimated, and there is adequate reason to believe these reserves may be substantially increased if we can prevent the inflow of competitive cheap-labor-produced oil from the Latin American countries.

First, let's strive to protect the welfare of the American people; and secondly, gain the good will of our neighboring countries which would not hesitate to throw us into a chaotic tail spin if they would benefit from such tactics.

We, therefore, strongly urge you to endeavor to remove such detrimental effects by the enactment of proper legislation to cancel the provisions of the Venezuelan agreement so far as the reduced excise tax is concerned.

We might also state that we are strongly opposed to the proposed Cole oil bill and shall appreciate your efforts to prevent its enactment as a law.

Yours very truly,

THE DERBY OIL CO.,
H. E. ZOLLER,
Executive Vice President.

WICHITA, KANS., *February 22, 1940.*

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SIR: During the years 1930 to 1936, while holding the position of county chairman of the Young Republican Club of Dickinson County, it was my pleasure to visit with you on several occasions and am sorry that since that time I have not had the opportunity to renew our acquaintance, but I would like to take this opportunity to state to you my opinion and the opinion of the majority of the oil industry in Kansas relative to the Trade Agreements Act and the proposed Cole bill.

It is my understanding that the House Ways and Means Committee voted to report on the trade-agreements bill, for continuance of the Trade Agreements Act for 3 years, without amendment. This act is very depressing to the oil producers of this State. The amendment proposed by W. E. DISNEY, of Oklahoma, excludes the present four excise taxes (oil, coal, copper, and lumber) from the future trade agreements. I understand that Mr. DISNEY will introduce this bill on the floor of the House, and it is the honest desire of everyone with whom I have talked that this amendment be passed. By thus writing into the law the intent of Congress, that these taxes are exempt from bargaining and trade agreements, Congress would not merely safeguard these excise taxes in the future, but would be taking the first step toward a possible restoration of such of these taxes as have been effected by agreements already made.

For your information, I was connected with the oil and gas conservation division of the Kansas State Corporation Commission for

a period of 2½ years and at the present time I am in the employ of John H. Tatlock, independent operator of Wichita, Kans.

You undoubtedly know of the strict proration which the State of Kansas oil producers are producing under at the present time, and with the price of crude very low, as it is, it will be disastrous to all independent operators if more regulation from the Federal Government and other trade agreements affecting the oil industry are entered into. It will mean that many of our oil reserves of Kansas will never be recovered because of insurmountable obstacles placed upon development, thereby causing a loss to the State as a whole and to each one in the State.

In the Venezuela trade agreement, I believe it has been plainly shown that Venezuela did not get the benefits but rather the few importing companies were the sole beneficiaries. I think that insufficient study has been given to the petroleum problem by those negotiating the agreement, because if they had studied the petroleum problem they would find how important these excise taxes were and the need for their supervision by Congress.

At the present time the oil industry seems to really be in a precarious position, partly because of the proposed Federal control; namely, the Cole bill, and partly because of the errors of some States in not having strict proration laws which has resulted in overproduction, but it is my idea that the oil industry can better cope with these situations than by putting all the power into one man's hands in Washington. The majority of the oil-producing States have good proration laws, and I see no reason why they should suffer because a few States do not have any proration laws at this time, but it is the hopes of those in the industry that within the near future conservation laws will be passed in these States.

If Federal control is ever imposed upon the oil industry, the independent operator and the "stripper" well owner will be doomed. Since the small operator produces 70 percent of the oil, in my estimation it seems that some thought should be given in conserving him. He is the adventurer of the oil business and, consequently, risks his fortune to discover new fields, and if Federal control stops this independent operator, new discoveries which would have been made by him will never be found.

Lessening of the tax burdens, both State and Federal, along with the lessening of stifling regulations, are most needed to preserve the oil industry in its every branch in order for it to proceed in its orderly development of sufficient reserves to protect our consumers. Your efforts extended to this conclusion will be a real and lasting service to your constituents.

If your time permits, I would certainly appreciate hearing your views in these matters, and I trust that I will have the pleasure of another visit with you soon.

Yours very truly,

JACK L. WORLEY.

SEDAN, KANS., *March 9, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: At our annual meeting of the Kansas Livestock Association in Wichita yesterday I presented a resolution favoring the Senate ratification trade treaty, which was adopted without a dissenting voice. I certainly hope this matter will be put back in the Senate as it should be.

With personal regards, I am

Most sincerely yours,

C. W. FLOYD.

SILVER CITY, N. MEX., *March 9, 1940.*

Hon. ARTHUR CAPPER,
Senate Finance Committee, United States Senate Office Building, Washington, D. C.

DEAR SIR: As a cattle grower for the past 30 years, I urge you to support the ratification of the so-called reciprocal-tariff agreements by the Senate, as being in reality treaties according to the Constitution, and as such, requiring the approval of our congressional representatives.

Yours respectfully,

HULING MEANS.

BIRD CITY, KANS., *March 7, 1940.*

DEAR SENATOR ARTHUR CAPPER: I will thank you for consideration of a few facts here presented in reference to the reciprocity treaty now under consideration by the Senate Finance Committee.

These treaties directly concern the farming and laboring classes of the Nation, the farmer in sharing his markets for the sale of the imported article or products, if agricultural, and the loss of the money received for them and the laboring class loses the labor involved in both the producing of agricultural and nonagricultural products or goods.

Citing starch as an illustration of bearing out the above statements, this starch is processed from corn, wheat, rice, and potatoes. The cassava roots from South America and the sago palm from East India and both from other equatorial countries, produced by low-cost labor, and imported into our country at no tariff duties or only small duty, considering these not grown here, but coming in direct competition with our home starch-producing products above mentioned. These foreign products, cassava and sago palm, grown to some extent in warmer sections of our country, might be greatly increased in production in our own country were it not for the foreign competition in our markets.

The enormity of the foreign importations, products and goods, can be estimated somewhat by the immense tariff duties collected by our Government running as high as $30,000,000 some of the months of the year, much of these importations at none or small tariff duties.

The people of our Nation are supporting a Congress of the United States representative of some of our most able citizens and the writer strongly favors that no treaties be put in force with foreign nations except first ratified by the Senate of this Congress and an amendment to the act to enable American citizens to enter court and test its constitutionality. It does hardly seem right and just, and whether even constitutional, that either Congress or the Senate should delegate this treaty-making authority to a small group in Washington claiming statesmanship knowledge to put these important treaties, affecting the people of the Nation, into force with foreign nations and the Senators stand idly by.

Yours truly,

ALBERT WEAVER.

CONNECTICUT STATE GRANGE,
Thomaston, March 13, 1940.

Hon. ARTHUR CAPPER,
United States Senate Office Building, Washington, D. C.

DEAR SIR: You are respectfully requested to note that the Connecticut State Grange, an organization with approximately 23,000 members in Connecticut, at its last annual session, January 11, 1940, unanimously adopted the following resolution:

"*Resolved*, That the Connecticut State Grange reaffirm its stand that all trade treaties and agreements between the United States and other countries become effective only upon approval of the United States Senate, as is provided in the Constitution."

Yours truly,

SHERMAN K. IVES,
Master of the Connecticut State Grange.

MACOMB, ILL., *January 9, 1940.*

Mr. ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: On Sunday, January 7, I listened to the discussion over the radio on the reciprocal-trade agreements, which was very interesting, and I heartily agree with you on your stand. Your opponents seem to think our American markets are not injured by such. I am not a roll-top-desk farmer like some of your opponents. I was born on an Illinois farm in 1893 and have lived at my present location since 1902. I do not approve of the present farm program. I do not participate in it. I do not think it is fair, and it is going to be a heavy burden on the farmers for many years to come for every cent of the benefits received, coupled with cost of administration plus interest on the appropriations. Mr. Noble stated he saw to it that the farmers were not injured in any way. Well, he doesn't know the farm. The present administration seems to think supply and demand is an old, out-of-date theory. Well, you simply cannot get around the fact that it does control prices. They tell us we raised a record crop of hops this past season. Well, I do not understand that. A few years back it was very common to have sixty to eighty thousand fresh arrivals of hogs in Chicago on 1 day, at this time of the year, with prices of $7 to $8 per hundredweight—a reasonable price or a price we should be receiving today. On Thursday, January 4, 1940, Chicago received the heaviest run of hogs of the winter, or 39,000 head, influencing a break in prices. That same evening I loaded 40 head of prime butchers, averaging 280 pounds, which was on the Chicago market Friday, January 5, topping the market for their weight, at $5.30, netting me, after cost of transportation, etc., $4,825. This price was below cost of production, and yet we are importing millions of pounds of pork in order that we may be good neighbors. American hog producers are the goats. Yes; we also have a year's supply of beans on hand, yet we should import more. We have had lately quite an advance in wheat and soybean prices, but who holds the two items? They left the farmers' hands at harvest time due to shortage of ready cash or storage facilities. The majority of farmers are in a worse financial condition at present than at the close of 1933. Farmers have had the opportunity of borrowing for any purpose and buying anything on time that they could wish for without an income to justify such, and I think many feel that their Government benefit payments are a donation.

Poultry prices are ridiculously low. I also handle a few sheep, and I agree with the speaker from the sheep country in regards to starvation wool prices. What is going to become of the corn surplus the Government is hoarding in bins that will not preserve the quality of the grain?—and its presence is a menace to production. Canadian beef, poultry, and wheat have also taken its toll in lowering our prices.

I am for you, Mr. CAPPER, 100 percent, and don't think for 1 minute that the farmers are not waking up to the fact that they have been misled, and will go to the polls to express their dissatisfaction with the present set-up. We are told the farmers' income was greater in 1939 than in 1938. How? By larger Government payments. Is that prosperity?

The labor situation is the biggest handicap to American prosperity today. Labor is being dominated by a bad man, John L. Lewis, backed by the Secretary of Labor and the President. Industry is being shorn of its business freedom—forced to pay a high scale of wages to a few, which the manufacturer passes on to the consumer.

Yours truly,

CLARENCE BREWBAKER.

MILK PRODUCERS FEDERATION OF CLEVELAND,
Cleveland, Ohio, March 5, 1940.

Hon. ARTHUR CAPPER,
United States Senate Office Building, Washington, D. C.

DEAR SENATOR: May I present a point of view on the Trade Agreements Act which is being considered by the Senate Finance Committee. I am reporting a point of view for 3,000 dairymen who are members of the Milk Producers Federation of Cleveland.

Our members are made keenly aware of Nation-wide and international competition every year at this time. Buyers of our products begin to insist at this time that they secure their supplies of milk solids (in skim milk) at a price that does not return cost of production or equal the feed replacement value of skim milk.

With our dairy industry on knife-edge balance between supply and domestic demand and an increase in milk production certain as an outcome of our soil-conservation policy, we feel that trade agreements should be subject to review by the Senate. Our farmers have more confidence in the composite judgment of Congress than in the judgment of personnel of the Departments of State, Commerce, and Agriculture, whom we are told have a leading part in determining the policy to be followed on foreign trade since the passage of the Trade Agreements Act. We believe that all interests and all sections of our country will be considered more carefully, if future trade agreements are subject to approval by the Senate.

Among rural people of Ohio there is growing conviction that granting emergency powers of policy determination to executive departments should not be a permanent part of our system of Government. Trade agreements have such far-reaching effects on agriculture that we urge you to favor proposed changes in the Trade Agreements Act, namely: 1. That all future trade agreements be subject to ratification by the Senate. 2. That the language of the existing act be changed to give citizens who believe they are damaged by operation of trade agreements the right of appeal to the courts.

Respectfully yours,

MILK PRODUCERS FEDERATION
OF CLEVELAND,
C. F. CHRISTIAN, *Secretary.*

THE MIAMI VALLEY COOPERATIVE
MILK PRODUCERS ASSOCIATION,
Dayton, Ohio, March 7, 1940.

Hon ARTHUR CAPPER,
United States Senate Office Building, Washington, D. C.

DEAR SIR: As president of the State Federation of the Ohio Milk Producers Association, president of the Miami Valley Cooperative Milk Producers Association, Dayton, Ohio, and a member of the Grange and Ohio Farm Bureau, I have the privilege of meeting with groups of farmers in many localities and getting their viewpoints.

I feel that any effort you may put forth to have all future trade agreements ratified by the Senate and so amended that American citizens may enter the courts in behalf of their rights or to test the constitutionality of the act itself will be greatly appreciated by the farmers of Ohio. I would strongly urge you to give this matter your earnest consideration.

Yours truly,

THE MIAMI VALLEY COOPERATIVE MILK
PRODUCERS ASSOCIATION,
By HARVEY M. BURNET, *President.*

INDIANAPOLIS, IND., *March 4, 1940.*

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.:

According to contract which I have been able to make, I am firmly convinced that 75 percent of the producers of dairy products in Indiana believe that all reciprocal-trade agreements entered into should be subject to ratification by Congress.

INDIANAPOLIS DAIRYMEN'S
CO-OP., INC.
CARL L. HEDGES, *Manager.*

DAIRYMEN'S LEAGUE COOPERATIVE ASSOCIATION, INC.,
New York, March 4, 1940.

Hon. ARTHUR CAPPER,
United States Senate Office Building, Washington, D. C.

DEAR SENATOR: An overwhelming percentage of farmers in this area are opposed to reciprocal-trade agreements being made on their present basis.

They dislike the secrecy with which findings are arrived at and the lack of complete public hearings.

They dislike having the making of trade agreements, which approximate treaties in their character, left entirely in the hands of one man or one department, or even one branch of government.

Without perhaps expressing it as concretely as this, they dislike the way the present method of making reciprocal-trade agreements eliminates the checks and balances which have been set up to preserve democracy, democratic government, and the liberty and economic security of individuals or groups.

They further dislike the provision of the present law which prevents individuals or groups from obtaining redress through the third branch of government, namely, the courts, from any inequities or even test the constitutionality of the law itself.

It is not that farmers wish to take away from the State Department the right to negotiate, but they do believe these negotiations should be conducted under the watchful eye of the representatives of the people and that those negotiations for reciprocal-trade agreements, which, I repeat, in their opinion, is merely another name for treaties, should be subject to the constitutional procedure, namely, approval by the Senate.

Sincerely,

FRED H. SEXAUER, *President.*

PRODUCERS COOPERATIVE COMMISSION ASSOCIATION,
Cincinnati, Ohio, March 4, 1940.

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: As a member of the Finance Committee of the Senate, we urge your consideration of the following viewpoints regarding the Trade Agreements Act:

Livestock producers and their associations which we have contacted, seem to be in common accord, and opposed to the present plan of handling trade agreements. Our association, composed of more than 20,000 livestock producers and farmers, is quite general in its viewpoint that such trade agreements, having to do with foreign trade, should be ratified by the Senate.

It is recognized that such ratification involves considerable effort on the part of the Finance Committee and the Senate as a whole, yet we are of the opinion that it affords full and thorough consideration in its presentation and working out of its plans and, further, will be a means of providing a fuller representative interest of our farm people and our citizenship.

In light of the above we urge you, as a member of the Senate Finance Committee, which this measure is before, to have future trade agreements to be negotiated, ratified by the Senate.

Thanking you for your earnest consideration of this matter, we remain

Very truly yours,

PRODUCERS COOPERATIVE COMMISSION
ASSOCIATION,
R. Q. SMITH, *Manager.*

NEW YORK STATE GRANGE,
Oswego, N. Y., March 5, 1940.

TO THE FINANCE COMMITTEE,
United States Senate, Washington, D. C.

GENTLEMEN: The New York State Grange, representing a membership of 132,000 farm folks, wish to express themselves as follows:

We feel that any trade agreement entered into between the United States and any other nation so affects the welfare of all the people in the United States that it should be ratified by the Senate of the United States.

We also wish to request provision be made which will permit any American citizen to enter the courts in behalf of his rights in connection with any trade agreement.

NEW YORK STATE GRANGE LEGISLATIVE
COMMITTEE,
RAYMOND COOPER, *Secretary.*

NATIONAL ADVISORY COUNCIL OF
INDEPENDENT SMALL BUSINESS,
Washington, D. C., March 22, 1940.

The Honorable ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR: Regardless of how you stand on the general matter of reciprocity, we know you do stand for the preservation of American standards, political and social.

If treaties are to be negotiated, smaller business men—and there are over 4,000,000 in the country—feel that our interests are safer in the hands of our Senators, who are our duly elected representatives, than in the hands of any appointees or so-called "experts," and trust, if the reciprocity idea is to be continued, that with us, you will fight for the right of review and sanction by the Senate of any and all pacts or treaties that so vitally affect our general welfare.

It was doubtless inadvertent, but it so happens that the industries which are suffering and will suffer the worst—shoes, hats, pottery, laces, woolens—are predominantly small and proprietor-operated; whereas those which will chiefly benefit—automobiles, business machines, electrical appliances, oil products, etc.—are the big and often monopolistically inclined.

A sympathetic and open-minded Senate would uncover these facts, whereas a commission, not being politically responsible, would overlook or ignore them altogether.

May we hope that you will fight for the retention of senatorial approval?

With best wishes.

Cordially,

ALFRED C. GAUNT,
Chairman, National Advisory Council of Independent Small Business Men.

DAIRYMEN'S LEAGUE COOPERATIVE ASSOCIATION, INC.,
New York, March 6, 1940.

Hon. ARTHUR CAPPER, of Kansas,
United States Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: I am associated with thousands of farm women in my work as director of the home department of the Dairymen's League Cooperative Association, Inc., and I find that they, like their husbands, are opposed to the present system of making reciprocal-trade agreements.

In their judgment it is contrary to a democratic government for decisions involving the welfare of so many people to be arrived at by one person, or one state department.

It is their belief that reciprocal-trade agreements should be subject to the approval of the Senate after the proper negotiations have been made by state departments vested with such authority.

They further believe that individuals or groups should have the privilege of the courts for redress of any inequalities which might exist. This privilege is now denied them under the existing laws.

Most cordially yours,

VERA MCCREA,
Director, Home Department.

PRODUCERS COOPERATIVE COMMISSION ASSOCIATION,
Columbus, Ohio, March 6, 1940.

Hon. ARTHUR CAPPER,
United States Senate Office Building, Washington, D. C.

MY DEAR SENATOR: The 49,678 stockmen members and patrons of the Producers Cooperative Commission Association have fully considered the Trade Agreements Act, and in their annual meeting just held unanimously decided that the best interests of the livestock farmers and the agriculture of this territory could be better served by having such trade agreements considered and ratified by the United States Senate.

We sincerely trust and believe that you will give the unanimous request of so large a number of stockmen the consideration it deserves.

Thanking you, I am,

Very sincerely,

F. G. KETNER,
Secretary-Treasurer.

FARMERS' AND STOCKMEN'S COMMITTEE
FAVORING SENATE RATIFICATION OF TRADE TREATIES,
Washington, D. C., March 13, 1940.

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: I am writing you as chairman of the Farmers' and Stockmen's Committee Favoring Senate Ratification of Trade Treaties. A list of the members of the committee appears on the back of this page.

I wish to urge your serious consideration of the amendment requiring that all future trade agreements be submitted to the Senate for ratification. Future trade agreements may seriously affect the interests of the farmers and stockmen of the country. They feel that they are entitled to a full legislative hearing before such agreements become effective. The amendment requiring Senate ratification will assure this.

Yours very truly,

JACK ARNOLD, *Chairman.*

COFFEYVILLE CENTRAL LABOR UNION,
Coffeyville, Kans., March 15, 1940.

Hon. ARTHUR CAPPER,
United States Senator,
Washington, D. C.

DEAR MR. CAPPER: American trade-unionists seeking to protect the job opportunities and the standards of living of American workers, built up through many years of agitation and organization, secured legislation which prohibits the entry of any Asiatic workers into the United States, and restricts and limits the entry into America of European workers.

They finally secured the passage of the Fair Labor Standards Act, which legislation prohibits the transport in interstate commerce of products of any American workers who are paid less than 30 cents per hour.

All of these protective advantages are now threatened with nullification by our country continuing to enter into alleged reciprocal-trade treaties, which treaties permit the delivery into American markets of competitive products of Asiatic and other workers paid from 5 cents per hour to not more than 20 cents per hour, without any restriction on the transportation of such products throughout America.

As secretary of the Coffeyville Central Labor Union, I have been instructed to urge that you vote against the continued authorization for our entry into reciprocal-trade treaties unless such legislation provides that no foreign-made products, competitive with products of American workers, be admitted to American markets at total costs, all duties paid, which are less than American costs of production or wholesale selling price of competitive American products, which American products are commercially available.

Trusting that we may have your cooperation and support to protect the job opportunities of American workers and thanking you for such help you may give, I am

Sincerely yours,

[SEAL] SID CARAWAY,
Secretary, Coffeyville Central Labor Union.

PUBLIC UTILITIES COMMISSION,
STATE OF SOUTH DAKOTA,
Pierre, January 19, 1940.

Hon. ARTHUR CAPPER,
United States Senator,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: Pressure of other matters has delayed reply to your letter of January 8, dealing with reciprocal trade agreement matters.

You are entirely at liberty to use my letters regarding this proposition in any way you see fit.

I am not to be construed as being opposed to reciprocal-trade agreements of a proper character. Doubtlessly, considerable good can be accomplished by properly guarded agreements, but I do sincerely believe that Congress was wrong in conferring authority to make such an agreement to the executive department, which in turn has transferred that authority to one single person who has made a hobby of this particular line of endeavor.

There are so many ramifications involved in such situations that it is literally impossible to properly weigh and consider all of the elements, even where the propositions are handled by competent, well-informed, generally unprejudiced men, such as a committee of the Senate concerned with the general public interest in such matters and with no delusions that such a program, as reciprocal-trade treaties, will prove a panacea for our economic, international, and other troubles, and there is but slight chance that well-balanced action will be taken by one man, or by one group of men directed by the one man, no matter how well intentioned he may be.

If the present legislation conferring almost unlimited authority to the Secretary of State is extended for another 3-year period, and if the Secretary's present policy is continued, the chances are that American agriculture will receive a set-back that will take a generation to overcome. Those who want the will of a single man—that is, dictatorship—in an important matter of this kind, ought to transfer their activities to a country where that type of government is more popular. The Secretary ought to welcome, not oppose, the help of the Senate in this matter if he has at heart the welfare of the country, not merely the completion of his program. Personally, I think there is more than enough chance to go wrong even where propositions of this kind are subjected to the approval of the Senate.

I note that the Secretary, in his recent testimony before the Senate, referred to the substantial increase in farm income for 1938 versus 1932; also, to the substantial increase in exports of manufactured products, particularly to those countries with which reciprocal-trade agreements have been executed. Those circumstances were referred to by him as clearly the result of the reciprocal-trade treaties. Nineteen hundred and thirty-two was one of our most disastrous years, from the standpoint of farm prices and farm income, and certainly 1938 ought to show a decided increase over that ruinous year. I sincerely hope the committee did not take that single comparison as an indication that American agriculture was back on its feet with ample income and that the reciprocal-trade treaties "did it." The facts are to the contrary.

Regarding increases in exports of American products, there certainly ought to have been a considerable increase in shipments from the United States, for several reasons, including among others, the diversion to the United States of orders that formerly went elsewhere, the diversion to us being due, in part, to the increased activity of European and other manufacturers in their war preparations, also, to the material increase we should expect, owing to the greater activity of American business as a whole, as we overcome the general depression. I think the Senate will find that any economist who would make any sort of an unbiased study of the situation would find that the improvements, referred to by the Secretary, were due to a large number of causes, of which the reciprocal-trade agreements played a very minor part.

It is quite probable that the Secretary is on the right track in his attempts to develop our business relations with other countries, but if so, I certainly hope that some review of, or a check upon his proposals can be made before they are completed.

The suggestion that the extension of our trade with other countries will promote good will among the nations is, like a number of other generalities, rather misleading. A trade agreement with the Argentine, for example, with that country dumping on us its surplus of livestock and agriculture products might please the Argentineans, but I cannot imagine that the other countries, now supplying the Argentine with many commodities, such as our European friends, would feel any more friendly toward us. Trade jealousies can cause as much friction as most any other type of difference. Referring again to the Secretary's statement regarding increased United States farm income, 1938 versus 1932, the last report of the Department of Agriculture shows that in South Dakota the ratio of prices received for farm products, to prices paid on all commodities, is still only 84 percent. The hog ratio is but 55 percent, sheep but 67 percent, with most other prices in proportion. Certain types of cattle are the only important commodity having a favorable price ratio, and the most certain effect of the Argentine proposal would be to knock the props from under the cattle price level.

I am sending copies of this letter to the members of this South Dakota delegation and am again urging them to oppose any extension of the reciprocal trade agreement arrangement except if made subject to approval by one or both of our Legislative bodies.

Yours very truly,

D. L. KELLEY.

TRI-STATE ZINC AND LEAD ORE PRODUCTS ASSOCIATION,
Picher, Okla., March 23, 1940.

Senator ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: We note that the reciprocal-trade issue will probably be before the Senate next week and are writing to remind you that we believe the case for zinc honestly merits some special consideration. You will find the record covering zinc on

pages 435–465 of the hearings before the Finance Committee on this subject.

We fully realize a United States Senator is the direct representative of a large variety of interests and that he has the Nation at large to serve as well as his constituents. Therefore, we assume that the facts of our case must of necessity be only one factor in influencing your judgment on the broad issue of reciprocal trade. As far as our particular problem is concerned, we are already tied into the Canadian agreement, and it will not alter our status in that respect whether you vote for or against the reciprocal-trade program. However, I am absolutely sincere in saying that I believe the zinc industry has been unduly damaged and in a way that is contrary to the principles espoused by the administrators of the trade-agreements program. The State Department is actively considering our case with a view to removing us as a commodity from the Canadian agreement.

If you see fit to do this, I assure you that your interest will be deeply appreciated by the personnel of this industry.

Sincerely yours,

EVAN JUST.

CALIFORNIA WALNUT GROWERS' ASSOCIATION,
Los Angeles, Calif., March 5, 1940.

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR: In connection with the Senate Finance Committee hearing on the Reciprocal Trade Agreement Act, may we express to you the strong and very definite opinion of the preponderant majority of our 8,500 growers that this act should be amended to assure Senate ratification.

We have reached this conclusion because our industry has already been badly burned through the terms of the Brazilian treaty, whereby the tariff on Brazil nuts, which already enjoyed the lowest rate granted on any nuts, was cut in half. Walnuts are directly competitive with Brazil nuts.

England, which usually takes 60 percent of this product, has prohibited imports for the duration of the war, with the result that the United States will be flooded with these nuts currently selling at less than half normal prices, and this year's crop of Brazils is estimated to be the largest ever produced—80,000,000 pounds.

Again, we made a reciprocal-trade agreement with England. No benefits were granted the walnut industry under this treaty, but we were permitted to export there at England's previously prevailing rates. Notwithstanding the terms of this agreement, England now prohibits the importation of any American-produced walnuts. They normally take 6,000,000 pounds annually.

If we had had a Senate ratification provision, probably reasonable safeguards would have been insisted upon to prevent situations such as these developing.

Again, the Agricultural Department has just reported that total exports of American farm products, excluding cotton, for the last 6 months of 1939 were 30 percent below those of the last half of 1938, while imports of agricultural products for the same period increased over 20 percent.

No wonder the Federal Government is being called upon to appropriate hundreds of millions of dollars annually to encourage farmers not to produce, when Mr. Hull's trade policies have the effect of decreasing agricultural exports and increasing agricultural imports.

American farmers feel they are being sold down the river for the benefit of American industry or in a visionary and vain attempt to improve the standard of living throughout the world.

They feel that Senate ratification offers a possible chance of correcting this intolerable situation. Won't you give it to them?

Sincerely,

C. THORPE, *General Manager.*

PLATTE VALLEY LAND & INVESTMENT CO.,
Omaha, Nebr., March 6, 1940.

Subject: Reciprocal-trade agreements.

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: While the statement below in red, which we are sending out on all our literature, has to do with people who are running for election this year, the matter referred to, as you are well aware, could be adjusted during the present session, and I think everything should be done to change the law so that any reduction in tariffs should be subject to the ratification of the United States Senate.

Producers of farm products are interested in getting at least cost of production for what they raise rather than having the cost of what they buy reduced. In general, they are fair-minded and are willing to let the manufacturer get a price for what he sells that will allow them to pay a fair wage, so the laborer can afford to pay a fair price for what he consumes in the way of food.

Foreign countries can produce, on account of cheap labor, much cheaper than we can and we all should be for our own citizens first. We should do everything we can to create jobs and create an incentive, if possible, for people to work with a view of taking care of themselves not only at present but provide also something for the future.

I hope you agree and vote accordingly when this comes up this session.

Your very truly,

N. B. UPDIKE.

In the coming elections we all should vote for candidates, regardless of party, who believe in the American market for American farm products—at least until the domestic market reaches cost of production. Also we should vote for candidates who believe that any reciprocal tariff should be confirmed by the Senate before becoming effective.

LIBERTY, MO., *March 6, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: A few nights ago I heard you speak on the radio against the reciprocal trade treaty bill, and I just wondered if you had a copy of the above-mentioned speech, and if so may I have a copy of the same as I heartily agree with what you have to say.

I am just a Missouri farmer and a small-town merchant, and I know that there is something wrong with agriculture, and know by letting more agricultural products come into this country free it will not make prices any better.

It looks to me as if the New Deal was determined on putting low prices into effect so as to furnish the city population food at a cheaper price, not withstanding they say they want to raise farm products. In other words they could stall 20,000,000 farmers to sleep with the soil-conservation subsidy, and another fool thing they do to furnish food cheaper to a hundred million people in the cities. Then it will gradually work in the trade treaties, and would have free trade rearing to go on farm products.

With best wishes, I remain,

Yours truly,

HARRY L. BOGGESS.

THE MARION OIL CO., INC.,
Wichita, Kans., March 6, 1940.

Senator ARTHUR CAPPER,
Care of the Senate, Washington, D. C.

DEAR MR. CAPPER: May we urge that you use your best efforts toward amending the Trade Agreements Act, now before the Senate, so as to prohibit any reduction in excise taxes provided by Congress.

In passing this act, the House seems to have followed the New Deal trend, whereby Representatives, elected by the people, delegate their job to others not so elected. We are hoping that this bill will meet with a more determined opposition in the upper House.

Thanking your for past favors, we are,

Yours very truly,

WELLS W. MILLER, *Treasurer.*

EAST OTTO, N. Y., *March 8, 1940.*

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: As chairman of an organized group of dairymen numbering nearly 700 members of Cattaraugus County, N. Y., I wish to express to you what I feel to be the majority opinion of farmers with which I come in personal contact.

It is the belief of many farmers that all reciprocal-trade agreements be made with the consent of the Senate, so that their elected representatives may have an opportunity of knowing the content of such agreements and of voicing their own opinions regarding them.

Statistics show that our agricultural exports are decreasing and that our agricultural imports are increasing.

Almost twice as many cattle have been imported into our country from Mexico and Canada this past year as compared with the year before.

Some 80,000,000 pounds of canned beef have been imported from South America in a single year.

We are of the opinion that such imports have a depressing effect on the cattle industry in our own State.

May I personally add that as a dairy farmer of New York State I am in favor of all reciprocal-trade agreements being made as a result of Senate ratification?

Such action, I am sure, would materially improve the dairy-cattle and dairy-products market situation in our State.

May I, therefore, respectfully request that you do everything possible within the power of your office to bring about Senate ratification of such trade agreements?

Thanking you for your interest and cooperation, I am,

Very truly yours,

WILLIAM E. MAIER,
County President, Dairymen's League Cooperative Association.

EAST OTTO, N. Y., *March 25, 1940.*

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: Thank you for your letter of March 15, in which you stated that you were working and voting for Senate rejection or ratification of any future trade treaties.

While attending my Grange a few nights ago I was authorized, as chairman of Mansfield Grange, No. 1039, New York State legislative committee, to express to you their appreciation of your position in this matter, which is so vital to the farmers of our Nation.

It was also unanimously voted that the following resolution be sent to you:

"Whereas at present the reciprocal-trade agreements are made by the State Department without Senate ratification; and

"Whereas our agricultural exports are decreasing and our agricultural imports are increasing, to the disadvantage of the American farmer: Therefore be it

"*Resolved*, That we, the members of Subordinate Grange No. 1039, known as Mansfield Grange, of New York State, do hereby express our opposition to this present manner of trade negotiation; and be it further

"*Resolved*, That we are strongly in favor of making such trade agreements in a manner which will allow for Senate rejection or Senate ratification of any and all future trade treaties."

WILLIAM E. MAIER,
Chairman, Legislative Committee, Mansfield Grange, No. 1089.

Mr. LODGE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Schwellenbach
Ashurst	Frazier	Lodge	Sheppard
Austin	George	Lucas	Shipstead
Bankhead	Gerry	Lundeen	Smathers
Barbour	Gibson	McCarran	Smith
Barkley	Gillette	McKellar	Stewart
Bilbo	Glass	McNary	Taft
Bone	Green	Maloney	Thomas, Idaho
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Hale	Minton	Tobey
Byrnes	Harrison	Murray	Townsend
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Reed	Wiley
Davis	Johnson, Colo.	Reynolds	
Donahey	King	Russell	
Downey	La Follette	Schwartz	

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present.

THOMAS E. DEWEY

Mr. THOMAS of Utah obtained the floor.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. CONNALLY. Mr. President, this morning's Associated Press report, carried in the Washington Post, contains an attack by Mr. Thomas E. Dewey—I believe that is the name [laughter]—on the foreign policy of the United States and of the present administration.

Except for the fact that Mr. Dewey is a candidate for the nomination for President on the Republican ticket, this would not be worthy of comment. I quote from the dispatch:

St. Louis, March 27. Thomas E. Dewey declared tonight the first need of the country is an administration which can be trusted "to keep this Nation out of war."

The youthful New York County district attorney, who seeks the Republican Presidential nomination, charged in a speech that "failure has followed every step" of the New Deal, "because underlying all its policies there has been a fundamental lack of integrity—a cynical disregard for the principles of common honesty."

The article is quite lengthy. I ask unanimous consent to have the entire article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of March 28, 1940]

DEWEY ASSAILS FOREIGN POLICY OF ROOSEVELT—G. O. P. CANDIDATE TELLS MISSOURIANS NEW DEAL MAY NOT AVOID WAR

ST. LOUIS, March 27.—Thomas E. Dewey declared tonight the first need of the country is an administration which can be trusted "to keep this Nation out of war."

The youthful New York County district attorney, who seeks the Republican Presidential nomination, charged in a speech that "failure has followed every step" of the New Deal, "because underlying all its policies there has been a fundamental lack of integrity—a cynical disregard for the principles of common honesty."

PROMISES BROKEN, HE SAYS

"This lack of integrity is shown in three principal ways—broken promises, contempt for the Constitution, and flagrant abuse of power," he said.

"So what faith can we place in any promise by this administration to keep this Nation out of war?"

Dewey's address was the first in a series on "the moral issues" of the campaign, which he will continue in Chicago tomorrow night. It was given before a meeting sponsored by the Missouri State Republican committee and was broadcast over a Nation-wide hookup.

"I do not need to tell you that the spoken word and the public pledge of this administration are worthless," he declared.

"The erosion of character * * * began within 6 weeks after it took office. It has continued ever since, wearing away the foundations of governmental integrity."

CHARGES "BAD FAITH"

Claiming the New Deal's "record of incompetence and bad faith" had retarded recovery, Dewey asserted:

"The New Deal attempts to elevate its failure into the realm of high economic policy."

He accused the administration of trying to "excuse reckless spending by claiming it is necessary for relief and recovery.

"But even the alibi is false. It is false because, after eliminating every relief and recovery item, the cost of the National Government under the New Deal has gone up $225,000,000,000, or 56 percent."

SEES "STOP DEWEY" MOVE

Earlier in an interview Dewey expressed the view that both President Roosevelt and Vice President Garner have joined a "stop Dewey" movement.

Questioned regarding Mr. Roosevelt's statement that Dewey should be the Republicans' choice for Vice President, he replied one of his aides had made the proper comment: "Roosevelt has joined the 'stop Dewey' movement."

Vice President Garner's name came up in connection with Dewey's remarks on the primary April 2 in Wisconsin, where he and United States Senator ARTHUR E. VANDENBERG, of Michigan, are contesting for the Wisconsin delegation to the party's national convention.

He asserted he had been informed Garner headquarters had sent 500,000 letters to Wisconsin automobile owners urging them to vote for Garner if they were Democrats and for VANDENBERG if they were Republicans. This he characterized as additional evidence of a "stop Dewey" movement.

Mr. CONNALLY. Mr. President, I do not care to comment, except to say that the best answer to Mr. Dewey when he says that we need an administration which can be trusted to keep the Nation out of war is that we have already kept the Nation out of war. I do not know where Mr. Dewey was during the last special session of the Congress when we spent something like 6 weeks legislating for the very purpose of keeping the Nation out of war. We have kept the Nation out of war without any assistance from Mr. Dewey. Since that legislation was enacted, not a single American ship on the high seas has been sunk, and, so far as I know, not a single American citizen has lost his life on the high seas from the action of any belligerent nation.

What is wrong with that policy? What is it that Mr. Dewey wants to do about it? What more could America do than we have already done, when we made the greatest national sacrifice in the history of the world by taking our commerce out of every port in a belligerent country, off many of the great sea lanes, and out of combat zones which may be delimited by Presidential proclamation? What is it that Mr. Dewey wants done? How does he propose to keep the Nation out of war?

Mr. President, Mr. Dewey's speech is an assault on the United States Senate and the House of Representatives, and on many members of his own party. However, we cannot blame Mr. Dewey. He is running for office. We can talk about paralysis agitans, locomotor ataxia, creeping sickness, and all the other debilitating ailments, but if the little virulent Presidential bee ever stings a small-bore, young hopeful, he gets them all at once. [Laughter.] It destroys his vision, his perspective, and his outlook; and the hunger for place, the hunger for office, impairs his vision, and causes a readjustment of all his former normal functions.

So Mr. Dewey is running for President—that is, he thinks he is! I think he is laboring under a delusion. He thinks he is running, but he is not. [Laughter.] He attacks the integrity of the administration—I suppose about foreign affairs, because what he is attacking is foreign policy.

This lack of integrity is shown in three principal ways—broken promises, contempt for the Constitution, and flagrant abuse of power.

Where is the foreign nation which can say to the United States that it has broken its promise? We are now talking about foreign relations. Why does not Mr. Dewey, with his little army of investigators—his Ogpu—point out wherein we have broken our promise to a foreign nation? We have kept the faith, and that is one of the reasons why we are not in the war. That is one of the reasons why we are not going to get into the war.

America has been true to its international obligations. We are now debating legislation involving international relations. If the United States makes promises to foreign nations, I, among other Senators, want the United States to live up to those obligations.

Dewey's address was the first in a series on "the moral issues" of the campaign which he will continue in Chicago tomorrow night.

Chicago is a good place to pursue moral issues. [Laughter.] He is to pursue those issues in Chicago tonight.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. LUCAS. Is he going into Texas after he leaves Chicago?

Mr. CONNALLY. I do not think he will go to Texas, because he is looking for votes which can be obtained, and I understand that all the Republican votes in Texas have already been secured in advance for one of the candidates through a little business arrangement which has already been made.

Let us see about the "moral issues."

It was given before a meeting sponsored by the Missouri State Republican Committee and was broadcast over a Nation-wide hook-up.

I do not need to tell you that the spoken word and the public pledge of this administration are worthless—

He declared.

Mr. President, those are baseless and unfounded charges. Who is Mr. Dewey that he should pass on moral issues or on the integrity of this or any other administration?

He did not think this administration was so bad when in 1935 he accepted a job under it. I hold in my hand a copy of Who's Who in America, and I know the reference to him is correct because he gave it in himself, I suppose as a part of his life history. Here it is:

Special Assistant to United States Attorney General for prosecution of tax proceedings against Charles E. Mitchell and criminal prosecution of Irving Wexler alias Waxey Gordon, 1934–35.

If this is such a corrupt administration, if it will not keep its word, if it violates its pledges and commits all the other sins, why would this Mr. Dewey, standing on moral issues, accept a job under the Attorney General? That is what he did. I do not think he kept it long. He was out some time back, and I imagine that it was not his willingness to get out that lost him the job.

Special assistant to the United States Attorney General, * * * 1934–35.

He was holding another job at the same time—on moral issues, I suppose—two jobs at once and two salaries at once in 1934–35.

Mr. President, about all I have to say is that such irresponsible and foolish charges are not apt to contribute to the dignity or the moral sublimation of the Presidential campaign.

Mr. Dewey ought not to be running for President; he ought to be running for county attorney in some small New York county; that is about the level of that sort of campaign.

Mr. President, I want to thank the Senator from Utah for indulging me these remarks. I would not have asked him to yield, but I know that he sympathizes with the attitude I am undertaking to express, because he was one of the strong influences and forces in the Foreign Relations Committee which hammered out the neutrality bill, which the Congress enacted, and which the President signed.

I wonder where Mr. Dewey was during that time? If, as he, in effect, states, he was against the Neutrality Act, why did he not say so then instead of waiting 3 or 4 months to come out of hiding in New York and tell us where he stood then?

My attention has just been called also to an article on Mr. Dewey in the Daily News of today by Mr. Raymond Clapper, a very pungent and capable correspondent. The only regret about this kind of thing and the necessity of writing an editorial or article or making a speech about Mr. Dewey is that it gives him publicity. That is what he wants; that is what he is after; but every good deed has some countervailing reaction that does not always contribute to the public welfare, and that is one of them.

Mr. President, I should like to have unanimous consent, even at the cost of further advertising a rather shoddy piece of political merchandise, to have the article by Mr. Clapper printed in the RECORD. I thank the Senator from Utah.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The article referred to is as follows:

[From the Washington Daily News, of March 28, 1940]

OFF THE DEEP END

(By Raymond Clapper)

In his St. Louis speech, Thomas E. Dewey makes the gravest charge that has been laid at the door of the Roosevelt administration.

"Underlying all its policies," said Mr. Dewey, "there has been a fundamental lack of integrity—a cynical disregard of the principles of common honesty."

Who are some of these policy-making people in this administration who so glaringly lack integrity and common honesty? Cordell Hull? Henry Morgenthau? Harry Woodring? Robert Jackson? James A. Farley? Charles Edison? Harold Ickes? Henry A. Wallace? Harry Hopkins? Frances Perkins?

Are they the ones Mr. Dewey says are lacking in integrity and common honesty? Evidently he has had no contact with any of them. They can be criticized for many errors of judgment but not for lack of integrity. In some 20 years here I have seen several batches of Cabinet officers, going back to Harding's time. For integrity and honesty of purpose I'll put this Cabinet against any that has been in Washington since the war. It is the one thing that does truly distinguish this group. There is not a shady one in the lot. Some of them may be too idealistic. Some of them may be impractical. Some of them may be too stubborn. But that these Cabinet members are lacking in moral fiber, in "fundamental integrity" or in "common honesty" is something that not even a district attorney can demonstrate.

Go down the line to some of the lower-ranking policy-making officials. Who are the ones there lacking in integrity and common honesty? Aubrey Williams of N. Y. A.? Thurman Arnold? Jerome Frank and Leon Henderson, of S. E. C.? Sumner Welles and Adolf Berle? Eccles? Henry Grady? Steve Early?

Average up the Roosevelt crew and the one thing that does mark it is the exceptional devotion to the general ideals of the New Deal, and the incorruptibility of the group as a whole. Judge these men by political standards and that is the one thing that stands out in their favor. If any of them are ever caught handling little black bags, I'll be amazed. Republicans ought to be cautious about bringing up a subject that recalls so much history.

Mr. Dewey attempts to peg his case on such circumstances as Mr. Roosevelt's failure to carry out his 1932 economy pledge and his abandonment of the gold standard.

In his first Presidential campaign Mr. Roosevelt definitely promised a 25-percent cut in Government expenses. It was a foolish campaign pledge because it was an impossible promise. Whether Mr. Roosevelt knew it at the time, I don't know, and I doubt if Mr. Dewey does.

At any rate, after he went into office Mr. Roosevelt began slashing expenses. He cut veterans' allowances. But there were millions out of work and something had to be done. The Federal Government started spending money. With that the pressure in Congress to restore the veterans' cuts became irresistible. In the summer of 1932, many thought that the worst of the depression was over.

But you remember February and March of 1933. Conditions were infinitely worse. If the Republicans had been in office, they would, I hope, have done about what the Roosevelt administration did. They would have faced the situation and done the necessary thing. I hope Mr. Dewey doesn't mean that in view of his pledges of economy he would refuse to approve more expenditures if he should enter the White House and find that business had collapsed, as it did under Mr. Hoover.

Mr. Dewey is talking with his tongue in his cheek. If he became President he would try to meet the problems that faced him and he wouldn't be stopping to thumb back over his campaign speeches, I hope. He would, I believe, be statesman enough to brush aside the past and wade into the job with whatever was required. Every man of affairs, who has been responsible for the success of large enterprises, knows what I am talking about and so does Mr. Dewey.

Integrity in public life means the higher integrity of fidelity to the best interests of the country. If that requires a public official to forget something he said when he didn't know any better, he had better forget it and the quicker the better. You can't walk backward, reading old campaign speeches, and be a good President.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. THOMAS of Utah. Mr. President, before starting my discussion I must, by way of introduction, call attention to the fact that the two underlying topics for discussion in the

treatment of the pending amendment are the Constitution of the United States and the history of tariffs in the United States. United States history can very properly be written around the history of tariffs, because, in the setting up of our Government, tariff legislation became part of our scheme of things, and, of course, it has remained with us ever since.

In considering the tariff in any phase one must always take into consideration the fact that it has many complications, and deals with many different subjects. It has the aspects of a revenue law; it has the aspects of a law to control commerce within and to curb commerce without It has, therefore, its international ramifications, and, when we take into consideration all these facts, we discover that when we start to consider any of these acts from a purely constitutional standpoint we find ourselves lost in a labyrinth which almost covers the whole of our Constitution.

I have accepted in my remarks the theory about the tariff and the theory about the Constitution which accepts them both as nonstatic. Both are growing, both react to conditions from within, and both must necessarily react to conditions from without.

When it comes to the Constitution, in order to determine what our Constitution may mean today, we cannot consider the instrument just as it was written; we have to take into consideration all the laws made in conformity to it, all the amendments, the legal interpretations, and the administrative interpretations. We have to get even further than that and take into consideration the practices of our Government growing out of expediency and necessity, practices which are extra constitutional and also extra legal in their aspects.

When one starts to consider a particular subject with this type of background, he must lay his foundation, then, in regard to interpretation of what the Constitution means, in a way consistent with 150 years of growth and development through which our country has passed. There was a time when our Constitution seemed to be merely a document based upon almost a law of physics, emphasizing all the time the balance-of-power notion—the theory of three coordinate and distinct powers or departments of our Government each checking the others. It is quite natural that those persons who lived in the time of the notion in regard to physical science which had its basis in balance should accept a political concept and a legal document on the basis of physical facts because, whether we like it or not, we interpret all that we do in a social way and all that we do in a political way on the basis of physical facts. We can never get away from that. Then, when the world carried forward the idea of progress and evolution, making out of those two concepts a philosophy of life and a philosophy of understanding, laws and constitutions naturally fell into step, and the Constitution of the United States was interpreted, thought of, and considered as a great growing organism, a moving-onward body, as it were—something alive, something vital; it was interpreted in that way for a great number of years, and it must be so because it is a guide to human beings and their welfare.

So I say, in the very beginning, that my constitutional approach is a simple one. I do not accept the Constitution merely as a physical fact or as a growing organism, but I do not discount those two interpretations of the legal fact. They are there, but the Constitution of the United States is something in addition to this. Today I think most people will agree with me that this document, which now is the oldest of all constitutions in the world—this document which set up the one technique of government which seems to be the only technique which can save the world from chaos and ruin—the federal technique—must mean to all persons who are thoughtful about it merely the companion of the American people in the accomplishment of their political and social aims. Therefore it grows with us, and we grow and develop with it, and the tariff has done exactly the same thing. It has reacted to needs from within; it has reacted to necessity from without; and in the story of the evolution of our tariff, which I hope to be able to give, I want all who are kind enough to listen to me to realize that this fundamental notion is in the back of my head when I give the incidents of growth and development. The present condition of our tariff technique, our reciprocal conventions, our reciprocal agreements, are in very deed an evolution growing out of the necessity of the times and the way in which conditions have turned to make these things necessary.

Therefore, my remarks may be considered academic, but I trust that they will not be academically or even constitutionally useless. My remarks may enter into a field that I am not prepared to go into, because I am not a lawyer; but I have tried to sum up in a short space some of the results of the decisions which have affected our tariff laws, so that readers who are legally minded may, if they wish, follow through the argument in a logical way.

The constitutional arguments presented by those who favor the amendment calling for ratification of the reciprocal-trade pacts by the Senate turn upon the following:

That the pacts are treaties in the sense that the word "treaty" is used in article II and article VI of the Constitution;

That the pacts constitute a modification of a revenue law; and

That, if these two assumptions are admitted, the governmental technique outlined in the Constitution governing the ratification of treaties and the enacting of revenue laws must be followed.

Since the pending joint resolution had its origin in the House of Representatives and has gone forward in accordance with constitutional practice for revenue bills, this phase of the argument is only contributory to the theory that those in charge of the joint resolution have considered it a revenue measure. This point, then, does not constitute an issue so far as the constitutionality of the act which will expire on June 12 is concerned. If, though, the pacts are treaties, as the word "treaty" is used in articles II and VI of the Constitution, the present law must be considered unconstitutional, and its renewal without amendment will lay the law open to a constitutional test. That, of course, would mean, if the contention were sustained in the courts, that no more reciprocal-trade pacts could be consummated without further legislation. The question of the continuing validity of the present pacts might also be challenged. This may be termed a literalist attitude from a constitutional standpoint.

With this attitude I am in complete disagreement.

I maintain that the present law is constitutional; that the existing reciprocal-trade pacts have met the technique consistent with the fundamental practices of our Government, and that the present act and pending joint resolution need not conform with those parts of our Constitution wherein treaties are mentioned in article II and article VI, but are in complete conformity with the powers delegated to Congress for control of interstate and foreign commerce. Since this power granted Congress in the first article is complete and all-embracing, and since throughout our history tariff acts have been primarily for purposes of developing or controlling commerce and only secondarily for purposes of revenue, the constitutional power under article I is sufficient.

For these and other reasons, I am opposed to what I have termed the strict constructionist approach to this constitutional phase of the present discussion. I conceive the problem to be a problem of governmental efficiency, growing out of world conditions as they exist today, and in keeping with an evolutionary development of tariff practices. The question is one of governmental policy, not a problem of law. If I thought the question were one of ceding over from Congress, or a representative body of Congress, such as the Senate, to the Executive the final word as the policy-forming institution of our Government, I should accept the arguments of the Senators from Nevada and Wyoming, and make a point in support of their stands.

Under the joint resolution, however, Congress does not give up its ultimate rights. Much has been said here about the delegation of power and the delegation of authority. The last case I remember in which a law was stricken down by the Supreme Court of the United States because legislative power was delegated was the one involving the "hot

oil" law. In that case the reason which caused the Court to make its decision turned upon the simple fact that the law did not contain the contingency under which the Executive was to act. By a simple amendment adopted by Congress this defect was overcome, and the control under that act is still carried on by our Executive.

If it is a contingency which must control the actions of the Executive when power is delegated under administrative theory, one need but turn to the act itself which, incidentally, has not in and of itself had a constitutional test and find not one paragraph laying down a contingency, not two paragraphs laying down limitations and contingencies, but six paragraphs outlining contingencies, making limitations and curbing the power of the Executive in regard to entering into reciprocal-trade pacts. Time limits are put there. Certain articles cannot be considered unless under certain arrangements. So every condition which the Court insisted upon, so far as the delegation of authority to the Executive was concerned, has been met in the act; and, as we point out further, the "hot oil" case had to do with internal affairs, affairs in which the Executive in and of himself had no power, no independent field of activity. We can see how completely careful and how thoroughly consistent with the evolutionary growth of our tariff legislation the framers of the Reciprocal Tariff Act were, and, if we may judge from the decision of the Supreme Court in regard to the "hot oil" cases and if we may adopt the theory that the contingency and the limitation is the proper curbing for the Executive, how almost foolproof from a standpoint of law the present Reciprocal Tariff Act is.

But under the joint resolution Congress does not give up its ultimate right. The trade pacts and the right to negotiate the trade pacts and bring them into operation are temporary. This fact must be granted whether the pacts themselves are deemed valid or invalid. It is quite clear that the reciprocal-trade agreements do not constitute a forbidden delegation in the constitutional sense. It has been found in the operation of government that we cannot continue to function without, from time to time, asking others to execute the will of Congress by filling in the details, however many and however important, to satisfy a broad policy set by Congress.

Mr. President, I need not and I will not repeat what the Senator from Georgia said in regard to this question yesterday, but I wish to say that whenever anyone starts talking about the separation of powers and the coordinated branches of our Government, he almost invariably ends up with using a series of words and a series of sentences which make one feel that we have three governments and not one Government. We have only one Government. Sometimes the Executive speaks for that Government, sometimes the courts speak for that Government, sometimes the legislature speaks for that Government. When we talk about powers, they are all delegated, and they are powers merely to act for the one single Government under our constitutional scheme.

I think it should be emphasized all the time that there is only one Government of the United States. It matters not how big or how little the administrative officer is, when he speaks in the name of the Government of the United States that is his authority, and he represents the Government of the United States when he speaks.

The Senate, of course, is not abdicating by not insisting on ratifying trade pacts, pact by pact, any more than Congress gave up when it permitted the Executive to alter by 50 percent any existing rate or duty on importations, or when it left to a commission the involved question of freight rates to meet complicated and ever-changing situations.

It is refreshing to hear constitutional arguments raised at this late day, so long after the act has been applied, certainly long after any aggrieved party might have been heard and his plea settled before the highest tribunal. Certainly the question is not whether we may or not, but whether we should or not. The economics of the situation, or, as I stated in the beginning, the question of governmental policy, not of lawful authority, confronts us.

The constitutional facts must not be overlooked. Powers granted the Executive under article II in regard to treaties make the Executive the initiator and the negotiator. The Senate's giving its advice and consent is a completing act.

Still, the whole act is not completed, and since arguments about article VI have been presented, with reference to a treaty becoming the supreme law of the land, let me point out that, while under our scheme of government the legislative authority in Congress is all-embracing, with the exception of the recommendations of the President, or the veto of the President, or the approval of the President, when it comes to treaties there is another element which enters into the making of the supreme law of the land. That element has nothing to do with any of the authorities under the Constitution of the United States. No treaty goes into effect until it becomes an agreement between two nations, and it is very interesting to know that if we accept the theory that a treaty is a law of the United States, the antecedents to making a treaty the law of the United States were not only the executive acts and the legislative acts, but actually foreign acts. That is how broad our constitutional scheme is, and that is one fact about article VI which is not generally pointed out—that in the making of the supreme law of the land of the United States, foreign governments actually have a part.

I bring this suggestion before my colleagues now so that I may follow along the theory announced by the Senator from Georgia yesterday—the theory in regard to treaties, and why the President has an all-embracing power in the initiation, the negotiation, and the revocation of treaties—because when it comes to foreign relations, the power is vested in a single authority, the United States, and the giving of assent, the advice and consent of the Senate of the United States, is only one of the elements which make a treaty a law.

Even after the advice and consent are given, the publication of a treaty is necessary, the acceptance of the treaty by the foreign nation is necessary, and, in addition to that, the registering or the proper placing of the treaty is necessary. That is why the fathers saw and understood so well the difference between municipal law and international law, and that is why, of necessity, when international law is invoked and turned to, the restrictions are stronger than they are in municipal law, because there enters into the arrangement the idea of faith and the necessity of governments, above all things, keeping their word.

Does the Senate here act in a legislative capacity or in an executive capacity? Whether executive or legislative, the two acts are essential to a complete consummation. Still, the treaty would not become a law of the land by just these two acts. For such a treaty to have force, it must also be accepted and put into force by a foreign state over whom we have no legal or executive authority. But that is not the question I wish to emphasize here.

It has been brought out that there is an unlawful delegation of power in granting to the President the authority which he has exercised under the present act. This might be true if the delegation had been a delegation of power over internal affairs, for in that field Congress is definitely supreme, and law governing internal affairs is its complete right, and a delegation of this right might consistently be challenged. But when it comes to external affairs the situation is different. There are inherent in the Executive, under our Constitution, certain rights and powers, and they do not exist in Congress, and are entirely outside of the advice and consent right granted the Senate.

Congressional powers in regard to treaties are not confined to the simple practices outlined in article II. I can conceive of a treaty being initiated as a law of Congress with a rider instructing the President of the United States to enter into negotiations with foreign countries to have such a law passed by the legislative power of other foreign countries and thus bring about a universal law throughout the whole world which would have uniform application upon all persons in the world.

Of course, the President does have the right to accept or reject the obligation to negotiate. This is the practice within our States. This, of course, is a legislative practice,

but if it should become a series of international acts, it might follow all the force and technique of a treaty. To assume, then, that Congress cannot initiate would be an assumption going too far. Yet, I do not offer this as being strictly germane to the present question. It merely illustrates the fact that treaty-making power may be extremely complex without being unconstitutional, and may or may not follow the simple technique as outlined in article II.

The pending resolution gives us an opportunity to review the fundamentals which were undoubtedly in the minds of the founding fathers when our Constitution was set up. Jefferson stated so well this problem, or rather, problems, for there were two. We had first to make one government out of many, and then make that one function as a unit through a separation of governmental activities. In a letter to Madison at the end of 1786, Jefferson wrote:

> To make us one nation as to foreign concerns, and keep us distinct in domestic ones, gives the outlines of the proper division of powers between the general and particular governments. But to enable the Federal head to exercise the powers given it to best advantage, it should be organized as the particular ones are, into legislative, executive, and judiciary.

Probably no other single paragraph had so much to do with confirming the policy of the founding fathers as had that paragraph written by Jefferson.

He had nothing to do with the real writing of the Constitution, because he was not even in this country at the time, but the underlying principles are so well stated in that paragraph that the Constitution of the United States cannot be considered without referring to it.

The arguments of lawyers before the Supreme Court are arguments in favor of particular causes and, therefore, like the arguments advanced by the text writers, are more or less rationalizations rather than statements of historical fact. In the setting up of our Constitution and the bringing into existence of a government with three coordinate branches, the problem which the founding fathers had facing them was one of changing a government wherein the executive, the legislative, and the judicial were united in one body as had become the practice in England, into an institution unified, to be sure, but recognizing a separation of powers. When it came to appointments and to treaty making, the Constitutional Convention did not wish to give over to the Executive complete power in these two great fields. The advice and consent technique, already well established, was resorted to, and instead of allowing the check on the President to remain in the entire Congress, treaty matter was left to the Senate with a necessary two-thirds vote to ratify, while the appointing power was left to a simple majority in the same chamber.

Mr. President, advice and consent in regard to appointments is quite generally meant in our Government, both in theory and practice, to be two separate acts, the Senate or part of the Senate to be, under the Constitution, a party both to advising and consenting. In treaty making the tendency in the development of our processes has been toward considering the process of advice and consent a single act. The President has gained complete power in regard to the initiation and negotiation. While in our Government the policy-forming institution still remains Congress, our Government is not a congressional government but strongly a Presidential one, and due to the growth of our country and to the sheer weight and bulk of our governmental structure, it has become more Presidential as time has passed. The greater number of executive assistants in proportion to legislative persons will bring this about as a matter of quantitative pressure without taking into consideration any of the fundamental powers.

But still America remains a government by law, and all the restraining rights and powers remain in Congress, and so far as treaties and appointments are concerned, they remain with the Senate.

This statement may be taken to be an argument in favor of the contentions of those who raise constitutional doubts in regard to the pending legislation, who maintain that the trade pacts are treaties, and that therefore the Senate must ratify them. If the congressional powers and the senatorial powers had not been expressed this contention might be true. But they have been expressed in the instructions given to the Executive, and in the authority to act, and in the time limit placed upon the act. Therefore the legislative branch of our Government has expressed its will, it has had its opportunity to maintain a check, the judicial branch assumedly has not been resorted to, and the challenge is still open to the aggrieved person or citizen; so that the theory of our Government, based as it is on three coordinate powers offering checks when checks are needed, has been respected.

Of course, an outstanding reason for being opposed to Senate ratification of each trade pact is one of efficiency and expediting of governmental processes, an almost necessary one in its first aspect, and an extremely desirable one in its second. The reciprocal-trade agreements have to do with tariffs. Tariffs were never a matter for the Senate alone, but for the Congress and the Executive. Throughout the whole history of our tariff legislation the primary purpose of tariff has been not a matter of mere taxation for revenue gain but a matter of industrial and business expansion and control of commerce. If this had not been the case the slogan "Tariff for revenue only" would never have been resorted to. The reciprocal-trade pacts have therefore the same purposes. They have their fundamental reason for being in necessity. The old tariff technique of controlling commerce by a unilateral legislative act has become obsolete. Its success for accomplishing the objectives of its sponsors—that is, promotion of domestic industry—was dependent upon a fairly stable world.

Mr. President, the tariff as a medium of aid to home industry was only a valid medium in a world wherein money values and exchange were constant, fluctuating only in fractions of a percentage. The minute the world became a world of commercial and economic chaos as a result of managed currencies, inflated and depreciated coinage, the nonrecognition of our metallic based money, and governmental control by Executive action expressed by subsidy and dumping, the exploitation of cheap labor and the exploitation of backward peoples by controlled values, the stability essential to a true protective tariff establishment was gone. I can use one incident and one commodity to illustrate my point. In 1932 we had a tariff of 2 cents on sugar while foreign sugar was being laid down in the United States at one-half mill a pound. Subsidy, depreciated currency, and the dumping practices of nations had overcome completely the artificial benefit to the domestic producer which our tariff had offered and promised. Therefore as long as the world is as it is and tariffs are changed in other nations by Executive action, almost by edict, America, if she is practical, must meet that situation. Other nations may change the value of the import tax, the amount of subsidy, and the value of money in order to aid their trade, and we find ourselves bound by our law in such a way that these mediums are impossible under our slowly responding governmental structure.

But there is a better reason for the support of the contention that we should continue the technique of our reciprocal-trade pacts as they now are carried on by our State Department. Tariff duty is a matter, after all, which affects both the country which invokes it and the country whose trade might be influenced by it. Thus in its final analysis, in its most friendly and businesslike aspects, a tariff is bilateral, and under our present theory of the most-favored-nation clause it may be multilateral. For business relations to be good, both the buyer and the seller must enjoy benefits. An opportunity has been created whereby nations might be benefited. Reciprocal-trade agreements can be worked out to the advantage of all concerned, through the process of hearings before committees representing both countries parties to the pact. The technique of negotiation cannot help but make for better understanding and ultimately better and more stable business conditions because the representatives of each government must know that the pacts must stand for the benefit of both, and that the loopholes permitted through the most-favored-nation clause must be curbed to insure no overreaching. Thus we have a technique brought

into existence which cannot help but improve relations, improve industry and trade, and result in the stabilization of that industry and trade. Therefore, I do not think that the strict constructionist constitutional approach should prevail, and, therefore, I maintain that the practice is an evolution of Hamilton's original tariff theory, the promotion of industry and the control of trade.

The reciprocal-trade agreements, when viewed in the light of our tariff history, mark this evolution, not a startling change in method. This country long ago rebelled against the old inflexible tariff. It set up not only the flexible tariff theory wherein the Executive was given authority to change the tariff to the extent of 50 percent, after study, but Congress actually set up a Tariff Commission to aid in these studies and help accomplish the flexing.

These things all happened when the world was in a condition more stable than it is today. Still the need was so apparent that the flexible tariff right was retained even in our last tariff act, and the Commission is still functioning, assisting properly by doing its part in furnishing studies and advice to the Executive in the negotiation of reciprocal pacts. Viewed in this light, then, the reciprocal-trade pact is a growing aspect of an evolutionary tendency. To stop it or make this tendency ineffective by permitting one-third of the Senate of the United States by vote, or less by filibuster, to overcome the studied conclusions of our Tariff Commission, our negotiators, our State Department advisors, would be a step backward to such an extent that we would multiply chaos not only in our own industry but also in the industry in much of the world. When the flexible tariff came into existence its opponents pointed out that Congress was giving up some of its powers, that Executive authority was being expanded. One does not wish to argue that point, but the powers between the executive, the legislative, and the judicial are not in an even and a constant balance. If they were we would have a government by mathematical equations instead of by law. The powers executed or expressed are always a matter of degree. One time Congress may have its last word and that last word may be important; it may be comparatively insignificant. So with the President. At all times the judiciary may seem to have the last word, and here again it might be on a matter of utter insignificance, or on a matter which actually strikes down going agencies of government and causes a remaking of institutions. Events, not mathematics, shape their comparative strengths. When called upon to function, each rises so nobly to its task that we are constrained never to say again that one is impotent, and that we do not have a true separation as well as a true coordination among the three branches of government.

We are coming to the belief that "coordinate branches" is a term which suggests that they coordinate in the cooperative sense, and that friction, far from being an essential to good American government, is not an encourageable quality.

Mr. President, in summing up the whole question I have attempted to show, as I said in the beginning, the growth, evolution, and development, both in tariff practices and in constitutional interpretations and practices.

The President's authority under reciprocal-trade agreements is a natural outgrowth of executive control over foreign commerce; that is, Executive control when such grant has been given to the Executive by Congress.

The Reciprocal Trade Agreements Act of June 12, 1934, was a natural outgrowth of the experiences of the Congress, the President, and the Tariff Commission in dealing with our tariff problems under those provisions of the Tariff Acts of 1922 and 1930.

The tariff problems are too numerous and too complicated to handle without a continuing body like the Tariff Commission to keep abreast of conditions of our foreign trade, and to report those conditions to the Congress and to the President.

The Congress cannot keep the tariff changes abreast of rapidly changing emergency conditions such as we have suffered since the World War, and especially since the last great depression of 1929–30.

Here let me again revert to what I have said in regard to the bilateral nature of the reciprocal-trade theory and of our tariff evolution, and the necessity for it. Again we emphasize causes, again we emphasize depreciated currencies, and again we emphasize the utter independence of governments acting quickly for their own advantage and for their own purpose, upsetting the even tenor and the stable condition of trade. When we enter into a pact with a foreign country we bind that country, and therefore such things are not resorted to. So the stabilizing influence is not one-sided. It is not only for our benefit, but it actually contributes to a stabilizing influence throughout the world.

Both political parties have found it wise and practical to put in the hands of the President power to make changes in tariff rates to meet emergency conditions—the Republicans under the flexible provisions of the Tariff Acts of 1922 and 1930, and the Democrats under the Reciprocal Trade Agreements Amendment or Act of 1934.

Now let us examine what, if any, are the differences in fact and principle in these delegations of authority to the President. If, for example, there is no difference, then, as the other acts have been questioned in the courts and not found wanting, the present act cannot be pointed out as being wanting in that regard.

In accordance with the flexible provisions which have been declared constitutional by unanimous decision of the Supreme Court in the case of *Hampton & Co.* v. *United States* (276 U. S. 394), the President changes rates of duty on the basis of the differences in costs of production of articles in the United States and in the principal competing foreign countries; and in the Reciprocal Trade Agreements Act the President changes the rates upon the basis of his finding as a fact that "duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States," and that the purpose of the Trade Agreements Act will be promoted by the means used in the trade agreements. Two limitations are placed upon the President; and the Executive is always the judge as to whether or not those limitations are present. He acts in accordance with his own finding, and in accordance with his own judgment.

The powers of the President under the Reciprocal Trade Agreements Act differ, if at all, only in degree rather than in kind from powers which have long been his and which have been declared constitutional in many decisions of the courts, including the recent Hampton decision declaring constitutional the flexible provisions of the act of 1922.

The first act passed by the United States Congress was the Tariff Act of July 4, 1789, which stated its objectives in the preamble, as follows:

SECTION 1. Whereas it is necessary for the support of government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures, that duties be laid on goods, wares, and merchandise imported:

Be it enacted, etc., That from and after the 1st day of August next ensuing, the several duties hereinafter mentioned shall be laid on the following goods, wares, and merchandise imported into the United States from any foreign port or place, that is to say:

The commodities and the respective duties are then listed.

Thus we see that the very first act was a complicated act, having many objectives.

The first tariff law was frankly a protective-tariff measure.

Alexander Hamilton, Secretary of the Treasury, in his report on manufactures in 1791, in which he advocated the encouragement of industries in the United States by the use of protective tariffs as adopted in the act of 1789, said:

In order to a better judgment of the means proper to be resorted to by the United States, it will be of use to advert to those which have been employed with success in other countries.

Recognizing that the tariff with us was not new in the sense that we had no experience with it in other places,

and recognizing the fact that we took the theories from other places.

The principal of these are:

Protecting duties, or duties on those foreign articles which are the rivals of the domestic ones intended to be encouraged.

Duties of this nature evidently amount to a virtual bounty on the domestic fabrics, since by enhancing the charges on foreign articles they enable the national manufacturers to undersell all their foreign competitors. The propriety of this species of encouragement need not be dwelt upon, as it is not only a clear result from the numerous topics which have been suggested, but is sanctioned by the laws of the United States in a variety of instances; it has the additional recommendation of being a resource of revenue. Indeed, all the duties imposed on imported articles, though with an exclusive view to revenue, have the effect in contemplation; and, except where they fall on raw materials, wear a beneficent aspect toward the manufactures of the country.

From that day to this, our tariffs have been more than mere revenue measures. They have been measures for the regulation of our foreign commerce. In the protective-tariff system itself lie the seeds of the future growth of the regulation of our foreign trade, first by Congress and the Executive in passing and signing the tariff acts, and then by Congress making the standard for adjustment and authorizing the Executive to adjust the rates according to the standard.

This first Tariff Act of 1789 was rather simple and direct so far as rates were concerned. Specific rates were fixed on most items, but on some ad valorem rates were specified. The total number of articles on which rates were levied was small compared with the many thousands covered by the last tariff act; and the revenue of $4,399,000 collected in 1791 was surely not large if compared with the present annual collections of $400,000,000 to $600,000,000 from customs duties on imports.

From the first tariff act until 1922, although the rates in effect during all that period were more or less protective of domestic industries, and the Republican tariffs especially were levied for the encouragement and protection of domestic industries, yet no other act stated that purpose as an objective to be obtained by the rates fixed.

That is, the objectives stated in the first tariff act seem to have been taken for granted, and were not repeated. Probably there are other reasons. We can all conceive of various reasons for leaving those things out. In the acts of 1922 and 1930, however, it was again frankly stated that one of the purposes of those acts was to encourage and to protect domestic labor, industry, and agriculture, moving the acts very widely away from purely revenue purposes and bringing them definitely into the field of domestic and foreign commerce.

Ever since the first tariff act was passed to meet the then existing conditions of our international trade, the Congress has been compelled intermittently to consider, reconsider, and revise our tariff laws to meet the ever-changing and increasingly complex conditions of foreign trade.

As our trade with other countries grew and expanded, Congress found itself unable to keep advised of conditions as they changed to meet competition without frequent hearings on tariff bills to obtain information on frequently proposed tariff changes. In such hearings, interested parties presented their cases for and against proposed changes in the customs rates. Members of the Committee on Ways and Means in the House and of the Finance Committee in the Senate often were not able to tell what the facts really were, because of the partisan character of the data presented by the interested parties at such hearings.

In other words, we did not sit down and think out the scheme of a Tariff Commission. The Tariff Commission was imposed upon the Congress of the United States as a matter of necessity. We did not sit down and think of the Reciprocal Tariff Act, but conditions in the world imposed it upon the Congress of the United States in meeting the world situation in regard to trade. Our reciprocal-trade agreements come about exactly in the same way, out of necessity. I do not think I have to cite the necessity, in a proper clause of the Constitution, for giving a grant. Where is the grant? It is, of course, in the Congress of the United States, if we wish to go into the constitutional phases of the question.

Their need for reliable data upon which to base their conclusions—that is, the conclusions of the two committees—resulted in the organization of the bipartisan Tariff Commission under the act of September 16, 1916. Since then the Commission, a purely fact-finding body, has served the Congress and the President well by furnishing them with the facts about imports, domestic production, competition, comparability, costs, prices, and other advantages and disadvantages in competition. This factual information has been a great help to the Congress in passing on the tariff questions with a more reasonable and enlightened judgment.

This step taken to have a body of tariff experts aid Congress in obtaining the facts was one of several steps leading to the present Reciprocal Trade Agreements Act.

Once this Commission had been established, the value of its work demonstrated to the Congress on the wisdom of its establishment proved, it was only natural that the Congress should use it further whenever its services could be utilized to advantage in dealing with the constantly increasing complexity of our tariff problems.

After the World War, when there was a fear of a flood of imports due to sudden changes in exchange rates or to depreciated currencies, the so-called flexible provisions were written into the Tariff Act of 1922 to meet those feared emergencies.

Under the flexible provisions the President was given considerable new authority, the authority to change rates of duty to equalize differences in costs of production here and abroad as found by the investigations of the Tariff Commission. This new authority is contained in section 315 of that act.

It might be well to read from section 316, which has to do with the same matter, and note the theory and note how the evolution of the theory has continued.

SECTION 316. (e) That whenever the existence of any such unfair method or act shall be established to the satisfaction of the President he shall determine the rate of additional duty * * *.

Then continuing:

(f) That whenever the President has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy him thereof, the Secretary of the Treasury shall, upon his request in writing, forbid the entry thereof until such investigation as the President may deem necessary shall be completed.

The President in being granted that power back in 1922 was granted power quite as great as any powers granted him in regard to reciprocal-trade pacts, as we can all see.

We might spend time going over other acts, but I am sure they have already been inserted in the RECORD. They point and emphasize the fact that the few grants of power given to the President in the Reciprocal Trade Agreements Act are limited, that they are based upon contingencies, and are strictly within the right to grant or delegate powers, and that grants in similar fashion were given the Executive in the act of 1922 and before 1934.

The contention that trade agreements are treaties in a constitutional sense, I wish to consider again in a legal way; and here I may say that I am not arguing the case; I am reviewing in two or three pages the results of legal determination in regard to treaties, so that the whole thing may be grasped in a paragraph by those who may wish to read.

From the inception of our present constitutional government the Congress, the courts, and the Executive have recognized that there are several types of international agreements which are not treaties in the constitutional sense. This, of course, the Senator from Nevada and the Senator from Wyoming are not contending against; they accept that as a fact. These distinctions were well pointed out by Chief Justice Taney in *Holmes* v. *Jennison* (1840) (14 Pet. 540, 571):

The words "agreement" and "compact" cannot be * * * held to mean the same thing as the word "treaty."

A treaty was defined as—

A compact made with a view to the public welfare by the superior power, either for perpetuity or for a considerable time.

The Court further said that—

The compacts which have temporary matters for their object are called agreements, conventions, and pactions.

In other words, it seems almost sure that the writers of the act of 1934 actually had before them this decision, because they put in the time limitation to meet the opinion of a great Supreme Court Justice. This decision may aptly be applied to the Trade Agreements Act, which has been enacted as an emergency measure and which requires that agreements be subject to termination not more than 3 years after they take effect.

That there are compacts not possessing the dignity of a treaty in the constitutional sense which may be authorized by Congress and negotiated and proclaimed by the President was recognized by the Supreme Court in the case of *B. Altman & Co.* v. *United States* (224 U. S. 583, 601), involving an agreement made under the authority of section 3 of the Tariff Act of 1897. And in the recent case of *United States* v. *Curtiss-Wright* (1936) (299 U. S. 304), which was cited by the Senator from Georgia [Mr. GEORGE] yesterday, the Supreme Court made it clear that the Federal Government has as an essential part of its sovereignty "the power to make such international agreements as do not constitute treaties in the constitutional sense."

In *Field* v. *Clerk* (1892) (143 U. S. 649, 694) the contention was made that section 3 of the Tariff Act of 1890 delegated to the President treaty-making power. The Court disposed of this point by holding that the trade agreements authorized by the act were not treaties requiring ratifications.

The contention of alleged delegation of legislative authority, which has been mentioned several times, may be summed up by citing legal authority.

It has been charged that prior to the enactment of the Trade Agreements Act there were no precedents for changing import duties by Executive action pursuant to international agreement. This position is predicated upon confusion of differences in detail with differences in principle.

As has been fully pointed out at the hearings before the Finance Committee, the precedents amply sustain the present grant of power to the President. The Dingley Tariff Act of 1897, section 3, recognized the appropriateness of changing tariff duties by Executive proclamation pursuant to international agreement entered into under congressional authority. The fact that this law was limited to specified articles, whereas the Trade Agreements Act is not so limited, is a matter of detail rather than of principle. Section 315 of the Tariff Act of 1922 authorized the President to select the articles upon which duties were to be changed. The fact that the initial proceedings under the flexible tariff concerned a cost investigation rather than a trade-agreement negotiation is likewise a difference only in detail and not in principle. Combining the two laws, section 3 of the Dingley Act and the flexible tariff provision, we clearly have precedents for changing duties by Executive agreement and selecting the articles upon which changes are to be made.

The contention has been presented that the case of Field against Clark is no precedent for the Trade Agreements Act. It must be remembered, however, that under the act of 1890 the President did have discretion to find that duties were imposed by foreign countries which were reciprocally unequal and unreasonable, and under the Trade Agreements Act the President is authorized to find that the duties of the United States and of foreign countries are unduly burdening the foreign trade of the United States. Here, again, the difference is one of detail and not of principle.

The ruling of the Supreme Court in *Panama Refining Co.* v. *Ryan* (293 U. S. 388) has been presented as authority for requiring a definite standard to be followed by the Executive in carrying out the legislative will. In the *Curtiss-Wright case* (299 U. S. 304), the Panama Refining Co. case was relied on as support for the contention that the arms embargo law was invalid as a delegation of legislative power; but the Supreme Court rejected the contention, holding that in delegating power to control foreign affairs Congress was not limited to the same degree of exactness as in domestic affairs. On page 320 the following language appears:

It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved.

That the Tariff Act is primarily a regulation of foreign commerce, and only incidentally a revenue measure, was clearly recognized by the Supreme Court in *Board of Trustees of the University of Illinois* v. *United States* (289 U. S. 48, 58).

It has been argued that the Curtiss-Wright case is not pertinent to the present consideration because it affected only foreign matters. It is true that the principal purpose of the arms-embargo law was to promote peace in foreign countries. However, the means adopted by Congress to promote such peace was the regulation of foreign trade of the United States, inasmuch as the embargo law did regulate or prohibit the exportation of implements of war, and authorized the President to put the embargo into effect by proclamation predicated on a finding of fact. The Trade Agreements Act likewise is designed to regulate foreign trade. The only difference in principle between it and the arms embargo law upheld in the Curtiss-Wright case is that the Trade Agreements Act takes into consideration two aspects of our foreign trade, namely, imports as well as exports.

By means of citations I should like to show:

First. That the United States customs tariff has been historically a means of commercial control rather than primarily a source of revenue. That I have already partly done.

Second. That it has been necessary, as a historical development, for an increasing Executive control of the tariff to be placed in the hands of the President. That I have already done.

Mr. President, in order that I may not detain the Senate, but that these quotations may appear in the RECORD to make the RECORD complete, as far as the theory of these quotations is concerned, I ask unanimous consent to have inserted in the RECORD a quotation from Taussig's Tariff History of the United States; another quotation from Taussig quoting Alexander Hamilton; quotations from George Washington, showing that he was in complete agreement with Hamilton's views; and a quotation from the United States Tariff Commission's Dictionary of Tariff Information, published in 1924.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

I. The United States customs tariff has been, historically, a means of commercial control rather than primarily a source of revenue.

Frank W. Taussig, in his Tariff History of the United States, says:

"The first tariff act, that of 1789, was protective in intention and spirit. The Congress of the Confederation had framed a plan for a general 5-percent duty, with a few specific duties on articles like tea, coffee, and sugar—a plan whose failure was one of the most important events leading to the adoption of the Constitution. When Congress met in 1789, this scheme, which had aimed solely at procuring the needed revenues, was presented anew by Madison, who advocated it not only on financial grounds but on the general principles of free trade. But several of the States, especially Massachusetts and Pennsylvania, had imposed protective duties before 1789, and they were desirous of maintaining the aid then given to some of their industries. Moreover, the feeling of resentment against Great Britain was strong. Consequently, Madison's simple proposal was replaced by a more complicated scheme. The general duty of 5 percent was retained on all goods not otherwise enumerated. On certain articles of luxury higher ad valorem rates were fixed, the highest, on carriages, being 15 percent. Specific duties were imposed on some selected articles, such as hemp, cordage, nails, manufactures of iron, and glass. These articles were selected, and made subject to the specific duties, with the clear intent of stimulating domestic production. The general range of duties was by no means such as would have been thought protective in later days, but the intention to protect was there."

Source: Sixth edition, 1914, pages 14–15.

Alexander Hamilton, Secretary of the Treasury in 1789, was a strong believer in the use of the tariff to develop American manufactures. In his report on manufactures, he said:

"The expediency of encouraging manufactures in the United States, which was not long since deemed very questionable, appears at this time to be pretty generally admitted. The embarrassments which have obstructed the progress of our external trade have led to serious reflections on the necessity of enlarging the sphere of our domestic commerce; the restrictive regulations, which, in foreign markets abridge the vent of the increasing surplus of our agricultural produce, serve to beget an earnest desire that a more extensive demand for that surplus may be created at home; and the complete success which has rewarded manufacturing enterprise, in some valuable branches, conspiring with the promising symptoms which attend some less mature essays in others, justify a hope that the obstacles to the growth of this species of industry are less formidable than they were apprehended to be; and that it is not difficult to find, in its further extension, a full indemnification for any external disadvantages which are or may be experienced as well as an accession of resources favorable to national independence and safety."

Source: Taussig, F. W. State Papers and Speeches on the Tariff, Cambridge, 1893, page 1.

Washington had fully accepted Hamilton's views, and his messages to Congress urged the encouragement of domestic industries. His letters, too, show what progress had been made in manufactures and what was the feeling in regard to them. A letter to Lafayette, written a few months before the act of 1789 was passed, reflects faithfully the hope and the faith of the time:

"Though I would not force the introduction of manufactures by extravagant encouragement, and to the prejudice of agriculture, yet I conceive much might be done in that way by women, children, and others without taking one really necessary hand from the tilling of the earth. Certain it is, great savings are already made in many articles of apparel, furniture, and consumption. Equally certain it is that no diminution in agriculture has taken place at the time when greater and more substantial improvements in manufactures are making than ever before known in America. In Pennsylvania they have attended particularly to the fabrication of cotton cloths, hats, and all kinds of leather. In Massachusetts they are establishing factories of duck, cordage, glass, and several other useful and extensive branches. The number of shoes made in one town and nails in another is incredible. In that State and Connecticut there are also factories of superfine and other broadcloths. I have been writing to our friend, General Knox, this day, to procure me homespun broadcloth of the Hartford fabric, to make a suit of clothes for myself. I hope it will not be a great while before it will be unfashionable for a gentleman to appear in any other dress. Indeed, we have been too long subject to British prejudices."

To Jefferson he wrote in a similar strain and said: "A desire of encouraging whatever is useful and beneficial seems now generally to prevail." In two letters he suggested to Governor Randolph a plan by which Virginia should increase the raising of sheep and foster the woolen industry. His interest had been aroused and this plan suggested by a tour through the New England States and a sight of what had been accomplished there. He wished his own State to follow the example of Connecticut.

Source: Hill, William, the First Stages of the Tariff Policy of the United States, Baltimore, 1893, pages 129–130.

That the tariff was an instrument for commercial control as well as for raising revenue was well brought out in the historic debate on the question of the constitutionality of protection. (U. S. Tariff Commission, Dictionary of Tariff Information, Washington, 1924, p. 177.)

"The principle was first elaborated by Daniel Webster (see) in 1820 that while Congress has a right so to arrange duties for revenue as incidentally to protect manufactures, it has not the right to make protection a leading motive in the forming of a tariff law. It is a question, he said, whether it is not contrary to the spirit and intention of the Constitution for Congress to exercise 'a power to control essentially the pursuits and occupations of individuals in their private concerns—a power to force great and sudden changes both of occupation and property upon individuals, not as incidental to any other power but as a direct and substantive power. If such changes were wrought incidentally only and were the necessary consequence of such imposts as Congress, for the leading purpose of revenue, should enact, then they could not be complained of. But he doubted whether Congress fairly possessed the power of turning the incident into the principal; and instead of leaving manufactures to the incidental protection of such laws as should be passed with a primary regard to revenue, of enacting laws with the avowed object of giving preference to particular manufactures, and with an entire disregard to all considerations of revenue.' (Stanwood, Edward, American Tariff Controversies, New York, 1903, vol. I, pp. 291–348.) The question was the subject of much debate in the political campaigns of 1824 and 1828, the point of unconstitutionality being strenuously supported in Southern States. Secretary F. J. Walker elaborated the argument in his Treasury report of 1845. Later success of the Democratic Party in breaking down the protective system resulted in a long disuse of the constitutional argument. The Civil War restored the advocates of protection to power, and the effect of that great conflict was to establish the ascendancy of a liberal over a strict construction of the Constitution. Not until 1892 was the question raised again, and then the Democratic Party, which asserted in its platform that the Constitution confers no power to lay duties save for the purposes of revenue. With the accession to power of the party the principle was allowed to become quiescent."

Mr. THOMAS of Utah. It has been generally accepted that the United States customs tariff is constitutional as an exercise of the congressional "power * * * to regulate commerce with foreign nations."

Says Edward Stanwood in his American Tariff Controversies, page 348:

It is extremely unlikely that the constitutionality of a tariff law will ever again be seriously discussed before the people. It is still more unlikely that, should it arise again, any fresh arguments can be adduced either for or against the power of Congress in the premises. Surely if the people of the country could appreciate the enormous inconveniences to the whole system of government which would result from an authoritative pronouncement against the unrestrained power of Congress over external taxation they would rejoice that the question is closed forever and would treat as disturbers of the public peace all who should endeavor to kindle a fire from the ashes of this extinct controversy.

As I said in the beginning, Mr. President, I now repeat, the history of the United States tariff almost covers the history of the United States. If we do not consider the changes growing out of necessities and granting the various powers of meeting those necessities, we should go back tremendously far if we ever tried to live over again the controversies which have been worked out in the past 150 years.

It has been necessary as a historical development for an increasing control of the tariff to be placed in the hands of the President.

This development is well described by John Day Larkin, Ph. D., in his study of the President's Control of the Tariff, published by Harvard University Press, 1936, pages 38–39. Dr. Larkin shows that as early as the Washington administration—

The President was provided with power to suspend certain legislation in force with regard to the regulation of commerce, provided the foreign countries affected by this legislation should refrain from certain-named practices at any time that Congress was not in session (Stat. 372). Similar acts have been in force throughout most of our history. An act of June 3, 1798, gave President Adams power to restore commercial relations with France, which had been suspended by Congress, provided France "shall clearly disavow, and shall be found to refrain from the aggressions, depredation, and hostilities which have been and are by them encouraged and maintained against the vessels and other properties of the citizens of the United States."

In order to make the tariff of the United States more adaptable to realities, the reciprocity program was undertaken in 1890. This program gave to the President considerable Executive control of the tariff. The measures, and the results thereof, are briefly summarized in the recent hearings before the Committee on Finance of the Senate on the extension of the Reciprocal Trade Agreements Act, pages 733 to 735, revised print. They are, therefore, available to all the Members of the Senate, and I will not repeat them here.

Authority to levy additional duties and even to embargo imports under certain conditions was also given to the President under sections 316 and 317 of the Tariff Act of 1922. Probably in that act the greatest grants to the President were given, and it is probable that from that act we should sustain the most satisfaction to ourselves in attempting to bear out the statements of the evolutionary process and the necessary evolutionary process.

Mr. President, I desire to conclude by a quotation from Daniel Webster. Those who are kind enough to listen will of course realize the thought of the senior Senator from Arizona [Mr. ASHURST] which rushed to my mind when I read this quotation. The quotation does more than that. It recognizes the fact that back in Daniel Webster's time—and it is fine to hear his words echo in this Hall, if not his voice—he recognized the fact of changing conditions, and the need of our Government to change its attitudes in order to meet conditions; and as the senior Senator from Arizona always leads us in the pursuance of the practice of accepting the doctrine of inconsistency, it is fine to know that the Senator has in Daniel Webster himself all the authority,

I think, which any Senator need have for taking that stand. But as I read this quotation, may I ask the Senate to think not only of Webster admitting the fact that he is inconsistent, but also to think of the history of the evolution of the technique of the tariff as it has developed in our country, and see that as early as 1846 Daniel Webster saw that that was inevitable.

Sir, with the leave of the Senate I shall proceed to consider the effects of this bill upon some of those interests which have been regarded as protected interests.

I shall not argue at length the question whether the Government has committed itself to maintain interests that have grown up under laws such as have been passed for 30 years back. I will not argue the question whether, looking to the policy indicated by the laws of 1789, 1816, 1824, 1828, 1832, and 1842, there has been ground for the industrious and enterprising people of the United States, engaged in home pursuits, to expect Government protection for internal industry. The question is, Do these laws, or do they not, from 1789 till the present time, constantly show and maintain a purpose, a policy, which might naturally induce men to invest property in manufactures and to commit themselves to those pursuits in life? Without lengthened argument I shall take this for granted.

But, sir, before I proceed further with this part of the case I will take notice of what appears, latterly, to be an attempt, by the republication of opinions and expressions, arguments and speeches of mine at an earlier and later period of life, to found against me a charge of inconsistency on this subject of the protective policy of the country. Mr. President, if it be an inconsistency to hold an opinion upon a subject at one time and in one state of circumstances, and to hold a different opinion upon the same subject at another time and in a different state of circumstances, I admit the charge. Nay, sir, I will go further; and in regard to questions which, from their nature, do not depend upon circumstances for their true and just solution, I mean constitutional questions, if it be an inconsistency to hold an opinion today, even upon such a question, and on that same question to hold a different opinion a quarter of a century afterward upon a more comprehensive view of the whole subject, with a more thorough investigation into the original purposes and objects of that Constitution, and especially after a more thorough exposition of those objects and purposes by those who framed it and have been trusted to administer it, I should not shrink even from that imputation. I hope I know more of the Constitution of my country than I did when I was 20 years old. I hope I have contemplated its great objects more broadly. I hope I have read with deeper interests the sentiments of the great men who framed it. I hope I have studied with more care the condition of the country when the Convention assembled to form it. And yet I do not know that I have much to retract or to change on these points.

But, sir, I am of the opinion of a very eminent person who had occasion not long since to speak of this topic in another place. Inconsistencies of opinion arising from changes of circumstances are often justifiable. But there is one sort of inconsistency which is culpable. It is the inconsistency between a man's conviction and his vote; between his conscience and his conduct. No man shall ever charge me with an inconsistency like that. And now, sir, allow me to say that I am quite indifferent, or rather thankful, to those conductors of the public press who think they cannot do better than now and then to spread my poor opinions before the public.

I have said many times, and it is true, that up to the year 1824 the people of that part of the country to which I belong, being addicted to commerce, having been successful in commerce, their capital being very much engaged in commerce, were averse to entering upon a system of manufacturing operations. Every Member in Congress from the State of Massachusetts, with the exception, I think, of one, voted against the act of 1824. But what were we to do? Were we not bound, after 1816 and 1824, to consider that the policy of the country was settled, had become settled, as a policy, to protect the domestic industry of the country by solemn laws? The leading speech which ushered in the act of 1824 was called a speech for the American System. The bill was carried principally by the Middle States. Pennsylvania and New York would have it so, and what were we to do? Were we to stand aloof from the occupations which others were pursuing around us? Were we to pick clean teeth on a constitutional doubt which a majority in the councils of the Nation had overruled? No, sir; we had no option. All that was left us was to fall in with the settled policy of the country; because, if anything can ever settle the practical construction of the Constitution of the country, it must be these repeated decisions. New England then did fall in. She went into manufacturing operations, not from original choice, but from the necessity of the circumstances in which the legislation of the country had placed her. And, for one, I resolved then, and have acted upon the resolution ever since, that, having compelled the Eastern States to go into these pursuits for a livelihood, the country was bound to fulfill the just expectations which it had inspired.

* * * * * * *

The interest of every laboring community requires diversity of occupations, pursuits, and objects of industry. The more that diversity is multiplied or extended, the better. To diversify employment is to increase employment and to enhance wages. And, sir, take this great truth, place it on the title page of every book of political economy intended for the use of the United States; put it in every farmer's almanac; let it be the heading of the column in every mechanic's magazine, proclaim it everywhere, and make it a proverb, that where there is work for the hands of men, there will be work for their teeth. Where there is employment, there will be bread. It is a great blessing to the poor to have cheap food; but greater than that, prior to that, and of still higher value, is the blessing of being able to buy food by honest and respectable employment. Employment feeds and clothes and instructs. Employment gives health, sobriety, and morals. Constant employment and well-paid labor produce, in a country like ours, general prosperity, content, and cheerfulness. Thus happy have we seen the country. Thus happy may we long continue to see it.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from Utah yield to the Senator from New Mexico?

Mr. THOMAS of Utah. I am glad to yield.

Mr. HATCH. I was interested in the statement just read by the Senator from Utah, especially with reference to the inconsistency of such a great American as Daniel Webster. Only recently I was reading a debate in the earlier sessions of the House of Representatives, when an eminent Member of that body during the lifetime of Daniel Webster—in fact, when he was Secretary of State—made this observation:

He may have been contrary to himself, but he was never contrary to the Republic.

Mr. THOMAS of Utah. I thank the Senator from New Mexico.

Mr. President, in conclusion I merely emphasize what I stated in the beginning—these two great subjects, the constitutional question and the tariff question, must be recognized as subjects of change. They cannot be considered as static. We live in a growing age and with changing conditions constantly facing us.

The technique of the tariff must be in keeping with the requirements of the Constitution, but the requirements of the Constitution will be found to be of an evolutionary nature if we once accept the theory laid down by those who first started to interpret the Constitution as a growing instrument to last throughout the ages.

I am sure that with the quotation of Daniel Webster one must be forced to the conclusion that had he lived on through the years and down to this day he would have come to the same conclusion in defining the Constitution of the United States to which I came in the little definition which I gave in the beginning of my remarks. I think that anyone who could live through the crises of this country would be forced to see the Constitution of the United States as merely the companion of the American people in the accomplishment of their political and social objectives.

Mr. McKELLAR. Mr. President, I desire to address the Senate on the question now before it, but I should prefer to proceed the first thing tomorrow.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

Mr. McKELLAR. I yield for that purpose.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark, Mo.	Hatch	Maloney
Ashurst	Connally	Hayden	Mead
Austin	Davis	Herring	Miller
Bankhead	Donahey	Holman	Minton
Barbour	Downey	Holt	Murray
Barkley	Ellender	Hughes	Neely
Bilbo	Frazier	Johnson, Calif.	Norris
Bone	George	Johnson, Colo.	O'Mahoney
Bridges	Gerry	King	Overton
Brown	Gibson	La Follette	Pepper
Bulow	Gillette	Lee	Pittman
Byrnes	Glass	Lodge	Reed
Capper	Green	Lucas	Reynolds
Caraway	Guffey	Lundeen	Russell
Chandler	Gurney	McCarran	Schwartz
Chavez	Hale	McKellar	Schwellenbach
Clark, Idaho	Harrison	McNary	Sheppard

Shipstead	Thomas, Idaho	Tydings	White
Smathers	Thomas, Okla.	Vandenberg	Wiley
Smith	Thomas, Utah	Van Nuys	
Stewart	Tobey	Wagner	
Taft	Townsend	Walsh	

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). Eighty-five Senators having answered to their names, a quorum is present.

Mr. McKELLAR obtained the floor.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. TYDINGS. Tomorrow I shall not be able to be present at the session of the Senate, because I have to fulfill an engagement of some 6 weeks' standing to address the National Life Underwriters' Association of Illinois, and necessarily I will not be in the Chamber when the vote comes on the pending amendment, or on any other amendment which may be voted on tomorrow.

I have arranged a pair with the senior Senator from Montana [Mr. WHEELER], and my vote will thus be protected in line with the committee's position on all matters that come before the Senate tomorrow, or Saturday, if there should be a session Saturday.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. After consulting with Senators on both sides of the pending proposition, I think we have been able to work out an agreement, and therefore I ask unanimous consent that at 4 o'clock p. m. tomorrow definitely, the Senate proceed without further debate to vote on the pending amendment, and any amendments to or substitutes therefor.

Mr. ADAMS. Mr. President, I shall have to object.

Mr. THOMAS of Idaho. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee has the floor. Does the Senator from Tennessee yield to the Senator from Idaho?

Mr. McKELLAR. Mr. President, I do not want to speak this afternoon, and I am perfectly willing to yield to the Senator from Idaho with the understanding that I am to have the floor at the conclusion of his remarks. I do not ask unanimous consent for that purpose, but I yield to the Senator from Idaho for the present with that understanding.

Mr. THOMAS of Idaho. Mr. President, the Trade Agreements Act is simply a streamlined program of the New Deal for the purpose of reducing tariffs on the products of industry, mines, and agriculture. This measure has been a law for nearly 6 years, and yet none of the problems of agriculture or industry have been solved.

Mr. President, I shall confine my discussion of this subject almost entirely to the injury which this program has done to agriculture. There can be no permanent solution of the farm problem until the American farmer has the American market for the crops and livestock which he produces. A prosperous agriculture is necessary for a prosperous country.

Subsidies, bonuses, and quotas cannot be effective unless the farmer has the American market. Purchases of surplus commodities by the Government while tariff walls are being lowered so that farm products can be imported from abroad simply does not make sense.

Our Government owes the primary industries of this Nation that measure of protection which is necessary to maintain the American standard of living and to give to our citizens those industrial and earning opportunities which are the birthright of free Americans.

Extension of the trade-agreement program will lower the tariff on every product of the farm, thereby forcing our people to compete in production with the peon labor of foreign countries. Certainly our people did not send us here to foster such injustice.

Under the Trade Agreements Act the Congress delegated its tariff-making authority to the President, giving him the power to raise or lower tariffs as much as 50 percent. This power was given the President in 1934, just 2 years after he had assured the farmers in the 1932 campaign:

> I know of no effective excessively high tariff duties on farm products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program, and every farmer knows it and will not be deceived.

American farmers accepted this statement as a promise that tariffs on farm products would not be lowered. In my opinion, that promise, more than anything else, won the confidence and support of the farmers for Mr. Roosevelt. And what happened? The American farmer is being sacrificed to the disastrous doctrines of free trade.

There is no objection to the principle of reciprocity. Senator Borah stated the matter very clearly during the debate on the Senate floor in 1937:

> To the extent we can build up a trade based upon the principle of exchanging the products which one nation has and another has not, we are building upon a sound principle of international trade.

But Senator Borah was unwilling to surrender to the State Department the authority, placed by the Constitution solely in Congress, to write the tariff laws of the United States, even when reciprocity was the announced aim. During the debate in 1934, before we had had an opportunity to see the law in operation, he said:

> I have no doubt that he (the Secretary of State) would execute these treaties in accordance with his convictions. He is a man of convictions. When he does so he may leave the cattle grower, the wool grower, the bean grower of my State utterly unprotected. He may not, but he may. If he does, where is the Senator from Idaho? Powerless. He will have surrendered all power to protect the people who elected him to the position he now holds.

A brief glance at the record is sufficient to show that Senator Borah's fears have been realized. Operation of the reciprocal trade treaty program has left the industries of the West unprotected. The program has been one of lower tariffs, not reciprocity.

We are told that no agreements would have been made if they had been subjected to the logrolling and pressure groups of Congress. The truth is that agreements have been made for which no Senator or Representative responsible to the people of my State would have voted.

Secretary Hull, as a member of the House Ways and Means Committee in 1930, was violently opposed to Congress delegating its tariff-making powers. Concerning the flexible provisions of the 1930 act, which are mild compared to the present broad transfer of power, he said:

> The proposed enlargement and broad expansion of the flexible tariff clause is astonishing. It is undoubtedly unconstitutional, and is violative of the functions of the American Congress. Not since the Commons wrenched from an English King the power and authority to control taxation has there been a transfer of the taxing power back to the head of a government on a basis so broad and unlimited as is proposed in the pending bill. As was said on a former occasion, "This is too much power for a bad man to have, or for a good man to want."

The Secretary's statements even today are at wide variance with the operation of the trade-agreements program. He has assured the farmers that the primary purpose is to restore foreign markets to American agriculture. In that purpose the program has failed, and failed miserably.

The National Grange, largest and oldest national farm organization in the United States, at its recent meeting at Peoria, Ill., adopted a resolution stating unequivocally:

> The reciprocal trade agreements program has caused serious damage to American agriculture. It has depressed farm prices by encouraging imports of competitive products from countries where substandard labor conditions prevail. It is wrong in principle and violates the Constitution. It should not be renewed when it expires by its own limitations on June 12, 1940.

Can there be any more damning indictment of the trade-agreements program? In the face of this statement, how can any man who claims to be in sympathy with the farmers favor extension of the power in the State Department?

Let us see how the program has worked. During the fiscal year 1939 exports of American farm products were $104,000,000 less than during the fiscal year 1934, before the program went into operation. But that is not all. Imports of competitive farm products—products which the American farmer can and does produce—were $68,000,000 more during the fiscal year 1939 than during 1934.

During the fiscal year ending June 30, 1934, before the trade agreements were in effect, 39.2 percent of our exports were agricultural products. During the fiscal year 1939 only 23.7 percent of our exports were agricultural products. Does that indicate that any foreign markets were restored to

American agriculture? The Secretary of Agriculture recently told a Senate committee:

Because of the world situation we cannot now hope to expand markets by increasing agricultural exports.

Yet we continue reducing our tariffs in the hope of benefits which we cannot expect to receive.

It is abundantly clear that the program could not have been designed to help the farmer. When agreements are made with such countries as Canada and other nations which have large agricultural surpluses, as we have, they must necessarily be made at the expense of the American farmer. Any concessions we make to these nations must involve reductions in farm tariffs.

I should like to read a brief paragraph from the London Economist of March 9, 1933. It sets forth in words clearer than the State Department has yet been willing to use the policy that has been followed in both the trade agreements which were subsequently made with Canada.

The Canadian Government has sent a memorandum to Washington embodying its suggestions as a basis for the projected reciprocity treaty between Canada and the United States. It is understood that this document suggests concessions in the American tariff for the benefit of Canadian products of the farm, forest, and sea (particularly livestock, milk, cream, and fish), and offers in return concessions in the Canadian tariff on iron and steel products, and a fairly long list of other commodities which make a substantial list.

This statement, written when the first agreement with Canada was being negotiated, is an accurate summary of the policy followed in both Canadian agreements. It is, in substance, the policy which must be followed in every agreement with a predominantly agricultural nation.

This policy is inconsistent with every effort being made to help the American farmer. As L. J. Taber, master of the National Grange, expressed it, in testifying before the Senate Finance Committee:

We have the spectacle of the Government, under the guise of soil conservation, paying the farmers of the country approximately $500,000,000 a year to reduce acreage and production, while permitting and even encouraging competitive imports of farm products valued at the same amount.

One of the objectives of the farm program has been to establish parity prices—that is to give the farmer's dollar the same purchasing power it had from 1909 to 1914. Appropriations have been made to achieve that purpose. Yet the second Canadian agreement, which carried even further than the first the policy of reducing farm tariffs, cut the tariff on hogs, chickens, eggs, barley, buckwheat, oats, rye, hay, potatoes, and apples. At the time the agreement went into effect, January 1, 1939, all these commodities were selling at only a fraction—in some cases as little as 38 percent—of the parity price.

The tariff on cattle was reduced in the first Canadian agreement in 1936, and in the 1939 agreement even more sweeping reductions were made. Following the second agreement, $19,692,054 worth of cattle were imported into the United States during the first 11 months of 1939. This is an increase of 138 percent over the value of the cattle imports for the first 11 months of 1938.

The tariff on alfalfa seed was reduced 50 percent in the first Canadian agreement, and in the second agreement it was bound at the new low rate. The tariff on clover seed was reduced in the first agreement, and further reduced in the second agreement. The resulting increases in imports have been startling.

During the fiscal year 1935, we imported 124,000 pounds of alfalfa seed. During the first 11 months of 1939 alone, we imported over 2,400,000 pounds.

During the fiscal year 1935 we imported 1,430,000 pounds of clover seed. During the first 11 months of 1939 we imported 12,700,000 pounds.

The tariff on seed potatoes was reduced in the first Canadian agreement and was further reduced in the second agreement. In the second agreement the tariff on potatoes other than seed potatoes was also reduced, in some categories as much as 50 percent; and at that time the farmers of the great potato-producing States, of which Idaho is one, had potatoes rotting in their cellars.

The first Canadian agreement reduced the tariff on apples from 25 cents to 15 cents per bushel, and in the second agreement the tariff was bound at the reduced rate.

The second agreement made a reduction in the tariff on eggs from 10 to 5 cents per dozen, the maximum reduction allowed by law.

The second agreement also provided for reduction in the tariff on hogs, bacon, and pork. This agreement also reduced the tariff on milk 50 percent; and the tariff on cream, which had already been reduced in the first agreement, was reduced the full 50 percent.

The tariff on Cheddar cheese, which had been reduced from 7 to 5 cents per pound in the earlier agreement, was reduced to 4 cents in the second agreement.

The farmer was not the only one directly injured by the Canadian agreements. The tariff on zinc was reduced January 1, 1939, in the second Canadian agreement, with the result that zinc imports reached almost $3,000,000 during the first 11 months of 1939 compared with $825,000 during the first 11 months of 1938.

The immediate effect of reducing the zinc tariff has been to close mines and to throw miners and smeltermen out of work. Even more serious is the lasting damage that is being done to the zinc industry. A paragraph from the article by E. W. Pehrson in the 1939 Mineral Yearbook, published by the Bureau of Mines, is well worth reading:

If the domestic industry is to continue to supply the national requirements it will have to become adjusted to the lower price level, which is further reduced by a cut of .035 cents per pound in its tariff protection. To accomplish this, costs of production will have to be reduced, chiefly by lowering wages and by selective mining of the higher-grade portions of ore deposits, neither of which is desirable. Reduction of wages is contrary to present governmental policies of increasing purchasing power, and the robbing of ore bodies is decidedly anticonservational and detrimental to the long-time welfare of the industry.

This list could be extended much further; but these examples are sufficient to show that the farmer and the miner of the West are paying far more than their share of what it is costing this country to be a "good neighbor." The farmer certainly can ill afford to pay for the good will that may be acquired when the State Department generously gives his market to foreign countries. Not all the subsidies that can be given him from the Federal Treasury can compensate the farmer for the loss of the American market.

During the fiscal years 1938 and 1939 the Surplus Commodities Corporation spent over $30,000,000 in purchases of 20 different farm products in an effort to raise prices by removing surpluses. During the same period, $92,298,000 worth of the same commodities were imported from abroad.

We have already seen that the tariff on eggs was reduced 50 percent in the Canadian agreement. This reduction was made in spite of the fact that up to June 30, 1939, over 30,000,000 dozen eggs had been purchased by the Surplus Commodities Corporation in an effort to remove the surplus.

Surplus apples have been purchased in an amount of over 9,000,000 bushels. This did not prevent the State Department from reducing the tariff on apples.

The Surplus Commodities Corporation has spent over $4,000,000 for the purchase of milk surpluses during the fiscal years 1938 and 1939; yet the tariff on milk was reduced 50 percent in the second Canadian agreement.

In 1930, the duty on Cuban sugar was fixed at $2 per hundred pounds. Under the flexible provisions of the Smoot-Hawley Act, the President reduced the tariff to $1.50 per hundred pounds; and after the Trade Agreements Act it was further reduced to 90 cents. A quota has been adopted under which Cuba is given 28.6 percent of the American sugar market, and American sugar-beet growers have been given a Government subsidy. At present, a desperate fight is being made to retain the benefits that have been given the American producers, as the concessions that have been made, without the benefits, would mean the destruction of the beet-sugar industry in the United States.

The reduction in the tariff on Cuban sugar has injured American producers and taxpayers without benefiting the consumer. Mr. L. J. Taber, master of the National Grange, testified before the Senate Finance Committee:

Since 1934 we have reduced the duty on imports of sugar from Cuba from 2 to 0.9 cents per pound. Between September 3, 1934, and December 31, 1939, the Treasury sustained a loss of revenue in this connection amounting to $133,924,000. In the meantime, the retail price of sugar to the consumer has not been reduced to the extent of a single mill. The chief beneficiaries have been some of the biggest banks of Wall Street, which own the major portion of the Cuban sugar industry.

If the authority to make trade agreements is extended another 3 years, an even more serious blow will be dealt to agriculture. In the negotiations with Argentina, the State Department demonstrated its willingness to reduce tariffs on a large number of commodities for which the American farmer already needs a larger market. Congress has granted to the State Department authority to barter away the protection which Congress has given to the vital industries and agricultural products of the West.

In 1931 there were 316 casein factories in the United States. Since then the industry has been protected by a tariff of 5½ cents per pound, which was established in 1930, and by 1939 there were 664 factories in 24 different States. This is an industry which utilizes skim milk, of which we have millions of gallons each year which cannot be profitably marketed. It is an industry which certainly is capable of supplying our domestic needs. Since September 1939, 17,000,000 pounds of casein have been imported from Argentina, which is more than the entire Pacific coast production; yet casein was considered for tariff reduction in the Argentine negotiations.

Tariff reductions on corn were also considered in these negotiations. This is a crop of which the United States produces 60 percent of the world's supply, and after three successive bumper crops we have millions of bushels under Government loan. Farmers have been paid to reduce their acreage. Yet if it were not for the tariff, Argentina could successfully compete in the American market, because the water rate for transportation from Buenos Aires is less than the railroads in this country can offer to seaboard markets.

Reduction in the tariff on turkeys was also considered in spite of the fact that American turkey production in 1939 reached a new record, and turkeys have recently sold in the American market at less than half the cost of production.

Wool, in grades which are in competition with probably about 20 percent of the American production, was also considered for tariff reductions. This was done in spite of the fact that tariff rates on shoddy and wool rags which supplant virgin wool in the American market had been sharply reduced in the British trade agreement, with the result that imports increased 785 percent during 1939 over 1938. In this agreement the rates on woolen fabrics had been reduced as well. Imports of woolen fabrics during the first 5 months of 1939, following the reduction of the tariff, increased 385 percent over a similar period in 1938. It has been estimated that in 1939, since the British agreement, our wool imports in manufactured form displaced 21,000,000 pounds of American-grown wool in the market.

Tariff reductions on flax were also considered in the Argentine negotiations, although foreign countries can produce flax more cheaply than it can be produced in the United States.

Imports of canned beef from Argentina average between eighty and ninety million pounds annually. During the first 11 months of 1939 we imported more than 82,000,000 pounds, all of which displaced American-grown beef in the market. This is because the tariff on canned beef is too low; yet in the Argentine agreement the Secretary of State demonstrated his willingness to reduce it. Hides, of which we have imported from 1,300,000 to 3,000,000 annually in recent years, were also listed among the articles on which reductions were to be considered.

Mr. President, I do not wish to take up more of the Senate's time in considering in detail the various items on which reductions in the Argentine negotiations were proposed, but nearly all of the tariff reductions were on products of the farm. I ask unanimous consent to have included in the RECORD at this point, as a part of my remarks, the list of items issued by the State Department which were the subjects for negotiation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

LIST OF PRODUCTS ON WHICH THE UNITED STATES WILL CONSIDER GRANTING CONCESSIONS TO ARGENTINA

NOTE.—The rates of duty indicated are those now applicable to products of Argentina. Where the rate is one which has been reduced pursuant to a previous trade agreement by 50 percent (the maximum permitted by the Trade Agreements Act) it is indicated by the symbol MR. Where the rate represents a reduction pursuant to a previous trade agreement, but less than a 50-percent reduction, it is indicated by the symbol R. Where a rate has been bound against increase, but has not been reduced in a previous trade agreement it is indicated by the symbol B; likewise, items which have been bound free of duty are indicated by the symbol B.

For the purpose of facilitating identification of the articles listed, reference is made in the list to the paragraph numbers of the tariff schedules in the Tariff Act of 1930, or, as the case may be, to the appropriate sections of the Internal Revenue Code. The descriptive phraseology is, however, in many cases limited to a narrower field than that covered by the numbered tariff paragraph or section in the Internal Revenue Code. In such cases only the articles covered by the descriptive phraseology of the list will come under consideration for the granting of concessions.

In the event that articles which are at present regarded as classifiable under the descriptions included in the above list are excluded therefrom by judicial decision or otherwise prior to the conclusion of the agreement, the list will nevertheless be considered as including such articles.

Tariff Act of 1930, paragraph	Description of article	Present rate of duty	Symbol
19	Casein or lactarene and mixtures of which casein or lactarene is the component material of chief value, not specially provided for.	5½ cents per pound	
38	Extracts, dyeing and tanning, not coning alcohol: Quebracho.	15 percent ad valorem.	
42	Glycerin, crude	3/10 cent per pound	R
53	Oils, vegetable: Linseed or flaxseed, and combinations and mixtures in chief value of such oil.	4½ cents per pound	
232 (a)	Onyx, in block, rough or squared only	65 cents per cubic foot.	
409	Osier or willow, including chip of and split willow, prepared for basket makers' use.	35 percent ad valorem.	
701	Tallow	½ cent per pound (plus 3 cents per pound under sec. 2491 (a) of the Internal Revenue Code: see below).	
701	Oleo oil and oleostearin	1 cent per pound (plus 3 cents per pound under sec. 2491 (c) of the Internal Revenue Code; see below).	
705	Extract of meat, including fluid	15 cents per pound	
706	Beef and veal, pickled or cured, not packed in airtight containers, not specially provided for.	6 cents per pound but not less than 20 percent ad valorem.	
706	Beef and veal, prepared or preserved, packed in airtight containers, not specially provided for.	do	
710	Cheese NOTE.—If any concession is made in the proposed agreement, it will apply to a narrower description than that listed so as to cover only that part of the item which is of special interest to Argentina.	4 cents to 7 cents per pound with minimum rates of 20 to 35 percent ad valorem.	R[1]
712	Turkeys, dead, dressed or undressed, fresh, chilled, or frozen.	10 cents per pound	
712	Birds, dead, dressed or undressed, fresh, chilled, or frozen (except chickens, ducks, geese, guineas, and turkeys).	5 cents per pound	MR
713	Eggs of chickens, in the shell	5 cents per dozen	MR
724	Corn or maize, including cracked corn	25 cents per bushel of 56 pounds.	
730	Dog food, consisting of an admixture of grains or grain products with other feedstuffs, unfit for human consumption.	5 percent ad valorem	MR
742	Grapes in bulk, crates, barrels or other packages.	25 cents per cubic foot of such bulk or the capacity of the packages, according as imported.	B[2]
749	Pears: Green, ripe, or in brine	½ cent per pound	

[1] Various types.
[2] As to hothouse grapes.

Tariff Act of 1930, paragraph	Description of article	Present rate of duty	Symbol
762	Flaxseed	65 cents per bushel of 56 pounds.	
763	Grass seeds and other forage crop seeds: Alfalfa.	4 cents per pound	MR
764	Canary seed	¾ cent per pound	R
774	Asparagus in its natural state	50 percent ad valorem.	
779	Broomcorn	$20 per ton of 2,000 pounds.	
1101 (a)	Wools: Donskoi, Smyrna, Cordova, Valparaiso, Ecuadorcan, Syrian, Aleppo, Georgian, Turkestan, Arabian, Bagdad, Persian, Sistan, East Indian, Tibetan, Chinese, Manchurian, Mongolian, Egyptian, Sudan, Cyprus, Sardinian, Pyrenean, Oporto, Iceland, Scotch Blackface, Black Spanish, Kerry, Haslock, and Welsh Mountain; similar wools without merino or English blood; all other wools of whatever blood or origin not finer than 40s; all the foregoing—		
	In the grease or washed	24 cents per pound of clean content.	
	Scoured	27 cents per pound of clean content.	
	On the skin	22 cents per pound of clean content.	
	Sorted, or matchings, if not scoured	25 cents per pound of clean content.	
1101 (b)	Any of the foregoing entered or withdrawn from warehouse under bond and used in the manufacture of press cloth, camel's hair belting, knit or felt boots, heavy fulled lumbermen's socks, rugs, carpets, or any other floor coverings.	Free, subject to the provisions of par. 1101 of the Tariff Act of 1930, as amended.	
1102 (a)	Wools, not specially provided for, not finer than 44's:		
	In the grease or washed	29 cents per pound of clean content.	
	Scoured	32 cents per pound of clean content.	
	On the skin	27 cents per pound of clean content.	
	Sorted, or matchings, if not scoured	30 cents per pound of clean content.	
1530 (a)	Hides and skins of cattle of the bovine species (except hides and skins of the India water buffalo imported to be used in the manufacture of rawhide articles), raw or uncured, or dried, salted, or pickled.	10 percent ad valorem.	
1558	Dog food, manufactured, unfit for human consumption, not specially provided for.	20 percent ad valorem.	
1625	Blood, dried, not specially provided for	Free	
1627	Bones: Crude, steamed, or ground; bone dust, bone meal, and bone ash; and animal carbon suitable only for fertilizing purposes.	do	
1670	Dyeing or tanning materials: Quebracho wood, whether crude or advanced in value or condition by shredding, grinding, chipping, crushing, or any similar process, and not containing alcohol.	do	
1681	Furs and fur skins, not specially provided for, undressed:		
	Guanaquito	do	
	Nutria	do	
	Otter	do	B
	Fox (other than silver or black fox)	do	B
	Wildcat	do	
	Ocelot	do	
	Lamb	do	B
1685	Tankage of a grade used chiefly for fertilizers, or chiefly as an ingredient in the manufacture of fertilizers.	do	B
1688	Hair of the horse, cleaned or uncleaned, drawn or undrawn, but unmanufactured, not specially provided for:		
	Body hair	do	B
	Other	do	
1755	Sausage casings, weasands, intestines, bladders, tendons, and integuments, all the foregoing not of sheep, lambs, or goats, and not specially provided for.	do	
1765	Horse, colt, ass, and mule hides, and raw skins.	do	
1780	Tankage, unfit for human consumption	do	

Internal Revenue Code, section	Description of article	Present rate of import tax	Symbol
2491 (a)	Tallow	3 cents per pound (in addition to tariff duty).	
2491 (c)	Oleo oil and oleo stearin	do	

Mr. THOMAS of Idaho. Mr. President, at present negotiations with Argentina have been stopped; but I do not believe there is a particle of doubt in anyone's mind as to why they were stopped. It was not because the State Department suddenly discovered that we have a corn surplus or that the cattle industry is already being injured by imports of canned beef. It does not take lengthy hearings to develop these facts.

Moreover, the agreements that have been made previously, over the strongest protests farmers and producers were capable of making, indicate that perhaps the Department is not particularly concerned by the extent to which American markets are injured by trade agreements. The negotiations were called off because the State Department is asking the Congress this year to renew its authority to write tariff laws. Officials of the State Department have condemned Congress for logrolling. Apparently their desire is to roll their own logs; and they are now doing it on a grander scale than Congress ever attempted.

More important than the reason for calling off negotiations on the treaty with Argentina, as far as the people I represent are concerned, is the fact that there is no assurance that the negotiations will not be reopened after the law has been reenacted. When Secretary Hull was asked in the course of the House hearings, "Is it your idea that conditions may so change that negotiations may be resumed a little later?" he replied, "This general statement said that these negotiations were terminated."

The statement referred to is a joint statement by the Governments of the United States and Argentina, released by the State Department. It is not at all reassuring when we compare it with the statement of the President of Argentina, who is reported by an Associated Press dispatch to have said that he feels that President Roosevelt would favor resumption of the negotiations in the near future, and he is quoted as saying, "For my part, I fully desire it."

In the light of what tariff reductions have already cost the people of the West, I feel safe in saying that our people do not share the attitude of the President of Argentina. The Argentine proposal was a threat to their prosperity, which only the expiration of the Trade Agreements Act can remove.

The Chilean agreement is still pending. An inquiry at the State Department as to its status reveals that it is "temporarily quiescent"—if you know what that means. In this agreement we find that it is the farmer again who will bear the burden.

A reduction in the tariff on beans is being considered, notwithstanding the fact that the United States has the largest surplus of beans on record, amounting to approximately 3,500,000 bags. Large purchases by the Surplus Commodities Corporation have not been sufficient to assure the bean grower the cost of production. Idaho produces one-third of the Nation's bean crop, and the producer there is compelled to pay very high freight rates to reach the principal markets of the East. It is impossible for him to compete with the cheaply produced beans from South America and Japan, which can be transported by water to the great cities of the East, except for the protection the tariff gives him. Any reduction of the tariff on beans simply means destruction of that industry in the West.

In addition to the tariff on beans, tariff reductions are being considered on apricots, grapes, peaches, plums, pears, melons, lentils, and other farm products. Mr. President, I ask unanimous consent to have the list of these products, prepared by the State Department, inserted in the RECORD at this point as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

LIST OF PRODUCTS ON WHICH THE UNITED STATES WILL CONSIDER GRANTING CONCESSIONS TO CHILE

NOTE.—The rates of duty or tax indicated are those now applicable to products of Chile.

For the purpose of facilitating identification of the articles listed, reference is made in the list to the paragraph numbers of the tariff schedules in the Tariff Act of 1930, and to the appropriate section of the Internal Revenue Code. The descriptive phraseology is, however, in some cases limited to a narrower field than that covered by the numbered tariff paragraph. In such cases only the

articles covered by the descriptive phraseology of the list will come under consideration for the granting of concessions.

In the event that articles which are at present regarded as classifiable under the descriptions included in the list are excluded therefrom by judicial decision or otherwise prior to the conclusion of the agreement, the list will nevertheless be considered as including such articles.

Tariff Act of 1930, paragraph	Description of article	Present rate of duty
52	Spermaceti wax	2½ cents per pound.[1]
735	Apricots, green, ripe, or in brine	½ cent per pound.
742	Grapes in bulk, crates, barrels, or other packages.	25 cents per cubic foot of such bulk or the capacity of the packages, according as imported.[2]
745	Peaches (including nectarines), green, ripe, or in brine.	½ cent per pound.
748	Plums, prunes, and prunelles, green, ripe, or in brine.	Do.
749	Pears, green, ripe, or in brine	Do.
752	Melons (except watermelons) in their natural state, or in brine, pickled, dried, desiccated, evaporated, or otherwise prepared or preserved, and not specially provided for.	35 percent ad valorem.
765	Beans, not specially provided for, dried	3 cents per pound.
767	Lentils	½-cent per pound.
769	Chickpeas or garbanzos, dried	1¾ cents per pound.
770	Onions	2½ cents per pound.
770	Garlic	1½ cents per pound.
1611	Argols, tartar, and wine lees, crude or partly refined, containing less than 90 percent of potassium bitartrate.	Free.
1611	Calcium tartrate, crude	Do.
1658	Copper ore; regulus of and black or coarse copper, and cement copper; old copper, fit only for remanufacture, copper scale, clippings from new copper, and copper in plates, bars, ingots, or pigs, not manufactured or specially provided for.	Free (subject to import tax of 4 cents per pound of copper content under sec. 3425, Internal Revenue Code; see below).
1669	Drugs which are natural and uncompounded and not edible, and not specially provided for, and are in a crude state, not advanced in value or condition by shredding, grinding, chipping, crushing, or any other process or treatment whatever beyond that essential to the proper packing of the drugs and the prevention of decay or deterioration pending manufacture, and not containing alcohol: Soap bark or quillaya.	Free.
1681	Furs and fur skins, not specially provided for, undressed:	
	Sheep and lamb	Do.[3]
	Nutria	Do.
1685	Guano	Do.
1685	Substances consisting chiefly of sodium nitrate and potassium nitrate, used chiefly for fertilizers, or chiefly as an ingredient in the manufacture of fertilizers.	Do.
1698	Iodine, crude	Do.
1700	Iron ore, including manganiferous iron ore	Do.
1765	Sheep and lamb skins, raw	Do.
1766	Sodium nitrate, crude or refined	Do.
1766	Sodium sulfate, crude, or crude salt cake	Do.
1777	Sulfur in any form, and sulfur ore, such as pyrites or sulfide of iron in its natural state, and spent oxide of iron, containing more than 25 percent of sulfur.	Do.[4]

[1] This rate was reduced from 3½ cents per pound to 2½ cents per pound pursuant to the trade agreement with the United Kingdom, effective Jan. 1, 1939.

[2] Rate on hothouse grapes bound against increase pursuant to the trade agreement with Belgium, effective May 1, 1935.

[3] Duty-free status bound against change pursuant to the trade agreement with the United Kingdom, effective Jan. 1, 1939.

[4] Free status of sulfur in any form bound against change pursuant to the trade agreement with the United Kingdom, effective Jan. 1, 1939.

Internal Revenue Code, section	Description of article	Present rate of duty
3425	Copper-bearing ores and concentrates and articles provided for in paragraph 316, 380, 381, 387, 1620, 1634, 1657, 1658, or 1659 of the Tariff Act of 1930. *Provided*, That no tax under Internal Revenue Code, sec. 3425, shall be imposed on copper in any of the foregoing which is lost in metallurigcal processes. *Provided further*, That ores or concentrates usable as a flux or sulphur reagent in copper smelting and/or converting and having a copper content of not more than 15 percent, when imported for fluxing purposes, shall be admitted free of said tax in an aggregate amount of not to exceed in any one year 15,000 tons of copper content.	4 cents per pound on the copper contained therein.
	All articles dutiable under the Tariff Act of 1930, not provided for heretofore in this item, in which copper (including copper in alloys) is the component material of chief value.	3 cents per pound.
3425	All articles dutiable under the Tariff Act of 1930, not provided for heretofore in this item, containing 4 percent or more of copper by weight.	3 percent ad valorem or ¾ cent per pound whichever is the lower.

Mr. THOMAS of Idaho. Mr. President, copper is one of the items on this list. Copper was originally considered for a reduction in the import tax which was established by act of Congress in 1932, and renewed by Congress the last time on June 29 of last year. Congress renewed this tax because the United States has large copper surpluses at the present time, and the ability to supply adequately the domestic market. Moreover, foreign producers can supply copper at least 4 cents per pound cheaper than it can be obtained from American mines. A reduction in this tax would close mines, throw men out of work, and do irreparable damage to an industry that is of vital importance to the prosperity of the West.

It has been the custom of the State Department to give out no information as to the changes contemplated until the final publication of the agreement. In this instance, however, they have seen fit to make the announcement, "in view of the widespread interest in this question," that no changes in the tariff rate would be made.

Mr. President, I ask unanimous consent to have this announcement by the State Department included in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE, *December 21, 1939.*

The public notice of intention to negotiate a trade agreement with the Government of Chile, issued by the Department of State on October 2, 1939, was accompanied by a list of products on which the United States would consider granting concessions to that country. Among the articles listed were copper and copper products, the present tariff and tax treatment of which were indicated in the list.

Hearings upon the negotiations with Chile were completed on November 28, and voluminous data have been submitted to the trade-agreements organization from industry and labor in the United States with respect to the position of copper in international trade and the effect which a concession to Chile in the import tax on that product might have upon domestic production. Following the study of these data and additional material available to the Government from other sources, and after consultation with the Chilean Government, a decision has been reached to make no concession on copper or copper products in the agreement with Chile, when and if concluded. In view of the widespread interest in the question, it has been decided to make this decision known publicly at this time.

Mr. THOMAS of Idaho. Mr. President, it is difficult for many of us not to wonder if this announcement was not made for its effect upon votes of Members of Congress from the copper-producing States. If so, it would be well for them to reflect that their constituents will not receive the same thoughtful consideration from the State Department after this act has been extended.

I have considered primarily the effect of the trade agreements upon agriculture, because the Secretary of State has again and again, in his official statements, indicated his solicitude for the farmer. Most of what I have said, however, could apply as well to labor. It is as foolish to attempt to raise wages at a time when we are importing goods made with substandard wages as it is to attempt to raise farm prices while we are importing agricultural commodities. Labor suffers from foreign imports. As Matthew Woll, vice president of the American Federation of Labor, has expressed it:

> We do not think that it is good economics * * * to transfer to foreign countries the opportunities of employment which would be ours if we produced those imported products which we are in a position to produce.

Mr. President, I have tried as briefly as possible to present some of the effects of the trade agreements on the people of

the State I have the honor to represent. Every industry and every citizen of the West has felt the injury of this program.

In return for a concession obtained from only one country, under our unconditional, most-favored-nation policy, we lower tariffs to every country in the world except Germany. We open up our markets to other countries, and receive nothing in return.

In the agreement with the United Kingdom, we lowered numerous tariff rates, in return for which we supposedly received certain concessions. Among these were reduced rates by England on apples and tobacco, but today we find that importation of apples and tobacco has been forbidden by England. Yet the benefits we gave England to the injury of our own producers still stand.

Under the reciprocal-treaty program more than 1,000 tariff rates have been reduced. Of these reductions, 166 have been made in rates on farm commodities. It is apparent that it is the intention of the State Department to lower the tariffs on all farm crops, livestock, and products of the mines and forests. The program has just begun, and unless we halt it it will eventually accomplish the economic ruin of our great primary industries, which are the basic foundation of all our prosperity.

In his Budget message the President called for a reduction in payments to the farmers, and no provision was made in the Budget for parity payments. The administration has gone a long way since the President gave his assurance that farm prices would be raised. His words, I believe, were these:

> If we cannot do it one way, we will do it another. Do it we will.

And now he calls for a reduction in farm payments when the Nation's agriculture is virtually bankrupt.

I have voted for parity payments. I expect to vote for every measure that will help restore to the farmer his share of the national income. Until farm prices reach parity, there can be no lasting prosperity in our country.

This administration has committed our Nation to a low-tariff policy. Even if the treaty power is not extended, agreements already effected have greatly reduced our protection. In view of these circumstances, it would be ruinous to withdraw Government support from the farmer at this time.

I should like to call attention to another phase of this situation. The war in Europe has kept us from feeling the full effects of the tariff reductions. But when the war is over—and all of us hope that will be soon—some 25,000,000 men will be released to an industry already geared to high production. There will be a chaos of unemployment and inflation. Foreign standards of living will be reduced to starvation level. There will be a mad scramble for the markets of the world. It will be a repetition of 20 years ago, when American markets were flooded by goods from across the Atlantic. Do we want American labor and American industries to be in a defenseless position when that time comes?

If the reciprocal trade agreement program is in operation when peace comes, then the hands of Congress, which the Constitution says shall write the laws and ratify treaties, will be tied. Then the people of the United States will pay the full price for Congress having abdicated its constitutional duties.

American agriculture, American labor, and American industries have suffered enough from the effects of the reciprocal trade agreements. I shall cast my vote to take this power away from the executive department and return it to Congress, where it rightfully belongs.

During the delivery of the speech of Mr. THOMAS of Idaho,

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Idaho. I yield.

Mr. BARKLEY. I again renew my request, made a few moments ago, that at the hour of 4 o'clock p. m. tomorrow the Senate proceed to vote on the pending amendment, and amendments thereto, and substitutes therefor.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The Senator from Kentucky submits a request for unanimous consent, that at the hour of 4 o'clock tomorrow the Senate proceed without further debate to vote upon the pending amendment and any amendments thereto, or any substitute therefor.

Mr. McNARY. Mr. President, I hope the agreement may be entered into.

The PRESIDING OFFICER. Is there objection?

Mr. PITTMAN. Mr. President, I merely wish to say that the Senator from Montana [Mr. WHEELER] and the Senator from Nebraska [Mr. BURKE] are absent. They have both expressed a desire to be paired in favor of the amendment. I understand it has been arranged that the Senator from Maryland [Mr. TYDINGS] is to be paired with the Senator from Montana [Mr. WHEELER], and that the Senator from Nebraska [Mr. BURKE] is to be paired with the Senator from North Carolina [Mr. BAILEY]. Is that correct?

Mr. McNARY. That is correct, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the agreement is entered into.

RELATIONS WITH RUSSIA

After the conclusion of the speech of Mr. THOMAS of Idaho,

Mr. LODGE. Mr. President, a short time ago before the subcommittee of the Committee on Appropriations holding hearings on the Treasury appropriation bill, the Commissioner of Customs developed facts bearing on the increase of American exports to Soviet Russia. Those facts were developed just at the time when American sympathy for Finland was at white heat, and a few days later I referred to the disclosure on the floor of the Senate.

Later, in order to attract attention to the subject of American relations with Russia, and as a gesture of protest, I moved to strike from the State Department appropriation bill the provision for the salary of the American Ambassador to Russia.

In order to have the RECORD clear and complete, I desire at this time to read into the RECORD certain figures, some of which have been made available to me only this afternoon over the telephone, and have never been heretofore published. The figures bear on the increase of American exports to Soviet Russia.

The first table I shall read covers the months from June to December 1939, and shows the following dollar figures, covering the value of exports, including reexports, from the United States to Soviet Russia: June, $262,000; July, $3,201,000; August, $3,712,000; September—a drop—$1,785,000; October, $8,626,000.

Notice how exports to Russia increase with the war—November, $7,282,000; December, $11,922,000.

I should like to point out that the bulk of this trade is in the following commodities: Gasoline, refined copper in ingot, bars, and so forth; brass plates and sheets; metal-working machinery; refined copper and manufactures; and tin in bars, blocks, and so forth. Tin, as is known, Mr. President, is a critical material.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. McKELLAR. Is cotton in that category?

Mr. LODGE. No; there is no cotton in that category. This seems to be entirely a list of articles which are useful for the purposes of war. Whether these American goods were used to attack the poor Finns, or whether they have been transferred to Germany for her use, I, of course, cannot say.

I should now like to read some concluding figures, comparing the first 2 months of 1940 with the first 2 months of 1939, and I think they will impress and shock the Senate.

The value of exports increased from $2,820,000 in January 1939 to $13,066,348 in January 1940.

For February 1939, as compared to February 1940—and these facts have never before been made public—the value of exports is as follows: February 1939, $2,993,000; February 1940, $7,320,033.

I will read the February figures over again. February 1939, $2,993,000. February 1940, $7,320,033.

In view of the actions that have been taken here, in view of all the protestations we have heard here from those in control, I simply present these figures and ask: What is the foreign policy of this administration?

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. ADAMS. Mr. President——

Mr. McNARY. Mr. President, will the Senator yield to me?

Mr. ADAMS. I yield.

Mr. McKELLAR. Mr. President, if the Senator will yield to me I shall move that the Senate proceed to the consideration of executive business.

The PRESIDING OFFICER. Does the Senator from Colorado yield for that purpose?

Mr. ADAMS. My interest was that I might be recognized upon the reconvening of the Senate tomorrow.

The PRESIDING OFFICER. The RECORD will show that the Senator from Colorado had the floor at the time of the taking of the recess or adjournment today.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until tomorrow, Friday, March 29, 1940, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, MARCH 28, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We give Thee thanks and praise, our Father and our God, for our blessed Redeemer through whom Thy mercy and love have been made known to us. Grant us, we pray Thee, a ready response to every noble thought, incite us with fair play and with a deep desire to know and do Thy holy will. Inspire us to adorn the teaching of the Master, may it lead us in a grandly cooperative service, giving expression to deeds of unselfishness, wise and just for all men. We rejoice that this is our Father's world with its life deep and boundless; unaffrighted by the stars above and undismayed by the graves below. Out of the deep we came and into the deep we go, soothed and saved, deathlessly nourished by the one great Shepherd. His rod and staff will comfort us as we pass through the enshadowed valley leading to the lustrous portals of our eternal home. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill providing for judicial review of administrative decisions and to include therein an opinion of the Supreme Court which relates to the subject.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ENGEL. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Will the gentleman withhold that until we can dispose of these preliminary matters?

Mr. ENGEL. I will, Mr. Speaker.

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a statement I submitted to the Ways and Means Committee.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a card from a carpenter, which is one of hundreds I am receiving from various working people in my district.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address by The Assistant Secretary of War before an American Legion meeting in Milwaukee, Wis.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. The Chair cannot recognize the gentleman for that purpose at this time.

EXTENSION OF REMARKS

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short letter from one of the schools in northeastern Indiana.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JOHNSON of Illinois asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. WILLIAMS of Delaware. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short editorial by Dr. Lewis Haney, relative to the silver question.

The SPEAKER. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a brief editorial from Collier's weekly, entitled "The Russian Way."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the golden jubilee of Washington State College, one of the land-grant colleges established under the Morrill Act of 1862 under Lincoln's administration.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER. The gentleman from Michigan makes the point of order there is not a quorum present. Obviously, there is not a quorum present.

Mr. TARVER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 58]

Barden	Flaherty	McGehee	Stearns, N. H.
Beam	Flannery	McKeough	Sweeney
Brewster	Folger	Mansfield	Taylor
Buckley, N. Y.	Garrett	Osmers	Ward
Burgin	Gilchrist	Sandager	Weaver
Byron	Goodwin	Schafer, Wis.	West
Carlson	Hoffman	Seger	Wheat
Clark	Hunter	Shafer, Mich.	Whelchel
Cooper	Jarman	Shannon	White, Ohio
Cummings	Jarrett	Sheridan	Whittington
Darrow	Jeffries	Smith, Ill.	
Dirksen	Kelly	South	
Evans	Kerr	Starnes, Ala.	

The SPEAKER. On this roll call 381 Members have answered to their names, a quorum.

Mr. TARVER. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

AWARDS UNDER GENERAL CLAIMS CONVENTION, UNITED STATES AND MEXICO

Mr. DEMPSEY, from the Committee on Rules, reported the following resolution for printing under the rule, which was referred to the House Calendar and ordered printed:

House Resolution 443

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of S. 326, an act for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

FEDERAL CROP INSURANCE ACT

Mr. COLMER, from the Committee on Rules, reported the following resolution for printing under the rule, which was referred to the House Calendar and ordered printed:

House Resolution 271

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6972, a bill to amend the Federal Crop Insurance Act. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

EXTENSION OF REMARKS

Mr. HENNINGS. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the St. Louis Globe-Democrat.

The SPEAKER. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in two instances.

The SPEAKER. Is there objection?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a brief letter from a constituent.

The SPEAKER. Is there objection?

There was no objection.

Mr. THOMAS F. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article from the Courier Journal.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from the Christian Science Monitor.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a letter from Carey McWilliams, of the Division of Immigration and Housing of California.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, including short editorials from the Sioux City Journal and the Chicago Tribune.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a statement on finances by the former Idaho Commissioner of Finance, Mr. Ben Diefendorf.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a list of Federal price-fixing laws.

The SPEAKER. Is there objection?

There was no objection.

Mr. TINKHAM. Mr. Speaker, I ask unanimous consent to extend my remarks by including therein a statement which I issued yesterday.

The SPEAKER. Is there objection?

There was no objection.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include a speech delivered by Mr. Beecher Hess.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include a short article written by Emil Hurja.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. TARVER. Mr. Speaker, reserving the right to object, I may say that I regret very much the fact that I have to object, because in 13 years' service I have never objected to a request of this sort. However, the gentleman knows that if one or two Members ask for a minute, others will desire the same privilege, and we are very anxious to continue the pending bill. Would not the gentleman reserve his request until after this bill has been disposed of?

Mr. LELAND M. FORD. Yes. If the gentleman is going to object, I certainly will. [Laughter.]

The SPEAKER. The gentleman withdraws the request temporarily.

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TARVER. Mr. Speaker, reserving the right to object, I, of course, would not take a different position with the gentleman from New York than that which I have just expressed.

Mr. FISH. I regret to say I was not paying attention, but this is a very brief matter, only 1 minute.

Mr. TARVER. The trouble is the gentleman's remarks usually incite someone else to address the House also, and it may lead to a great deal of discussion.

Mr. FISH. This is a very important matter.

Mr. TARVER. I could not afford to accord a privilege that I have just been compelled to refuse another Member.

Mr. FISH. I do not know what I can do to convince the gentleman.

Mr. TARVER. Will the gentleman temporarily withdraw his request?

Mr. FISH. Very temporarily; yes.

The SPEAKER. The gentleman from New York temporarily withdraws the request.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address given by Mr. David C. Mearns, of the Library of Congress, to the Congressional Secretaries' Club on the history and growth of the Library.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LABOR-SECURITY APPROPRIATION BILL, 1941

Mr. TARVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9007, with Mr. BUCK in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Chair will state that when the Committee rose last evening there was pending the substitute amendment offered by the gentleman from New York [Mr. TABER].

The question is on the substitute amendment.

Mr. FITZPATRICK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FITZPATRICK. Assuming the amendment offered by the gentleman from New York [Mr. TABER], cutting down the appropriation to $39,000,000, is adopted, that will eliminate the recommendation of the subcommittee and also the amendment offered by the gentleman from Mississippi [Mr. COLLINS] and the gentleman from Oklahoma [Mr. JOHNSON]. Is that true?

The CHAIRMAN. The Chair will state it is entirely up to the committee to vote on the amendment offered by the gentleman from Mississippi [Mr. COLLINS], as amended, afterward.

Mr. FITZPATRICK. If the substitute is adopted, then will we vote on the Collins amendment?

The CHAIRMAN. After that the committee will vote on the Collins amendment as amended by the substitute.

Mr. FITZPATRICK. And assuming that is defeated, we will then vote on the Collins amendment as amended by the Johnson amendment?

The CHAIRMAN. The gentleman is correct.

Mr. NICHOLS. I ask unanimous consent, Mr. Chairman, that the substitute amendment be reported.

The CHAIRMAN. Without objection the Clerk will again report the amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. TABER as a substitute for the Collins amendment: On page 41, line 4, after the comma, strike out "$79,635,000" and insert "$39,000,000."

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York [Mr. TABER].

The substitute amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Mississippi [Mr. COLLINS] as amended by the amendment offered by the gentleman from Oklahoma [Mr. JOHNSON].

Mr. NICHOLS. Mr. Chairman, may we have that amendment reported again?

The CHAIRMAN. Without objection the Clerk will report the amendment as amended.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. COLLINS as amended by the amendment offered by Mr. JOHNSON of Oklahoma: Strike out the figures "$79,635,000" and insert "$97,085,000."

The CHAIRMAN. The question is on the amendment as amended.

The question was taken; and the Chair announced that he was in doubt.

Mr. TARVER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. HARE and Mr. COLLINS to act as tellers.

The Committee divided; and the tellers reported there were—ayes 162 and noes 144.

So the amendment as amended was agreed to.

The Clerk read as follows:

PAR. 6. No non-Federal project costing in excess of $5,000 shall be undertaken or prosecuted under paragraph 1 unless and until the cosponsor has made a written agreement to finance such part of the entire cost thereof as the Federal Security Administrator determines, under the circumstances, is an adequate contribution taking into consideration the financial ability of the cosponsor. The National Youth Administrator, subject to the approval of the Federal Security Administrator, shall prescribe rules and regulations relating to the valuation of contributions in kind by cosponsors of projects through furnishing the use of their own facilities and equipment and the services of their own employees, which shall also allow credit only to the extent that the furnishing of such contributions represents a financial burden which is undertaken by the cosponsors on account of National Youth Administration projects.

Mr. TARVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Committee amendment: On page 44, line 2, after the word "Federal", insert "construction."

Mr. TARVER. Mr. Chairman, this is simply a correction of an inadvertent error made in the drafting of the bill. The Committee intended that the restrictive language contained in this paragraph should apply only to construction projects, and the amendment is offered with a view to correcting the error.

Mr. GIFFORD. Mr. Chairman, I have only a few brief words to offer.

It is not so much the amount of money you have just voted in excess of the Committee's recommendation that disturbs me as it is the damage you have done to the confidence of the Nation in showing this new trend of spending. Of course, you must fully understand that you are flirting with national bankruptcy. Do not doubt it. Those who now furnish you with the borrowed money to run this Government are beginning to understand it, and some of us know they are getting very nervous indeed.

I sympathize with today's Democratic leaders—there seems to be about 20 Democrats trying to conduct the party along proper lines of economy. Your leaders have proved to the Nation that you can no longer control. I call the attention of the Nation to the fact that the Republicans have constantly and continuously stood for economy in expenditures. We lost only a very few votes just a few moments ago from this side of the aisle. I was sorry indeed to see that small loss, because we Republicans have stood for economy so solidly. I am sorry for these Democratic leaders who got their followers into the habit of squandering money.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. No. I beg the gentleman's pardon, but "No" at the present time.

A few years ago when you started on this downward road, when your leaders, oh, so enthusiastically, threateningly, demanded that you vote $4,800,000,000 in blank checks, then another $3,500,000,000 in blank checks you got firmly fixed in your heads the philosophy of this spending spree—this political paradise where you found you could borrow money and not have to raise taxes. I close with the thought I had in my mind in taking the floor, which is that the Chairman of this Committee, the gentleman from Georgia, has my deep sympathy. He has awakened too late. His forces have so long gone on spending sprees they cannot stop.

The Republicans believe in N. Y. A. as much as you. How you rejoiced when you voted this extra money. I rejoice that those boys will get it, but I do not rejoice in the feeling that is going over this Nation today as the people realize the trend of the spending spree. It is going to do havoc with the confidence of those whose confidence you have been trying lately to restore.

Leaders of the Democratic Party, I sympathize with you deeply. You are reaping the rewards of your previous willingness to throw away money. [Applause.]

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. Yes; if I have the time.

Mr. WHITE of Idaho. The gentleman from Massachusetts says the Republicans believe in N. Y. A. as much as we do. How do you account for the fact that the Republicans do not vote the way they believe?

Mr. GIFFORD. Just because we will not vote for any skyrocketed amount does not mean we do not believe in the principle of it. The N. Y. A. is good. Your C. C. C. camp program at $1,200 per head is wrong. You should not spend more than $300 on each individual case. We have not enough funds to exceed that and do justice to all. I would like to have time to portray the picture with regard to the C. C. C. camps. You politically minded gentlemen stood here yesterday and rejoiced so greatly in spending $1,200 per head to maintain camps, half of them, in winter, not functioning. I have not the time to portray that as I would like to. But go ahead and vote away this money. Rather you are voting away the confidence of the Nation.

Mr. RABAUT. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the last speaker made the statement that you cannot spend over $300 on any boy. I want to remind the gentleman that he is spending many, many hundreds of dollars on American jailbirds. [Applause.] He is spending three thousand some hundred dollars just to secure them individually in institutions, and this figure does not include the cost of their maintenance.

Let me remind you that there are many fathers and mothers in this country who do not mind being broke when they look over the family table and see their children about them. They went broke to provide for the children they love. There is a great party in this country today that is interested in the whole of America and in the youth of America, and that party today is the Democratic Party. They will to carry on. [Applause.] We might just as well face the facts. Some have been feeding the public language long enough, but there are others here determined to give them service, and we are giving service today when we take care of the youth of this Nation as we did this morning. It is economy, I tell you. If only 10 percent of those we are looking after were protected from the pitfalls which ensnare youth, we would be more than recompensed for the money which we have spent or authorized to be spent this morning.

I am happy to have this opportunity to say in contradiction to the statement of the gentleman from Massachusetts, that any boy in this country is worth more than $300.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I shall be happy to yield to the gentleman from Massachusetts.

Mr. McCORMACK. While the gentleman from Massachusetts [Mr. GIFFORD] is sincere in his position—and he has steadfastly taken that position—I call to the attention of my friend the fact that one of the slogans of the Republican Party last fall in the campaign in Massachusetts was to help youth, yet today we see the spectacle of only one Republican Member from Massachusetts voting for the amendment which was just adopted.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield.

Mr. GIFFORD. In the remarks of the gentleman from Mississippi he recited how certain Republicans——

Mr. RABAUT. What gentleman?

Mr. GIFFORD. The gentleman from Mississippi [Mr. RANKIN] made a speech yesterday about certain Republicans. We have one splendid, honest, upright Democrat from Massachusetts, a splendid specimen, Mr. McCORMACK. [Applause.] But how many Democrats have we from Boston in jail or about to go there, and in New York and New Orleans, and all over this Nation? I want to bring that in because I did not have the time yesterday to answer the gentleman from Mississippi. There are dozens of Democrats in jail to one Republican.

Mr. RABAUT. Variety of opinion makes a horse race. If the gentleman had sat on a committee as I have, a committee that appropriates for the housing and care of the inmates of the Federal prisons of the Nation, he would realize how many there are all over the country.

Mr. McCORMACK. Will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. So that the remark of my friend from Massachusetts will not be misunderstood—and I know he does not want it misunderstood—I may say that my district is a very wholesome American district, and, as the gentleman knows, we have very few from my district confined in jail.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman from Massachusetts [Mr. GIFFORD] has apparently overlooked the economic factor in connection with the problem of youth delinquency.

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, I rise in opposition to the pro forma amendment.

I did not understand the remark of the gentleman from Massachusetts [Mr. GIFFORD] about the jailbirds, but he was probably referring to those members of the Republican Cabinet to whom I referred yesterday who went to jail 10 or 15 years ago.

May I repeat that we are not going to get out of this depression by borrowing from the rich and giving to the poor for the all of us to pay back with interest. Until we depreciate our currency and bring about sufficient expansion to raise commodity prices back to their proper level—until we do that we are not going to restore prosperity in this country and we are not going to be able to stop spending.

Mr. TARVER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. TARVER. Mr. Chairman, I shall have to make the point of order that the gentleman is not addressing his remarks to the pending amendment.

Mr. RANKIN. Has the gentleman read the amendment? What is the amendment?

Mr. TARVER. The amendment is to strike out the last word.

Mr. RANKIN. What is the last word? I am having the last word. The chairman of the Subcommittee on Appropriations ought to inform himself what the amendment is.

Mr. TARVER. Mr. Chairman, I make the point of order that the gentleman should address his remarks to the pending amendment.

Mr. RANKIN. Mr. Chairman, I submit this must not be taken out of my time. If the gentleman is going to raise a point of order, let him point out wherein I am not discussing the amendment. He has not even referred to the bill and does not seem to know what the last word is.

Mr. TARVER. I wonder if the gentleman knows what the last word is?

Mr. RANKIN. I am trying to explain to the gentleman what the last word is.

Mr. TARVER. The gentleman is discussing something with which he is not familiar.

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] will be obliged to confine his remarks to the amendment now pending before the committee, which is a committee amendment offered by the gentleman from Georgia [Mr. TARVER]. The Chair is therefore constrained, however regretfully, to sustain the point of order.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word to discuss this amendment. What are they trying to do by this amendment? They are trying to restore prosperity, and, as I have pointed out, you never can restore prosperity by borrowing from the rich and giving to the poor and having the rest of us pay it back with compound interest.

The trouble with the Republican Party on this issue is that they have no program. They have no more program than is manifested in this amendment.

Mr. TARVER. Mr. Chairman, a point of order. The gentleman from Mississippi [Mr. RANKIN] is proceeding in contravention to the ruling of the Chair. The gentleman's remarks have no relation whatever to the committee amendment.

Mr. RANKIN. Mr. Chairman, I demand the reading of the committee amendment and that it be not taken out of my time, to show the gentleman from Georgia that he is wrong.

The CHAIRMAN. Without objection, the committee amendment will be again reported by the Clerk.

Mr. TARVER. Mr. Chairman, I object. If the gentleman does not know what the committee amendment is, he is not in position to discuss it.

Mr. RANKIN. If the gentleman from Georgia does not know, bring in some other members of the Appropriations Committee and maybe they can tell him.

Mr. TARVER. It is the gentleman from Mississippi who does not know.

Mr. RANKIN. Mr. Chairman, I object to the gentleman from Georgia [Mr. TARVER] taking up my time. I fear he is violating the rules of the House.

But Mr. Chairman, having had the last word, and having answered all the arguments of the opposition, I yield the floor to the gentleman from Georgia. [Laughter and applause.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

PAR. 10. No alien shall be given employment or continued in employment on any work project prosecuted under the appropriation in paragraph 1 and no part of the money appropriated in paragraph 1 shall be available to pay any person who has not made or who does not make affidavit as to United States citizenship, such affidavit to be considered prima facie evidence of such citizenship.

Mr. TARVER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: On page 45, line 16, after the figure "1", insert "or paragraph 2."

Mr. TARVER. Mr. Chairman, this provision in paragraph 10 is an inhibition against the employment of aliens which has been carried in the bill heretofore and is simply being carried forward in the language of the pending bill. However, when the bill was originally submitted to the committee all the appropriation was set up in paragraph 1, but the committee broke the appropriation down into two paragraphs, paragraph 2 carrying the appropriation for administrative expenses. The sole purpose of this amendment is to make the inhibition against the employment of aliens applicable to both paragraphs in the bill which carry money.

Mr. MARCANTONIO. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. All this section regarding the National Youth Administration is legislation on an appropriation bill, but it was made in order under a rule. This is merely a perfecting amendment. The Chair overrules the point of order.

The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

PAR. 12. No person shall be employed or retained in employment in any administrative position, or in any supervisory position, on any project under the appropriation in paragraph 1 unless such person before engaging in such employment subscribes to the following oath:

"I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office (or employment) on which I am about to enter (or which I now occupy). So help me God."

The National Youth Administrator shall designate administrative and supervisory employees to administer such oath, but no fee shall be charged therefor.

Mr. TARVER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: On page 46, line 6, after the figure "1", insert "or paragraph 2."

Mr. TARVER. Mr. Chairman, the same explanation is applicable to this amendment as to the one proposed to paragraph 10. It is simply a perfecting amendment.

The committee amendment was agreed to.

The Clerk read as follows:

PAR. 13. No portion of the appropriation in paragraph 1 shall be used to pay any compensation to any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States through force or violence.

Mr. TARVER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment: On page 46, line 20, after the figure "1", insert "or paragraph 2."

Mr. TARVER. Mr. Chairman, this amendment is offered for the same purpose as the other two amendments which have been adopted, that is, to make these restrictions apply to the entire appropriation, which has now been broken down into two paragraphs.

The committee amendment was agreed to.

The Clerk read as follows:

PAR. 14. The provisions of Executive Order No. 7916, dated June 24, 1938, shall not apply to positions the compensation of which is payable from the appropriations in paragraphs 1 and 2, and such appropriations shall not be available for the compensation of the incumbent of any position placed in the competitive classified civil service of the United States after January 10, 1939.

Mr. RAMSPECK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: On pages 46 and 47, strike out all of paragraph 14.

Mr. RAMSPECK. Mr. Chairman, the relief bill which was passed last year contained a provision restraining the President from putting under civil service employees paid out of relief appropriations. On the floor the gentleman from Virginia [Mr. WOODRUM] offered an amendment to limit that restriction to employees of W. P. A. When the bill got over to the Senate the prohibition was made applicable to all employees paid out of relief funds. This paragraph carries the same prohibition against the effectiveness of an Executive order issued by the President, and would carry that prohibition into effect as of July 1, 1940, and for 1 year thereafter.

Since that time the House has passed by a vote of almost 2 to 1 the bill H. R. 960, which removes all restrictions on the power of the President to extend the civil service to the employees in the newer agencies and in some cases to employees in the old agencies, with the exception of employees of W. P. A. This bill does not deal with W. P. A., and I am at a loss to understand why the committee should continue this prohibition which the House has voted against in passing the bill H. R. 960. I hope the Committee may adopt this amendment and eliminate this restriction which is placed upon the power of the President which exists under the general civil-service law to extend the application of the civil-service law to these employees.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Michigan.

Mr. MICHENER. Has H. R. 960 become a law yet?

Mr. RAMSPECK. No; it has not. It is pending in the Senate. Of course, if it does not become a law, then the President will not have that power; but if it does become a law and should pass prior to the passage of this appropriation bill, this prohibition would still hold good against the language of H. R. 960.

I hope the Committee will adopt the amendment. I am going to offer an amendment to the next paragraph for the same purpose. [Applause.]

Mr. TARVER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I appreciate the desire of my colleague, the gentleman from Georgia, to extend the provisions of the civil service to all Government organizations, and I feel that I join with all of you in believing that he has accomplished very creditable work along those lines. However, we on the committee felt that in view of the provision carried in the bill for the present fiscal year which is applicable to the employees of the National Youth Administration, in view of the fact that Congress has not yet taken action by proper legislation to make this a permanent organization, in view of the fact that under the very terms of the bill you are considering, it would expire on June 30, 1941, unless further legislation is passed by Congress, and in view of the further fact that the Ramspeck bill is still pending and has not been finally acted on by the Congress to fix the status of all Government workers, it would be unwise at this time for the committee to undertake to permit by this legislation the employees of this organization to be covered into the civil service.

May I say that if you want these employees covered into the civil service, which is the objective that my friend hopes may be achieved by Executive order, you ought to put even more money in the bill than you have placed in it so far, because their being covered into civil service will necessarily involve considerable increases in salaries of supervisory personnel.

For example, the supervisors of projects are paid on the average about $90 per month, and the National Youth Administration is able to get competent persons for salaries of that kind. This, of course, is field service, not within the provisions of the Classification Act; but it is representative of salaries being paid by this organization which, in Washington, would be considerably increased if under civil service.

Mr. RAMSPECK. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I will yield in a moment.

I am not saying that these salaries are sufficient in amount, but I do say that if all of the employees of the National Youth Administration are covered into civil service, the salary expense item will necessarily be considerably in excess of what it is under the provisions of the bill as we have prepared it.

I now yield to my colleague.

Mr. RAMSPECK. I think my colleague is in error in his statement because the civil-service law does not affect salaries. The Classification Act regulates salaries and only applies to employees in the District of Columbia.

Mr. TARVER. Yes; I understand, but classification of these employees will take place if they are covered into the civil service; and when they are classified, in my judgment, the salaries of most of them will be increased.

Now, with regard to the legislative situation, if the Ramspeck bill passes the Senate and is approved by the President after the passage of this appropriation bill, the Ramspeck bill, whatever its provisions may be, will take precedence over the provisions of this bill; and if, when this bill reaches the Senate and is ready for action by the Senate, the Ramspeck bill shall already have been enacted into law, which I do not anticipate will be the case, because I think this bill will undoubtedly pass first, yet the Senate should, and undoubtedly would, take action to remove from this bill any provisions which might be in conflict with the Ramspeck bill. So I see no possibility of the situation arising on account of which my colleague is concerned. If his bill is enacted into law after the enactment of the pending bill, it will certainly repeal any conflicting provision of the pending bill; and if it is enacted into law before the enactment of the pending bill, then certainly the Senate will take out of the bill any provision which might be in conflict with it. So I hope the amendment will not be adopted.

[Here the gavel fell.]

The CHAIRMAN (Mr. McCORMACK). The question is on the amendment offered by the gentleman from Georgia [Mr. RAMSPECK].

The amendment was rejected.

The Clerk read as follows:

PAR. 15. In carrying out the purposes of the appropriation in paragraph 2, the National Youth Administrator, subject to the approval of the Federal Security Administrator, is authorized to accept and utilize voluntary and uncompensated services, to appoint and compensate, without regard to civil-service laws or the Classification Act of 1923, as amended, officers and employees, and to utilize, with the consent of the head of the Federal agency by which they are employed, Federal officers and employees, and with the consent of the State or local government, State and local officers and employees at such compensation (without regard to the Classification Act of 1923, as amended) as shall be determined by the National Youth Administrator to be necessary, and to prescribe their authorities, duties, responsibilities, and tenure.

Mr. RAMSPECK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: On page 47, in line 10, after the word "compensate," strike out the word "without" and strike out all of line 11, and in line 12, down to the words "as amended."

Mr. RAMSPECK. Mr. Chairman, this amendment deals with future appointments in the National Youth Administration. We are setting up now for the first time in the National Youth Administration a substantive law creating a permanent organization, and in this paragraph it is provided that the employees may be selected by the National Youth Administrator, subject to the approval of the Federal Security Administrator, without regard to the civil-service laws or the Classification Act of 1923, as amended, which means, of course, that all future appointments in the National Youth Administration shall be patronage appointments and shall not be subjected to the general law passed by Congress in 1923, fixing like pay for like work in the Government service in the District of Columbia.

As I said a while ago, during the speech of my colleague from Georgia, the Classification Act as it now stands does not apply to positions outside of the District of Columbia and therefore it would not apply to the project supervisors, because it only applies to the departmental employees located in the District of Columbia.

I do not think the Congress ought to continue to eliminate new appointments from the civil-service law, and for the purpose of giving my colleagues the opportunity of voting on that question I am offering this amendment and I hope it may be adopted.

Mr. TARVER. Mr. Chairman, in view of the action which has just been taken by the Committee of the Whole on the amendment offered to the preceding paragraph, the adoption of this amendment would bring about a very difficult situation. The language which you have allowed to remain in the bill provides that the amounts appropriated in the bill shall not be available for the compensation of the incumbent of any position placed in the competitive classified civil service of the United States after January 10, 1939. Now, if the amendment now offered by my colleague from Georgia should be adopted, the provision in the succeeding paragraph allowing the National Youth Administrator to appoint, without regard to the Classification Act of 1923, would be stricken out, and he could not appoint without regard to that act, and yet, if he appointed with regard to the provisions of the Classification Act, the appointee could not be paid any money. So it seems to me it necessarily follows that this amendment also must be rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Georgia [Mr. RAMSPECK].

The amendment was rejected.

The Clerk read as follows:

PAR. 17. In making separations from the Federal service, or furloughs without pay to last as long as 3 months, of persons employed within the District of Columbia, under the provisions of paragraph 2, the appointing power shall give preference, as nearly as good administration will warrant, in retention to appointees from States that

have not received their share of appointments according to population: *Provided, however,* That soldiers and sailors, and marines, the widows of such, or the wives of injured soldiers, sailors, and marines, who themselves are not qualified, but whose wives are qualified to hold a position in the Government service, shall be given preference in retention, in their several grades and classes, where their ratings are good or better.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word. I feel that the RECORD would not be complete in view of the vote we took this morning without this additional explanation. I think it is safe to say that there are certain people who may have voted against the Johnson amendment who are very, very vigorously in favor of the N. Y. A. I place myself in that class, and I rise to state to you these simple facts, so that the RECORD will be clear and show once and for all what has been done.

It will be observed that the committee reported in the bill an appropriation of $85,000,000 for the N. Y. A. That included $79,675,000 for the expense of the various activities of the N. Y. A., $5,290,000 for administration and $75,000 for printing and binding, a total of $85,000,000. Under the Johnson amendment, which you have adopted, you have voted $97,085,000 in the first item, $5,290,000 for administration, $75,000 for printing and binding, or a total of $102,450,000. They had available for the last fiscal year in the N. Y. A. $100,450,000. You have, therefore, given to the N. Y. A. $2,000,000 more than was available in the last fiscal year. It has been attempted to justify that increase as being due to the fact that the record discloses that the N. Y. A. this year would have to assume disbursing costs that were formerly assumed by the Treasury Department, and those costs amount to $650,000. It is also claimed that they will have to assume some accounting costs next year that are not assumed in the present fiscal year by the Department, and those costs are estimated by Mr. Williams to amount to $465,000, a total of $1,115,000.

Therefore it definitely appears that you have voted $885,000 more than anybody thought was necessary for the N. Y. A. Even the most radical proponents of N. Y. A. have never asked the amount you have voted this morning. You have given them $885,000 more, including the assumption of disbursing costs and the accounting costs than was allocated to the N. Y. A. in the present fiscal year. Here is another fact which I think will be interesting, and which I think the Members of Congress and the public should know. If you will turn to page 615 of the hearings you will find that Mr. Williams testified as follows:

I asked originally for $125,000,000 for this year; but the request went in to the President from the Budget Bureau for $100,000,000. That was the request that was actually transmitted to the President.

The President's Budget reduced that amount to $85,000,000. Place the responsibility for the original reduction where it belongs. I am one of those who believe in the N. Y. A. I demonstrated that in my argument before this House. I vigorously approve of it, but I cannot in good conscience vote $885,000 more than anybody has asked for N. Y. A. activities for the next fiscal year; and I think the record should be kept straight, because I cannot conceive that many of the gentlemen on my right voted with the knowledge that they were voting $885,000 more than anybody asked. Had you adopted the Collins amendment, there might have been some sense to the situation.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent to extend my remarks which I made a while ago in moving to strike out the last word.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase with funds appropriated under this title when the aggregate amount involved in such purchase does not exceed the sum of $100.

Mr. COCHRAN. Mr. Chairman, I reserve the point of order to the language in lines 10, 11, 12, and 13, page 50.

The CHAIRMAN. The gentleman from Missouri reserves the point of order and is recognized for 5 minutes.

Mr. COCHRAN. Mr. Chairman, it is not my purpose to make a point of order to this section or against other similar provisions in the bill, but I want to call attention of members of the Committee on Appropriations to just what they are doing and above all what they have done. I think few Members know what section 3709 of the Revised Statutes provides. Dozens and dozens of limitations have been placed on appropriation bills affecting this section.

Section 3709 of the Revised Statutes was put on the books for the purpose of requiring advertisements for procurement—in other words, bids for Government supplies. In this instance the Committee on Appropriations provides section 3709 shall not apply in this case to purchases of $100 and less. That is not so objectionable nor are the similar provisions in this bill, but when you make the amount $300 or $500 it is objectionable.

What has happened in the past? Among the dozens and dozens of provisions that you have added to appropriation bills you have gone so far in a number of instances as to remove purchases from the provisions of the statutes entirely. I do not know whether you are aware of it or not, but one of those provisions gives the War Department the power to buy all the medicine that it needs for the entire United States Army without asking for bids, if it so desires. The same thing can be done under another provision, insofar as the Department of Agriculture is concerned, in the purchase of poisons to exterminate insects. Does anybody tell me that is sound business?

The reason I shall not insist on my point of order at this time is that I have in preparation a bill which I hope will be reported in a few days, wherein it is provided by amendment to section 3709, for purchases without advertising when approved by department head or agency of supplies under $100 and also giving the head of a department or agency in an emergency the right to make purchases without advertising.

I hope the Committee on Appropriations will be careful in the future, and if it places any limitation in these bills it will be confined to $100 because if any bill is brought in with a provision in excess of $100 it is my purpose to insist on a point of order which I will make.

As I say, in reference to this bill the amount comes within the bill I expect to report, so I am not going to insist on a point of order.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. TARVER. Prior to this bill the amount of the limitation has been $300. Our subcommittee reduced it to $100.

Mr. COCHRAN. I know that and commend the gentleman. I say I have no objection to this $100 limitation. I am glad to see that the gentleman deemed it was advisable to reduce it from $300. I do not say that any Government official is taking advantage of the exemptions, but I do say that if one does he should not alone be blamed but the Congress should be also held to account for giving him the opportunity to abuse the privilege. Stop it before it is too late. [Applause.]

[Here the gavel fell.]

The reservation of the point of order was withdrawn.

The Clerk read as follows:

Salaries: For three Board members of the National Labor Relations Board and other personnel services of the Board in the District of Columbia and elsewhere necessary in performing the duties imposed by law or in pursuance of law, $2,072,000.

Mr. MURDOCK of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURDOCK of Utah: On page 53, line 21, strike out "$2,072,000" and insert "$2,320,000."

Mr. MURDOCK of Utah. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mrs. NORTON. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. MURDOCK of Utah. I hope the gentlewoman will not insist on the point of order.

Mrs. NORTON. I withdraw the point of order, Mr. Chairman.

Mr. MURDOCK of Utah. Mr. Chairman, I had hoped that when we reached this point in the bill, to wit, the appropriations for the National Labor Relations Board in the administration of the National Labor Relations Act, the friends of labor would fill every seat on the floor of this House, because, in my opinion, no amendment which has been or will be offered to this bill is quite as important to the cause of labor as the amendment which I have offered. My amendment simply restores to the amount of the Budget estimate the appropriation for salaries of the personnel of the National Labor Relations Board.

Labor legislation, from the time of the introduction of the first bill in Congress for the improvement of conditions for the great mass of American labor, has had rough going. The friends of labor legislation have had to battle every inch of the way for each and every item intended to improve the working conditions, the economic and social position, and other matters pertinent to the subject. Great barriers have been raised by able legislators to thwart and impede and hamper every bill submitted to Congress in behalf of labor. After the legislative battle had been won, then labor found the going just as tough, just as hard, with just as many barriers and hurdles to overcome, before the judiciary, as they found it in the Halls of Congress. Acts such as the Clayton Act, the very purpose of which was to aid labor against adverse court decisions, were almost immediately turned into weapons against labor instead of weapons in its behalf, as was intended by Congress.

The friends of labor in Congress, led by Mr. LaGuardia in the House and Mr. NORRIS of the the Senate, were successful in enacting the LaGuardia-Norris Act—another milestone of progress in labor legislation. Collective bargaining and rights protecting independent organization found their first encouragement under Federal legislation in the N. I. R. A., but because of defects in this act and a none-too-favorable judiciary, these great fundamental principles, the very cornerstones of protection for the man who labors, were soon found to be ineffectual and were finally stricken down by the Supreme Court when it held this act unconstitutional.

But almost immediately after the striking down of the N. I. R. A., that indomitable statesman, Senator WAGNER, began to rebuild on the fundamental principles of collective bargaining and freedom and independence in organization. Then after months of hearings and one of the most bitterly fought legislative battles that has ever been fought under the dome of the Capitol, where every inch of ground was only won after the most persistent efforts on the part of the friends of labor in the National Congress, the National Labor Relations Act was passed. After its passage by Congress and approval by the President, it received about the same reception that had been accorded every other piece of labor legislation. A hostile press, joined by hostile industrialists, buttressed by the keenest legal brains in the United States, began a devastating, destructive, and incessant war against this magna carta of labor, this act which meant the emancipation of the men and women upon whose shoulders this great Nation largely depends.

No act ever passed by the Congress met with more criticism, more condemnation, and more hostile attack than the National Labor Relations Act. Even before a Board was appointed to administer the act we find the unprecedented, deplorable, and despicable spectacle of 58 Liberty League lawyers, men whose profession solemnly devolves upon them more than any other group in the United States the responsibility of upholding the law of the land duly passed by the Congress and approved by the President, banding themselves together and, under the deceptive guise of legalistic vigilantes, jointly issuing their solemn and, as they styled it, well-considered opinion that the National Labor Relations Act was unconstitutional. Not being satisfied with this, they took the next step of inciting and encouraging disobedience to the act, rebellion against it, on the grounds that they had determined it was unconstitutional; unwilling to abide by the deliberate and well-considered action of the Congress and the approval of the President under the democratic processes of the Constitution, unwilling to await action by the Supreme Court, they maliciously and deliberately endeavored to usurp the powers of the Court for the destruction of this law passed for the benefit of the workers. Happily, under the Constitution of the United States this unprecedented, unlawful, and despicable act of this group of lawyers was not given much weight by the Supreme Court, which, in April 1937, decided that the act was constitutional.

A Board was appointed to administer the act. And, may I say, there never was an agency in the Government confronted with a more difficult, a more thankless, a more misunderstood job than the Board which was appointed to administer the National Labor Relations Act. Not only were they confronted from the time of their appointment with the bitter hostility of the traditional foes of labor, but in the ranks of labor itself two great hostile factions arose, adding enormously to the already difficult position of the National Labor Relations Board. In my opinion, the Board has vigorously and courageously administered the act. Mistakes have been made, of course, but did human agency ever do anything without mistakes?

Coming now to the matter immediately in hand and to which my amendment is directed, I call your attention to the fact that the Appropriations Committee, acting on the recommendation and the report of the subcommittee handling this legislation, the chairman of which is the distinguished gentleman from Georgia [Mr. TARVER], saw fit to reduce the appropriation for the three members of the National Labor Relations Board, and other personnel services of the Board in the District of Columbia and elsewhere, necessary in performing the duties imposed by law, or in pursuance of law, from $3,180,000 to $2,072,000, a total of $248,000, itemized in their report as follows:

Field examiners	$18,000
Clerical staff	21,000
Field attorneys	48,000
Administrative Division	20,000
Trial Examining Division	57,000
Division of Economic Research	45,600
Legal Division:	
Litigation section	15,400
Review section	18,000
Reduction in salaries of employees given more than two-step administrative promotions in 1939	5,000

As I understand the duties of the Appropriations Committee of this House, it is their province to consider the amount of appropriations necessary to carry on the functions and the administration of acts passed by Congress. Certainly, if they recommend reduction of an item of appropriation they are within their rights, they are exercising the prerogatives delegated to them by the House, and I have no quarrel with this delegation of authority. But it is my understanding that this committee has absolutely no right, under the rules of this House, to change existing law in an appropriation bill. If it has no right to change existing law directly in an appropriation bill, then most certainly it has no right, power, or authority to change existing law, or even attempt to change existing law, by the indirect method which this subcommittee and the Appropriations Committee are attempting in connection with the item of $45,600 set out above, and which is required to maintain the division of economic research set up by the National Labor Relations Act. But it is by this questionable method, by this unauthorized method, that the elimination of this item of appropria-

tion for the division of economic research of the National Labor Relations Board is being attempted.

I call your attention, Mr. Chairman, to page 36 of the report accompanying this appropriation bill. The last sentence in the first paragraph on that page reads as follows:

It is felt, however, that no need exists for a division of economic research, and it is expected that this section will be entirely eliminated.

Why did the subcommittee, and why did the Appropriations Committee, not put a proviso in the bill itself to do directly what they are attempting to do, and probably will do, by this questionable method, indirectly? The answer is this: If such a proviso were contained in the bill, it would be subject to a point of order and stricken out. Knowing this, but intent on achieving by indirection something that could not be done directly, they put the statement set out above in their report.

It will probably be argued this afternoon that this admonition contained in the report is not mandatory, that the Board could ignore it, which, of course, it could lawfully do, but Mr. Chairman, the power that controls the purse strings can accomplish, by this indirect method, more than it could accomplish if such a proviso had been put in the bill. Is there an agency of the Government, is there a Board or Department that would dare to ignore the admonition contained in this report? My answer is "No," and I am just as sure as I am standing here that the subcommittee and the Appropriations Committee knew what the effect of such an admonition would be. My term in Congress has not been long, but in the nearly 8 years that I have been here this is the first time I have seen this procedure resorted to for the purpose of avoiding the raising of a point of order, but nevertheless with the intent of accomplishing the purpose of changing existing law.

Now, let us consider for a minute whether it will change existing law. What is the law that will be affected? We find in the National Labor Relations Act this clause:

Nothing in this act shall be construed to authorize the Board to appoint individuals for the purpose of conciliation or mediation (or for statistical work), where such service may be obtained from the Department of Labor.

This clause without doubt shows that the question of maintaining an economic research division was considered by Congress; it indicates clearly that Congress had in mind the Statistical and economic research bureau of the Department of Labor, now so ably administered by Dr. Lubin; but it just as conclusively shows that Congress considered that the National Labor Relations Board would probably need statistical work and economic research performed that they could not get from the Department of Labor. It shows conclusively that Congress did not want a duplication of effort, did not want a duplication of expense, but that Congress knew that economic data and statistical data would be necessary in the efficient administration of the National Labor Relations Act. It was for this purpose that the above clause was written into the act, giving to the Board, at least by implication, full right and authority to supply itself with any and all statistics and to perform any and all economic research that it could not get from the Department of Labor through its own personnel. This very subcommittee and the Appropriations Committee of the House have, time and again, construed the clause set out above as meaning just what I say it means today. They have construed this law to mean what I contend that it means today by carrying an item in the appropriation bill each year since the enactment of the law for the division of economic research. Mr. Chairman, I have carefully analyzed the hearings on this item, and, because they are brief, I include them in toto so that the RECORD will be complete and clear on this question.

EXHIBIT A

DIVISION OF ECONOMIC RESEARCH

Mr. TARVER. The figures at the top of page 29 will go into the record at this point.

(The figures referred to are as follows:)

	Total number of positions	Total salaries
Fiscal year 1940, estimate	15	$45,600
Fiscal year 1941, estimate	15	45,600

Mr. TARVER. It appears that you intend to retain the same number of employees as you have for the present year.

SALARIES OF PERSONNEL

There are some questions that we want to ask you with regard to the activities of this division of economic research. What are the salaries attaching to those positions?

Mrs. STERN. I will describe the salaries. They are in the professional classification in the Budget.

Mr. MADDEN. That is on page 215 of the Budget.

Mrs. STERN. The Chief Economist is classified as grade 7, P–7, that is professional classification, receiving $6,500 a year.

There is one senior economist, grade P–5, $4,600.

There is one associate industrial economist, grade P–4, at $3,800.

There are three associate economists, grade P–3, averaging $3,200 each.

There are five assistant economists, grade P–2, averaging $2,626 each.

There are four junior economists each receiving $2,000.

ACTIVITIES OF DIVISION

Mr. TARVER. May I ask if the duties of these people are to prepare case statistics to enlighten on the activities of the Board such as the numbers and different types of cases?

Mrs. STERN. Yes; that is one part of it.

Mr. TARVER. Would you explain what the other parts of it are.

Mr. MADDEN. The preparation of a Labor Relations case for trial very often involves an investigation of economic problems. Take this question of jurisdiction. When the Board first undertakes a case in a particular industry, it is necessary to make an investigation of the way in which that industry in general and the particular plant or employer does its business; where its raw materials are coming from; where its goods are shipped to.

Now a lawyer could make that investigation but he does not know where to look for the information the way that one who has had some education in economics does; that is, you may get the information from papers filed with the Securities and Exchange Commission. You may get it out of such books as Moody's Manual, Dun & Bradstreet, or other financial sources. You may get it from other trade magazines. You may get information about labor organizations and their history. You may get these out of reports of conventions of labor organizations. The economist can do that chore much more quickly than a lawyer can because he does know that source material and knows where to go for it.

Mr. TARVER. Their work, as I understand it, consists in addition to the collection of statistics regarding cases which have been handled by the Board, in the preparation of the evidence particularly that of expert witnesses to be used by the review and legal division in the performance of their duties?

Mr. MADDEN. Yes; either in the preparation of materials for the trial of the case, things to be put into evidence at the hearings, or else on the other side assisting the review division of the Board in the analysis of the economic facts that may be in evidence.

Mr. TARVER. Do they contact for you expert witnesses and go over with those witnesses the facts with regard to any particular pending matter?

Mr. MADDEN. They may.

Mr. TARVER. That is, of what value their evidence would be?

Mr. MADDEN. They may. We do not have many cases in which we use expert witnesses. In a handful of cases our chief economist has, like other Government departments do, himself taken the stand as an expert and has testified to certain things as an expert. Very often the employer hires an expert and puts him on the witness stand in his behalf. The actual giving of expert testimony is not a very large part of their job although the chief economist has done it a few times. Very frequently the transcript of the evidence and the exhibits which come into the Board may contain a mass of figures and employment figures, such as the number of hours worked by each man over perhaps a considerable period, and there may be figures concerning hundreds of men, because the problem for the Board may be this: Whether 10 members of the union were discriminated against when they were laid off and other people were not laid off.

Well, the answer may be right in this mass of figures and somebody has to settle down and go through those records and distill out of it the answer that those records will disclose. Now, an economist can do that more quickly and more intelligently than a lawyer, because he has a certain technique and methods whereby he can tabulate things like that and bring forth what the right answer is.

Mr. TARVER. Who is the head of this division?

Mr. MADDEN. Mr. David Saposs.

Mr. TARVER. I understand that Dr. Saposs testified before the Smith committee that he had some 14 economists and some 30 persons in all working and making up the staff of his division. What employees does he have besides these 15 who are listed here?

Mr. MADDEN. I do not know whether he meant to say that that included all the stenographers and typists.

Mrs. STERN. And the clerical help.

Mr. MADDEN. I might say at the moment with reference to those 15, I am sure that he has in that division, in addition to the 15 professional people, a few people who are classified as clerks. But they are economic clerks, so to speak. I mean, they are not typists or stenographers in the ordinary sense. They are persons who do have some training in the technique of what these other people do and who do these economic chores or help to do them.

Mr. TARVER. Among the other information collated by this division, is there information as to labor strikes and labor conditions, and other material of that type?

Mr. MADDEN. No; we get all that information about strikes and the causes of strikes from the Bureau of Labor Statistics of the United States Department of Labor.

RELATION OF WORK TO THAT OF BUREAU OF LABOR STATISTICS

Mr. TARVER. What I am interested in there is whether or not you are duplicating work of the Bureau of Labor Statistics in that field?

Mr. MADDEN. We are not. The Chief of the Bureau of Labor Statistics testified before the Smith committee on Wednesday, and he said in that testimony that we were not duplicating anything that he and his Bureau were doing.

Mr. TARVER. Do you need 14 economists to analyze this material and prepare evidence for the review and legal divisions? And also to do these various other things which you have outlined here? Is not a good part of that work, such as the collection of statistics regarding cases that you have had come under your jurisdiction, work of a type which might be performed by one who is not trained as an economist, or a lower-paid type of employee? Fourteen is a good many economists to have in one organization, it seems.

Mr. MADDEN. If your idea is that it could be done by cheaper help——

Mr. TARVER. By cutting down the number of your economists and perhaps increasing or leaving at its present level the number of your other employees in that division could you not handle that work satisfactorily?

Mr. MADDEN. Of course, I cannot tell you, Mr. Chairman, about this division, any more than I can about Mr. Fahy's division or any other division, that I know of my personal knowledge that every person in there is needed. I take Mr. Fahy's word to a considerable extent as to the needs of the legal division. I have no reason to think that he would pad his division and pretend to need the help that he does not need. And in the same way I cannot be absolutely certain that every person in the economics division is needed. But I know that every addition to the present staff has been gotten by the chief of the division by great pressure on the Board and great argument to the Board that he needed this additional position and that he has convinced the Board that he did need it. I cannot say at all that he does not.

Mr. TARVER. I believe that section 4 of the act under which you operate provides that you shall not appoint persons for the purpose of obtaining statistical information where such service may be obtained from the Department of Labor, does it not?

Mr. FAHY. Yes; there is that provision in the act. But as I said, Dr. Lubin, the Commissioner of Labor Statistics of the Department of Labor, testified before the Smith committee on the 28th of February.

Mr. TARVER. I do not think that we would care to have any excerpts from some witness' testimony there without having the others' and I do not believe we would care to go into that more deeply than I have undertaken to do in this rather brief and superficial examination.

QUALIFICATIONS AND SALARIES OF ECONOMISTS

Mr. HARE. Do you have any special qualifications to apply to your economists?

Mr. MADDEN. Oh, yes; those are all civil-service positions, the economists' positions.

Mr. HARE. In other words, they have special training in that field?

Mr. MADDEN. Yes; and they are obtained from the Civil Service Commission. We simply call upon the Commission.

Mr. HARE. I think the question is, if you can obtain them from the Commission, Judge TARVER's inquiry was that probably that instead of using 14 or 15 highly trained technical men that they might be reduced to a half a dozen economists who are trained to take statistics and analyze and interpret their meaning and the remainder on the force might be what we know in most of the departments as statistical clerks who could obtain this information by research or perhaps from some other department of the Government. I gather that that was the purpose of Judge TARVER's inquiry, to see whether or not this item could be reduced.

Mrs. STERN. There are on this staff 3 economists at $3,800 and the balance of the 15 are below $3,800. As a matter of fact the balance of the latter is $3,200, or below that.

Mr. MADDEN. Twelve of the fifteen are $3,200, are they not?

Mrs. STERN. Or below. As a matter of fact, you can say that 9 are at $2,600 or below. The greater proportion of those people who at most constitute a very small percentage of the total amount devoted to salaries are below $3,200 and they in turn preside over a clerical staff which answers to their directions in looking up material, and so forth. And they must be responsible, of necessity, knowing that the statistics have got to be put in a form where the correct conclusions can be drawn. This is not just statistical material, of course, but it is economic research material. You would not think, of course, turning over an important case to a low-class lawyer without being under the supervision of a high-class trial lawyer.

Mr. HARE. The thing that strikes me as being strange is that you have here a requirement of technical training, highly technical training for economists, and then you have quite a number of others where no training and experience is required at all in their work. That is what has been testified to here.

Mr. MADDEN. Of these economists there is scarcely one of them that I would send out to be a field examiner or a regional director. They are not just that kind of people.

Mr. HARE. The point that I am getting at is that it is strange to me that you are able to get these highly technical trained people at a salary lower than you get people that have no requirements as to experience and training.

Mr. MADDEN. That is just the way the market is.

Mr. HARE. And with reference to those no experience is required.

Mr. MADDEN. That is just the way the market is. I think that it is perhaps unfortunate that some of these people, nearly all of these economists have a Ph. D. degree which would mean 7 years of higher education, but it just happens that the market at this time for economists is in that state.

Mr. HARE. It is flooded more than the market for lawyers, is that it?

Mr. MADDEN. And it happens also that you can turn out economists more or less en masse. I mean you can take almost any kind of individual and if you put him through a certain type of education he can do this kind of work. But this other business of tact, judgment, and experience, and all that kind of thing that you need to go out and confront a savage employer and a savage labor leader is something else again.

Mr. HARE. I would not want to argue with you on that point at all. The point that I am trying to get at is to endorse the position taken by Judge TARVER. The point which occurred to me in reading these figures here and the justification for them is whether or nct the amount of work in this Board was such as to require the employment of 14 or 15 highly trained technical economists. There is a question in my mind as to whether or not you could not get people at smaller salaries to do some of the work.

Mr. MADDEN. You would have to start pretty low when, as Mrs. Stern says, 9 out of 15 get $2,600 or less. You cannot go very much below that and pay them what a first-class stenographer gets.

Mr. HARE. Then the next question I would ask myself is whether or not if you are getting these men for $2,600 whether they are really highly technical trained economists or whether or not they are just called economists by name.

Mr. MADDEN. No; I think that again is a question of the market. I think it is probably unfortunate that these people with plenty of education and plenty of capacity in their lines are as available at these low prices.

Mr. ENGEL. In other words, you are paying doctors of philosophy $2,000 and doctors of hard knocks $7,000; is that the idea?

Mr. MADDEN. That is the way it works.

Mr. ENGEL. These salaries totaling $45,600—that division is all taken up by economists?

Mr. MADDEN. That is right.

Mr. ENGEL. What other salaries—they have stenographers in that Division?

Mrs. STERN. Yes.

TOTAL COST OF DIVISION

Mr. ENGEL. What is the total cost of the total number of positions that you have in this division of economic research and the total cost of the Division?

Mrs. STERN. I have to give you that. As I explained here in the justification, the entire clerical administration of everyone of the staff is included in that first item of departmental service that you looked at on page 27. May I furnish this for the record? I think it would probably come out something like 15 clerical and stenographic people.

Mr. ENGEL. Are there any other people in those, in that division, outside of clerical and stenographic people?

Mrs. STERN. No, sir.

Mr. ENGEL. Would you furnish that?

Mrs. STERN. Except these economists.

Mr. ENGEL. I mean in addition to them.

Mrs. STERN. Oh, yes. Of course.

Mr. TARVER. Will you furnish a break-down of the cost of the entire division, including the economists and the clerical and stenographic help?

Mrs. STERN. Yes.

(The information is as follows:)

Cost of personnel, Division of Economic Research

	Number	Amount
Economists	15	$45,900
Clerical and stenographic	14	23,700
Total	29	69,600

Mr. ENGEL. Do you know what the salary grading is of a statistician?

Mr. SHOVER. The grades of statisticians vary.

Mr. ENGEL. What do those salaries run to?

Mr. SHOVER. Under the civil-service rating the lowest is for junior professional statistician, $2,000.

Mr. ENGEL. And if you change this classification from economist to statistician you will still have to pay the same salary practically?

Mr. MADDEN. I have heard of such a classification as a statistical clerk but I suppose it is below $2,000. It may be $1,600 or something like that.

Mrs. STERN. Most of these people are not doing statistical work.

GROWTH OF DIVISION

Mr. TARVER. How many economists did you have in this division in the fiscal year 1939?

Mrs. STERN. The same number.

Mr. MADDEN. In 1939, are you sure of that?

Mrs. STERN. In 1939, yes; I am quite sure we had the same number and the same number for 1940 and 1941.

Mr. TARVER. The gentleman just stated off the record that it was gradually worked up by this number as the need therefor developed. It seems to me you have had the same number for the last 2 or 3 fiscal years.

Mr. MADDEN. I would not be sure of that. My impression would be that there were probably two or three added in 1940 but I am not sure.

Mr. HARE. You anticipate an increase?

Mr. MADDEN. Well, I would say this, that we did not start out back yonder to set up an abstract economic division with 15 economists in it. We started out with the chief economist and some very small number of assistants and whether it was done before 1939 or not, why, the positions were added only one or two at a time and as each one of them, as my colleague Mr. Edwin Smith will testify, Mr. Saposs had to argue pretty hard with the Board to get it because I think it is always hard for people outside a particular profession or particular line of work to understand what the fellows are doing in the other line of work. I think it is hard for the economists to understand why it takes so many lawyers and what, if anything, the lawyers do over there. They are busy, and I hope, usefully busy.

Mrs. STERN. May I give you the figures you asked for? There were 11 men in the Budget of 1939 as submitted in the estimate of 1940.

Mr. HARE. Did you anticipate an increase in this, as I judge from the justification there?

Mr. MADDEN. No, sir. Those are people who are employed at the present time.

Mr. TARVER. Our figures here show 13 for 1939 instead of 11. On page 215 of the bill there is 1 at $6,500, 1 at $4,600, 3 at $3,200, 5 at $2,620, and 3 at $2,000.

Mr. MADDEN. That would be 13.

Mrs. STERN. Well, as I said, I took my figures from the estimate submitted in the 1940 Budget.

Mr. HARE. Going back to my inquiry as to whether or not you anticipated this increase in this force. I notice in the justification, however, you say that the growing complexity of the jurisdictional problems as the Board approaches the outer periphery, and questions on merits of cases, as employers exercise more subtlety in violations might well be expected to entail an increase in this staff.

Mr. MADDEN. That means if you gentlemen want to give us a little more money.

Mr. HARE. It is not a question of what we gentlemen want to give you. It is a question of what the work is and what you are going to require. That is what I want to get at.

Mr. MADDEN. It is like a good many other things, I suppose. This is an honest statement of what we think we need, namely, that we need more such people.

Mr. HARE. Do you anticipate that there will be an increased lack of cooperation on the part of employers in this work?

Mr. MADDEN. No; I should say that our cases probably will not increase in number but our experience is that those who do violate the law learn how to do it more subtly than they used to in the good old days when they did not think it was the law.

Mr. HARE. Then this word "subtlety" here is used in the wrong place. They cooperate more adroitly than they violate the law subtly?

Mr. MADDEN. No; that is not what I mean. I meant that those who do violate the law violate it more subtly and make, therefore, a more difficult case to prepare for trial than what we used to have.

Why, in the beginning, the employer if he wanted to discharge a man for being in union activities he said so and then when he came in to the trial he appeared and pleaded specially that the law was unconstitutional and turned his back and walked out of the hearing. And so the trial of the case on the facts was fairly easy. But nowadays, of course, nothing like that happens, and so if one is violating the law he does it in a way that makes it pretty hard to catch him, and you have to investigate very carefully and very fully in order to make a case. That is definitely our experience.

Mr. HARE. And with that experience you would naturally expect an increase in your staff?

Mr. MADDEN. Well, according to what the Bureau of the Budget has done here we are not going to get an increase.

Mrs. STERN. The same thing will hold true if you read through the work and requirements of the legal division. And the same thing happens, as a matter of fact, with respect to the field staff. We have a very tight budget here for the work we have to do.

I challenge any member of the subcommittee handling this bill today, any member of the Appropriations Committee, or any Member of the House, to point to one syllable of substantial evidence which will support them in their destruction of the division of economic research of the National Labor Relations Board. In finding no evidence to support this action on the part of the subcommittee and the Appropriations Committee, I began wondering why it was done. I contacted the distinguished chairman of the subcommittee. I asked him the question point-blank if it was the accusations made against Dr. Saposs before the Dies committee and before the Smith committee that caused his subcommittee to take the action which they have taken. He assured me emphatically that it was not. I accepted his statement, and for that reason will not, this afternoon, go into the question of the political philosophy of Dr. Saposs. In his philosophy I am not interested. I hold no brief for him nor for any other employee of the National Labor Relations Board. He and they must stand upon their own record. But Mr. Chairman, I do hold a brief for orderly parliamentary procedure in this, the greatest deliberative legislative body in the world. Seldom a day passes in this House that we do not hear somebody refer to the solemnity of our parliamentary rules of procedure. Without such rules we could not function for a day. Without such rules, chaos instead of order would confront us here in this great Chamber. I consider what is attempted here today in this effort to destroy the division of economic research of the National Labor Relations Board to be a violation of the solemn rules of this House. While I have no doubt about the statement of the gentleman from Georgia, Judge TARVER, that Dr. Saposs and his political and economic and social statements and writings had no bearing whatever on the action of his subcommittee on this item, there are other Members of this body who have indicated that their vote will be cast on that basis, and I am sure that in the argument this subject will be the first target of those who oppose my amendment restoring the amount of the appropriation to the National Labor Relations Board to the Budget estimate. But I intend to confine my argument to the rules of the House and to the devastating and destructive effect of eliminating the division of economic research in the administration of the National Relations Act.

Who was it that pioneered in bringing to the attention of the courts the importance, in the solution of legal questions, of economic data and information? It was none other than that distinguished Justice of the Supreme Court, Hon. Louis D. Brandeis. From that day back in 1907 until the present time, the importance of economists and economic data in the trial and disposal of litigation has progressively become greater. In every important lawsuit today involving great financial, industrial, economic, and social questions we find the economist sitting right at the side of the great lawyer. The economist has become the right arm of the lawyer in the preparation, in the trial, and in the briefing of legal questions. Under the National Labor Relations Act, one of the first questions confronting the National Labor Relations Board on every charge or complaint filed with them, is the question of jurisdiction under the commerce clause of the Constitution. On this question they must have economic data, they must know the source of raw materials, they must know the transportation problems involved, they must know where the finished products are consumed, they must know how much of the business or the operation of the respondent is intrastate and how much of it is interstate. How can this information be most efficiently and most inexpensively secured? The answer is, by using people specially trained, people who know the sources of such information, and who can efficiently and speedily compile it and analyze it. Absolute necessity prompted the setting up of the division of economic research. It is indispensable in the efficient administration of the act. The result of its elimination and destruction is to handicap and cripple the Board in carrying the benefits of the act to the laborers of America. If this division of economic research is eliminated, we will find the attorneys for the National Labor Relations Board sorely handicapped when, without this help, they walk into the courts and before the trial examiners of

the Board, and are confronted by the keenest lawyers in the United States, aided by the outstanding economists of the country.

I wonder if we want such a condition to exist. My answer is, "No"; and I hope that all prejudice and all bias and all fanaticism can be cast aside today, and that our votes on this question will ultimately be cast on the question as to the necessity for such an economic research division in the efficient administration of the National Labor Relations Board. It probably will be argued this afternoon by members of the subcommittee that the case load of the National Labor Relations Board is decreasing. I am happy to admit that there were fewer cases filed in the year ending June 30, 1939, than in the year ending June 30, 1938. To me this indicates a healthy condition. It indicates that the act and its administration are having the proper effect on the relations between the employee and the employer. But, in considering the present work of the Board, we must also consider two other items, which, in my opinion, are very relevant to the issue and must be considered in order to arrive at a proper conclusion. On June 30, 1938, the number of cases pending was 3,778; on June 30, 1939, the number of cases pending was 4,103. Certainly these figures do not indicate that the great load of the Board is less now than it was at the beginning of 1938. We must also take into consideration this fact, that before the constitutionality of the act was declared by the Supreme Court, the defense in the great majority of cases was simply the question of constitutionality. Since the establishment of the law's constitutionality the cases are being more closely tried by the respondents. Every technicality and every issue that can possibly be raised is raised so that the trial of cases on the part of the Board has become more technical and more burdensome, necessitating, of course, more economic data, more economic research. Since the report of the subcommittee has been published and its action has come to the attention of the press, we find that many newspapers which have been severe critics of the National Labor Relations Act and Board in the past are now condemning, in no uncertain terms, the action taken to eliminate the division of economic research. As illustrative of this attack I include below a report from the Christian Science Monitor of March 23, 1940 [see exhibit B], also the column by Ernest K. Lindley appearing in the Washington Post as of Wednesday, March 27 [see exhibit C].

You will have seen by reading from the hearings of the committee, set out above, that Chairman Madden, of the National Labor Relations Board, stressed the fact that the division of economic research had been built up step by step, and only after thorough investigation by the Board of the recommendation of the head of the division. You will see that he considers the economic division of utmost importance to the administration of the act, and that is about the only evidence before the committee on this question. After reading his testimony, and being familiar with the testimony of Dr. Lubin before the Smith committee, I contacted Dr. Leiserson, of the Board, and asked him what he thought of the elimination of the division of economic research. In response to my inquiry, he wrote me the letter, a copy of which is attached. [See exhibit D.]

Inasmuch as I have referred to Dr. Lubin's testimony before the Smith committee, I call your attention to the fact that he very emphatically advised that committee that there was no duplication by the National Labor Relations Board of work being done by his Bureau.

Mr. ENGEL. Mr. Chairman, will the gentleman yield for a question?

Mr. MURDOCK of Utah. I yield.

Mr. ENGEL. Is it the purpose of the gentleman to offer an amendment to restore the Budget figures on this National Labor Board item?

Mr. MURDOCK of Utah. That is what my amendment does.

Mr. ENGEL. It restores the Budget figures on this appropriation?

Mr. MURDOCK of Utah. As I understand it, that is what my amendment does.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Utah. I yield.

Mr. FITZPATRICK. As a member of the Appropriations Committee, I am in sympathy with the gentleman's amendment and believe the Budget recommendation should be restored.

Mr. MURDOCK of Utah. I am glad to hear the gentleman say that.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Utah. I yield.

Mr. THOMAS F. FORD. I happened to be at the hearings of the Smith committee when Dr. Saposs was examined. They were not apparently concerned with whether or not he was a factor in the Board's administration. They devoted all their time trying to prove that he was something the evidence did not show he was.

Mr. MURDOCK of Utah. I thank the gentleman from California for this contribution. It is typical of his fairmindedness. I have served with the gentleman from California now for 8 years, and I have always admired his tolerance, his progressive viewpoint, and his ardent adherence to fair play. As to Dr. Saposs, who he is, what he has said, or what he has written, in my opinion, is beside the point that we are discussing today, so I will not go into that question further.

In conclusion, Mr. Chairman, I call your attention to the fact that there is pending today before the Labor Committee of this House, over which the distinguished lady from New Jersey, MARY NORTON, presides an amendment dealing directly with the question of prohibiting the National Labor Relations Board from maintaining a division of economic research. On the Labor Committee are serving some of the most distinguished Members of this House. Is it fair to them, is it orderly procedure, to attempt indirectly to eliminate this division by a cut in the appropriation instead of awaiting the action of the Labor Committee before taking such a step? Once again I call your attention to the importance of adherence to and compliance with the rules of the House. I earnestly request in behalf of the people for whom the National Labor Relations Act was passed that you do not by this method hamper, impede, and hamstring the administration of this act. I trust that my amendment will be adopted.

EXHIBIT B

[From the Christian Science Monitor of March 23, 1940]

REAL LABOR BOARD FIGHT IS ON ECONOMICS ISSUE—SMITH COMMITTEE AND HOUSE APPROPRIATIONS REPORT URGED THAT BOARD'S DIVISION ON ECONOMICS AND RESEARCH BE ABOLISHED—SHAFT IS AIMED AT ITS HEAD, WHO HAS DENIED CHARGES OF COMMUNISTIC LEANINGS

WASHINGTON, March 23.—The present battle against the National Labor Relations Board turns largely in the House on whether or not its division on economics and research should be abolished. The special Smith committee investigating the Board voted 3 to 2 to abolish it; the regular Labor Committee of the House this week rejected the Smith proposal; now the House Appropriations Committee recommends that it be wiped out, and that the $95,000 of economists' salaries be deducted for the Board's appropriations.

For a long time now economists have stood, figuratively, at the elbow of frock-coated lawyers who argued in suave tones labor cases before the nine members of the United States Supreme Court. The use of economic facts in labor cases was introduced dramatically before the black-robed Supreme Court by Louis D. Brandeis in 1907 in *Muller* v. *Oregon*, assisted by Josephine Goldmark, in a case which established the reasonableness of general hours legislation for women.

STEPS TO SUPREME COURT

Mr. Brandeis himself was elevated to the Supreme Court, and Felix Frankfurter was substituted as counsel in *Bunting* v. *Oregon* in 1916, and a 35-page list of economic and factual sources was included in the brief. Again and again in matters dealing with labor, the same Brandeis-Goldmark-Frankfurter system of economic briefs has been used in recent years or modified to meet special issues. In the Government's unsuccessful effort to outlaw child labor in *Hammer* v. *Dagenhart*, both sides offered economic factual material with elaborate citations to support arguments for or against the thesis that child labor is injurious, and subject to Federal control.

The first five cases brought by the Labor Board itself before the Supreme Court featured economic arguments. To prove the constitutionality of the collective-bargaining provisions of the Wagner Act, it was necessary to convince the Court that industrial strikes affect interstate commerce, and result in part from an ab-

sence of collective bargaining. The Labor Board established its division of economic research, which is now under congressional attack, with the express purpose of preparing material needed in court presentations, and later extended it to secure guidance in technical industrial matters.

ECONOMICS, NOT LAW

Labor Board officials point with pride to their Supreme Court "score" of 19 orders enforced, and only 2 denied and 68 to 19 in Circuit Courts and attribute the success at least in part to the economic data supplied. In recent cases, with constitutionality assured, economic data have been less frequently used.

How does economics find its way into a law court, where matters are supposed to be decided on constitutional issues?

The Supreme Court supplied the answer itself in *Muller* v. *Oregon*, in response to the Brandeis brief which had been attacked as irrelevant by opposing counsel. While pointing out that "constitutional questions, it is true, are not settled by even a consensus of present public opinion" the Court said that "at the same time, when a question of fact is debated and debatable, then "a widespread and long-continued belief concerning it is worthy of consideration. We take judicial cognizance of all matters of general knowledge."

OLD ISSUE REAPPEARS

The same issue came up again in the Labor Board's famous Jones and Laughlin case, in which Chief Justice Hughes cited in a footnote some of the nonlegal economic documents referred to by the Board, in deciding in its favor, although the opposing counsel had characterized the material as "rank hearsay, rumor, unqualified opinion, and totally irrelevant."

In a recent compilation of famous labor cases before the Supreme Court, David Ziskind, of the Department of Labor, writing in the University of Chicago Law Review, June 1939, estimates that in cases where one party used economic data and the other did not, victory went to the former 16 times and to the latter only 3 times. This was something more than a coincidence, he concluded.

"The Supreme Court opinions," he wrote, "bear many grateful acknowledgements of the economic data submitted * * * as long as courts seek the reasonableness of legislation in a changing economic order, as long as laws require an effect upon interstate commerce, or as long as attorneys must prove an intent to accomplish an economic objective, there will remain a need for economic data."

WHERE FIGHT CENTERS

Nevertheless the drive in Congress against the particular economic division of the Labor Board continues. It is directed against a particular personality, that of Dr. David J. Saposs, the N. L. R. B. research head. Largely to oust him, the drive against the whole Economic Division is instituted.

Dr. Saposs came to the Board from the United States Labor Department. He took undergraduate and graduate work at the University of Wisconsin and assisted Prof. John R. Commons there. He has taught at the University of Toledo, at Columbia in extension courses, had an educational connection with the Amalgamated Clothing Workers, and taught at the Brookwood Labor College, a left-wing organization. He did research work for the Twentieth Century Fund, and had a fellowship from the Rockefeller Foundation.

While at Geneva, Dr. Saposs reported a meeting of a labor left-wing group. His report of their utterances was interpreted as voicing his own views, and he has been attacked before the Dies committee, by Senator EDWARD R. BURKE (D.), of Nebraska, and more recently by members of the Smith committee. Dr. Saposs has on numerous occasions denied he was a Communist or ever connected with communism. He cites Communist attacks against him. Neverthless it is generally agreed that the fight on the N. L. R. B. research division largely centers round his personality.

[From the Washington Post]

EXHIBIT C

STRANGLING THE N. L. R. A.

(By Ernest K. Lindley)

THOSE AMENDMENTS

Many proposals for amending the National Labor Relations Act are before Congress. Some are complex. Some, in the proper mixture, would amount to repeal of the law. But nobody is openly advocating its repeal.

Without waiting for the orderly consideration of proposed amendments, the House Appropriations Subcommittee has apparently decided that the law is not worthy of effective enforcement. It has set out to dispose of it by a combination of strangulation and amputation. It has cut about $330,000, or 10 percent, from the appropriation requested for an agency which for several years has been overworked as few agencies have been overworked since Hugh Johnson was managing the Blue Eagle. In spite of long hours at high pressure, the N. L. R. B. has not yet been able to catch up with the demands on it.

One slash of $57,000 would require dropping about one-fourth of the N. L. R. B.'s trial examiners. At present they number 39, and each of them takes testimony in about 30 cases a year. It is inconceivable that the number of cases heard by each examiner can be increased. If the cut stands, fewer cases will be heard. Although the number of cases brought to the Board shows signs of slacking off, many of the new cases are more complicated, or, to borrow Chairman Madden's word, more "subtle," than those sometimes heard in the earlier days.

Many employers started off on the assumption that the N. L. R. B. was unconstitutional. So they were advised in 1936 by some 58 of the highest-paid lawyers in the country, who obliged the American Liberty League by going on the record on this point. About a year later the Supreme Court—the old court, before a single Roosevelt appointee sat on it—emphatically decided that these lawyers and their clients, actual or prospective, were wrong. In those early days, employers and their lawyers openly challenged the law. They did not resort to the more refined evasions, the detection and determination of which naturally requires the taking of elaborate testimony, and therefore uses up the time of trial examiners.

While, on the whole, the House subcommittee rested on slow strangulation, through reduced appropriations, it resorted in one case to outright amputation. In effect it decided to abolish the use of the N. L. R. B. of the Brandeis brief. The Brandeis brief is one packed with facts, usually economic data. Louis D. Brandeis, retired Associate Justice of the Supreme Court, developed it 30 years or so ago.

The Brandeis brief recognizes that intelligent interpretations of law cannot be made by logic operating in a vacuum. The courts must know not only the bare facts of a case but the economic setting. In many types of cases involving finance, industry, and labor the Brandeis brief has come close to being the standard.

In its profound wisdom, however, a House subcommittee has decided, in effect, to repeal this great legal advance insofar as the N. L. R. B. is concerned by abolishing its economics division. It has cut out $45,900 for the 15 economists employed by this division. Apparently it overlooked $23,700 for the clerks and stenographers who now work for these economists, so that the net effect of this bit of discriminating economy would be to pay the salaries of 14 clerks and stenographers who would have no work to do.

Whether the N. L. R. B. needs 15 economists, or 10, or 5, or 20, I haven't the slightest idea. Chairman Madden of the N. L. R. B. told the subcommittee he did not and could not know exactly how many it needs. He relies on the head of that division, David Saposs, to tell him. He did say that every economist employed was employed only after Mr. Saposs had made a strong case to the Board members.

What is certain is that the N. L. R. B. cannot operate intelligently without the aid of economists. If it does not employ economists, it must employ lawyers who are familiar with economics, or it must rely on another agency for its economic information. Some members of the subcommittee apparently thought it should rely on the Bureau of Labor Statistics in the Labor Department. Dr. Lubin, Chief of that Bureau; Chairman Madden, of the N. L. R. B.; and other persons assert that the work of the economics division of the N. L. R. B. does not duplicate that of the Bureau of Labor Statistics.

Economic facts probably were decisive in the test cases in which the Supreme Court upheld the National Labor Relations Act in 1937. What part of an industry's raw materials was imported across State lines, and what part of its finished products was exported across State lines? These were basic facts in determining whether the industry was engaged in interstate commerce and therefore subject to Federal law. They were economic facts.

In the University of Chicago Law Review of last June, David Ziskind, a senior attorney in the Department of Labor, analyzed the results of the use of economic briefs in labor cases. He found that in 19 cases before Federal circuit courts of appeals, where one side used economic data and the other did not, the side which used them won 16 times, and the side which did not won only 3 times. He found also that when the N. L. R. B. used them it usually won, and that when, for one reason or another, it had neglected the economic side it had lost.

The effect of the proposed cut would be to deprive the N. L. R. B. of economic assistance and leave this powerful weapon to the exclusive use of violators of the law. This is a slash too significant to be explained under the heading of "economy."

EXHIBIT D

NATIONAL LABOR RELATIONS BOARD,
Washington, D. C., March 27, 1940.

HON. ABE MURDOCK,
House of Representatives, Washington, D. C.

DEAR MR. MURDOCK: In response to your request for my opinion on the proposal to abolish the division of economic research, I submit the following:

1. The work of the Board would be very seriously handicapped if it were deprived of the services of the Division. The notion that no need exists for a division of economic research seems to me quite erroneous and can only be based on inadequate information of the functions which that division performs in connection with the work of the Labor Relations Board. Shortly after I was appointed to the Board I made a special study of the operations of the division, and I was convinced that the division and the research it carries on are essential to proper functioning of the Board and to efficient performance of the duties imposed on the Board by Congress. I came to this conclusion after questioning practically every member of the tariff of the division, inquiring into the work they were doing, and reading reports they submitted.

2. If I may say so, I think that those who are attempting to kill off the research division are shooting in the wrong direction.

There is need for reorganization of the Administrative Division of the Board, and a staff less heavily weighted with lawyers would be desirable. To provide a better balanced personnel the proportion of men trained or experienced in administration, economics, and in labor relations needs to be increased and the proportion of lawyers decreased. The proposal to eliminate that part of the staff which is trained in economics and labor research, therefore, seems to me particularly unwise at this time.

3. The work of the economic division is not decreasing. Although the number of complaint cases is slowly falling off, the problems involved in the complaints are becoming increasingly complex. Representation cases at the same time are becoming more numerous. Moreover, I do not find any other branch of the Government equipped to supply the Board with the particular type of economic information which the administration of the act requires.

4. The notion that the Board is primarily a prosecuting agency may be responsible for the proposal to eliminate the research division. This is an erroneous notion. The National Labor Relations Act is a remedial and not a penal statute; it empowers the Board only to find facts and to order appropriate remedies. For investigating and fact finding a research division is, of course, essential. For prosecuting it may not be needed. The effect of eliminating the division would be to make the Board more of a prosecuting agency and less an investigating body. This, I think, would be very unfortunate.

5. The proposed drastic cut in the appropriation for trial examiners is likely to have the same effect of emphasizing prosecution rather than careful investigation and fact finding. The need is for better trained trial examiners, and for more thorough and careful preparation of intermediate reports by the trial examiners. Much improvement, in this direction, has been made during the last year. The proposed cut for the trial examiners division will hamper this development, and will be a backward step in the direction of less careful investigation and fact finding.

In accordance with your request I am also enclosing a description of the functions of the division of economic research.

Sincerely yours,

WM. M. LEISERSON.

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to proceed for 15 minutes.

Mr. WHITE of Idaho. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Georgia [Mr. TARVER] yield for a parliamentary inquiry?

Mr. WOOD. Is the debate going to be cut off?

Mr. TARVER. Mr. Chairman, I yield for a parliamentary inquiry.

Mr. WHITE of Idaho. Mr. Chairman, I would like to be heard on the amendment, and I want to know if there is going to be an opportunity to be heard?

Mr. TARVER. Mr. Chairman, I may assure the gentleman there is no disposition on the part of the committee to refuse reasonable opportunity for debate. However, that is a matter within the control of the Committee and not within our control.

Mr. Chairman, I ask unanimous consent to proceed for 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. TARVER]?

Mr. WOOD. Mr. Chairman, reserving the right to object, in asking for 15 minutes there is no intention on the gentleman's part to prevent a full discussion or debate of this matter?

Mr. TARVER. Of course not. I think my friend knows me well enough to appreciate I would not have any such idea, and I could not control it if I wanted to.

Mr. WOOD. The gentleman is willing to help us extend the time so that everyone can be heard and not reduce the time to 2 or 3 minutes per Member?

Mr. TARVER. I am very much in favor of reasonable opportunity for debate, but the question of limiting the debate is with the Committee, not with me; that is, with the Committee of the Whole.

Mr. WOOD. But the gentleman makes the suggestion sometimes that debate be limited.

Mr. TARVER. It is absolutely necessary to do that sometimes, as the gentleman knows.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia [Mr. TARVER] that he may be permitted to proceed for 15 minutes?

There was no objection.

Mr. TARVER. Mr. Chairman, I do not know that I shall consume 15 minutes. I simply do not want to have to make a hurried statement regarding the matters that I desire to discuss.

I had hoped that this question might be determined with out anybody being accused of trying to destroy any instrumentality of the Government, on the one hand, or being accused, on the other hand, of being in favor of the oppression of industry. Surely men of the caliber of those who compose the membership of this House are capable of discussing a question of this sort as Americans, interested not only in labor but in employers, and in the welfare of the people as a whole. I am a friend of labor. I think every workingman in my district knows that to be true. I am also not ashamed to make the statement that I am a friend of employers, and I think it is absolutely necessary for the interest of labor that reasonable protection be accorded those furnishing employment in industry in this country. However, your subcommittee in undertaking to fix the amount of this appropriation had no thought in the world of endeavoring to influence the question of whether the National Labor Relations Act should be amended or repealed, or what legislative action should be taken with regard to it. Our only purpose was to try to fix what in our judgment would constitute a reasonable appropriation for carrying on this activity for the next fiscal year.

Mr. Chairman, I am not one of those who believe that the National Labor Relations Board is either a panacea for all the troubles of labor or that it is an ogre with horns and a tail undertaking to oppress industry. Surely there is a medium between these extremes. Surely a man in the discharge of his obligations as a Member of Congress may conscientiously stand upon the floor of this House and advocate a medium course without being charged with the purpose to violate the rules of the House by legislating on a matter of this sort, and without being charged with undertaking to destroy an instrumentality of the Government, and, on the other hand, if he takes the contrary position to the one which I am assuming, he should not be charged with being a radical or interested in trying to put oppressive burdens upon industry. Permit me to say that the information to which the gentleman from Utah [Mr. MURDOCK] referred as having come from me was information which I gave him in order to correct a mistaken impression under which he was laboring. He thought that our subcommittee had undertaken to cut out the Division of Economic Research because of Dr. Saposs, when no such thought was ever advanced by any member of the subcommittee. I know nothing about Dr. Saposs. Of course, I have read something since the committee took action and I heard the speech of the gentleman from Virginia [Mr. SMITH] on the floor the other day, but I do not conceive it to be the duty of a subcommittee of the Appropriations Committee to raise or lower appropriations in accordance with whether or not they like the type of man who happens to be at the head of a particular division or bureau.

That is not our concern. We have no appointing authority and we have no authority to remove employees. If this is a necessary activity under the authority of the National Labor Relations Board it ought to be carried on. If it is authorized by law and if it is not a duplication of other activities of the Government, and if an improper person is at the head of the Board—and I express no opinion regarding that one way or the other, because, as I say, it was not discussed by our subcommittee—then it is to be assumed that in some way a proper person will be placed in charge of the activities.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I am sorry I cannot yield now. I hope to be able to do so later.

The gentleman from Utah [Mr. MURDOCK] admitted that there is no express authority in the National Labor Relations Act for the setting up of a Division of Economic Research under the jurisdiction of the National Labor Relations Board. He says there is implied authority to that effect. Of course,

that is a matter about which there would naturally be among lawyers a difference of opinion, but there is one thing about which I do not believe you can differ with me and that is that any work which is being done by this Economic Research Division is necessarily a duplication of work that is authorized by law in express terms and that is being conducted under the Bureau of Labor Statistics in the Department of Labor.

Let us see if that is true. I have already called attention to the fact that the National Labor Relations Act gives this Board no express authority to set up such a division, and the gentleman from Utah admits that. What authority does the statute law give to the Bureau of Labor Statistics? I read from section 1 of chapter I of title XXIX of the United States Code defining the jurisdiction of that Bureau.

The general design and duties of the Bureau of Labor Statistics shall be to acquire and diffuse among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of that word, and especially upon its relation to capital, the hours of labor, the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity.

Can there be any broader authority? Can there be any more express authority than that which I have just read for the carrying on of investigations of this sort within the jurisdiction of the Bureau of Labor Statistics? And does it not necessarily follow that investigations which are being carried on under the National Labor Relations Board not expressly authorized by law are necessarily a duplication of the operations of the Bureau of Labor Statistics?

How many economic analysts—and you understand, of course, that this division is composed of economic analysts 14 in number, with certain clerical assistants—are employed by the Bureau of Labor Statistics? There are 75 economic analysts being paid large salaries by the Government, with one legal research assistant, now engaged under the jurisdiction of the Bureau of Labor Statistics in studying problems of the character outlined in this section of the code which I have just read in your hearing.

With that the fact, and it must be the admitted fact, is there anyone who will say that we ought to permit the setting up under another authority of the Government without any express provision of legislation to that effect of an organization which is substantially undertaking to duplicate work already being done?

This committee is not only impressed with the work of the Bureau of Labor Statistics and has not only dealt sympathetically with that Bureau but in this bill has added to the appropriation of the Bureau of Labor Statistics above the Budget the amount of $25,000. A disposition to hurt labor? Why, every provision of the bill negatives any such insistence.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I should be pleased to yield to the gentleman, although I have another subject matter to which I wish to make brief reference.

Mr. MARCANTONIO. Does not the gentleman concede that the Economics Division of the National Labor Relations Board is necessary in connection with the presentation of cases to courts where violations of the Labor Act are involved? Does not the gentleman concede that going to the Bureau of Labor Statistics is burdensome and lacks the correlation which is necessary to prepare efficiently a case in which the question of interstate commerce is involved?

Mr. TARVER. Of course, I do not concede that. On the contrary, I conceive that in construing the law reasonable persons must believe that it was the intention of Congress that all information of this character should be secured from the Bureau of Labor Statistics, because Congress expressly provided that the Bureau of Labor Statistics should do this work and it did not expressly provide that the National Labor Relations Board should do it. No gentleman is able to point out anything in the language of the Wagner Labor Relations Act which expressly authorizes such an activity.

The matter to which I have just referred affects only $45,000 of this reduction. Fifty-five thousand dollars of the decrease is occasioned by this fact: It developed in the hearings that for the present fiscal year the Board had $55,000 more than they needed for salary purposes and they transferred that amount to the printing and binding item. We felt that if they are able for this fiscal year to get along on $55,000 less than had been provided for them they ought to be able to take a similar reduction for the next fiscal year.

With regard to the volume of business before the Board, in the fiscal year 1938 there were in excess of 10,000 cases brought to their attention, in 1939 approximately 7,000 cases, a reduction of over 3,000 cases, and for the first 6 months of this fiscal year there were 3,085 cases only brought to their attention, thus showing that there is a steady diminution in the work which is being brought to the attention of the Board.

It is not true, in your opinion, that in view of this diminution in the labor of the Board there should be some small reduction in the amount of appropriations made available for the payment of their personnel?

Let me say this to you. This is supposed to be an effort made on the part of these gentlemen on behalf of the laboring men of this country. It is going to do these economic analysts, if it is successful, a lot more good than it will do the laboring people. This is a question of providing thousands of dollars more in order to pay high-salaried professors and economic analysts and other employees of that type in the Washington office of the National Labor Relations Board. This is an amendment for the relief of economic analysts. This is not an amendment for the relief of the working people of the United States, and the interests of no laboring man in this country will be adversely affected by the action which the subcommittee has proposed.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield?

Mr. MURDOCK of Utah. On the question of figures as to the pending work, I think the gentleman has stated the figures correctly as they appear in the record, but I call your attention to the fact that on June 30, 1938, there were pending before the Board 3,778 cases, and on June 30, 1939, 4,103 cases. I think this is the most pertinent data in the report as to the bulk of the work now remaining to be disposed of by the Board.

Mr. TARVER. That does not necessarily mean that the Board has not had sufficient personnel with which to function. In my opinion it does not mean that; it means that with the personnel they have had, they have not undertaken to decide those cases.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Utah [Mr. MURDOCK], for whom I have a great deal of personal respect, suggested that we were facing here a question of the policy of the Appropriations Committee in using its power in recommending appropriations to effect legislation. As I have always understood it, the purpose of the Appropriations Committee is to make an examination of the justifications presented to it and to determine whether or not the appropriations were being used to carry out the purposes of law as intended by the Congress, and also to determine the proper balance of appropriations with the funds that might be available.

It seems to me in this particular instance this subcommittee has performed a very definite service for the Congress. As has already been intimated in the expressions by the gentleman who just preceded me, the chairman of the subcommittee, the original intent of the law made it clear that it was intended that the Labor Department should furnish statistical information for the National Labor Relations Board.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I cannot yield, as I have only a few minutes, and I have some material I want the gentleman to get, because I am afraid that he would not read it.

Dr. Lubin, of the Labor Department, is on record as testifying that he was ready to provide this information for the Labor Board, and yet here we have the record that the National Labor Relations Board created the position of consultant and chief industrial economist and employed one David Saposs as that person.

I want to give you a little of the record from the hearings before the Smith committee as published in their report of February 14 to identify this man Saposs. In one exhibit, exhibit No. 911, it is found that Saposs was one of the directors of the Conference for Progressive Labor Action, an organization formed, according to the preamble to their constitution—

To band militant workers together to take control of industry and government.

Let me quote the closing paragraph of the preamble:

The C. P. L. A. has therefore been formed in the United States of America, the very stronghold of capitalism and imperialism, to band militant workers together. It is an organization of militants * * * which seeks in every way and on every front to unify and build up the power of labor, so that the workers may take over control of industry and Government, abolish the system which makes cannon fodder out of them in time of war and machine fodder in time of peace, and build a sane and just economic system and a workers' republic, to be united in bonds of comradeship with workers' republics throughout the world.

Mr. Chairman, those were the beguiling words that marked the invitation to communism in Russia. They run all through the preamble of this constitution of the C. P. L. A., of which Saposs was a director. The opening paragraph reads:

Planless, profiteering, war-provoking, imperialistic capitalism must be abolished. It cannot be reformed. Sham political democracy which has been the tool of capitalist business and finance must also go.

You members of the Democratic Party who say you seek to preserve democracy, I would like to have you get the import of that. I quote further:

The job of abolishing capitalism and building a new social order must be done by the workers, industrial, agricultural, clerical, technical, professional, who stand to gain, materially and spiritually, by the change. We, the workers, must ourselves provide the revolutionary will, the courage, and the intelligence for the task.

To realize our aims, we must achieve power. To gain power, we must organize.

There you have the philosophy of the destruction of the private capitalistic system which many people see in the policies of the N. L. R. B., for whom Saposs is the consultant and chief economist.

Let me now read from an article cited in this same hearing and identified as an article on the Role of the Middle Class, written by David Saposs, and published in 1935. Here, then, is the chief consultant of the N. L. R. B. speaking:

The genuine populist element must recognize that their original idea of small-scale industry and self-employment is unattainable. * * *

They must openly acknowledge that collectivism and socialization is the only way out.

Here is the man who is consultant to the National Labor Relations Board, who states that the workers must realize that socialization is the only way out and whose call to action, as expressed in this article, clearly shows the source of policies expressed in the administration of the National Labor Relations Act. Let me give you another sentence or two from this man who visions the job of the middle class:

They must hit squarely at the private ownership of big business. Social control is only feasible as a first step, and one which must be cautiously applied. The only solution is the socialization of the substance of power which rests in the private ownership of the essential means of production and distribution.

Is there any hope for labor in that philosophy? Only the dead end of regimentation and enslavement. Socialization and collectivism as we have seen them demonstrated in the world today are not the goals of men who want to be free.

Let me give you another sentence from Saposs:

Indeed, these three—a socialization program, separate political organization, and the building of a collectivist culture—must be featured and introduced simultaneously.

That is the creed, that is the goal of the man who does the research for N. L. R. B. He is the man who is the official consultant for the members of the National Labor Relations Board. He is the chief economist; consultant and chief economist. That is his official title. An economist who does not believe in the American economic system. A director of research who is a propagandist. A consultant who advises the middle class and the workers to develop a revolutionary will and to establish a collective system. The National Labor Relations Board is supposed to be a quasi-judicial board, one could say a full judicial board, free to protect the wishes of labor in selecting an organization of its own choosing. Such an attitude can be preserved only when there is no bias on the part of the Board or its advisers. But let me give you this final word from Saposs, in answer to a direct question in the Smith hearings:

Question. Is it not a fact, Mr. Saposs, that you for a long time have been in favor of the industrial type of union?

Answer. I have written indicating that the industrial type of union for mass-production industries was bound to be the most adaptable type, and I have also written and indicated that I doubted whether mass-production industries could be organized except through the industrial type of union.

So, if you want to understand the bias that has actuated the policies and administration of the National Labor Relations Board, you can find one source of it in these expressions of the man who is consultant of the Labor Relations Board for whose work the committee reduced the amount requested by the President. I hope the amendment offered by the gentleman from Utah, an amendment to restore money for the consultant and chief economist, will be voted down.

Mr. COX. Mr. Chairman, I shall not at this time, of course, undertake any extended discussion of the National Labor Relations Board. I shall reserve that attempt until we take up the consideration of the Smith amendments in the Walter bill, which I feel I am in a position to assure you will be soon.

In governmental matters the use of the purse string to correct evils which cannot otherwise be reached is always justifiable.

The Labor Board was set up as an administrative agency, but has functioned as a legislative body, engaging in every conceivable excess and abuse of the discretion which Members were intended to exercise.

Knowing better what you intended when you adopted the measure bringing the Board into existence, it has proceeded to make law and to substitute its judgment for that of the Congress.

The Board was brought into existence to serve as the agent of the Congress in the enforcement of congressional will, but it has become a Frankenstein to turn upon you and make you regret the birth of this hideous monster of your brain.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. COX. No.

Rather than perform as a democratic institution it has behaved as if it were the agents of Moscow. When you seek to correct any error that you may have committed in the adoption of the law or to correct bad practices on the part of the Board, members come up to the Hill and stop you in your tracks through the technique of staging a sit-down strike on the part of one of your committees.

By eliminating the appropriation for a division of economic research the committee handling this bill has opened the door for the exit of Mr. Saposs, a Russian naturalized in 1935, but it has left on the inside a group of others with the same kind of teeth and the same kind of appetite.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. COX. I am sorry; no.

Edwin Smith is worse than Saposs, and Madden is not much better. I shall not undertake to classify Nathan Witt,

who handles Smith and Madden as if they were his own private jumping jacks.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. COX. I am sorry; no.

If Congress did not intend to authorize the excesses of the Board, their total disregard of what is right and just, then it should use whatever means that are fair to bring the Board within the limit of congressional intent.

The Board exercises greater power under its interpretation of administrative law than is exercised by the Supreme Court under the Constitution.

Through the exercise of their discretion the Board reviews and modifies your legislative acts—something that the Supreme Court cannot do. It exerts a power which you have no constitutional right to grant. It is a fourth department of the Government, for which there is no constitutional authority.

The Board assumes to determine the legislative policy of the Congress. It substitutes personal government for government by law, a retrogression to the totalitarianism of monarchy. Freed of the restraint of judicial review, the Board has gone wild and has brought the whole philosophy of administrative law into disrepute and has done incalculable injury to every other administrative agency in the Government.

The power to legislate belongs to the Congress and this power it cannot delegate. It, of course, may declare its will and after fixing primary standards empower administrative officers to fill up details, but when such administrative officers go without the limits of the standards fixed by Congress they become legislators. Congress did not give to the Board the power to determine what the law should be but delegated only the right of discretion as to the execution of the law. The Board has greatly subverted and modified the terms of the act under which it was brought into existence.

The amendment should be defeated.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent to proceed for 1 minute further.

Mrs. NORTON. Mr. Chairman, I object.

The CHAIRMAN. The gentlewoman from New Jersey objects.

Mr. WOOD. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

Mr. ENGEL. I object.

Mr. CASE of South Dakota. Mr. Chairman, will that give the gentleman opportunity to yield to questions?

The CHAIRMAN. The gentleman from Michigan [Mr. ENGEL] has objected.

Mr. WOOD. I have not consumed very much time of this House, but if that is the attitude to be assumed, I shall see that nobody else has an extension of time.

Mr. ENGEL. Mr. Chairman, I reserve the right to object. I would like to have the gentleman from Missouri have his time, but when the gentlewoman from New Jersey [Mrs. NORTON], after we had given the proponents of the amendment, the author of the amendment, 15 minutes without objection, objects to one additional minute for the gentleman from Georgia, I feel constrained to object to any further requests for additional time.

The CHAIRMAN. The gentleman from Missouri is recognized for 5 minutes.

Mr. ENGEL. Mr. Chairman, I shall withdraw my objection.

The CHAIRMAN. The gentleman from Missouri is recognized for 10 minutes.

Mr. WOOD. Mr. Chairman, my genial friend the gentleman from Georgia [Mr. COX] referred to a sit-down strike engaged in by some Members of Congress, and I assume that he is referring to the Labor Committee, to a sit-down strike on the consideration of the proposed amendments to the National Labor Relations Act. I think that comes with ill grace from a man like the gentleman from Georgia, a member of the Committee on Rules, when, under his leadership the Rules Committee engaged in a sit-down strike on the Wage and Hour Act for nearly 2 years—and he did an able job of it.

Mr. Chairman, this amendment strikes at the very vitals of this magna carta of labor, the Wagner Labor Relations Act, and the Appropriations Committee has offered only one or two reasons for their reduction of the appropriation below the estimate of the Bureau of the Budget. Their first reason is that in 1938, the fiscal year, there were 10,430 cases and in 1939, 6,904 cases, and during the first 6 months of the current year, 3,085 cases. The fact of the matter is that when the law went into effect the Board got cases from labor organizations, and they got cases from employers, and many of those cases were for the purpose of defining the jurisdiction of the law. Many of those cases sent to the Board at first could be answered the same day. They were merely an interpretation and that accounted for so many more cases being received by the Board in the first year. But it should be remembered that the number of cases has nothing whatever to do with the work of this Board.

The Wierton Steel Co. case consumed more time than possibly 60 or 70 other smaller cases. So the number of cases has nothing to do with the work being performed by the personnel of the National Labor Relations Board.

On February 1, 3,566 cases were in the process of adjudication. Added to that were 3,085 cases received the first 6 months of 1938. So to reduce the appropriation below the estimate of the Bureau of the Budget means nothing else than to partially emasculate the law.

The committee suggested that the division of economic research would be eliminated. I am not going to discuss that matter with the committee because when the committee intimates that the division of economic research probably should be abolished, it convinces me that they have made no study of it. Dr. Lubin himself told the committee that he could not perform that service. So if you are going to take out that $45,000 appropriation, you will hamstring the proper administration of this act. Of all measures that should not be hamstrung is the administration of this act. Whatever may be the personnel of this Board, or the field examiners, or the field personnel, it can be changed.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield.

Mr. COCHRAN. Even if the recommendation of the committee is sustained, there is absolutely nothing that would require the Board to do away with this division of economic research. It is not an act of Congress; it is merely a suggestion of a subcommittee of the Appropriations Committee.

Mr. WOOD. The committee suggests it themselves. The committee realizes that if this appropriation is reduced it will be eliminated.

Mr. COCHRAN. It probably does, but the suggestion in the report surely is not mandatory upon the Board to destroy this unit.

Mr. WOOD. No; it is not mandatory, but that shows the trend of their mind. That shows what they are thinking about. They seek to destroy this law through reducing the appropriation when it could be done in the regular method, if at all.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield.

Mr. MURDOCK of Utah. I wonder if they intended it to have the effect of destroying that section, why did they say, "And it is expected that this section will be absolutely eliminated."

Mr. WOOD. I thank the gentleman for his contribution.

Mr. RANDOLPH. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. RANDOLPH. The gentleman has mentioned personnel. I cannot allow to go unchallenged the words of the gentleman from Georgia [Mr. Cox] against the chairman of the

Board, Mr. Madden. I have known him for many years. He is a splendid attorney, a devoted public servant, and has well done a difficult job. [Applause.]

Mr. WOOD. In addition to that, the Board has won almost every case that has been appealed to the Supreme Court.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. MARCANTONIO. As a matter of fact, this Board has the best Supreme Court record of any agency of the Government.

Mr. WOOD. There is no question about that.

Now, many assertions have been made by Members on this floor, "I am friendly to labor." If you are, then of all measures you should not try to hamper the administration of this act, which strikes at the very vitals of the future happiness of the wage earners of this Nation. It protects them in their right of collective bargaining, and we should give the Board ample appropriation, whoever may be the personnel, although the personnel can be changed. Our Labor Committee has agreed to increase the personnel of the Board from three to five members.

Mr. THOMAS F. FORD. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. THOMAS F. FORD. The gentleman from Georgia [Mr. Cox] said that this Board had gone outside its jurisdiction on various occasions. Out of 105 cases that went to the court, in just 1 did it go outside of its jurisdiction.

Mr. WOOD. I will say to the gentleman that the only mistake the Board has made that I know of is showing partiality between the C. I. O. and the A. F. of L. That has gotten them into nearly all of their trouble.

Mr. DINGELL. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. DINGELL. If we are going to make any change in the fundamental law, should it not come through the legislative committee rather than to be done through the Appropriations Committee?

Mr. WOOD. Yes. It should be done in the regular and orderly manner.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield.

Mr. MAY. It seems that the argument is that this appropriation is principally needed for the purpose of the economic research division and that the Department of Labor is to furnish the statistics for that purpose. What have they done with the appropriation for the Labor Department in that regard?

Mr. WOOD. The Department of Labor has neither the facilities nor the personnel to take care of this. Why go to the Department of Labor when the National Labor Relations Board is compelled to go to those points immediately when a case comes before the Board, and why should they not make that investigation themselves? Then they can go to the Department of Labor for any information they cannot get.

Mr. MAY. Will the gentleman yield further?

Mr. WOOD. I yield.

Mr. MAY. It has been stated by the gentleman from Georgia [Mr. Cox] that amendments will come up for consideration with the Labor Relations Board. Why refuse to give the appropriation if we are going to have an opportunity to amend the legislation?

Mr. WOOD. That is correct. I hope that this amendment will pass. I have never intimated that any Member of this House was not a friend of labor, but I say to you that whoever votes to reduce this appropriation hampers the administration of this law and is not performing a favorable act for labor, either organized or unorganized.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. WOOD. I yield.

Mr. CASE of South Dakota. A moment ago the gentleman said the board had gotten into trouble because of their partiality toward the C. I. O. as against the A. F. of L. If the gentleman would follow this statement by Saposs he would know why they have shown favoritism to one side as against the other.

Mr. WOOD. We all know there are accusations on both sides. They have been accused of leaning toward one side or the other and this has done more harm to them than anything else.

Mr. DUNN. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield.

Mr. DUNN. If the gentleman will permit, I want to say that I believe the Board has done an excellent job.

Mr. WOOD. As a whole they have, especially Mr. Madden. [Applause.]

[Here the gavel fell.]

Mr. TARVER. Mr. Chairman, I want to see if we cannot reach an agreement as to time for debate on this matter. Ten gentlemen have indicated a desire to speak on this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 50 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. WHITE] for 5 minutes.

Mr. WHITE of Idaho. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have always had trouble between capital and labor. It would be difficult to compute the loss to the American people resulting from this struggle. It has been interesting to watch the progress of labor step by step in achieving its present independence, recognition, and improved labor conditions.

The thing we must consider at this time is whether we need a Labor Relations Board, and if we need it then we should give it sufficient appropriations with which to do the job it has been assigned. In considering whether we need a Labor Relations Board let us review history, let us turn back to the days when the welfare of the Nation hung in the balance, to the days of Teddy Roosevelt, when the eyes of the entire Nation were turned on him in his effort to settle the great coal strike, when people were shivering around fuelless stoves and factories were threatened with idleness for the want of fuel.

Let us then turn to the activities of President Wilson in his efforts to settle the great railroad strike when the fundamental principle of the 8-hour day was up for final solution. Had either one of those great men failed in their efforts to settle those strikes, the country would have suffered a great set-back, accompanied by misery and terrible conditions.

In adjusting this struggle between capital and labor it is my contention and my idea that the Labor Relations Board is one of the most important organizations of government charged with a great responsibility. The security of our people depends upon the success of the Labor Relations Board in investigating conditions and making fair decisions: according to labor what labor is entitled to, and according to capital what capital is entitled to. For this reason, as part of a constructive plan, I am entirely in support of this amendment, and I urge the Members of this House to make the necessary appropriation to carry on this great work of the National Labor Relations Board. [Applause.]

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOUSTON] for 5 minutes.

Mr. HOUSTON. Mr. Chairman, I believe I have just as much interest in and sympathy for the welfare of labor as any Member of this House. I voted for the creation of the National Labor Relations Board and voted against the appropriation for its investigation by a special committee of the House. I do not believe there is a Member of the House who is honest and sincere in his belief that labor should have the right to bargain collectively who would vote to repeal this act directly or indirectly, or try to hamper the work of the Board.

I believe most of the criticism that has been directed toward the National Labor Relations Board has been developed and leveled toward the personnel, or some of the personnel of

the staff, and possibly against the administration of the act rather than the act itself.

After careful consideration the subcommittee handling this item thought a reduction could be made in the appropriation for 1941 without impairing the work of the Board; that even with the cut they could still carry out the intent of Congress. It has been pointed out here several times today that there has been a reduction in the number of cases coming before the Board. This is true, and it might have some bearing on the reduction of the personnel. I will not go over the number of cases that have been handled by the Board, because that has been covered, but I want to point the situation out briefly. Six field examiners were eliminated because we thought they were unnecessary. The clerical staff was reduced, and we eliminated the item in relation to the economic research bureau because they are synonymous with one another. Under field attorneys we eliminated 14. This still leaves them with 70. In the trial examining division we eliminated 12, but they still have 30. The division of economic research we eliminated, because although Dr. Lubin did not testify that he could not do this work, I think he testified that he was not doing this work. We think his Bureau can do the work.

I am not going into the matter of whether Dr. Saposs is competent or incompetent, whether he is a Communist, an American, or what not.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. HOUSTON. I yield.

Mr. HEALEY. It is a fact, though, that practically every governmental department has a division of economics.

Mr. HOUSTON. I think that is true.

Mr. HEALEY. And is it not also true that practically every large industrial concern in the country has a division of economics?

Mr. HOUSTON. I think the gentleman is absolutely correct.

Mr. HEALEY. Can the gentleman tell me in all fairness why this particular administration should be crippled and not be provided with sufficient funds to maintain a division of economics?

Mr. HOUSTON. Only this, we thought the Bureau of Labor Statistics could do the work.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. HOUSTON. I yield to the gentleman from New York.

Mr. MARCANTONIO. Then if the Bureau of Labor Statistics can do the work for this particular agency, why is not the same applicable to all the other agencies that have economic divisions?

Mr. HOUSTON. That probably is true. But at the same time, this is the only Bureau dealing with labor that has a research division outside of the Bureau of Labor Statistics.

Mr. MARCANTONIO. Then the Appropriations Committee should withhold funds from the economic divisions of all the agencies. Why single out the economic division of the N. L. R. B.?

Mr. HOUSTON. The gentleman is going far afield. We think the Bureau of Labor Statistics can handle this work. Maybe we are incorrect. I am not so sure about it myself. I do know that the chairman of the economic research bureau gets a salary of $6,500 a year. There is one economist immediately under him who receives $4,600 a year. There is one associate industrial economist who gets $3,800. There are three receiving $3,200, five getting $2,600, and four getting $2,000 each. We think they have grown a little too large in that Bureau and we believe that the Bureau of Labor Statistics can do the work, and at less cost. I may be wrong about that, I do not know, but that is what we think.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. THOMAS F. FORD].

Mr. THOMAS F. FORD. Mr. Chairman, I am going to address my remarks largely to what I consider to be the National Labor Relations Board's magnificent record in handling one of the most complicated problems that ever faced a body of men in the history of this country.

The National Labor Relations Board was called upon to stand in between two big labor unions and the employers. It was natural that every decision it made would not conform to the views of one or two of those three factors. Their decisions would be criticized if they were men possessed of the patience of Job, the wisdom of Solomon, and the tolerance of Lincoln. But if you will take the record over the 3 or 4 years it has been functioning, if you will consider the effect that the Board has had upon labor relations in the United States, I do not think any fair-minded Member of this House can justify the proposition that the Board ought to be hampered by depriving it of the services of so vital a facility as its economic division. The Board has been charged with everything short of arson, murder, and sudden death. It has been said that it has violated all the rules of fairness and all the laws of Congress and that it has gone beyond its jurisdiction. In regard to this unwarranted charge I want to assert that out of 105 cases taken to the courts of the United States, where the question of jurisdiction was involved, the courts have only held in one single instance that it had gone beyond its jurisdiction.

I would like to call attention to another point. The Board has had 25 cases before the Supreme Court of the United States, and 21 of those cases were sustained in their entirety, 2 were sustained in part, and 2 were set aside. If there is any other quasi-judicial body functioning in the United States with a better record than that, trot it out.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. THOMAS F. FORD. I yield to the gentleman from California.

Mr. VOORHIS of California. Is it not the gentleman's understanding that this research bureau in the Labor Relations Board has been one of the main agencies that has assisted the Board in the preparation of its work and therefore would be responsible for having helped keep the Board within the proper limits of its work?

Mr. THOMAS F. FORD. I thank the gentleman. His statement is absolutely correct. As a matter of fact, when the constitutionality of the National Labor Relations Act was before the Supreme Court of the United States it was the brief which Mr. Saposs prepared and which the Board's attorneys submitted to the Court that enabled the Court to sustain the Board in its position.

Mr. GEYER of California. Will the gentleman yield?

Mr. THOMAS F. FORD. I yield to the gentleman from California.

Mr. GEYER of California. Does the gentleman know of any more effective way to cripple an institution than to cut out its funds?

Mr. THOMAS F. FORD. Yes; I know of a better way; that is, cutting off one of the principal facilities for securing the necessary information to function within the law, and whether the subcommittee intends it or not, that will be the effect of this particular denial of funds. For that reason I am supporting the Murdock amendment.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Chairman, I listened with great interest to the gentleman from Georgia when he gave as one of his reasons why this amendment should be defeated, the private-life record of Mr. Saposs. I am not acquainted with the record of Mr. Saposs either in his private or public life other than in his official duties. I am acquainted with the record that he made in connection with his brief filed in the United States Supreme Court in that famous labor case, which is one of the outstanding monuments in the history of labor jurisprudence. If the gentleman from Georgia wishes to be consistent or logical in his reasons for attempting to stop appropriations because of the personal background of one of its employees, the gentleman should remain consistent and be at least logical, because my memory is very vivid concerning the gentleman's vote that was cast in the affirmative for the continuation of a certain investigating committee, the chief investigator of which was at one time a speaker on the same

platform and delivered an address on the same platform with Earl Browder—No. 1 Communist in this Nation. He even went to Russia in the interest of communism. This great Communist is in my opinion the most dangerous man in this Nation in the position he now holds as chief investigator of the investigating committee. He is now on the pay roll of that committee at $7,200 per year. Let the gentleman from Georgia inform the people of this Nation that the committee on un-American activities now have this person on their pay roll directing the policy of that committee.

When it comes to the proposition of whether or not the National Labor Relations Board is to function properly, we should not be swayed by the argument of the gentleman from Georgia, because talking about a Frankenstein, I feel there has developed in this Congress through the actions of certain men who are in control of certain committees a Frankenstein that is stifling the rights of labor in this Congress. We are assured by the gentleman from Georgia [Mr. Cox] that amendments to the Wagner Act, known as the so-called Smith amendments, will be brought before this House very shortly, in opposition and over the head of the Labor Committee. The Labor Committee was constituted and legally constituted to study those questions and present them to the House not the Smith committee. The function of the Smith committee was to investigate and inform the Labor Committee of their findings, and then the Labor Committee should use its own judgment as to what action should be taken. Is the gentleman threatening that the great Rules Committee will again try to crush a standing committee of this House? If he makes such threat, then I say to him that the greatest Frankenstein that we have in this House will have developed and in my opinion has developed from the actions of the Rules Committee. Let us not take away the rights of the other committees just because there may be placed in the hands of the Rules Committee, according to the technicalities of our rules, the right to do it. If that right is in the Rules Committee, then I charge it is the duty of this House to protect the rights of the standing committees by taking away from the Rules Committee the right to crush other committees.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, I want to present to this body in a very short statement the old prejudice against labor by the nobility who controlled, directed, and enslaved labor in the old days. I want to call attention to the universal opposition of the industrial leaders to the laws favoring labor, following that old prejudice, because I am speaking historically correctly. I want, then, to call the attention of the House to the fact that following this same prejudice against labor this House appointed what is known as the Smith committee to investigate especially the N. L. R. B.

Then I wish to state to you that upon the passage of the National Labor Relations Act 58 varieties of lawyers, acting for the Liberty League, for nearly 21 months held up the enforcement of that law and created a condition in this country that was a disgrace to the legal profession. Those men amounted to conspirators against the law and ought to have been punished for their crime. They brought forth prejudices and hatreds that ought not to have been permitted here; and, being themselves lawyers, they knew ahead of time what would be the effect of their shameless conspiracy in that matter.

The Appropriations Committee, as a committee, has absolutely no right to suggest a change in a law, as they did in this case in their report on this bill. Individually they had every right that I have or that any other Member on the floor of this House has, but acting as a committee and suggesting as they do very clearly that they are looking for and demanding a change in the law, they are not justified at all as a committee. They ought not to have done this, and I trust we will not have that sort of a mistake to contend with again.

The gentleman from Georgia [Mr. TARVER] says the consideration of Mr. Saposs had nothing at all to do with the suggestion of the cutting out of this appropriation, but the gentleman from South Dakota [Mr. CASE] devoted 5 minutes to showing that that was exactly the reason it was done. I do not know who is right or who is wrong in this matter, but I do know that the talk along that line has been too long indulged in not to have a good deal of foundation in fact. I am sure that the gentleman from Georgia [Mr. TARVER] personally had no such feeling, but that that feeling did exist somewhere in the committee there is little if any doubt.

Involving this whole matter of the usefulness and justification of the economists in this Government agency, I am preparing an address on Dr. Saposs and Judge Smith, and hope to deliver it before this body in the very near future. I shall pull no punch when I deliver this address. I shall tell the full truth, with the implications that necessarily follow statements of fact. Then we will find out, I believe, whether or not this body, the N. L. R. B., has use for economists.

To expect or demand that the Department of Labor should be asked to furnish economists for this special Board is nonsense on its face. You ought not to do it, gentlemen, because it is not at all justified in reason. The National Labor Relations Board above all others has not only a right but a necessity for having the very best men obtainable along economic lines.

I am going to take up, I repeat to you, the very subject that has been hinted at so much here, and I am going to tell you the full truth. I am going to compare the records of the two men, the one who is criticizing the other, and the one who is acting as economist for the N. L. R. B. When I do, I repeat, I shall pull no punch. In my judgment, a very large proportion of the Members of this House have all too little understanding of the important service which this Government receives from the economists who serve it. In my address on Saposs and Smith I am going to contrast the service rendered by the economists of our own country and several other countries as compared with the politicians who know nothing about economics as applied to government. I shall cite historic instances showing what disaster has resulted from the ignorance of lawmakers who themselves had no knowledge of economics and too much bound by traditions and prejudice to seek or accept the assistance of economists who did and do know. Too often they seem oblivious even to the existence of any facts which should affect the policies of government. The politician who knows nothing of economics and who is unwilling to seek information from men who do know, ought not to pose as a lawmaker, much less to criticize the work of economists.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I rise in support of the Murdock amendment.

Mr. Chairman, I believe we should be honest with ourselves and should stop fooling the people about this elimination of the appropriation for the economic division of the National Labor Relations Board. The excuses that have been advanced really fool nobody, but I am not charging, of course, that they were advanced for the purpose of fooling anybody. That would not be parliamentary. As a matter of fact, they do not in any manner close the eyes of the American people to the real purpose behind the amputation of this vital arm of the National Labor Relations Board.

One of the excuses that has been advanced is that it is, after all, a reduction of only $45,000, and that it being a small amount, the National Labor Relations Board can stand it. That was said by one gentleman in favor of this amputation. Another gentleman in favor of the amputation advanced the excuse that we must save money. On the one hand, we have the statement that it is only $45,000 and that the sum is too small to hurt the National Labor Relations Board, and, on the other hand, we are told that the amputation is necessary in order to save money. No matter what

the alibi, the committee must admit that it has performed an amputation.

Then we are given the excuse that there is no authority in law for the existence of the economics division of the National Labor Relations Board. Anyone who reads that act will realize there is just as much authority by implication in the national labor relations law for the existence of this division as there is for the hiring of stenographers and other clerical help by the Board. If any particular division of any agency is an integral part of the administration of any law and incidental to the enforcement of that law, the agency charged with the administration of that law has the authority implied in law to establish that division. This is well established law and good government practice, and I challenge contradiction on this point.

The real facts are well known, particularly to the opponents of the law. The real facts are well known particularly to those who want to destroy the National Labor Relations Act. Every lawyer who represents violators of this law is now cheering over the amputation of the economic division from the N. L. R. B. By the elimination of the division of economic research you are cutting off the most important arm in the enforcement of this act. Every one who has had any litigation involving this law knows it. When a case, which has been before this Board has to be taken to court, a brief must be prepared. In the preparation of a brief in a labor case it is absolutely essential that the economic factors must be put into the brief and set forth thoroughly, particularly where the question of interstate commerce is involved. You cannot expect to win any case involving any question of interstate commerce, and you do not have to be a Supreme Court lawyer to know it, unless you put into your brief the economic factors and the entire economic background with regard to the interstate feature of the controversy. So what are we doing? By this amputation of the economics division you deprive the N. L. R. B. of the means by which its economic side of the case can be presented. You take away from the Board this very necessary weapon. This very important element in the enforcement of the law is being taken away from the Government, while on the side of the labor-law violators, while on the side of the manufacturer who decides to challenge this law in court, you have not only an economic division but you have an army of the best economic experts that money can buy.

No economic facts on the side of the National Labor Relations Board, but plenty of economic facts that can be mustered by the best-paid economic experts on the side of those who will violate this law. Hence, the issue is not one of economy. The issue is not one of authority in law. The only issue is whether or not you want the National Labor Relations Board to win its cases in behalf of American workers. When you cut off the economics division, you do so because you want labor to lose in the courts and no matter what the alibis may be this conclusion is inescapable. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Chairman, as the most of you know, I have been serving on the committee appointed to investigate the National Labor Relations Board. We have spent some months conducting hearings and have had a tremendous amount of testimony bearing on the administration of this act by the Board and its personnel. The committee has seen fit by a vote of the majority to make certain recommendations to the Congress at this time for changes in the act. With my colleague, the gentleman from Utah [Mr. MURDOCK], I have dissented from those recommendations and we are now preparing a minority report which will be submitted to the House and also, I am informed, the members of the majority of the committee are preparing a report which will be submitted to the House for its consideration. Both of these reports will reflect the views of the men who have sat for many, many hours receiving this testimony. These reports will be the result of our considered deliberations, and before any action of this sort is taken by the House, which means the elimination of an important adjunct of this particular Board, in fairness, I appeal to the Members of the House to wait so that you may have time to study these reports and have time to reflect on whether or not it should be your considered action to eliminate this particular branch of this administration. If, in your sound judgment, you consider that it ought to be eliminated, certainly, you ought to have all the facts presented and you ought to have more grounds for doing so than you have at this particular time. I think you owe this to the country. I think you owe this to the thousands of working people in this country who are affected by this act.

I believe the N. L. R. B. should have an economic division. Practically every other departmental bureau has an economic division. All of the large business houses and industrial concerns maintain an economic division today. In this particular field statistics and economics are most vital and important. Certainly, before we cripple this organization, we ought to have a sound reason for so doing. I appeal to you, therefore, to restore sufficient funds to this agency to enable it to maintain an economic division so necessary to the proper discharge of its functions. When you have the benefit of the committee majority and minority views, I submit you will be better informed. You will then be in a position to give this important matter the calm and deliberate consideration it merits.

[Here the gavel fell.]

Mr. HEALEY. Mr. Chairman, I ask unanimous consent that I may have just 3 minutes more.

The CHAIRMAN. The time for debate has been fixed by action of the Committee.

Mr. HEALEY. Mr. Chairman, I ask unanimous consent to include in my remarks an article appearing in the Christian Science Monitor, a very conservative newspaper, which states the necessity and the reason for the maintenance of an economics division.

The CHAIRMAN. As the gentleman knows, that permission must be secured in the House.

The Chair recognizes the gentlewoman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Chairman, I rise in support of the amendment of the gentleman from Utah [Mr. MURDOCK].

I believe that the reduction in the appropriation has been made to embarrass the administration of the national labor relations law, and if I had any doubt about this, my doubt would have been cleared today when I heard the speech of the gentleman from Georgia [Mr. Cox]. The gentleman from Georgia [Mr. Cox] has taken time out on several occasions to chastize the Labor Committee of the House, and particularly has he referred to a sit-down strike of the Labor Committee of the House. I think the gentleman must have a very short memory or he would recall when the sit-down strike was one of his own making in refusing to grant a rule for consideration of a bill the Labor Committee had reported almost unanimously. We waited for more than 1 long year to get that bill before the Members of the House, and then had to resort to a petition which, by the way, was signed in 2 hours and 20 minutes—something that had never been done before—which certainly proved it was the will of the House; but that was the method we had to resort to in order to bring his sit-down strike to an end and bring the bill before the House.

I am tired of listening to criticisms of the Labor Committee, both on the wage and hour amendments and also on the national labor relations amendments. The Labor Committee reported a bill to take care of the inequalities in the wage and hour law more than a year ago, and you know the history of that bill and what happened to it in the Rules Committee. I may say further that we had been sitting patiently hearing evidence in the Labor Committee of any person who wished to appear for or against the National Labor Relations Act for many months when the matter was taken out of our

hands. We were not doing the job, apparently, to suit certain gentlemen who never have to account to labor for votes because the laborers in their districts are not allowed the privilege of voting. [Applause.] When I consider that in the district of the gentleman from Georgia he has as many constituents as I have in my district and that my majority, with a very good Republican opponent, was more than 72,000 votes, while the gentleman from Georgia, with no opposition in his election, received the magnificent amount of less than 6,000 votes to bring him here as a Member of this House, I want to know by what authority he speaks for labor or if he is the man to criticize the Labor Committee. [Applause.]

You gentlemen know that the Labor Committee was organized to protect labor. It is the duty of the Labor Committee to protect labor, and may I say that as long as this Member is chairman of that committee, she is going to do her job conscientiously and the protection of labor will be her first consideration. [Applause.] Any time that anybody in this House wants to bring charges against the chairman of the Committee on Labor, let him do it. I challenge any Member to say that the Committee on Labor of this House has not performed its work and done everything that it honestly could do in the interest of labor, and orderly legislation. I beg of the gentlemen of this House who are interested in labor to support the amendment of the gentleman from Utah [Mr. MURDOCK]. [Applause.]

The CHAIRMAN. The time of the gentlewoman from New Jersey has expired.

Mr. DINGELL. Mr. Chairman, I rise in favor of the amendment. I do not know that it will be necessary for me to consume the entire 5 minutes. I think my attitude in respect to labor is generally known and my attitude as regards these excursions on the part of the Committee on Appropriations into the realm of license is also pretty well known. I think the gentleman from Kansas [Mr. HOUSTON] has admitted that he did not know whether this clipping of the item was exactly the thing to do, but by some argument or other this particular method was adopted on the part of the Committee on Appropriations. Why does the Committeee on Appropriations always assume to accomplish by the method of clipping an appropriation, that which the legislative committeee does not authorize? If the question of the elimination of this Bureau of Economics, this statistical agency, is desirable, then it appears to me that the committee to pass on that is none other than the legislative committee, namely, the Committee on Labor, and not the Committee on Appropriations. I have said this a number of times, and I repeat it. Unless this sort of method of legislating by way of the purse strings ceases, sooner or later the rights and practices of the Committee on Appropriations will be sharply abridged. I am not here to lecture the Committee on Appropriations, but I say the time is coming when this House will lay down more stringent rules for that committee to follow. This is a fundamental thing, and should not be handled by a subcommittee of the Committee on Appropriations, when there exists a standing and important committee functioning properly which has already passed on a problem of this kind. I stand uncompromisingly for the restoration of this amount. I am in favor of the Murdock amendment. I shall interpret the vote on this amendment as defining clearly between those who are friends of labor and those who are unfriendly to labor.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Yes.

Mr. KEEFE. Would the gentleman be kind enough to point out specifically just where there has been any usurpation of legislative power on the part of the Subcommittee on Appropriations in this specific item?

Mr. DINGELL. In every instance, when the Appropriations Committee——

Mr. KEEFE. Oh, no; in this specific item.

Mr. DINGELL. Just a moment. I am answering the gentleman's question in my own way and not the way he wants it answered, and I refuse to yield further. In every instance when the Committee on Appropriations seeks to clip a legitimate function of any agency of this Government, in my estimation it usurps the power of the legislative committee, and it ought to be stopped.

Mr. KEEFE. May I ask another question?

Mr. DINGELL. Yes.

Mr. KEEFE. Does the gentleman know of any law which provides for this economic research body?

Mr. DINGELL. Just the general provision of the law. It authorizes the N. L. R. B. to establish a statistical bureau as the Federal Trade Commission and the Interstate Commerce Acts authorize similar action. The same broad general outline of the law permits them to have such economic bureaus, and so it permits the National Labor Relations Board to create a similar arm within its own agency.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. RANDOLPH. Mr. Chairman, I rise in support of the amendment. Those who challenge the Murdock amendment do so with, I believe, the clear-cut purpose, which they themselves do not deny, of aiming at the very heart of the National Labor Relations Act. They seek to cripple the Board by attacking what they feel is a weak point. I think it proper, therefore, in my brief remarks, to review this act from perhaps one or two standpoints.

By the creation of the National Labor Relations Board we attempted rightly through legislative channels to give to workingmen certain fundamental rights. The act gives to laborers the power to organize unions and to bargain collectively with their employers against unfair labor practices, including interference with labor organizations and discrimination against their members.

The act in itself does not set wage and hour standards for industry. It concerns itself mainly with the enforcement of the rights and privileges of the workingmen in basic industries to be free to organize in a manner and method to be determined by themselves. The authority of the Board does not extend over the collective bargaining in all industrial plants in the United States. The scope and sphere of the Board's authority is limited to firms and corporations held to be participants in interstate commerce.

The Labor Board therefore has authority to eliminate any causes of obstruction to the free flow of commerce which may result from the denial by employers of the right of employees to organize and from the refusal of employers to accept the principle of collective bargaining. The act defines unfair labor practices and lays down rules as to the representation of employees for the purpose of collective bargaining, and its judicial function consists of the power to prevent the described unfair labor practices affecting commerce.

In order to effectively enforce those provisions we have established a Labor Relations Board consisting of three members who act as a quasi-judicial body. The Labor Committee, meeting in consideration of proposed amendments, perhaps will desire a five-member board to allay certain fears that within the Board itself at the present time there has grown up a disregard for the obligations of that group.

The Board, by authority granted under the act, has broad powers of investigation, but we must remember that any person or any corporation aggrieved by a final order of the Board may obtain a review of that case in the designated courts, with the same provision as in the case of an application by the Board for the enforcement of its own orders.

I recall to the committee a decision of the United States Supreme Court on April 12, 1937, when in the majority opinion it was said:

> This is a fundamental right. Employees have as clear a right to organize and select their representatives for lawful purposes as the industrialists have to organize their business and select their own officers and agents.

The decision goes on to clearly state:

> Discrimination and coercion to prevent the free exercise of the right of employees to self-organization and representation is a proper subject for condemnation by competent legislative authority.

The social implications of that decision from the viewpoint of the laborer are tremendous. It means that the workingman can stimulate his own organization and bring about

contractual relationships with his employer through collective bargaining. The spirit of the decision of the Supreme Court prevents the ocurrence of manifest injustices to those of the laboring classes who have suffered grievously for their advocacy of the principles of the right of the worker to strike and his right to collectively bargain with his employer. If this Board is allowed to go forward, unimpaired and unhampered, there will come to this country soon a fuller coordination of the industrial structure, because the laborer and the producer assume a place more equitably in proportion to the importance in the plan and organization of the industrial and commercial framework as it exists in America. [Applause.]

[Here the gavel fell.]

Mr. VOORHIS of California. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I do not take the position that the National Labor Relations Act is necessarily perfect, nor that I would under every circumstance oppose any amendment thereto.

I understand from the gentleman from Missouri [Mr. WOOD] who spoke this afternoon that the Labor Committee has favorably considered a proposition to increase the Board membership to five. If that is the case, I expect to support that amendment.

On the other hand, I believe most earnestly that in an industrial age such as the one in which we live, the protection and preservation of the basic right of collective bargaining to labor is no more than a matter of simple justice in view of the economic inequalities between the position in which the laborer finds himself and the position in which the employer finds himself, the one without tools and without the means of making a livelihood; the other with those tools and the means of making a livelihood.

There have been a number of things said this afternoon that are convincing to me that the elimination of the functions of the Labor Board which would be required, unless the Murdock amendment is adopted, would strike at the very heart of the work of this agency in attempting to protect that right of collective bargaining. I do not believe this is the way to legislate. I do not believe it is right to try to strike down the work of any agency such as this by denying adequate funds to carry it on. I think, with the gentleman from Massachusetts [Mr. HEALY], that such matters should be considered on their own merits, and when they come before the House should be strictly considered so that the House may vote "yes" or "no" on them.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. Yes; I yield briefly.

Mr. PATRICK. Did the gentleman ever hear of anybody complaining because an engine could not pull its load, and then cut off the steam?

Mr. VOORHIS of California. That is right. The gentleman brings up a point that is most important, because there has been complaint because the Board did not deal rapidly enough with the cases before it. I understand that the gentleman from Utah [Mr. MURDOCK] has in his possession a letter from Dr. Leiserson, of the Labor Board, in which he speaks very earnestly about this matter and says that if this research division is cut out it would cripple the work of the Board considerably. I hope the gentleman will insert that letter in the RECORD. [Applause.]

Mr. MURDOCK of Arizona. Will the gentleman yield briefly?

Mr. VOORHIS of California. I yield.

Mr. MURDOCK of Arizona. The gentleman's statement just made accords almost exactly with my views in regard to this new agency of Government and the appropriation for it.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, we have had a demonstration yesterday and today of how not to appropriate money. Mr. McEntee, director of the C. C. C., testified that we had 270,000 enrollees and that he wanted $1,000 per enrollee. All he asked for was $270,000,000. Without any consideration on the part of a committee we gave him $280,000,000, or $10,000,000 more than he asked for. That $10,000,000, Mr. Chairman, will either have to be borrowed or taxes will have to be levied for that sum.

We have also given the N. Y. A. $1,000,000 more than enough to carry on the present program as was stated a few moments ago by my colleague, the gentleman from Wisconsin [Mr. KEEFE]. We are now confronted with an amendment which would restore this item to the Budget estimate.

The gentleman from Utah [Mr. MURDOCK] said in answer to my question that he wanted to restore this item to the original Budget figures submitted to the committee. In the few moments I have this afternoon I want to discuss that part of the cut made by the committee which was intended to eliminate the promotion item of certain employees in National Labor Relations Board. I asked for certain information in connection with promotions which Mr. Madden, Chairman of the Board, placed in the hearings at my request.

You will find that last year the Board had 464 civil-service employees and 381 non-civil-service employees, a total of 845. Of the 381 non-civil-service employees 100 came from the State of New York. A group of 78 employees, all of whom except 18 were non-civil-service or political appointees, received $28,920 increases in salary last year, or an average of $371 per employee. Individual salaries of these 78 employees were increased from an average of $2,820 to $3,200 a year. Forty-six of these employees received from $400 to $1,100 increase a year, aggregating a total of $20,400.

If you vote for this amendment and restore this amount to the Budget estimate, you are voting to approve that policy and are criticizing the committee for trying to eliminate this abuse.

Out of a total of 464 civil-service employees only 13 received more than two-step promotions, but out of the 381 non-civil service or political employees 154 received promotions of two steps or more. Of these 154, 33 received 3 steps, 36 received 4 steps, 6 received 5 steps, and 3 received 6 steps of promotion in 1 year. One man received a 3-step promotion with a rating of only fair.

Mr. Chairman, in the Committee of the Whole the other day I spoke of Sam Gompers, son of that grand old man who was at the head of the American Federation of Labor for so many years. Mr. Gompers, who works in the Labor Department, refused several promotions of $200 a year in order that three employees in his department might get a promotion of $60 a year each. This abuse of promotions is unfair to the thousands of civil-service employees, many of whom have worked faithfully for years without a promotion.

No one can justify the action of the Board in making these promotions. With few exceptions every one of these promotions of three steps or more was given to lawyers. I want now to read a little of the testimony to be found in the printed hearings. Referring to regional directors the gentleman from Georgia [Mr. TARVER] asked Mr. Madden:

Are there any educational qualifications required?

Mr. Madden replied—

No; no set specifications.

Mr. ENGEL. None whatever?

To this Mr. Madden answered—

We do not have them set down in writing.

Mr. ENGEL. You have no written provision that an applicant must be able to read and write the English language? You do not even make that requirement in writing?

Mr. MADDEN. We do not make any requirement in writing for these jobs.

There is absolutely no educational requirement. Again let us read the testimony.

Mr. HARE. The point that I am getting at is that it is strange to me that you are able to get these highly-trained technical people at a salary lower than you get people that have no requirements as to experience and training.

Mr. MADDEN. That is just the way the market is.

Mr. HARE. And with reference to those no experience is required.

Mr. MADDEN. That is just the way the market is. I think that it is perhaps unfortunate that some of these people, nearly all of these economists, have a Ph. D. degree which would mean

7 years of higher education, but it just happens that the market at this time for economists is in that state.

Mr. HARE. It is flooded more than the market for lawyers, is that it?

Mr. MADDEN. And it happens also that you can turn out economists more or less en masse.

Mr. ENGEL. In other words, you are paying doctors of philosophy $2,000 and doctors of hard knocks $7,000, is that the idea?

Mr. MADDEN. That is the way it works.

The CHAIRMAN. The time of the gentleman from Michigan has expired; all time has expired.

The question is on the amendment offered by the gentleman from Utah.

Mr. MARCANTONIO. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. MURDOCK of Utah and Mr. HOUSTON.

The Committee divided, and the tellers reported that there were—ayes 90, noes 160.

So the amendment was rejected.

The Clerk read as follows:

Miscellaneous expenses (other than salaries): For all authorized and necessary expenditures, other than salaries, of the Railroad Retirement Board in performing the duties imposed by law or in pursuance of law, including rent in the District of Columbia and elsewhere; traveling expenses, including not to exceed $1,000 for expenses of attendance at meetings concerned with the work of the Board when specifically authorized by the Board; not to exceed $2,500 for payment of actual transportation expenses, and per diem (not to exceed $10) in lieu of subsistence and other expenses, of persons serving while away from their homes without other compensation in an advisory capacity to the Railroad Retirement Board; repairs and alterations; contract stenographic reporting services; office appliances and labor-saving devices; supplies and equipment (including photographic equipment); not to exceed $5,000 for lawbooks, books of reference, newspapers, press clippings, periodicals, and for payment in advance when authorized by the Board for library membership in organizations which issue publications to members only or to members at a price lower than to the general public; operation, maintenance, and repair of motor-propelled passenger-carrying vehicles to be used only for official purposes in the District of Columbia and elsewhere; and expenses incident to moving the office of the Board from one building to another; $417,000: *Provided*, That the Board may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount does not exceed $50.

Mr. TARVER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. TARVER: Page 57, line 10, strike out "$417,000" and insert in lieu thereof "$558,000."

Mr. TARVER. Mr. Chairman, this amendment merely corrects a typographical error.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 702. No funds appropriated in this act shall be available for the appointment of persons to non-civil-service positions in the departmental service in the District of Columbia unless such appointment is not in excess of the quota of apportionment, established in the manner provided by the civil-service laws for appointment in the classified civil service, for positions (compensated by the funds in the respective titles of this act) of a non-civil-service character: *Provided*, That this section shall not apply to any position, the appointment of which is made by the President.

Mr. BLAND. Mr. Chairman, I make a point of order against the section on the ground that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Georgia desire to be heard on the point of order?

Mr. TARVER. Mr. Chairman, I was aware, of course, that a point of order would be made. I am of the opinion that the language in the section is clearly a limitation on the appropriation and comes within the spirit of the Holman rule. I am advised, however, that the Parliamentarian maintains other views, and for this reason I shall not resist the sustaining of the point of order, although I desire to offer amendatory language to take the place of the stricken section.

The CHAIRMAN. The Chair is ready to rule. In the opinion of the Chair, the language in lines 14 and 15, "unless such appointment is not in excess of the quota of apportionment," and so forth, is clearly subject to a point of order.

The Chair sustains the point of order.

Mr. TARVER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Committee amendment offered by Mr. TARVER: Page 59, after line 10, insert the following:

"SEC. 702. None of the funds appropriated in this act shall be used to pay the salary of any person appointed to a non-civil-service position under the appropriations in the respective titles of this act if the effect of such appointment is to increase the number of non-civil-service employees from the State of residence of any such non-civil-service appointee beyond the number of non-civil-service employees to which said State is entitled under the appropriations in the respective titles in this act on the basis of population: *Provided*, That this section shall not apply to any position the appointment of which is made by the President."

Mr. BLAND. Mr. Chairman, I make a point of order against the amendment on the ground it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Georgia desire to be heard on the point of order?

Mr. TARVER. Mr. Chairman, I respectfully submit that the amendatory language proposed comes clearly within the rule and amounts merely to a limitation upon an appropriation bill.

I do not desire to detain the membership in any lengthy discussion of the matter at this late hour, but I think there can be no successful contravention of that position.

Mr. CASE of South Dakota. Mr. Chairman, may I submit for the consideration of the Chair that the amendment proposed is not retrenchment on its face because it does not necessarily reduce appropriations or appointments, and furthermore, because it imposes additional duties. There is no agency of the Government at the present time in position to make a daily determination with reference to whether the several agencies covered in this bill or any of them exceed the apportionment on a population basis or on the same basis as is used in the classified civil service.

The CHAIRMAN. The Chair would like to inquire of the gentleman wherein additional duties are imposed under the amendment.

Mr. CASE of South Dakota. Mr. Chairman, before any agency could make an appointment it would have to make a determination as to whether or not there would be any excess of non-civil-service appointments in respect to population, not merely in its own agency, but in all the other agencies covered by this appropriation bill.

Mr. BLAND. Mr. Chairman, it must determine whether a party is under the civil service or not and it could not limit the qualifications of the person to receive appointment. This could not be legislation under the Holman rule because it is not necessarily retrenchment. It does impose additional duties. It contains affirmative direction and that affirmative direction is to determine whether the party is under the civil service or not. It has been repeatedly held in the House that any amendment or provision containing those directions is a violation of the rules.

Mr. TARVER. Mr. Chairman, may I submit that the enforcement of any limitation upon an appropriation requires some type of administrative action. If the Chair will examine section 703, relative to administrative appointments, he will find it is essential that the Administrator determine the question of who or what employee shall be affected by that limitation. Now, I suppose there would be no insistence that that provision is out of order. There is no duty imposed upon the Administrator except that of attempting upon the basis of population to determine the quotas of each of the respective States and whether or not the number of employees from those States already in the service exceed their proportionate share according to population.

Mr. CASE of South Dakota. Mr. Chairman, what the gentleman from Georgia has just said would possibly be true if this applied to only one agency, but this bill appropriates for many different agencies. The personnel board of any one agency could not determine whether or not the non-civil-service appointments on a given day were exces-

sive in all of the other agencies involved in this bill without imposing decided additional duties.

The CHAIRMAN. The Chair is ready to rule.

The Chair is of the opinion that under any limitation someone must make a ruling as to whether or not a particular employee comes within the qualifications which have been set up by the Congress. The Chair has examined the amendment offered by the gentleman from Georgia [Mr. TARVER] with a great deal of care and has also looked into the precedents.

The Chair feels that all of the language used in the amendment offered by the gentleman from Georgia is negative in character and entirely a limitation; therefore the Chair overrules the point of order.

The question is on the amendment offered by the gentleman from Georgia [Mr. TARVER].

The amendment was agreed to.

The Clerk read as follows:

SEC. 707. This act may be cited as the "Labor-Federal Security Appropriation Act, 1941."

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I offer this motion for the purpose of calling the attention of the Members of the House to certain language in the bill which has evidently been overlooked by gentlemen who offered amendments increasing the appropriation for the Civilian Conservation Corps. I call attention to the language on page 19, reading as follows:

Provided further, That expenditures under the several classes of objects of expenditure for which this appropriation is available shall not exceed by more than 10 percent the amounts estimated for such objects of expenditure by classes, in the schedule for the fiscal year 1941 appearing in the Budget for such fiscal year under this head, and any such excess must be approved in writing by the Federal Security Administrator in such amounts as he shall designate: *Provided further,* That the foregoing proviso shall not apply, to whatever extent the President shall direct, in the event of an emergency declared, by the President, to exist.

You will, therefore, observe that under the language of this proviso the $50,000,000 that has been added to the Civilian Conservation Corps appropriation will not be available and cannot be used for the purposes for which certain gentlemen hoped it might be used. In view of that fact it certainly seems to me that the membership of the House should not feel inclined to add $50,000,000 to the bill which cannot under the language which they have approved be used for the purposes for which they intended.

Mr. MAY. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Kentucky.

Mr. MAY. If it is put in the bill, then made available, will it be available for any other purposes?

Mr. TARVER. No; it will simply be taken out of circulation and added to the Government's financial difficulties.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. If we vote then for this amendment keeping in the additional amount, it will show that we are for the C. C. C. and it will not do any harm anyway?

Mr. TARVER. Oh, yes. It will take $50,000,000 and appropriate that $50,000,000 for a purpose for which it cannot be used. In other words, the gentlemen voting for it would be showing their interest in the C. C. C. by adding $50,000,000 over the Budget which could not be made use of for the purposes for which they desire it to be used.

Mr. COLLINS. Mr. Chairman, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Mississippi.

Mr. COLLINS. Under those circumstances we expect the gentleman from Georgia to vote for the C. C. C. amendment.

Mr. TARVER. The gentleman is very optimistic.

[Here the gavel fell.]

Mr. SABATH. Mr. Chairman, the gentleman from Georgia [Mr. TARVER], the chairman of the subcommittee of the Committee on Appropriations, with a twinkle in his eye and a broad smile, has just informed the House that the $50,000,000 on which his committee voted and on which you will again vote in the House is merely a jest because of another hidden provision in the bill which he mentions, which, he says, will not permit the sum to be used or expended. Personally, I deplore the fact that the gentleman did not so inform the House until after, instead of before, the final section of the bill had been agreed upon. I am satisfied that the gentleman from Georgia is sincere in his efforts in holding appropriations down and in his plea for economy. Unfortunately, that does not apply to my Republican colleagues on the left, who are voting against all appropriations simply for the purpose of hamstringing the Departments and especially those agencies which have been created for the express purpose of protecting the labor of our country.

Mr. Chairman, earlier in the day the genial gentleman from Georgia, Judge TARVER; the gentleman from Massachusetts, Mr. GIFFORD; and my good friend from Virginia, Judge SMITH, attacked the National Labor Relations Board and the Wage and Hour Division of the Department of Labor, urging reduced appropriations for those agencies, which would make it impossible for those agencies to continue at anything like their full efficiency. They claim that these acts must be amended or modified, but their suggested modifications would, in effect, practically destroy them. Their advocacy of amending these acts is on the false premise that they tend to be hurtful to industry. Their objections to certain provisions of these acts are akin to those of the United States Chamber of Commerce and such outstanding labor-seducing Republicans as Mr. Thomas Girdler, of the Republic Steel Corporation; Mr. Weir, of another steel company; and, in fact, of those who directly or indirectly represent large industries and who dislike this legislation because it restricts them to some extent in the continuation of their practices and efforts to destroy organized labor.

I am satisfied that the colleagues whom I have mentioned, and even some Republicans, are misled by the misrepresentation on the part of these industrial leaders and their lobbies into believing that industry is being injured by legislation such as collective bargaining, wages and hours, and other legislative acts that we have passed in the interest of the underpaid and unfortunate wage earners of the United States. I am of the opinion that if my Democratic colleagues, and even some Republicans, instead of reading editorials in anti New Deal newspapers, propaganda publicity, and lobbyists' statements, were to peruse the financial reports appearing from day to day in these selfsame newspapers, they would hesitate and refuse to permit themselves to be deceived and used as they have been by these avaricious industrial and financial czars of our country.

Mr. Chairman, just a few moments ago, stepping in the Members' reading lobby, I glanced over the financial pages of several newspapers and I find headlines like these:

"United States Steel shows big improvement," "Bank deposits set new peak at fifty-six billions," "Rural retail sales set January record," "Individual incomes in January hold above year ago," "Construction awards show increase even in holiday week." "New York Shipbuilding pays first dividend since 1936," "Ford Motor Co. reports sharp sales increase," "Anaconda Copper net earnings climb more than 100 percent in 1939," "Rise of 60 percent in United States Steel production and shipment tonnages," "Knudsen foresees 1940 as third best year in the history of General Motors," and so forth.

Surely this does not indicate that business is going to the bow-wows, as the Republican political magicians would like to have the American people believe. Nearly every branch of American industry is making larger net profits—and larger profits, mind you, after making allowances for depreciation and all possible overhead charges, including—and do not fail to comprehend the full significance of this—provision for all Federal income taxes.

And what, think you, becomes of these increased earnings? Do they go to the workers that make them possible? Here is an item I read in yesterday's Washington (D. C.) Star that may provide the answer:

OFFICERS PAID $1,091,507 BY UNITED STATES STEEL

NEW YORK, March 27.—Proxy statements mailed to stockholders by United States Steel Corporation today for the annual meeting

on May 6 showed that officers and directors of the corporation and subsidiaries were paid in 1939—on an accrual basis—$1,091,507 for services in all capacities.

Here are a few additional quotations from newspapers of the last few days that surely do not show that industry is going bankrupt:

[From the New York Times of March 28, 1940]

UNITED STATES STEEL REPORT TELLS OF UPTURN—RISE OF 60 PERCENT IN DELIVERIES

Pointing out the close relations of the affairs of the United States Steel Corporation to those of the Nation, Edward R. Stettinius, Jr., chairman of the corporation's board of directors, says in his report for 1939, issued yesterday, that production and shipment tonnages were greater than in any year since 1930, with the exceptions of 1936 and 1937. The steel-making subsidiaries delivered 11,707,251 net tons of rolled and finished steel products to customers in 1939, compared with 7,315,506 net tons in 1938, an increase of 60 percent.

[From the New York Times of March 28, 1940]

DRY-GOODS GROUP CLEARS $2,017,000

The Associated Dry Goods Corporation, in its annual report for 53 weeks ended on February 3, 1940, issued for publication today, shows a consolidated net profit of $2,017,000 after deducting all charges, including provision for Federal income taxes, * * * as compared with $787,364 for the preceding fiscal year.

Bond Stores, Inc., disclosed a net profit of $2,643,552 for 1939 after deduction for depreciation, provision for Federal income taxes, and other charges, which sum is an increase of 60 percent over the $1,651,711 net profit shown for 1938.

[From the Wall Street Journal of March 27, 1940]

KNUDSEN FORESEES 1940 AS THIRD BEST YEAR IN THE HISTORY OF GENERAL MOTORS

Boston: With sales of General Motors Corporation running substantially above 1939, William S. Knudsen, president, predicted yesterday that this year's business would be the third best in the corporation's history.

[From the Wall Street Journal of March 28, 1940]

ELECTRIC OUTPUT UP 10.3 PERCENT IN WEEK ENDED MARCH 23

Production of electricity by the electric light and power industry of the United States for the week ended March 23 increased 10.3 percent over the like 1939 week, according to the Edison Electric Institute.

[From the Wall Street Journal of March 28, 1940]

TIRE SHIPMENTS RISE 13.1 PERCENT IN FEBRUARY

Shipments of automobile casings during February 1940 are estimated at 13.1 percent above shipments for February 1939.

[From the Wall Street Journal of March 28, 1940]

CAR SALES CONTINUE AT RECORD PACE

DETROIT.—Sales of Pontiac cars for the first 20 days of March totaled 12,990 units, a gain of 55.7 percent over the corresponding period of March 1939 and 46 percent ahead of the first 20 days of February this year.

Used-car sales, it was reported, continued to break all records.

[From the Wall Street Journal of March 28, 1940]

NINETEEN HUNDRED AND FORTY TIN-PLATE SHIPMENTS 16 PERCENT ABOVE 1939

PITTSBURGH.—At annual meeting of stockholders of McKeesport Tin Plate Corporation, * * * stockholders were told that during the first 8 weeks of 1940, shipments were 16 percent ahead of those in the like period of 1939.

And in the Chicago Tribune, of the issue of February 28, I read this:

TRADE UPTURN BOOSTS PROFITS OF MANY FIRMS

Last year's business upturn was reflected in numerous corporation reports yesterday showing larger earnings in 1939 than in 1938. Increases ranged up to nearly 300 percent in the case of the B. F. Goodrich Co., a leading rubber manufacturer.

You will find that nearly every corporation and every industry in the United States, every large company and even most of the smaller companies, have been making more money this year and even last year than ever before in the history of our country.

Mr. ENGEL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. ENGEL. Mr. Chairman, I make the point of order that the gentleman from Illinois is not speaking on the bill or on any amendment, and general debate on the bill has been closed.

The CHAIRMAN. The gentleman from Illinois will proceed in order.

Mr. SABATH. Mr. Chairman, notwithstanding the tremendous increase in business and in profits of large industry during last year and the first 3 months of this year, we hear some of the Republicans bewailing the condition of business, and I know they know better. Again, on the other hand, we read editorials and articles in the daily Republican press that create the impression that the administration under President Roosevelt is destroying the business of the country. Yet, as I have stated, the financial pages of the same issue of these newspapers daily give many headlines showing dividends are being declared and profits increased. These financial reports are not alluded to by the Republican Members, and the ordinary citizen has no reason to read or peruse the financial pages.

This continuous hue and cry that high taxes retard business is nothing but a falsehood and unadulterated bunk. Business and profits have been increased and, as I stated on the floor day before yesterday, I expect that in 1940 we may have a national income close to $80,000,000,000. I also called attention, and I repeat, that the taxes paid by these high financiers with their huge profits is not anywhere near the tax paid by business people in every outstanding country in the world.

Mr. Chairman, I feel and believe that despite the shrewdness, cleverness, and misinformation circulated by these big interests groups, the masses will not be fooled. The rank and file of the wage earners, and even the misled farmers, are daily showing confidence in the New Deal and President Roosevelt.

The world's most rabid Republican newspaper, the Chicago Tribune, in yesterday's issue, while hammering and attacking the President, the New Deal, and everything connected with the administration, gave in its columns the result of a Roosevelt-Garner poll in the State of Illinois which showed that 89 percent of the people are in favor of President Roosevelt allowing his name to go before them for reelection. In view of this and similar polls throughout the Nation, I feel that the President cannot well refuse to again serve the Nation for an additional 4 years. I hope and pray that he does not refuse. If again a candidate, I feel his majority over any Republican now mentioned, or particularly that candidate that I believe a clique of the Republicans would like to and in all likelihood will nominate—Herbert Hoover—will be as large as that shown in the Illinois poll between Roosevelt and Garner. I am strengthened in this belief with every day that passes.

Mr. Chairman, the people of this country know that all they can receive from the Republican Party is lip service. I have watched the fight against this legislation for the past 2 days and at no time have I seen more than nine Members of that party voting for the wage earners and youth of this country. Of that number two were Progressives, two independents, and one Farmer-Labor, and only four so-called regular Republicans, and of the latter, if I am not mistaken, two were from the Dakotas. While these were not record votes, I know that the people somehow will be informed of the duplicity of the Republicans. However, Mr. Chairman, although I did not expect anything else from the Republicans, yet I regret that some Democrats should permit themselves to be used by the Republicans.

I do not blame you Republicans for not wishing to hear what I have to say, but why the point of order on the part of the gentleman from Michigan? Is it because of that old adage "The truth hurts"? Naturally it is rather embarrassing to you. In view of the point of order raised and not wishing to violate the rules, I shall conclude, as I appreciate it is unpleasant to hear the real facts and the truth. I took the floor only at the last minute to answer the gentleman from Georgia, Judge TARVER, to resent his priding himself on the fact that he has so shrewdly withheld from the membership the fact that the sums under discussion cannot be used for the laudable purposes intended and desired.

Mr. TARVER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, be passed.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BUCK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 9007, the labor-security appropriation bill, 1941, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. TARVER. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. TARVER. Mr. Speaker, I request a separate vote on what is known as the Leavy amendment to the appropriation for the Civilian Conservation Corps, also on what is known as the Johnson-Collins amendment to the appropriation for the National Youth Administration.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. SCRUGHAM, as amended by the substitute amendment offered by Mr. LEAVY: Page 18, line 14, after the word "which", strike out "$143,130,000" and insert "$176,880,000"; and in line 18, after the word "Director", strike out $230,000,000" and insert "$280,000,000."

The SPEAKER. The question is on agreeing to the amendment.

Mr. DINGELL. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 205, nays 170, answered "present" 2, not voting 53, as follows:

[Roll No. 59]

YEAS—205

Alexander	Dickstein	Izac	Murdock, Ariz.
Allen, La.	Dingell	Jacobsen	Murdock, Utah
Anderson, Mo.	Disney	Johnson, Luther A.	Myers
Angell	Doxey	Johnson, Lyndon	Nelson
Arnold	Duncan	Johnson, Okla.	Nichols
Barnes	Dunn	Johnson, W. Va.	Norrell
Barry	Eberharter	Jones, Tex.	Norton
Bates, Ky.	Edelstein	Kee	O'Connor
Beckworth	Edmiston	Kefauver	O'Day
Bloom	Elliott	Keller	O'Leary
Boland	Ellis	Kennedy, Michael	Oliver
Bolles	Fay	Keogh	O'Toole
Boren	Fenton	Kirwan	Pace
Boykin	Ferguson	Kitchens	Parsons
Bradley, Pa.	Fernandez	Kocialkowski	Patman
Brooks	Fitzpatrick	Kramer	Patrick
Brown, Ga.	Flaherty	Landis	Patton
Bryson	Flannagan	Larrabee	Peterson, Fla.
Buckler, Minn.	Ford, Miss.	Lea	Peterson, Ga.
Byrne, N. Y.	Ford, Thomas F.	Leavy	Pfeifer
Byron	Fries	Lemke	Pierce
Cannon, Fla.	Fulmer	Lesinski	Pittenger
Cartwright	Garrett	Lynch	Poage
Case, S. Dak.	Gathings	McAndrews	Rabaut
Casey, Mass.	Gavagan	McArdle	Ramspeck
Celler	Gehrmann	McCormack	Randolph
Claypool	Gerlach	McDowell	Rankin
Cochran	Geyer, Calif.	McGranery	Richards
Coffee, Wash.	Gibbs	McMillan, Clara G.	Robinson, Utah
Collins	Grant, Ala.	McMillan, John L.	Rogers, Okla.
Colmer	Green	Maciejewski	Romjue
Connery	Gregory	Magnuson	Sabath
Cooley	Griffith	Mahon	Schaefer, Ill.
Corbett	Hare	Maloney	Schiffler
Courtney	Harrington	Marcantonio	Schuetz
Cravens	Hart	Martin, Ill.	Schulte
Creal	Harter, Ohio	Massingale	Schwert
Crosser	Havenner	May	Scrugham
Crowe	Healey	Miller	Secrest
Cullen	Hendricks	Mills, Ark.	Shanley
Cummings	Hennings	Mills, La.	Smith, Conn.
D'Alesandro	Hill	Mitchell	Smith, Maine
Davis	Hobbs	Monroney	Smith, Wash.
Delaney	Hook	Mott	Snyder
Dempsey	Houston	Mouton	Somers, N. Y.
DeRouen	Hull	Mundt	Sparkman
Spence	Tibbott	Wallgren	Wolverton, N. J.
Steagall	Tolan	Walter	Wood
Sullivan	Van Zandt	Weaver	Zimmerman
Sutphin	Vincent, Ky.	Welch	
Tenerowicz	Vinson, Ga.	White, Idaho	
Thomason	Voorhis, Calif.	Williams, Mo.	

NAYS—170

Allen, Ill.	Dondero	Johnson, Ill.	Rich
Allen, Pa.	Doughton	Johnson, Ind.	Robertson
Andersen, H. Carl	Douglas	Jones, Ohio	Robsion, Ky.
Anderson, Calif.	Drewry	Jonkman	Rockefeller
Andresen, A. H.	Durham	Kean	Rodgers, Pa.
Andrews	Dworshak	Keefe	Rogers, Mass.
Arends	Eaton	Kennedy, Md.	Routzohn
Austin	Elston	Kilburn	Rutherford
Ball	Engel	Kinzer	Ryan
Barton	Englebright	Knutson	Sasscer
Bates, Mass.	Fish	Kunkel	Satterfield
Bell	Ford, Leland M.	Lambertson	Seccombe
Bender	Gamble	Lanham	Sheppard
Blackney	Gartner	LeCompte	Simpson
Bland	Gearhart	Lewis, Colo.	Smith, Ohio
Boehne	Gifford	Lewis, Ohio	Smith, Va.
Bolton	Gilchrist	Luce	South
Brown, Ohio	Gillie	Ludlow	Springer
Buck	Goodwin	McGregor	Stearns, N. H.
Bulwinkle	Gore	McLaughlin	Stefan
Burch	Gossett	McLean	Sumner, Ill.
Byrns, Tenn.	Graham	McLeod	Sumners, Tex.
Caldwell	Grant, Ind.	Maas	Taber
Cannon, Mo.	Guyer, Kans.	Marshall	Talle
Carter	Gwynne	Martin, Iowa	Tarver
Chapman	Hall, Edwin A.	Martin, Mass.	Terry
Chiperfield	Hall, Leonard W.	Mason	Thill
Church	Halleck	Michener	Thomas, N. J.
Clason	Hancock	Monkiewicz	Thomas, Tex.
Clevenger	Harness	Moser	Thorkelson
Cluett	Harter, N. Y.	Murray	Tinkham
Coffee, Nebr.	Hartley	O'Brien	Treadway
Cole, Md.	Hawks	O'Neal	Vorys, Ohio
Cole, N. Y.	Hess	Osmers	Vreeland
Costello	Hinshaw	Pearson	Wigglesworth
Cox	Holmes	Plumley	Williams, Del.
Crawford	Hope	Polk	Winter
Crowther	Horton	Powers	Wolfenden, Pa.
Culkin	Jenkins, Ohio	Rayburn	Woodruff, Mich.
Curtis	Jenks, N. H.	Reece, Tenn.	Woodrum, Va.
Darden	Jennings	Reed, Ill.	Youngdahl
Dies	Jensen	Reed, N. Y.	
Ditter	Johns	Rees, Kans.	

ANSWERED "PRESENT"—2

Faddis Kilday

NOT VOTING—53

Barden	Flannery	Mansfield	Sweeney
Beam	Folger	Merritt	Taylor
Bradley, Mich.	Gross	Risk	Wadsworth
Brewster	Hoffman	Sacks	Ward
Buckley, N. Y.	Hunter	Sandager	Warren
Burdick	Jarman	Schafer, Wis.	West
Burgin	Jarrett	Seger	Wheat
Camp	Jeffries	Shafer, Mich.	Whelchel
Carlson	Kelly	Shannon	White, Ohio
Clark	Kennedy, Martin	Sheridan	Whittington
Cooper	Kerr	Short	Wolcott
Darrow	Kleberg	Smith, Ill.	
Dirksen	McGehee	Smith, W. Va.	
Evans	McKeough	Starnes, Ala.	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. McKeough (for) with Mr. Warren (against).
Mr. Ward (for) with Mr. Dirksen (against).
Mr. Kelly (for) with Mr. Folger (against).
Mr. Brewster (for) with Mr. Whittington (against).
Mr. Sheridan (for) with Mr. Wheat (against).
Mr. Kleberg (for) with Mr. Faddis (against).
Mr. McGehee (for) with Mr. Short (against).
Mr. Merritt (for) with Mr. Hunter (against).
Mr. Buckley of New York (for) with Mr. Carlson (against).
Mr. Martin J. Kennedy (for) with Mr. White of Ohio (against).
Mr. Beam (for) with Mr. Risk (against).
Mr. Sachs (for) with Mr. Sandager (against).
Mr. Sweeney (for) with Mr. Hoffman (against).
Mr. Bradley of Michigan (for) with Mr. Kilday (against).
Mr. Flannery (for) with Mr. Wolcott (against).

General pairs:

Mr. West with Mr. Wadsworth.
Mr. Burgin with Mr. Jeffries.
Mr. Camp with Mr. Gross.
Mr. Cooper with Mr. Darrow.
Mr. Barden with Mr. Jarrett.
Mr. Smith of Illinois with Mr. Seger.
Mr. Kerr with Mr. Schafer of Wisconsin.
Mr. Mansfield with Mr. Shafer of Michigan.
Mr. Jarman with Mr. Burdick.
Mr. Clark with Mr. Shannon.
Mr. Allen of Louisiana with Mr. Taylor.
Mr. Starnes of Alabama with Mr. Whelchel.

Mr. FADDIS. Mr. Speaker, on this roll call I voted "nay," but having a pair with the gentleman from Texas [Mr. KLEBERG] I withdraw my vote and vote "present."

Mr. KILDAY. Mr. Speaker, on this vote I voted "nay." I have a pair with the gentleman from Michigan [Mr. BRADLEY]; therefore I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. RAYBURN). The Clerk will report the next amendment upon which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. COLLINS, as amended by the amendment offered by Mr. JOHNSON of Oklahoma: Page 41, line 4, after the first comma strike out "$79,635,000" and insert "$97,085,000."

Mr. TARVER. Mr. Speaker, on this amendment I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 221, nays 157, answered "present" 2, not voting 50, as follows:

[Roll No. 60]

YEAS—221

Alexander	Edelstein	Keogh	Pfeifer
Allen, La.	Edmiston	Kirwan	Pierce
Anderson, Mo.	Elliott	Kitchens	Pittenger
Angell	Ellis	Kocialkowski	Poage
Arnold	Fay	Kramer	Rabaut
Barnes	Fenton	Landis	Ramspeck
Barry	Ferguson	Lanham	Randolph
Bates, Ky.	Fernandez	Larrabee	Rankin
Beckworth	Fitzpatrick	Lea	Rees, Kans.
Bloom	Flaherty	Leavy	Richards
Boland	Flannagan	Lemke	Robinson, Utah
Boren	Ford, Miss.	Lesinski	Rogers, Okla.
Boykin	Ford, Thomas F.	Ludlow	Romjue
Bradley, Pa.	Fries	Lynch	Sabath
Brooks	Fulmer	McAndrews	Sasscer
Brown, Ga.	Garrett	McArdle	Schaefer, Ill.
Bryson	Gathings	McCormack	Schiffler
Buckler, Minn.	Gavagan	McGranery	Schuetz
Burdick	Gearhart	McLeod	Schulte
Byrne, N. Y.	Gehrmann	McMillan, Clara G.	Schwert
Byrns, Tenn.	Geyer, Calif.	McMillan, John L.	Scrugham
Byron	Gibbs	Maciejewski	Secrest
Camp	Gossett	Magnuson	Shanley
Cannon, Fla.	Grant, Ala.	Mahon	Smith, Conn.
Cartwright	Green	Maloney	Smith, Maine
Case, S. Dak.	Gregory	Marcantonio	Smith, Wash.
Casey, Mass.	Griffith	Martin, Ill.	Snyder
Celler	Guyer, Kans.	Massingale	Somers, N. Y.
Claypool	Hare	May	South
Cochran	Harrington	Mills, Ark.	Sparkman
Coffee, Wash.	Hart	Mills, La.	Spence
Cole, Md.	Harter, Ohio	Mitchell	Springer
Collins	Havenner	Monroney	Steagall
Colmer	Healey	Moser	Sullivan
Connery	Hendricks	Mott	Sutphin
Cooley	Hennings	Mouton	Tenerowicz
Courtney	Hill	Mundt	Terry
Creal	Hinshaw	Murdock, Ariz.	Thill
Crosser	Hobbs	Murdock, Utah	Thomas, Tex.
Crowe	Hook	Myers	Thomason
Crowther	Houston	Nelson	Tolan
Cullen	Hull	Nichols	Vincent, Ky.
Cummings	Izac	Norrell	Vinson, Ga.
D'Alesandro	Jacobsen	Norton	Voorhis, Calif.
Davis	Johns	O'Connor	Wallgren
Delaney	Johnson, Ind.	O'Day	Walter
Dempsey	Johnson, Luther A.	O'Leary	Weaver
DeRouen	Johnson, Lyndon	Oliver	Welch
Dickstein	Johnson, Okla.	O'Toole	White, Idaho
Dingell	Johnson, W. Va.	Pace	Williams, Mo.
Doughton	Jones, Tex.	Parsons	Wolverton, N. J.
Doxey	Kee	Patman	Wood
Duncan	Keefe	Patrick	Zimmerman
Dunn	Kefauver	Patton	
Durham	Keller	Peterson, Fla.	
Eberharter	Kennedy, Michael	Peterson, Ga.	

NAYS—157

Allen, Ill.	Bolles	Cole, N. Y.	Elston
Allen, Pa.	Bolton	Corbett	Engel
Andersen, H. Carl	Brown, Ohio	Costello	Englebright
Anderson, Calif.	Buck	Cox	Fish
Andresen, A. H.	Bulwinkle	Crawford	Ford, Leland M.
Andrews	Burch	Culkin	Gamble
Arends	Caldwell	Curtis	Gartner
Austin	Cannon, Mo.	Darden	Gerlach
Ball	Carter	Dies	Gifford
Barton	Chapman	Disney	Gilchrist
Bates, Mass.	Chiperfield	Ditter	Gillie
Bell	Church	Dondero	Goodwin
Bender	Clason	Douglas	Gore
Blackney	Clevenger	Drewry	Graham
Bland	Cluett	Dworshak	Grant, Ind.
Boehne	Coffee, Nebr.	Eaton	Gwynne
Hall, Edwin A.	Kinzer	Pearson	Stefan
Hall, Leonard W.	Knutson	Plumley	Sumner, Ill.
Halleck	Kunkel	Polk	Sumners, Tex.
Hancock	Lambertson	Powers	Taber
Harness	LeCompte	Rayburn	Talle
Harter, N. Y.	Lewis, Colo.	Reece, Tenn.	Tarver
Hartley	Lewis, Ohio	Reed, Ill.	Thomas, N. J.
Hawks	Luce	Reed, N. Y.	Thorkelson
Hess	McDowell	Rich	Tibbott
Hoffman	McGregor	Robertson	Tinkham
Holmes	McLaughlin	Robsion, Ky.	Treadway
Hope	McLean	Rockefeller	Van Zandt
Horton	Maas	Rodgers, Pa.	Vorys, Ohio
Jenkins, Ohio	Marshall	Rogers, Mass.	Vreeland
Jenks, N. H.	Martin, Iowa	Routzohn	Wigglesworth
Jennings	Martin, Mass.	Rutherford	Williams, Del.
Jensen	Mason	Ryan	Winter
Johnson, Ill.	Michener	Satterfield	Wolfenden, Pa.
Jones, Ohio	Miller	Seccombe	Woodruff, Mich.
Jonkman	Monkiewicz	Sheppard	Woodrum, Va.
Kean	Murray	Simpson	Youngdahl
Kennedy, Md.	O'Brien	Smith, Ohio	
Kilburn	O'Neal	Smith, Va.	
Kilday	Osmers	Stearns, N. H.	

ANSWERED "PRESENT"—2

Cravens Faddis

NOT VOTING—50

Barden	Folger	Merritt	Sweeney
Beam	Gross	Risk	Taylor
Bradley, Mich.	Hunter	Sacks	Wadsworth
Brewster	Jarman	Sandager	Ward
Buckley, N. Y.	Jarrett	Schafer, Wis.	Warren
Burgin	Jeffries	Seger	West
Carlson	Kelly	Shafer, Mich.	Wheat
Clark	Kennedy, Martin	Shannon	Whelchel
Cooper	Kerr	Sheridan	White, Ohio
Darrow	Kleberg	Short	Whittington
Dirksen	McGehee	Smith, Ill.	Wolcott
Evans	McKeough	Smith, W. Va.	
Flannery	Mansfield	Starnes, Ala.	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Kleberg (for) with Mr. Faddis (against).
Mr. McKeogh (for) with Mr. Warren (against).
Mr. Kelly (for) with Mr. Folger (against).
Mr. Brewster (for) with Mr. Whittington (against).
Mr. Martin J. Kennedy (for) with Mr. Carlson (against).
Mr. Cravens (for) with Mr. Bradley of Michigan (against).

Until further notice:

Mr. West with Mr. Wadsworth.
Mr. Burgin with Mr. Jeffries.
Mr. Cooper with Mr. Darrow.
Mr. Barden with Mr. Jarrett.
Mr. Smith of Illinois with Mr. Seger.
Mr. Kerr with Mr. Schafer of Wisconsin.
Mr. Mansfield with Mr. Shafer of Michigan.
Mr. Sheridan with Mr. Wheat.
Mr. McGehee with Mr. Short.
Mr. Buckley of New York with Mr. White of Ohio.
Mr. Flannery with Mr. Wolcott.
Mr. Evans with Mr. Gross.
Mr. Beam with Mr. Risk.
Mr. Sachs with Mr. Sandager.
Mr. Ward with Mr. Dirksen.
Mr. Sweeney with Mr. Merritt.
Mr. Hunter with Mr. Jarman.
Mr. Starnes of Alabama with Mr. Shannon.
Mr. Taylor with Mr. Whelchel.

Mr. CRAVENS. Mr. Speaker, on this roll call I voted "yea." I have a pair with the gentleman from Michigan [Mr. BRADLEY], who would vote "no." I therefore wish to withdraw my vote and answer "present."

Mr. FADDIS. Mr. Speaker, I have a pair with the gentleman from Texas [Mr. KLEBERG], who would vote "yea." I therefore wish to withdraw my vote of "nay" and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. ENGEL. Mr. Speaker, I have a motion to recommit, which is at the Clerk's desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. ENGEL. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ENGEL moves to recommit the bill to the Committee on Appropriations, with instructions to report the same back forthwith, with amendments effecting a total reduction of $50,000,000.

Mr. TARVER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The question was taken and the motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken and the bill was passed.

A motion to reconsider was laid on the table.

NIAGARA FALLS BRIDGE COMMISSION

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9016) to amend the joint resolution creating the Niagara Falls Bridge Commission.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the joint resolution creating the Niagara Falls Bridge Commission and authorizing said Commission to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, N. Y., approved June 16, 1938 (52 Stat. 767, ch. 490), as amended by the act of July 25, 1939 (53 Stat. 1083), be, and is hereby, amended as follows:

Insert in the third from last sentence of section 4 of said joint resolution, between the words "for" and "twenty-four months", the words "not exceeding."

SEC. 2. Section 6 of said joint resolution, as amended, is further amended in its entirety so as to read as follows:

"SEC. 6. Title to the bridge structure, exclusive of the approaches thereto, shall remain in the Commission until payment of the bonds and the interest thereon, or until a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, whereupon title to said bridge shall be conveyed to the State of New York and to the Canadian interests in the manner hereinafter provided. When, however, the State of New York shall be authorized by law to accept the same the Commission shall deliver to said State deeds or other suitable instruments of conveyance of the interests of the Commission in all properties or rights situated in said State theretofore acquired, other than said bridge structure, and title to all properties or interests in properties situated in the State of New York thereafter acquired, other than said bridge structure, shall be taken by the Commission in the name of said State; and when the Dominion of Canada, or any province, municipality, or agency thereof (herein referred to as the Canadian interests), shall be authorized by law to accept the same, the Commission shall deliver to such Canadian interests deeds or other suitable instruments of conveyance of the interests of the Commission in all properties or rights situated in the Dominion of Canada theretofore acquired, other than said bridge structure, and title to all properties or interests in properties situated in the Dominion of Canada thereafter acquired shall be taken by the Commission in the name of such Canadian interests. All such conveyances shall be subject to the following conditions:

"(a) That the Commission shall have the right to the use of all such properties for the construction and operation of the bridge. Any act to the contrary notwithstanding, the Commission shall commence the construction of such bridge on or before June 17, 1940, and shall complete said bridge within 3 years from said date;

"(b) That the Commission shall have the exclusive right to operate such bridge and shall be entitled to receive and apply the revenues derived from the operation of said bridge in the manner provided in said act of June 16, 1938, and acts amendatory thereof, so long as any bonds or the interest thereon, payable out of such revenues, shall remain unpaid;

"(c) That upon payment of all bonds issued by the Commission and the interest thereon, or after a sinking fund sufficient for such payment shall have been provided and held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of all title and interest of the Commission in and to that part of the bridge which is located within the United States to the State of New York, and shall deliver deeds or other instruments of conveyance of all title and interest in the Commission in that part of the bridge which is located within the Dominion of Canada to the Canadian interests, and thereafter the bridge shall be maintained and operated by the State of New York and by the Canadian interests in such manner as they may agree upon as a free, public bridge.

"If either the State of New York or the Canadian interests shall not be authorized to accept title to the above-described properties under such conditions, then title to all such properties shall be in the Commission, and after payment of the bonds issued by the Commission and the interest thereon, the Commission shall continue to own, maintain, and operate the bridge, and shall charge rates of tolls which shall be so adjusted as to provide a fund not exceeding the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management.

"The bridge hereby authorized or the income therefrom shall be subject to Federal, State, municipal, or local taxation only to the extent that a like structure or the income therefrom owned and operated by a public authority or public agency of the State of New York shall be subject to taxation. The bonds or obligations of the Commission, from time to time outstanding, and the income derived therefrom shall be subject to taxation in the hands of the holders thereof."

SEC. 3. That portion of section 8 of said public joint resolution as so amended be further amended by striking out the third sentence thereof reading, "After all bonds and interest thereon * * * Niagara Falls, Ontario, Canada," and substituting in lieu thereof:

"If the Commission shall have conveyed all of its properties and rights to the State of New York and to the Canadian interests, as provided in section 6 hereof, the Commission shall be dissolved and shall cease to have further existence after all bonds issued by the Commission and the interest thereon shall have been paid and all other obligations of the Commission paid or discharged, or provision for all such payments shall have been made, as hereinbefore provided. In the event that construction of such bridge is not commenced by the Commission and carried to completion within the times prescribed by section 6 hereof, the Commission shall be dissolved and shall cease to have further existence by an order of the comptroller of the State of New York, made on his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Niagara Falls, notice of the time and place of which hearing and the purpose thereof shall have been published once, at least 30 days before the date thereof in a newspaper published in the city of Niagara Falls, N. Y., and in a newspaper published in the city of Niagara Falls, Ontario, Canada."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks and to insert in the RECORD at the point where I spoke this afternoon certain telegrams and communications on the National Labor Relations Board.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WOLVERTON of New Jersey. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Labor-Federal Security appropriation bill, which has been under consideration today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERSONAL EXPLANATION

Mr. BRADLEY of Pennsylvania. Mr. Speaker, on the amendments to the National Youth Administration, my colleague the gentleman from Pennsylvania [Mr. SACKS] was unavoidably absent on official business. He voted for those amendments in the Committee of the Whole. Had he been present today he would have voted for them on the roll call.

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks on a bill pending before the Committee on Immigration and Naturalization, in which the Philippines are demanding special privileges, and to include therein an article by Paul Sharrenberg.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a speech delivered by the junior Senator from Ohio [Mr. TAFT].

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a discussion of the civil-service retirement and social security, notwithstanding the length of the article.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks upon the life of Samuel Untermyer.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include two editorials.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. DONDERO. Mr. Speaker, I have a special order today granted me for 20 minutes. Because of the lateness of the hour I shall not use it, but ask unanimous consent that I be granted the same length of time tomorrow.

The SPEAKER pro tempore. Is there objection?

There was no objection.

SEIZURE OF AMERICAN-OWNED TIMBERLAND IN MEXICO

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, the spineless policy of the administration is to blame for the recent seizure of 1,500,000 acres of American-owned timberland in Mexico. An immediate show-down in defense of American rights in Mexico is essential. Our prestige has already been impaired throughout Latin America as a result of our weak-kneed policy. The Cardenas government has repeatedly violated the rights of our citizens, seized their properties, and refused to pay adequate compensation for them.

American-owned farm lands and oil properties, amounting to hundreds of millions of dollars have virtually been confiscated by the Mexican Government, without vigorous protests from President Roosevelt or the State Department. The inept and cowardly attitude of our administration encourages a continuation of the lawless and ruthless confiscation of American-owned properties in Mexico, which may spread to other South American countries.

President Roosevelt threatens sanctions against Japan because of the destruction of American properties in the war zone in far-off China, and the internationalists and warmongers of the administration denounce dictatorial governments in Europe while fawning on the "red" dictatorship in Mexico, practically ignoring the plundering of our citizens by our next-door neighbor.

We should recall Ambassador Daniels, who has failed to properly represent or protect our interests; stop buying silver from Mexico, enriching that nation, and impoverishing our own when there are still millions unemployed, and let President Cardenas know that the good-neighbor policy must be mutual to be of any value.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. COOLEY. In what respect has Ambassador Daniels failed to properly represent the Government of the United States?

Mr. FISH. Because he has not been firm enough in the last 3 or 4 years in representing our interests in that country, which have been repeatedly violated.

Mr. COOLEY. That is just the gentleman's opinion.

Mr. FISH. Oh, no. Even Democratic Members will agree with me on that.

TAX-EXEMPT SECURITIES

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I again want to call attention to the amount of tax-exempt securities that have been issued by the Federal Government, States, and counties.

On June 30, 1939, States, counties, cities, and so forth, wholly exempt, fifteen and one-tenth billion dollars.

Territories and insular possessions, wholly exempt one-tenth billion dollars.

Reconstruction Finance Corporation, partially exempt, eight-tenths billion.

Federal Home Loan System, partially exempt, two and eight-tenths billions.

Federal Farm Loan System, wholly exempt, one and two-tenths billions.

Federal Farm Loan System, partially exempt, one and three-tenths billions.

Federal Farm Loan System, total, wholly exempt and partially exempt, two and five-tenths billions.

United States Government, wholly exempt, seven and three-tenths billions.

United States Government, partially exempt, twenty-four and two-tenths billions; or a total of thirty-one and five-tenths billions.

Grand total, wholly exempt, twenty-three and eight-tenths billions.

Partially exempt, twenty-nine and five-tenths billions.

Wholly and partially exempt, fifty-three and three-tenths billions.

Every President, from President Wilson down to and including President Roosevelt, has recommended to Congress that legislation be passed to tax the income from such securities.

The staggering amount of tax-exempt and partially tax-exempt securities shows that it is possible to have a tremendous income through acquiring these securities and not pay any taxes to the Federal Government or State or subdivision thereof. As a matter of fact, in this fashion one would not be paying anything toward the cost of police protection, court rights, school purposes, or for any other governmental activity, which evasion necessarily throws a very heavy burden of taxation on the person who has property that the assessor can find. I introduced at the last session of Congress, H. R. 5632, providing for the assessment of such income. I am sorry to say that up to date I have been unable to secure any action thereon. Certainly it seems to me that the recommendation of our President in this regard should be given heed by Congress.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. TARVER. Mr. Speaker, a number of Members who did not speak on the Labor Department-Federal Security Agency bill desire to extend their remarks on the bill. Permission has already been obtained for those who spoke, but I desire at this time to ask unanimous consent that all Members, whether they addressed the Committee or not, may have permission within 5 legislative days, to extend their own remarks in the RECORD on the bill.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

HON. JAMES WOLFENDEN

Mr. DITTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. DITTER. Mr. Speaker, on Tuesday last a group of more than 1,200 friends and neighbors of our distinguished colleague, the dean of the Pennsylvania delegation [Mr. WOLFENDEN], tendered to him a testimonial dinner in appreciation of the services he has rendered to his community and the record he has established here in the House. At that

time the distinguished minority leader gave the address of the evening. I ask unanimous consent to extend my remarks and to include therein the address delivered by our colleague from Massachusetts, the Honorable JOSEPH W. MARTIN, Jr.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, neither the private nor the public life or record of the distinguished Ambassador to the Republic of Mexico needs defense at my hands, but I would not be true to the innermost feelings of my heart if I should permit this categorical and unwarranted attack upon him to pass unnoticed.

It is easy to slander the character and to smear the record of public servants, but it is difficult to establish a splendid record of public service such as has been established by the Honorable Josephus Daniels, the present Ambassador to Mexico. Nothing that the gentleman from New York may say here upon the floor of the House will dim the glory of the unselfish service and the splendid accomplishments of the Ambassador to Mexico, who early in his life dedicated himself and his talents to the welfare of his people and to the Government to which he is devoted. America is too familiar with the life and the labor of the subject of the gentleman's attack to permit a "small fry," though actuated by personal political ambitions and a crave for publicity, to defame either the reputation or the record of one who has so faithfully served his country.

Men may differ upon many matters of public interest but few men will differ upon the question of whether or not Ambassador Daniels has, with great ability, mental courage, unfaltering firmness, and with great tolerance, discharged the duties of the high position which he now occupies.

Josephus Daniels' name is a household word in all America and he ranks among the truly great men of a great and powerful nation. As Secretary of the Navy during the trying days of the World War he established a record unsurpassed in its brilliancy and did a job unprecedented in the history of this great Nation. It was Josephus Daniels who first really recognized the unusual and outstanding ability of the man who served as Under Secretary of the Navy during the World War, the man who today adorns the White House, our own President, Franklin D. Roosevelt. [Applause.]

I challenge the correctness of the gentleman's statement to the effect that 1,500,000 acres of American-owned timberland in Mexico have recently been seized. I am under the impression that the land became involved in a controversy because of defects in the title. While I am not prepared to discuss the matter at this moment, I shall obtain the facts and at a later date present them to the House. [Applause.]

EXTENSION OF REMARKS

Mr. COOLEY asked and was given permission to revise and extend his own remarks.

Mr. HOFFMAN asked and was given permission to extend his own remarks in the RECORD.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BUCK, for 1 week, on account of official business.

To Mr. MERRITT, indefinitely, on account of illness.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6724. An act to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1955. An act to authorize the Secretary of Agriculture to delegate certain regulatory functions.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Wednesday, March 27, 1940, present to the President, for his approval, a bill of the House of the following title:

H. R. 6724. An act to provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens.

ADJOURNMENT

Mr. TARVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.) the House adjourned until tomorrow, Friday, March 29, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 2, 1940:

H. R. 7169, authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation.

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON IRRIGATION AND RECLAMATION

There will be a meeting of the Committee on Irrigation and Reclamation on Friday, March 29, 1940, at 10:30 a. m., for the consideration of H. R. 9093.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 2, 1940, at 10:30 a. m., in room 328, House Office Building, for the consideration of H. R. 3648.

COMMITTEE ON THE JUDICIARY

On April 2, 1940, at 10:30 a. m., there will be continued before Subcommittee No. 4 of the Committee on the Judiciary, a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building, and will be continued on the following dates: April 3, April 9, and April 10, at 10:30 a. m.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1492. A letter from the Secretary of War, transmitting a draft of a proposed bill to amend the act entitled "An act for the protection of certain enlisted men of the Army," approved August 19, 1937, with recommendation for early favorable action; to the Committee on Military Affairs.

1493. A letter from the Acting Secretary of the Interior, transmitting draft of a proposed bill for the relief of Alfred G. Balls, former special disbursing agent for the Alaska Railroad, Anchorage, Alaska; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DEMPSEY: Committee on Rules. House Resolution 443. Resolution for the consideration of S. 326, an act for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico; without amendment (Rept. No. 1894). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 271. Resolution providing for the consideration of H. R. 6972, a bill to amend the Federal Crop Insurance Act; with amendment (Rept. No. 1895). Referred to the House Calendar.

Mr. MURDOCK of Arizona: Committee on Indian Affairs. H. R. 6796. A bill to authorize the purchase of certain lands for the San Carlos Apache Tribe, Arizona; without amendment (Rept. No. 1896). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE of Idaho: Committee on the Public Lands. H. R. 8356. A bill for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado; without amendment (Rept. No. 1897). Referred to the Committee of the Whole House on the state of the Union.

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 7733. A bill to provide increased pensions for veterans of the Regular Establishment with service-connected disability incurred in or aggravated by service prior to April 21, 1898; without amendment (Rept. No. 1898). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEWIS of Ohio: Committee on Election of President, Vice President, and Representatives in Congress. H. R. 8700. A bill to change the time of the appointment of Presidential electors and the election of Senators and Representatives in Congress; without amendment (Rept. No. 1899). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EBERHARTER:

H. R. 9138. A bill to amend the District of Columbia Unemployment Compensation Act, to provide for unemployment compensation in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CANNON of Florida:

H. R. 9139. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

H. R. 9140. A bill to authorize the Secretary of the Navy to acquire land at Key West, Fla.; to the Committee on Naval Affairs.

By Mr. COFFEE of Washington:

H. R. 9141. A bill to restrict the exportation of certain Douglas fir peeler logs and Port Orford cedar logs, and for other purposes; to the Committee on Ways and Means.

By Mr. ELLIS:

H. R. 9142. A bill to amend an act entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," approved June 28, 1938; to the Committee on Flood Control.

By Mr. SHEPPARD:

H. R. 9143. A bill permitting free entry of articles imported by returning residents from certain countries on the basis of the frequency of use of the exemption rather than the length of visit abroad, and for other purposes; to the Committee on Ways and Means.

By Mr. SNYDER:

H. R. 9144. A bill to authorize a preliminary examination and survey of the Redstone Creek and its tributaries in the State of Pennsylvania for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. BLAND:

H. R. 9145. A bill to amend the Canal Zone Code; to the Committee on Merchant Marine and Fisheries.

By Mr. KERR:

H. R. 9146. A bill to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of regulating interstate and foreign commerce in peanuts, providing for the orderly marketing of peanuts and insuring a balanced flow of peanuts in interstate and foreign commerce; to the Committee on Agriculture.

By Mr. ANDERSON of California:

H. R. 9147. A bill to authorize a preliminary examination and survey of the San Francisquito Creek, located on the county boundary line between San Mateo County and Santa Clara County, in the State of California; and also to authorize a preliminary examination and survey of the Matadero Creek, located in Santa Clara County, in the State of California, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; also to authorize that Matadero Creek, Dry Creek, and Adobe Creek areas be diked off and controlled by tide gates similar to the plan for San Francisquito Creek; to the Committee on Flood Control.

By Mr. HOLMES:

H. R. 9148. A bill determining the exterior material and finish of public buildings to be erected in the northwest triangle, Washington, D. C.; to the Committee on Public Buildings and Grounds.

By Mr. LESINSKI:

H. R. 9149. A bill to amend the act of March 3, 1927, entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes"; to the Committee on Invalid Pensions.

By Mr. KEE:

H. J. Res. 501. Joint resolution for the relief of the distressed and starving men, women, and children of Poland; to the Committee on Foreign Affairs.

By Mr. RANKIN:

H. Res. 444. Resolution for the consideration of H. R. 9000; to the Committee on Rules.

By Mr. COLE of Maryland:

H. Res. 445. Resolution authorizing the Committee on Interstate and Foreign Commerce of the House of Representatives to have printed additional copies of part 1 of its hearings held pursuant to the resolution (H. Res. 290) authorizing the Committee on Interstate and Foreign Commerce to conduct an investigation of the petroleum industry; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FRIES:

H. R. 9150. A bill for the relief of the Illinois National Casualty Co.; to the Committee on Claims.

By Mr. COLLINS:

H. R. 9151. A bill for the relief of Thomas A. Smith; to the Committee on Military Affairs.

By Mr. ANDERSON of Missouri:

H. R. 9152. A bill for the relief of Edward P. Reilly; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7227. By Mr. GILCHRIST: Petition of the Farm Bureau of Emmet County, Iowa, concerning parity payments, etc.; to the Committee on Appropriations.

7228. By Mr. GOODWIN: Petition of the Fernald Parent-Teachers' Association, Fernald, Iowa, signed by Mrs. Russell J. Chitty, Mrs. Clarence Hilburn, Mrs. Arthur Couser, Mrs. Harris Enderson, Mrs. Alvin Nelson, Mrs. James Talbott, Olin C. Bissell, Mae B. Bair, Mrs. C. S. Toot, Mrs. Jake Wise, Mrs. Leo Moser, Leo Moser, C. S. Swanson, H. E. Enderson, Alvin Nelson, J. A. Wise, and Mrs. C. E. Swanson, urging enactment of the Neely bill, Senate file 280; to the Committee on Interstate and Foreign Commerce.

7229. By Mr. GILCHRIST: Petition of sundry citizens of Manning, Iowa, asking enactment of House bill No. 1, being the chain-store bill; to the Committee on Ways and Means.

7230. By Mr. LAMBERTSON: Petition of Mrs. R. A. Kapitan and 11 other members of the Women's Home Missionary Society of Blue Rapids, Kans., urging Congress to pass the Neely bill (S. 280); to the Committee on Interstate and Foreign Commerce.

7231. Also, petition of Zillah B. Lamb and 28 other citizens of Topeka, Kans., protesting against the shipment of scrap iron and other supplies to Japan in her war on China, and urging Congress to take action to eliminate this; to the Committee on Foreign Affairs.

7232. Also, petition of Mrs. Fred German and 53 other citizens of Atchison, Kans., urging the passage of the Neely bill; to the Committee on Interstate and Foreign Commerce.

7233. Also, petition of Mrs. Andrew E. Newcomer and 29 other members of the Annie Adams Baird Missionary Society, Topeka, Kans., urging Congress to take measures to stop the shipping to Japan of materials of war against China; to the Committee on Foreign Affairs.

7234. By Mr. LYNCH: Petition of the United War Veterans Committee of the City of New York, requesting certain recommendations for inclusion in the relief appropriation bill of 1940–41; to the Committee on Appropriations.

7235. By Mr. JOHNS: Petition of John A. Pahl and Joseph E. Jungwirth, of Sister Bay, Wis., respectfully asking speedy enactment of the Patman chain-store bill (H. R. 1); to the Committee on Ways and Means.

7236. Also, petition of A. Vande Walle, of Nichols, Wis., respectfully asking speedy enactment of the Patman chain-store bill (H. R. 1); to the Committee on Ways and Means.

7237. Also, petition of Thomas Rasmussen, of Mountain, Wis., respectfully asking speedy enactment of the Patman chain-store bill (H. R. 1); to the Committee on Ways and Means.

7238. Also, petition of H. H. Schulze, and five other citizens of Greenville, Wis., respectfully asking speedy enactment of the Patman chain-store bill (H. R. 1); to the Committee on Ways and Means.

7239. By Mr. LUTHER A. JOHNSON: Petition of F. R. Ender and others of Hubbard, Tex., urging legislation to prohibit gambling in farm products; to the Committee on Agriculture.

7240. By Mr. KEOGH: Petition of the United War Veterans Committee, Brooklyn, N. Y., requesting that certain recommendations for veterans, their wives, and widows be included in the 1940–41 relief appropriation, etc.; to the Committee on Appropriations .

7241. Also, petition of David C. Reid Co., New York city, concerning the Wheeler-Lea transportation bill (S. 2009); to the Committee on Interstate and Foreign Commerce.

7242. Also, petition of the American Communications Association, Postal Local 36A, New York City, opposing any reduction in the appropriation for the National Labor Relations Board and Wage and Hour Division; to the Committee on Labor.

7243. By Mr. PLUMLEY: Petition of Brandon Post, No. 55, American Legion, favoring the passage of House bill 7593, widows and orphans bill; to the Committee on World War Veterans' Legislation.

7244. By Mr. THOMASON: Petition of consumers, salesmen, and merchants of El Paso, urging passage of the Patman chain-store tax bill (H. R. 1); to the Committee on Ways and Means.

7245. By Mr. VREELAND: Concurrent resolution of the House of Assembly of the State of New Jersey, memorializing the Congress to enact legislation to reimburse the Passaic Valley sewerage commissioners for damages occasioned to the outfall pipes of the Passaic Valley trunk sewer in New York Harbor by the steamship *Leviathan*, which was owned and operated by the United States of America; to the Committee on Claims.

7246. By the SPEAKER: Petition of the International Brotherhood of Electrical Workers, Stockton, Calif., submitting a resolution in favor of Senate bill 591; to the Committee on Claims.

7247. Also, petition of the Bricklayers, Masons, Marble and Tile Setters, Local No. 55, of the B. M. P. I. U., submitting a resolution in support of Senate bill 591; to the Committee on Banking and Currency.

7248. Also, petition of the Democratic National Committee, Women's Overseas Service League, Birmingham Unit, endorsing the proposed equal-rights amendment; to the Committee on the Judiciary.

7249. Also, memorial of the State of Rhode Island, memorializing the President and the Congress of the United States to consider their resolution with reference to proposing an amendment to the Constitution; to the Committee on the Judiciary.

SENATE

FRIDAY, MARCH 29, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Senate and Representatives in Congress assembled, that Thou wouldst be pleased to direct and prosper all their consultations, to the advancement of Thy glory, the good of Thy church, the safety, honor, and welfare of Thy people; that all things may be so ordered and settled by their endeavors, upon the best and surest foundations; that peace and happiness, truth, and justice may be established among us for all generations. These and all other necessaries, for them, for

us, and Thy whole church, we humbly ask in the name and mediation of Jesus Christ, our most blessed Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 28, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9007. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes; and

H. R. 9016. An act to amend the joint resolution creating the Niagara Falls Bridge Commission.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lee	Schwartz
Ashurst	Ellender	Lodge	Schwellenbach
Austin	Frazier	Lucas	Sheppard
Bankhead	George	Lundeen	Shipstead
Barbour	Gerry	McCarran	Smathers
Barkley	Gibson	McKellar	Smith
Bilbo	Gillette	McNary	Stewart
Bone	Glass	Maloney	Taft
Bridges	Green	Mead	Thomas, Idaho
Brown	Guffey	Miller	Thomas, Okla.
Bulow	Gurney	Minton	Thomas, Utah
Byrd	Hale	Murray	Tobey
Byrnes	Harrison	Neely	Townsend
Capper	Hatch	Norris	Truman
Caraway	Hayden	Nye	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Radcliffe	Wiley
Danaher	Johnson, Colo.	Reed	
Davis	King	Reynolds	
Donahey	La Follette	Russell	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Nebraska [Mr. BURKE], the Senator from Alabama [Mr. HILL], the Senator from Illinois [Mr. SLATTERY], and the Senator from Maryland [Mr. TYDINGS] are detained on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the St. James Commercial Club, of St. James, Minn., protesting against the enactment of the bill (H. R. 7762) to amend the Social Security Act and the Internal Revenue Code, to provide more adequate unemployment compensation, and for other purposes, which was referred to the Committee on Finance.

Mr. WILEY presented a resolution of Group No. 1476, Polish National Alliance, of Milwaukee, Wis., favoring the appropriation of $20,000,000 for purposes of relief in Poland, which was referred to the Committee on Foreign Relations.

Mr. REED presented petitions signed by 64 citizens of the State of Kansas, expressing approval of parity payments under the Triple A program and praying that the funds for such payments be derived from a processing tax, which were ordered to lie on the table.

Mr. VANDENBERG presented the petition of members of the Metropolitan Methodist Episcopal Church, of Detroit, Mich., praying for the enactment of the bill (S. 517) to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by radio, which was ordered to lie on the table.

Mr. WALSH presented a resolution of the mayor and council of the city of Brockton, Mass., protesting against a proposed lay-off of W. P. A. workers in that city, which was referred to the Committee on Appropriations.

He also presented a letter in the nature of a petition from the Grand Council of the Grand Lodge of Massachusetts, Order Sons of Italy in America, signed by Joseph Gorrasi, grand venerable, Boston, Mass., praying for the enactment of the so-called Mead resolution, being the joint resolution (S. J. Res. 213) authorizing the acceptance of the invitation of the Government of Italy to participate in the Rome Universal Exhibition to be held at Rome, Italy, in 1942, which was referred to the Committee on Foreign Relations.

REPORTS OF MILITARY AFFAIRS COMMITTEE

Mr. JOHNSON of Colorado, from the Committee on Military Affairs, to which was referred the bill (S. 1460) to provide uniform reciprocal hospitalization in any Army or Navy hospital for retired personnel of the Army, Navy, Marine Corps, and Coast Guard, and for other purposes, reported it with an amendment and submitted a report (No. 1359) thereon.

He also, from the same committee, to which was referred the bill (S. 1461) to remove discriminations against retired Army enlisted personnel and to equalize hospitalization and domiciliary benefits of retired enlisted men of the Army, Navy, Marine Corps, and Coast Guard, reported it without amendment and submitted a report (No. 1360) thereon.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on March 28, 1940, that committee presented to the President of the United States the enrolled bill (S. 1955) to authorize the Secretary of Agriculture to delegate certain regulatory functions.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BONE:

S. 3686. A bill to authorize the Legislature of the Territory of Alaska to create a public corporate authority to undertake slum clearance and projects to provide dwelling accommodations for families of low income and to issue bonds and other obligations of the authority for such purpose, and for other purposes; to the Committee on Territories and Insular Affairs.

By Mr. LUCAS:

S. 3687. A bill for the relief of Esther Cottingham Grab; to the Committee on Foreign Relations.

S. 3688. A bill for the relief of Frank O. Lowden, James E. Gorman, and Joseph B. Fleming, trustees of the estate of the Choctaw, Oklahoma & Gulf Railroad Co.; to the Committee on Claims.

By Mr. LEE:

S. 3689. A bill for the relief of Aud R. Hopewell; and

S. 3690. A bill for the relief of Elizabeth Dunn Nehring; to the Committee on Finance.

By Mr. GREEN:

S. 3691. A bill for the relief of Carmella Ridgewell; to the Committee on Claims.

By Mr. BARKLEY:

S. 3692. A bill for the relief of Mr. and Mrs. R. F. Claud; to the Committee on Claims.

By Mr. ELLENDER:

S. 3693. A bill to authorize the Secretary of War to grant permission for pipe lines; to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 9007. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes; to the Committee on Appropriations.

H. R. 9016. An act to amend the joint resolution creating the Niagara Falls Bridge Commission; to the Committee on Foreign Relations.

CLAIMS AGAINST THE UNITED STATES—AMENDMENT

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to the bill (H. R. 8150) providing for the barring of claims against the United States, which was ordered to lie on the table and to be printed.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—AMENDMENT

Mr. LA FOLLETTE submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, which was ordered to lie on the table and to be printed.

ADDRESS BY SENATOR PEPPER ON UNEMPLOYMENT

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a radio address on the subject of unemployment, delivered by him on March 23, 1940, which appears in the Appendix.]

REPORT OF BAR ASSOCIATION OF NEW YORK ON ADMINISTRATIVE PROCEDURE BILL

[Mr. MINTON asked and obtained leave to have printed in the RECORD the report of the committee on administrative law and on Federal legislation of the association of the bar of the City of New York on Senate bill 916 and House bill 4235, relative to Federal administrative procedure, which appears in the Appendix.]

UNEMPLOYMENT OUR GREATEST PROBLEM

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an editorial from Labor of the issue of March 26, 1940, and an editorial from the same publication of the issue of July 25, 1939, on the subject of unemployment, which appear in the Appendix.]

ADDRESS BY HON. JOHN A. MATTHEWS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address delivered by Hon. John A. Matthews, LL. D., on February 18, 1940, which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. ADAMS. Mr. President——

The VICE PRESIDENT. When the Senate took a recess yesterday the Senator from Colorado [Mr. ADAMS] had the floor and expressed a desire to continue this morning. The Chair recognizes the Senator from Colorado.

Mr. ADAMS. Mr. President, I have no illusion that I can contribute anything to this debate, or that I can say anything that has not already been better said, but I have felt, for various reasons, that I should make a statement upon the matter and an analysis of the situation as I see it. One reason that prompts me to do so is the fact that when the joint resolution shall have been passed the mouths of Senators will then be substantially stopped, and trade agreements will pass out of our control, so that whatever we may have to say we will have to say now.

Mr. President, the question involved is far greater than one of profit; it is far greater than one of dollars and cents. In my own opinion—I speak for no one else—the support of the measure now pending involves lack of faith in and disapproval of fundamentals of the American Constitution. I am unable to reconcile for myself support of this measure with a firm faith in the fundamentals of our Constitution. The founders of our Government intended that the taxing power should not only be vested in but should be exercised by the Congress. The same history and experience which led the fathers to this conclusion also led them to conclude that the Congress should have reposed in it the control of foreign commerce.

I have gathered from some discussions on the floor and in the cloakroom that an impression prevails in some quarters that the regulation of foreign commerce is an executive function and not legislative; but the Constitution specifically puts the taxing power and the power to regulate commerce in the Congress.

Article I, section 1, of the Constitution says:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

There are those who seem to think there are some bodies other than the Senate and the House of Representatives which are vested with legislative powers; but the Constitution definitely and specifically confers upon the Senate and House of Representatives all legislative powers. No legislative powers are vested in any department or in any individual other than these two bodies.

Article I, section 8, of the Constitution says that—

The Congress shall have power to lay and collect taxes, duties, imposts, and excises.

No power to levy taxes or tariffs is vested anywhere except in Congress.

In Congress is exclusively vested the power to regulate commerce with foreign nations and among the several States.

Whether a tariff is to raise money to pay the debts and provide for the common defense and general welfare of the United States, or is for the purpose of regulating commerce, or combines the two functions, it is exclusively legislative and congressional.

Tariff laws cannot be amended or repealed except by Congress, except perhaps by a treaty.

Congress cannot delegate its legislative powers.

These are elementary statements I am making. They lie at the foundation of such argument as I have to make, and they are not disputed.

Congress cannot delegate to the President the power to amend, revise, or repeal tariff laws, or regulate foreign commerce.

What is attempted in this joint resolution? It is attempted to delegate to the President certain great powers—powers of taxation and power to regulate commerce. What is the form of the delegation? Certain purposes are recited in the act, and then it says that whenever the President "finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States," he may enter into trade agreements.

The power which the act gives to the President to enter into foreign trade agreements depends, in accordance with the act, upon his own finding. The President decides when he is to have power to enter into foreign trade agreements. He makes a finding of fact. He is required to do so. In every single instance, I think—I have examined practically all of the trade-agreement treaties—the President makes this statement in line with the general statement of the law.

The following, for instance, is quoted from the agreement with the Netherlands, and I think it is identical with all the others. It says:

Whereas I, Franklin D. Roosevelt, President of the United States of America, have found as a fact that certain existing duties and other import restrictions of the United States of America and the Kingdom of the Netherlands are unduly burdening and restricting the foreign trade of the United States of America, and that the purpose declared in said Tariff Act of 1930, as amended by said act of June 12, 1934, will be promoted by a foreign trade agreement between the United States of America and Her Majesty the Queen of the Netherlands—

Then he goes on to say "by reason of this, I enter into a foreign trade agreement," which follows.

There is not a finding in any of these instruments of any specific duty or any specific article which lays the groundwork of the undue burdening of commerce. The President in each instance simply makes a general finding in the words of the statute. Then, having made the finding, having by virtue

of his own finding in the most general terms taken upon himself the power to enter into foreign-trade agreements, what is done? Do the agreements point out, any more than the President points out, the particular duties or rates which are unduly burdening interstate commerce? No; but in each instance a general tariff revision is undertaken.

To me it is curious that, while the foundation of the power under the law is that certain duties are unduly burdening interstate commerce, yet the law gives to the President the power to continue in effect duties. In other words, an act for the purpose of correcting duties gives the power to continue, should he wish, those very duties. We can understand, perhaps, the power to change, but the power to continue is another matter.

The act goes on, after the trade agreements are made:

> The President may at any time terminate any such proclamation in whole or in part.

And there is no specification of cause or occasion upon which he shall exercise that power.

If we were to concede the validity of the power to make the agreement, which is a process of lawmaking, by what process can we deduce a rule, a standard of delegation, when the President is given unqualified authority to rescind the law which has been made, with no specification of occasion or purpose, but simply a naked authorization?

Mr. WHITE. Mr. President, would the Senator care to yield?

Mr. ADAMS. I am very glad to yield.

Mr. WHITE. I do not want to interrupt the Senator if it is not entirely agreeable.

Mr. ADAMS. I am merely under a little pressure of time, but I shall be very glad to yield.

Mr. WHITE. I understand the Senator's contention to be that the authority of the President exists only when he finds that a specific duty is unduly burdening commerce. Is that correct?

Mr. ADAMS. Yes.

Mr. WHITE. And when he undertakes to say that an article on the free list shall be bound indefinitely on the free list, he is not finding that the absence of duty in that instance is unduly burdening interstate or foreign commerce. Is that correct?

Mr. ADAMS. And, of course, I say to the Senator that there is a finding of fact that certain duties are unduly burdening commerce, but there is no specification as to what the articles or the items are. Then there is no limitation upon the President as to the changes he may make in the schedules. He may have entered into the negotiations upon the theory that a certain item was the basis of discrimination burdening commerce; but, having made that finding, he proceeds to enter upon a process of tariff bargaining without limitation as to the subjects to be taken up, and only a limitation as to the amount of change which he may make.

Mr. WHITE. But if he freezes a duty, he is either continuing something that burdens commerce, which the statute says he shall remove, or——

Mr. ADAMS. When he freezes a duty he says to the Senator from Maine and 95 other Senators, and 435 Representatives, "You no longer have any right to legislate on this article. I have given up your right to legislate on this article for the period for which this trade agreement lasts unless I see fit to change it."

Mr. WHITE. And that action is not predicated upon or does not rest upon the power to remove abuses; otherwise he would not have continued the duty.

Mr. ADAMS. It rests upon that power, but it goes away beyond the necessity for correcting the abuses.

As I have tried to show the Senate, amendments to a tariff act can be made only by a legislative act. I am eliminating the treaty phase of the matter. A tariff act is a law. Nothing other than an act of governmental authority equal to it can amend it.

Mr. HATCH. Mr. President, will the Senator yield at that point?

Mr. ADAMS. Certainly.

Mr. HATCH. In the view the Senator is now expressing, in eliminating the treaty theory——

Mr. ADAMS. I am coming to that.

Mr. HATCH. I will not anticipate the Senator, then. I will wait until he reaches that point.

Mr. ADAMS. It is recognized that Congress may pass an act setting out the law and delegating the process of enforcement. Now I think I shall read just a paragraph or two from the brief filed by the supporters of the agreement in the hearings. The case of Field against Clark is commonly the basic case. I am not going back to the case of the brig *Aurora;* but in Field against Clark the Supreme Court of the United States said—and it is conceded to be the basic doctrine; I think there is no question about it—

> That Congress cannot delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution.

The Court proceeds to point out in the particular case that—

> As the suspension was absolutely required when the President ascertained the existence of a particular fact, it cannot be said that in ascertaining that fact and in issuing his proclamation, in obedience to the legislative will, he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the law-making department to ascertain and declare the event upon which its expressed will was to take effect. It was a part of the law itself as it left the hands of Congress that the provisions, full and complete in themselves, permitting the free introduction of sugars, molasses, coffee, tea, and hides from particular countries should be suspended in a given contingency, and that in case of such suspensions certain duties should be imposed.

That, I think, is the undisputed law. What is it that is relied upon to justify the delegation of authority in this act? The Trade Agreements Act contains this statement of purpose:

> For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in the present emergency in restoring the American standard of living, in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of goods into the United States.

Those are the purposes specified, and they are relied upon as laying down a standard or rule, or, as stated in the Hampton case, an intelligible principle.

The distinguished Senator from Georgia [Mr. GEORGE], if I recall correctly, yesterday emphasized the statement in the Hampton case that there should be an intelligible principle, that that was required, and that the adoption of the method of reciprocal-trade bargaining would constitute such a principle.

In the Hampton case the court, in its specification of the statement as to an intelligible principle, adds this, which greatly qualifies the statement:

> If Congress shall lay down, by legislative act, an intelligible principle to which the person or body authorized to fix such rate is directed to conform, such legislative action is not a forbidden delegation of legislative power.

When the court uses the term "intelligible principle" it means, of course, an applicable principle, one which will serve as a formula in working out tariff changes. It cannot be merely what we might designate as an intelligible principle on some remote matter, some hope, some desire, but it must be a principle which can be applied to the particular problem of fixing the rates, and, as the court says, "to which the person or body authorized to fix such rate is directed to conform."

My studies have failed to show to me the existence of a rule, a standard, an intelligible principle, in the Reciprocal Trade Agreements Act, binding or directing the President in the making of reciprocal-trade agreements. He is expected to enter into reciprocal-trade agreements in order that he may effectuate certain great purposes, which could well be reduced to the statement "to promote the general welfare." If we delegate authority to the President to do an act of this

kind whenever he thinks, after consideration of existing facts, it will be in the interest of the public welfare, we abandon the principle prohibiting the delegation of legislative authority by the Congress. I think that is the situation.

Mr. President, as to the standards, the case of the *Panama Oil Co.* v. *Ryan* (293 U. S.) has been quoted repeatedly. In that case the Supreme Court of the United States expressed its opinion upon the question of standards. That is not parallel with the case before us, but in that case the Court expressed its opinion upon the question of standards, I think, rather clearly. It quotes, first, the bases upon which the President could act, and it says:

> We turn to the other provisions of title I of the act. The first section is a "declaration of policy."

As in the case before us—

> It declares that a national emergency exists "which is productive of widespread unemployment and disorganization of industry, which burdens interstate and foreign commerce—

Similar phrases to what we have heard in connection with the issue before us—

> affects public welfare, and undermines the standards of living of the American people." It is declared to be the policy of Congress "to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof"; "to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups"; "to induce and maintain united action of labor and management under adequate governmental sanctions and supervision"; "to eliminate unfair competitive proctices; to promote the fullest possible utilization of the present productive capacity of industries; to avoid undue restriction of production (except as may be temporarily required); to increase the consumption of industrial and agricultural products by increasing purchasing power; to reduce and relieve unemployment; to improve standards of labor; and otherwise to rehabilitate industry and to conserve national resources."

The Court then said:

> This general outline of policy contains nothing as to the circumstances or conditions in which transportation of petroleum or petroleum products should be prohibited.

The Court further said:

> The Congress left the matter to the President without standard or rule, to be dealt with as he pleased. The effort by ingenious and diligent construction to supply a criterion still permits such a breadth of authorized action as essentially to commit to the President the functions of a legislature rather than those of an executive or administrative officer executing a declared legislative policy.

As I have said, I have been unable in my study to find any rule, any standard, any formula, which controls or directs or guides the President in his negotiation of reciprocal-trade agreements. When the President finds as a fact that certain duties, either of the United States or of a foreign government, are undoubtedly burdening commerce, he may act. Of course, the purpose of the imposition of duties by foreign governments is to burden commerce, to an extent; the purpose is to protect their internal markets, as we do ours. Whenever the President finds that any duties are burdening foreign commerce, then by making a finding himself he has for himself the power to make reciprocal-trade agreements, without limitation as to subjects, within the 50-percent limit as to rates.

What authority is left to the President when he makes such a finding? He is to select the items to be considered. There is no control of any kind even suggested in the act as to what item shall be included in a reciprocal-trade agreement. Second, he shall fix the rate. What is there to a tariff law but the articles to be named and the rates to be fixed? In other words, the whole body, substance, and soul of the making of a Tariff Act is delegated to the President, with one restriction only; that is, as to the extent of the change he may make in a rate.

I am unable to conceive of a clearer delegation of legislative authority; and, mind you, Mr. President, every single item in a reciprocal-trade agreement is an amendment of an existing law, involving the change of a rate here or there. Every item is a repeal or an amendment of an existing law. So we have the President, under a direction for a fine purpose, made the legislative body of this country.

In my judgment, when the President made these treaties, he made the law; he exercised legislative power. We know from the group of 22 treaties that there has been a general revision of the tariff laws of the United States. The tariff rates on more than 1,000 items have been changed in the 22 trade agreements, many of them minor items, most of them not justifying the contention that they individually burdened interstate or foreign commerce. There has been put into effect a theory, an economic theory, a tax theory, not a theory of this body, not a theory of the Congress, but the tax theory of a very distinguished, a very able, a very earnest, a very honest man.

Mr. President, I find no fault with the Secretary of State. He is carrying out a program, as he should be expected to, which he honestly believes to be for the welfare of his country. When he was a Member of the Congress of the United States, the Congress declined to a large extent to accept his theories as to tariff matters. Now, no longer responsible to a popular vote—and we know that as a practical matter he is making reciprocal-trade agreements—he is putting into effect his own economic theories. I do not criticize him. He believes they are for the welfare of our country. The criticism is of the Senate, and the body at the other end of the Capitol Building, that have sought to give away their authority in respect to tariff matters. I do not criticize any man for using the power that is given to him, and I know it is human to reach out for increased power.

Mr. President, a tariff agreement itself changes the tariff law. That is not particularly material. The President does not himself change the American tariff law, but it is the combined effort of the United States with Great Britain or the Netherlands or Brazil, by a two-party agreement, which changes the law. Not only have we delegated our authority in this respect to the President, but the foreign nations involved are participating in making the instruments. The President merely proclaims the changes in the law which are made by two-party agreements. The schedules are specifically made part of the agreements. The schedules are contained in every agreement, and reference is made to the pages and paragraphs of the tariff law. So the Queen of the Netherlands, for instance, and Cordell Hull, are by an agreement changing the American tariff laws. We may say that is not a delegation of legislative power. I suppose we have the right to make some delegation to the Queen of the Netherlands or to the President of Brazil if we desire to do so.

Mr. President, my theory is that these agreements, as they are set up, are legislative in their character. They change the law. Under the Tariff Act of 1890, coffee, for instance, was admitted to the United States free of duty. There was a provision in the tariff law that if the President should find that the tariff rates imposed by Brazil were unequal and unreasonable, it was his duty to suspend the provision for the free admission of coffee. He made the finding; he suspended the free list, and coffee became subject to a duty of 3 cents a pound. When the importer found that the duty on coffee was 3 cents a pound, instead of being on the free list, he did not have any trouble in finding out how or why it was done. The duty was fixed in the very letter of the law, which provided that if the President found discriminations, he should take coffee from the free list and impose a duty of 3 cents a pound. In other words, the provision with respect to the change of coffee from the free list, and the imposition of a duty, and the rate of duty of 3 cents a pound, were fixed in the law, and Brazil had nothing to say about it. We were then making our own tariff laws.

Today we would have to negotiate with Brazil about the matter. What I mean particularly to impress upon the Senate is that at that time the law contained the definition of the two vital things, both of which are lacking in the trade-agreements law.

In the subsequent act, the flexible tariff law, it will be found that a provision was made for the adjustment of duties according to a standard What was the standard? The standard provided that the difference in cost at home and abroad should be equalized by the tariff. The President had

no authority to make a change until the Tariff Commission had investigated and reported to him what the difference was between the cost at home and abroad, and then he could only declare and act upon the subject which had been investigated, and in accordance with the rates recommended by the Tariff Commission. That provision was upheld, and the Court, I think, very properly said there was an intelligible principle. There was a purpose and a formula. In the Trade Agreements Act there is a collection of purposes—not a single purpose but a collection of purposes—and no formula. No person knows and no person can know what products are to be used as a basis for reciprocal-trade agreements. No person knows what the changes may be. There is no formula provided. There is no specification by which the changes can be anticipated.

Of course, there is a committee on reciprocal trade agreements information, or something like that, which is made up of very learned men, who secured their places by appointment, who have never gone through the fire of securing public approval. I have been before that committee with other Members of the Senate. One could not ask for a more courteous body than this group of men, who sit and listen perhaps to what is said. There is a room full of people, perhaps 75 or 100 persons in the room at one time, all anxious to be heard the same morning. Of course, a Senator is given preference. He will be heard first, but heard not by those to whom the authority has been delegated and not by men who are in any way responsive to the people. Those to whom he speaks are putting into effect their theories of tariff making, utterly regardless of what Senators—I will not say all Senators, I will say what many Senators—may think.

Mr. President, by this act we have turned over authority to the President and the Secretary of State to go out into the world of trade and make any deal they may think best. That is the principle of reciprocal-trade agreements. It seems that our State Department may go out in the world and negotiate. It may say to a foreign nation, "If you will reduce your duty on a certain article, we will reduce our duty on some other article." That is stated to be an intelligible principle upon which they are justified in exercising the power of fixing rates. Of course, those who do the work cannot do anything other than what Congress has authorized them and told them to do. We cannot tell them to make the law; but we have told them to negotiate trade agreements, and they have done so. The question also before the Senate today is whether or not other bodies, other groups, shall exercise the power delegated by the Constitution to the Congress of the United States.

Mr. President, as I have said, it is not a matter of dollars and cents, it is not a matter of profit, but it is a matter of fundamental principle. The question is whether or not the Senate believes in the Constitution. If we do not like it, we have a way of amending it. If we believe in it, I think we should abide by it.

With what are the hearings filled? They are filled with statistics and statements concerning economic benefits which may result from taking certain steps. I am not disputing the information contained in them. I am not opposed to the reciprocal trade agreement method. I think the bargaining method is all right. I do not want to see a recurrence of logrolling, but I am not particularly enthusiastic about having logrolling merely removed from the Senate to the State Department. That is what is happening.

All that I think should be done is to let the negotiators from the executive department go out and see what they can do. They are our agents. But they do not want to come back to their principal for his approval. They want to be an agent with final authority and have almost a contempt for their principal.

Mr. President, the fact that motives are good and results are profitable does not make delegation valid.

How do these agreements work? I will give an illustration or two. I shall speak of some things about which I know. One of them is sugar. Under the flexible provision of the Tariff Act the President, after having received a statement from the Tariff Commission that the duty did not equalize the difference in cost at home and abroad, following the recommendation of the Tariff Commission, reduced the duty on Cuban sugar from $2 to $1.50, thereby putting Cuba and America upon an equal basis as to sugar production. Then a reciprocal-trade agreement was made with Cuba, and the President reduced the duty 60 cents below the rate fixed by himself, on the basis of equalizing the cost of production at home and abroad.

Let me ask the Senate whether that complies with the law? Why are these things done? What is the purpose? The purpose is to restore the American standard of living. Was the American standard of living restored by reducing, as occurred necessarily, the wages in the sugar-beet fields?

Again the purpose is to increase the purchasing power of the American public. Is that accomplished by striking down an industry? Does that result in increasing the purchasing power of the American public?

Another purpose—and this is a good one, Mr. President—is to establish and maintain a better relationship among various branches of American agriculture, industry, mining, and commerce. The price of sugar has been cut in order to establish better relationships. That is the standard which is laid down, by which the President determines that sugar should be dealt with in an agreement, and that the tariff should be reduced 60 cents. These purposes do not fix the standards and they are not accurate.

Mr. President, I am trying to observe the understanding which I have with the very distinguished Senator from Tennessee [Mr. McKELLAR].

Again speaking of something with which I am familiar, take cattle as an illustration. After the American stock raiser has killed 8,000,000 head of his stock because his ranges were overstocked, we admit from Canada 200,000 large-size animals and 100,000 of another kind. We reduce the duty on dairy stock; we reduce the duty on cheese; we reduce the duty on lumber, on shingles, on potatoes, and on metals, all for the purpose of increasing employment in America, restoring the American standard of living, and increasing American purchasing power. Those are fine purposes, but in no way connected with the things which are done. I am saying this merely to illustrate that no formula is set out in the act which in any way determines the President's course, and he is left as an untrammeled legislative agent to make the law.

There has been some comment about treaties. If these agreements are treaties, they may, of course, be negotiated without the authority of Congress. Congress does not have to authorize the President to negotiate treaties. However, as the Constitution provides, the taxing power is held in Congress. The power to regulate foreign commerce is a congressional power. The Constitution provides that while the President may negotiate treaties, they shall not become valid until approved by two-thirds of the Senators present. In other words, in the legislative body was vested the final word on taxes, on interstate and foreign commerce, and on making treaties.

In the case of treaties there is no question of delegation of power. A treaty may include as wide a field as the treaty makers see fit. The question of delegation of power applies only to the legislative act. If an agreement comes in as a treaty, questions of delegation of power are eliminated. Treaties may be eliminated as to the past, because if trade agreements are treaties there are 22 void treaties, since no one of them has been ratified by the Senate.

Of course, the sponsors of the joint resolution say that the agreements are not treaties. That is a necessary premise for them to take, because the agreements are void if they are treaties. Necessarily, the sponsors have to say that they are not treaties. If they are not treaties, then the only source of authority for their execution is congressional power, legislative power; and their execution must be pursuant to a valid delegation of power in the execution of a law enacted by Congress, in which the whole framework of the law is set out, only the details being left to the agents.

An effort has been made to recognize a certain new legal creature. We speak of "executive agreements." In the executive field we may have a perfectly proper executive agreement, entered into by the President, which does not require authority from Congress. As the Commander in Chief of the Army and Navy, he may make agreements in many fields. If the executive agreement is to render effective the reciprocal-trade agreements, they must come back, not into the executive field but into the legislative field. They must be sustained. However, in the briefs which have been filed and in the arguments which have been made a sort of hybrid has been created under the name of "executive agreement."

Executive agreements are enough like treaties to escape the constitutional objection to the delegation of legislative power; and they are enough like legislative authority to avoid ratification as treaties; that is, the executive agreements go down the middle of the road, escape the requirement for ratification as treaties, and escape the doctrine of delegation of power. But they must stand, if at all, upon the legislative basis. The mere fact that they are called executive agreements does not change the fact. So I think the executive-agreement theory does not add anything to them. If they are treaties, they must be ratified. If they are not treaties, they must have the fundamental legislative authorization, which must not be in excess of the delegation.

I think the situation resolves itself into certain rather definite points. As I have said, we are seeking to give an agent authority. Every particle of authority which the Secretary of State and the President exercise in connection with these agreements comes from the Congress. They act as the agents of the Congress. In the execution of trade agreements they have no authority from any other source. Again I am eliminating the question of treaties, because, of course, if the agreements were treaties, they would have to be ratified. For the purpose of this discussion, treaties are out. However, a number of Members of this body regard these instruments as treaties. I think the argument of the senior Senator from Nevada [Mr. PITTMAN] to the effect that they are treaties has not been answered. But there is no need of our further debating that phase of the question.

What is the situation? What do our agents in the execution of these agreements say about us? They object to having the reciprocal-trade agreements submitted to Congress to obtain from the Congress authority to make them. The Secretary of State said, at page 35 of the House hearings:

> I think the first time an agreement came up for approval, there would remain, after the Senate got through, neither the shadow nor the substance.

That is the compliment which the Secretary of State pays this body. If he, as our agent, should come to us and submit to us the work which he has done under our authorization, we would tear it apart.

Mr. Grady, First Assistant Secretary of State, in charge of these agreements, says:

> If ratification were required it would be a complete black-out. Ratification is tantamount to repeal.

Such statements are nothing less than a gross reflection upon the character and capacity of the Senate of the United States. Senators may "take it" if they like it. Whenever they vote to pass the joint resolution, they accept the statements which have been made that we are not competent to exercise the powers which the Constitution vested in us. That is the premise of the argument.

Mr. President, I am one of those who believe that if a good treaty or a good agreement were submitted to us it would be ratified by the Senate, and that if it were not a good one it ought not to be ratified. I think the passage of the joint resolution involves a repudiation of the fundamentals of our Government. I am speaking only for myself. No one else need agree with me. However, I could not vote for a measure which is founded upon the premise that if the work of our agents were submitted for approval we would so tear it apart that neither shadow nor the substance would remain. It has been said throughout the land that ratification means wrecking the reciprocal-trade agreements.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. O'MAHONEY. The charge has been made over and over again that if the principal, which is the Congress, should be given the opportunity to pass upon the work of the agent, which is the executive arm to which the delegation of power is made, the principal would not only wreck the work of the agent, as the Senator has pointed out, but would also engage in unseemly logrolling. Is it not a fact that if the agreements were to come to the Senate for ratification as treaties they would have to be passed upon as units, and that it would be impossible to deal with specific items and engage in the logrolling practice which has been denounced?

Mr. ADAMS. The Senator is absolutely correct. There has been the most unfair propaganda on that subject. There has been an effort to say to the country that the Senate would engage in unseemly logrolling if trade agreements were submitted to it. As a matter of fact, when the Secretary negotiates each individual item, he is engaged in what? In trading. What is logrolling? It is trading. He is engaged in trading. All that would be left to the Senate of the United States if a trade agreement should be submitted to it would be to say we approve or we disapprove of the agreement as a whole. We could not amend it. We would accept it or reject it. In other words, it seems to be proper to translate logrolling into the executive field, but improper to permit Senators from the individual States to have an opportunity upon the floor of the Senate to represent the people who sent them here in connection with tariff matters.

Mr. O'MAHONEY. Mr. President, is it not a fact that it is impossible for the Secretary of State himself to pass upon all the innumerable items and duties in the innumerable trade agreements that can be negotiated?

Mr. ADAMS. Of course, there are a thousand items included in the agreements already negotiated.

Mr. O'MAHONEY. So that it becomes necessary for the Secretary of State himself to redelegate the power which we now delegate to him.

Mr. ADAMS. That is correct.

Mr. O'MAHONEY. What protection is there to the public of the United States and to the industries of the United States against the possibility of logrolling by the second- and third-degree delegates, so to speak, of our legislative authority?

Mr. ADAMS. Not only is there no protection but I think it is a very definite violation of our obligations. The Constitution vests in us these powers. If we are not competent, what we ought to do is to let somebody else have our place. If the system is wrong, if the Constitution is wrong, let us amend it; let us make the executive the legislative, the taxing power. Strange to say, as the Senator from Wyoming realizes, in the little group that is really making new tariffs there are certain sections of the country which do not seem to be represented, while in this body every section of the country has representation and a spokesman. I refer particularly to a large section of the West which, evidently, is regarded as a sort of stepchild in the economic field. When a trade agreement is negotiated something has to be given or conceded in order to get something. What has been done? I have not wanted to argue the economics of the question, but in my section of the country we have been a source of materials to be traded off in order that something might be obtained. It so happens that the major industries of my section are among those that have been traded off in order that benefits might come to other sections, and without a chance on our part to complain. If such matters were submitted to the Senate, then if the State of Colorado should lose in the discussion and action on the floor, we would have to take it and put up with it; but to be made a victim at the hands of a group of individuals is a little difficult to accept.

Mr. President, the best part of my remarks I will have to defer because the Senator from Tennessee is anxious to proceed. I hope he will recognize that in surrendering the floor to him I am omitting the best part of my speech in order to accommodate him. The remainder of it would be thoroughly persuasive, but if I should take the time he would not be able to speak.

I desire merely to add one suggestion, namely, that if these agreements are treaties they must be ratified; if they are trade agreements, and are not treaties, they should be ratified. If they are proper delegations of authority they do not need ratification; if they are excessive delegations they should be submitted to the Senate. In other words, I think that these agreements should come back to this body for approval, regardless of whether they are valid, regardless of other circumstances. I think we can do no less than to demand the return to the Senate of these agreements for our approval or rejection, regardless of what they may be called, not as a matter of validity necessarily but in order that we may fulfill our obligations. For one, I am not willing to say that an individual in the executive arm of the Government shall have in his uncontrolled discretion the economic welfare of the country; and that is what the present system means. The man who controls the taxing power controls the welfare of the country. We are putting it in a single hand.

I remind Senators who have great confidence in those now in office that the term of office of President Roosevelt and Secretary Hull will end on the 20th of January 1941, and from then on we are legislating for the execution of binding reciprocal-trade agreements by men who will follow them whose theories may be different.

So I cannot understand why Senators should object to having a trade agreement brought to him for his approval. For the life of me, I cannot understand why any Senator should be unwilling to have an opportunity to approve or disapprove fundamental acts such as these are in our economic system. Yet if we pass the joint resolution, I say again, in my judgment, we defy the Constitution; we express our distrust and disapproval of its fundamental provisions; and, what is worse, we admit the charge that is made against us, that the Senate of the United States is not competent to exercise the powers conferred upon it by the Constitution. For myself I am willing to make no such admission.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The Chair recognizes the senior Senator from Tennessee.

Mr. McKELLAR. Mr. President, in the spring of 1934——

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CONNALLY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lee	Schwartz
Ashurst	Ellender	Lodge	Schwellenbach
Austin	Frazier	Lucas	Sheppard
Bankhead	George	Lundeen	Shipstead
Barbour	Gerry	McCarran	Smathers
Barkley	Gibson	McKellar	Smith
Bilbo	Gillette	McNary	Stewart
Bone	Glass	Maloney	Taft
Bridges	Green	Mead	Thomas, Idaho
Brown	Guffey	Miller	Thomas, Okla.
Bulow	Gurney	Minton	Thomas, Utah
Byrd	Hale	Murray	Tobey
Byrnes	Harrison	Neely	Townsend
Capper	Hatch	Norris	Truman
Caraway	Hayden	Nye	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Radcliffe	Wiley
Danaher	Johnson, Colo.	Reed	
Davis	King	Reynolds	
Donahey	La Follette	Russell	

The PRESIDING OFFICER. Eighty-nine Senators have answered the roll call. A quorum is present.

May the Chair request that conversation on the Senate floor and in the galleries be suspended so that the Senate may listen to the discussion? The Senator from Tennessee has the floor.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Tennessee yield to enable me to put something in the RECORD?

Mr. McKELLAR. My time is very limited, and I have yielded a great deal; but I yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. I ask unanimous consent to place in the RECORD as a part of this debate a letter addressed by me to the Senator from Mississippi [Mr. HARRISON], in which I reply to a letter written by Secretary Hull to the Senator from Mississippi on March 27.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 29, 1940.

Hon. PAT HARRISON,
United States Senate, Washington, D. C.

DEAR SENATOR HARRISON: On March 27 Secretary Hull, in a letter addressed to you which you had inserted in the RECORD, paid me the honor of referring to a statement made by me on the previous day. I do not desire to provoke a controversy, but certain points raised by the Secretary do require an answer.

In the statement referred to by the Secretary I asserted that the supplemental agreement with Cuba signed on December 18, 1939, deprived domestic producers of an important protection afforded them under the original Cuban trade agreement. Since December 18 the tariff on Cuban sugar remains at 90 cents a hundred pounds whether or not quotas are in effect. Originally we had either quotas or tariff protection. No longer is that true. Mr. Hull did not question the accuracy of that statement.

I also stated that the domestic sugar producers during periods of suspended quotas must submit to unrestricted competition of Cuban sugar admitted at a pitifully low, inadequate, and insufficient rate of tariff and must continue to pay the processing excise tax.

Mr. Hull complains that during the period of suspended quotas when tariffs were restored to the rate established by the United States Tariff Commission to offset the actual difference in the cost of production, proportionately less sugar from Cuba entered the United States. This seems to prove that tariffs are more effective than quotas in protecting domestic sugar if it proves anything.

When the quotas were suspended and the tariff was restored, the Cuban sugar interests did not dump their sugar surplus. They had a better plan; they began a vigorous drive on the State Department for a lower tariff. They were not satisfied with quota suspension alone; they sought a suspended quota and a low tariff, and on December 18, 1939, the State Department granted them exactly what they sought. On the floor of the Senate on March 26, Senator ELLENDER dramatically pointed out how the Cuban sugar interests took advantage of the President's proclamations.

From January 1 through August 31, 1939, Cuba sent to the United States 2,113,848,773 pounds (roughly 1,057,000 short tons) of sugar. This, according to Senator ELLENDER, is an average of 260,000,000 pounds (130,000 short tons) a month. From September 1 to September 11, the period immediately preceding the suspension of the quotas, and the period in which the rapid advance in prices occurred, Cuba dumped 531,550,322 pounds (265,000 short tons) of sugar into our markets. In other words, in this brief period she doubled the rate of her shipments to this country, and all of that sugar, of course, benefited by the higher price and the 90-cent tariff.

But what happened when the quotas were suspended by the President in order—quoting Secretary Hull's letter—"to make larger supplies available"? What happened was that Cuba drastically cut the rate of her sugar shipments to the United States and waited for a reduction in the duty to take place. In the period from September 12, the day after the quotas were suspended, until December 26, when the lower rate of duty again became effective, Cuba sent us only 531,141,282 pounds (265,570 short tons) of sugar, or an average of about 106,000 tons a month.

Happily, from the Cubans' viewpoint, the President on December 26 gave notice that quotas would be restored on January 1, and in the period from December 26 to the end of the year all Cuban sugar was admitted at the 90-cent rate. Cuban producers no longer exhibited any reluctance to enter the American market. Indeed, it was exactly the thing they had been waiting for. And in that brief period they entered—so Senator ELLENDER's statistics show—568,156,174 pounds (285,000 tons) of sugar. On this amount of sugar Cuba saved and the United States Treasury lost about $3,400,000 in tariff duties.

Secretary Hull complains that the increase in the rate of duty was "to reduce our imports of Cuban sugar very substantially." It is true, as the citations above demonstrate, the Cuban sugar imports were below normal, while Cuba was waiting for a reduction in the tariff. But it is wholly inaccurate to imply that there was any important reduction in the total amount of sugar which Cuba supplied to us during 1939. By dumping her sugar into our markets in the 2 weeks before the duty was increased, and again in the 5 days after the duty was reduced, Cuba managed to send us 1,930,221 short tons against an original quota of 1,932,343 tons. This is a difference of 2,122 tons, or about one-tenth of 1 percent. I do not agree with Secretary Hull that that is a "very substantial" reduction in Cuba imports.

On the other hand, if we accept the statement that the increase in the rate of duty "very substantially" reduced Cuban exports to the United States, Mr. Hull is still further from proving his position.

Secretary Hull, in his letter of March 27 to you, suggests that I should agree that it was right and equitable that the American public should be protected by lowering sugar tariffs during periods of quota suspension. I cannot agree that the concession in tariff rates made to Cuba on December 18, 1939, was either justified or equitable on any basis whatever. The price flurry in September

caused by the war had almost completely subsided more than a month prior to the signing of the supplementary agreement on December 18, 1939, which reduced the tariff 60 cents.

Retail prices which resulted from the war scare were short lived. On September 15 the average retail price of sugar, as reported by the Bureau of Labor Statistics of the Department of Labor, was 6.4 cents a pound. In each of the weeks that followed the price became lower and lower, and today the price is back to 5.3 cents, or within a fraction of a cent of the depressed price which prevailed for 18 months prior to September 1. If it is true that Cuban imports of sugar were "very substantially" reduced, then it must be perfectly clear that the progressive decrease in prices is not to be credited to Cuba's making greater supplies available. The only explanation of the lowered prices is that the domestic sugar industry drew upon its reserves and made sugar available at declining prices during a period when Cuba was unwilling to do so. Certainly this is the kind of protection the consumer can understand. It is the kind of protection for the consumer which the domestic sugar industry has provided ever since it has been able to offer effective competition to Cuba and other foreign sugar producers. It is a type of protection beside which Mr. Hull's tariff theories are pale and impotent.

Sincerely yours,

E. C. JOHNSON.

Mr. SCHWELLENBACH. Mr. President——

Mr. McKELLAR. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. I do not intend to take the time of the Senate to discuss the pending amendment, further than to say that it presents only one question; that is, whether or not, under the Constitution, agreements negotiated under the Trade Agreements Act are treaties. If they are not treaties, then clearly the amendment offered by the Senator from Nevada [Mr. PITTMAN] is not a proper amendment. I have concluded that they are not treaties.

I ask unanimous consent to have printed in the RECORD at this point, as part of my remarks, a quotation from the book entitled "Treaties, Their Making and Enforcement," by Crandall; one from Forty-sixth Yale Law Journal; one from Two Hundred and Ninety-seventh United States Reports; one from Two Hundred and Ninety-ninth United States Reports; and one from Three Hundred and First United States Reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From Treaties, Their Making and Enforcement (2d ed.), by Samuel B. Crandall, Ph. D., p. 121]

CHAPTER IX.—AGREEMENTS REACHED BY THE EXECUTIVE IN VIRTUE OF ACTS OF CONGRESS

SEC. 62. Navigation and commerce: The act of March 3, 1815, declared a repeal of so much of any act as imposed discriminating duties against the vessels, and the products of the country to which the vessel belonged imported therein, of any country in which discriminating duties against the United States did not exist, the President to determine in each instance the application of the repeal.[1] The acts of January 7, 1824, and May 24, 1828, likewise directed the President to suspend by proclamation discriminating duties so far as they affected the vessels of a foreign nation, when possessed of satisfactory evidence that no such discriminating duties were imposed by that nation on the vessels of the United States.[2] Section 11 of the act of June 19, 1886, as amended by the act of April 4, 1888, entrusted duties of similar character to the President.[3] A partial suspension is allowed by the act of July 24, 1897.[4] On the authority of these statutes numerous arrangements have been reached with foreign countries and made operative by proclamation. The evidence accepted by the President as sufficient may be recorded in a note or dispatch or a memorandum of an agreement. The proclamations for the removal of discriminating duties on trade with Cuba and Puerto Rico of February 14, 1884, October 27, 1886, and September 21, 1887, were based on memoranda of agreements with the Spanish Government signed, respectively, February 13, 1884, October 27, 1886, and September 21, 1887.[5]

Section 3 of the tariff act of October 1, 1890, authorized and directed the President, whenever the government of any country, producing and exporting certain enumerated articles, imposed duties or made other exactions on the products of the United States, which, in view of the free introduction of the enumerated articles into the United States, were in his opinion reciprocally unreasonable and unequal, to suspend by proclamation as to that country the privilege of free importation, and to subject the articles in question to certain prescribed discriminating duties.[6] Ten commercial arrangements were concluded and made effective in virtue of this section—January 31, 1891, with Brazil; June 4, 1891, with the Dominican Republic; June 16, 1891, with Spain; December 30, 1891, with Guatemala; January 30, 1892, with Germany; February 1, 1892, with Great Britain; March 11, 1892, with Nicaragua; April 29, 1892, with Honduras; May 25, 1892, with Austria-Hungary; and November 29, 1892, with Salvador. These were all terminated by section 71 of the tariff act of August 27, 1894.[7] Section 3 of the act of 1890, having been assailed as an attempt to delegate legislative and treaty-making powers, was upheld by the Supreme Court in the case of *Field* v. *Clark*. Speaking for the court, Mr. Justice Harlan said: "As the suspension was absolutely required when the President ascertained the existence of a particular fact, it cannot be said that in ascertaining that fact and in issuing his proclamation, in obedience to the legislative will, he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the law-making department to ascertain and declare the event upon which its expressed will was to take effect. * * * The court is of opinion that the third section of the act of October 1, 1890, is not liable to the objection that it transfers legislative and treaty-making power to the President."[8] Section 3 of the act of July 24, 1897, provided not only, as did section 3 of the act of 1890, for the imposition by proclamation of certain differential rates, but also for the conclusion by the President of commercial agreements with countries producing certain enumerated articles, in which concessions should be secured in favor of the products of the United States; and it further authorized the President, when such concessions were in his judgment reciprocal and equivalent, to suspend by proclamation the collection on these articles of the regular duties imposed by the act, and to subject them to special rates as provided for in the section.[9] On the authority of this section the President concluded and made effective the commercial agreements of May 28, 1898, August 20, 1902, and January 28, 1908, with France; of May 22, 1899 (protocol making corrections of January 11, 1900), and November 19, 1902, with Portugal; of July 10, 1900, February 27, 1906, and April 22–May 2, 1907, with Germany;[10] of February 8, 1900, and March 2, 1909, with Italy; of January 1, 1906, with Switzerland; of August 1, 1906, and February 20, 1909, with Spain; of September 15, 1906, with Bulgaria; of May 16, 1907, with the Netherlands; and of November 19, 1907, with Great Britain. Full force and effect has been given to these agreements by the courts;[11] and it has been held by the Supreme Court that such agreements come within the meaning and intent of the word "treaty" as used in the Circuit Court of Appeals Act giving the right of review by direct appeal when the validity or construction of any treaty made under the authority of the United States is drawn in question. Mr. Justice Day, speaking for the Court, said: "While it may be true that this commercial agreement, made under authority

---

[1] 3 Stat. L. 224.

[2] 4 Stat. L. 3, 308; brought forward in Rev. Stat., sec. 4228. See also acts of May 31, 1830, and July 13, 1832, 4 id. 425, 579.

[3] 24 Stat. L. 82; For. Rel., 1888, p. 1859. See for repeal of this section act of August 5, 1909, sec. 36, 36 Stat. L. 112.

[4] 30 Stat. L. 214. See Rev. Stat., sec. 4228.

[5] See as to arrangement with Spain of December 1831, Richardson, Messages and Papers of the Presidents, II, 575; IV, 399. See as to the removal of discriminating duties on vessels of Great Britain, the most important commercial nation, instructions of the Secretary of the Treasury, October 15, 1849. H. Ex. Doc. No. 76, 41st Cong., 3d sess., 46; *Oldfield* v. *Marriott* (10 How. 146). See also Moore, Int. Law Digest, I, 811. See for suspensions of discriminating duties, proclamations dated, as regards Austria, May 11, 1829, June 3, 1829 (Richardson, Messages and Papers of the Presidents, II, 440, 441); Brazil, November 4, 1847 (id., IV, 522); Bremen, July 24, 1818 (id., II, 37); Chile, November 1, 1850 (id., V, 76); China, November 23, 1880 (id., VII, 600); France, June 24, 1822, April 20, 1847, June 12, 1869, November 20, 1869, September 22, 1873 (id., II, 183; IV, 521; VII, 15, 19, 228); Great Britain, October 5, 1830 (id., II, 497); Greece, June 14, 1837 (id., III, 322); Hamburg, August 1, 1818 (id., II, 38); Hanover, July 1, 1828 (id., II, 404); Hawaiian Islands, January 29, 1867 (id., VI, 515); Italy, June 7, 1827, February 25, 1858 (id., II, 376; V, 491); Japan, September 4, 1872 (id., VII, 177); Lubeck, May 4, 1820 (id., II, 73); Mecklenburg-Schwerin, April 28, 1835 (id., III, 146); Nicaragua, December 16, 1863 (id., VI, 215); Norway, August 20, 1821 (id., II, 96); Oldenburg, November 22, 1821, September 18, 1830 (id., II, 97, 496); Portugal, February 25, 1871 (id., VII, 126); Spain, December 19, 1871, February 14, 1884, October 27, 1886, September 21, 1887 (id., VII, 174; VIII, 223, 490, 570); and Tuscany, September 1, 1836 (id., III, 233).

[6] 26 Stat. L. 612.

[7] S. Doc. No. 52, 55th Cong., 1st sess., 2. The provision for free introduction was suspended by proclamation as to various countries.

[8] 143 U. S. 649, 693. See also *Buttfield* v. *Stranahan* (192 U. S. 470, 496) and *Monongahela Bridge Co.* v. *United States* (216 U. S. 177).

[9] 30 Stat. L. 203.

[10] In this last-named agreement the Government of the United States, besides extending the benefits of sec. 3 of the act of 1897, agreed to effect certain changes in the customs and consular administrative regulations. See H. Rept. No. 1833, 59th Cong., 1st. sess.

[11] *Nicholas* v. *United States*, 122 Fed. 892; *United States* v. *Tartar Chemical Co.*, 127 Fed. 944; *United States* v. *Luyties*, 130 Fed. 333; *United States* v. *Julius Wile Bro. & Co.*, 130 Fed. 331; *La Manna, Azema, etc.*, v. *United States*, 144 Fed. 683; *Migliavacca Wine Co.* v. *United States*, 148 Fed. 142; *Mihalovitch, Fletcher & Co.* v. *United States*, 160 Fed. 988.

of the Tariff Act of 1897, section 3, was not a treaty possessing the dignity of one requiring ratification by the Senate of the United States, it was an international compact, negotiated between the representatives of two sovereign nations and made in the name and on behalf of the contracting countries, and dealing with important commercial relations between the two countries, and was proclaimed by the President. If not technically a treaty requiring ratification, nevertheless it was a compact authorized by the Congress of the United States, negotiated and proclaimed under the authority of its President. We think such a compact is a treaty under the Circuit Court of Appeals Act, and, where its construction is directly involved, as it is here, there is a right of review by direct appeal to this Court."[12] In section 2 of the Tariff Act of August 5, 1909, it was provided that whenever and so long thereafter as the President should be satisfied, in view of the concessions granted by the minimum tariff of the United States, that the government of any foreign country imposed no restrictions or exactions of any character upon the importation or sale of products of the United States, which unduly discriminated against the United States or its products, and that such foreign country paid no export bounty or imposed no export duty or prohibition upon exportations to the United States which unduly discriminated against the United States or its products, and that such country accorded to the products of the United States treatment which was reciprocal and equivalent, upon proclamation to this effect by the President, articles from such country imported into the United States or any of its possessions (except the Philippine Islands and the islands of Guam and Tutuila) should be admitted under the minimum tariff.[13] The maximum tariff imposed by the act became effective on April 1, 1910, but prior to that date, 134 proclamations, which practically included the entire commercial world, had been issued by the President applying the minimum tariff.[14] By an exchange of notes, January 21, 1911, between the Secretary of State of the United States and representatives of the Dominion of Canada, an arrangement was reached in which it was agreed that the governments of the two countries would use their utmost efforts to bring about by concurrent legislation certain tariff changes. Such legislation was duly passed by the Congress of the United States, but failed of passage in the Canadian Parliament.[15]

The special acts of August 5, 1854, March 1, 1873, August 15, 1876, and December 17, 1903, to carry into effect, respectively, the conventions for commercial reciprocity with Great Britain of June 5, 1854, and May 8, 1871 (arts. XVIII to XXV and XXX), with the Hawaiian Islands of January 30, 1875, and with Cuba of December 11, 1902, were to be effective only when the President had received satisfactory evidence that the other contracting parties had passed the necessary laws to carry the conventions into effect.[16] Formal protocols were signed June 7, 1873, and May 28, 1874, by Mr. Fish, Secretary of State, and Sir Edward Thornton, British minister, reciting the fact that the laws required to carry into effect the articles of the treaty of May 8, 1871, had been passed, and fixing the date on which the articles should take effect in respect of Prince Edward's Island and Newfoundland. A protocol, containing similar recitals in respect of the operation of the Hawaiian treaty of January 30, 1875, was signed September 9, 1876.

Acts of Congress authorizing and directing the President to apply by proclamation provisions thereof, when possessed of satisfactory evidence that certain conditions have been complied with by a foreign power, are numerous. Section 1 of the act approved June 11, 1864, to give effect to treaties between the United States and foreign nations respecting consular jurisdiction over crews of the vessels of such foreign nations in the waters and ports of the United States, provided that, before the act should take effect as to the vessels of any particular nation having such treaty with the United States, the President should be satisfied that similar provisions had been made by that nation to give effect to the treaty, whereupon proclamation to that effect should be made.[17] The provisions of the act were extended by proclamation, February 10, 1870, to France, Italy, Prussia, and the other states of the North German Union,[18] and May 11, 1872, to Norway and Sweden.[19] Section 2 of the act approved August 5, 1882, as amended by section 10 of the act of February 14, 1903, provides that, whenever it is made to appear to the Secretary of Commerce that the rules concerning the measurements for tonnage of vessels of the United States have been substantially adopted by any foreign country, he may direct that the vessels of such foreign country be deemed to be of the tonnage denoted in their certificates of register, and that thereupon it shall be unnecessary for such vessels to be remeasured at ports of the United States.[20] Formal instruments of agreement for the mutual exemption from remeasurement of vessels of the one country in the ports of the other were executed by the Secretary of State with the Russian minister, June 6, 1884, and with the Danish minister, February 26, 1886. An agreement was reached with Sweden and Norway as to Norwegian vessels by exchange of notes in 1894.[21] Section 4400 of the Revised Statutes, as amended by the act approved March 17, 1906, provides for the reciprocal exemption of steamboats from inspection in case the laws of a foreign country for this purpose are similar to those of the United States.[22] An arrangement for such reciprocal exemption was effected with the Japanese Government by exchange of notes, April 3–November 30, 1906.[23] The act of Congress approved June 19, 1878, as amended by the acts approved May 24, 1890, and March 3, 1893, extended, on conditions of reciprocity to be determined by the President, to Canadian vessels privileges of access to our inland waters in aid of wrecked and disabled vessels. A proclamation of the President to give effect to the provisions of the act was made July 17, 1893.[24] The act of Congress of August 19, 1890, as amended by the acts of May 28, 1894, August 13, 1894, and June 10, 1896, to adopt the international regulations for the prevention of collisions at sea, contained the reservation that the act should take effect at a time to be fixed by proclamation of the President. Such proclamations were made July 13, 1894, and December 31, 1896.[25]

SEC. 63. International copyright: Section 13 of the Copyright Act of March 3, 1891, provided that the act should apply to a citizen or subject of a foreign state only when such state permitted to citizens of the United States the benefit of copyright on substantially the same basis as its own citizens, or was a party to an international agreement which provided for reciprocity in the granting of copyright by the terms of which the United States might at its pleasure become a party. The existence of either of these conditions was to be determined by the President.[26] Under the first alternative, the President extended the benefits of the act by proclamation to subjects of Belgium, France, Great Britain and possessions, and Switzerland, July 1, 1891; Germany, April 15, 1892;[27] Italy, October 31, 1892; Denmark, May 8, 1893; Portugal, July 20, 1893; Spain, July 10, 1895;[28] Mexico, February 27, 1896; Chile, May 25, 1896; Costa Rica, October 19, 1899; the Netherlands and possessions, November 20, 1899; Cuba, November 17, 1903; Norway, July 1, 1905; and Austria, September 20, 1907. Section 8 of the act approved March 4, 1909, to amend and consolidate the acts respecting copyright, provides that the benefits of the act shall extend to a citizen or subject of a foreign state only (a) when an alien author or proprietor is domiciled within the United States at the time of the first publication of his work; or (b) when the foreign state of which the author or proprietor is a citizen or subject grants, either by treaty, agreement, or law, to citizens of the United States the benefit of copyright on substantially the same basis as to its own citizens, or copyright protection substantially equal to the protection secured to such foreign author under this act or by treaty; or when such foreign state is a party to an international agreement which provides for reciprocity in the granting of copyright, by the terms of which agreement the United States may, at its pleasure, become a party. The existence of these reciprocal conditions is to be determined by the President by proclamation.[29] By proclamation dated April 9, 1910, it was declared that the subjects and citizens of Austria, Belgium, Chile, Costa Rica, Cuba, Denmark, France, Germany, Great Britain and possessions, Italy, Mexico, the Netherlands

---

[12] *Altman & Co.* v. *United States* (1912), 224 U. S. 583, 601. Provision for the termination of these agreements was made in sec. 4 of the Tariff Act of Aug. 5, 1909, 36 Stat. L. 83.

[13] 36 Stats. at L. 82.

[14] Annual message, December 6, 1910, For. Rel., 1910, p. XVI.

[15] Special message of January 26, 1911. Act approved July 26, 1911, 37 Stats. at L. 4.

[16] 10 Stats. at L. 587, 1179; 17 id. 482; 19 id. 200, 666; 33 id. 3.

[17] 13 Stats. at L. 121.

[18] Richardson, Messages and Papers of the Presidents, VII, 84.

[19] Id., 175.

[20] 22 Stats. at L. 300; Rev. Stats., sec. 4154, Supp. I, 379.

[21] For. Rel., 1894, pp. 636–645. "A similar mode of admeasurement having been adopted by Great Britain, Belgium, Denmark, Austria-Hungary, the German Empire, Italy, Sweden, Norway, Spain, the Netherlands, Russia, Finland, Portugal, and Japan, and the like courtesy having been extended to vessels of the United States, it is directed that vessels of those countries whose registers indicate their gross and net tonnage under their present law shall be taken in the ports of the United States to be of the tonnage so expressed in their documents, with the addition of the amount of the deductions and omissions made under such law not authorized by the admeasurement law of the United States." Customs Regulations (1908), 55.

[22] 34 Stats. at L., 68.

[23] For. Rel., 1906, pp. 990–994.

[24] 28 Stats. at L. 1220. See annual message of the President, December 3, 1888, Foreign Relations, 1888, p. XII. See also the act approved February 21, 1893, for the protection of fur seals by international agreement, 27 Stats. at L. 472, Moore, Int. Law Digest I, 920; the act approved March 3, 1887, for retaliation against Canada, 24 Stats. at L. 475; the act approved Aug. 30, 1890, for the inspection of meats, 26 Id. 414, 415; the act approved July 26, 1892, for the enforcement of reciprocal commercial relations between the United States and Canada, and proclamation of August 18, 1892, 27 Id. 267, 1032, Foreign Relations, 1892, p. 339; and the joint resolution approved March 14, 1912, to prohibit the exportation of munitions of war, and proclamation of even date, 37 Stats. at L. 630, 1733.

[25] Richardson, Messages and Papers of the Presidents, IX, 501, 761; 26 Stats. at L. 320; 28 Id. 82; 29 Id. 885. See for agreements in this respect with Great Britain and France, Foreign Relations, 1894, pp. 218–219, 260–274; Foreign Relations, 1895, pp. 683–686.

[26] 26 Stats. at L. 1110.

[27] The proclamation as regards Germany was based upon an agreement signed at Washington by the Secretary of State and the German chargé d'affaires, January 15, 1892.

[28] For restoration of agreement after the war of 1898, see notes exchanged January 29, 1902, November 18 and November 26, 1902.

[29] 35 Stats. at L. 1077.

and possessions, Norway, Portugal, Spain, and Switzerland were entitled, and had been entitled since July 1, 1909 (the date on which the act became effective), to all the benefits of the act, other than those under section I (e), in reference to the reproduction of musical compositions.[30] The benefits of the act, subject to the same exception, were extended to the subjects of the Grand Duchy of Luxemburg by proclamation dated June 29, 1910,[31] of Sweden by proclamation dated May 26, 1911, and of Tunis by proclamation dated October 4, 1912.[32]

SEC. 64. Trade-marks: The United States has entered into various formal treaty stipulations for the protection of trade-marks.[33] Section 1 of the act of February 20, 1905, provides that the owner of a trade-mark, used in interstate or foreign commerce, who is domiciled in the United States or who resides or is located in any foreign country which by treaty, convention, or law, affords similar privileges to citizens of the United States, may obtain registration for such trade-mark by complying with certain designated requirements.[34] Under similar provisions in section 1 of the act approved March 3, 1881,[35] agreements for the reciprocal registration and protection of trade-marks were effected by exchange of notes, February 10 and 16, 1893, with the Netherlands, and April 27 and May 14, 1883, with Switzerland.[36] A declaration for the reciprocal protection of trade-marks was signed July 9, 1894, with the Greek Government by Mr. Alexander, minister at Athens. The American negotiator considered the declaration as merely explanatory of rights already secured under the treaty of 1837 between the two countries. Mr. Gresham, Secretary of State, did not entertain the same view, but considered the declaration as practically a new treaty which could be ratified only with the consent of the Senate.[37] Agreements for the reciprocal protection in consular courts of trade-marks in China were effected by exchange of notes with Belgium, November 27, 1905 (explanatory note of January 22, 1906); with Denmark, March 19–June 12, 1907; with France, October 3, 1905 (explanatory note of January 22, 1906); with Germany, December 6, 1905 (explanatory note of January 22, 1906); with Great Britain, June 28, 1905; with Italy, December 18, 1905 (explanatory note of January 22, 1906); with the Netherlands, October 23, 1905 (explanatory note of January 27, 1906); and with Russia, June 28, 1906. Notes as to protection in consular courts of trade-marks in Morocco were exchanged with Germany, September 28–October 28, 1901; with Great Britain, December 1–6, 1899; and with Italy, June 13, 1903–March 12, 1904.[38] By notes exchanged June 22 and June 26, 1906, an agreement was reached with Denmark as to the protection afforded by the laws of the respective countries to industrial designs or models, in case the articles which they represent are not manufactured in the country where protection is sought.

SEC. 65. International postal and money-order regulations: By section 26 of the general act of February 20, 1792, to establish the post office and post roads, and to prescribe the rates of postage, the Postmaster General was authorized to make "arrangements with the postmasters in any foreign country for the reciprocal receipt and delivery of letters and packets, through the post offices."[39] This provision was textually reenacted in the successive general Post Office Acts of May 8, 1794,[40] March 2, 1799,[41] April 30, 1810,[42] and March 3, 1825.[43] In section 2 of the act of March 3, 1851, to reduce and modify the rates of postage, the Postmaster General was authorized by and with the advice and consent of the President "to reduce or enlarge, from time to time, the rates of postage upon all letters and other mailable matters conveyed between the United States and any foreign country, for the purpose of making better postal arrangements with other governments, or counteracting any adverse measures affecting our postal intercourse with foreign countries."[44] This provision as modified and incorporated as section 167 of the General Act of June 8, 1872, to consolidate and revise the laws relating to the Post Office Department,[45] and brought forward as section 398 of the Revised Statutes reads: "For the purpose of making better postal arrangements with foreign countries, or to counteract their adverse measures affecting our postal intercourse with them, the Postmaster General, by and with the advice and consent of the President, may negotiate and conclude postal treaties or conventions, and may reduce or increase the rates of postage on mail matter conveyed between the United States and foreign countries."[46] Section 103 of the act of June 8, 1872,[47] brought forward as section 4028 of the Revised Statutes, likewise authorizes the Postmaster General to conclude arrangements with the post departments of foreign governments, with which postal conventions have been concluded, for the exchange by means of postal orders, of sums of money not exceeding in amount $100,[48] at such rates of exchange and under such regulations as may be deemed expedient. In virtue of these provisions, postal and money-order conventions have been concluded by the Postmaster General with the approval of the President without submission to the Senate. Among these are the General Postal Union Convention signed at Berne, October 9, 1874, and the Universal Postal Union Conventions signed at Vienna, July 4, 1891, at Washington, June 15, 1897, and at Rome, May 26, 1906.[49] It has been held that the provision in article XXV of the regulations attached to the Berne Convention, in which it was declared that no article liable to customs duties should be admitted for conveyance by the post, was the law of the land, and that goods so imported were liable to seizure.[50] Of postal conventions submitted by the President to the Senate for its advice and consent as to the ratification, prior to the passage of the act of 1872, note may be made of those signed as follows: March 6, 1844, with New Granada; December 15, 1848, with Great Britain; July 31, 1861, and December 11, 1861, with

---

[30] The exception was removed as to the citizens and subjects of Germany, Belgium, Norway, Cuba, Great Britain, and the British dominions, colonies, and possessions (except Canada, Australia, New Zealand, South Africa, and Newfoundland), and Italy by proclamations dated, respectively, December 8, 1910, June 14, 1911, November 27, 1911, January 1, 1915, and May 1, 1915.

[31] Exception was removed by proclamation dated June 14, 1911.

[32] The United States is a party to the Convention on the Protection of Literary and Artistic Copyright, signed August 11, 1910, at the Fourth International American Conference. Stipulations for the protection of copyrights are found in various treaties, as, for instance, in the treaty with China of October 8, 1903 (art XI), in the Convention with Japan of November 10, 1905, in two Conventions with Japan concluded May 19, 1908, for protection of trade-marks and copyrights in Korea and China, respectively, and in the Convention with Hungary concluded January 30, 1912. The United States did not accede to the International Copyright Convention concluded at Berne, September 9, 1886. See for report of the delegate to the Berlin Conference of 1908, for the revision of the Berne Convention, H. Doc. No. 1208, 60th Cong., 2d sess.

[33] See S. Doc. No. 20, 56th Cong., 2d sess., 47–54.

[34] 33 Stat. L. 724. See as to patents, act of March 3, 1903, 32 Stat. L. 1225; Rev. Stats., sec. 4887.

[35] 21 Stat. L. 502.

[36] S. Doc. No. 20, 56th Cong., 2d sess., 334, 337.

[37] Foreign Relations, 1895, pp. 759, 763, 765; Moore, Int. Law Digest, V, 196. Mr. Hay, in a letter to the Secretary of the Interior, dated November 4, 1898, said: "My predecessors, Mr. Gresham and Mr. Olney, in instructions to our Minister at Athens (Foreign Relations, 1894, pp. 293–295; and Foreign Relations, 1895, pp. 759–765), took the position that a declaration signed by the Minister and the Greek minister for foreign affairs, to the effect that the treaty of 1837 between the United States and Greece conferred upon the citizens of either country in the dominions of the other the same rights as respects trade-marks as such citizens may enjoy in their own, would not accomplish the end desired, but that a formal treaty was necessary. I think it is plain that a simple declaration would not bind this Government to grant trade-mark privileges to Mexican citizens, but in view of the Mexican law, which (the Commissioner of Patents states) allows citizens of the United States to register their trade-marks in Mexico, it would appear that Mexicans can now obtain registration of their trade-marks here, under the provisions of our law of March 3, 1881. * * * It will be observed that the provision of sec. 3 [of the act of March 3, 1881] is in the alternative; that in order to entitle a trade-mark to registration, it must appear: 1. That it is lawfully used as such by the applicant in foreign commerce, the owner being domiciled in the United States or located in a foreign country which, by treaty, convention, or by law, affords similar privileges to citizens of the United States; or 2, that such trade-mark is within the provision of a treaty, convention, or declaration with a foreign power. While registration could not be claimed by a Mexican under the second alternative, it seems to me that it could properly be claimed under the first. I think an exchange of notes with the Mexican Government would be entirely proper to establish the fact that under the Mexican law, citizens of the United States may obtain registration of their trade-marks. This was done with the Netherlands in 1883." Moore, Int. Law Digest, II, 36.

[38] The international convention for the protection of industrial property, signed at Paris, March 30, 1883, was ratified by the President with the advice and consent of the Senate, March 29, 1887, and the ratification was communicated to the Swiss Government on May 30, 1887. The ratification of the additional act, signed at Brussels, December 14, 1900, was deposited at Brussels, May 3, 1901. These two conventions have been superseded by the convention signed at Washington June 2, 1911, which has been duly ratified and proclaimed on the part of the United States. The United States is also a party to the general convention for the protection of inventions, patents, designs, and industrial models, signed August 20, 1911, at the Fourth International American Conference.

[39] 1 Stat. at L. 239.

[40] Sec. 26, 1 id. 366.

[41] Sec. 25, 1 id. 740.

[42] Sec. 32, 2 id. 603.

[43] Sec. 34, 4 id. 112.

[44] 9 id. 589.

[45] 17 id. 304.

[46] See for careful examination of these various legislative enactments, opinion of William H. Taft, Solicitor General, Mar. 20, 1890, 19 Op. Atty. Gen. 513, and speech of Henry Cabot Lodge in the U. S. Senate, February 29, 1912, on the proposed arbitration conventions with Great Britain and France, S. Doc. No. 353, 62d Cong., 2d sess., 15. The conclusion by the Postmaster General, by and with the advice and consent of the President, of arrangements with adjoining countries, for the transportation of mails, is authorized by § 4012, Rev. Stat.

[47] 17 Stat. at L. 297. Sec. 15 of the act of July 27, 1868. 15 id. 196.

[48] As amended by the act of January 30, 1889. 25 id. 654.

[49] 19 Stat. at L. 577; 28 id. 1078; 30 id. 1629; 35 id. 1639.

[50] *Cotzhausen* v. *Nazro* (1882), 107 U. S. 215. In *United States* v. *Eighteen Packages of Dental Instruments* (1914), 222 Fed. 121, it is stated that the authority to enter into post conventions with other countries is to be found in the treaty-making power.

Mexico; and June 9, 1862, with Costa Rica. The ratification was in each instance advised by the Senate.[51]

SEC. 66. Agreements with Indian tribes: On July 12, 1775, three departments of Indian affairs—the northern, southern, and middle—were organized and the superintendence of each placed under commissioners.[52] By the general ordinance for the regulation of Indian affairs of August 7, 1786, two districts were organized, the superintendents of which were placed under the immediate control of the Secretary at War.[53] Treaties concluded through these agencies do not appear to have been formally ratified.[54] In the act of August 7, 1789, for the organization of the War Department under the Constitution, the conduct of Indian affairs was recognized as belonging to the Secretary of War. Later it was transferred to the Department of the Interior.[55] The Senate, in approving an Indian treaty submitted for its "consideration and advice" by President Washington, May 25, 1789—the first to be submitted under the Constitution—simply advised the President "to execute and enjoin an observance." The President, in a message of September 17, requested information as to the meaning of the action of the Senate and suggested a ratification as in case of other treaties. The committee appointed by the Senate to examine the question reported against a formal ratification; but the Senate complied with the suggestion of the President by voting, September 22, to advise and consent to the ratification.[56] This procedure was followed until 1871, during which period treaties with Indian tribes were far more numerous than those with foreign powers. In the Indian Appropriations Act of March 3, 1871, it was enacted that thereafter no Indian nation or tribe within the territory of the United States should be acknowledged or recognized as an independent nation, tribe, or power with which the United States might contract by treaty, but that the obligation of existing treaties was in no way to be impaired or invalidated by the act.[57] No formal treaties with the Indian tribes have since been made, but agreements with them have been laid before Congress for its approval.[58] "Since the act of March 3, 1871, the Indian tribes have ceased to be treaty-making powers and have become simply the wards of the Nation. As such, Congress speaks for them and has become the legislative exponent of both guardian and ward."[59]

The peculiar status of the Indian tribes within the United States was defined in 1831 by Chief Justice Marshall, with his usual felicity of expression, as follows: "It may well be doubted whether those tribes which reside within the acknowledged boundaries of the United States can, with strict accuracy, be denominated foreign nations. They may, more correctly, perhaps, be denominated domestic dependent nations. They occupy a territory to which we assert a title independent of their will, which must take effect in point of possession when their right of possession ceases. Meanwhile they are in a state of pupilage. Their relation to the United States resembles that of a ward to his guardian."[60] Mr. Justice Gray, at a later date, said: "The Indian tribes within the limits of the United States are not foreign nations; though distinct political communities, they are in a dependent condition; and Chief Justice Marshall's description, that 'they are in a state of pupilage,' and 'their relation to the United States resembles that of a ward to his guardian' has become more and more appropriate as they have grown less powerful and more dependent."[61]

[51] Ex. Journal, VI, 275, 321; VIII, 16, 17; XI, 497, 563; XII, 102, 116, 398, 406. See for collection of postal conventions, 16 Stat. at L. 783–1123; 17 id. 879.

[52] Journals of Congress (1800 ed.), I, 151.

[53] Id., XI, 127.

[54] See id., X, 137; XI, 39, 40, 42, 44.

[55] 1 Stat. L. 50.

[56] Ex. Journal, I, 25, 27, 28. The following entry appears in the Journal under date of May 25, 1789: "General Knox brought the following message from the President, which he delivered into the hands of the Vice President and withdrew." Id., 3.

[57] 16 Stat. L. 566; Rev. Stat., sec. 2079. See sec. 6 of the act of March 29, 1867, and the act of July 20, 1867. 15 Stat. L. 9, 18.

[58] See, for instances, acts of Congress approved as follows: April 29, 1874, to ratify an agreement with the Ute Tribe of Indians (18 Stat. L. 36); December 15, 1874, to ratify an agreement with the Shoshone Indians (18 id. 291); February 28, 1877, to ratify an agreement with certain bands of the Sioux Indians and certain other tribes (19 id. 254); June 15, 1880, to ratify an agreement with the Ute Indians (21 id. 199); April 11, 1882, to ratify an agreement with the Crow Indians (22 id. 42); July 3, 1882, to ratify an agreement with the Shoshone and Bannock Indians (22 id. 148); July 10, 1882, to ratify an agreement with the Crow Indians (22 id. 157); March 1, 1889, to ratify an agreement with the Creek Indians (25 id. 757); February 13, 1891, to ratify an agreement with the Sac and Fox Indians (26 id. 749); March 1, 1901, to ratify an agreement with the Cherokees (31 id. 848); March 1, 1901, to ratify an agreement with the Creek Indians (31 id. 861); June 30, 1902, to ratify a supplemental agreement with the Creek Indians (32 id. 500, 2021; and July 1, 1902, to ratify an agreement with the Choctaw and Chickasaw Tribes of Indians (32 id. 641).

[59] Nott, C. J., *Jonathan Brown* v. *United States* (1897) (32 C. Cls. 432, 439).

[60] *Cherokee Nation* v. *State of Georgia* (5 Pet. 1, 17).

[61] *Jones* v. *Meehan* ((1899) 175 U. S. 1, 10), citing *Cherokee Nation* v. *Georgia* (5 Pet. 1, 17); *Elk* v. *Wilkins* (112 U. S. 94, 99); *United States* v. *Kagama* (118 U. S. 375, 382, 384); *Stephens* v. *Choctaw Nation* (174 U. S. 445, 484). See also *Missouri, Kansas and Texas R. R. Co.* v. *United States* (47 C. Cls. 59) for résumé of legislation affecting the Indian tribes.

SEC. 67. Acquisition of territory: Although the important acquisitions of 1803, 1819, 1848, 1853, 1867, and 1898 were made by formal treaty, territory has under special circumstances been acquired by virtue of an act of Congress. A treaty was signed at Washington, April 12, 1844, with the Republic of Texas, by which that republic agreed to convey and transfer to the United States all its rights of separate and independent sovereignty and jurisdiction. On June 8, 1844, the treaty was rejected by the Senate by a vote of 35 to 16.[62] In resolution, submitted by Mr. Benton, May 13, 1844, it was declared that the ratification of the treaty would be the adoption of the Texan War; that the treaty-making power of the President and Senate did not include the power of making war, either by declaration or by adoption; and that the territory disencumbered from the United States by the treaty of 1819 ought to be united to the American Union as soon as this could be accomplished with the consent of a majority of the people of the United States and of Texas, and when Mexico should either consent to the transfer or acknowledge the independence of Texas, or cease to wage war against her on a scale commensurate with the conquest of the country.[63] The opinion was frequently expressed that the ratification of the treaty would be the adoption of a war with Mexico, and accordingly not within the province of the treaty-making power. To an enquiry made by the Senate whether any military preparations had been made in anticipation of war, and, if so, for what cause and with whom was war apprehended, President Tyler, in a message of May 15, 1844, replied that, in consequence of an announcement of Mexico of its determination to regard as a declaration of war the definitive ratification of the treaty of annexation, a portion of the naval and military forces of the United States had as a precautionary measure been assembled in the region of Texas. He observed further that the United States having by the treaty of annexation acquired a title to Texas, which required only the action of the Senate to perfect it, no other power could invade and by force of arms possess itself of any portion of the territory of Texas, pending the deliberations of the Senate on the treaty, without placing itself in a hostile attitude to the United States.[64] Immediately preceding the rejection of the treaty, a resolution was introduced by Mr. Henderson declaring that the annexation would be properly achieved on the part of the United States by an act of Congress admitting the people of Texas with defined boundaries as a new State into the Union on an equal footing with the other States.[65] This course was followed, and on March 1, 1845, a joint resolution was approved consenting to the erection of the territory rightfully belonging to the Republic of Texas into a new State. A proviso, attached in the Senate through the efforts of Mr. Benton, gave the President an opportunity, before communicating the resolution to Texas, to resort to negotiations upon terms of admission and cession either by treaty to be submitted to the Senate or by articles to be submitted to both Houses.[66] The purpose of the proviso was to effect if possible the acquisition, and at the same time maintain peaceful relations with Mexico.[67] Negotiations were not resorted to;[68] and Texas, having accepted and complied

[62] Executive Journal, VI, 312.

[63] Id., VI, 277.

[64] Id., VI, 274, 277, 279.

[65] Id., VI, 311.

[66] 5 Stats. at L. 797.

[67] Benton, Thirty Years in the United States Senate, II, 602, 619, et seq.

[68] Mr. Calhoun, Secretary of State, in communicating a copy of the joint resolution to Mr. Donelson, chargé d'affaires to Texas, March 3, 1845, said: "The President has deliberately considered the subject, and is of opinion that it would not be desirable to enter into the negotiations authorized by the amendment of the Senate; and you are accordingly instructed to present to the Government of Texas, as the basis of its admission, the proposals contained in the resolution as it came from the House of Representatives. * * * But the decisive objection to the amendment of the Senate is, that it would endanger the ultimate success of the measure. It proposes to fix, by negotiation between the Governments of the United States and Texas, the terms and conditions on which the State shall be admitted into our Union, and the cession of the remaining territory to the United States. Now, by whatever name the agents conducting the negotiation may be known * * * the compact agreed on by them in behalf of their respective Governments would be a treaty; whether so-called or designated by some other name. * * * And if a treaty (as it clearly would be) it must be submitted to the Senate for its approval and run the hazard of receiving the votes of two-thirds of the Members present, which could hardly be expected, if we are to judge from recent experience. This, of itself, is considered by the President as a conclusive reason for proposing the resolution of the House, instead of the amendment of the Senate, as the basis of annexation" (mss. inst. to Texas, I, 107). Mr. Buchanan, Secretary of State, in instructions to Mr. Donelson, dated March 10, 1845, stated that, while the new President did not concur in the opinion of his predecessor that terms of admission agreed upon under the proviso would necessarily be a treaty which must be submitted to the Senate for its advice and consent, he had decided not to reverse the decision of his predecessor (Works of James Buchanan, Moore ed., VI, 120).

with the conditions of the resolution,[69] was admitted by a joint resolution approved December 29, 1845, as a State into the Union.[70]

A treaty for the incorporation of the Dominican Republic, signed November 29, 1869, was rejected by the Senate on June 30, 1870. President Grant in his annual message of December 5, 1870, urged upon Congress early action expressive of its views as to the best means of making the acquisition, and suggested that this might be accomplished either by the action of the Senate on a treaty, or by the joint action of the two Houses of Congress on a resolution of annexation as in the case of the acquisition of Texas.[71]

A treaty was signed at Washington, June 16, 1897, with the Republic of Hawaii for the annexation of that republic to the United States. The treaty was ratified by the Hawaiian Legislature, but the cession was accepted and confirmed on the part of the United States by a joint resolution approved July 7, 1898.[72] Although, as a matter of fact, the resolution was agreed to in the Senate, July 6, by a two-thirds vote,[73] the annexation was effected by an act of the legislative, not the treaty-making, power. In 1845, a foreign state was by an act of Congress incorporated and admitted as a State into the Union; in 1898, a foreign state was by an act of Congress brought within the territorial jurisdiction of the United States. In each case, however, the other contracting party by the very agreement lost its identity as a separate nation with which international relations could thereafter exist, and the agreement by which the incorporation was effected ceased thereupon to be an international compact.[74]

In defining the relations which should exist between the United States and Cuba, article VII of the act of Congress, approved March 2, 1901, provided that, to enable the United States to maintain the independence of Cuba and to protect the people thereof, as well as for its own defense, the Cuban Government would sell or lease to the United States lands necessary for coaling and naval stations at points to be agreed upon with the President of the United States. This same provision was adopted by Cuba as article VII of the appendix to its constitution. By virtue thereof an agreement was signed, by the President of Cuba, February 16, 1903, and by the President of the United States, February 23, 1903, for the lease to the United States, subject to terms to be agreed upon by the two governments, of lands at Guantanamo and Bahia Honda for coaling and naval stations. Neither this agreement nor the protocol of July 2, 1903, prescribing the conditions of the lease, and in which the United States agreed to pay to Cuba annually, as long as it should occupy the designated areas, the sum of $2,000 in gold, was submitted to the Senate, although the latter agreement was formally approved by the President and the ratifications exchanged.[75]

The act of Congress of August 18, 1856, brought forward as sections 5570–5578 of the Revised Statutes, provides that, whenever any citizen of the United States discovers a deposit of guano on any island, rock, or key, not within the lawful jurisdiction of any other government and not occupied by the citizens of any other government, and takes peaceable possession thereof and occupies the same, such island or key may at the discretion of the President be considered as appertaining to the United States. Under the provisions of this act numerous guano islands have been announced as appertaining to the United States.[76]

[From the Yale Law Journal, vol. 46, 1936–37, p. 660]

If the procedural barriers to an attack on the Trade Agreements Act are successfully negotiated, there remains the more basic issue of its validity. The act contemplates the exercise of two governmental powers: that of making international agreements other than treaties, and that of reducing tariffs. Although authority to enter into international agreements less formal than treaties is nowhere expressly granted in the Constitution, it is concededly part of the power to control foreign affairs which is vested in the Federal Government; [1] under American practice, such agreements have traditionally been made by the executive rather than the legislative branch of the Government.[2] On the other hand, tariff making has always been considered a function of the legislative branch of the Federal Government, as part of the power given it in the Constitution to levy duties [3] and control foreign commerce.[4] It is probable that Congress could not constitutionally enter into agreements with foreign nations,[5] and it is possible that the Executive could not, without statutory authority, make an effective trade agreement regulating tariffs, since such an agreement might not have the status of a treaty,[6] and the existing tariff legislation might therefore remain the law of the land.[7] The technique of the Trade

---

[69] The Executive Government, the Congress, and the people of Texas in convention have successively complied with all the terms and conditions of the joint resolution * * * the people of Texas at the polls have accepted the terms of annexation and ratified the Constitution (President Polk, annual message, December 2, 1845, Richardson, Messages and Papers of the Presidents, IV, 386).

[70] 9 Stats. at L. 108. Mr. Archer, of the Committee on Foreign Relations, submitted a report to the Senate, February 4, 1845, in which he objected on constitutional grounds to this method of acquisition (Compilation of Reports of Senate Committee on Foreign Relations, VI, 78).

[71] Richardson, Messages and Papers of the Presidents, VII, 100.

[72] 30 Stats. at L. 750.

[73] 42 to 21, Congressional Globe, 55th Cong., 2d sess., 6712.

[74] See Westlake, Int. Law, I, 64. On April 24, 1802, an agreement was entered into with the State of Georgia for the cession to the United States of western lands. The commissioners on the part of the United States, James Madison, Albert Gallatin, and Levi Lincoln, were appointed by President Adams under an act of Congress, approved April 7, 1798. An act of May 10, 1800, vested final powers in the commissioners. On the part of Georgia the agreement was ratified and confirmed by the legislature, June 16, 1802. H. Mis. Doc. No. 45, 47th Cong., 2d sess., pt. 4, pp. 78–81. For an agreement between the Federal Government and the government of the State of Texas as to boundaries, effected by an act of Congress of September 9, 1850, and an act of the Legislature of Texas of November 25, 1850, see Richardson, Messages, V, 95. Such agreements are at all stages, during their negotiation, as well as after their conclusion, entirely an internal affair. During the northeastern boundary negotiations in 1832, an agreement with the State of Maine for the cession to the Government of the United States of the territory under dispute, and claimed by that State, east of the St. Francis River and north of the St. John, was signed. The agreement was never consummated; but in the fifth article of the Webster-Ashburton treaty a clause was inserted, by which the Government of the United States agreed "with the States of Maine and Massachusetts to pay them the further sum of $300,000, in equal moieties, on account of their assent to the line of boundary described in this treaty, and in consideration of the conditions and equivalents received therefor from the Government of Her Britannic Majesty." The irregularity of incorporating into an international treaty a stipulation of this character was not overlooked by the British negotiator. On signing the treaty, Lord Ashburton addressed a note to Mr. Webster, in which he stated that the introduction of an agreement between the Central and State governments would have been "irregular and inadmissible, if it had not been deemed expedient to bring the whole of these transactions within the purview of the treaty." He requested an assurance that his Government should incur no responsibility for these engagements. To this Mr. Webster replied on the same date: "It purports to contain no stipulation on the part of Great Britain, nor is any responsibility supposed to be incurred by it on the part of your Government." Moore, Int. Arb., I, 138; Webster's Works, VI, 289–290.

[75] The agreement for the relinquishment of the leasehold rights at Bahia Honda in exchange for an enlargement of the naval station at Guantanamo Bay, referred to in the President's message on foreign relations of December 3, 1912, is now awaiting the approval of the Cuban Government.

[76] 11 Stats. at L. 119. *Jones* v. *United States* (137 U. S. 202.) See for list of these islands, Moore, Int. Law Digest, I, 567.

[1] Under international law, power over foreign affairs rests with the sovereign. See Crandall, Treaties, Their Making and Enforcement (2d ed. 1916), 1; Anderson, The Extent and Limitations of the Treaty-Making Power Under the Constitution (1907) (1 Am. J. Int. L. 636). It has been said that the United States is a sovereign member of the family of nations and therefore vested with this power. See *Holmes* v. *Jennison* (14 Pt. 540, 568–570 (U. S. 1840)); *Curtiss-Wright Export Corporation* v. *United States* (Sup. Ct., Dec. 21, 1936); cf. Corwin, The President's Control of Foreign Relations (1917), 1–6; Corwin, National Supremacy (1913), 21–58; Wilson, International Law and the Constitution (1933) (13 B. U. L. Rev. 234–251).

It has also been stated that the power is derived as well from the Constitution, either expressly or by implication. See Moore, The Control of the Foreign Relations of the United States, 1921, p. 3, in Reprints and Pamphlets, Yale Law Library. Support for this view can be found in the affirmative grants of authority to branches of the Federal Government to make treaties and appoint Ambassadors [U. S. Const., art. II, sec. 2, cl. 2], to regulate commerce with foreign nations [id., art. I, sec. 8, cl. 3], to punish violations of international law [id., cl. 10], and to declare war [id., cl. 11], and the denial to the States of power to enter into treaties, alliances, confederations [id., sec. 10, cl. 1], or (without the consent of Congress) into compacts or agreements [id., cl. 3].

[2] See Corwin, The President's Control of Foreign Relations (1917) 116–120; Crandall, op. cit. supra note 76, at 102.

[3] U. S. Constitution, art. I, sec. 8, cl. 1.

[4] Id., cl. 3.

[5] See *Curtiss-Wright Export Corporation* v. *United States* (Sup. Ct., Dec. 21, 1936); Black, The Role of the President and the Senate in the Treaty-Making Power (1926) (11 St. Louis L. Rev. 203, 215).

[6] No cases have been found deciding the status of agreements concluded without statutory authority. Agreements entered into in pursuance of statute have been considered treaties for jurisdictional purposes. *B. Altman & Co.* v. *United States* (224 U. S. 583 (1912)); see Crandall, op. cit. supra note 76, at 123, n. 11. But it was recognized in the Altman case that such agreements are not treaties in the constitutional sense. For a discussion, see Lenoir, Treaties and the Supreme Court (1934) (1 U. of Chi. L. Rev. 602, 608–609).

[7] See Anderson, The Recent Trade Agreement With Russia (1935) (29 Am. J. Int. L. 653, 655–656); cf. Moore, Treaties and Executive Agreements (1905) (20 Pol. Sci. Q. 385, 393). It has even been suggested that a subsequent treaty might not supersede tariff legislation. See Anderson, supra note 76, at 650–653.

Agreements Act seemed a practical way to obtain international agreements regulating tariff rates; it resolves the division of authority between Congress and the Executive by having Congress delegate its tariff-making powers to the President who is capable of negotiating with foreign nations.[8] Upon the validity of this delegation rests the constitutionality of the act.[9]

The criterion by which the courts purport to determine whether a particular delegation of legislative power can be reconciled with the principle of separation of powers [10] is whether Congress has established sufficiently definite standards to guide the exercise of the power.[11] Until 1935, the Supreme Court had in no case held an act of Congress delegating power to the Executive invalid under this test.[12] Various vague standards, such "public interest," [13] "undesirable residents," [14] "educational, moral, amusing, or harmless," [15] "purity, quality, and fitness for consumption," [16] "safe, pure, and affording a satisfactory light," [17] and even "reasonable" [18] were held to furnish a sufficient guide for the exercise of the power.[19] A delegation of tariff-making power, quite similar to that of the Trade Agreements Act, was upheld in *J. W. Hampton, Jr. & Co.* v. *United States*,[20] in which the flexible-tariff provisions of the Tariff Act of 1922 [21] were attacked. By that act, the President was authorized to increase or decrease by 50 percent the import duty on any commodity in order to equalize the difference between the costs of production abroad and in the United States. The Supreme Court held that, although it may be difficult to determine such differences in cost, Congress' objective was clear enough, and that consequently a satisfactory criterion for executive action was provided. But in two cases decided in 1935—*Panama Refining Co.* v. *Ryan* [22] and *Schechter Poultry Corp.* v. *United States* [23]—the Supreme Court invalidated the National Industrial Recovery Act,[24] holding that the delegation of legislative power to the President was defective because the general standards of policy set up by Congress were so broad that they provided no limitation on the executive authority, but rather gave "a roving commission to inquire into evils, and upon discovery, correct them." [25]

Despite their emphasis on the need for careful standards to restrict administrative action, the cases have made it clear that the standards which Congress must establish in order to satisfy constitutional proprieties are defined with reference to the factual setting in which the particular administrative activity is undertaken. The operation of this principle is strikingly illustrated by the recent Supreme Court decision in *United States* v. *Curtiss-Wright Export Corporation*.[26] That case involved the validity of a Congressional resolution [27] delegating to the President the power to impose an embargo on the shipment of arms and munitions to belligerent nations. Although the only standard set up to guide the President in determining when he should forbid such exports was the requirement that he find that the embargo "may contribute to the reestablishment of peace," the Supreme Court, with Mr. Justice McReynolds dissenting, held the delegation constitutional. The Court did not decide whether this standard would have been adequate to support a delegation of power over internal matters, but stated that an unusually large degree of discretion could constitutionally be granted to the President in the exercise of an authority which would inevitably have an effect on, and involve participation in, foreign affairs. Two somewhat interrelated propositions are discernible as the grounds for this conclusion.

The first is that as a matter of practical efficiency, the President must be given a relatively free hand in dealing with problems affecting foreign relations. His special knowledge of affairs abroad, the necessity that he be unembarrassed and free to act quickly, and the need for secrecy in the conduct of international negotiations are all considerations requiring that his action in this field be as free as possible. This view that practical necessities help to define the constitutional restrictions on the exercise of a particular delegated power is apparent not only in cases concerning foreign relations,[28] but also where internal matters of some complexity, detail, or technicality have been involved.[29]

But the Supreme Court advanced another proposition, apparently novel in the literature relating to delegation of power, to explain why an unusual degree of discretion could constitutionally be given to the Executive under the embargo resolution.[30] The Court emphasized that it was "dealing not alone with an authority vested in the President by an exertion of legislative power, but with such an authority plus the very delicate, plenary, and exclusive power of the President as the sole organ of the Federal Government in the field of international relations—a power which does not require as a basis for its exercise an act of Congress, * * *" This statement seems to indicate that where the executive is entrusted with legislative authority to be exercised in conjunction with and in aid of one of his own sovereign, or perhaps constitutional duties, in this case his authority as agent of the Nation in foreign affairs, constitutional requirements of definiteness in delegation will be satisfied by a general indication from the legislature as to how it wishes the delegated power to be used.

Finally, the Court buttressed its conclusion by referring to the lengthy history of comparable legislation, a factor which, while not controlling, is a strong indication of constitutionality not to be disregarded in the absence of a clear usurpation of power.[31]

---

[8] But cf. Moore, supra note 76, at 3: "In regard to * * * 'congressional delegation of power to make international agreements,' I have * * * always, been inclined to think that no 'delegation' of power whatever is involved in the matter. As Congress possesses no power whatever to make international agreements, it has no such power to delegate. All that Congress has done in the cases referred to is to exercise beforehand that part of the function belonging to it in the carrying out of a particular class of international agreements. Instead of waiting to legislate until an agreement has been concluded and then acting on the agreement specifically, Congress has merely adopted in advance general legislation under which agreements, falling within its terms, become effective immediately on their conclusion or their proclamation."

[9] It has been argued that the matters covered by the agreements can properly be dealt with only by treaty; and that the agreements cannot be sustained as treaties, because the Senate's power of ratification, if delegable at all, is not properly delegated in the Trade Agreements Act. See Comment (1936) (24 Geo. L. J. 717, 718). But it seems probable that tariff reciprocity may be accomplished by executive agreements, at least if made pursuant to statute, as well as by treaties. Cf. *Field* v. *Clark* (143 U. S. 649 (1892)); Corwin, op. cit. supra note 77, at 117, 120–125. And see note 110, infra.

[10] The doctrine of separation of powers is not affirmatively asserted in the Constitution, but is derived from art. I, sec. 1, and art. I, sec. 8, clause 18, giving legislative power to Congress. For general discussion of this doctrine, see 3 Willoughby, Constitutional Law (3d ed. 1929), secs. 1058–1086.

[11] *Field* v. *Clark* (143 U. S. 649 (1892)); *United States* v. *Shreveport Grain & Elevator Co.* (287 U. S. 77 (1932)); *Federal Radio Commission* v. *Nelson Bros. Bond & Mortgage Co.* (289 U. S. 266 (1933)); *Precision Castings Co.* v. *Boland* (13 F. Supp. 877 (W. D. N. Y. 1936)); cf. *Amchanitzky* v. *Carrougher* (3 F. Supp. 993 (E. D. N. Y. 1933)); see Comment (1935), 48 Harvard Law Review, 798.

[12] But cf. *Knickerbocker Ice Co.* v. *Stewart* (253 U. S. 149 (1920)) (delegation of power to States held invalid).

[13] *New York Central Securities Corporation* v. *United States* (287 U. S. 12 (1932)).

[14] *Mahler* v. *Eby* (264 U. S. 32 (1924)).

[15] *Mutual Film Corporation* v. *Industrial Commission* (236 U. S. 230 (1915)).

[16] *Waite* v. *Macy* (246 U. S. 606 (1918)).

[17] *Red "C" Oil Manufacturing Co.* v. *Board of Agriculture* (222 U. S. 380 (1912)).

[18] *Avent* v. *United States* (266 U. S. 127 (1924)).

[19] The State courts have not always been as lenient and such concrete standards as the following have been held insufficient to permit delegation: Prevailing rate of wages (*Mayhew* v. *Nelson* (346 Ill. 381, 178 N. E. 921 (1931)) (Government contracts); business methods, experience, ability, general reputation for integrity, financial standing (*Moore* v. *Beekman & Co.* (347 Ill. 92, 179 N. E. 435 (1931)) (bonding security dealers); fairness and equity between insurers and insured, brevity and simplicity, avoidance of technical words and phrases, avoidance of conditions, use of large type, separation into numbered paragraphs (*King* v. *Concordia Fire Insurance Co.* (140 Mich. 258, 103 N. W. 616 (1905) (standard insurance policies)). But cf. *State* v. *Whitman* (196 Wis. 472, 220 N. W. 929 (1928)), for a more liberal State view.

[20] 276 U. S. 394 (1928). Other delegations of legislative power in the tariff field were upheld in *Field* v. *Clark* (143 U. S. 649 (1892) (reciprocal-trade agreements under Tariff Act of 1890)); *Frischer* v. *Bakelite Corporation* (39 F. (2d) 247 (C. C. P. A. 1930) (increase in tariff rates to meet foreign unfair competition)); *Kleburg & Co.* v. *United States* (71 F. (2d) 332 (C. C. P. A. 1933) (antidumping duties)); *United States* v. *Fox River Butter Co.*, T. D. 45675 (C. C. P. A. 1932), reviewing T. D. 44667 (Cust. Ct., 3d Div. 1931), certiorari denied, 287 U. S. 628 (1932) (change in classification under flexible tariff provision of Tariff Act of 1930)); *United States* v. *Sears, Roebuck & Co.*, T. D. 46086 (C. C. P. A. 1932) (change in rate under flexible tariff provision of Tariff Act of 1930). (See also Comments (1930) 40 Yale L. J. 108; (1928) 76 U. of Pa. L. Rev. 974; (1927) 41 Harv. L. Rev. 95; (1931) 44 Harv. L. Rev. 1140; (1932) 27 Ill. L. Rev. 302.)

[21] 42 Stat. 941 (1922), 19 U. S. C., sec. 154 (1934).

[22] 293 U. S. 388 (1935).

[23] 295 U. S. 495 (1935).

[24] 48 Stat. 195 (1933), 15 U. S. C., sec. 701 (1934).

[25] *Schechter Poultry Corporation* v. *United States* (295 U. S. 495, 551 (1935)).

[26] U. S. Sup. Ct., Dec. 21, 1936.

[27] 48 Stat. 811 (1934). See Comment (1933) 42 Yale L. J. 1109.

[28] *The Brig Aurora* v. *United States* (7 Cranch 382 (U. S. 1813)); *United States* v. *Chavez* (228 U. S. 525 (1913)).

[29] *Union Bridge Co.* v. *United States* (204 U. S. 364 (1907)), and *Monongahela Bridge Co.* v. *United States* (216 U. S. 177 (1910)) both involving determination of height of bridges over navigable river); *United States* v. *Grimaud* (220 U. S. 506 (1911)) (granting permission for grazing in forest reserves); *Intermountain Rate Cases* (234 U. S. 476 1914)), and *Arizona Grocery Co.* v. *Atchison, T. & S. F. Ry.* (284 U. S. 370 (1932)) (both involving fixing of railroad rates); see Cheadle, The Delegation of Legislative Functions (1918), 27 Yale L. J. 892, 920.

[30] This principle was perhaps foreshadowed by language used in *Panama Refining Co.* v. *Ryan* (293 U. S. 388, 422 (1935)).

[31] *The Laura* (114 U. S. 411 (1885)); *Field* v. *Clark* (143 U. S. 649 1892)); *Downes* v. *Bidwell* (182 U. S. 244 (1901)). And see note 110, *infra*.

In the perspective of past decisions, there can be little doubt as to the validity of the Trade Agreements Act. Although its stated aims of restoring the standard of living, increasing employment, and combating the depression are reminiscent of the vague standards set up in the National Industrial Recovery Act, it contains in addition more detailed limitations, similar to those which were approved in the Hampton case, such as the provisions that existing rates of duty cannot be changed by more than 50 percent, and that transfers from the free and dutiable lists are prohibited; and the President must find quite specifically that existing duties of the United States or of a foreign nation are unduly burdening the foreign trade of the United States, which appears to be as adequate a limitation as that approved in the Hampton case, where a finding was required that existing duties do not equalize the production cost of the domestic article and of the like foreign article. Furthermore, the executive is limited to the performance of one type of action—modification of tariff duties. "He is not left to roam at will among all the possible subjects of" foreign commerce.[22]

[From *Van Der Weyde* v. *Ocean Transport Co., Ltd., et al.*, 297 U. S. 114, at p. 115]

OPINION OF THE COURT

Mr. Chief Justice Hughes delivered the opinion of the Court.

Petitioner brought this libel in 1931 in the District Court for the Western District of Washington, against the vessel *Taigen Maru*, for personal injuries which he sustained as a seaman in 1922. The vessel was then known as the *Luise Nielsen* and was of Norwegian registry. The respondent, Ocean Transport Co., Ltd., a Japanese corporation, made claim as owner, and filed exceptions alleging that a final decree had been entered in the District Court for the District of Oregon in 1924, dismissing a libel, for the same cause, on the intervention of the Norwegian consul.

In the present case, there was again an intervention by the Norwegian consul, who claimed that, while the vessel was now Japanese, he was nevertheless officially concerned, as the former Norwegian owner had agreed to deliver the vessel "free from all debts and encumbrances." The consul filed exceptive allegations to the effect that the libelant, a Dutch subject, had signed Norwegian articles and, so far as his rights as a seaman were concerned, was bound by the laws of Norway, which provided for appropriate remedies. The consul asked that, if the cause was not dismissed because of the former decree, the dispute should be left for his adjustment and disposition. The libelant made response and, on hearing, the district court dismissed the cause "in the exercise of its discretion."

The circuit court of appeals affirmed the decree, but upon the ground that the dismissal should have been for want of jurisdiction rather than as an exercise of discretion (73 F. (2d) 922). The court based its decision upon the second paragraph of article XIII of the Treaty of Commerce and Navigation, of 1827, between the United States and the Kingdom of Sweden and Norway, the text of which is given in the margin.[1] The court assumed that this provision was still in effect, apparently not being advised of the fact that articles XIII and XIV of that treaty had been terminated in 1919. See Foreign Relations of the United States, 1919, pages 47–54.

Section 16 of the Seamen's Act of March 4, 1915,[2] expressed "the judgment of Congress" that treaty provisions in conflict with the provisions of the act "ought to be terminated," and the President was "requested and directed" to give notice to that effect to the several governments concerned within 90 days after the passage of the act. It appears that, in consequence, notice was given and that a large number of treaties were terminated in whole or in part.[3] The treaty with Sweden and Norway of 1827 provided that it might be terminated, after an initial period of 10 years, upon 1 year's notice.[4] On February 2, 1918, the Government gave notice to the Norwegian Government of the denunciation of the treaty in its entirely, to take effect on February 2, 1919, but later by an exchange of diplomatic notes, this Government formally withdrew its denunciation, except as to articles XIII and XIV. Foreign Relations of the United States, 1919, pp. 50–52.) It was expressly stated that articles XIII and XIV of the treaty, being in conflict with provisions of the Seamen's Act, were deemed to be terminated on July 1, 1916, so far as the laws of the United States were concerned (Id. pp. 53, 54.)

On June 5, 1928, the two governments signed a treaty of friendship, commerce, and consular rights, and on February 25, 1929, an additional article, which supplanted the treaty of 1827 (so far as the latter had remained effective), save that article I of the former treaty concerning the entry and residence of the nationals of the one country in the territories of the other for the purposes of trade, was continued in force.[5]

Respondent contends (1) that the Seamen's Act did not specifically direct the abrogation of article XIII, (2) that the act was not so unavoidably inconsistent with all the provisions of article XIII as to require its entire abrogation, and (3) that the diplomatic negotiations attempting to effect abrogation of the whole of article XIII "were in excess of congressional direction and in violation of constitutional authority."

The first and second points are unavailing, if article XIII was actually abrogated in its entirety, and that this was the purport of the diplomatic exchanges between the two governments is beyond dispute. As to the third point, we think that the question as to the authority of the Executive in the absence of congressional action, or of action by the treaty-making power, to denounce a treaty of the United States, is not here involved. In this instance the Congress requested and directed the President to give notice of the termination of the treaty provisions in conflict with the act. From every point of view, it was incumbent upon the President, charged with the conduct of negotiations with foreign governments and also with the duty to take care that the laws of the United States are faithfully executed, to reach a conclusion as to the inconsistency between the provisions of the treaty and the provisions of the new law. It is not possible to say that his conclusion as to articles XIII and XIV was arbitrary or inadmissible. Having determined that their termination was necessary, the President, through the Secretary of State, took appropriate steps to effect it. Norway agreed to the termination of articles XIII and XIV and her consul cannot be heard to question it.

The injuries, of which libelant complains, took place after that termination. The effect of the new treaty we need not, and do not, consider, as in any event it could not be regarded as retroactively affecting the jurisdiction of the district court.

The circuit court of appeals fell into error in sustaining the dismissal of the cause upon the ground of want of jurisdiction by reason of the treaty provision invoked. We express no opinion upon any other questions which the cause may present, as these have not been considered by the courts below. They should be considered and determined.

The decree is reversed and the cause is remanded for further proceedings in conformity with this opinion.

Reversed.

]From *United States* v. *Curtiss-Wright Export Corporation et al.*, 299 U. S. 304, at p. 319[

Not only, as we have shown, is the Federal power over external affairs in origin and essential character different from that over internal affairs, but participation in the exercise of the power is significantly limited. In this vast external realm, with its important, complicated, delicate, and manifold problems, the President alone has the power to speak or listen as a representative of the Nation. He makes treaties with the advice and consent of the Senate; but he alone negotiates. Into the field of negotiation the Senate cannot intrude; and Congress itself is powerless to invade it. As Marshall said in his great argument of March 7, 1800, in the House of Representatives, "The President is the sole organ of the Nation in its external relations and its sole representative with foreign nations." (Annals, 6th Cong., col. 613.) The Senate Committee on Foreign Relations, at a very early day in our history (February 15, 1816), reported to the Senate, among other things, as follows:

"The President is the constitutional representative of the United States with regard to foreign nations. He manages our concerns with foreign nations and must necessarily be most competent to determine when, how, and upon what subjects negotiation may be urged with the greatest prospect of success. For his conduct he is responsible to the Constitution. The committee consider this responsibility the surest pledge for the faithful discharge of his duty. They think the interference of the Senate in the direction of foreign negotiations calculated to diminish that responsibility and thereby to impair the best security for the national safety. The nature of transactions with foreign nations, moreover, requires caution and unity of design, and their success frequently depends on secrecy and dispatch." (U. S. Senate, Reports, Committee on Foreign Relations, vol. 8, p. 24.)

It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an exertion of legislative power, but with such an authority plus the very delicate, plenary, and exclusive power of the President as the sole organ of the Federal Government in the field of international relations—a power which does not require as a basis for its exercise an act of Congress but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of

---

[22] *Panama Refining Co.* v. *Ryan* (293 U. S. 388, 434 (1935)).

[1] 8 Stat. 346, 352. "Article XIII. * * * The consuls, vice consuls, or commercial agents, or the persons duly authorized to supply their places, shall have the right, as such, to sit as judges and arbitrators in such differences as may arise between the captains and crews of the vessels belonging to the nation whose interests are committed to their charge, without the interference of the local authorities, unless the conduct of the crews, or of the captain, should disturb the order of tranquillity of the country; or the said consuls, vice consuls, or commercial agents should require their assistance to cause their decisions to be carried into effect or supported. It is, however, understood, that this species of judgment or arbitration shall not deprive the contending parties of the right they have to resort, on their return, to the judicial authority of their country."

[2] 38 Stat. 1164, 1184.

[3] Foreign Relations of the United States, 1915, pp. 3 et seq.; 1916, pp. 33 et seq.; 1917, pp. 9 et seq.; 1918, pp. 3 et seq.; 1919, pp. 47 et seq.

[4] Article XIX, 8 Stat. 356.

[5] 47 Stat. pt. 2, pp. 2135, 2158, 2159.

the Constitution. It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved. Moreover, he, not Congress, has the better opportunity of knowing the conditions which prevail in foreign countries, and especially is this true in time of war. He has his confidential sources of information. He has his agents in the form of diplomatic, consular, and other officials. Secrecy in respect of information gathered by them may be highly necessary, and the premature disclosure of it productive of harmful results. Indeed, so clearly is this true that the first President refused to accede to a request to lay before the House of Representatives the instructions, correspondence, and documents relating to the negotiation of the Jay treaty—a refusal the wisdom of which was recognized by the House itself and has never since been doubted. In his reply to the request, President Washington said:

"The nature of foreign negotiations requires caution, and their success must often depend on secrecy; and even when brought to a conclusion a full disclosure of all the measures, demands, or eventual concessions which may have been proposed or contemplated would be extremely impolitic; for this might have a pernicious influence on future negotiations, or produce immediate inconveniences, perhaps danger and mischief, in relation to other powers. The necessity of such caution and secrecy was one cogent reason for vesting the power of making treaties in the President, with the advice and consent of the Senate, the principle on which that body was formed confining it to a small number of members. To admit, then, a right in the House of Representatives to demand and to have as a matter of course all the papers respecting a negotiation with a foreign power would be to establish a dangerous precedent" (1 Messages and Papers of the President, p. 194).

The marked difference between foreign affairs and domestic affairs in this respect is recognized by both Houses of Congress in the very form of their requisitions for information from the executive departments. In the case of every department except the Department of State, the resolution directs the official to furnish the information. In the case of the State Department, dealing with foreign affairs, the President is requested to furnish the information "if not incompatible with the public interest." A statement that to furnish the information is not compatible with the public interest rarely, if ever, is questioned.

When the President is to be authorized by legislation to act in respect of a matter intended to affect a situation in foreign territory, the legislator properly bears in mind the important consideration that the form of the President's action—or, indeed, whether he shall act at all—may well depend, among other things, upon the nature of the confidential information which he has or may thereafter receive, or upon the effect which his action may have upon our foreign relations. This consideration, in connection with what we have already said on the subject, discloses the unwisdom of requiring Congress in this field of governmental power to lay down narrowly definite standards by which the President is to be governed. As this court said in *Mackenzie* v. *Hare* (239 U. S. 299, 311), "As a Government the United States is invested with all the attributes of sovereignty. As it has the character of nationality it has the powers of nationality, especially those which concern its relations and intercourse with other countries. We should hesitate long before limiting or embarrassing such powers."

In the light of the foregoing observations, it is evident that this Court should not be in haste to apply a general rule which will have the effect of condemning legislation like that under review as constituting an unlawful delegation of legislative power. The principles which justify such legislation find overwhelming support in the unbroken legislative practice which has prevailed almost from the inception of the National Government to the present day.

[From *United States* v. *Belmont et al., Executors,* 301 U. S. 324, at p. 330]

We take judicial notice of the fact that coincident with the assignment set forth in the complaint, the President recognized the Soviet Government, and normal diplomatic relations were established between that government and the Government of the United States, followed by an exchange of ambassadors. The effect of this was to validate, so far as this country is concerned, all acts of the Soviet Government here involved from the commencement of its existence. The recognition, establishment of diplomatic relations, the assignment, and agreements with respect thereto, were all parts of one transaction, resulting in an international compact between the two governments. That the negotiations, acceptance of the assignment and agreements and understandings in respect thereof were within the competence of the President may not be doubted. Governmental power over internal affairs is distributed between the National Government and the several States. Governmental power over external affairs is not distributed, but is vested exclusively in the National Government. And in respect of what was done here, the Executive had authority to speak as the sole organ of that Government. The assignment and the agreements in connection therewith did not, as in the case of treaties, as that term is used in the treaty-making clause of the Constitution (art. II, sec. 2), require the advice and consent of the Senate.

A treaty signifies "a compact made between two or more independent nations with a view to the public welfare." (*Altman & Co.* v. *United States,* 224 U. S. 583, 600.) But an international compact, as this was, is not always a treaty which requires the participation of the Senate. There are many such compacts, of which a protocol, a modus vivendi, a postal convention, and agreements like that now under consideration are illustrations. See 5 Moore, International Law Digest, 201–221. The distinction was pointed out by this court in the Altman case, supra, which arose under section 3 of the Tariff Act of 1897, authorizing the President to conclude commercial agreements with foreign countries in certain specified matters. We held that although this might not be a treaty requiring ratification by the Senate, it was a compact negotiated and proclaimed under the authority of the President, and as such was a "treaty" within the meaning of the Circuit Court of Appeals Act, the construction of which might be reviewed upon direct appeal to this court.

Mr. McKELLAR. Mr. President, in the spring of 1934 the Congress passed what is known as the Trade Agreements Act, under the provisions of which the President was given power, after he had found the facts, to lower by 50 percent or raise by 50 percent the tariff rates existing between foreign nations and the United States, or such of them as he made agreements with. Under the terms of the act it was to expire in 3 years, and subsequently it was extended for an additional 3 years. The expiration of the act comes on June 12 next; and the purpose of the pending joint resolution is to continue the act in force for a further period of 3 years.

The purpose of the Trade Agreements Act, as we all know, is to promote foreign trade. Under it the President is permitted to make trade agreements for a period not exceeding 3 years. When the act was passed the so-called Smoot-Hawley Tariff Act was in force, as it is still in force except as it has been modified by the trade agreements. That act was perhaps the highest tariff act this country ever knew. The Reciprocal Trade Agreements Act merely provides that after such facts are found as are stated in the act the President has a right to make these agreements, lowering or raising the tariff rates in accordance with the agreements within the limitations of 50 percent up or 50 percent down.

It will be remembered that the Democratic Party did not start this system of dealing with the tariff. It was started by our Republican friends. I believe the first time it was done a defect was found in the act, which defect was that no fact-finding body was designated, and as a result the original provision was declared unconstitutional.

In 1922 the Fordney-McCumber Tariff Act was passed, and in that act reciprocal-trade agreements were provided for. The provision was challenged in the courts; but the court held that the enactment was a valid one and that tariff changes could be made after a fact-finding body had passed upon the matter.

That was the situation when the present administration came into power; and in 1934 the present act was passed.

Mr. WALSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Massachusetts?

Mr. McKELLAR. I yield.

Mr. WALSH. The Fordney-McCumber Act did not provide for international trade agreements. Power was simply vested in the President to raise or lower tariff rates under certain conditions.

Mr. McKELLAR. Under certain conditions. The authority was similar to, but not exactly like, this authority. Neither was the provision in the Smoot-Hawley Act, which was passed in 1930, exactly like this provision; but in principle it was substantially the same as this one, and the principle has been upheld by the Supreme Court of the United States and all our courts.

Mr. WALSH. The provision was similar to the extent that it was delegating so-called legislative power to the President.

Mr. McKELLAR. It delegated exactly the same legislative authority either to the President or to a Tariff Board.

Now, Mr. President, it is proposed to extend for 3 years, this act, admittedly constitutional, expressly so under the Constitution in the first place, and declared so by our Su-

preme Court, which is the last authority. Certainly it is constitutional.

Now, the Senator from Nevada [Mr. PITTMAN] has offered an amendment which I shall read:

At the end of the joint resolution insert the following new section:

"SEC. 2. Effective on the date of enactment of this act, section 2 of such act of June 12, 1934, is amended by adding at the end thereof the following new subsection:

"'(d) No foreign trade agreement hereafter entered into under section 1 of this act shall take effect until the Senate of the United States shall have advised and consented to its ratification, two-thirds of the Senators present concurring.'"

The purpose of this amendment, as I understand it, is twofold:

First. It is to declare that trade agreements entered into under this law shall hereafter be regarded as treaties, which can become operative only by and with the advice and consent of the Senate.

Second. That hereafter, in dealing with the subject of trade agreements, they will by law be designated as treaties, and made only by the President and the Senate, leaving out entirely the House of Representatives.

The first question raised as to the pending bill is that the agreements made under it are treaties, and that they are unconstitutional and invalid unless the Senate ratifies them. The distinguished Senator from Nevada very vigorously, earnestly, and ably presented this view. To my mind, his argument that such trade agreements are treaties is not sound. Trade agreements have never been considered treaties during the history of our Republic. Over 1,000 of them have been made by the President under authority of laws passed by Congress, and all such laws and agreements have been held valid and binding.

Not only that, but there are two distinct provisions of the Constitution which clearly and unmistakably make a distinction between trade agreements and treaties. The first provision is found in section 8 of article I of the Constitution, and in part reads as follows:

The Congress shall have power * * * to regulate commerce with foreign nations.

The power in the Congress to regulate commerce is full, ample, and inclusive. We have used this power from the first session of Congress in 1789 down to this good hour. It usually takes the form of tariff bills. In these bills the Congress fixes the rates of duty on articles imported into this country. Until comparatively recent years these rates of duty were fixed and determined by the Congress itself, and no authority or power was given the Executive or other person to change them. The Tariff Act itself was the only way in which the Congress undertook to "regulate" commerce with foreign nations. Then came the school of thought that the Congress, having full power to act in the circumstances, might give the President or a tariff board power to raise or decrease tariff duties so as better to regulate them.

My recollection is that the first act was declared unconstitutional because it did not require the President or a tariff board to find the facts before changing the duty; and then, as I have stated, a bill was passed by which the President was empowered to find the facts and then change the duty within certain limits; and this act was held constitutional by our Supreme Court.

There cannot be the slightest question that under the present act the President, who is given power to change the duties upward or downward 50 percent, must first find the facts and then make the agreement changing the duties. How can such a provision be considered unconstitutional? Express power is given to the Congress by the Constitution to pass acts to regulate commerce with foreign countries. The Supreme Court has held that the Congress may go a step further, and give the President or a tariff board the right to raise or lower the duties within the limit of 50 percent.

As I understand the argument of the Senator from Nevada [Mr. PITTMAN] and other learned Senators who have spoken on that side, it is that the present act is unconstitutional because a trade agreement is a treaty. The answer to that argument, of course, is that laws have been passed from time to time in our history directing the President to make such agreements, and more than one thousand of them have been made as above stated, and that by a uniform legislative course such agreements are held to be agreements in regulation of commerce with foreign nations, and not treaties with foreign nations.

A further answer is that in the same sentence of the same article and section of the Constitution, the Congress is given authority to deal with commerce between the States; and our uniform practice during the entire history of the Government has been to deal with domestic commerce in the same manner that we deal with foreign commerce. The uniform practice for many years in dealing with commerce between the States has been not for Congress to make the rates, but for Congress to authorize an interstate commerce commission, to be appointed by the President and confirmed by the Senate, to make these rates and put them in effect. Of course, that service could have been performed by the Executive; but in the wisdom of Congress it has seen fit to give that almost absolute power to the Interstate Commerce Commission, and the plan has been held constitutional and has worked well.

The same course, however, has not been pursued with respect to our foreign commerce; for inasmuch as the President conducts all of our relations with foreign countries, the Congress has seen fit, in its discretion, to give to the President power to regulate foreign commerce under the conditions laid down in the Act of Congress.

Able Senators, Senators in whose ability I have the greatest confidence, learned Senators, including my distinguished friend from Colorado [Mr. ADAMS], who has just taken his seat—and there is no man in the Senate whom I admire more than I do the Senator from Colorado—have argued that the Trade Agreements Act is unconstitutional. I do not agree at all with those Senators. But what about the amendment of the Senator from Nevada [Mr. PITTMAN]? The Senator from Nevada is a long-time friend of mine. Usually, I am on the same side with him. I am devoted to him. I am a great admirer of his ability, and in every other way I admire him; but is his amendment constitutional? I propose to show that the Senator's amendment is unconstitutional, and I shall first take up that subject. I think I have already demonstrated that the main measure, extending the Trade Agreements Act, is constitutional.

The amendment of the Senator from Nevada provides, in effect, that trade agreements—think of it for a moment—are not the ordinary commercial agreements which come under article I of our Constitution, providing for the regulation of commerce with foreign nations, but that they are treaties; and, being treaties, that these agreements must be made by the President and ratified by the Senate of the United States, two-thirds of the Senators present concurring. Well, what becomes of the House in this shuffle?

Let me read, just a moment, as to the rights of the House of Representatives. Article I, section 8, of the Constitution in part provides as follows:

Congress shall have power * * * to regulate commerce with foreign nations.

The amendment of the Senator from Nevada provides, indirectly, that trade agreements shall be considered as treaties, and that they must be ratified by the Senate; in other words the Senate and the President hereafter would make all trade agreements. Under the provision of the Constitution to which I have referred, the House and the Senate have the power now to do what? To pass tariff bills? Oh, no. To regulate commerce with foreign nations; and it has been held from the beginning of the history of this Government, for over 150 years, that these agreements are not treaties. They have been put on a different plane. As I have stated, more than a thousand of them have been made in our history. They never have been made as treaties. They have always been made as trade agreements, not reaching the dignity of treaties. The House of Representatives has participated.

The House participated in the passage of the law we are now considering extending. The House has power, in part, to regulate commerce with foreign nations. If the amendment of the Senator from Nevada should be enacted, the provision of the Constitution to which I have referred would be nugatory. The House hereafter would not have anything to do with making trade agreements. The House would have nothing to do with the passage of laws regulating commerce with foreign nations. It would deprive the House of its express constitutional authority and impose that duty on the President and the Senate.

It is not a question of whether the House is willing or unwilling to have that done. It is a question of whether we are to stand by the Constitution of the United States. Why should the Senate and the President arrogate to themselves alone a power which is expressly given to them jointly with another body?

The Supreme Court has upheld this particular way of regulating commerce.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. PITTMAN. The Senator is showing a great deal of concern for the House of Representatives.

Mr. McKELLAR. No; I am showing a great deal of concern for the Constitution of the United States. I have held up my hand four times now and sworn before Almighty God that as a Senator of the United States I would uphold and defend and protect the Constitution of the United States.

Mr. PITTMAN. I do not doubt that the Senator will do so to the best of his knowledge and ability. So far as the House is concerned, in the Dingley Tariff Act of 1897 the House of Representatives, in initiating the trade agreements, as they did at that time—it was before we had Presidents initiating them—provided in section 4 for the negotiation and adoption of reciprocity treaties, just as we are now providing. What did they provide in the act? They realized then that they could not by an act dispose of the constitutional functions of the Senate, and they wanted to preserve the rights of the House; so in the bill which they passed they provided that this kind of treaties, reciprocity treaties, should first be ratified by the Senate by a two-thirds vote, and thereafter be ratified by the Congress.

Mr. McKELLAR. I am frank to tell the Senator that I do not think that arrangement was in accordance with the Constitution at all, and I doubt whether the Senator believes it was.

Mr. PITTMAN. I think it was. I think that the House of Representatives, when delegating authority, can put any limitations on the delegation they desire; but I do not think the House of Representatives, if they see fit to delegate all of their functions, can by the same act in which they do so take away the functions of the Senate. What they tried to do in this matter was to indicate that they were willing to delegate legislative authority to the President, and at the same time they wanted to say in the act, "And we will not bother you with the constitutional provision as to ratification by the Senate." They may delegate their authority legally, but they cannot in an act provide that if the Constitution requires ratification the agreement provided for does not have to be ratified.

Let me ask the Senator a question and I will not bother him again. There seems to be a kind of mystery as to what the word "treaty" means. Of course, I know the Senator knows. A treaty is an agreement, is it not?

Mr. McKELLAR. Yes; but it is different from a trade agreement.

Mr. PITTMAN. The Supreme Court has said that it is a contract between two sovereign powers with regard to public welfare. Is not that correct?

Mr. McKELLAR. That is true.

Mr. PITTMAN. If the kind of an agreement contemplated, between our Government and a foreign government, with the power given to fix all of our tariff rates within 50 percent, for a period of 3 years, which we cannot go back on, which cannot be repealed by Congress or otherwise, is not a contract, what is a contract?

Mr. McKELLAR. I do not agree with the Senator on the proposition at all, for the reason, first, that the Constitution is against it; and, secondly, our uniform course of legislation for 150 years has made a distinction between trade agreements and treaties, in the ordinary and accepted sense of the word "treaty." Of course, both are contracts—one a temporary, the other a permananent arrangement, ordinarily, with some exceptions. That is the main distinction, but it is a distinction which the Congress, since 1789, has upheld; and I am quite sure the Senator has voted to uphold the distinction in the past, just as I have, and I still think that distinction is correct. Otherwise our forefathers would not have provided, as they did, that trade agreements—keeping in mind that they are trade agreements—should be made under article I, section 8, of the Constitution, which provides that the Congress shall have power—not the Senate and the President, but the Congress shall have power—to regulate commerce with foreign nations; and the Congress is regulating that commerce with foreign nations under the law now proposed to be extended.

Another reason why trade agreements are not treaties is because the Congress is fully authorized by the Constitution and our Supreme Court to make these treaties.

As stated, if we undertake by law to make these trade agreements treaties, we are denying to the House of Representatives the power to have any part in regulating commerce with foreign nations. If this amendment is adopted and becomes the law, hereafter all agreements regulating trade under section 8 of article I of the Constitution will be negotiated by the President and approved by two-thirds of the Senate, and the House will be deprived of its constitutional right as expressed in article I, section 8.

The treaty-making power is given in article II, section 2, of the Constitution, and is as follows:

> He (the President) shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur.

If we adopt this amendment, we shall deprive the House of its constitutional right to have anything to do with trade agreements. The President, under his treaty-making power, may negotiate any trade agreement he desires, send it to the Senate, have it confirmed by two-thirds of the Senators present, and it will be the law of the land.

Mr. President, our founding fathers knew exactly what they were doing. They provided that the Congress should make the tariff duties and regulate commerce under them; and everything that pertains to them is under the domination and control of the Congress. But when it came to treaties—that is, permanent agreements made and entered into between the governments of the world—they were to be made by the President by and with the advice and consent of the Senate, two-thirds of the Senators present concurring.

Trade agreements are temporary in their nature, and for the purpose of regulating trade and commerce between the countries. The agreements authorized under article II, section 2—that is, treaties—are permanent, and deal with matters concerning permanent relationships of sovereign governments. This is the true distinction, first stated in separate articles of our Constitution, next stated in the uniform practice of our Government from its beginning until the present moment, and lastly upheld by the Supreme Court of the United States.

So, Mr. President, in my judgment there can be not the slightest doubt about the constitutionality of the trade agreements carried in the bill; but for Congress, by its ipse dixit, to declare such agreements treaties, provide for their confirmation by the Senate, and deprive the House of its constitutional powers to join in the regulation of foreign commerce, is itself unconstitutional.

In other words, the trade-agreements policy is first constitutional under the express terms of the Constitution, and in addition to that its constitutionality has been upheld by the Supreme Court of the United States. On the other hand, the Pittman amendment would deprive the House of Representatives of participation in the express grant of power to

the House to take part in regulating commerce with foreign nations and, therefore, is unconstitutional.

Another objection raised to the Trade Agreements Act is that such agreements would bind future Congresses for 3 years. That is true; but why not? What possible objection can there be to that? If one Congress authorizes the President or a department to enter into an agreement of any kind, foreign or domestic, for 3 years, that Congress would bind subsequent Congresses for a period of 3 years. Carrying out a contract with a foreign country is a matter of moral obligation, just as carrying out a contract with a citizen of our own country is simply a moral obligation. Future Congresses, of course, are morally bound. So, if we could legally do so, if we should make a trade agreement and it should be ratified by the Senate under this amendment, Congress would be bound by it for a period of 3 years just the same.

A tariff act itself cannot be the only way to regulate commerce. That is the substantive way; that is the way in which the Congress deals with the matter; but surely it cannot be expected, and never was expected by our forefathers, that Congress could fix each rate, could determine each one of the many thousands of rates, in order to regulate commerce. So the Supreme Court has held that that is not the duty of the Congress. The Supreme Court has held that we may delegate, to a tariff board, or to the President, power to regulate, under the terms of the Constitution, trade and commerce with foreign nations.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. PITTMAN. Can the Senator refer me to a case decided by the Supreme Court in which it has ever held that the President could, by agreement or otherwise, put into force and effect anything except tariff duties specified in the act authorizing him?

Mr. McKELLAR. Yes. There are cases exactly similar in principle, almost exactly the same in wording, with the exception of authorizing a commission instead of the President; and the President being constitutionally in charge of all our foreign dealings himself, surely if we can give that power to a board, we can give it to the President of the United States.

The opinion in the Hampton case, which was by Chief Justice Taft, held that identically the same thing provided here could be done, with a very slight exception which does not affect the principle at all.

Mr. PITTMAN. Mr. President, will the Senator further yield?

Mr. McKELLAR. I yield.

Mr. PITTMAN. The Hampton case dealt with a situation involving purely domestic affairs, a provision which may be terminated by congressional action at any time we see fit. In the present case we are dealing with contracts made with foreign governments; and I ask the Senator to cite a case dealing with foreign commerce wherein the President has been authorized to do anything except put into effect the duties prescribed in the act.

Mr. McKELLAR. Mr. President, if the Senator asks me to cite a case which upholds the constitutionality of this particular act, and which is in harmony with other cases which have been upheld by the Supreme Court—in other words, if the Senator asks whether or not this act has been challenged and the Supreme Court has upheld it—I answer that, as I understand, no such case exists; but that exists which is just as strong. No one has challenged the constitutionality of the Trade Agreements Act, although it has been in force for 6 years. No lawyer, so far as I know or have been able to find, has brought a suit challenging its constitutionality.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AUSTIN. I should like to ask the Senator from Tennessee a legal question; and that is, if in his opinion anyone would challenge the constitutionality of this particular statute until he had suffered a financial injury either through the raising of rates or the unlawful application of import restrictions referred to in the act?

Mr. McKELLAR. Of course the Senator is right that the act cannot be challenged until injury has occurred. Some of these rates have been in force for years. Some persons have told me they have been very greatly injured by them, but have not been sufficiently injured to challenge the constitutionality of the act, or else they had legal advice to the contrary, and in any event they have not challenged the constitutionality of the act.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. McKELLAR. I will yield only for a question, because my time is limited.

Mr. McCARRAN. I only wish to make the statement, which I hope the Senator will amplify, that it would be impossible for anyone to bring his case to the court of last resort under the language of the existing statute. If the Senator wishes to challenge that statement I shall be glad to have him do so, and to amplify his challenge.

Mr. McKELLAR. I believe there is only one concern in my State, so far as I can now recall, which has felt aggrieved by the change in duties made by the Executive under this act. The duties were modified, and when modified that concern had a right to say whether or not the modification injured it. It said it was injured thereby, and it had a right to sue; but, upon reflection, it concluded not to sue, and has not sued, so far as I know.

Mr. President, there cannot be any question that under the present act the President has power to change the duties upward 50 percent or downward 50 percent. I think I need not go further into that matter.

I have already discussed treaties, so I need not go further into that matter.

Mr. President, I next come to the policy of the Trade Agreements Act. I wish to confess that when the trade-agreements measure was brought before the Senate in 1934 I had some grave misgivings, not with respect to its constitutionality, but concerning its policy. I did not know how that which was proposed by the measure could be effectively done. I wish to say to the Senate that never have I been more agreeably surprised in my life that when I found what was done, and how successfully it had been done. There has been very little complaint—of course, there has been some—with respect to the change in the rates. But let us see what has happened under the Trade Agreements Act.

Mr. McCARRAN. Mr. President, will the Senator further yield?

Mr. McKELLAR. I should prefer not to yield at the moment. If the Senator will withhold his question for a moment, I will then yield to him.

Mr. McCARRAN. Very well.

Mr. McKELLAR. Twenty-two agreements with other countries are in force and operative, including countries and their dependencies in some cases, such, for example, as the Netherlands and her East Indian dependencies. Twenty-two contracts have been made and have gone into effect. Four others have been made, but they have not gone into effect. What has been the result of these contracts? Have they been hurtful to the United States? Since they have been entered into there has been a 42-percent increase in our exports to these 22 nations and dependencies. What about our imports? The imports from these nations and their dependencies have increased only 15 percent. So there is a net increase of exports over imports of 27 percent; and when we consider the enormous increase in our foreign trade, 27 percent represents a tremendous amount of money. I shall go into that matter in a moment. So I want to say that I have never been more agreeably surprised and delighted than I have been in the working out of the trade agreements under the administration of Secretary Hull, as I shall hereafter more fully point out.

I now yield to the Senator from Nevada, and I hope he will make his question short.

Mr. McCARRAN. Mr. President, does the Senator believe, or will he contend, that more beneficial results have flowed from this system of legislation than could have flowed from one which was constitutional?

Mr. McKELLAR. Mr. President, I think we have applied a constitutional system to this matter.

Mr. McCARRAN. Will the Senator answer my question?

Mr. McKELLAR. Indeed I will; but there is something else I wish to say, and I ask the Senator to rise later and ask me the question he has in mind.

Mr. McCARRAN. Very well.

Mr. McKELLAR. Mr. President, let us see under what circumstances this legislation was passed. The new administration had already taken care of domestic questions. We had passed laws to put agriculture on a more permanent and prosperous foundation. We had passed laws providing for the absolute security and soundness of our banking institutions. We had passed laws for the protection and improvement of industry. We had passed laws for the protection of the unemployed. We had passed laws putting labor in our country in a position in which it might enjoy the fruits of its work. We had passed laws for the protection and security of our home owners and our farm owners. We had passed laws for the relief of the hungry and helpless. All of these laws were denounced and criticized, but time has proven the efficacy of all of them.

All these things were done before we went into the question of our commerce with foreign nations.

In order that we may see more fully the practical working out of the trade agreements it is necessary for us to consider the condition of our country when this administration came into power in March 1933. When Secretary Hull went into office on March 4, 1933, the economic condition of this country had never been worse. Agriculture was bankrupt. Industry was bankrupt. Right now I am looking into the face of a Senator in whose State great institutions were either in dire straits or in actual bankruptcy. Our banks were bankrupt. The country was in a deplorable condition, and commerce with foreign nations was even at a lower ebb than was our domestic trade and commerce. Between 1929 and March 1933 the aggregate national income of our people had fallen from $81,000,000,000 to $40,000,000,000, in round numbers. Wages and salaries in manufacturing industry had dropped from $15,000,000,000 to $7,000,000,000. Nonfarm employment had dropped from $36,000,000,000 to $27,000,000,000.

Mr. President, what happened? The first thing we did was to get the banks out of bankruptcy and put them on a solid foundation, guaranteeing their deposits under the best banking system we have had, under one of the ablest men I know, the head of the F. D. I. C., Mr. Leo T. Crowley, one of the ablest, most efficient, and finest men in the Government service. We put the banks on a solid foundation, and they have remained on that solid foundation ever since.

Then we undertook to put agriculture on the same sort of solid basis, or to restore it as far as we could; and we made great strides in that direction.

We undertook to restore industry, and we have made wonderful strides in that direction.

We undertook to increase the wages of labor all over the country, and we have made wonderful strides in that respect.

But what was lacking in what we were doing in a domestic way to give us true success? We lacked foreign trade. Our friends on the other side of the aisle for a long time tried to make it appear that foreign trade meant very little to this country; that all that it was necessary to do was to raise a tariff wall. They thought all they had to do was to raise a tariff wall, first, like the Payne-Aldrich Tariff Act, later the Fordney-McCumber Act, and still later the Hawley-Smoot Act. Their theory was, "Raise the tariff rates, pay no attention to foreign trade, and the country will be prosperous."

But in 1929 all those things went by the board, and we were in the direst distress. We first took care of domestic problems, as I have very briefly outlined. After that, what happened in 1934?

Mr. McCARRAN. Mr. President, will the Senator yield at this point?

Mr. McKELLAR. I yield. Will the Senator repeat his question?

Mr. McCARRAN. I wish to propound another question.

Mr. McKELLAR. I will ask the Senator first to repeat the question which he previously asked. I yielded for that purpose.

Mr. McCARRAN. Does the Senator believe that more effective results have flowed from the application of the present law than would flow from a constitutional application of the law, in which Congress would be the appraiser of the law?

Mr. McKELLAR. If the Senator will sit down, I shall be glad to answer that question.

Mr. President, I have been in Congress a long time. I first came to the House of Representatives in 1911. We Democrats were then complaining of the iniquities——

Mr. McCARRAN. Mr. President——

Mr. McKELLAR. Wait a moment. I do not yield now.

Mr. McCARRAN. But the Senator is avoiding the question.

Mr. McKELLAR. I never avoided a question in my life. If the Senator will be good enough to bear with me for just a moment, I shall answer his question. The Senator has asked a question, and I wish to answer it.

Mr. McCARRAN. Why does not the Senator answer it "Yes" or "No"?

Mr. McKELLAR. I will answer the question in my own way if the Senator will resume his seat for a moment.

We promised the people of the country in the Wilson administration that we would revise the tariff according to the method suggested by the Senator from Nevada. When we came in, Mr. Oscar Underwood, our leader in the House, chairman of the Ways and Means Committee of the House, introduced a bill reducing the high tariff rates which then existed. I was in the House at the time. I do not speak from hearsay. I speak from actual knowledge. At that time Washington was full of lobbyists. I see my distinguished friend whom I love very dearly, the Senator from South Carolina [Mr. SMITH], smiling when I make that statement. He was in the Senate at the time. He knows that what I say is true. Representatives of the predatory, selfish interests were here in such great numbers that sometimes one could not be sure whether or not they were members of one of the congressional bodies.

Mr. McCARRAN. Mr. President, will the Senator yield? I can help the Senator very much.

Mr. McKELLAR. Mr. President, I wish to reply to the Senator. I cannot yield now. I beg the Senator to excuse me for just a moment.

Mr. McCARRAN. I can help the Senator, if he wishes to have me do so.

Mr. McKELLAR. I do not wish to be helped. I am capable of making my own speech.

I wish the Senator could have been in Washington when all that logrolling was going on. Every man who had a factory came to Washington to have the protective rates left in effect for the benefit of his factory, and taken off with respect to some other factory. There were agreements among Representatives, and agreements among Senators. There was logrolling in its worst sense. I see the Senator from West Virginia [Mr. NEELY] in the Chamber. He was in the House at the time. He knows that what I say is true. Every selfish interest was here undertaking to increase the tariff, and imploring us, "For God's sake, increase the tariff rates a little on this, or a little on that."

What was the result? Under the so-called constitutional method suggested by the Senator from Nevada [Mr. McCARRAN], the Underwood tariff of 1913 was one of the greatest regrets of the Democratic Party at that time.

Mr. McCARRAN. Then the Constitution is a failure, is it?

Mr. McKELLAR. No; the Constitution is not a failure.

Mr. McCARRAN. Then Congress is a failure?

Mr. McKELLAR. No. We did not regulate as we propose to regulate under the reciprocal-trade agreements. The Senator from West Virginia [Mr. NEELY] can bear witness to what I say. Lobbyists in behalf of the selfish interests were everywhere. We even had to pass a resolution barring lobbyists from the House of Representatives.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. Will the Senator please allow me to proceed?

Mr. McCARRAN. Does the Senator now say that Congress is so cowardly that it cannot withstand lobbyists?

Mr. McKELLAR. The Senator says no such thing.

Mr. McCARRAN. What does the Senator say?

Mr. McKELLAR. I say that this Congress is independent enough, courageous enough, and honest enough to pursue a plan which will regulate commerce with foreign nations without undergoing all the things which I have enumerated.

Mr. NEELY rose.

Mr. McKELLAR. Mr. President, I shall be glad to yield to the Senator from West Virginia in just a moment.

Mr. Hull, the present Secretary of State, was at that time in Congress. He was a member of the Ways and Means Committee of the House. He knew what logrolling there was when a tariff bill came up. The Senator from West Virginia [Mr. NEELY] and other Senators were in the Senate in 1922 when the Fordney-McCumber bill came up. My heavens! The big interests descended upon Washington like the grasshoppers out in the State of the Senator from North Dakota [Mr. NYE]. He tells me they sometimes darken the sky. Lobbyists in Washington were as thick as grasshoppers. They were logrolling. They were reaching Senators and Representatives in any way they could. Who knows it better than Cordell Hull, who was in Congress at the time, or the Senator from West Virginia [Mr. NEELY], or myself? We were in Congress in 1930 when the Smoot-Hawley tariff measure was passed. A lobbying expedition was in full swing.

Mr. McCARRAN. Mr. President——

Mr. McKELLAR. Will the Senator excuse me for a moment? I promised to yield first to the Senator from West Virginia [Mr. NEELY]. I know he will wait.

What was the situation? Mr. Hull knew the situation as well as did anyone else.

Mr. McCARRAN. Does the Senator believe——

Mr. McKELLAR. Just a moment.

Mr. McCARRAN. I merely wish to ask a question.

Mr. McKELLAR. Will the Senator please resume his seat for a little while?

The PRESIDING OFFICER. The Senator from Tennessee declines to yield.

Mr. McKELLAR. I love the Senator, but I do not want him constantly interfering with the thread of my thought.

The PRESIDING OFFICER. Senators will please not interrupt the Senator from Tennessee, unless he agrees to yield.

Mr. McKELLAR. I shall be very happy to yield in a little while.

Mr. President, I say without fear of successful contradiction on this side of the aisle or on the other side of the aisle that the President was unusually fortunate in the selection of Cordell Hull as Secretary of State.

Mr. McCARRAN. Mr. President——

Mr. McKELLAR. I beg the Senator——

Mr. McCARRAN. The Senator has called for a reply.

Mr. McKELLAR. I understand that the Senator objects to Mr. Hull. Is that correct?

Mr. McCARRAN. No, no.

Mr. McKELLAR. I decline to yield, Mr. President.

Mr. McCARRAN. Mr. President——

Mr. McKELLAR. I decline to yield.

The PRESIDING OFFICER. The Chair reminds Senators that they may obtain recognition only by addressing the Chair, and may ask questions only if the Senator from Tennessee agrees to yield. The Senator from Tennessee says he declines to yield.

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. The Senator has stated that he challenges any Senator on either side of the aisle to contradict a certain statement which he has made. It is my position—I may be wrong, and I shall take the ruling of the Chair—that any Senator on either side of the aisle has the right to answer the challenge.

Mr. McKELLAR. Mr. President, I decline to yield.

The PRESIDING OFFICER. The present occupant of the chair is of the opinion that if the Senator did issue a challenge, he wants it to be accepted at a later time. The Senator from Tennessee has the floor, and he declines to yield.

Mr. McKELLAR. I shall be delighted to yield to my friend if he will not constantly bob up and undertake to interfere with the continuity of my speech. The Senator has plenty of time to speak on this, or any other subject. The other day he spoke for 2 hours, unmolested. There is no reason why he should constantly attempt to interrupt me.

Mr. McCARRAN. I beg the Senator's pardon. I shall not do so any further.

Mr. McKELLAR. Mr. President, the President of the United States was particularly fortunate in the selection of Mr. Hull as Secretary of State. Mr. Hull was born in Tennessee. He was educated at Cumberland University. He was a soldier in defense of his country in the Spanish-American War. He became a member of the State legislature. Later he was elected and served as judge of one of the circuit courts of Tennessee. He was then elected to the House of Representatives and served in that body for 22 years. He commanded the respect, esteem, and admiration of every Member of the House, irrespective of party politics or any other consideration. Afterward he was elected a United States Senator from the State of Tennessee, and he served in this body for 2 years.

When the President was elected, after looking all over this great country for able men to head his administration, he sent for Mr. Hull and made him Secretary of State. I say it was a marvelous piece of good fortune for Mr. Roosevelt that he selected Mr. Hull. Why do I say it? Mr. Hull was fitted for the office by education, by training, by judicial poise, by experience at home, by a remarkable experience in the House of Representatives, by service on the Ways and Means Committee, and by reason of being an expert on tariffs and foreign trade. No man could have been found who had a clearer knowledge of our foreign trade than did Mr. Hull. He had been, in very large measure, the author of a tariff bill and other bills affecting foreign trade. He had made a success of his efforts along that line.

While I am referring to him I know the Senate will pardon me for saying that I have known Cordell Hull for more than a quarter of a century. He is highly educated; he is able; he is vigorous; he is determined; he is familiar with his duties; and, over all and above all, he is the noblest work of God in that he is an honest man. Never has there been the slightest suggestion to the contrary. In all his long public life, now extending over a period of 48 years, never has it been intimated that Cordell Hull was not the soul of honor, that he was not a noble man. As I look over on the Republican side, I may say, in the best of spirit, that if Cordell Hull belonged to that side of the Chamber instead of to this, every last Republican Senator would be singing his praises today, because he is sane; he is able; he is progressive; he has those gifts and talents that qualify him for the performance of the highest duties in the service of the American people. So, if he was a member of the Republican Party, Republican Senators would not only be singing his praises but I imagine that many of them would be willing to stand aside and let him take a place of even higher preference in the Government of the United States. I wish to say here as a personal friend of Mr. Hull for a period of more than a quarter of a century, knowing how he has fulfilled every duty of life, how able and efficient he was as a legislator, as a circuit judge, as a Representative in Congress, as national chairman of the Democratic Party, as a Senator, and as Secretary of State, I regard him as one of the great living statesmen of his age, and, in my judgment, history will accord him such a place. So, when the President came to select his Cabinet he put Mr. Hull at the head of it.

Mr. Hull knew all about logrolling; he had seen it in person and had been the victim of it.

Since I spoke a moment ago about other times in the House of Representatives there has come into the Senate

Chamber and taken his seat another distinguished former Member of the House at the time Mr. Hull was there. I refer to the Senator from Nebraska, Mr. GEORGE W. NORRIS, who was a very distinguished Member of the House of Representatives at that time, just as he is an able and outstanding Senator at this time. He knows what I say is true.

So, when Mr. Roosevelt sent for Mr. Hull and talked to him about the tariff situation, who knew better about the logrolling in connection with the Underwood bill and the McCumber-Fordney bill and the Smoot-Hawley bill than did Mr. Hull? Who knew better than Mr. Hull about the failure, in part, of the Underwood tariff law, for he took part in the framing of that famous measure? Who knew better? No man in this country knew those facts better than did Cordell Hull. What was the result? The result was that Mr. Hull—I have never talked with him about it in my life; I am speaking of what I believe took place at the time—said if we should undertake to deal with the tariff by the old logrolling process, which we had done so often and had gotten burned every time, even on our own side, we would never get anywhere. So he proposed that we should follow the express terms of the Constitution when it says that Congress shall have the power to make agreements with foreign countries. He took the Smoot-Hawley law just as it was; he did not attempt to change it in the slightest degree, but simply suggested the trade-agreements bill under which the President would be allowed, in accordance with the terms of the Constitution, to regulate commerce. If the Trade Agreements Act has not been a success, who can produce the facts to prove that it has not been a success? When it increased our foreign trade from $1,600,000,000 in 1934 to $3,160,000,000 in 1939, who can say that it has not been a success?

It is said the program is operating in the interest of foreign countries. I deny it. Why do I deny it? I repeat that the facts show that under the 22 agreements which have been negotiated our exports have increased 42 percent, while imports from other nations have increased only 15 percent. That is a difference of 27 percent, or more than one-fourth of all our exports.

Furthermore, note what has been accomplished in specific instances. Our cotton exports last year were only a little over a million bales; this year we have already exported nearly two and one-half million bales.

I am looking into the face of the distinguished Senator from Michigan [Mr. VANDENBERG], for whom I have the greatest respect, and for whose ability and honesty and sincerity I have likewise the greatest respect. I ask if the trade agreements have hurt the automobile business in his State? No. They have not hurt, but have greatly aided the automobile business everywhere. The trade agreements have increased our business over 27 percent. They have been a success from the beginning. In the first year when any of the agreements were in effect, I happened to be so lucky as to take a trip around the world, and I found Fords and Buicks almost everywhere. I traveled, in part, across the Arabian Desert in a Buick. All those cars came from the State of Michigan. They have been sold everywhere. Why? Because we have, under this constitutional system, regulated foreign commerce so as to be able to sell our goods and wares all over the world, and we have not tried to take everything, as was done under the Smoot-Hawley tariff bill.

I am glad the Senator from Michigan is present, as I wish to refer to the argument ably presented by him 2 or 3 days ago. There are several statements I want first to challenge and then to answer if I may. I think he is wrong on his proposal, and the arguments that he made Wednesday cannot be sustained.

I quote from the Associated Press summation of his arguments:

1. The trade-agreements law is unconstitutional.
2. It is "economic dictatorship come to America."
3. It is driving the country to a basis of uncompensated low tariffs "which will ultimately wreck us."
4. War and post-war trade competitions involve a multitude of dangerous trade weapons which the agreement law cannot touch.
5. It is not working and cannot work as intended.
6. The alternative is to provide "a concentrated foreign trade authority which can cope with all the external-trade penalties which American export increasingly confronts."

Now, I desire to comment on each of these statements.

The Senator first says that the Trade Agreements Act is unconstitutional. I have already discussed this question, and have shown, I believe, that it is constitutional. It is inconceivable to me that if such acts are unconstitutional we have made them all during our history, amounting in number to more than 1,000. I do not believe this contention of the Senator from Michigan is correct.

Our Supreme Court has decided otherwise and has decided the same principle so often that although this law has been in force for 6 long years, no one has challenged its constitutionality.

The second argument of the Senator from Michigan is this:

It is "economic dictatorship come to America."

The next two I want to take out of their order. I skip 3 and 4, and read No. 5:

It is not working and cannot work as intended.

It cannot be a dictatorship if it is not working and cannot work. I have noticed, in my limited experience, that dictators usually work. If the "economic dictatorship" that has come to America, in the view of the Senator from Michigan, is so inoffensive and so unworkable, it cannot be a dictatorship; or, if it is a dictatorship, it cannot mean anything to the American people. I say it is not an economic dictatorship, and I say it is working. The Senator will find, if he will look at the figures, that nowhere in this Nation is it working better than in the good State of Michigan. He will find that the sale of automobiles, for which his State is famous, has gone up by leaps and bounds, and his State is receiving the benefit of it.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Michigan?

Mr. McKELLAR. Yes; I yield.

Mr. VANDENBERG. I do not care to interrupt the Senator each time I disagree with his statements respecting my previous address, though I should not want my silence to indicate consent to the Senator's rather extravagant analysis; but——

Mr. McKELLAR. Wait one minute. I am not analyzing the Senator's speech. The Associated Press, which I consider the greatest and fairest news-gathering agency in all the world, has printed this analysis of the Senator's address, and it has been published without denial in every newspaper in the United States.

Mr. VANDENBERG. Every quotation which the Senator is making from the Associated Press is accurate and correct.

Mr. McKELLAR. Oh. Now we are getting somewhere.

Mr. VANDENBERG. Yes. The dissent which I registered was to the Senator's observations upon the statements in the Associated Press article. I just want to comment upon the final observation which the Senator submitted to me that the trade agreements are responsible for a tremendous increase in exports of automobiles.

Mr. McKELLAR. Not wholly, but very largely.

Mr. VANDENBERG. All right; very largely.

The automobile exports were $280,000,000 in 1939. They were $250,000,000 in 1935, a year before the trade agreements were fully in effect. The increase in automotive exports is 85 or 90 percent due to the recuperation in world consumptive buying power, and not to the Trade Agreements Act at all. Nevertheless, as I said in the address to which the Senator refers, the State Department has been completely considerate of the automobile industry in connection with these negotiations.

Mr. McKELLAR. It certainly has.

Mr. VANDENBERG. I expressed my gratitude to the Department. I simply dissent from the analysis of the resultant figures.

Mr. McKELLAR. Mr. President, I do not agree with the Senator that world conditions have brought about the improvement in the automobile trade. I believe it is principally due to the great, constructive measures of this administra-

tion, which have restored our whole country, which have given us a better buying power, which have given labor a better wage throughout the country and made people prosperous. That is the first thing; but the next thing, very close to it in importance, is the trade agreements.

The Senator from Michigan then makes the argument that the trade-agreements law is driving the country to a basis of uncompensated low tariffs which will ultimately wreck us. That contention cannot be sustained. It is true that our tariff duties are lower, but, on the other hand, the tariff duties of foreign countries with which we made these agreements are lower; and therefore there can be no injury, since the duties of both countries are lower. The present law facilitates trade. It builds up commerce. It builds up trade, as our figures of 42 percent as against 15 percent will show. So I think it is almost manifest that this position which the Senator from Michigan takes is incorrect.

The fourth position which the Senator from Michigan takes is this:

War and post-war trade competitions involve a multitude of dangerous trade weapons which the agreement law cannot touch.

This is a generality, and ordinarily would not require an answer; but the answer is so specific and so certain that I feel that it ought to be given here.

Suppose we had the Smoot-Hawley Tariff Act in force in its original terms, as we shall have unless the Trade Agreements Act is extended. How would it be possible for us to deal with the subject for America at all? We should simply be hedged in by the highest tariff wall in the history of our country, with no possible method of obtaining trade from foreign countries. That seems to be manifestly true.

Lastly, I come to argument No. 6, which is a suggested alternative. The Senator from Michigan would have—

A concentrated foreign-trade authority which can cope with all the external trade penalties which American export increasingly confronts.

That is exactly the same thing in principle as the present law. I have not seen the Senator's proposal other than as stated here, but it necessarily would be on the same principle as the present Trade Agreements Act. The President is certainly a "concentrated foreign-trade authority," and no authority we could set up would be as concentrated as the President, because the President has other powers in regard to foreign affairs which make him the most concentrated power of all. But if such an authority were set up, how could it cope with external trade penalties? Of course, that would bring on an economic warfare which would injure trade and not help trade; and for these reasons it seems to me the argument of the Senator from Michigan is not sound.

By the way, the Senator's question leads me to say another thing. The Senator denounces Secretary Hull's trade agreements, if we may call them Secretary Hull's trade agreements, and I think we may.

Mr. VANDENBERG. Yes.

Mr. McKELLAR. The Senator says "Yes," and I endorse his statement. Less than 6 months ago almost every Member on the Republican side of the aisle—as I recall, the Senator from Michigan was one of them—was denouncing another measure which had been proposed by Secretary Hull. It was a neutrality measure. The Senator remembers and all of us remember that when the neutrality measure was before this body about 4 or 5 months ago, Senators on the other side of the aisle were saying that it was going to get us into war; it was going to destroy peace; it was going to destroy returning prosperity; it would ruin the country. That was the substance of the criticisms that were made. Were your criticisms right then? Are we not at peace? We are not at war. There is no prospect of our getting into war; yet the neutrality law has been on the statute books for nearly 4 months. You were wrong then, and you are wrong in this instance.

This is another proposal of Secretary Hull. He did not send it up here haphazard. He worked over it for nearly 2 years before it was sent to the Congress. He took your law and then, under the power to regulate commerce, he applied the facts in individual cases and individual countries to your law, which was the highest tariff law we had ever had. He applied to that law the constitutional power to regulate commerce, and the act which resulted is going to be a success. It has already been a success. If we have increased our trade with 22 foreign countries by a net amount of 27 percent or by a gross amount of 42 percent, we shall do the same thing with the other nations when we make trade agreements with them.

You may talk about the failure of his Neutrality Act as you did talk about it. You are silent about it now. You may talk about his Trade Agreements Act as you are doing now, but you will be silent about it in a short period of time, just as you are now silent about the Neutrality Act.

Mr. President, this is no time for politics. This is no time for division along party lines, just as last fall was no time for division along party lines. We passed a neutrality law at that time. Did you ever hear of a criticism of the way in which it has operated? I have not seen the word "neutrality" in the newspapers for weeks, so far as I can recall. Certainly I have not seen it in any prominent place in the newspapers for that length of time; yet 4 or 5 months ago nearly every newspaper in the country was denouncing the neutrality law as being certain to get us into war; just as many of them now are denouncing the Trade Agreements Act as being unconstitutional and as getting us into economic trouble. Within 3 months after its passage—as it will pass, in my judgment—you will cease criticizing this measure, and you will be criticizing some other administration measure.

Mr. McCARRAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Nevada?

Mr. McKELLAR. Yes.

Mr. McCARRAN. I desire to join the able Senator from Tennessee in paying a great tribute to the able Secretary of State, Mr. Hull; and I should like to do it in his own language, if I may, by reading a very short excerpt from the CONGRESSIONAL RECORD which is his crowning glory and his greatest achievement, in language or otherwise. Will the Senator kindly permit its insertion in the RECORD? It is very short.

Mr. McKELLAR. Very well. Anything that will reflect the honor and integrity and conspicuous public service of Cordell Hull I will always agree may come before the Senate and before the country.

Mr. McCARRAN. I read this excerpt from the remarks of the Secretary of State when he was a Member of the House of Representatives because, in my judgment, it is his crowning glory. It is the greatest statement he ever made.

He said:

Mr. Chairman, the proposed revision provides in effect that the valuation by appraisers shall be final except by appeal to the Secretary of the Treasury. This astonishing proposal strips bare the jurisdiction of the Customs Court and its authority to adjudicate unquestioned and hitherto unchallenged rights of the citizens. This is bureaucracy run mad. The very suggestion that the most valuable property rights of the citizen can be disposed of or dealt with as a finality by the Treasury Department with the slightest recourse to the courts of the country is wholly impossible to understand.

The proposed enlargement and broad expansion of the provisions and functions of the flexible-tariff clause is astonishing, is undoubtedly unconstitutional, and is violative of the functions of the American Congress. Not since the Commons wrenched from an English king the power and authority to control taxation has there been a transfer of the taxing power back to the head of a government on a basis so broad and unlimited as is proposed in the pending bill. As has been said on a former occasion, "this is too much power for a bad man to have or for a good man to want."

Mr. McKELLAR. Mr. President, will the Senator give the date of that statement by Judge Hull?

Mr. McCARRAN. It was made on May 13, 1929, on the floor of the House of Representatives.

Mr. McKELLAR. My recollection is that it was even before that; but, however that may be, since that statement was made the Supreme Court has rendered an opinion which forever settled that question. It was held that the Congress, under its constitutional power, may do precisely what Judge Hull has recommended in regard to these trade agreements.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. Let me say that, as the Senator from Tennessee has suggested, the Supreme Court of the United States on several different occasions, since the statement of the present Secretary of State to which the Senator from Nevada has referred, has overruled that view, and has decided that the flexible provisions of the tariff were constitutional; and to my mind by that decision they decided the present case.

Mr. McCARRAN rose.

Mr. CLARK of Missouri. Just a moment. Let me say further, if the Senator from Tennessee will permit me for just a second——

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. In all the long hearings before the Committee on Finance of the Senate, either the Senator from Mississippi, the chairman of the committee, or I myself, in the case of every witness who appeared before the committee asked him whether the industry he represented had been injured in any way by the operation of the reciprocal trade agreements statute, as administered by the present Secretary of State, and with only two or three exceptions everyone of them admitted that they had not been hurt. Some of them admitted that they had been benefited, and some of them said they were afraid they might be hurt sometime.

Mr. McCARRAN. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. The Senator from Missouri is quite correct. I yield to the Senator from Nevada.

Mr. McCARRAN. Let me say that the final word on this entire subject was spoken by the Supreme Court of the United States in the Panama case, decisive of every conjecture which might have entered into the former decisions. In the Panama case the court held, if it held anything, when it set aside a statute enacted by the Congress, that this entire method of procedure was unconstitutional.

Mr. McKELLAR. I do not agree with the Senator at all; but I could never convince him that I was right and that he was wrong, so we just have to go to bat, and work it out in the vote.

Let me give some figures as to exports which show what has happened under our recent tariff acts and under the trade agreements.

In 1929, under the Fordney-McCumber Tariff Act, our exports had reached the enormous sum of $5,250,000,000, in round numbers. The Hawley-Smoot Act was then passed, and our exports dropped to less than $4,000,000,000. In 1931, under the Hawley-Smoot Act, they had dropped to less than $2,500,000,000. In 1932 they had dropped to $1,600,000,000, and then we passed the present Hull Trade Agreements Act, and our exports almost immediately began to climb.

In 1934 our exports were over $2,000,000,000. In 1935 they were about $2,300,000,000. In 1936 they were $2,500,000,000. In 1937 they were $3,300,000,000. In 1938 they were $3,000,000,000. In 1939 they were $3,177,000,000.

Mr. President, these figures tell the story.

Mr. President, the Smoot-Hawley Tariff Act, which at the time of its passage was alleged to be of the very essence of Republican tariff policy, is still on the statute books. It utterly failed to help our country. Our exports went down by more than two-thirds under that act. Then the Hull formula, as shown in the Trade Agreements Act, was put into effect, and the changes took place as I have stated. We have not gone back to the high exports of 1929, but we have doubled our exports under this wise enactment.

HOW THIS HAS BEEN DONE

As shown by a table furnished by Mr. Grady, of the State Department, we have made agreements with 26 countries, including dependencies, under that act; and there has been a large increase in exports, running from 4 percent in the case of Honduras to 200 percent in the case of the East Indies, and averaging in all the trade-agreement contract countries 42 percent. It is true that our imports from most of these countries have likewise increased though in the case of three of the countries they have actually decreased. It is a wonderful story of accomplishment, Mr. President. Think of it. Our exports increased by 42 percent and our imports from the same countries increased only 15 percent, or a difference of 27 percent in favor of America's export business.

If we could make similar agreements with all the rest of the world—and Mr. Hull proposes to do it if this joint resolution passes—in my judgment, Mr. President, our prosperity in this country would be fabulous.

Mr. President, I know it is the theory of many persons, largely among our Republican friends, that foreign trade is not absolutely necessary to our prosperity in this country. This theory is not tenable. In the United States we make more than we can consume, and as long as that condition prevails our foreign trade is necessarily of vital importance to us. A healthy foreign trade means prosperity to all our people. A small export trade means depression. It has been proved beyond the shadow of a doubt that this country cannot prosper behind the high tariff walls of a Smoot-Hawley Tariff Act. The whole fabric of a high tariff fell to earth when depression came. That act was wholly incapable of meeting the situation of a world depression or a domestic depression. It was necessary, therefore, when this administration took office in 1933, to recapture our foreign trade if full prosperity was to be restored.

How could this recapture best be made? Was it best for the Democrats to pass another logrolling tariff law, or was it best to take the law as it stood and adopt this trade-agreements plan of giving the President the right, under the express terms of the Constitution, to raise or lower tariff rates in order to regain our foreign trade?

Mr. President, in conclusion I wish to say that I have demonstrated, by the citations from the Constitution, and by the citations from the Supreme Court, that the trade-agreements law is in every sense constitutional and valid. I think I have shown by my review of the facts that these trade agreements have been of tremendous value in increasing American trade and commerce abroad. I believe they have added tremendously to our success commercially, economically, and in every other sense. I believe the highest tariff rates ever put into a law were those in the Smoot-Hawley law, and, by Secretary Hull's ability and sagacity in working out the trade agreements we have done away with the usual logrolling in the fixing of rates sought by the great selfish interests of this country. We have done it quietly, it has been done effectively, it has increased American trade with the 22 countries with which we have had agreements to the enormous extent of 42 percent.

Mr. President, with one further observation I shall conclude. Instead of the trade-agreements law being unconstitutional, the Pittman amendment is unconstitutional, for the reason that it would take away from the House of Representatives its power, with the Senate and the President, to regulate commerce with foreign nations. That is exactly what it would do. We would set up a new system. We would do away with the precedents of 150 years if we should declare agreements of this kind to come under the regulatory clause of the Constitution, and attempt to have them held to be treaties. If we undertook to do that, we would be undertaking to do an unconstitutional thing.

If I ever was convinced that an amendment was unconstitutional, I am thoroughly convinced that the amendment offered by the senior Senator from Nevada, proposing that we take trade agreements with foreign countries out of the hands of the Congress and put them into the hands of the Senate and of the President, is unconstitutional. With that observation, I submit the case.

Mr. GURNEY obtained the floor.

Mr. McCARRAN. Mr. President, will the Senator yield for a moment so that I may have a matter inserted in the RECORD?

Mr. GURNEY. I yield.

Mr. McCARRAN. I shall in a very brief sentence or two explain what I wish to have go into the RECORD.

The reciprocal-trade agreements have affected not only the countries with which the trade agreements have been made, but under the most-favored-nation clause have affected other countries of the world, because they have resulted in imports coming into the United States from other countries.

Mr. CLARK of Missouri. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. Inasmuch as there is a time limit in effect, if the Senator from South Dakota is going to yield for a speech, I must insist on the rule being enforced.

Mr. McCARRAN. I did not intend to start to make a speech. I am sorry the Senator is so aroused——

Mr. CLARK of Missouri. There is a time limit, and the Senator from Nevada has already occupied his own time, and there are some other Senators who would like to insert some things in the RECORD.

The PRESIDING OFFICER. The Senator from South Dakota has the floor. He has yielded to the Senator from Nevada for the purpose of having something inserted in the RECORD.

Mr. McCARRAN. This is just a sentence in explanation and nothing more. I will not take the time of the Senate.

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Nevada?

Mr. GURNEY. Only for the purpose of putting something in the RECORD.

Mr. McCARRAN. I ask to have inserted in the RECORD a certain series of correspondence between Secretary Hull and those under Secretary Hull with the president of the Manganese Association of America.

The PRESIDING OFFICER. Without objection, the matters will be inserted in the RECORD.

The matters referred to are as follows:

AMERICAN MANGANESE PRODUCERS ASSOCIATION,
Washington, D. C., June 9, 1936.

Hon. CORDELL HULL,
Secretary of State,
Washington, D. C.

MY DEAR MR. SECRETARY: The trade agreement with Russia expires July 13.

In the best interest of the United States and with full respect for the efforts of the State Department to expand foreign markets, we respectfully ask that no new agreement be made whereby manganese ores and alloys may be imported from Russia under any reduction in duties.

In order that the subject may be properly considered, we further ask that no agreement of any kind be negotiated with Russia without due notice and hearings as required by law.

It is reliably reported that Brazil is contemplating trade treaties with Germany and Italy, whereby those countries will be given special trade benefits not to be enjoyed by the United States. Such treaties would, in effect, abrogate the trade agreement between the United States and Brazil.

The official Government document Manganese and Manganiferous Ores for the year 1935, published by the United States Bureau of Mines under the direction of Hon. Harold L. Ickes, Secretary, Department of the Interior, page 483, states as follows:

"On February 2, 1935, the United States and Brazil signed a reciprocal-trade agreement which, among other concessions, provided for a reduction of 50 percent in the present American duty on manganese ore imported from Brazil. If confined to Brazil, the lowered duty will inevitably stimulate production there. If, however, the reduction in duty is granted other nations supplying the American market, Brazil will have no competitive advantage due to the agreement."

If the reduction in the manganese duty is extended to Russia and other countries, there would be no particular reason why Brazil should not abrogate the trade agreement with the United States.

The Brazilian agreement, cutting the duty on manganese ore and extending the same cut to Russia and other nations, means a loss to the United States Treasury of approximately $2,500,000 collectible as duty on manganese previously imported and stored in the bonded warehouses of the steel companies in the United States at the time the agreement became effective. It means a continued, additional loss to the United States Treasury of approximately $2,500,000 per year in tariff on ores regularly being imported. For the reason that little or no benefits, sufficient to offset the losses, are derived through this agreement, either by the United States or Brazil, we fail to see any reason why the United States should not likewise desire to abrogate the trade agreement with Brazil.

There can be no adequate national security as long as the United States remains dependent upon foreign manganese with the source of supply 4,000 miles away.

Recovery of high-grade manganese from the enormous deposits of lower grade ores in the United States is inevitable. Any policy which retards this development is against the national interest.

Since the United States signed the trade agreement with Brazil the Bureau of Mines has announced recovery of pure manganese from ores running as low as 10 to 15 percent. This gives added support to new processes previously developed whereby the highest grade ores known in the world's markets may be recovered from the deposits in the United States. These deposits, however, cannot be developed and plants installed in the short period of time ordinarily allowed in an emergency.

A reduction in the duty on manganese was not intended by the President and Congress in the passage of the Reciprocal Trade Agreement Act.

The President in his message to Congress on the 2d day of March 1934, requesting this legislation, said:

"You and I know, too, that it is important that the country possess within its borders a necessary diversity and balance to maintain a rounded national life, that it must sustain activities vital to national defense, and that such interests cannot be sacrificed for passing advantage."

Proper consideration for manganese for national-defense purposes is definitely expressed in the manganese petition to the President, signed by 41 Senators and 145 Congressmen, and presented to the President June 29, 1934.

In hearings before Congress, Hon. Francis B. Sayre, Assistant Secretary of State, testified that the policy under the trade agreements would be as follows:

"The whole purpose of the program of trade bargaining is this: To restrict the commodities covered in the agreement with any specific country to commodities of which that country furnishes the chief source of supply of importation into the United States."

The opposite to this was done. Manganese was traded away to Brazil, a minor producer of the ore. Russia, the major producer, should not be allowed entrance through the "back door" of the Brazilian agreement.

The suggestion has been made that we conserve our manganese resources. Facts would indicate this is perfect nonsense.

The total known reserves of iron ore in the United States are estimated at 1,500,000,000 tons, or enough to make 750,000,000 tons of steel. The manufacture into steel of the known reserves of iron ore in the United States will consume at the most only 12,000,000 tons of high-grade manganese ore. Some manganese deposits in the United States require the mining and treatment of 2 tons of crude manganese ore for each ton of high-grade manganese ore shipped; others require 3 to 1, and so on. Taking an outside figure, and say it would require an average of 5 tons of crude manganese ore mined to produce 1 ton of high-grade manganese ore running 50 percent metallic manganese, it would require at the utmost only 60,000,000 tons of crude low-grade manganese ore to produce the high-grade ore necessary to manufacture into steel all the known reserves of iron ore in the United States. It is well recognized that there are reserves of low-grade manganese ores in the United States approximating 200,000,000 tons, and further work will undoubtedly disclose additional reserves, although only 60,000,000 tons may be required.

Manganese and Manganiferous Ores, 1929, United States Bureau of Mines, page 295, states as follows:

In view of the fact that there is possibly 200,000,000 tons of low-grade manganiferous material in the United States to which certain beneficiation processes may be applied in the future, it may be of interest to outline the occurrence of manganese ores and the methods that have been developed for treating these ores."

These tremendous manganese reserves, however, unless they are developed, will be of no more use in an emergency than they were during the last war. A healthy nucleus of a manganese industry in the United States is an urgent national need. The sacrifice of the manganese developments in the United States through reciprocal-trade agreements constitutes an irreparable national loss. Mines previously developed are now fast being abandoned and allowed to fill with water, and collapse. The lack of these developments in time of need may contribute to a national calamity.

During the year 1918 the price of manganese ore, on a basis of 50 percent metallic manganese, f. o. b. Chicago, was $68.50 per ton, and a sufficient tonnage necessary for the proper manufacture of munitions was not available from domestic or foreign sources even at this price.

When it is realized that we normally use 1,000,000 tons of 50-percent grade manganese ore, or its equivalent in lower grade, per year, it may well be understood that the dollar cost of unpreparedness would far offset any small passing advantage which might be obtained through the trading away of manganese under the reciprocal-trade agreements.

With proper time for development, ores running 50 percent metallic manganese may be obtained from domestic sources at costs ranging from $30 to $35 per ton. With consumption at the rate of 1,000,000 tons per year and the price $68.50 per ton experienced during the last war, the added penalty paid by the Government in an emergency, in 1 year alone, would be in excess of $30,000,000.

The following figures from published reports of the United States Bureau of Mines show the increase in domestic production of manganese ores following the tariff on high-grade ores granted in 1922:

Manganese ores shipped from mines in the United States

Grade of ore	Year	Long tons	Year	Long tons
5 to 10 percent manganese	1921	62,670	1929	1,110,067
10 to 35 percent manganese	1921	8,439	1926	384,312
35 percent manganese and above	1921	13,531	1925	98,324

Following the tariff in 1922, years were spent in development of mines and in working out processes to successfully recover the high-grade ores from the lower-grade deposits. This was accomplished and in 1929 the domestic industry stood ready to produce gradually increasing tonnages of the higher-grade ores in accordance with market demands.

On account of the depression, decline in both steel production and consumption of manganese, the years 1929 to 1935, inclusive, reflect a comparative drop in demand and prices of manganese ores. This price drop was augmented largely through the dumping of manganese ores on the world's markets by the Soviets at the beginning of their 5-year plan in 1929, following which the Soviet ores were sold on a flooded market at almost any prices they would bring. During this period American ore buyers accumulated large stocks of ores in reserve. Five hundred and two thousand tons of manganese ore were imported into the United States during the year 1931 alone.

The Russian dumping policy is clearly described in two memoranda, both dated August 5, 1929, prepared by E. C. Ropes, chief Russian section, Division of Regional Information, United States Bureau of Foreign and Domestic Commerce, and supported by certain translations from the Berliner Tageblatt, July 12, 1929, wherein is stated:

"But the Russian effort is directed quite plainly further to shut out so far as possible, by quoting lower prices, other manganese producers and to assure a monopoly for itself.

"If the Russians once maintain a monopoly, which is quite easily possible with their opportunities for dumping, under the system where it is immaterial whether an export trust itself makes or loses, then they will very probably refuse to sell Russian ore to those plants which have adapted their processes at prices acceptable to the consumers, but will demand those rates that will suit them as monopolists."

The special congressional committee created by the House of Representatives to investigate the activities and propaganda of the Communists in the United States, after holding hearings throughout the country and interviewing numerous witnesses, in January 1931 definitely recommended to Congress as follows:

"That immediate consideration be given by the Congress to the placing of an embargo on the importation of manganese from Soviet Russia."

The Soviets subsequently ceased the dumping of manganese ore in the American market.

The year 1936 brings increased steel production, increased manganese consumption and continued depletion of the ore stocks on hand in the United States. Therefore a gradual rise in the price and demand of manganese ore is recorded. This price and market increase may be expected to continue as the production of steel expands and the stocks of ore on hand are consumed. As conditions return to normal, likewise consumption and prices of manganese ore may be expected to return to normal. However, with the reduction in the duty granted to Brazil and extended to other countries through the trade agreements, it is impossible for domestic producers to compete and, unless there is some hope for relief from unfair foreign competition, most domestic mines will be abandoned.

If the normal domestic market is made available to domestic producers, the total sales value, based on average 1924 to 1928 prices of high-grade manganese ores alone, 700,000 tons of 50-percent manganese, delivered at the furnaces of consuming points, would be in excess of $21,000,000. More than half of this amount, or $12,000,000, would represent wages. Allowing $1,000 per man per year, it would mean the employment of approximately 12,000 men per year.

If a policy to encourage further development of domestic manganese is adopted by the Government, new development work, plant construction, and production of ore from existing plants in the manganese districts would directly and indirectly furnish almost immediate employment of from 5,000 to 7,000 men.

According to Vandegrift's survey in Utah, a man employed in the mining and metallurgical industry will support a total population of approximately 15 people, including workmen's families and the service population. On this basis the employment of 12,000 men in producing manganese ores in mining sections would support an additional population of 180,000 people. We do not contend that this could be accomplished in a short period of time, but these facts cannot be ignored in your deliberations.

Sir Robert Hadfield, eminent British metallurgist, in a paper on manganese read before the British Iron & Steel Institute, 1927, stated as follows:

"The old Chinese proverb says, 'They who own the iron of the world rule the world.' It would almost seem safe to add that they who own the manganese of the world have largely in their hands the control of steel of satisfactory quality such as is now necessary to meet modern requirements."

The Assistant Secretary of War, Hon. Hanford MacNider, in a letter to J. Carson Adkerson, October 3, 1927, stated as follows:

"The safety of the country requires that we have a readily available source of manganese within the United States."

The Assistant Secretary of War, Hon. Frederick H. Payne, in an address before the American Manganese Producers Association, November 10, 1930, stated as follows:

"Of the raw materials necessary to us in war, none is more important than manganese. The problem of providing an adequate supply is aggravated by the fact that we largely rely upon foreign sources to meet our demands in this material."

The Assistant Secretary of War, Hon. Frederick H. Payne, in a letter to the American Iron & Steel Institute, February 12, 1932, stated as follows:

"In view of the dependence of the military requirements upon steel products and of the supreme importance of manganese in the making of sound steel, it is deemed essential to have available, at the beginning of a major war, a domestic or nearby operating source of manganese ore.

"To create such an operating source during peacetime the producers must have a market for their output."

Maj. Alfred H. Hobley, speaking in behalf of the War Department (Convention Proceedings, American Manganese Producers Association, p. 42, November 10, 1930), stated as follows:

"After considering all possible solutions to the manganese problem, it appears that one of the safest methods from the standpoint of production in wartime is the development of the domestic industry to the point where it would be in existence and offer a satisfactory nucleus for expansion to the necessary degree to meet the increased needs that might arise as a result of military activity."

On the grounds of national security, and in order that a healthy nucleus of a manganese industry may be maintained in the United States, we respectfully ask that the reduction in the manganese duty not be extended to Russia and that tariff protection be provided sufficient to equalize the cost of production between domestic and foreign manganese ores and alloys.

Respectfully yours,

J. CARSON ADKERSON, *President.*

DEPARTMENT OF STATE,
Washington, July 9, 1936.

Mr. J. CARSON ADKERSON,
President, American Manganese Producers' Association,
National Press Building, Washington, D. C.

MY DEAR MR. ADKERSON: I have received and read with care your letter of June 9, 1936, in which you point out that the present commercial agreement between the United States and the Soviet Union expires July 13, 1936, and in which you request that no new agreement be made whereby manganese ores and alloys may be imported from the Soviet Union under any reduction in duties and that no agreement of any kind be negotiated with the Soviet Union "without due notice and hearings as required by law." It is noted, furthermore, that you suggest the desirability of abrogating the trade agreement with Brazil, presumably with a view to restoring in what you apparently believe to be the interest of national security and increased employment, the rate of duty on manganese ore provided for in the Tariff Act of 1930.

The reduced duty on manganese ore proclaimed pursuant to the trade agreement with Brazil is applied to imports from the Soviet Union in accordance with the Trade Agreements Act of June 12, 1934, which provides, in effect, that duties proclaimed pursuant to foreign-trade agreements entered into under the authority of that act shall be applied to the articles of all foreign countries which do not discriminate against American commerce or pursue policies or take actions which tend to defeat the purposes of the act. In undertaking as the result of the agreement entered into with this Government on July 13, 1935, to increase substantially its purchases of American products, the Soviet Government indicated its intention of pursuing policies and taking actions in harmony with the purposes of the Trade Agreements Act. In the 10-month period ending April 30 of this year the Soviet purchases of American products amounted to $31,076,007, as compared to $16,840,788 in the 12-month period ending June 30, 1935. It is believed that as long as American commerce is accorded favorable treatment by the Soviet Union it would not be justifiable or in accordance with the provisions of the Trade Agreements Act to withhold from that country the benefits of tariff concessions resulting from reciprocal-trade agreements.

With reference to your request that no agreement of any kind be negotiated with the Soviet Union "without due notice and hearings as required by law," I may point out that the agreement entered into with the Soviet Union on July 13, 1935, although related to the trade-agreements program, was not concluded under the authority of the Trade Agreements Act. The provision of the Trade Agreements Act for public notice of intention to negotiate a trade agreement and an opportunity for interested persons to present their views relative thereto applies only to agreements concluded under the authority of that act. I may assure you, however, that the Department is at all times glad to receive your views in regard to this and other matters.

As to your suggestion that the trade agreement with Brazil be abrogated it may be pointed out that such abrogation would require the mutual consent of the United States and Brazil. Moreover, it is not

believed that such action would be to the best interests of this country.

Article XIV of the trade agreement with Brazil provides that the agreement shall continue in force for 2 years (that is, until January 1, 1938), and shall be subject to termination at the expiration of that term or thereafter only upon 6 months' notice, unless terminated in accordance with the provisions of article II, which pertains to the imposition of quantitative restrictions on imports. It may be pointed out in this connection that there is no evidence to indicate that Brazil has not fulfilled the obligations which it has undertaken as a result of its trade agreement with the United States.

The reciprocal concessions provided for in the trade agreement between the United States and Brazil are of substantial benefit to both countries, as is indicated in the enclosed copy of an analysis of the agreement issued by the Department of Commerce on February 7, 1935. In the first 4 months in which the agreement has been in effect, namely, from January 1 to April 30, 1936, Brazil's purchases from the United States increased 5 percent over the amount purchased in the corresponding period of last year. That this increase in our exports to Brazil is due in a large measure to our trade agreement with that country is indicated by the fact that the increase, in case of commodities with respect to which reductions in the Brazilian rates of duty were obtained, was 20 percent, whereas in the case of commodities with respect to which no concessions were obtained it was only 2 percent.

It cannot be doubted that Brazil regards as important the duty reduction obtained with respect to manganese ore. This is evidenced by the substantial concessions which Brazil granted in return for that reduction and other concessions made by the United States to Brazil. Inasmuch as the trade-agreements program is based upon the principle of most-favored-nation treatment, it was not intended that Brazil should, as a result of the trade agreement, be given a preferential advantage in the American market with respect to manganese ore or any other commodity. This policy was, of course, well known to the Brazilian Government at the time the trade agreement was signed.

You may be assured that the questions of national security and increased employment involved in the reduction of the duty on manganese were, among others, given very careful study, not only by this Department but also by other departments and agencies of the government concerned. With reference to the question of national security, it is interesting to note the following views of the Planning Committee for Mineral Policies contained in the report made on December 1, 1934, by the National Resources Board:

"To encourage development of certain minerals in which we are deficient, such as manganese, mercury, and tungsten, tariffs have been imposed. It has usually been argued on behalf of tariffs—often without careful scrutiny of the reserve situation—that they would make possible the development of new supplies. In practice, however, the encouragement of tariffs has not greatly aided exploration, discovery, and research; on the contrary, the stimulus of a protected market of uncertain duration has merely accelerated the depletion of the few high-grade deposits we have at a time when consideration for national defense requires that such limited supplies be conserved for emergency use.

"* * * We suggest study of the question whether tariffs on some of these minerals may be advantageously reduced or rescinded, in return for trading advantages from the countries controlling these supplies."

As to the importance of the manganese industry as a factor in providing increased employment for labor, I may refer you to the Department's press release of February 9, 1935, a copy of which is enclosed. As is pointed out therein, the total number of wage earners engaged in mining manganese ores in 1929 was, according to census data, only 354. Although labor has little reason to expect that a restoration of the excessively high duty on manganese will relieve to any appreciable extent the pressure of unemployment, it may, on the other hand, expect to obtain substantial benefits from the development of our export trade with the Soviet Union, which as a result of the agreement entered into with the United States on July 13, 1935, amounted to $31,076,007 for the 10-month period from July 1, 1935, to April 30, 1936, and from the development of our export trade with Brazil, which in 1929 was valued at $108,787,000.

In view of the facts presented above, it does not appear that action to withhold from the Soviet Union the duty reduction on manganese or to abrogate the Brazilian agreement in order to restore the former rate of duty on that product would be in the interests of national security or the employment of labor.

Sincerely yours,

FRANCIS B. SAYRE,
Assistant Secretary
(For the Secretary of State).

AMERICAN MANGANESE PRODUCERS ASSOCIATION,
Washington, D. C., July 28, 1936.

Hon. FRANCIS B. SAYRE,
Assistant Secretary of State, Department of State,
Washington, D. C.

MY DEAR MR. SAYRE: Your letter of July 9 received in response to our letter of June 9 to the Secretary of State regarding the Russian trade agreement.

You state that the Russian trade agreement "was not concluded under the authority of the Trade Agreements Act." May we ask under what authority it was concluded?

The Constitution provides that agreement or treaties with foreign countries are subject to approval by two-thirds majority of the Senate. The Trade Agreements Act was not approved by two-thirds majority of the Senate. The individual trade agreements have not been approved by two-thirds of the Senate. Now, in addition, the Russian trade agreement, concluded separately without notice and hearing, appears in violation of the Constitution as an illegal and unauthorized document.

You state that "Inasmuch as the trade-agreements program is based upon the principle of most-favored-nation treatment, it was not intended that Brazil should as a result of the trade agreement be given a preferential advantage in the American market with respect to manganese ore or any other commodity." In view of this we cannot understand in what manner Brazil enjoys any special advantage not granted other nations under the reciprocal-trade agreement and why, therefore, the agreement should not be abrogated.

We cannot accept your statement to the effect that "there is no evidence to indicate that Brazil has not fulfilled the obligations which it has undertaken as a result of its trade agreement with the United States." We suggest your analysis of the Brazilian-German trade agreement recently negotiated. It should be the duty of our Government to recognize discriminations by foreign countries made against American interests in the face of trade agreements. In the absence of action by the Department, it becomes the duty of American citizens to assemble and place this evidence before the proper authorities and move for complete abrogation of such treaties.

It is most unfortunate that manganese producers have never been given proper notice or hearing under the Reciprocal Trade Agreements Act, in accordance with your testimony before Congress and in accordance with the law embodied in the act.

Had proper hearings been held, you would not have included in your letter the erroneous representation that "the total number of wage earners engaged in mining manganese ores in 1929 was, according to census data, only 354."

Proper hearings would have revealed that most of the manganese mines are located in rural and mountainous areas, and the wage earners engaged are mostly native laborers drawn from the surrounding communities. Most of such employees own or rent their small individual farms and engage in light farming. Under a census enumeration these men would be classified as farmers. The same is true of contractors, haulers, millmen, woodsmen, and most other employees in manganese operations.

In the Batesville district of Arkansas alone, for instance, more than 300 families normally obtain their subsistence from manganese operations. A small farm acreage is leased to the local farmer, and the individual farmer, with his family, digs the manganese ore from this acreage. Census classifies him as a farmer.

In Butte, Mont., where the largest producing manganese operations in the United States are located, the mines produce lead, zinc, and other minerals, as well as manganese. When the producers are free from unfair foreign competition and have orders for manganese they mine manganese, otherwise they mine other minerals. They, too, in the 1929 census enumeration would be classified as miners of ores other than manganese.

For your information we enclose a photostat copy of a page from the CONGRESSIONAL RECORD of March 11, 1935, showing statements on the floor of the House by Congressmen from a few manganese States, indicating the employment in 1929 of more than 2,400 men in the production of manganese and manganiferous ores. We call your particular attention to the statement of one of the Congressmen, with special reference to previous statements of the Secretary of State relative to the number of men employed in manganese, as follows: "I may also suggest to the Secretary of State that hereafter he get his information from more reliable sources."

Reference to the United States Bureau of Mines bulletin would have shown the State Department that in 1929 there was a total number of 63 manganese operations actually underway in 17 States. Any one of a number of manganese districts in the United States employed more men than the total credited by you for the entire country.

If the normal domestic market is made available to domestic producers, the total sale value, based on average 1924–28 prices of high-grade manganese ores alone (700,000 tons of 50-percent Mn), delivered at the furnaces or consuming points, would be in excess of $21,000,000. More than half of this amount, or $12,000,000, would represent wages. Allowing $1,000 per man per year, it would mean the employment of approximately 12,000 men per year.

According to Vandegrift's survey in Utah, a man employed in the mining and metallurgical industry will support a total population of approximately 15 people (including workmen's families and the service population). On this basis, the employment of 12,000 men in producing manganese ores in mining sections would support an additional population of 180,000 people. We do not contend that this could be brought about suddenly, but it does not appear that these facts have been considered in your deliberations.

If proper manganese hearings had been held, you would have learned that in 1928 no Government agency credited the State of South Dakota with a single ton of manganese ore, but that in 1930, after exhaustive surveys and reports, the United States Geological Survey formally reported a positive reserve in this one State alone of 102,000,000 tons of metallic manganese, equivalent to more than 500,000,000 tons of manganese ore running from 15 to 18 percent metallic manganese. This is only 1 State, and there are more than

30 States containing manganese deposits of varying extent. Furthermore, since the Brazilian treaty was signed, the United States Bureau of Mines has announced a new process whereby pure manganese may be recovered from ores running from 10 to 15 percent metallic manganese.

It is important to note that during the year 1931, without recognition of Russia and without reciprocal-trade agreements, the United States exports to Russia amounted to $103,717,000. The average of the years 1926–30 was $77,666,000. In 1936, with recognition and with reciprocal-trade agreements, the United States is surrendering revenue, sacrificing national defense, and giving valuable concessions to obtain from the soviets an agreement that they will purchase from us a total of $30,000,000.

In view of these facts, and since no proper hearings on manganese have been held, manganese producers, property owners, and employees in the industry respectfully but determinedly insist on the termination of the Brazilian, Russian, and Canadian trade agreements.

Respectfully yours,

J. CARSON ADKERSON, *President.*

DEPARTMENT OF STATE,
Washington, August 11, 1936.

Mr. J. CARSON ADKERSON,
President, American Manganese Producers Association,
National Press Building, Washington, D. C.

MY DEAR MR. ADKERSON: Your letter of July 28, 1936, addressed to Mr. Sayre, who is on vacation, concerning further the reduction of the duty on manganese with reference to our trade agreements with Brazil and Canada and our commercial agreement with the Soviet Union, has been received. The expression of your views is very much appreciated, and I assure you that your letter has been read with interest.

In response to your inquiry regarding the authority under which the Soviet agreement of July 13, 1935, was concluded, it may be pointed out that the agreement was concluded by the President in pursuance of his general powers under the Constitution to conduct the foreign relations of the United States. The Soviet agreement is only one of a number of executive agreements which have been negotiated by various Presidents in pursuance of such powers to prevent discrimination against American commerce or to bring about a change in acts or policies which are prejudicial to it.

Sincerely yours,

HARRY C. HAWKINS,
Chief, Division of Trade Agreements.

Mr. SCHWARTZ. Mr. President, will the Senator yield so that I may insert a letter in the RECORD?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Wyoming?

Mr. GURNEY. I yield for that purpose only.

Mr. SCHWARTZ. I ask unanimous consent to have inserted at this point in the RECORD a letter written by me, addressed to the Honorable R. R. Rose, Democratic State chairman of the State of Wyoming.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 29, 1940.

Hon. R. R. ROSE,
Democratic State Chairman,
Casper, Wyo.

DEAR BOB: Answering your telegram of today, I write for the purpose of explaining the votes I shall cast on the matter now before the Senate.

I do not discuss the purely legal or constitutional questions involved.

The distinguished chairman of the Finance Committee quoted testimony before his committee to the effect that representatives of western livestock, farm, and ranchmen had admitted present trade pacts had not hurt us, but that these men of the West are fearful of what may happen under trade pacts to be made in the future.

There are two reasons accounting for that fear: The 1936 agreement with Canada was followed by another in 1939 increasing the quotas and further lowering the rates on livestock imports; and the nature of the campaign of fear for the future now being made by Republican politicians in and out of the livestock and farm organizations in the Western States.

As to the two Canadian agreements:

Under the 1936 agreement with Canada, the United States tariff on live cattle, weighing 700 pounds or more each, was reduced from 3 to 2 cents per pound, subject to a quota of 156,000 head. This quota was about 1 percent of the average annual slaughter of cattle in the United States. There was complaint under this quota that sudden shifts in market price brought in large percentage of the cattle at one time, thus adversely affecting the prices of American cattle at or en route to American stockyards.

The 1939 agreement provides for a tariff rate of 1½ cents per pound on an increased quota of 225,000 head (the 1936 quota was 156,000 head). The number entering during any one quarter of the year is now limited to 60,000 head from all foreign sources. The new quota represents about 1⅛ percent of the average annual slaughter of cattle and calves in the United States.

In 1936 the tariff on calves weighing less than 175 pounds each was reduced from 2½ cents per pound under the Smoot-Hawley Act to 1½ cents on a quota of 52,000 head. Under the 1939 agreement the same rate of tariff is continued, but the quota is raised to 100,000 head, and the weight limit is raised from 175 pounds to 200 pounds per head.

Beef cattle and calves in excess of the quotas provided for in the agreement must pay the full 1930 rate of tariff.

On page 161 of Foreign Crops and Markets, issued by the United States Department of Agriculture, February 10, 1940, the United States average farm price of beef cattle, 1935–39 is given. It is apparent that increased imports of cattle in 1939 did not depress prices.

In 1939 cattle prices were the highest since 1930, except in 1937 (when imports also were large).

Farm cash income by American producers from the marketing of cattle and calves from 1935 (the last year before the first agreement with Canada went into effect) through 1938, is as follows:

Farm cash income from cattle

Year:	
1935	$1,061,830,000
1936	1,097,767,000
1937	1,214,699,000
1938	1,114,340,000

Statistics thus far available indicate that the farm cash income from cattle in 1939 will be larger than any other year since 1929.

I quote a sample of the fear campaign now being conducted in Wyoming. Recently there has been published in the newspapers of Wyoming lengthy quotations from the remarks made by Congressman HORTON in his speech in the House as it appears in the CONGRESSIONAL RECORD of February 21. I quote from page 1808. Says Congressman HORTON:

"I will confine my remarks largely to the livestock interests, and I will not burden you with a lot of statistics, for already your head, like mine, is chuck full of figures and counterfigures. All one has to do is first determine where you want to go and figures can be dug up and juggled in such a way to land you there safely."

Mr. HORTON, having determined where he wishes to go, then proceeds to juggle his figures. He is speaking of the effect on cattle of the present Canadian trade pact. I quote further:

"Try as you will, juggle your figures as you may, use all the cunning of your New Deal methods, you will never convince a single hard-headed cattleman that lowering of the duty on cattle, which made possible ever-increasing imports—which in 1939 reached 753,570 live head—has done him anything but dirt."

Did lowering the rates under the quotas provided in the Canadian pacts make possible the 753,570 imports in 1939?

Let us look at the Department of Agriculture statistical publication Foreign Crops and Markets of date February 10, 1940. At page 160 there is given the United States imports of dutiable cattle from Canada and Mexico, 1935–39. I quote only 1939. It will be borne in mind that cattle of 700 pounds and over come in under the trade agreements, while cattle under 700 pounds come in under the rate fixed in the Smoot-Hawley Act of 1930. Under the trade agreements we imported from Canada 181,323 head, of which 8,570 head were dairy cattle and 172,753 head were beef cattle and others. From Mexico we imported under the trade pacts 55,232 head. Thus there was imported under the agreements a total of about 240,985 head of beef cattle in 1939.

Under the Smoot-Hawley rates we imported in 1939 from Canada 11,229 head and from Mexico 390,074 head.

It will be seen that over half of the total imports referred to by Congressman HORTON as chargeable to the trade agreements came into the United States from Mexico under the Smoot-Hawley tariff rates. And let it be said this 390,074 head of cattle weighing less than 700 pounds was mostly thin stock headed for ranches and feed lots of American cattle producers.

Of calves, 200 pounds or less weight, under the trade pact we imported in 1939 from Canada 69,464 head, and from Mexico 30,536 head—the full quota of 100,000 under the 1939 pact. In addition we imported in 1939 some 15,000 head of calves under the Smoot-Hawley Act, 1930, rate of 2½ cents per pound.

Some of our wool growers are also fearful of future trade-agreement pacts. Their representatives admit generally that trade pacts have not directly affected the prices of raw wool, but they point out that when notices of negotiations for pacts were announced these notices did, temporarily, unsettle the market to their damage.

While our critics are damning the New Deal as affecting livestock and wool—major industries in Wyoming—let us not forget that while the Smoot-Hawley Act rates were in force in 1932 beef steers fell to 4½ to 5 cents on the ranch, and today ranch prices have practically doubled. Also, in 1932 wool sold in Wyoming from 6 to 8 cents. Since then prices of wool have tripled. Only last week a 200,000 pound clip in the neighboring State of Montana sold for 30 cents. We hope for and need still further advances in the price of both cattle and wool. I do not claim that the low prices in 1932 and 1933 were due largely to the Smoot-Hawley Act rates of duty on cattle and wool. Neither do I contend that New Deal legislation is to be credited 100 percent for our better times and better prices; but I am weary of hearing that the New Deal has not helped the people of my State.

In conclusion, let me say that I do not believe the present treaty pacts have been harmful to Wyoming.

From many letters and telegrams from my constituents—many of whom I personally know and highly regard—it is evident they fear further additional modification of the 1939 Canadian trade pact or from new pacts with a further lowering of rates and increase of quotas.

In these circumstances, while I do not subscribe to all the fears expressed by my friends, nor to those conjured by political opponents of my party, I shall vote for the amendment offered by Senator O'MAHONEY. I cannot vote for the Pittman amendment.

It is my conviction the general reciprocal trade program has given great aid toward solidifying friendship among the nations of the western hemisphere; that it makes for continued peace for the United States; that its continuance will help to keep us out of war, and will strengthen the arms of the President and the Secretary of State to hasten world peace on a basis of reason and justice. Because I hate war, because I could never bring myself to do any act which, in my conscience and conviction, might lessen our determination to keep American boys from slaughter on the fields of battle, or our women and children and our civilian population from possible mass destruction by enemy bombers, I make my choice.

Very sincerely,

HARRY H. SCHWARTZ.

Mr. GURNEY. Mr. President, the spring of 1940 has started off in my section of the country very auspiciously. I notice on the weather map today that again we are favored with a heavy rain, and I am sure that, due to the fact that we have had rain for the last month, and are continuing to have rain, our people at home are feeling rather optimistic. They feel that this will be a good year. They feel that they will be able to raise something this year. Therefore they want to be sure that they are going to get their share of the United States market. So, because of these prospects, I am going definitely to oppose the extension of the authority to negotiate trade treaties. I may say, further, that I am going to vote for the amendment which has been offered seeking to bring all trade treaties back to the Senate for ratification by this body.

Mr. President, in discussing the reciprocal trade treaties I should like to call to the attention of this body that, in addition to the question of the constitutionality of reciprocal trade treaties, they have definitely adversely affected our national economy. I submit that, as an elective representative of the people of South Dakota, I feel I have no right to grant a blank check to the State Department, to barter the rights of these people away as the State Department may see fit.

I further submit that it is my opinion that Congress has no right to grant to the State Department the authority to raise and lower tariffs, which, in reality, is the authority to impose taxes. It would be equally as logical to grant to the Treasury authority to change, without consulting Congress, the tax laws of the land as it is to grant authority to the State Department to make trade treaties.

However, in my opinion, probably the most dangerous effect of the reciprocal-trade policy has been the disastrous results which have been imposed upon our American raw-material producers.

There seems to have been developed in this country a philosophy that foreign trade is a cure-all for both domestic and world problems. It is even contended by the Secretary of State that the extension of foreign trade is in the interest of world peace, and is the means of restoring world prosperity among the various nations. If this is the case, it has certainly failed to date. If we stop but a minute to analyze this philosophy, we find how utterly false it is.

I grant that the securing of new outlets and new industrial uses for our products is desirable, but have we not been overemphasizing the value of foreign trade and belittling our own local market? What is the situation today?

Foreign farm products have been coming in to establish credits with which to buy implements of death. American manufacturers of war materials have had the benefit of the increase in exports, and American farmers have been deprived of that part of the domestic market for all the foodstuffs we have imported.

Here is how I tie up farm imports with war materials exported. I do it by just looking at the other side of the picture. What did we export and who received the benefit of increases in trade?

Exports of scrap iron jumped from $112,000,000 in 1936 to $300,000,000 in 1937, and constituted 9.1 percent of all exports. Shipments of machinery essential in the manufacture of armaments increased from $335,000,000 in 1936 to $479,000,000 in 1937.

Whatever purpose may have induced the present administration to allow huge imports of farm products during recent years, the actual effect of these policies has been to provide the means whereby foreign nations could pay for war materials purchased in America. These war materials have been paid for largely from the sale of farm products which directly compete with those produced by the American farmer.

Much as I dislike figures in any talk, I must give a few just to prove my point. The record speaks for itself. Here they are, covering imports directly competitive with Northwest farmers: In 1937, 86,000,000 bushels of corn were imported; 9 years ago, only one-third of a million. In 1937, 494,000 head of cattle were imported, while in 1932 only 97,000 were imported. How about hogs? In 1937 foreigners shipped us sixteen and one-half million pounds, while during 1932 only 34,000 pounds were allowed to come in. In 1932, 1,000,000 pounds of foreign butter were consumed by the citizens of the United States; in 1937 over 11,000,000 pounds. In our most prosperous years foreign trade constituted but 6 percent of our total commerce, and this 6 percent was only obtained at the expense of some of our American industries and raw-material producers. I wish to qualify this and further remarks by the statement that I except those raw materials in which we are deficient in this country.

Obviously, the expansion of American foreign trade can only be accomplished in one of three ways: First, by the acceptance of gold in payment; second, by the loan to foreign countries; third, by the acceptance of goods in kind.

As we well know, the payment of gold is practically an impossibility under the present world situation, as we already have accumulated a stock of gold which is embarrassing us, to say the least.

I believe any Member of this body would certainly hesitate to recommend further credits to foreign countries for the stimulation of our foreign trade, as many of our unpaid foreign loans are the result of such a policy in years gone by.

This brings us to the one and only means of stimulating foreign trade; namely, the acceptance of goods in kind. I have previously stated that I am excepting those goods in which we have a deficiency in this country and which are, in the majority of instances, strategic materials. The whole theory of reciprocal-trade treaties if based upon granting concessions in the importation of certain goods from certain countries, in return for like concessions in these countries, on goods of American manufacture or for our raw materials. It has turned out, as the reciprocal-trade treaties have operated, that this is primarily a concession to one line of industry at the expense of another. But the worst part of it is, that the producers of raw materials have been the ones who have been called upon to give the subsidy to the manufacturing industries of this country, notwithstanding the fact that it is the producers of raw materials who have been worst hit during the years of depression, and for whom we have been compelled to vote the greatest amount of assistance.

Now let us look at the proposition of reciprocal-trade treaties which directly affect the farmers of the Middle West. One of the big deals of the New Deal is the reciprocal trade treaty policy. These treaties, combined with the plan of Government at present to reduce production of agricultural crops, has left the farmer in an impossible situation. He has had to compete with other countries which can produce crops such as he produces at a less cost than he can under the present administration's farm plan. The farmers of our country were not told that there would be imports of agricultural crops equaling the normal production of the acres ordered to lay idle in order to reduce surplus, and that these imports would go into competition with the lesser crop the farmer would be permitted to grow. The result, in my opinion, has been that it is impossible for the farmer of the United States to come anywhere near getting cost of production.

Another result of the reciprocal-trade policy has been a tremendous increase in imports of agricultural commodities into this country, adding to the wealth of the farmers' competitors in foreign lands at the expense of the farmers and all the rest of the citizens in the agricultural States of these United States.

To satisfy myself, I have just checked up on the latest report issued by the United States Department of Commerce, released March 1, 1940. That report shows that imports of competitive and substitute farm products during the last 6 months of 1938 amounted to approximately $479,000,000, and they have kept on increasing, for during the last 6 months of 1939 they amounted to approximately $528,000,000. Comparing farm exports for the same period in 1938, I find that these exports amounted to $414,000,000, but for the same period in 1939 there is a decrease in exports of $28,000,000 below the 1938 period.

Bringing this information a little more up to date, I find that, during the first month of this year, agricultural imports amounted to seventy-five and one-half million dollars, against forty-two and one-half million dollars for January a year ago.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. AUSTIN. I should like to ask the Senator from South Dakota if he is not aware that in testimony before the Senate Finance Committee, at pages 651 to 659, the Secretary of the National Cooperative Milk Producers' Federation pointed out a significant part of the cost to which the Senator has just alluded, namely, that in terms of our trade in the year 1938 his study showed that we gave to foreign countries concessions on $561,734,000 more goods than we received. On duty reductions alone we came out in the red to the extent of $70,420,000.

Mr. GURNEY. I knew that the balance was against us, but I did not know the exact figures, and I thank the Senator for supplying them.

A very striking example of the effect of these reciprocal-trade treaties is the rapid growth of the cotton-raising industry in South America, where nations have grown wealthy on markets that were once the exclusive markets of the cotton planter in the southern part of the United States. In a lesser sense the same thing has taken place with corn, hogs, wheat, barley, and all of the rest of our agricultural crops. Are we going to continue along these lines and sacrifice our own markets in the United States to foreign invasion because a generous National Government feels that it is the nice thing to do? After all, any government should look after its own people first. That may sound selfish, but it is practical common sense.

The administration has told us that this has been absolutely necessary in order to build up our foreign trade so that we may have a market for our excess production, but in actual effect it has built up the foreigner's market in this country so that he has an outlet not only for his excess production but for his entire crop at much better prices than he was able to get elsewhere. Perhaps it looked like a good plan when it started, but now when it so certainly is not a good plan, why should it be continued?

It is to the best interests of the farmer, the labor unions, the small merchants, and the common laborers that authority for these trade treaties be not continued, for the reason that these classes of our people produce only for the domestic market, and because it is to their interests to build up America before undertaking to salvage the economy of the world.

The whole Hull policy is plainly designed to let in raw materials, thereby injuring the economy of 40 out of our 48 States. These incoming raw materials can only be liquidated with the exports from favored industries, and I use this word "favored" advisedly, because these trade treaties are protecting the very interests that stand charged by the administration with having engaged in nefarious practices to put through the tariff schedules contained in former tariff bills.

The farm plan of the present administration kisses the farmer's cheek with the soil benefit check, that he grow less, and slaps his other cheek with free trade in agricultural products. The great American market—half the market of the world—is thrown open to peon-labor-produced crops from foreign countries, sent in to compete with the American farmer, rightfully entitled to the American standard of living.

While the administration rightfully curses sweatshop and child labor in American factories, yet by its free-trade policy, these reciprocal-trade treaties, with their most-favored-nation clauses, compel the American farmer to compete with the low-paid sweatshop and child labor in the fields of other countries.

The policy pursued by the administration has been directed at raising American costs, as evidenced by the debasement of our dollar, the reduction in hours of labor and increased hourly rates of pay, and increased taxation. I am not at this time discussing the merits of these policies, but I do wish to emphasize that while the administration has been raising the cost of American production in trying to create a more abundant life, the very countries which they propose, through these reciprocal-trade treaties, to put in direct competition with our producers, have been lowering their standards of living, and it is this competition which they ask the producers of America to compete against.

It is apparent that there is an inconsistency in policy, with the administration on one hand raising the cost of production in this country and on the other hand encouraging importation of foreign goods produced under a continuously lower standard of living.

In practically all cases when trade treaties are discussed, generalities are dealt with; but I wish to show by one specific case that they accomplish little, if anything, in the interest of the American producers.

Hon. Cordell Hull, Secretary of State, in attempting to justify the Reciprocal Trade Agreements Act, testified before the Senate Finance Committee on February 26, 1940, as follows:

> In the trade agreements we have made some limited reductions in duties on certain products. So carefully have these adjustments been made and so painstakingly have they been safeguarded wherever need for safeguards was demonstrated, that these duty reductions have not inflicted any injury on any group of producers. No satisfactory evidence to the contrary has been brought forward—for the simple reason that no injury to our producers has, in fact, occurred.

I propose to show that this statement is contrary to the facts; and in proof I wish to submit a specific case. The one I have in mind is manganese, which is of particular importance to the State which I represent, and, in fact, to the United States as a whole, as evidenced from the following statements made by the War Department.

Hon. Frederick H. Payne, Assistant Secretary of War, said on November 10, 1930:

> Of the raw materials necessary to us in war, none is more important than manganese. The problem of providing an adequate supply is aggravated by the fact that we largely rely upon foreign sources to meet our demands in this material. Consequently, it is easy to see why we are so interested in the activities of the American Manganese Producers Association. (Convention proceedings, A. M. P. A., November 10, 1930.)

Maj. Alfred H. Hobley, expert in charge of Raw Materials Division of War Department, said:

> In the case of shortage of shipping or enemy interference with shipping, volume becomes a matter of considerable importance. There is, of course, a great difference in the volume of the various essential raw materials. In the case of platinum, for instance, enough could be brought into the country in a trunk to last almost a year. In the case of manganese, the annual domestic consumption is in the neighborhood of 700,000 to 800,000 tons of ore, which would require considerable shipping capacity. * * * (Convention proceedings, American Manganese Producers Association, November 10, 1930.)

The present situation in the manganese industry is well explained on page 43 of the published Army Extension Course, 1931 edition, Industrial Mobilization Plans, prepared by the

War Department, which summarizes the domestic manganese industry as follows:

In spite of all handicaps, however, enough interest has been stimulated to result in the creation of a capacity much larger than indicated by annual domestic production and a readiness for expansion that is a decidedly important military asset.

Maj. Alfred H. Hobley, speaking in behalf of the War Department before the American Manganese Producers Association convention on November 10, 1930, made the following statement:

After considering all possible solutions to the manganese problem, it appears that one of the safest methods from the standpoint of production in wartime is the development of the domestic industry to the point where it would be in existence and offer a satisfactory nucleus for expansion to the necessary degree to meet the increased needs that might arise as a result of military activity. To a certain extent this is what the domestic manganese producers have been trying to do, and in which they have encountered considerable difficulty and resistance.

I also wish to quote the President himself, from his message to Congress on the 2d day of March 1934, requesting trade-treaty legislation, in which he said:

You and I know, too, that it is important that the country possess within its borders a necessary diversity and balance to maintain a rounded national life; that it must sustain activities vital to national defense, and that such interests cannot be sacrificed for passing advantage.

I have shown the importance of manganese to American industry, and particularly in terms of national defense, recognized by both the War Department and the President himself; but in order that the Members of the Senate may have a complete background of what this industry involves, I shall briefly describe it.

DESCRIPTION OF INDUSTRY

Manganese is classed as an essential war mineral; but also no mineral is of greater importance to the material welfare of the Nation in time of peace. Our steel industry could not operate without manganese. Repeated attempts have been made in this country and abroad to substitute other materials, but always without success. Even Germany, lacking an adequate supply of manganese within her own borders during the Great War, kept her steel furnaces alive only because she managed at tremendous cost to obtain the element by reworking old slags and former waste products. Outside of steel making, manganese has other uses which are vital to the military security of the country, notably as an essential ingredient of dry batteries used in flashlights and signaling apparatus. It is used in paints as a drier, and to some extent as a pigment, and it enters into various useful chemicals, including potassium permanganate. By far the main use, however, is in steel manufacture. In the United States the iron and steel industry normally consumes the equivalent of 750,000 out of a total of some 800,000 tons of manganese ore used annually.

For use in steel making manganese is ordinarily first made into the form of ferromanganese, an alloy containing about 79 percent of manganese, the remainder being iron, carbon, and a small amount of impurities.

I call attention particularly to the figures of imports for consumption in 1936, amounting to more than 800,000 tons of high-grade manganese ore and low-grade ores in increasing monthly amounts. Page 301 of Manganese and Manganiferous Ores, 1929, United States Bureau of Mines, shows that in 1929 we used 1,059,178 tons of high-grade manganese ore, or the equivalent in low-grade ores.

The mining of manganiferous iron ores is only one phase of the manganese industry, but normally it results in payments to the miners of the Lake Superior region amounting to practically $4,000,000 annually, and approximately the same amount is distributed to transportation companies for carrying the ore from the Minnesota ranges to the furnaces in Ohio, Pennsylvania, and Illinois. Imports of foreign manganese ores and alloys serve to replace corresponding tonnage of domestic ores and to throw out of work a corresponding number of American workmen.

In 1922 Congress provided a duty of 1 cent per pound on metallic manganese contained in ores running above 30 percent metallic manganese. Production of domestic ore was retarded through the refusal of certain major steel companies to buy domestic ore even at prices less than were being paid for foreign ores of similar grade. Production was further retarded through the importation duty free of ores running slightly under 30 percent manganese. In 1930 the 1-cent tariff was extended to cover ore running above 10 percent manganese. On account of the depressed condition of the market since 1930, the full beneficial effect of this duty was never felt.

Because of the fact that manganese tops the list as the No. 1 strategic war mineral essential to our national defense, and because the development and maintenance of a domestic industry is of such vital importance both to our peacetime and wartime requirements, let us examine exactly how the industry has been treated under the reciprocal-trade program of this administration.

The following table shows the imports of manganese ore into the United States from both Brazil and Russia for the years 1932 to 1939, inclusive. Those two countries are used because they supply a substantial part of our manganese requirements and because I wish to discuss the treaties with those two countries.

[Figures from U. S. Bureau of Mines publications]

Year	Brazil	Russia
	Long tons	*Long tons*
1932	21,500	55,437
1933	None	83,780
1934	55,834	124,836
1935	29,528	153,200
1936	110,018	289,867
1937	77,988	383,949
1938	29,698	166,043
1939 (11 months)[1]	32,589	114,064

[1] Preliminary figures for 1939.

One of the earlier trade treaties was effected with Brazil; and manganese was included in this treaty as one of the commodities on which Brazil was granted a 50-percent tariff reduction. In reference to this concession to Brazil, I wish to quote from page 483 of Minerals Yearbook, 1935, prepared and published under the direction of Hon. Harold L. Ickes, Secretary of the Interior:

On February 2, 1935, the United States and Brazil signed a reciprocal-trade agreement which, among other concessions, provided for a reduction of 50 percent in the present American duty on manganese ore imported from Brazil. If confined to Brazil, the lowered duty will inevitably stimulate production there. If, however, the reduction in duty is granted other nations supplying the American market, Brazil will have no competitive advantage due to the agreement.

That is exactly what happened. Unfortunately for Brazil, the reduction in duty on manganese was not confined to Brazil and was extended to Russia. It will readily be seen from the above table of imports from Brazil and Russia that any advantage pertaining to Brazil was quickly canceled, and that in reality Russia gained the advantage from the Brazilian treaty.

This is a typical example of one country being granted a concession, only to allow another country to come through the back door and nullify the original treaty.

But the point which I wish to make is that the net result of the reduction of the tariff on manganese to Brazil has been to throttle the domestic production of manganese, and to deprive the United States Government of over $18,000,000 in duties which has, in actuality, been a subsidy of this amount to the United States steel industry.

I should like also to call attention to the fact that this action has been taken in the face of requests by the War and Navy Departments for appropriations totaling millions of dollars for the purchase of stock piles of strategic materials essential in the conduct of war, and of the millions of dollars which have been appropriated and spent, something like ten or fifteen million dollars have been used in the purchase of manganese.

In other words, here is a specific example of a reciprocal-trade treaty accomplishing nothing except to subsidize the steel industry to the extent of $18,000,000, at the expense of the domestic manganese industry, and in face of the fact that we are spending millions of dollars in acquiring this strategic material in the interests of national defense.

I feel this fully answers Mr. Hull's contention that reciprocal-trade treaties have hurt no one; and if no satisfactory evidence to the contrary has been brought forward, it is for the simple reason that the State Department has refused to recognize any criticisms of their reciprocal-tariff program.

Mr. President, my State of South Dakota needs industry, as other States need more industry. We need expansion in industry tremendously, in order to give honest employment to our idle citizens. In South Dakota is a great undeveloped supply of manganese ore. Surveys show 100,000,000 tons of manganese deposits—sufficient to supply our own peacetime steel industry for a period of 100 years. All that is necessary to have a wonderful development there is a stable governmental policy. It needs only a fair tariff protection in order to be developed and make jobs. Its development will go almost all the way in solving the problem of where we are to get that No. 1 strategic mineral—manganese

The immediate effect of the reciprocal trade treaty policy has been to discourage development of manganese ores, not only in South Dakota but in all other States. Following the good-neighbor policy through the trade treaties, Brazil was given the concession of a 50-percent reduction in the manganese tariff. Undoubtedly the producers of manganese in Brazil were as jubilant as the owners in this country of the undeveloped manganese resources were depressed when this concession was made. However, I am sure that the Brazilian producers are not so jubilant now because their exports to the United States have had to compete with manganese exports from other countries, such as Russia, where manganese can be produced cheaper, and Brazil has lost the market they thought they were going to get. And all because of the reductions in the tariff on manganese originally made in the Brazilian trade treaty which went into effect in January 1936, South Dakota and other States do not now have an industry that could be employing thousands of men and paying millions of dollars in taxes and pay rolls each year. Our domestic manganese industry is undeveloped and the reciprocal trade treaty policy is responsible for that condition.

Mr. AUSTIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Vermont?

Mr. GURNEY. I yield.

Mr. AUSTIN. Mr. President, I wish to ask the distinguished Senator from South Dakota about the bearing of his theory upon labor. Looking into the future not far away and imagining a country in competition with us in the production of manganese and other products of mines, imagining a country where labor is all commanded by the government, where no laborer can afford to leave his job because he knows he will starve if he does not continue to work for his government, I ask the Senator of what avail will trade treaties which cut down existing tariffs 50 percent be to protect our miners against the competition of men who have to obey and who cannot have anything to say about their standard of wages or diet or clothing or shelter?

Mr. GURNEY. I thank the Senator. Unquestionably trade treaties would afford no protection, but on the contrary would reduce employment in this country, because any mineral can be produced cheaper in countries where labor is corralled and made to work.

Mr. President, I wish to hurry along because other Senators desire to speak, and I have a few remarks yet to make.

In my remarks I have simply tried to show that the reciprocal-trade treaties run contrary to the interests of this country.

Because of their definite effect on our national economy, we have heard so much discussion of these treaties that I felt it would be well to bring out a specific case which I have attempted to do in this instance, namely, manganese. The development of this domestic industry has unquestionably been hurt by reciprocal treaties, irrespective of the statement made by Mr. Hull.

I have quoted statements from the War Department and the President himself, showing the importance of manganese to national defense. I have also included a brief description of the industry, which may serve as a background for any action taken by the Senate. In this particular case, it is obvious that nothing was accomplished by the Brazilian treaty and, in fact, Russia was the one who gained, at the expense of the domestic producer and the United States Treasury, and of Brazil.

In conclusion, let me quote from information contained in the hearings before the Senate Committee on Finance, which has been studying the question of continuing the authority as expressed in Joint Resolution 407 now before us. I find on pages 467 and 470 the following:

All that the United States now needs to solve its problem of manganese for national defense is the installation and maintenance of additional processing plants. This can and will be done by the industry if a fair market is made available to domestic producers. However, unless the industry is stabilized by adequate tariff protection, a temporary increase in price would not warrant additional major investments, and therefore additional plants with a substantial increase in production could not be expected.

Continuing the quotation:

COOPERATION

Congress has repeatedly expressed its will and intent to encourage the further development of the manganese resources of the Nation, but it is to be regretted that full cooperation from the administrative arm of the Government has not yet been forthcoming.

Continuing on page 470:

A stock pile of 1,000,000 tons of manganese has been recommended. Even such a stock pile still will not assure the country adequate security as no one can foretell how long an emergency will last. Domestic mines cannot in a short period of time, ordinarily allowed in an emergency, produce sufficient to meet the demands. It requires time to carry forward development work underground and install the necessary plants.

And here are the conclusions, continuing the quotation:

CONCLUSIONS

Through the reduction in the manganese ore duty in the trade agreement with Brazil, our country since 1936 has lost in revenue $18,422,320, which was formerly enjoyed by the United States Treasury. This loss will continue to increase. In addition, since 1936, we have sacrificed the continued development of our own manganese resources for national defense. To cover up this mistake, the strategic-materials bill was passed by Congress, authorizing the appropriation and expenditure of $100,000,000 over a 4-year period for the purchase and stock pile of strategic minerals of which manganese is the major item. Even the Strategic Materials Act will not solve the manganese problem. In an emergency, such as we may now be facing, domestic mines will still have to be put into operation. It is possible we have waited too long already. This is indicated by the results of the recent repeated Government calls for bids for manganese ore under the Strategic Materials Act. To date only one small order of 25,000 tons has actually been contracted for. The results of the bids indicate that a sufficient quantity of the grade of ore called for by the Government is not readily available from foreign or domestic sources. Our country has the reserves of ore, the labor, and the capital. However, it cannot be expected that substantial investments in additional developments and milling plants will be made until assurances are given that the domestic production will be protected against future importations of manganese ores from Soviet Russia, produced by Communist and forced labor where cost means nothing, or ores from India which are mined by labor paid the equivalent of 1½ cents per hour. Restoration of the tariff to a parity basis with steel is necessary to help stabilize the manganese industry on a basis similar to that enjoyed by steel.

Continuing the quotation, here are the recommendations:

RECOMMENDATIONS FOR NATIONAL DEFENSE

1. Restore the duty

Terminate or modify the trade agreement with Brazil so that the manganese ore duty may be established on a parity basis with steel products. This will, prior to the date of restoration, encourage and permit importers to store within the United States, under the present reduced rate of duty, all manganese ores they can find available in the world's markets and thereby force the formation of a stock pile at no cost to the Government.

At the same time it will encourage and permit domestic producers to immediately make additional investments, carry forward de-

velopment work, install additional plants, and increase production to help take care of the needs of the United States at no cost to the Government.

2. Stock pile

If a Government-owned stock pile is considered advisable, then let appropriations be made under the Strategic Materials Act for the Government to purchase and store manganese ores exclusively of domestic origin during such periods when prices are low and no other outlets for the ore are available, thus encouraging further developments and maintaining a healthy nucleus of a manganese industry within the United States ready for expanded production to meet the needs in an emergency.

These recommendations may be carried out and results obtained in accordance with the will of Congress and at no ultimate cost to the Government, provided that existing and future trade agreements are made subject to the approval of the Senate.

Mr. President, I want to read now a resolution adopted by the Land O'Lakes Creameries, Inc., of Minnesota. This is a great cooperative, built by the dairy farmers of Minnesota, and the resolution I refer to was adopted at its recent annual meeting:

While reciprocal-trade treaties can be made a valuable asset in establishing trade relations between the United States and foreign countries, they can likewise become a national liability if they are not made in conformity with the principles we have established for the American standard of living, which cannot be maintained unless we protect the American producer and the American worker against the competition of low-paid foreign labor and depreciated foreign currencies which permit of lower costs of production.

We are not opposed to the principles of trade treaties if such agreements, when consummated, deal with such items of production or manufacture which we do not produce at all or cannot produce within the economics of our American standard of living or when such treaties do not affect parity price levels as compared with this standard.

We believe that the trade agreements already entered into and those contemplated by the Federal Government are and will be of further detriment, particularly to the dairy, livestock, and poultry producers. The progressive reduction of duties on these items threatens not only to limit the opportunities for American farmers to find markets in the United States but to force a minimum rate of income to these producers far below the needs of farmers if they are to have anything that approaches a rightful share of the national income.

Prices of domestic products can never be higher at any time than the international price plus the "tariff wall." We protest against our interests being traded off for the benefit of a few large industries, such as the automotive, chemical, machinery, and other groups in order to enable such industries to increase their exports. We believe it is a short-sighted policy for these groups to support the downward revision through reciprocal-trade treaties of tariffs on agricultural products because of the fact that their increased exports under these arrangements will nowhere equal the increased demand for their manufactured products on the part of American farmers if they have parity prices with which to purchase these items.

We urge the Senators, Representatives, executive and administrative departments of our National Government to recognize and adhere to the aforesaid principles with respect to trade treaties and that full hearings be given to the spokesmen for agricultural commodities affected in any way by treaty concessions, with a guaranty that the views of such spokesmen will be given every consideration and that no treaty will be consummated until a full and complete record of such hearings has been made available to the public.

And, furthermore, that the United States Senate must approve every proposed trade treaty or agreement in its entirety in order to make it effective.

I ask unanimous consent to have inserted in the RECORD, following my remarks, a list of 22 commodities directly competitive with products produced by farmers of the United States. This is a comparative schedule of these 22 commodities for the years 1938 and 1939 and shows immensely increased imports last year over the previous year.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Farm imports

[U. S. Department of Commerce figures]

	Unit	1938	1939
Cattle	Head	424,022	753,570
Canned beef	Pounds	78,597,000	85,863,000
Mutton, fresh	Pounds	43	105,000
Cattle hides	Pounds	59,650,000	134,107,000
Sheep and lamb skins	Pounds	32,649,000	63,776,000
Silver-fox skins	Number	16,468	133,251
Barley	Bushels	126,000	776,000
Oats	Bushels	7,183	4,293,000

Farm imports—Continued

	Unit	1938	1939
Wheat	Bushels	3,829,000	10,747,000
Wheat byproduct feeds	Tons	58,394	458,957
Hay	Tons	18,954	48,348
Potatoes, white or Irish	Pounds	45,820,000	93,859,000
Potato starch	Pounds	6,647,000	10,984,000
Tapioca	Pounds	230,879,000	382,803,000
Peas, canned	Pounds	450,000	1,159,000
Pineapples, prepared	Pounds	31,524,000	74,991,000
Cherries, fresh	Pounds	855,000	1,482,000
Wool, unmanufactured	Pounds	104,274,000	245,970,000
Wool noils, wastes, and rags	Pounds	3,803,000	18,343,000
Maple sugar and sirup	Pounds	3,984,000	12,268,000
Milk, dried and malted	Pounds	80,735	2,465,032
Casein (milk product)	Pounds	417,000	15,832,000

NOTE.—1939 increases over 1938.

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram received by me from Mr. Milo K. Swanton, executive secretary, Wisconsin Council of Agriculture.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MADISON, WIS., *March 28, 1940.*

Senator ALEXANDER WILEY,
Senate Office Building:

Council Agriculture wish your support Senate ratification of reciprocal-trade agreements.

MILO K. SWANTON,
Executive Secretary, Wisconsin Council of Agriculture.

Mr. NORRIS obtained the floor.

Mr. BYRNES. Mr. President, will the Senator yield in order that I may suggest the absence of a quorum?

The PRESIDING OFFICER. Does the Senator from Nebraska yield for that purpose?

Mr. NORRIS. I yield.

Mr. BYRNES. I make the point that there is no quorum present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lee	Schwartz
Ashurst	Ellender	Lodge	Schwellenbach
Austin	Frazier	Lucas	Sheppard
Bankhead	George	Lundeen	Shipstead
Barbour	Gerry	McCarran	Smathers
Barkley	Gibson	McKellar	Smith
Bilbo	Gillette	McNary	Stewart
Bone	Glass	Maloney	Taft
Bridges	Green	Mead	Thomas, Idaho
Brown	Guffey	Miller	Thomas, Okla.
Bulow	Gurney	Minton	Thomas, Utah
Byrd	Hale	Murray	Tobey
Byrnes	Harrison	Neely	Townsend
Capper	Hatch	Norris	Truman
Caraway	Hayden	Nye	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Clark, Idaho	Holt	Pepper	Walsh
Clark, Mo.	Hughes	Pittman	White
Connally	Johnson, Calif.	Radcliffe	Wiley
Danaher	Johnson, Colo.	Reed	
Davis	King	Reynolds	
Donahey	La Follette	Russell	

The PRESIDING OFFICER. Eighty-nine Senators have answered to the roll call. There is a quorum present.

Mr. NORRIS. Mr. President, since the birth of our Nation up to the present hour, Congress never has passed an efficient, scientific, or fair tariff act. From the very nature of things a tariff act resolves itself into a logrolling affair. I am not complaining of that. It is natural. It could not be otherwise unless human nature were changed. The idea that 435 Members of the House and 96 Members of the Senate can sit down and agree to a fair, efficient, scientific tariff act containing 5,000 separate items is simply absurd. It cannot be done. It is an impossibility.

The Senator from Colorado [Mr. ADAMS], in a very eloquent address here today, said that if we delegated any of this power to somebody else it was an admission of our inefficiency, or words to that effect. In my judgment, instead of being an admission of inefficiency, or lack of ability, it is a confession that we are, after all, only human beings.

Those who oppose this kind of legislation, it seems to me, are standing before the country in an attitude of saying that 531 men can make a fair, efficient, workable tariff act. Everyone knows that is not possible.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BARKLEY. Let me remind the Senator and the Senate that the present tariff law was begun in the House of Representatives in December 1928 and was passed and signed finally by the President in June 1930, taking 19 months, in the two Houses, to write a tariff law.

Mr. NORRIS. That is a fair statement.

Mr. BARKLEY. That is the literal truth.

Mr. NORRIS. It is the truth, of course. What do we get? We get a law which everyone knows is imperfect. It is logrolling legislation. It is natural for all of us to engage in that. We cannot keep out of it. We cannot avoid it when that kind of a proposition is submitted to 531 men. So that it is a confession that, after all, we are human beings. We make no claim to divinity. We make no claim to being superhuman beings. We make no claim that we can perform impossibilities. Everyone who has studied the question at all knows I have stated a fact. The Presiding Officer knows it; the Senate knows it; the House knows it from long experience; the President of the United States knows it; God knows it; the Supreme Court knows it and will take jurisdiction of it as soon as this question reaches the Court. Some of them have had experience with it. They know that what I say is true.

Why, then, say that 531 men, with interests in South Dakota, in Florida, in Nebraska, in Maine, all mixed up together, after logrolling and helping each other out and making the necessary agreements, can pass a perfect tariff bill? Any such bill passed is imperfect, of course. We do not expect it to be perfect. It is not only imperfect, but it is illogical, it is put together in the wrong way. It is not possible to make a good statute by logrolling methods. Everyone knows that the logroller is in control when tariff bills are made in the House and in the Senate.

For years we have tried to get some instrumentality to help us out of this difficult situation. We are confronted with the Constitution, giving Congress jurisdiction and authority to make tariffs. We have found that it has been impossible to enact an efficient, workable, tariff bill. We may agree we are going to frame it on certain conditions, considering the difference in the costs of production, but when we come to vote for a tariff on a little commodity produced in our home section, that is what we are thinking about. We are for manganese in one place; we are for potatoes in another place; we are for wheat in another place, we are for everything under the heavens in some place, and we agree to let the manganese fellow have his way, and the wheat man have his way, and the potato man have his way; and we make a tariff.

We started with the idea several years ago of having a tariff commission to help us. Why did we do that if we were competent to handle the matter ourselves? We have tried for several years, through trade agreements, to frame effective, fair, workable tariffs. Why did we do that? Because we were unable, under the very conditions which confront us under the Constitution, to do it ourselves.

We have had great assistance. We have made advancement. We will make more advancement as fast as we can devise new methods of getting somebody, some lesser number of competent experts, to do this job. We know that we cannot ourselves do it effectively.

Mr. President, I have made this statement about the inability of Congress to make tariffs because, in my judgment, it will have a direct bearing upon the question when it reaches the Supreme Court and they decide whether or not we overstepped our constitutional limitations when we provided for the agreements covered by the law now on the statute books. We must take everything into consideration.

The Supreme Court has discussed this matter a number of times. We have had their decisions pro and con. I do not intend to repeat them. I shall avoid repetition if that is possible, but at this point I wish to insert as a part of my remarks the report of the Committee on Finance on the pending joint resolution.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Is there objection?

There being no objection, the report (No. 1297) was ordered to be printed in the RECORD, as follows:

The Committee on Finance, to whom was referred the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

TESTIMONY ON OPERATION OF TRADE AGREEMENTS ACT

The committee has heard the testimony of numerous witnesses relating to the manner in which the Trade Agreements Act has been administered during the past 5½ years and the effect of the agreements on various domestic interests. It has also had before it the extensive record on this subject of the hearings held by the Ways and Means Committee of the House of Representatives. The voluminous testimony leaves the committee with the clear conviction that the authority delegated to the Executive by this act has been carefully and painstakingly administered with due regard not only to the national interest as a whole but also to the particular interests immediately affected. Striking testimony to this effect was offered by W. L. Monro, president of the American Tariff League, who, although critical of the program, said in his 1938 annual report:

"I will also stress the fact that, in carrying out the trade-agreement policy by Mr. Hull, great credit should be given to the fact that there has been no suspicion of political influence regarding the reduction of duties on any of the articles placed on the reciprocal-trade list. I believe that everyone who has had occasion to contact the staff that makes up the schedules must admit that, regardless of whether we approve of the policy or not, the agreements were prepared solely with a viewpoint of endeavoring to increase foreign trade with the least injury to domestic production."

On March 5, 1940, appearing before this committee, Mr. Monro reaffirmed this opinion.

It is unnecessary to summarize in detail the voluminous testimony presented before the committee and before the Ways and Means Committee of the House. The report of the Ways and Means Committee analyzes the most important aspects of the testimony before that committee on the merits of this legislation.

Let us recall briefly the background against which the trade-agreements program was enacted by the Congress 6 years ago and the improvement which has taken place since that time.

Between 1929 and 1932 our national income had dropped from eighty and eight-tenths to thirty-nine and five-tenths billion dollars. Between 1934 and 1939 it had increased from fifty and six-tenths to seventy billion dollars.

Cash farm income, which had amounted to $11,200,000,000 in 1929, had dropped to the low level of four and seven-tenths billions in 1932; in 1934 had increased to six and three-tenths billions; and by 1939 had recovered to seven and seven-tenths billions, excluding benefit payments.

The wages and salaries in manufacturing industries, which had been $15,800,000,000 in 1929, dropped to seven and four-tenths billions in 1932; had risen to nine and three-tenths billions in 1934; and had increased further to $12,600,000,000 in 1939.

Nonagricultural employment, which had engaged 36,200,000 persons in 1929, had fallen to 27,800,000 in 1932; 30,300,000 persons were employed in nonagricultural pursuits in 1934; and employment recovered to a level of 33,700,000 persons in 1939.

Between 1929 and 1932 our exports declined from five and two-tenths to one and six-tenths billion dollars. This loss of more than three and one-half billion dollars of export business accentuated the difficulties which marked those years. The adoption of the Trade Agreements Act was one part of the program adopted to cope with the problems of that emergency. By 1939 our exports, which in 1934 amounted to two and one-tenth billions, had recovered to a level of $3,200,000,000.

To show the role the trade agreements have played in this improvement in our export trade, there is included herein a table taken from Commerce Reports of February 17, 1940, showing trade with agreement and nonagreement countries. As shown by this table, exports to trade-agreement countries increased by 62.8 percent, whereas those to nonagreement countries improved by only 31.7 percent.

Between 1929 and 1932 there was also a pronounced decline in our imports. Entries from abroad, which had amounted to $4,300,000,000 in 1929, were only one and four-tenths billions in 1932 and one and six-tenths billions in 1934. In the years since the trade-agreements program has been in effect imports have increased, and in 1939 amounted to $2,300,000,000. This increase made possible in part the additional purchasing power required to finance our expanding export trade. As shown by the table, the increase in imports from agreement countries amounted to 21.6 percent, compared with that for other countries of only 12.5 percent.

United States trade with trade-agreement countries and with all other countries, 1939 compared with 1938, and 1938–39 compared with 1934–35

[Values in millions of dollars]

Items	Comparison of 1939 with 1938				Comparison of 1938–39 with 1934–35			
	1938 value	1939 value	Change		1934–35 average value	1938–39 average value	Change	
			Value	Percent			Value	Percent
Exports, including reexports								
Total, trade-agreement countries	[1] 1,758	[1] 1,901	+142	+8.1	[2] 757	[2] 1,232	+475	+62.8
Total, nonagreement countries	1,336	1,277	−59	−4.5	[3] 992	[3] 1,306	+314	+31.7
Total, all countries	3,094	3,177	+83	+2.7	2,208	3,136	+928	+42.0
General imports								
Total, trade-agreement countries	[1] 1,155	[1] 1,387	+233	+20.1	[2] 774	[2] 942	+168	+21.6
Total, nonagreement countries	806	931	+125	+15.6	[3] 772	[3] 868	+97	+12.5
Total, all countries	1,960	2,318	+358	+18.3	1,851	2,139	+288	+15.6

[1] Including the 18 countries (and colonies) with which agreements were in operation during the greater part of the last 12 months. Only 1 of the agreements was in operation throughout 1935, 6 throughout 1936, 14 by the end of 1936, 16 by the end of 1937, 17 by the end of 1938, and 18 by the end of 1939, including the agreement with the United Kingdom (covering also Newfoundland and the non-self-governing British colonies). The agreement concluded with Turkey became provisionally effective only on May 5, 1939, and the agreement with Venezuela only on Dec. 16, 1939. Statistics for these countries are therefore not included in the above calculations.

[2] These figures do not include Ecuador, the United Kingdom, Newfoundland, and non-self-governing British colonies, Turkey, and Venezuela with which agreements have been concluded but where the period during which the agreement has been in effect is too short to justify inclusion for purposes of comparison.

[3] The apparent discrepancy shown by these figures in comparison with the other totals is due to the noninclusion of trade with Ecuador and the United Kingdom and its Crown colonies.

GENERAL NOTE.—Percentage changes have been calculated upon fuller figures in thousands of dollars.

Source: Latest records of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

Reviewing the testimony as a whole, the most striking feature is that the trade-agreements program has accomplished highly beneficial results in the face of trying and discouraging conditions. The record of nearly 6 years' experience with the program shows that reciprocal-trade agreements have been negotiated with 21 countries, accounting for about 60 percent of our foreign trade. In these agreements concessions have been obtained on thousands of separate tariff items, providing improved outlets for hundreds of American agricultural and industrial products. The agreements have in addition safeguarded a large amount of our export trade from the further inroads of trade barriers and discriminations.

In view of the period of time that this act has been in effect, and the scope of the action taken under its authority, it is highly significant that in the course of the hearings before this committee and before the Ways and Means Committee very few witnesses claimed that actual injury had resulted from the agreements. Most of the witnesses appearing in opposition to the program based their opposition not on any claim of injury suffered in the past, but on the apprehension that injury might be suffered in the future. No convincing evidence was presented in support of the relatively few claims that injury has resulted from the agreements. The care with which this authority has been exercised in the past is the surest guaranty against injury in the future. Moreover, the committee is convinced that the "escape" clauses of the agreements themselves provide ample flexibility for dealing with such contingencies as may occur.

PUBLIC SUPPORT OF THE PROGRAM

This program has stood up under the most critical examination in the course of the extended hearings. More than that, it has had perhaps the most widespread approval throughout the country which any important piece of tariff legislation has ever enjoyed. Evidence of this is found in the overwhelming support by the newspapers of the country. Some of the strongest support for this program has come from Republican and independent papers. The same nonpartisan support is found in the polls of public opinion and the almost unanimous endorsement given the program by economists from all sections of the country and by many important national organizations.

NO FEASIBLE ALTERNATIVE SUGGESTED

A further striking feature of the current discussion of this legislation is the absence of any suggestions as to feasible alternatives on the part of those who oppose it. Many opponents of the trade agreements agree that the Nation cannot dispense with a foreign-trade program of some kind. However, most of the opposition witnesses before this committee and the Ways and Means Committee, when asked what they would propose as a substitute for the reciprocal trade agreement program, had no suggestions to offer other than a return to the policy of excessive tariffs such as we had under the Smoot-Hawley Tariff Act of 1930. The disastrous results of such a policy have been so amply demonstrated that there is no need for further comment on the subject in this report.

The only other type of policy which has been suggested is one which, in the opinion of the committee, would be even more objectionable than a return to tariffs of the Smoot-Hawley variety. That suggestion is one which would involve a thoroughgoing regimentation of our foreign trade and of domestic industry and agriculture as well. The following quotation from the statement of the Secretary of State, when he appeared before the committee, is pertinent in this connection:

"Other opponents of the trade-agreements program are putting forward proposals which, in the guise of an allegedly 'more realistic' approach to the whole problem of foreign trade, would go beyond the extremes of the Hawley-Smoot policy and would commit this country to the use of exchange controls, quotas, and all the other devices which in recent years have disrupted and retarded international trade. To abandon the trade-agreements program and to substitute for it a system of this kind would be to destroy the only policy which in recent years has offered effective resistance to a spread of these destructive practices. It would be equivalent to committing our Nation to a course of far-reaching economic regimentation, since the experience of other nations shows clearly that, in an effort to make extreme trade controls function effectively, regimentation has to be constantly extended to other phases of business activity and of economic life in general. It would be a starkly realistic approach, not to an effective promotion of our foreign trade, but to governmental control over business activity on a scale never before attempted in this country, and to a policy of plunging this country into destructive economic warfare, from which no nation ever emerges the gainer.

"The trade-agreements program has enabled us to expand our foreign trade without subjecting it to the strait jacket of extreme Government control. Under it, our trade has increased far more markedly than that of any other of the commercially important nations.

"The program has been devised and carried out as a means of creating conditions in which free enterprise can function most effectively. Reversion to a policy of extreme protectionism or substitution for the trade-agreements program of a policy under which we would adopt all the instruments of economic warfare that have been so disastrously prevalent in the recent past would not only wipe out our recent trade gains but would impose upon our people a further national loss of staggering proportions. Our Government would be compelled to adopt most costly and difficult measures of relief and adjustment and to regiment the country's economic activity. And the most astonishing thing is that courses of action which must inevitably lead to these results are proposed and advocated by the very people who like to regard themselves as the real proponents of free enterprise and nonintervention of government in economic life.

"This is the crux of the whole issue. The question of the survival or disappearance of free enterprise in our country and in the world is bound up with the continuation or abandonment of the trade-agreements program."

PROPOSALS TO REQUIRE CONGRESSIONAL APPROVAL OF INDIVIDUAL AGREEMENTS

Since an impregnable record buttressed by public support bars a frontal attack on the program, the principal strategy of the opposition is a flank attack by means of crippling amendments. The type of amendment which seems to be most in favor for this purpose is that which would provide for Senate ratification or some kind of congressional approval of the individual agreements.

No legal question involved: This type of amendment has been advocated by some persons on the ground that it would remedy certain alleged constitutional defects in the act as it now stands. We shall not undertake here to review again the legal authorities and precedents which so amply support the constitutionality of the act; these are all to be found in the hearings which were held on this legislation in 1934, 1937, and 1940. The report of the Committee on Ways and Means of the House contains references to the principal authorities.

The following letter from the Attorney General, which was presented at the hearings, strongly confirms our original conclusion that there is no constitutional objection to this act:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., March 4, 1940.

The honorable the SECRETARY OF STATE.

MY DEAR MR. SECRETARY: Complying with your informal request, I am transmitting herewith a memorandum prepared in this Department concerning the constitutionality of the Foreign Trade Agreements Act.

It sets forth the authorities and principles which sustain a strong personal conviction on my part that there is no constitutional objection to this act, and that agreements executed under it are constitutionally unassailable.

Respectfully,

ROBERT H. JACKSON,
Attorney General.

(The text of the memorandum referred to in the letter appears in the record of the hearings before this committee on March 6, 1940.)

In view of the long line of precedents for Executive agreements, numbering at least 1,000, and the Supreme Court decisions recognizing the constitutional status of such agreements, the so-called treaty issue seems to be foreclosed as a subject for debate.

Likewise there can be no doubt that the authorities and precedents, which go back to the earliest days of the Nation, afford a complete answer to the charge that this act involves an unconstitutional delegation of legislative powers. The Trade Agreements Act was predicated upon the vital necessity of adopting a procedure which would permit Congress to fulfill its responsibility to regulate our foreign commerce so as to relieve and protect our overseas trade from excessive and arbitrary interference by foreign governments. Viewed in this light alone the act stands squarely within the bounds of the Constitution as laid down by the Supreme Court in the case of *United States* v. *Curtiss-Wright Export Corporation* (299 U. S. 304, 1936) where it was stated that—

"It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps, serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved."

Moreover, it may confidently be asserted that the Trade Agreements Act fully meets the constitutional principles governing legislation which does not involve international affairs. In the leading case of *Hampton Co.* v. *U. S.* (276 U. S. 394, 1928), Mr. Chief Justice Taft stated these basic principles as follows:

"In determining what it (the Congress) may do in seeking assistance from another branch (the Executive), the extent and character of that assistance must be fixed according to common sense and the inherent necessities of the governmental coordination.

* * * * * * *

"If Congress shall lay down by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform, such legislative action is not a forbidden delegation of legislative power."

The limitations and policies prescribed in the Trade Agreements Act constitute an intelligible principle or standard for the guidance of the Executive which is in no degree less precise than the standards contained in the flexible provisions of the Tariff Acts of 1922 and 1930, and the prior reciprocity statutory authorizations, all of which have been sustained by the courts. The same favorable comparison may be made with the authority delegated to the Interstate Commerce Commission, and upheld by the Supreme Court, to fix rates deemed to be just and reasonable and rates deemed necessary or desirable in the public interest.

Congressional approval from a policy standpoint: Since there is no genuine legal issue involved, any proposal for Senate ratification or congressional approval of the individual agreements must be dealt with purely as a question of policy. From a policy standpoint, the burden of proof is on those who advocate such amendments. The act having been in effect nearly 6 years, a proposal at this time to require a congressional review of each individual agreement could be justified only by an affirmative showing that there have been defects in the operation of the act as it now stands and that there is need for such an amendment. The exhaustive examination of the record discloses no such need. Moreover, experience under tariff legislation in the past shows conclusively that such an amendment would destroy the program. Let those who may doubt this consider our experience under section 3 of the Tariff Act of 1890 and under sections 3 and 4 of the act of 1897. Under section 4 of the latter act 12 treaties were negotiated and, in spite of the strong recommendations of President McKinley and President Theodore Roosevelt, not a single one was permitted to become effective. In contrast with this record of fruitless attempts at reciprocity treaties requiring Senate or congressional approval, is the record of Executive agreements negotiated under prior authorization of Congress but not subject to Senate ratification. Under the McKinley Act of 1890 some 12 reciprocity agreements were made effective, and under section 3 of the Dingley Tariff Act of 1897 some 14 or 15 similar agreements were brought into force.

In the light of experience it is abundantly clear that the requirement of Senate ratification or congressional approval of each individual trade agreement would nullify the program.

However, the committee does not seek to justify the present procedure solely on the ground that it is the only effective means of accomplishing the objectives of the Trade Agreements Act. The committee desires to emphasize that this procedure is wholly in accord with the principles of representative, democratic government. The reasons why this is true are, in the opinion of the committee, basic and wholly convincing.

In the first place it is well to remember that no trade agreement is made without the approval of Congress since the President can only conclude such agreements pursuant to the procedure and within the scope of the policies and limitations previously prescribed by both branches of the Congress. In this important respect trade agreements are completely and fundamentally unlike treaties which may be negotiated by the President without any prior authorization and without any limitations being previously prescribed by Congress or the Senate. It is necessary and wise that under such circumstances treaties should be subject to subsequent approval by the Senate as required by the Constitution, but conversely this sharp difference between treaties and trade agreements well illustrates why there is no such necessity for subsequent approval in the case of agreements which are only concluded pursuant to prior authorization and within the scope of policies previously laid down by Congress. Thus in the true and fundamental sense these agreements are concluded with the approval of both Houses of Congress.

Moreover, in the case of the trade agreements, congressional control is not limited to the prior authorization and prescription of policies and limitations set out in the act. Congress has reserved in the act itself, and it has now on two occasions exercised its right to review the administration of the act and the agreements which have been concluded. The Trade Agreements Act originally, and as extended in 1937, and as now proposed for further extension, limits the authority to conclude agreements to 3 years. In short, the Congress reserves the right to review periodically the operation of the act. No better proof of the thoroughgoing nature of this review can be found than the actual record of the hearings which have been held before this committee and the Ways and Means Committee of the House, both in 1937 and now again in 1940. The bulky volumes which contain the record of these hearings are in themselves convincing arguments that this has been no perfunctory review.

This periodic check-up is a form of subsequent congressional approval which is both practicable and in accord with the proper function of the Congress. One of the principal purposes of Congress in setting up the trade-agreements procedure was to free Congress from the burden of attempting the impossible task of passing on each minute detail involved in keeping the tariff adjusted to current needs. The Congress had the same purpose in mind in the enactment of the flexible provisions of the Tariff Acts of 1922 and 1930 and action taken by the President under that authority is not made subject to subsequent congressional approval. Similarly, in the case of the numerous administrative agencies such as the Interstate Commerce Commission which Congress has set up to administer specified policies, their rules, regulations, and actions are not made subject to subsequent congressional approval. To do so would simply render Congress ineffectual to do its real job of establishing policy through legislation.

SIGNIFICANCE OF REAFFIRMING THIS POLICY

The committee is impressed with the profound significance attaching to the enactment of this legislation at this time, as set forth in the following excerpt from the testimony of Secretary Hull:

"We are now in a period when, as a result of the new and widespread wars, the need for means of prompt and effective action on the part of the Government in the promotion and defense of our foreign commerce is even more imperative than it has been hitherto. We are in a period in which our economic policies and action may have a determining influence upon the developments, which, after the cessation of hostilities, will shape the future world.

"If we were now to abandon the program, we would reduce to practically nothing the efficacy of the existing trade agreements as a means of safeguarding our exports from the inroads of wartime restrictions. The need for keeping alive the principles which underlie the trade-agreements program is crucial now, during the war emergency, and will be of even more decisive importance after the war. Even a temporary abandonment of the program now would be construed everywhere as its permanent abandonment. Unless we continue to maintain our position of leadership in the promotion of liberal trade policies, unless we continue to urge upon others the need of adopting such policies as the basis of post-war economic reconstruction, the future will be dark, indeed. The triumph or defeat of liberal trade policies after the war will, in large measure, be determined by the commitments which the nations will assume between now and the peace conference.

"At the termination of hostilities there will be an unprecedented need throughout the world for vastly increased production of useful goods of every kind. Only if this vital need is met, can our country and all countries hope for full employment and higher living standards. But production, employment, and living standards cannot be restored and expanded unless the nations decide from the outset to direct their policies toward as rapid as possible a reestablishment of mutually beneficial international trade. Otherwise, the economic life and the political stability of the world after this war will rest upon even more precarious foundations than those upon which they rested after the last war.

"Had the nations of the world, including our own, followed at that time commercial policies conducive to the fullest practicable development of mutually beneficial international commerce, world trade would undoubtedly have expanded on a healthy basis far beyond the limits actually attained, and a foundation would have been laid for stable economic prosperity for all nations. Instead, the nations sought escape from their difficulties in constantly creating greater barriers to trade, the effects of which were obscured for a time by the unhealthy stimulation of reckless borrowing and lending of the 1920's. But the ravages of the great depression, the years of only partial recovery which followed, and finally the supreme tragedy of the new wars have brought retribution for the mistakes and follies of the first decade after the World War.

"Must all this be repeated again, perhaps in an even more acute form, after the present war? That may well be the case if we now turn our backs upon the policy which, under our leadership, has offered in recent years the only hope of promoting trade among nations in such a way as to rebuild the foundations of economic prosperity within nations and of stable peace among nations. Were

we to do this we would inflict upon ourselves and upon the world an incalculable injury.

"After the World War, through the policies which we then pursued we helped to create a situation in which the entire economic structure of the world rested upon shifting sands, with nothing in sight but inescapable disaster. The policy which we have pursued for the past 6 years, if we only have the wisdom to continue it, will enable us to place the whole weight of our country's influence behind a determined effort—in which, I am sure, we shall have the cooperation of other nations—to rebuild international economic relationships in such a way that our Nation and all nations can prosper and be at peace."

Mr. NORRIS. Mr. President, following the report of the Committee on Finance I ask unanimous consent to have inserted in the RECORD the letter from the Attorney General, printed in the report, enclosing the memorandum which he sent to the committee, and which will be found on page 729 of the hearings.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 4, 1940.

The honorable the SECRETARY OF STATE.

MY DEAR MR. SECRETARY: Complying with your informal request, I am transmitting herewith a memorandum prepared in this Department concerning the constitutionality of the Foreign Trade Agreement Act.

It sets forth the authorities and principles which sustain a strong personal conviction on my part that there is no constitutional objection to this act, and that agreements executed under it are constitutionally unassailable.

Respectfully,

ROBERT H. JACKSON,
Attorney General.

[Enclosure No. 487894 from Department of Justice]

FEBRUARY 29, 1940.

MEMORANDUM RE CONSTITUTIONALITY OF THE TRADE AGREEMENTS ACT

The administrative provisions of the Foreign Trade Agreements Act combine two basic principles, namely, (1) executive bargaining with foreign nations with respect to foreign commerce, and (2) flexible adjustments of tariff rates by the Executive.

Executive bargaining with foreign nations with respect to foreign commerce, conducted pursuant to acts of the Congress, is as old as the Government and has been used extensively and effectively during the entire period of our national existence. In fact, in the early days of the Government it was probably the most effective instrument resorted to in connection with the regulation of foreign commerce. This resulted naturally from the conditions existing and from the measures adopted by the Congress to meet those conditions.

To understand fully the conditions confronting the United States in its early history it must be remembered that so long as the Colonies remained under the dominion of Great Britain they were permitted to have no commerce except such as the British Government considered to be in its interests. No manufacturing whatever was allowed in the Colonies. The attitude of the British Government to American manufacturing was truly expressed in Lord Chatham's declaration that he would not permit the colonists to make even a hobnail or horseshoe for themselves. So effectively was this country prevented from developing manufacturing that John Dickinson, of Pennsylvania, could truthfully say in 1777: "We are tillers of the earth from Nova Scotia to West Florida."

After the Colonies gained their independence the British Government continued its policy of attempting to stifle and prevent the development of the commerce of the United States. Harsh and burdensome discriminating practices against our commerce were adopted. England at that time was the strongest nation commercially in the world, and, probably due to her example and influence, other commercial nations, particularly France and Spain, also began to discriminate against our commerce.

As a result of these discriminations the Congress passed numerous retaliatory acts imposing heavy duties and restrictions upon the commerce of those nations which discriminated against the commerce of the United States. Many of those acts vested in the President the power and discretion to either suspend or make applicable the restrictions imposed by the acts with respect to any country dependent upon whether it discontinued or refused to discontinue its discrimination against the commerce of the United States. The nature of these acts and the power and discretion vested in the President thereunder may be illustrated by the following examples:

The act of June 4, 1794 (ch. 41, 1 Stat. 372), empowered the President, "whenever, in his opinion, the public safety shall so require," to lay an embargo upon all commerce with the United States, and to continue or revoke such embargoes whenever he should think proper.

The act of June 13, 1798 (ch. 53, 1 Stat. 565), suspended all commercial intercourse between the United States and France and its dependencies, with the provision that if the Government of France should "clearly disavow" and should "refrain from the aggressions, depredations, and hostilities" against the vessels and property of citizens of the United States and against their national rights and sovereignty and should "acknowledge the just claims of the United States to be considered in all respects neutral," then the President, "being well ascertained of the premises," was authorized to discontinue the prohibitions and restraints imposed by the act and to make proclamation thereof.

The act of February 9, 1799 (ch. 2, 1 Stat. 613), further suspended the commercial intercourse with France and its dependencies with the provision:

"That at any time after the passing of this act, it shall be lawful for the President of the United States, if he shall deem it expedient and consistent with the interest of the United States, by his order, to remit and discontinue, for the time being, the restraints and prohibitions aforesaid * * *; and also to revoke such order, whenever in his opinion the interest of the United States shall require; and he shall be, and hereby is, authorized to make proclamation thereof accordingly."

The act of February 27, 1800 (ch. 10, 2 Stat. 7), also further suspended commercial intercourse between the United States and France, provided:

"That at any time after the passing of this act, it shall be lawful for the President of the United States, by his order, to remit and discontinue for the time being, whenever he shall deem it expedient, and for the interest of the United States, all or any of the restrains and prohibitions imposed by this act * * *; and also it shall be lawful for the President of the United States, whenever he shall afterward deem it expedient, to revoke such order, and hereby to reestablish such restraints and prohibitions. And the President of the United States shall be, and he is hereby, authorized to make proclamation thereof accordingly."

The act of April 18, 1806 (ch. 29, 2 Stat. 379), prohibited the importation from Great Britain or Ireland of certain articles of merchandise therein enumerated from and after the 10th day of November 1806. The act of December 19, 1806 (ch. 1, 2 Stat. 411), suspended the operation of the former act until July 1, 1807, and section 3 of the later act provided:

"That the President of the United States be, and he is hereby, authorized further to suspend the operation of the aforesaid act, if in his judgment the public interest should require it: *Provided*, That such suspension shall not extend beyond the second Monday in December next."

The act of March 1, 1809 (ch. 24, 2 Stat. 528), again prohibited all commercial intercourse between the United States and Great Britain and France and their dependencies. Section 11 of that act provided:

"That the President of the United States be, and he is hereby, authorized, in case either France or Great Britain shall so revoke or modify her edicts, as that they shall cease to violate the neutral commerce of the United States, to declare the same by proclamation; after which the trade of the United States, suspended by this act, and by the act laying embargo on all ships and vessels in the ports and harbors of the United States, and the several acts supplementary thereto, may be renewed with the nation so doing."

The provisions of the foregoing act were terminated by the act of June 28, 1809 (ch. 9, 2 Stat. 550), as of the end of the next session of Congress, but section 4 of the act of May 1, 1810 (ch. 39, 2 Stat. 605), provided that in case either Great Britain or France should before the 3d day of March thereafter so revoke or modify her edicts as to cease to violate the neutral commerce of the United States, the President should declare such fact by proclamation, and if the other nations should not within 3 months thereafter so revoke or modify her edicts in like manner then the provisions of the act of June 28, 1809, should be revived and have full force and effect against the nation thus refusing or neglecting to revoke or modify her edicts. To like effect, insofar as it related to Great Britain, was the act of March 2, 1811 (ch. 29, 2 Stat. 651). The validity of this act was sustained by the Supreme Court in *The Brig Aurora* (7 Cranch. 382).

The act of April 27, 1816 (ch. 107, 3 Stat. 310), provided a schedule of duties upon certain goods imported into the United States. Section 3 of the act provided that an additional 10 percent should be added to the rate of duties specified and imposed in respect to all goods imported in foreign vessels other than such as are entitled by treaty or by any act or acts of Congress to be entered in the ports of the United States on the payment of the same duties as are paid on goods, wares, merchandise imported in ships or vessels of the United States. The act of April 18, 1818 (ch. 70, 3 Stat. 432), closed all ports of the United States to vessels of Great Britain coming or arriving from ports closed to American vessels. The act of March 1, 1823 (ch. 22, 3 Stat. 740), suspended the provisions of the act of April 18, 1818, as to certain British ports therein enumerated, but provided that until proof shall have been given the President satisfactory to him that vessels of the United States admitted into the enumerated British ports were required to pay no higher tonnage or imposts duties than those exacted from British vessels on like goods, British vessels coming from the ports enumerated should pay the additional 10 percent tonnage duties provided by the act of April 27, 1816.

The act of January 7, 1824 (ch. 4, 4 Stat. 2), provided that—

"* * * upon satisfactory evidence being given to the President of the United States by the government of any foreign nation, that no discriminating duties of tonnage or imposts are imposed or levied within the ports of the said nation, upon vessels wholly belonging to citizens of the United States, or upon merchandise, the produce or manufacture thereof, imported in the same, the President is hereby authorized to issue his proclamation, declaring that

the foreign discriminating duties of tonnage and imposts within the United States, are and shall be, suspended and discontinued, so far as respects the vessels of the said nation, and the merchandise of its produce or manufacture, imported into the United States in the same; the said suspension to take effect from the time of such notification being given to the President of the United States, and to continue so long as the reciprocal exemption of vessels belonging to citizens of the United States, and merchandise as aforesaid, thereon laden, shall be continued, and no longer."

The provisions of section 4 of the act of January 7, 1824, were reenacted in substantially the same language in section 1 of the act of May 24, 1828 (ch. 3, 4 Stat. 308), and were later preserved in section 4228 of the Revised Statutes.

Of similar import was the act of May 29, 1830 (ch. 207, 4 Stat. 419), as relating to commerce with the British ports in the West Indies, on the continent of South America, the Bahama Islands, and other islands named.

The act of May 31, 1830 (ch. 219, 4 Stat. 425), repealed all acts imposing tonnage duties upon vessels of foreign nations, provided the President should be satisfied that the discriminating or countervailing duties of such foreign nation, so far as they operate to the disadvantage of the United States, had been abolished. The provisions of this act were preserved in section 4219 of the Revised Statutes.

Other acts of similar character to those above enumerated are the act of May 25, 1832 (ch. 104, 4 Stat. 517), the act of July 13, 1832 (ch. 207, 4 Stat. 578), the act of June 30, 1834 (ch. 170, 4 Stat. 741), the act of March 2, 1837 (ch. 19, 4 Stat. 152), the act of June 1, 1842 (ch. 32, 5 Stat. 489), and the act of March 3, 1845 (ch. 66, 5 Stat. 748).

Unquestionably the Congress, in passing the above-mentioned acts, intended that the President should endeavor, through negotiations and agreements with foreign governments, to effect a discontinuance of the discriminations against the commerce of the United States. The Congress faced a difficult situation. The discriminating practices against our commerce being engaged in by foreign nations, ruinous to the country, were becoming more and more burdensome. Something had to be done. To induce foreign nations to discontinue these discriminatory practices, however, required meticulous negotiations, and the Congress as a legislative body could not carry on such negotiations. It did the only thing it could do. It entrusted the conduct of these negotiations to the President. But the President, as Congress realized, could not carry on such negotiations to a successful conclusion without some basis for bargaining—some power or authority to offer to the foreign nations a quid pro quo for their agreement to discontinue the discriminations.

The Congress met the situation by passing the acts referred to, placing heavy burdens and restrictions on the commerce of foreign nations with power in the Executive to suspend or continue them. It thereby gave to the Executive the means with which to trade and barter. The Executive had something to offer a foreign nation in exchange for its agreement to discontinue its discriminatory practices.

Negotiations naturally and necessarily followed the passage of these acts, and as these negotiations led from time to time to the conclusion of an agreement under which a foreign nation discontinued its discriminating practices this fact was announced by proclamation of the President.

The value and effectiveness of this method of dealing with foreign nations in connection with commercial relations was forcibly expressed by President Jackson in his annual message to the Congress December 6, 1830. In this connection he said:

"An arrangement has been effected with Great Britain in relation to the trade between the United States and her West India and North American colonies which has settled a question that has for years afforded matter for contention and almost uninterruped discussion, and has been the subject of no less than six negotiations, in a manner which promises results highly favorable to the parties.

* * * * * * *

"This arrangement secures to the United States every advantage asked by them, and which the state of the negotiation allowed us to insist upon. The trade will be placed upon a footing decidedly more favorable to this country than any on which it ever stood, and our commerce and navigation will enjoy in the colonial ports of Great Britain every privilege allowed to other nations."

The message in question contains a somewhat extensive discussion of the questions involved in the negotiation with Great Britain. That arrangement, which was regarded by both Jackson and his Secretary of State, Martin Van Buren, as a real achievement of diplomacy, did not rest on any treaty. It was effected by unilateral legislative and executive acts on each part, namely, the British statute of July 5, 1825, the order in council of July 17, 1826, the United States act of May 29, 1830, the Presidential proclamation of October 5, 1830, and the British order in council of November 5, 1830. The printed diplomatic correspondence and other papers regarding this arrangement are quite voluminous.

Mr. Van Buren's comments on these acts were:

"The effect of these various enactments has been to vest in the President of the United States the power of granting to any foreign nation willing to reciprocate the same benefit to us, the privilege of importing into, or exporting from, our ports, in its own vessels, the produce of its own soil or manufacture, or of the soil or manufacture of any other country, upon equal terms with those imported or exported in vessels of the United States."

Following the long-established practice of dealing with matters pertaining to commercial intercourse with foreign nations through executive agreements, this Government on November 23, 1863, concluded an "informal convention" with France relating to the exportation of tobacco. A similar agreement was concluded with Austria-Hungary December 24, 1863. (Malloy, vol. 1, p. 38.)

Under section 4228 of the Revised Statutes an agreement was entered into with Spain February 13, 1884, providing for reciprocal abolition of certain discriminating duties on goods imported into the United States from Cuba and Puerto Rico and on American goods imported into those islands. The agreement was brought into force by a proclamation of President Arthur dated February 14, 1884 (22 Stat. 835). This proclamation was revoked by proclamation of President Cleveland dated October 13, 1886 (24 Stat. 1028), upon the finding by the President that the agreement was being persistently violated by the Spanish Government. Further agreements with Spain under section 4228 of the Revised Statutes were entered into on October 27, 1886, September 21, 1887, December 21, 1887, and May 26, 1888.

The Tariff Act of 1890 (ch. 1244, 26 Stat. 567), entitled "An act to reduce the revenue and equalize duties on imports, and for other purposes" provided for the imposition of penalty duties upon imports from countries discriminating in their tariff treatment against goods from the United States. Section 3 of the act provided:

"That with a view to secure reciprocal trade with countries producing the following articles, and for this purpose, on and after the 1st day of January 1892, whenever, and so often as the President shall be satisfied that the government of any country producing and exporting sugars, molasses, coffee, tea, and hides, raw and uncured, or any of such articles, imposes duties or other exactions upon the agricultural or other products of the United States, which in view of the free introduction of such sugars, molasses, coffee, tea, and hides into the United States he may deem to be reciprocally unequal and unreasonable, he shall have the power and it shall be his duty to suspend, by proclamation to that effect, the provisions of this act relating to the free introduction of such sugar, molasses, coffee, tea, and hides, the production of such country, for such time as he shall deem just, and in such case and during such suspension duties shall be levied, collected, and paid upon sugar, molasses, coffee, tea, and hides, the product of or exported from such designated country as follows, namely."

(Here follows a schedule of duties upon certain enumerated articles to be imposed under the conditions named in lieu of the duties on such articles prescribed in the tariff schedules of the act.)

Under this act a comprehensive program of tariff bargaining by and through Executive trade agreement was inaugurated, and trade agreements with foreign nations were concluded as follows: Brazil, June 4, 1891 (proclaimed Feb. 5, 1892, 26 Stat. 1563); Dominican Republic, June 4, 1891 (proclaimed, Aug. 1, 1891, 27 Stat. 966); Spain, June 16, 1891 (proclaimed, July 31, 1891, 27 Stat. 932); Salvador, December 30, 1891 (proclaimed, Dec. 31, 1891, 27 Stat. 996); Germany, January 30, 1891 (proclaimed, Feb. 1, 1891, 27 Stat. 1004); Great Britain, February 1, 1892 (proclaimed, Feb. 1, 1892, 27 Stat. 999); Nicaragua, March 11, 1892 (proclaimed, Mar. 12, 1892, 27 Stat. 1009); France, April 12, 1892 (informal); Honduras, April 29, 1892 (proclaimed, Apr. 30, 1892, 27 Stat. 1023); Austria-Hungary, May 25, 1892 (proclaimed, May 26, 1892, 27 Stat. 1026); Guatemala, December 30, 1891 (proclaimed, May 18, 1892, 27 Stat. 1025); a second agreement with Salvador (proclaimed, Dec. 27, 1892, 27 Stat. 1056).

Under these agreements the contracting governments agreed to admit certain imports free or at substantially reduced tariff rates fixed therein.

During the time these agreements were being entered into penalty duties were imposed under the act on imports from Colombia, Haiti, and Venezuela, after those countries had failed to respond to requests of this country to negotiate agreements. (See proclamations, Nos. 18, 19, 20, 27 Stat. 1010, 1012, and 1013.)

Section 3 of the Tariff Act of 1897 (ch. 11, 30 Stat. 151, 203), provided:

"That for the purpose of equalizing the trade of the United States with foreign countries, and their colonies, producing and exporting to this country the following articles: Argols, or crude tartar, or wine lees, crude; brandies, or other spirits manufactured or distilled from grain or other materials; champagne and all other sparkling wines, still wines, and vermouth; paintings and statuary; or any of them, the President be, and he is hereby, authorized, as soon as may be after the passage of this act, and from time to time thereafter, to enter into negotiations with the governments of those countries exporting to the United States the above-mentioned articles, or any of them, with a view to the arrangement of commercial agreements in which reciprocal and equivalent concessions may be secured in favor of the products and manufactures of the United States; and whenever the government of any country, or colony, producing and exporting to the United States the above-mentioned articles, or any of them, shall enter into a commercial agreement with the United States, or make concessions in favor of the products, or manufactures thereof, which, in the judgment of the President, shall be reciprocal and equivalent, he shall be, and he is hereby, authorized and empowered to suspend, during the time of such agreement or concession, by proclamation to that effect, the imposition and collection of the duties mentioned in this act, on such article or articles so exported to the United States from such country or colony, and thereupon and thereafter the duties levied,

collected, and paid upon such article or articles shall be as follows, namely:

" 'Argols, or crude tartar, or wine lees, crude, 5 percent ad valorem.

" 'Brandies, or other spirits manufactured or distilled from grain or other materials, $1.75 per proof-gallon.' "

Under this act the President concluded executive trade agreements with France, Portugal, Germany, Italy, Switzerland, Bulgaria, the Netherlands, Austria-Hungary, and Great Britain. These agreements were all brought into force by proclamation of the President.

The Tariff Act of 1909 (ch. 6, 36 Stat. 11) provided two schedules of duties, a minimum and a maximum, and authorized the President, when he should be satisfied "in view of the character of the concessions granted by the minimum tariff of the United States, that the government of any foreign country imposes no terms or restrictions, either in the way of tariff rates or provisions, trade or other regulations, charges, exactions, or in any other manner, directly or indirectly, upon the importation into or the sale in such foreign country of any agricultural, manufactured, or other product of the United States, which unduly discriminate against the United States or the product thereof, and that such foreign country pays no export bounty or imposes no export duty or prohibition upon the exportation of any article to the United States which unduly discriminates against the United States or the products thereof, and that such foreign country accords to the agricultural, manufactured, or other products of the United States treatment which is reciprocal and equivalent," to so declare by proclamation, and thereafter articles imported into the United States from such foreign country should be admitted under the term of the minimum tariff prescribed. The act further provided that when the President was satisfied that the condition which led to the issuance of the proclamation no longer existed he should by proclamation declare that 90 days thereafter the provisions of the maximum tariff should be applied to importations from the foreign country involved. One hundred and thirty-four proclamations were issued under this act and these proclamations practically included the entire commercial world, making applicable the minimum tariff prescribed.

Section IV of the Tariff Act of 1913 (ch. 16, 38 Stat. 114, 192) authorized and empowered the President to negotiate reciprocity agreements with foreign countries, such agreements to be submitted to the Congress for ratification or rejection. The Revenue Act of 1916 (ch. 463, 39 Stat. 756) authorized the President to prohibit the importation of foreign articles when the same or other domestic articles were refused entry into foreign countries. The act also authorized the President to change, modify, revoke, or renew such proclamation in his discretion.

The Tariff Act of 1922 (42 Stat. 858) contained a flexible-tariff provision in all respects similar in principle to the flexible-tariff provisions of the Foreign Trade Agreements Act. Section 315 (a) of the 1922 act provides, in part:

"That in order to regulate the foreign commerce of the United States and to put into force and effect the policy of the Congress by this act intended, whenever the President, upon investigation of the differences in costs of production of articles wholly or in part the growth or product of the United States and of like or similar articles wholly or in part the growth or product of competing foreign countries, shall find it thereby shown that the duties fixed in this act do not equalize the said differences in costs of production in the United States and the principal competing country he shall, by such investigation, ascertain said differences and determine and proclaim the changes in classifications or increases or decreases in any rate of duty provided in this act shown by said ascertained differences in such costs of production necessary to equalize the same. Thirty days after the date of such proclamation or proclamations such changes in classification shall take effect, and such increased or decreased duties shall be levied, collected, and paid on such articles when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila): *Provided*, That the total increase or decrease of such rates of duty shall not exceed 50 percent of the rates specified in title I of this act or in any amendatory act."

The act also provided that in extreme cases the President could exclude articles of commerce from coming into the United States. Under this act President Coolidge issued 30 proclamations, of which 26 increased and 4 decreased duties on certain classes of articles imported into the United States, and President Hoover issued 32 proclamations of which 16 increased duties and 16 decreased duties.

The provisions of section 315 of the Tariff Act of 1922 were substantially reenacted as section 336 of the Tariff Act of 1930 (ch. 497, 46 Stat. 590, 591) (of which act the Foreign Trade Agreements Act is an amendment), and Executive adjustment of tariff rates thereunder have continued.

The two principles combined in the Foreign Trade Agreements Act have been long and effectively used in connection with the regulation of foreign commerce. Also both have been fully sanctioned by the Supreme Court.

In *Field* v. *Clark* (143 U. S. 649) the constitutionality of the Tariff Act of 1890 was before the Court. Section 3 of that act granted to the President the power to engage in tariff bargaining and in connection therewith to enter into Executive trade agreements with foreign nations—a power similar in all respects to the first power granted to the President in the Foreign Trade Agreements Act. The constitutionality of the act was attacked upon two grounds—(1) that it contained an unconstitutional delegation of legislative power to the President, and (2) that it delegated to the President the power to make treaties in violation of the treaty-making power of the Constitution. After an extensive review of the history of congressional delegations of power to the President in connection with the regulation of commerce, the Court said (pp. 690–693):

"It would seem to be unnecessary to make further reference to acts of Congress to show that the authority conferred upon the President by the third section of the act of October 1, 1890, is not an entirely new feature in the legislation of Congress, but has the sanction of many precedents in legislation. While some of these precedents are stronger than others, in their application to the case before us they all show that, in the judgment of the legislative branch of the Government, it is often desirable, if not essential for the protection of the interests of our people, against the unfriendly or discriminating regulations established by foreign governments, in the interests of their people, to invest the President with large discretion in matters arising out of the execution of statutes relating to trade and commerce with other nations. If the decision in the case of the brig *Aurora* had never been rendered, the practical construction of the Constitution, as given by so many acts of Congress, and embracing almost the entire period of our national existence, should not be overruled, unless upon a conviction that such legislation was clearly incompatible with the supreme law of the land. (*Stuart* v. *Laird*, 1 Cranch 299, 309; *Martin* v. *Hunter*, 1 Wheat. 304, 351; *Cooley* v. *Port Wardens*, 12 How. 299, 315; *Lithographic Co.* v. *Sarony*, 111 U. S. 53, 57; *The Laura*, 114 U. S. 411, 416.)

"The authority given to the President by the act of June 4, 1794, to lay an embargo on all ships and vessels in the ports of the United States 'whenever, in his opinion, the public safety shall so require,' and under regulations to be continued or revoked 'whenever he shall think proper'; by the act of February 9, 1799, to remit and discontinue, for the time being, the restraints and prohibitions which Congress had prescribed with respect to commercial intercourse with the French Republic, 'if he shall deem it expedient and consistent with the interest of the United States,' and 'to revoke such order whenever, in his opinion, the interest of the United States shall require'; by the act of December 19, 1806, to suspend, for a named time, the operation of the nonimportation act of the same year 'if, in his judgment, the public interest should require it'; by the act of May 1, 1810, to revive a former act, as to Great Britain or France, if either country had not by a named day so revoked or modified its edicts as not 'to violate the neutral commerce of the United States'; by the act of March 3, 1815, and May 31, 1830, to declare the repeal, as to any foreign nation, of the several acts imposing duties on the tonnage of ships and vessels, and on goods, wares, and merchandise imported into the United States, when he should be 'satisfied' that the discriminating duties of such foreign nations, 'so far as they operate to the disadvantage of the United States,' had been abolished; by the act of March 6, 1866, to declare the provisions of the act forbidding the importation into this country of neat cattle and the hides of neat cattle to be inoperative 'whenever, in his judgment,' their importation 'may be made without danger of the introduction or spread of contagious or infectious disease among the cattle of the United States'; must be regarded as unwarranted by the Constitution if the contention of the appellants in respect to the third section of the act of October 1, 1890, be sustained.

"That Congress cannot delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution. The act of October 1, 1890, in the particular under consideration, is not inconsistent with that principle. It does not, in any real sense, invest the President with the power of legislation. For the purpose of securing reciprocal trade with countries producing and exporting sugar, molasses, coffee, tea, and hides Congress itself determined that the provisions of the act of October 1, 1890, permitting the free introduction of such articles should be suspended as to any country producing and exporting them that imposed exactions and duties on the agricultural and other products of the United States, which the President deemed—that is, which he found to be—reciprocally unequal and unreasonable. Congress itself prescribed in advance the duties to be levied, collected, and paid on sugar, molasses, coffee, tea, or hides produced by or exported from such designated country while the suspension lasted. Nothing involving the expediency or the just operation of such legislation was left to the determination of the President.

"The words 'he may deem' in the third section, of course, implied that the President would examine the commercial regulations of other countries producing and exporting sugar, molasses, coffee, tea, and hides, and form a judgment as to whether they were reciprocally equal and reasonable, or the contrary, in their effect upon American products. But when he ascertained the fact that duties and exactions reciprocally unequal and unreasonable were imposed upon the agricultural or other products of the United States by a country producing and exporting sugar, molasses, coffee, tea, or hides, it became his duty to issue a proclamation declaring the suspension as to that country which Congress had determined should occur. He had no discretion in the premises except in respect to the duration of the suspension so ordered. But that related only to the enforcement of the policy established by Congress. As the suspension was absolutely required when the President ascertained the existence of a particular fact, it cannot be said that in ascertaining that fact and in issuing his proclamation in obedience to the legislative will he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was

simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the lawmaking department to ascertain and declare the event upon which its expressed will was to take effect. It was a part of the law itself as it left the hands of Congress that the provisions, full and complete in themselves, permitting the free introduction of sugar, molasses, coffee, tea, and hides from particular countries, should be suspended in a given contingency, and that in case of such suspensions certain duties should be imposed.

* * * * * * *

"The court is of opinion that the third section of the act of October 1, 1890, is not liable to the objection that it transfers legislative and treaty-making power to the President."

In the *Union Bridge Co.* v. *United States* (204 U. S. 364), the Court quoted extensively and with approval from *Field* v. *Clark*. Other cases in which the courts have sustained trade agreements concluded by the President under powers granted him by the Tariff Acts of 1890 and 1897 are *Downs* v. *United States* (187 U. S. 496); *Nicholas* v. *United States* (122 Fed. 892); *United States* v. *Tartar Chemical Co.* (127 Fed. 944); *United States* v. *Julius Wile Bros. & Co.* (130 Fed. 331); *United States* v. *Luyties* (130 Fed. 333); *Migliavacca Wine Co.* v. *United States* (148 Fed. 142); *La Manna, Azema & Garnan* v. *United States* (144 Fed. 683); and *Mihalovitch, Fletcher & Co.* v. *United States*, 160 Fed. 988.

The constitutionality of the principle of flexible adjustments of tariff rates by the Executive was before the Supreme Court in *Hampton & Co.* v. *United States* (276 U. S. 394). That case involved the constitutionality of section 315 of the Tariff Act of 1922, which was substantially the same as the flexible tariff provisions of the Foreign Trade Agreements Act. In holding the 1922 statute constitutional, the Court said (pp. 404–410):

"First: It seems clear what Congress intended by 315. Its plan was to secure by law the imposition of customs duties on articles of imported merchandise which should equal the difference between the cost of producing in a foreign country the articles in question and laying them down for sale in the United States, and the cost of producing and selling like or similar articles in the United States, so that the duties not only secure revenue but at the same time enable domestic producers to compete on terms of equality with foreign producers in the markets of the United States. It may be that it is difficult to fix with exactness this difference, but the difference which is sought in the statute is perfectly clear and perfectly intelligible. Because of the difficulty in practically determining what that difference is, Congress seems to have doubted that the information in its possession was such as to enable it to make the adjustment accurately, and also to have apprehended that with changing conditions the difference might vary in such a way that some readjustments would be necessary to give effect to the principle on which the statute proceeds. To avoid such difficulties, Congress adopted in 315 the method of describing with clearness what its policy and plan was and then authorizing a member of the executive branch to carry out this policy and plan, and to find the changing difference from time to time, and to make the adjustments necessary to conform the duties to the standard underlying that policy and plan. As it was a matter of great importance, it concluded to give by statute to the President, the Chief of the executive branch, the function of determining the difference as it might vary. He was provided with a body of investigators who were to assist him in obtaining needed data and ascertaining the facts justifying readjustments.

"There was no specific provision by which action by the President might be invoked under this act, but it was presumed that the President would through this body of advisers keep himself advised of the necessity for investigation or change, and then would proceed to pursue his duties under the act and reach such conclusion as he might find justified by the investigation, and proclaim the same if necessary.

"The Tariff Commission does not itself fix duties, but before the President reaches a conclusion on the subject of investigation, the Tariff Commission must make an investigation and in doing so must give notice to all parties interested and an opportunity to adduce evidence and to be heard.

"The well-known maxim 'Delegatus non potest delgari,' applicable to the law of agency in the general and common law, is well understood and has had wider application in the construction of our Federal and State Constitutions than it has in private law. The Federal Constitution and State constitutions of this country divide the governmental power into three branches. The first is the legislative, the second is the executive, and the third is the judicial, and the rule is that in the actual administration of the government, Congress or the legislature should exercise the legislative power; the President or the State executive, the Governor, the executive power; and the courts or the judiciary the judicial power; and in carrying out that constitutional division into three branches, it is a breach of the national fundamental law if Congress gives up its legislative power and transfers it to the President, or to the judicial branch, or if by law it attempts to invest itself or its members with either executive power or judicial power. This is not to say that the three branches are not coordinate parts of one government and that each in the field of its duties may not invoke the action of the two other branches, insofar as the action invoked shall not be an assumption of the constitutional field of action of another branch. In determining what it may do in seeking assistance from another branch, the extent and character of that assistance must be fixed according to common sense and the inherent necessities of the governmental coordination.

"The field of Congress involves all and many varieties of legislative action, and Congress has found it frequently necessary to use officers of the executive branch, within defined limits, to secure the exact effect intended by its acts of legislation, by vesting discretion in such officers to make public regulations interpreting a statute and directing the details of its execution, even to the extent of providing for penalizing a breach of such regulations (*United States* v. *Grimaud*, 220 U. S. 506, 518; *Union Bridge Co.* v. *United States*, 204 U. S. 364; *Buttfield* v. *Stranahan*, 192 U. S. 470; *In re Kollock*, 165 U. S. 526; *Oceanic Navigation Co.* v. *Stranahan*, 214 U. S. 320).

"Congress may feel itself unable conveniently to determine exactly when its exercise of the legislative power should become effective, because dependent on future conditions, and it may leave the determination of such time to the decision of an Executive, or, as often happens in matters of State legislation, it may be left to a popular vote of the residents of a district to be affected by the legislation. While in a sense one may say that such residents are exercising legislative power, it is not an exact statement, because the power has already been exercised legislatively by the body vested with that power under the constitution, the condition of its legislation going into effect being made dependent by the legislature on the expression of the voters of a certain district. As Judge Ranney, of the Ohio Supreme Court, in *Cincinnati, Wilmington and Zanesville Railroad Co.* v. *Commissioner* (1 Ohio Sta. 77, 88), said in such a case:

" 'The true distinction, therefore, is between the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring an authority or discretion as to its execution, to be exercised under and in pursuance of the law. The first cannot be done; to the latter no valid objection can be made.' See also *Moers* v. *Reading* (21 Penn. St. 188, 202); *Locke's Appeal* (72 Penn. St. 491, 498).

"Again, one of the great functions conferred on Congress by the Federal Constitution is the regulation of interstate commerce and rates to be exacted by interstate carriers for the passenger and merchandise traffic. The rates to be fixed are myriad. If Congress were to be required to fix every rate, it would be impossible to exercise the power at all. Therefore, common sense requires that in the fixing of such rates, Congress may provide a commission, as it does, called the Interstate Commerce Commission, to fix those rates, after hearing evidence and argument concerning them from interested parties, all in accord with a general rule that Congress first lays down that rates shall be just and reasonable considering the service given and not discriminatory. As said by this Court in *Interstate Commerce Commission* v. *Goodrich Transit Co.* (224 U. S. 194, 214), 'The Congress may not delegate its purely legislative power to a commission, but, having laid down the general rules of action under which a commission shall proceed, it may require of that commission the application of such rules to particular situations and the investigation of facts, with a view to making orders in a particular matter within the rules laid down by the Congress.'

"The principle upon which such a power is upheld in State legislation as to fixing railway rates is admirably stated by Judge Mitchell, in the case of *State* v. *Chicago, Milwaukee & St. Paul Railway Co.* (38 Minn. 281, 298, to 302). The learned judge says on page 301:

" 'If such a power is to be exercised at all, it can only be satisfactorily done by a board or commission, constantly in session, whose time is exclusively given to the subject, and who, after investigation of the facts, can fix rates with reference to the peculiar circumstances of each road, and each particular kind of business, and who can change or modify these rates to suit the ever-varying conditions of traffic. * * * Our legislature has gone a step further than most others, and vested our commission with full power to determine what rates are equal and reasonable in each patricular case. Whether this was wise or not is not for us to say; but in doing so we cannot see that they have transcended their constitutional authority. They have not delegated to the commission any authority or discretion as to what the law shall be—which would not be allowable—but have merely conferred upon it an authority and discretion, to be exercised in the execution of the law, and under and in pursuance of it, which is entirely permissible. The legislature itself has passed upon the expediency of the law, and what it shall be. The commission is entrusted with no authority or discretion upon these questions.' See also the language of Justices Miller and Bradley in the same case in this Court (134 U. S. 418, 459, 461, 464).

"It is conceded by counsel that Congress may use executive officers in the application and enforcement of a policy declared in law by Congress, and authorize such officers in the application of the congressional declaration to enforce it by regulation equivalent to law. But it is said that this never has been permitted to be done where Congress has exercised the power to levy taxes and fix customs duties. The authorities make no such distinction. The same principle that permits Congress to exercise its rate making power in interstate commerce, by declaring the rule which shall prevail in the legislative fixing of rates, and enables it to remit to a rate-making body created in accordance with its provisions the fixing of such rates, justifies a similar provision for the fixing of customs duties on imported merchandise. If Congress shall lay down by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform, such legislative action is not a forbidden delegation of legislative power. If it is thought wise to vary the customs duties according

to changing conditions of production at home and abroad, it may authorize the Chief Executive to carry out this purpose, with the advisory assistance of a tariff commission appointed under congressional authority. This conclusion is amply sustained by a case in which there was no advisory commission furnished the President—a case to which this Court gave the fullest consideration nearly 40 years ago.

Speaking on this same subject in *Norwegian Nitrogen Co.* v. *United States* (228 U. S. 294, 308), the Supreme Court said:

"The powers of the President under the flexible tariff provisions of the act of 1922 differ in degree rather than in kind from powers that have long been his."

In 1934 conditions affecting this country's foreign commerce were comparable to those affecting it in the early days of the Government. Again that commerce was burdened and harassed on every hand by unfair and discriminatory practices of foreign countries. The need for immediate and effective measures to remedy these evils was urgent. Faced with this situation the Congress resorted to those measures which had proven effective under comparable circumstances in the past.

The Congress had the constitutional right to do this. In addition to the long history of the use of these measures the Supreme Court had expressly approved their constitutionality. Besides, that Court has long held that the Congress in the exercise of a power vested in it by the Constitution may exercise a wide discretion in the choice of measures and may employ any appropriate means available. In *McCulloch* v. *Maryland* (4 Wheat. 316), Mr. Chief Justice Marshall, speaking for the Court, said:

"A constitution, to contain an accurate detail of all the subdivisions of which its great power will admit, and of all the means by which they may be carried into execution, would partake of the prolixity of a legal code, and could scarcely be embraced by the human mind. It would, probably, never be understood by the public. Its nature, therefore, requires that only its great outlines should be marked, its important objects designated, and the minor ingredients which compose those objects be deduced from the nature of the objects themselves. That this idea was entertained by the framers of the American Constitution is not only to be inferred from the nature of the instrument, but from the language (p. 407).

"* * * a government, entrusted with such ample powers, on the due execution of which the happiness and prosperity of the Nation so vitally depends, must also be entrusted with ample means for their execution. The power being given, it is the interest of the Nation to facilitate its execution. It can never be their interest, and cannot be presumed to have been their intention, to clog and embarrass its execution, by withholding the most appropriate means. * * * that instrument does not profess to enumerate the means by which the powers it confers may be executed * * * (p. 408).

"The Government which has a right to do an act, and has imposed on it the duty of performing that act, must, according to the dictates of reason, be allowed to select the means * * * (p. 409).

"To employ the means necessary to an end is generally understood as employing any means calculated to produce the end * * * (p. 413).

"It must have been the intention of those who gave these powers, to insure, so far as human prudence could insure, their beneficial execution. This could not be done by confining the choice of means to such narrow limits as not to leave it in the power of Congress to adopt any which might be appropriate, and which were conducive to the end. This provision is made in a Constitution, intended to endure for ages to come, and consequently, to be adapted to the various crises of human affairs. To have prescribed the means by which Government should, in all future time, execute its powers, would have been to change, entirely, the character of the instrument, and give it the properties of a legal code. It would have been an unwise attempt to provide, by immutable rules, for exigencies which, if foreseen at all, must have been seen dimly, and which can be best provided for as they occur. To have declared that the best means shall not be used, but those alone, without which the power given would be nugatory, would have been to deprive the legislature of the capacity to avail itself of experience, to exercise its reason, and to accommodate its legislation to circumstances. If we apply this principle of construction to any of the powers of the Government, we shall find it so pernicious in its operation that we shall be compelled to discard it (p. 415)."

The provisions of the Foreign Trade Agreement Act here considered are quite different from the statutory provisions considered by the Supreme Court in *Panama Refining Co.* v. *Ryan et al.* (293 U. S. 388). In that case the Court dealt with section 9 (c) of the National Industrial Recovery Act (48 Stat. 195, 200), relating to the transportation of "hot oil," and held this statute to be unconstitutional because the Congress had declared no policy, had established no standard, and had laid down no rule, thus leaving the statute with no "requirement, no definition of circumstances and conditions in which the transportation is to be allowed."

In the *Panama Refining Co. case,* however, Mr. Chief Justice Hughes, speaking for the Court, said (p. 421):

"Undoubtedly legislation must often be adapted to complex conditions involving a host of details with which the National Legislature cannot deal directly. The Constitution has never been regarded as denying to the Congress the necessary resources of flexibility and practicality, which will enable it to perform its functions in laying down policies and establishing standards, while leaving to selected instrumentalities the making of subordinate rules within prescribed limits and the determination of facts to which the policy as declared by the legislature is to apply. Without capacity to give authorizations of that sort we should have the anomaly of a legislative power, which in many circumstances, calling for its exertion would be but a futility."

Other decisions of the Supreme Court supporting the rule thus stated by Mr. Chief Justice Hughes will be found in *St. Louis & Iron Mountain Ry. Co.* v. *Taylor* (210 U. S. 281); *Arizona Grocery Co.* v. *Atchison, Topeka & Santa Fe Railway Co.* (284 U. S. 370), both of the above decisions sustaining delegation of rate-making power to the Interstate Commerce Commission; *Buttfield* v. *Stranahan* (192 U. S. 470), sustaining delegation to the Secretary of the Treasury of power in connection with the importation of tea; *Union Bridge Co.* v. *U. S.* (204 U. S. 364), sustaining delegation to the Secretary of War of power in connection with the removal of obstructions to navigation; *United States* v. *Grimaud* (220 U. S. 506), sustaining delegation to the Secretary of Agriculture of power to make rules and regulations governing national forest reserves; *Red "C" Oil Manufacturing Co.* v. *North Carolina* (222 U. S. 380), sustaining validity of a North Carolina statute delegating to the board of agriculture of that State powers governing the sale of illuminating oils; and in many others too numerous for citation.

The Foreign Trade Agreements Act fully measures up to the standards thus prescribed. The Congress was confronted with a condition requiring legislation adaptable "to complex conditions involving a host of details" with which the Congress itself could not deal directly. The Congress met this condition by laying down a definite policy, establishing definite standards, prescribing definite procedure to be followed, and leaving to the Executive the carrying out of the declared policy within prescribed limits upon a determination of the applicable facts.

It is important, moreover, to bear in mind that the Panama Refining Company case dealt with an act of Congress relating to internal affairs as distinguished from foreign affairs. This distinction was noted by Mr. Chief Justice Hughes when, after referring to the early embargo acts discussed above in this memorandum, he stated that these acts were "cognate to the conduct by him (the President) of the foreign relations of the Government," thus indicating that the Court recognized that broader latitude obtains in the international field than exists with reference to domestic affairs. This differentiation was prophetic of the decision of the Supreme Court in the more recent case of *United States* v. *Curtiss-Wright Export Corporation et al.* (299 U. S. 304).

The Curtiss-Wright Export Corporation case dealt with the joint resolution of May 28, 1934, and the proclamation of the President issued thereunder prohibiting the sale of arms or ammunitions of war to countries engaged in armed conflict in the Chaco. The validity of the statute and of the proclamation were attacked on the grounds of unconstitutional delegation of legislaive power. Sustaining the act and the proclamation, the Supreme Court said, in part:

"It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an exertion of legislative power, but with such an authority plus the very delicate, plenary, and exclusive power of the President as the sole organ of the Federal Government in the field of international relations—a power which does not require as a basis for its exercise an act of Congress, but which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution. It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restriction which would not be admissible were domestic affairs alone involved (pp. 319–320)."

The Court carefully explained that—

"When the President is to be authorized by legislation to act in respect of a matter intended to affect a situation in foreign territory, the legislator properly bears in mind the important consideration that the form of the President's action—or, indeed, whether he shall act at all—may well depend, among other things, upon the nature of the confidential information which he has or may thereafter receive, or upon the effect which his action may have upon our foreign relations. This consideration * * * discloses the unwisdom of requiring Congress in this field of governmental power to lay down narrowly definite standards by which the President is to be governed.

* * * * * * *

"In the light of the foregoing observations, it is evident that this Court should not be in haste to apply a general rule which will have the effect of condemning legislation like that under review as constituting an unlawful delegation of legislative power. The principles which justify such legislation find overwhelming support in the unbroken legislative practice which has prevailed almost from the inception of the National Government to the present day" (pp. 321–322).

The Court concluded:

"* * * It is enough to summarize by saying that, both upon principle and in accordance with precedent, we conclude there is

sufficient warrant for the broad discretion vested in the President to determine whether the enforcement of the statute will have a beneficial effect upon the reestablishment of peace in the affected countries * * * and to prescribe limitations and exceptions to which the enforcement of the resolution shall be subject" (p. 329).

It is not important from the point of view of the constitutionality of a law delegating authority to an agency with respect to tariff matters whether the Congress specifies a particular rate to be applied in a given situation or a maximum or minimum rate beyond the limits of which changes may not be made. Both classes of legislation have been enacted and have been held to be constitutional by the Supreme Court. But far beyond either of these situations are the well known rate-making cases in which the Congress has prescribed no rate and no range within which rates may be fixed, but rather has left to the rate-making body, namely, the Interstate Commerce Commission, the determination of "just and reasonable rates." (*St. Louis & Iron Mountain Ry.* v. *Taylor*, supra; *Arizona Grocery Co.* v. *Atchison, Topeka & Santa Fe Railway Co. et al.*, supra.)

In view of the historic exercise by the President, under authority of acts of the Congress, of powers similar to those granted in the Foreign Trade Agreements Act and of the express declarations of the Supreme Court in the cases mentioned, it would seem that there no longer exists any sound basis for a contention that the Foreign Trade Agreements Act is unconstitutional because it contains an unwarranted delegation of legislative power. As has been aptly stated:

"Legally and structurally, the Trade Agreements Act seems a model of statutory effectiveness. It is clear, easily construed, and constitutionally orthodox; * * * (46 Yale Law Journal (1937), 669–670)."

Mr. NORRIS. Mr. President, the Attorney General says that after examining the authorities, which were correlated under his direction, he has no doubt whatever of the constitutionality of the act. I wish to read briefly a quotation from the Supreme Court of the United States in an opinion delivered by Chief Justice Taft. It was in the case of *Hampton Company* v. *United States* (276 U. S. 394). The Chief Justice said:

In determining what it (Congress) may do in seeking assistance from another branch—

The executive—

the extent and character of that assistance must be fixed according to common sense—

That is not only good law, but it is itself common sense—

and the inherent necessities of the governmental coordination.

Common sense and the coordination of the Government itself must be considered. What are the propositions confronting us? Has the Congress tried to delegate to some board or the Executive an authority which, from the nature of things, it cannot perform itself? Chief Justice Taft says it must present itself to us as a matter of common sense, and when that is done, we have a right to provide the instrumentality with which to carry into effect the law we have made.

The Chief Justice further said:

If Congress shall lay down by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform, such legislative action is not a forbidden delegation of legislative power.

Mr. President, my contention is that is what this act does. Let us see what it provides. We are to consider all the circumstances, and take a common-sense view of the whole situation, as Chief Justice Taft said. I shall read now from the act. The joint resolution proposes to put into effect for 3 years more a certain act of Congress.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WILEY. I am interested in the remarks of the Senator in relation to common sense. I am wondering whether it is not common sense to adopt the Pittman amendment, which would virtually make the Senate a board of review as to the merits of any suggested agreement or treaty.

Mr. NORRIS. Mr. President, in my judgment, the adoption of the Pittman amendment would kill the whole measure as dead as a doornail. It would largely put us back to where we were when we started. The Senate would be kept in the picture and we would have a revision of the tariff. Every time an agreement was made and referred to the Senate it would have to be ratified by a majority of two-thirds, which in all ordinary circumstances would be an impossibility. So if we include the Pittman amendment in the measure, goodbye. The only excuse for voting for the joint resolution, if the Pittman amendment should be adopted, would be because of a fervent hope that the amendment would be stricken from the measure in conference.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CLARK of Missouri. Is it not true that it would be no more logical, even if a little more candid, to move to strike out all after the enacting clause in the measure than to insert the Pittman amendment?

Mr. NORRIS. I would say so, except for the hope that the amendment would be stricken out in conference.

Mr. CLARK of Missouri. Of course, if the House were to disagree to the amendment, we would still have another vote on the question of receding from the amendment.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. LUCAS. In view of the Senator's statement that, in his opinion, the adoption of the Pittman amendment would kill the trade-treaty program as dead as a doornail, would the Senator care to elaborate upon where we would be going, where we would be drifting, and what would happen if we had no program to follow in the event the Pittman amendment should be adopted?

Mr. NORRIS. The Senator's question is a perfectly proper one, but I was in the midst of explaining what we were doing.

Mr. LUCAS. I will withdraw the question now.

Mr. NORRIS. I shall take it up later; but if I should forget to do so, if the Senator will remind me I shall be glad to discuss the question later.

Mr. LUCAS. Very well. I withdraw the question.

Mr. NORRIS. What are we going to do? We are going to extend the law, and that law provides:

For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in the present emergency in restoring the American standard of living. * * *

Are those laudable aims? Do we want to do those things? That is the purpose for which we are proposing to extend the law. That is what we are laying down as a guide for the President when he extends the law.

in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time—

(1) * * *—

And then are enumerated the things he has a right to do.

Mr. President, is that laying down a sensible program? As Chief Justice Taft asked: "Is that common sense?" Let us read again what the Chief Justice said:

If Congress shall lay down by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform, such legislative action is not a forbidden delegation of power.

That is the program we are laying down. That is the program we want to carry out. We admit that we as a Congress are not able to do it, even though the Constitution of the United States gives us the authority to do it.

Mr. President, that is not all. That is not the only precaution we have taken. The act further provides:

(2) The President shall be authorized—

If the President, after investigation, makes the findings which I have enumerated, for the purposes I have set forth, which are in the law, then he has the power to—

(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and

(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign-trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder.

That is another restriction on the President. It sets forth what he can do to carry out the objects we have enumerated and placed in the law.

No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free lists. The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly, or indirectly: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts or policies which in his opinion tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation.

There are quite a number of other restrictions, but, Mr. President, because the time is limited I shall ask unanimous consent to have printed in the RECORD at this point in my remarks the entire act which, if the pending legislation shall be adopted, we are continuing in effect for 3 years more.

The PRESIDING OFFICER. Without objection, it is so ordered.

The act is as follows:

[Public—No. 316—73d Cong.—H. R. 8687]

An act to amend the Tariff Act of 1930

Be it enacted, etc., That the Tariff Act of 1930 is amended by adding at the end of title III the following:

"PART III. PROMOTION OF FOREIGN TRADE

"SEC. 350. (a) For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in the present emergency in restoring the American standard of living, in overcoming domestic unemployment and the present economic depression, in increasing the purchasing power of the American public, and in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce), by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time—

"(1) To enter into foreign trade agreements with foreign governments or instrumentalities thereof; and

"(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder. No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free lists. The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts or policies which, in his opinion, tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.

"(b) Nothing in this section shall be construed to prevent the application, with respect to rates of duty established under this section pursuant to agreements with countries other than Cuba, of the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902, or to preclude giving effect to an exclusive agreement with Cuba concluded under this section, modifying the existing preferential customs treatment of any article the growth, produce, or manufacture of Cuba: *Provided*, That the duties payable on such an article shall in no case be increased or decreased by more than 50 percent of the duties now payable thereon.

"(c) As used in this section, the term 'duties and other import restrictions' includes (1) rate and form of import duties and classification of articles, and (2) limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports."

SEC. 2. (a) Subparagraph (d) of paragraph 369, the last sentence of paragraph 1402, and the provisos to paragraphs 371, 401, 1650, 1687, and 1803 (1) of the Tariff Act of 1930 are repealed. The provisions of sections 336 and 516 (b) of the Tariff Act of 1930 shall not apply to any article with respect to the importation of which into the United States a foreign trade agreement has been concluded pursuant to this act, or to any provision of any such agreement. The third paragraph of section 311 of the Tariff Act of 1930 shall apply to any agreement concluded pursuant to this act to the extent only that such agreement assures to the United States a rate of duty on wheat flour produced in the United States which is preferential in respect to the lowest rate of duty imposed by the country with which such agreement has been concluded on like flour produced in any other country; and upon the withdrawal of wheat flour from bonded manufacturing warehouses for exportation to the country with which such agreement has been concluded, there shall be levied, collected, and paid on the imported wheat used, a duty equal to the amount of such assured preference.

(b) Every foreign trade agreement concluded pursuant to this act shall be subject to termination, upon due notice to the foreign government concerned, at the end of not more than 3 years from the date on which the agreement comes into force, and, if not then terminated, shall be subject to termination thereafter upon not more than 6 months' notice.

(c) The authority of the President to enter into foreign trade agreements under section 1 of this act shall terminate on the expiration of 3 years from the date of the enactment of this act.

SEC. 3. Nothing in this act shall be construed to give any authority to cancel or reduce in any manner any of the indebtedness of any foreign country to the United States.

SEC. 4. Before any foreign trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of this act reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to the President, or to such agency as the President may designate, under such rules and regulations as the President may prescribe; and before concluding such agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate.

Approved, June 12, 1934, 9:15 p. m.

Mr. NORRIS. Mr. President, we are met at the moment by Senators, able constitutional lawyers, whose honesty and patriotism and ability I do not question, who state this legislation is unconstitutional. Since I have been in the Senate and in the House I have very seldom known of any hotly contested measure being under consideration concerning which someone did not exclaim "It is unconstitutional." I have heard that statement made with respect to important legislation ever since I have been in the Senate. I remember many years ago when Congress had under consideration the Webb-Kenyon bill. The House passed it. The Senate passed it and it went to the President, President Taft, and he vetoed it. His veto was based on one ground only, that it was unconstitutional, and he made an argument which was a masterpiece. Along with it he sent to Congress an argument made by his Attorney General, a longer and more extended argument. They were both masterpieces. Both declared the legislation to be unconstitutional. I saw Senators rise in their places, and before them were piled ponderous law books in such numbers that the Senators were hidden behind them. They proclaimed the measure unconstitutional. They said "Unclean. Unclean. We cannot pass the measure. We must not pass it."

Mr. President, I had voted for the bill, and then listened to the debates with respect to its constitutionality. I was frightened because of the wonderful array of legal talent which said the measure was unconstitutional. I had no doubt they were in earnest, and I was obliged to doubt my own judgment. As I looked at the matter, as I listened to the arguments, I was still unconvinced. I voted for the bill, and I voted to pass it over President Taft's veto. It became law. It went to the Supreme Court very shortly afterward, and the Supreme Court said it was constitutional. And the Supreme Court will hold that the legislation we are now considering is constitutional. If anything ever seemed plain to my mind it is that this law is perfectly constitutional when we take into consideration all

the circumstances surrounding it and, as Chief Justice Taft said we should do, take a common-sense view of the situation.

I have now reached a point where I think I can yield to the Senator from Illinois [Mr. LUCAS]. What was his question?

Mr. LUCAS. Mr. President, I rise to ask the Senator a question. I agree with the argument which has been made by the distinguished Senator, that in the event we shall adopt the amendment offered by the Senator from Nevada [Mr. PITTMAN], to all intents and purposes trade agreements will be dead. I should like to have the Senator comment, in his able way, if he cares to do so, upon what he thinks the future of the country would be with respect to a commercial program with foreign nations in the event we should not continue the program which we now have under consideration.

Mr. NORRIS. I thank the Senator. I had intended to discuss that question, but probably I should have forgotten it if the Senator had not called it to my attention. It is an important question.

A war is going on in Europe. Suppose we kill this legislation, which we can do either by voting down the joint resolution or by adopting the Pittman amendment. Where shall we be at the close of the great struggle in Europe? Shall we be prepared to protect ourselves and to act in harmony and with discretion among the surviving nations in Europe, whichever they may be? Shall we be able to put together the fragments and pieces of a torn and shattered civilization, or help to do so, without any disadvantage to our people, or with as little disadvantage as possible? That problem may be before us shortly. I cannot say. I do not have the vision of prophecy. But, Mr. President, in my judgment the time will come—it may be in 6 months or it may not be for 2 or 3 years—when we shall be faced with a destroyed civilization, a world rent asunder, with the civilization of Europe torn to shreds, and a suffering world in the agonies of desperation and death.

If we do nothing here, can we offer those nations some adjustment of the tariff situation? I do not know what adjustment will be necessary; but we know it will apply to practically every nation which survives, if any survive.

Shall we be prepared? If so, how? If we defeat this legislation, Senators, the only preparation we shall have is for the Senate and the House of Representatives to go over the world making treaties. According to the Pittman amendment, that can be done if two-thirds of the Senate agree to it.

Mr. President, in my judgment the time will come, in the not distant future, when the situation suggested by the Senator from Illinois [Mr. LUCAS] will face us, our Nation, and our people. Shall we be able to meet the situation when we face it? Shall we be prepared to meet it with instrumentalities of government? If the President has the authority under the act to make the agreements set forth under the stipulations I have placed in the RECORD, it seems to me that is as far as human ingenuity can go in devising ways to meet the situation which will confront us at that critical period.

Therefore, it will be more important within the next 3 years than it has been during the past 3 years that the ability to do some good for ourselves and for the world shall exist in the law, and that we shall not be helpless.

Mr. President, in that connection I wish to read again what Chief Justice Hughes said in the case of United States against Curtiss-Wright Export Corporation. The opinion of the Supreme Court in that case takes up the foreign situation. It calls to the attention of our country the fact that the foreign situation may be entirely different from the domestic situation, and that we are authorized to go further in the foreign situation than in the domestic situation. Let me read from the opinion of the Supreme Court in the case of *U. S.* v. *Curtiss-Wright Export Corporation* (299 U. S. 304):

> It is quite apparent that if, in the maintenance of our international relations, embarrassment—perhaps serious embarrassment—is to be avoided and success for our aims achieved, congressional legislation which is to be made effective through negotiation and inquiry within the international field must often accord to the President a degree of discretion and freedom from statutory restrictions which would not be admissible were domestic affairs alone involved.

Think of that, Senators! That is the language of the Supreme Court on this question. We are unprepared for what may come after the World War unless we extend this law.

Mr. President, it seems plain that the Supreme Court has said that in foreign relations it will go further in upholding a delegation of power—if we wish to call it that—than in purely domestic affairs.

In the Panama Refining Co. case Chief Justice Hughes laid down a rule. In that case the Court found that the delegation was too great, but it laid down a rule which ought to apply to every case. It applies to this case. This is what the Court said:

> Undoubtedly legislation must often be adapted to complex conditions involving a host of details with which the national legislature cannot deal directly. The Constitution has never been regarded as denying to the Congress the necessary resources of flexibility and practicality, which will enable it to perform its functions in laying down policies and establishing standards, while leaving to selected instrumentalities the making of subordinate rules within prescribed limits and the determination of facts to which the policy as declared by the legislature is to apply. Without capacity to give authorizations of that sort we should have the anomaly of a legislative power, which in many circumstances, calling for its exertion would be but a futility.

Mr. President, those opinions from the Supreme Court of the United States lead me to conclude that we have presented before us not entirely a domestic situation, but one which deals almost entirely with foreign trade. The Court has clearly said, in so many words, that we can go further in that case than we could if we were dealing only with domestic matters. That is apparent to any student who will think. The reasoning of the Court cannot be attacked. It cannot be denied. Every Senator must know that to be true. We are delegating power to the President to do something in relation to foreign matters which we as Senators and Members of the House cannot ourselves do. The power applies directly to the ability to carry on and make agreements at the close of the present war in Europe.

The VICE PRESIDENT. All time on the amendment has expired. The question is on the amendment offered by the Senator from Nevada [Mr. PITTMAN]. Without objection the clerk will report the amendment.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following:

> SEC. 2. Effective on the date of enactment of this act, section 2 of such act of June 12, 1934, is amended by adding at the end thereof the following new subsection:
>
> "(d) No foreign trade agreement hereafter entered into under section 1 of this act shall take effect until the Senate of the United States shall have advised and consented to its ratification, two-thirds of the Senators present concurring."

Mr. MALONEY. Mr. President——

The VICE PRESIDENT. The Senator from Connecticut.

Mr. MALONEY. I desire to obtain the floor, in the hope that I may have it immediately after the vote shall have been taken.

The VICE PRESIDENT. Several Senators have asked for recognition immediately after the vote in order to offer amendments. Just what arrangement has been made, the Chair does not know.

The hour of 4 o'clock having arrived, under the unanimous-consent agreement the vote will now be taken on the amendment offered by the Senator from Nevada [Mr. PITTMAN].

Mr. PITTMAN. Mr. President, on this question I demand the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BANKHEAD (when Mr. HILL's name was called). My colleague [Mr. HILL] is absent on public business. If present, he would vote "nay."

Mr. LUNDEEN (when his name was called). On this amendment I have a pair with the senior Senator from West Virginia [Mr. NEELY]. If permitted to vote, I should vote "yea." If present and voting, the Senator from West Virginia would vote "nay."

Mr. REED (when his name was called). On this vote I have a pair with the junior Senator from Alabama [Mr.

HILL]. If that Senator were present, as stated by his colleague, he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. LUCAS (when Mr. SLATTERY's name was called). My colleague [Mr. SLATTERY] is unavoidably detained on important public business. If he were present, he would vote "nay."

Mr. BARKLEY (when Mr. TYDINGS' name was called). The senior Senator from Maryland [Mr. TYDINGS] is unavoidably absent in fulfillment of an engagement which he made weeks ago. Yesterday he announced that he had a pair with the senior Senator from Montana [Mr. WHEELER], who is necessarily absent. If the Senator from Maryland were present today, he would vote "nay," and if the Senator from Montana were present he would vote "yea."

Mr. WILEY (when his name was called). On this amendment I have a pair with the junior Senator from Illinois [Mr. SLATTERY]. If he were present, he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. HARRISON. I announce that the Senator from Nebraska [Mr. BURKE], who is necessarily absent, is paired with the Senator from North Carolina [Mr. BAILEY], who is detained on public business. If the Senator from Nebraska were present, he would vote "yea," and the Senator from North Carolina, if present, would vote "nay."

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS] is detained on public business.

The Senator from West Virginia [Mr. NEELY] has been unexpectedly called to West Virginia on important public business. I am advised that he has a pair with the Senator from Minnesota [Mr. LUNDEEN]. The Senator from West Virginia, if present and voting, would vote "nay."

The result was announced—yeas 41, nays 44, as follows:

YEAS—41

Adams	Danaher	Johnson, Calif.	Pittman
Ashurst	Davis	Johnson, Colo.	Shipstead
Austin	Downey	King	Taft
Barbour	Frazier	La Follette	Thomas, Idaho
Bone	Gerry	Lodge	Tobey
Bridges	Gibson	McCarran	Townsend
Bulow	Glass	McNary	Vandenberg
Capper	Gurney	Maloney	White
Chavez	Hale	Murray	
Clark, Idaho	Holman	Nye	
Connally	Holt	O'Mahoney	

NAYS—44

Bankhead	George	McKellar	Schwellenbach
Barkley	Gillette	Mead	Sheppard
Bilbo	Green	Miller	Smathers
Brown	Guffey	Minton	Smith
Byrd	Harrison	Norris	Stewart
Byrnes	Hatch	Overton	Thomas, Okla.
Caraway	Hayden	Pepper	Thomas, Utah
Chandler	Herring	Radcliffe	Truman
Clark, Mo.	Hughes	Reynolds	Van Nuys
Donahey	Lee	Russell	Wagner
Ellender	Lucas	Schwartz	Walsh

NOT VOTING—11

Andrews	Hill	Reed	Wheeler
Bailey	Lundeen	Slattery	Wiley
Burke	Neely	Tydings	

So, Mr. PITTMAN's amendment was rejected.

Mr. HARRISON. Mr. President——

The VICE PRESIDENT. The Senator from Mississippi. Before the Senator proceeds, the Chair will request that there be order on the floor and in the galleries.

Mr. HARRISON. I move to reconsider the vote by which the amendment was rejected.

Mr. BARKLEY. I move to lay that motion on the table.

Mr. JOHNSON of California rose.

The VICE PRESIDENT. The question is on the motion of the Senator from Kentucky to lay on the table the motion of the Senator from Mississippi. (Putting the question.) The "ayes" appear to have it——

Mr. JOHNSON of California. Mr. President, I was on my feet asking for the yeas and nays upon the motion.

The VICE PRESIDENT. The Chair did not see the Senator. The Senator from California asks for the yeas and nays on the motion to lay on the table. Is the demand seconded?

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. REED (when his name was called). On this question, as previously announced, I have a pair with the junior Senator from Alabama [Mr. HILL]. If that Senator were present he would vote "yea" on this question, and if I were at liberty to vote I should vote "nay." I withhold my vote.

Mr. LUCAS (when Mr. SLATTERY's name was called). My colleague [Mr. SLATTERY] is unavoidably detained on official business. If he were present he would vote "yea."

Mr. BARKLEY (when Mr. TYDINGS' name was called). Making the same announcement as on the last vote, I wish to say that if the Senator from Maryland [Mr. TYDINGS] were present he would vote "yea." If the Senator from Montana [Mr. WHEELER] were present he would vote "nay."

Mr. WILEY (when his name was called). I have a pair with the Senator from Illinois [Mr. SLATTERY]. If he were present he would vote "yea," and if I were at liberty to vote I should vote "nay." I withhold my vote.

The roll call was concluded.

Mr. HARRISON. The Senator from Nebraska [Mr. BURKE] is paired with the Senator from North Carolina [Mr. BAILEY]. I am advised that if present and voting, the Senator from Nebraska would vote "nay," and the Senator from North Carolina would vote "yea."

Mr. MINTON. The Senator from Florida [Mr. ANDREWS] is unavoidably detained.

The Senator from West Virginia [Mr. NEELY] is paired with the Senator from Minnesota [Mr. LUNDEEN]. I am advised that if present and voting, the Senator from West Virginia would vote "yea," and the Senator from Minnesota would vote "nay."

The result was announced—yeas 45, nays 40, as follows:

YEAS—45

Bankhead	George	Mead	Smathers
Barkley	Gillette	Miller	Smith
Bilbo	Green	Minton	Stewart
Brown	Guffey	Norris	Thomas, Okla.
Byrd	Harrison	Overton	Thomas, Utah
Byrnes	Hatch	Pepper	Truman
Caraway	Hayden	Radcliffe	Van Nuys
Chandler	Herring	Reynolds	Wagner
Clark, Mo.	Hughes	Russell	Walsh
Connally	Lee	Schwartz	
Donahey	Lucas	Schwellenbach	
Ellender	McKellar	Sheppard	

NAYS—40

Adams	Danaher	Holt	Nye
Ashurst	Davis	Johnson, Calif.	O'Mahoney
Austin	Downey	Johnson, Colo.	Pittman
Barbour	Frazier	King	Shipstead
Bone	Gerry	La Follette	Taft
Bridges	Gibson	Lodge	Thomas, Idaho
Bulow	Glass	McCarran	Tobey
Capper	Gurney	McNary	Townsend
Chavez	Hale	Maloney	Vandenberg
Clark, Idaho	Holman	Murray	White

NOT VOTING—11

Andrews	Hill	Reed	Wheeler
Bailey	Lundeen	Slattery	Wiley
Burke	Neely	Tydings	

So Mr. HARRISON's motion to reconsider was laid on the table.

Mr. McCARRAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 1, line 8, after "1940", it is proposed to insert a comma and the following:

with the proviso that the authority conferred in the said act does not embrace authority to include in any trade-agreement negotiations excise taxes imposed under the provisions of paragraphs (4), (5), (6), and (7) of subsection (c) of section 601 of the Revenue Act of 1932, as amended, which are now a part of the Internal Revenue Code, subtitle (c), chapter 29, subchapter (b), part 1, sections 3420, 3422, 3423, 3424, 3425.

Mr. McCARRAN obtained the floor.

Mr. MALONEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Connecticut?

Mr. McCARRAN. I yield to the Senator from Connecticut, if in the interim we may have an understanding that the

Senator from Connecticut may conclude his speech and that my amendment, which is now pending, may go over until Monday.

Mr. BARKLEY. That is entirely satisfactory. I was satisfied that the Senator did not want to take up the amendment this afternoon.

Mr. MALONEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Connecticut?

Mr. McCARRAN. I yield to the Senator from Connecticut on that agreement.

Mr. MALONEY. Mr. President, because of the tremendous importance of the proposal and subject now under consideration, I feel in duty bound to make a statement setting forth the principal reasons why I supported the Pittman amendment, and why, without the Pittman amendment, I am opposed to and shall vote against the joint resolution, as I voted against similar measures on two previous occasions.

I shall not discuss the matter in great detail. The resolution and its powers, and the possible consequences of its continuance, are so well known to the Members of the Senate, and the matter has been so forcefully and eloquently and intelligently dealt with since we took up the debate on Monday at noon, that there is little need for me to delay the Senate for any length of time in an explanation of my views.

But I also feel that in view of the magnitude of the question, and the fact that it is so definite a departure from the age-old doctrine of the Democratic Party, I would not be true to myself, or to the constituency which I have the honor in part to represent, or to the Senate, were I to let the matter pass without some comment.

As is so often the case when Members of Congress legislate under the stress of serious economic situations, or when congressional action is hastened by pressure from any source, the Congress is in danger of failing to weigh and measure all of the consequences of this action.

When the law, the extension of which we are now considering, was passed in 1934, we were sitting in the afterglow of the bewildering panic years which had in many instances heightened the fears and lessened the courage of the American people, and made some of us temporarily forget our glorious past, and the fact that we had remained a great and powerful Nation by adhering to the teachings of an enlightened group of men, who very patiently, and with a rare degree of calm, framed the fundamental law at Philadelphia nearly a century and a half before.

I was opposed to this law in 1934, and voted against it.

The fact that it seemed to work successfully again prompted Congress and our national leadership to speed its reenactment and the extension of its provisions in 1937. I was opposed to granting a renewal of the authority at that time; and now, as we near the end of the second extension, my views remain unchanged. I am still opposed to it.

I see in the earlier action of the Congress, and in what we now seem about to do, a danger to the Republic, and a threat—perhaps not yet too clear—to the form of government of which we are so proud, and through which we have attained the highest place in a world that has experimented with so many different forms of government.

The Constitutional Fathers, fresh from the Revolution and just out from under the yoke, came together quite unhampered by a pressure from outside. The members of that early convention—who, I believe, were especially inspired by Divine direction—patiently worked out a document which up to this time has weathered the storms and has directed the Nation forward to one success after another, and to a wealth and a power not dreamed of in the lives and generation of the men who wrote the Constitution. Sometimes we have faltered; sometimes we have been compelled to stop for a new footing, or a breathing spell; and once or twice we were compelled to retreat, but only for a strategic purpose. Never once until 1929, however, was there serious reason to believe that there was the slightest danger of defeat.

On the wisdom of their deliberation and decision we have, until lately, taken our stand. They have had our everlasting applause and our enduring appreciation, and while we have sometimes been in disagreement as to their full intent and purpose, their language is for the most part as clear as any language ever penned by statesmen. These men seem to have had an especial gift of vision that penetrated the lengthening years ahead. They provided a peculiarly protective flexibility in the Constitution, and we have taken advantage of that flexibility to meet changing economic conditions which these men seemed to know were inevitable. We can stretch the language, but we cannot set it aside excepting in the manner which they provided.

While political parties and statesmen have sometimes disagreed over constitutional meaning, they have, upon the completion of their deliberations, and in their resulting decisions, finally found satisfaction, and safely made progress. Sometimes we have made mistakes. Sometimes the Executive has made mistakes. On occasions the Supreme Court, in short periods of darkness, got off the path, but almost always—yes; I think I can safely say almost always—when the mistakes were discovered there was a correction of the error.

I should like to believe that if the step we are about to take is a great wrong—and I am sure it is—once again there will be a correction. But on that point I am afraid, because we are in the shadows of a world upheaval. We are living in compartments of days, and when we are completely honest with ourselves our frailties loom pretty large, and we are making slow progress in a world of economic and political uncertainty. The nations of the world are pretty much in the throes of confusion and despair, and because we do not know what is coming next, and because it is still very dark, it is extremely dangerous to move fast, lest we take a false step that may cause us, and perhaps those about us, serious harm.

I now tell my colleagues that I see in this proposal the possibility of dictatorship; but I hasten to add that it is not a dictatorship of our present national leadership, or any President immediately following, of which I am afraid. I am afraid of a dictatorship of a majority group. I am afraid of a dictatorship of centralized government that is given its power by the Congress of the United States. Any kind of dictatorship, excepting the clear dictatorial voice of the American people, will prove disastrous to our form of government. So long as we have hearkened to our American sovereign power we have been successful. That power was created by the Constitution, and the rights of the Chief Executive, and the Congress, and the Supreme Court, seem to me to have been in most instances clearly defined—and where the founding fathers felt a reluctance or uncertainty about the future, they reserved the powers for the States of the new Union and the people.

During the past few days we have heard a most interesting debate. It has been kept upon a high plane, and the speeches and observations have been made by men of deep thought and high purpose, and with an appreciation of the seriousness of what we do. I can, and want to, associate myself almost entirely—though not quite entirely—with the remarks of both the able Senators from Nevada and the distinguished senior Senator from Wyoming. I am without their gifts of eloquence, and fall short of their knowledge of the law, but none of us can lightly dismiss the force of their arguments. Up to now there has been no challenging satisfactory answer—at least for me—to the facts they set forth, and, because the language of the Constitution is so clear that those who run may not only read but understand, I cannot visualize a successful answering argument to what they have said.

It seems to me that this proposal offends, and trespasses upon, and violates, the fundamental law; and, while there is a remote possibility that the failure of its reenactment might slightly retard the business of some, and seem to dissipate the noble aims of others, let us ever be mindful that we can change the law, even the fundamental law, when the people want it changed. I would not be completely fair with

myself if I did not confess that there have been times in my life when I should have liked to see a greater power in the Federal Government, but the surrender to central power has so weakened, and in instances actually destroyed, the voice of the peoples in other once happy lands, that I do not want to surrender another particle of congressional authority.

Neither would I be fair to myself or to the proponents of the measure before us, if I did not just as freely confess that I favor reciprocal-trade treaties. I am confident that they can be made to work, and work favorably and to great advantage, for I have a greater confidence than some other men in the Senate of the United States, and I do not believe that there are men here who would long forget their country's welfare because a great legislative proposal, benefiting the entire country, threatened to slightly hinder an industry or business in an individual State.

I have on hundreds of occasions, and with a real joy and satisfaction, publicly applauded President Roosevelt and his accomplishments and leadership. I have been and I am on his side. The place he will be accorded in history is so great that I think it is beyond our imagination. I think he saved his country and its nearly perfect form of government, and I have a complete and abiding faith in his patriotism and nobility of purpose and in his political wisdom. In my judgment, there is no man better informed on international affairs, or so well acquainted with internal affairs. I see no man with a greater love of his neighbor; but I do feel, in this instance, as I have in one or two others, that his intensity of purpose has been so great and fervent that he temporarily fell into the shadow of his own burning desire to bring his countrymen out of the depths. This ambition has carried him farther than any man of our time, or perhaps of all time, and has lifted his country up with him, and history and the readers of history down through the ages will ever remember with prideful respect and grateful recollection the goodness of his deeds, the successes of his administration, and the greatness of his character.

I also have profound respect for Secretary of State Hull, as well as an unbounded admiration for his noble and lofty aspirations. But never let it be said that each Chief Executive of this Nation, or any Secretary of State is entitled to exercise and practice his philosophy of tariff and treaty making, and his own ideas on the method of stimulating foreign trade, without adherence to the directional signs of the Constitution.

I beg the Senate to believe or perhaps I should more respectfully say give thought to one fact, which is that another President of the United States, in another cloudy period of our national life may be an extremely high protectionist or a free trader. I believe it was partially with that thought in mind and the determination that the representatives of the people would have the last word on the method of regulating foreign commerce and on the right of approval or disapproval of treaty agreements with other nations that the founders wrote the treaty language. I believe it was with these things uppermost in their minds, in those days of careful discussion and penetrating thought, that the Founding Fathers, the 55 men at Philadelphia, prepared a document which should never die.

While the proponents of this measure are motivated only by a desire to protect business and our economic life, let us not forget that a false step might ruin business. Let us always keep in mind that a free-trade executive or a high-protectionist could ruin any business—or favor any business—even if influenced by a conscientious desire to do only good. He might, under this extraordinary power, take another step, or more than one, which would do us irreparable damage, and finally destroy the form of government we cherish. Perhaps I am wrong in my view that it is on the side of wisdom to keep to the language of the Constitution, and, if I am, a way is provided for such changes as the people may care to make.

I would be against a change in this instance. I would help to carry an argument to the people; but if the view I entertain was overridden by a majority, it would not then be a violation of the law to centralize this power. The advocates of the plan do have the avenue to reach the fulfillment of their desire, and, while the proceedings might be painfully slow for them, it is ever so much better that there be a delay and a mistake than that there be haste, and a tragedy.

Mr. President, I know the views of the strongest advocates of the measure. I know that the State Department, and the administration leadership, and some of those who are greatly concerned with the promotion of business between nations, feel that if we had adopted the Pittman amendment we might fall back upon the painful logrolling practices of an earlier day. For myself, let me say that I have a very high opinion of the combined view of Senators. Especially do I have such an opinion if they can be kept free from the spell cast by the burning views of men so motivated by their desire for world trade that they would boldly set aside the traditions of 150 years and the simple but careful directions of the men who so shortly before offered their lives for the creation and preservation of this free country.

Occasionally Congress has fallen under such a spell. I have said that the Congress has made mistakes—perhaps more often than the Executive—but up to now it has erased most of the errors which were made under the strong lash of public opinion, and in the excitement often created by a struggle to get through the economic or social shambles.

I believe it was the very distinguished late Senator from Montana, Mr. Walsh, when dealing with the same sort of questions we have before us now, who said that the skies are never entirely clear. That statement may ever be true.

Some men find it less difficult than others to abandon the safeguards of the fundamental law; but we should try to remember that other peoples, who have yielded to what they thought was an expeditious, and the easier, way, have sacrificed the almost sacred privilege of a direct voice in the management of their own lives, and business, and governmental affairs. We are reaching for security and tranquillity, and that is just what the peoples of certain saddened nations of other parts of the world were seeking when they abandoned the rights and powers they held as individuals. What they obtained for the sacrifice far from balanced the scales, and was worthless from the viewpoint of free Americans, to whom the dignity of man is paramount. These peoples may some day recapture their loss, but I doubt that it will come back to them very soon, or at least without the shedding of blood and a preceding greater chaos.

I have referred to the dignity of man. Let me for a moment refer to the dignity of nations. Since the passage of the original Reciprocal Trade Agreements Act, the United States has entered into a total of 22 reciprocal-trade pacts. In three instances the foreign governments with whom we entered into such treaties required no legislative action to complete the pacts. These countries were Belgium, Cuba, and Ecuador. But let me point out that in one of these cases, namely, that of Ecuador, it was later found, "for reasons of unexpected necessity" that the matter had to be submitted to the national assembly.

In the cases of Canada and Czechoslovakia and France, and also the Netherlands, Switzerland, Turkey, Great Britain, and Venezuela, it is, or was—Czechoslovakia is temporarily nonexistent—necessary to submit the treaties to their legislative bodies. I must confess that I am not, beyond that, familiar with the mechanics of the foreign procedure in the cases of these treaties, but I do know that the treaties are only provisionally effective until passed upon by the parliamentary bodies.

Now let me give a list of the countries in which the agreements are not at all effective until they receive legislative approval. These are: Brazil, Colombia, Costa Rica, El Salvador, Finland, Guatemala, Haiti, Honduras, Nicaragua, and Sweden.

It seems strange to me—very strange—that the greatest and most powerful country in the world has suggested that its legislative body is not dependable in the matter of determining what is best for its people. This part of my statement might be stretched out to a long discussion, but I do

not want to detain the Senate too long, and I leave this reference to the thought and consideration of my colleagues.

During the course of this debate Senators have pointed out how reciprocal-trade treaties heretofore enacted have actually set aside parts of earlier treaties which had undergone Senate ratification. One of the references in this connection was submitted by the distinguished senior Senator from Michigan [Mr. VANDENBERG] during the masterly address of the senior Senator from Nevada [Mr. PITTMAN], when he pointed out that a trade treaty made with Colombia in 1936, contained the following language:

As long as the present agreement remains in effect it shall supersede any provisions of the treaty of peace, amity, navigation, and commerce between the United States and the Republic of New Granada.

Immediately after that important contribution to the debate, the junior Senator from Nevada [Mr. MCCARRAN] obtained the right to interrupt, and pointed out that in the trade treaty with Belgium there was contained "identical language affecting a treaty of 1872, known as the Belge-Luxemburg Treaty."

Witness after witness has at sometime or at some place testified on this subject, and the discussions we have had in the Senate during the past few days have furnished reason and reference which prove very definitely, at least to me, the need that we stop where we are and revise the method of making reciprocal-trade treaties.

I feel compelled to agree with the request of the senior Senator from Nevada, the distinguished chairman of the Committee on Foreign Relations, that nothing be done at the moment to interrupt existing agreements. I would not help to throw world trade out of gear by making retroactive the action proposed by the Pittman amendment. I would start afresh and anew, just as I would have started in 1934, and I would not make a new treaty excepting in the traditional and refreshing American way.

Mr. President, I should now like to make an observation or two which are not especially related to my argument, but which do have a bearing on the subject. Let us keep in mind that we can never compel others to buy from us, and that in many instances other people have refrained from buying when we expected, with good reason, that they would. The complications of the moment are so great, and governmental responsibilities throughout the world so confusing and uncertain, that other nations are living in compartments of days, as we are, and they seek to protect themselves as best they can.

Elsewhere government finances and currencies are uncertain, and we know not what tomorrow will bring. The wars on either side of us will force men and nations to move in surprising directions. We have internal complications bearing upon agriculture and business that further greatly confuse our trade ambitions and necessarily affect our trade plans. I doubt that we would now make a new treaty under any circumstances, and I doubt that we have a right to expect that any nation will favor us with business just because we want or need business. Great Britain, probably hanging on by her fingertips, is resorting to unusual practices in her foreign trade. She demands payment in dollars. We do not yet know exactly how much this means to us, but we are somewhat afraid of the possible consequences.

Witnesses almost without end could be called in defense of the stand I take, and if we had easy access to the storehouse of records on this subject we would find statements made by members of all parties that would help to steady our thinking. Some others who have spoken in this debate have called the Secretary of State as a defense witness, and I am going to call witnesses briefly to testify for my opinion. Before I do so, however, I want to refer the Senate to the statement of the man who was the first choice of the President of the United States for his Attorney General. Next I call upon the best witness I know. Let me read. I read from a statement which was issued in 1929, when Herbert Hoover was President of the United States, and when the tariff question was the issue of the moment. This particular statement, while made concerning an issue not identical with today's issue, was directed to the so-called flexible tariff, which my party then maintained was an illegal delegation of congressional power. The statement, in part, is as follows:

A question of far-reaching consequence transcending considerations of party prompts us to issue a public statement in relation to the so-called flexible provisions of the tariff bill now pending before the Senate.

The question involved is one that, in our opinion, strikes at the very roots of constitutional government. It concerns the preservation unimpaired or the abandonment of the power of levying taxes by that branch of the Government which the forefathers agreed should alone be charged with that duty and responsibility.

Whatever argument could be advanced during the war and immediately following for delegation to a degree of the taxing power to the Executive unquestionably no longer exists. To incorporate now in the law any recognition of a right of the Executive to impose taxes without the concurrence of the legislative branch is without justification.

Authority in the Executive to make the laws that govern the course of commerce through taxation is especially objectionable.

Mr. President, I should like to say, in parenthesis, that it does not seem to be so terribly objectionable now.

It is an entering wedge toward the destruction of a basic principle of representative government, for which the independence of the country was attained, and which was secured permanently in the Constitution.

There is no issue here as to the integrity of any Executive who has had, or may have, extended to him the exercise of this power. The issue is one of taxation by one official, be he President or monarch, in contrast to taxation by the representatives of the people elected, entrusted exclusively with the power to seize the property of the citizen through taxation. If proof were needed that the danger which the forefathers foresaw is inherent in this issue, a mere casual inquiry into the methods employed, selfish influences used, sinister schemes and contrivances brought to bear, one need but examine the record.

Bear in mind, Senators, that this is not my language. I am not saying this. I am reading from a statement made by distinguished Americans. I wish to emphasize the fact that they said that the question involved is "one that in our opinion strikes at the very roots of constitutional government"; and I wish to reiterate that, at a time when they were deliberating calmly, they said: "There was no party question involved." I read further from the statement:

The principle is: Are taxation laws, and their application, to be made virtually in secret, whatever may be said about a limiting rule, or are they to be enacted by the responsible representatives of the people in the Congress, where public debate is held and a public record made of each official's conduct?

The arbitrary exercise of the taxing power, all the more dangerous if disguised and not obvious, in its basic character is tyranny. Resistance to the impairment of this popular right has largely occasioned many of the wars and revolutions of the past.

An issue of this importance should not be associated with the opinions or necessities of those interests, States, or sections that directly profit by some rate schedule in the body of the tariff act. With respect to the principle here at stake, any trading or logrolling is especially unjustifiable and indefensible. Neither should we be unduly influenced by the attempt to divert attention from this momentous issue by condemnation of, and emphasis upon, the dilatory and unsatisfactory results of congressional procedure.

Mr. President, it is odd that at this late date we are now compelled to listen to the statement that our foreign trade will stop unless the act is continued, and that it would be a violation of the Constitution to adopt such a proposal as the Pittman amendment. I blush with shame.

I read further:

No one seeks to prevent or in any way to interfere with the investigations and reports of the Tariff Commission in connection with emergency tariff legislation. The point is, we emphatically insist that final action and responsibility based on Tariff Commission reports shall be taken by the Congress.

I leave the statement for a moment to reemphasize that that is my feeling today; to say again that I believe in commercial treaties; to say again that I abhor logrolling; and to point out once more that I have faith in the Congress and great faith in the Senate and in the patriotism of its membership.

I continue to read from the statement:

For the purpose of preventing apprehended congressional delay an amendment has been made providing for the submission of the

reports to the Congress by the President, and, furthermore, an amendment will be presented strictly limiting action by the Congress to matters germane to the particular subject matter or rates recommended by the President after investigation by the Tariff Commission.

Mr. President, I pause for a moment to say that such an amendment will be presented again, and Senators will once more have an opportunity to justify their statement.

I continue to read:

We do not hesitate to say that if this extraordinary and what we believe to be unconstitutional authority passes now from the Congress, it is questionable if there will ever again be a tariff bill originated and enacted by the Congress.

I digress again for a moment to point out that the distinguished signers of this statement felt then, as I do now, that the danger was great. Let me say that it is even greater at this moment.

Again I read:

It is our solemn judgment—

This is a Democratic statement, Mr. President. I am quoting from the language of the chairman of the Finance Committee, the majority leader of the Democratic Party, and other Members of this body who have just voted against the Pittman amendment.

Again I read:

It is our solemn judgment that hereafter all taxation through the tariff, and regulation of commerce thereby, will be made by the Executive.

At this point I wish to say, in parenthesis, that their prediction, based upon their solemn judgment is in danger of becoming true; and some of them will help to bring it about. I read again:

It is the inherent tendency of this tariff-changing device and the apparently conscious purpose of its proponents to use it to keep the tariff out of Congress where it is such an embarrassing business, as everyone knows, to the party that profits politically by it. So also it will be of distinct advantage to the interests that are the direct beneficiaries of the tariff.

In an age where there has been a steady tendency to rob the individual citizen of his power and influence in his Government through bureaucracy, we deem it our duty to vigorously protest any further encroachments in this direction, and especially with respect to taxation.

Mr. President, they were my teachers. This Democratic leadership helped to keep in me the faith I learned in the dark days of the Democratic Party. This statement, which is now more important than when it was made in 1929, will be of long-lasting interest. The signers and the authors concluded this fine democratic argument in the following sentence:

In the hope of arousing the people, regardless of party, to take a broad, public view of this important public question, we make this appeal.

Mr. President, I likewise make my humble appeal, although I have no desire to arouse the people. I want to arouse and quicken the immediate thinking of my colleagues in the Senate. I want to reawaken the thinking and patriotic sentiment which prompted the writing and the issuance of the statement which I have just read. It was signed by the then outstanding leaders of the Democratic Party in the United States. They were Members of the United States Senate. They were members of the Finance Committee. Save one, they are all here now, and are still the leaders. I hope that those of them who may have reached a new opinion have not permitted the new view to become too firmly fixed.

Mr. President, no body of men in all the world has a greater burden of responsibility than the Senators here assembled this afternoon. What we do is of such far-reaching consequence that I discuss this matter with a deep feeling of humility, and I hope an appreciation of my own limitations. My pride in our keeping the traditions of democracy is not so great as it once was, as I find myself compelled humbly to seek an opportunity to talk with the tariff-making committee—made up of men almost unknown to those whom I represent—to beg them not to treat too harshly the people of my State. If a plan for tariff making by a small committee of men—men out of reach of the people—coupled with the suggestion that such a group make trade treaties unhampered by the peoples' opinion, had been proposed at the Constitutional Convention I doubt that the statesmen present would have given it more than a moment's passing notice.

What we do here at any time affects almost every home in the land, and what we do here on this occasion may be felt forever after in America. It may bear upon the future success and happiness, and perhaps even the liberty, of free-born American men. It is a concentration of power more dangerous than a concentration of wealth; and I hope it is not too late for the voices of those of us opposed to the measure in its present form to be heard above the desire of other patriotic men, who seem to see a short cut to improved conditions.

I have already said that the Constitution is flexible and enables us to go far in many directions; but I beg the Senate to heed the fact that in the instance where it is touched by this subject, it is touched "head on," and the language which this measure violates is as clear as language can be.

There is much that I fail to understand in the economic confusion of our world today; and I frequently fail to keep up with what sometimes prove to be flexible interpretations of lawyers. Sometimes I find it especially hard to keep pace with the changing interpretations of the brilliant lawyers in the Senate.

Patience has ever been a paramount virtue of government, though in times of stress it is difficult to practice patience, because the tendency to expedite is prominently and everlastingly present. Those who are impatient, despite the fact that we profitably kept faith with the authors of the Constitution for generations, need a further word of warning.

Attempting to hurdle or circumvent the Constitution, when such a venture is encouraged by what gives promise of being a happy result, is just as dangerous as such an attempt for an evil purpose. If I may be coldly harsh in the choice of a word, let me issue a warning that it is horribly unwise to open the gate in this manner. There may be a horseman somewhere behind who is not bent on a mission of such noble intention. I once said on the floor of the Senate that it is dangerous to entertain the idea that every administration is entitled to a sympathetic Court. I now say again, as forcefully as I can, that it is no less dangerous to follow the thought that every Executive is entitled to complete freedom in the consummation of treaties. I feel on this matter more deeply than I can explain; and while I conclude with a feeling that my contribution to the debate has not been great, I wish my senatorial associates to have some idea of the reasons for the views I hold and the vote I shall cast.

A great humorist once said that the Constitution follows the flag on Mondays, Wednesdays, and Fridays. In fact, that famous Mr. Dooley had even less respect for the certainty of our constitutional government when he penned the famous phrase to the effect that the Constitution followed the election returns. Certainly, Mr. President, we Senators, if for no other reason than our solemn oath to uphold the Constitution, ought to see to it that the Constitution follows no group, no theory, no passing fancy of man or men, but follows the sacred path laid out by the founding fathers.

The Constitution, with reference to treaties, in article II, section 2, provides that—

The President * * * shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur.

There can be no mistaking that language. It cannot be changed by interpretation or desire. Even the fondest friends of this legislation cannot demonstrate that the measure we debate is not a treaty-making proposal. If there ever was a time when this august body should hold close to the constitutional fathers, these are the days. I refuse to compromise the treaty-making power of the United States Senate. I will not give an inch.

Mr. HARRISON. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram addressed to the Senator from Kentucky [Mr. BARKLEY] and me from Frank Graham, O. C. Carmichael, and Frank Ahlgren, representing the Southern Council on International Relations. In this telegram we are advised that the council today voted unanimously urging Congress to renew without change the Trade Agreements Act.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NASHVILLE, TENN., *March 29, 1940.*

Hon. PAT HARRISON,
Hon. ALBEN BARKLEY,
United States Senate:

We, Conference of Southern Council on International Relations, composed of 500 members of religious, business, professional, agricultural, industrial, and educational representatives of the South, in a conference here today, voted unanimously to urge Congress to renew Trade Agreements Act as it now exists and in conformity with Secretary Hull's program. Regards.

FRANK GRAHAM,
Conference Chairman.
O. C. CARMICHAEL,
Chairman of Conference Committee.
FRANK AHLGREN,
Editor, the Commercial Appeal,
Chairman, Subcommittee on Trade Agreements.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House insisted upon its amendments to the bill (S. 1759) granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WHITE of Idaho, Mr. HILL, and Mr. HAWKS were appointed managers on the part of the House at the conference.

JAPANESE-AMERICAN RELATIONS

Mr. WALSH. Mr. President, in all discussions of the subject of Japanese-American relations I am always disposed to assume that there is an underlying desire on both sides to maintain friendly relations and mutual good will. I have had frequent occasion to point out that whatever feelings of mistrust existed were attributable to lack of candor—perhaps I may use a stronger word, and say the secrecy that has been encountered.

When the Congress at the last session had under consideration the Navy's plan for harbor improvements at the island of Guam, objection was raised on the ground that to do so would tend to give offense to Japan and impair our friendly relations with that nation. I then had occasion to call attention to the secrecy maintained by Japan in reference to her administration of the mandate islands in the Pacific under her jurisdiction. I pointed also to Japan's unwillingness, since the expiration of the naval limitation treaties, to exchange with us information with reference to naval plans and naval expansion programs.

Recently a Japanese report to the League of Nations on the administration of the mandate islands in the Pacific near Guam has been made public. The information contained in this report, and its relation to the naval problem are discussed in an editorial which was published in the Washington (D. C.) Star, and which I ask to have printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star of March 26, 1940]

JAPAN'S LITTLE JOKE

Japan's belated report on her administration of the mandate islands in the Pacific should prove enlightening—and altogether embarrassing—for those in Congress who were responsible for disapproving the Navy's plans for improvement of the harbor at Guam, our small but strategically important insular possession near the mandate groups. It now appears that while the critics of the Guam project have been expressing fears that harbor improvements at the island might offend Japan, the Japanese have been having a secret little joke at our expense. They have been very busy with some extensive harbor improvements of their own right in the vicinity of our island outpost—with utter unconcern as to whether Uncle Sam would like it or not. While anti-American elements in Japan were viewing with what must have been mock alarm our Navy's plans for dredging coral reefs from Guam's waters, "because Guam is less than 1,500 miles from Japan," Japanese engineers, under cover of strictest secrecy, were dredging a harbor and building a pier at Saipan, about 150 miles north of Guam. Other "harbor improvements" are under way or planned, according to Japan's report for 1938 to the League of Nations, a copy of which has just reached the State Department here.

We will have to take Japan's word for it that the improvements are for commercial purposes. No American is permitted to visit any of the more than 600 islands in the mandate groups. Strangers are not wanted there. The report showed that only 12 foreigners visited the islands in 1938, and none was an American. It will be recalled that only last year, when a fishing boat from Saipan was wrecked at Guam, the Japanese refused to permit an American vessel to return the survivors to Saipan. Instead, the American ship was met at sea by a boat from Saipan.

The report was especially significant by reason of an omission. Although the 1937 report stated specifically that no fortifications were being constructed on the islands, there was no such assurance in the present statement, although it is contended here that Japan is obliged to refrain from fortifying them. Whether Japan might feel offended or not, she should be required to give this assurance without further delay. Her report is incomplete without it. And until a complete report is filed, Japan is in no position to protest about any open-and-above-board harbor improvements or even fortifications that we should wish to undertake at Guam.

Mr. WALSH. In addition to the information set forth in this editorial, the Japanese report indicates that a service of "air transportation, of mails and official documents, etc., between Japan and Saipan and Palau" was initiated in December 1938. I regret that this apparent lack of frankness on the part of Japan, and the fact that no American is permitted to visit any of the more than 600 islands over which Japan has only a mandate control under the League of Nations, are undoubtedly hindering the friendly relations and mutual good will which all peace-loving Americans earnestly desire to exist between the two nations.

Recently, I was asked to give a statement for publication in Japanese newspapers indicating what I believe would contribute to the maintenance of friendly relations between Japan and the United States. I ask to have it printed as part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

It is to be taken for granted that the peoples of the United States and of Japan sincerely desire the maintenance of friendly relations and mutual good will. Neither nation, I am confident, has any ulterior designs upon the other.

In my opinion, nothing will contribute more, at the present juncture, to this desirable objective than exercise by each nation of the utmost frankness and candor in dealing with the other. If each nation can be brought to the realization that the other entertained no hidden purposes or political secrets, not only with respect to its relations with the other and with the world at large, but even with respect to their internal policies for the promotion of the general welfare of their peoples, it would contribute immensely toward maintenance of an unmistakable attitude of good will, and secure, to both countries, peace and prosperity.

Both Japan and the United States will serve the best interests of their peoples and promote the peace of the world by sincerely living up to the admonition of George Washington in his Farewell Address when he said:

"Observe good faith and justice toward all nations; cultivate peace and harmony. * * * Nothing is more essential than that permanent, inveterate antipathies against particular nations, and passionate attachment for others, should be excluded; and that in place of them just and amicable feelings toward all should be cultivated."

EXECUTIVE SESSION

Mr. McKELLAR. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting a

convention and sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

DIPLOMATIC SERVICE

The legislative clerk read the nomination of Hugh Gladney Grant to be Envoy Extraordinary and Minister Plenipotentiary to Thailand.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTER—NOMINATION PASSED OVER

The legislative clerk read the nomination of Dorothy B. Keeling to be postmaster at Camp Taylor, Ky., which had been previously passed over.

Mr. McKELLAR. I ask that this nomination be again passed over.

The PRESIDENT pro tempore. Without objection, the nomination will be again passed over.

POSTMASTERS

Mr. McKELLAR. I ask that the remaining nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

That concludes the calendar.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

GOLDEN GATE INTERNATIONAL EXPOSITION AT SAN FRANCISCO

Mr. JOHNSON of California. Mr. President, I ask unanimous consent for the present consideration of the joint resolution for the continuation of the San Francisco Exposition. It has been 3 weeks since the joint resolution was favorably reported by the Foreign Relations Committee.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 200) to provide for participation of the United States in the Golden Gate International Exposition at San Francisco in 1940, to continue the powers and duties of the United States Golden Gate International Exposition Commission, and for other purposes, which had been reported from the Committee on Foreign Relations with amendments.

The amendments were, on page 2, line 22, after the word "participating", to strike out "foreign"; in the same line, after the word "nations", to insert "under the administration of the Commission"; and, on page 3, line 1, after the words "sum of", to strike out "$250,000" and insert "$50,000", so as to make the joint resolution read:

Resolved, etc., That in order that the United States may continue its participation in the Golden Gate International Exposition at San Francisco, Calif., in 1940, the joint resolution entitled "Joint resolution providing for the participation of the United States in the world's fair to be held by the San Francisco Bay Exposition, Inc., in the city of San Francisco during the year 1939, and for other purposes," approved July 9, 1937, as amended by this joint resolution, is extended and made applicable to the continuance of the participation of the United States in such exposition in 1940 in the same manner and to the same extent and for the same purposes as originally provided in such joint resolution of July 9, 1937.

SEC. 2. Section 4 (relating to the powers and duties of the United States Golden Gate International Exposition Commission) of such joint resolution of July 9, 1937, is amended by adding at the end thereof the following paragraphs:

"(f) To produce (whether through a governmental agency or otherwise) and sell engravings, etchings, or other reproductions not prohibited by law, to the extent authorized by the Secretary of the Treasury, and souvenir books descriptive of the functions of the Federal Government. All proceeds from the sale of these articles shall be deposited to the credit of the appropriations made for carrying into effect the provisions of this joint resolution.

"(g) To erect, rehabilitate, maintain, and operate buildings for use by participating nations under the administration of the Commission and to represent such participants in all dealings with the San Francisco Bay Exposition, Inc. For the purposes of this paragraph there is authorized to be appropriated the sum of $50,000."

SEC. 3. Section 6 of such joint resolution of July 9, 1937, is amended by adding at the end thereof the following sentence: "Section 3709 of the Revised Statutes shall not apply to any purchase or service rendered for the Commission when the aggregate amount involved does not exceed $500."

SEC. 4. The second proviso of the first paragraph of section 7 of such joint resolution of July 9, 1937, is amended to read as follows: "*Provided further*, That the Commission may, if it deems it desirable and is in the public interest, transfer, with or without consideration, the title to the Federal Exhibits Building or Buildings or other Commission-owned property to the city and county of San Francisco or to any Federal, State, or local governmental agency."

SEC. 5. In addition to the sum of $1,500,000 authorized by such joint resolution of July 9, 1937, to be appropriated for the participation of the United States in the Golden Gate International Exposition and appropriated by the Third Deficiency Appropriation Act, fiscal year 1937, there is hereby authorized to be appropriated the sum of $250,000 for participation in 1940.

SEC. 6. The act entitled "An act to authorize the United States Golden Gate International Exposition Commission to produce and sell certain articles, and for other purposes," approved June 15, 1938, is hereby repealed.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

RECESS TO MONDAY

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate took a recess until Monday, April 1, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 29 (legislative day of March 4), 1940

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons for appointment as Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Donald B. Calder, of New York.
Lewis E. Gleeck, Jr., of Illinois.
Clark E. Husted, Jr., of Ohio.
Richard A. Johnson, of Illinois.
Richard E. Keresey, Jr., of New Jersey.
M. Gordon Knox, of Maryland.
Alfred H. Lovell, Jr., of Michigan.
Lee D. Randall, of Illinois.
Byron B. Snyder, of California.
Wallace W. Stuart, of Tennessee.
Joseph J. Wagner, of New York.

DEPARTMENT OF JUSTICE

Matthew F. McGuire, of Massachusetts, to be the Assistant to the Attorney General, vice Edward G. Kemp, resigned.

COMMISSIONER OF THE DISTRICT OF COLUMBIA

John Russell Young, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of three years and until his successor is appointed and qualified, vice George E. Allen, resigned.

COAST GUARD OF THE UNITED STATES

Superintendent of Lighthouses Walter George Will to be a commander in the Coast Guard of the United States, to rank as such from December 1, 1939.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Stewart Franklin Miller, Field Artillery, with rank from October 1, 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 29 (legislative day of March 4), 1940

DIPLOMATIC SERVICE

Hugh Gladney Grant, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Thailand.

POSTMASTERS

CALIFORNIA

Fred D. Wilder, Angels Camp.
Francis P. O'Brien, Belmont.
Purley O. Van Deren, Broderick.
Floyd F. Howard, Courtland.
Valente F. Dolcini, Davis.
Richard J. Homan, Encinitas.
James A. Lee, Glendora.
Lena M. Burris, Meridian.
Elizabeth M. Taylor, Tulelake.
Genevieve A. King, Winton.
Robert H. DeWitt, Jr., Yreka.

GEORGIA

Thomas W. Dalton, Alto.
Joseph D. Long, Bremen.
Charles L. Adair, Comer.
John Marvin Gillespie, Demorest.
Thomas M. Carson, Lavonia.
Clifton O. Lloyd, Lindale.
William A. Pattillo, Macon.
Irene W. Field, Monroe.
Wilbur N. Harwell, Oxford.
Olen N. Merritt, Ringgold.
Etta Sneed Arnall, Senoia.

ILLINOIS

Jacob Feldman, Batavia.
John W. Rettberg, Divernon.
Harold F. Kuettner, Dundee.
Howard J. Hall, Elburn.
Dorothy A. O'Donnell, Grafton.
Walter T. Smith, Havana.
Edwin C. F. Braun, Lebanon.
John W. Norris, Washington.

KENTUCKY

J. Edgar Moore, Berea.
Walter Clayton Thomason, Georgetown.

MARYLAND

Lena S. Townsend, Girdletree.
Katherine G. O'Donnell, Mountain Lake Park.

MONTANA

John A. Manix, Augusta.
Edgar L. Bowers, Culbertson.
Ralph Drew, Somers.

NEW MEXICO

Helen Anna Childers, Jal.

SOUTH CAROLINA

Marion R. Mayfield, Denmark.

TEXAS

Thomas Aaron Downing, Caddo.
Roberta M. Isom, Carrollton.
Edna Martin, Charlotte.
Guy L. Fellmy, Dickens.
Harry L. Humble, Groesbeck.
Clyde T. Martin, Hubbard.
Clarence G. White, Natalia.
Joseph Marecek, Rowena.
William Matthew Burnett, San Marcos.
Annie I. Hackney, Sunset Heights.
Emma S. Vick, Valentine.

VIRGINIA

Lewis N. Glover, Berryville.

WYOMING

Franklin P. Nelson, Evanston.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 29, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou Son of God, our Saviour and Redeemer, be patient with our deficiencies; woo all unbrotherliness from our hearts and forgive us in the plentitude of Thy love and mercy; lead us to repentance that Thy very word may have breath in human hands and deeds. Hasten the day, dear Lord, when men shall learn that right and not might, that character and not efficiency, that Christ and not Caesar shall rule; and by these both men and nations are to live. O fill us with one pursuit which shall never lose its enchantment; one task that shall always yield new and soul-deep satisfactions; to deal justly, love mercy, and walk humbly with God. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 51. Concurrent resolution to extend the time for the filing of the report of the Joint Committee on Forestry.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of Executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Interior.
4. Department of Justice.
5. Department of Labor.
6. Department of the Navy.
7. Department of the Treasury.
8. Department of War.
9. Post Office Department.
10. Federal Security Agency.
11. Federal Works Agency.
12. Government Printing Office.

"I AM AN AMERICAN"

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LELAND M. FORD]?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I am speaking this morning also for my friend and colleague, the gentleman from California [Mr. SHEPPARD], and what I shall say also has the approval of the majority leader, the gentleman from Texas [Mr. RAYBURN], and the minority leader, the gentleman from Massachusetts [Mr. MARTIN], and Speaker BANKHEAD. I am speaking in connection with the "I Am an American" citizenship celebration and I want to draw particular attention to a short radio address by Edward Arnold, vice president of the Screen Actors' Guild, over the N. B. C., on the creed, which was written by Benjamin E. Neal.

This creed should guide and inspire the young voters of this country with a real ideal and understanding of Americanism.

The radio address and creed follow:

RADIO ADDRESS BY EDWARD ARNOLD

In this period of American history, I think it is a fine thing that men and women of good will, regardless of social, political, or religious differences, can find and stand on common American ground.

We may differ as to what we consider the best thing for our country but all true Americans agree on certain fundamentals.

To encourage appreciation of the many liberties and the unequaled benefits of American citizenship, is the purpose back of the "I Am an American" citizenship celebration.

In the brief time allotted me, I can do no finer thing than read to you the creed "I Am an American," which climaxes the annual celebration in honor of 21-year-old young Americans. The creed, written by Ben Neal, founder of the movement, expresses a high American ideal—I am an American.

I AM AN AMERICAN

(By Benjamin E. Neal)

I am an American.
The Golden Rule is my rule.
In humility and with gratitude to Almighty God,
I acknowledge my undying debt
To the founding fathers
Who left me a priceless heritage
Which now is my responsibility.
With steadfast loyalty
I will uphold the Constitution
And the Bill of Rights.
I will treasure my birthright
Of American ideals.
I will place moral integrity
Above worldly possessions.
Problems of interest to my country
Shall be of interest to me.
I will count my right of suffrage
To be a sacred trust,
And I will diligently strive
To prove worthy of that trust.
I will give my full support
To upright public servants.
But those with unclean hands,
I will firmly oppose.
Each obligation that comes to me
As a true American,
I will discharge with honor.
My heart is in America
And America is in my heart.
I am an American.

[Here the gavel fell.]

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein the short radio address referred to and the creed.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LELAND M. FORD]?

There was no objection.

EXTENSION OF REMARKS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief editorial appearing in the Bloch newspapers.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. SPRINGER]?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article which appeared in the National Grange Monthly.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

There was no objection.

CARL SCHURZ

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. BOLLES]?

There was no objection.

Mr. BOLLES. Mr. Speaker, Napoleon Bonaparte taught Europe a lesson in possibility of individual action which has never been forgotten. It was Napoleon who opened the door wide enough to show to the common people of Europe the incandescent rays of the lamp of liberty shining for all humankind. Himself an autocrat, dominated by vaulting ambition, treading like a giant among pygmies, crushing thrones, heaping coals of fire on the ashen breasts of dying despotisms, putting the washerwoman of yesterday at the head of a social regime, making marshals out of peasant soldiers, tossing dynasties into the discard, showing to the astonished world that rulers playing clown under the false colors of a right by divinity were merely plaster casts, this iconoclastic corporal from Corsica changed the manner of human thought, gave pinions to heretofore suppressed ideas of a government of the people, and liberty of conscience and worship.

Had it not been for Napoleon there might never have been a revolution in Germany in 1848 and 1849, and the United States of America would have been deprived of the enrichment of its literature and politics and its material wealth by those refugees who fled from tyranny and the black threat of the gibbet and prison cell. From the day the Little Corporal went across the seas to St. Helena to the hour of Bismarck and his iron policy, Germany was in a state of flux politically. Its masses had learned that it might have hope of liberty; that there was such a thing as government by the people; and that the term "citizen" meant more than a pawn with which kings might play. It was in this atmosphere within a castle's wall, where his grandfather lived as a retainer of a petty prince, that Carl Schurz, destined to be the greatest American citizen of German birth, was born March 2, 1829.

Carl Schurz came from a background of peasantry; he became a student with talent, he had an ambition to write history—the history of the lowly and abased. In him was something of the spirit which Victor Hugo gives Marius in Les Miserables; the spirit that has stirred every patriot heart since the beginning of time into a protest against tyranny. At 19 he was a revolutionist against the hypocrisy, the falsehood, and the ambition of Frederick William IV. It was an evil time. Men were murdered in the streets of Berlin. The civilians unloaded the bodies in the public square and called for the King to look. They made him take off his hat to the citizen assemblage. It was prophetic of what some day would come to the world when dictators would remove the hat to the people and bow in acquiescence to the will which has no master but its own.

But the promises were not kept. The King lied again. He had been forced by that intriguer for absolutism, Metternich, to rescind every act that in any manner gave emphasis to the power of the people and inspiration of hope for a government in which there was a mass voice instead of one. Metternich was unhorsed but Frederick William IV still stalked in panoply among his subjects. Carl Schurz, a student, was one of the orators of the time. At 19 he was able to sway great assemblages and gave promise of the day when with that same voice in a new and adopted country he would fight the battle for human freedom and help write the epilogue to slavery.

But it was to no definite purpose. The revolution failed. In its failure, in the black hour when there was no longer hope, even then, Schurz, the youth, still said:

I tried indeed to lift myself that so great, so just, so sacred a cause as that of German unity and free government could not possibly fail.

Carl Schurz in his zeal did heroic things. Again I turn to Les Miserables and the escape of Jean Valjean carrying the wounded Marius on his shoulders through the cloaca of Paris and find something of the same heroic, desperate fatalism in the escape of Carl Schurz from the castle where he was a prisoner, and again when he rescued his teacher and guide from prison.

At 20 Schurz's character was formed. In all this time he had one pattern—that was America, the Republic of the United States. It is not material for this address to tell the story of the years between the escape from Germany and his final determination to reach America, or how at 25 he stepped on the soil of the Nation in which he was so soon to be a great national figure.

He came to Watertown, Wis., among relatives. Naturally, he was interested in politics and policies. His friends and relatives at Watertown were Democrats. It was a common understanding that the Democratic Party was more kind to foreign peoples than the Whigs. There was no Republican Party. But he was an uncompromising abolitionist. To him the idea of a free nation existing with slavery in any part of it was anathema. He was induced to make speeches in German. In 1856, when Fremont was the Republican standard bearer, he blazed a path of righteous indignation over slavery

as an institution in a score of speeches in German in the Wisconsin and Minnesota German settlements.

A year later, illy clad, trousers just over his boot tops, sleeves shiny, a picture of poverty as he was, he stood on the afternoon of Thursday, September 3, 1857, before the Republican State convention at Madison the nominee of the Republican Party of Wisconsin for Lieutenant Governor. From the Janesville Daily Gazette of that time I quote a few words of his speech:

"I am of that class of Germans who know that they owe a debt of honor to the old and a debt of gratitude to their new fatherland, and who, having fought in the battles of freedom in the old country, are aware that they stand here on the last bulwark of liberty in the world and are ready to defend it like the bravest of your own."

As Mr. Schurz concluded his eloquent remarks the convention arose as one man and gave three thundering cheers for Carl Schurz.

Thus came Carl Schurz into the arena of American political life. He began in the State of Wisconsin, where he is still honored. In 2 years he was the most asked-for orator of the time. He went down to Quincy, Ill., and heard Abraham Lincoln debate with Stephen A. Douglas. He spoke to great audiences in a half hundred cities. He was no tergiversator and no mincer of words. He had no tricks of story or banter. He was serious and earnest. He had overcome his struggle with the English language, and his first speech in English was The Irrepressible Conflict. He was prophetic in his belief that if slavery was not immediately removed as an issue by its own death there would be arbitrament with arms and in blood. The student of history finds here much to interest.

Honors were heaped upon him. He was a member of the Republican National Committee supporting Lincoln. He was a delegate to conventions. He had mastered English so well that he had all the idioms of the language, all the homely phrases of the American, all the accent which might have been excellent in a life long Yankee. He was a living American; why should he not live in its speech? He piled climax upon climax with inexorable logic and in either; his mother tongue was equally facile. He was an idealist. He had the honesty of fidelity, the courage of a righteous passion for truth, and a conviction that justice must eventually prevail.

He went to Spain as Minister; he came back and commanded a brigade under his old '48 compatriot, Franz Sigel. He was at Bull Run and Chancellorsville; he went with Howard to Chattanooga; he marched with Sherman to the sea, and north when Johnson surrendered. He returned to private life and as an editor of the Westliche Post, of St. Louis, and so called attention to his qualities that he was elected to the United States Senate.

He was still a revolutionist. He was not a reformer, as we know reformers. But 14 years before we had the corruption of Credit Mobilier and the scandals of the Belknap war administration he had stood before an audience in Albany Hall in Milwaukee and spoken of political corruption as no man ever had before. What he said then may apply today. It is as sound in 1940 as it was in 1858:

And I do not hesitate to prophesy that if the Republican Party should be unfortunate enough to entangle itself in the same network of corruption with which the Democracy is choking itself to death, the people will strike it down with the same crushing verdict under which Hunkerism is sinking now. And in that case, I confess my heart would behold with grief and sorrow its degradation, but it would have no tears for its defeat. * * * It is true we cannot expect every Republican to be a perfect angel. Even when advocating the purest principles, a man will not at once cast off all the frailties of human nature; and so it may happen, and I am sorry to say it has happened, that some Republicans in the discharge of official duties fell victims to severe temptations. But one thing we can do, we must do, and we shall do. We must not hesitate to denounce every member of our own party who prostitutes his trust and power by dishonest and corrupt transactions as a contemptible villain. And not only that, we must consider and denounce and treat him as a traitor to his party. What we can and must do is to make all dishonest and corrupt practices high treason, and to take every such traitor and pitch him overboard; to condemn him to political death without regard to person or station, without the benefit of clergy.

That was Carl Schurz. He was a revolutionist. He did not believe in opportunism. He started out as a sound-money man and was never led astray by the chimera of a debased currency. The "isms" and political exigencies that by statutory enactment would redeem mankind from whatever condition he found himself had no advocate and no attorney in Carl Schurz. He defied the Republican Party on many of its legislative acts. He was perhaps the original independent. Never in all this time did he labor for his own aggrandizement. He was punished for this by failure of reelection to the Senate. He was the father of the civil service in the National Government. The time had come when every clerkship and every janitor job was not to be given as political requitement.

He went to Europe and visited Bismarck. He was a welcome guest in the land from which, with a price on his head, he had been exiled by choice to America. There must have been a great satisfaction in sitting with the iron Chancelor and discussing Germany, its past, its present, and its future.

Faithful among the faithless, honest among the dishonest, seeking nothing that did not come to him from the incentive of other minds than himself, he returned to hold the portfolio of Secretary of the Interior under President Hayes. It was the last public office for him. He became wholly American; he surrendered completely to his adopted nationality. He died poor. He had no time to enrich himself. America must be thankful for the revolt of 1848. It gave to us a great American, a great people. It gave to Germany a great German. It gave to the world a brilliant example of a statesman.

SPECIAL COMMITTEE TO INVESTIGATE UN-AMERICAN ACTIVITIES

Mr. DIES. Mr. Speaker, by direction of the Special Committee to Investigate Un-American Activities, I present a privileged report (Rept. 1900), and send it to the Clerk's desk and ask that the Clerk read it.

The Clerk read as follows:

The Special Committee to Investigate Un-American Activities authorized by the House of Representatives by House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, caused to be issued a subpena directing one James H. Dolsen to appear before the said Special Committee to Investigate Un-American Activities and to produce all records regarding Communist Party and activities; the subpena being set forth in words and figures as follows:

By authority of the House of Representatives of the Congress of the United States of America, to the Sergeant at Arms, or his special messenger: You are hereby commanded to summon James H. Dolsen, 1413 Fifth Avenue, Pittsburgh, Pa., to be and appear before the Un-American Activities Special Committee of the House of Representatives of the United States, of which the Honorable MARTIN DIES, of Texas, is chairman, and produce all records regarding Communist Party and activities in their chamber in the city of Washington, forthwith, then and there to testify touching matter of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons. Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 22d day of March 1940. W. B. Bankhead, Speaker. Attest: South Trimble, Clerk.

Said subpena was on March 23, 1940, served upon the said James H. Dolsen by Robert B. Barker, an employee of the said Special Committee to Investigate Un-American Activities and duly authorized to serve the said subpena. The return of a service by the said Robert B. Barker being endorsed thereon which is set forth in words and figures as follows:

Subpena for James H. Dolsen (duces tecum) before the Committee on the Un-American Activities, served March 23, 1940, at 1413 Fifth Avenue, Pittsburgh, Pa., on James Hulse Dolsen named herein. Robert B. Barker, Kenneth Romney, Sergeant at Arms, House of Representatives.

Said James H. Dolsen, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony and to produce such records as required under and by virtue of House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress.

Said James H. Dolsen, after being duly sworn by the chairman, gave testimony before the subcommittee of the said committee on the 25th day of March 1940, concerning certain matters and things, but refused to give testimony and to answer certain questions propounded to him on the following matters and things:

"The CHAIRMAN. The committee is sitting as a subcommittee composed of Mr. DEMPSEY, the chairman, and Mr. THOMAS. Ask your question.

"Mr. BARKER. Mr. Dolsen, do you know Sonia Strauss?
"Mr. DOLSEN. I know Sonia Strauss.
"Mr. BARKER. Is she a Communist?
"Mr. DOLSEN. I decline to answer that question.
"The CHAIRMAN. Ask the next question.
"Mr. BARKER. Do you know Joseph Chandler?
"The CHAIRMAN. The Chair is requiring you to answer these questions.
"Mr. DOLSEN. I understand.
"The CHAIRMAN. And you decline to answer them?
"Mr. DOLSEN. That is right.
"The CHAIRMAN. Would you answer this question: Did you ever sit in a Communist meeting with Sonia Strauss?
"Mr. DOLSEN. I decline to answer that question.
"The CHAIRMAN. The Chair requires you to answer the question, and you decline?
"Mr. DOLSEN. That is right." (March 25, 1940. Record, p. 33.)
"Mr. BARKER. Do you know Alec Steinberg?
"Mr. DOLSEN. I do.
"Mr. BARKER. He is chairman of one of the units of the Communist Party in Allegheny County, is he not?
"Mr. DOLSEN. Not that I know of.
"Mr. BARKER. Is he a Communist?
"Mr. DOLSEN. I decline to state.
"Mr. BARKER. You decline to answer?
"Mr. DOLSEN. Yes.
"The CHAIRMAN. The Chair requires you to answer the question, and you decline to answer it?
"Mr. DOLSEN. That is right." (March 25, 1940. Record, p. 34.)
"Mr. BARKER. Do you know who the chairmen are of the various units of the Communist Party in Allegheny County?
"Mr. DOLSEN. I know in some individual cases who the chairmen are.
"Mr. BARKER. Will you state the ones you do know?
"Mr. DOLSEN. If the committee please, I decline to answer that kind of a question, on the same basis as I declined the others.
"The CHAIRMAN. The committee understands that you decline to state who the chairmen are, the ones that you know in the various units of the Communist Party in Allegheny County.
"Mr. DOLSEN. That is right.
"The CHAIRMAN. Do you also decline to answer the question as to who the section organizers are?
"Mr. DOLSEN. That is right also.
"The CHAIRMAN. Do you know who they are?
"Mr. DOLSEN. In some cases I do.
"The CHAIRMAN. You decline to give the committee the names of any of them?
"Mr. DOLSEN. That is right." (March 25, 1940. Record, p. 42.)
"The CHAIRMAN. The Chair has considered that very carefully. Here is the case of a member of the Communist Party using the name of the President of the United States, using that name as a party name, apparently with the consent of the Communist Party, or, at least, without any objection, and the Chair thinks that it is material to find out who did that, because, manifestly, if that practice is permitted, it is very much against public interest. The Chair directs you to answer that question as to the name of the person who gave the name Franklin D. Roosevelt for party purposes.
"Mr. DOLSEN. Well, I will have to state to the committee that, on the previous grounds, I decline to give that information." (March 25, 1940. Record, p. 47.)

Because of the foregoing, the said subcommittee of the said Committee to Investigate Un-American Activities has been deprived of the testimony of said James H. Dolsen relative to the subject matter which, under House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, said subcommittee of the Special Committee to Investigate Un-American Activities was instructed to investigate; and the willful and deliberate refusal of the witness to testify further as hereinbefore set forth is a violation of the subpena under which the witness had previously appeared and testified, and his willful refusal to testify further without having been first excused as a witness deprives the subcommittee of the said Committee to Investigate Un-American Activities of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

The SPEAKER. The report just read is ordered printed. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 446

Resolved, That the Speaker of the House of Representatives certify the report of the House of Representatives Committee to Investigate Un-American Activities as to the willful and deliberate refusal of James H. Dolsen to testify before a subcommittee of the said Committee to Investigate Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said James H. Dolsen may be proceeded against in the manner and form provided by law.

The SPEAKER. The question is on the resolution.

Mr. DUNN rose.

The SPEAKER. For what purpose does the gentleman from Pennsylvania rise?

Mr. DUNN. Mr. Speaker, am I in order in asking permission to say a few words at this time?

The SPEAKER. The gentleman from Texas [Mr. DIES], chairman of the committee, is in charge of the resolution. Does the gentleman from Texas yield to the gentleman from Pennsylvania?

Mr. DIES. Yield for what purpose?

Mr. DUNN. I wish to ask a few important questions.

Mr. DIES. I yield to the gentleman from Pennsylvania, Mr. Speaker.

Mr. DUNN. May I ask the gentleman from Texas, Is it not a fact that when Mr. Dolsen was interrogated he stated that he refused to answer because the Constitution did not compel him to do so?

Mr. DIES. He gave as one of the grounds of refusal, as I recall, constitutional grounds, but not whether or not it would tend to incriminate him. He refused to say that that was the ground for his refusal.

Mr. DUNN. I understand he did not say that, but is it not a fact he believed that by answering certain questions he would incriminate himself?

Mr. DIES. I specifically asked him if he refused to answer the question for fear that his answer might tend to incriminate him, and he said specifically that that was not the ground of his refusal.

Mr. DUNN. I will admit I was not present during the entire meeting, but when I was there I did not hear him make that statement.

Mr. DIES. I may say to the gentleman that we do not require witnesses to answer questions where they state, and have some justification for their position, that the answers might tend to incriminate them.

Mr. DUNN. One more question: I was there when the man was asked many questions about whether he knew So-and-So to be a Communist, and he said "Yes" or "No." For example, I was brought into the picture.

Mr. DIES. No; I do not believe the gentleman was brought in.

Mr. DUNN. May I say that the investigator asked Mr. Dolsen if he knew Richard A. Lawry, a Burgess of Homestead. The reply was "West Homestead." The question was asked, "Is he a Communist?" and the answer was "No." The question was asked, "Was he ever a Communist?" and he said "No." Because of that statement this man, who has seven children, has lost his job.

Mr. DIES. The gentleman is speaking of Mr. Lawry?

Mr. DUNN. Yes.

Mr. DIES. The gentleman came to the committee and stated that Mr. Lawry was entitled to be heard. We told the gentleman that we would hear him instantly. He is now in Washington, and we are preparing to hear him.

Mr. DUNN. I thank the gentleman.

The SPEAKER. The question is on agreeing to the resolution offered by the gentleman from Texas.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address entitled "Women and Cancer" to be delivered by me this afternoon; also an address by Dr. Parran, the Surgeon General, on the same subject.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

GUAM

Mr. IZAC. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. IZAC. Mr. Speaker, I do not rise at this time to chide any of you because of your vote against the commercial development of Guam this spring, but I do believe I should call attention to the fact that a very able editorial appeared in the Washington Evening Star on the 26th of this month, 3 nights ago. It would do your heart good to see what the Japanese are doing just 150 miles away from Guam, not on an island that they own but on one of the mandated islands given them after the World War just for administration. We refuse to develop something that is a real asset of our own, an island that we really own and to which we have all proprietary rights, yet here Japan, 150 miles away, is developing an island commercially in exactly the same way we asked that our development of Guam take place, by the dredging of the harbor. I really believe that when this question comes up next year most of my colleagues will see fit to vote for it, and I sincerely hope they will. [Applause.]

Mr. Speaker, the editorial to which I have referred is as follows:

[From the Washington Evening Star of March 26, 1940]

JAPAN'S LITTLE JOKE

Japan's belated report on her administration of the mandate islands in the Pacific should prove enlightening—and altogether embarrassing—for those in Congress who were responsible for disapproving the Navy's plans for improvement of the harbor at Guam, our small but strategically important insular possession near the mandate groups. It now appears that while the critics of the Guam project have been expressing fears that harbor improvements at the island might offend Japan, the Japanese have been having a secret little joke at our expense. They have been very busy with some extensive harbor improvements of their own right in the vicinity of our island outpost—with utter unconcern as to whether Uncle Sam would like it or not. While anti-American elements in Japan were viewing with what must have been mock alarm our Navy's plans for dredging coral reefs from Guam's waters, "because Guam is less than 1,500 miles from Japan," Japanese engineers, under cover of strictest secrecy, were dredging a harbor and building a pier at Saipan, about 150 miles north of Guam. Other "harbor improvements" are under way or planned, according to Japan's report for 1938 to the League of Nations, a copy of which has just reached the State Department here.

We will have to take Japan's word for it that the improvements are for commercial purposes. No American is permitted to visit any of the more than 600 islands in the mandate groups. Strangers are not wanted there. The report showed that only 12 foreigners visited the islands in 1938 and none was an American. It will be recalled that only last year, when a fishing boat from Saipan was wrecked at Guam, the Japanese refused to permit an American vessel to return the survivors to Saipan. Instead, the American ship was met at sea by a boat from Saipan.

The report was especially significant by reason of an omission. Although the 1937 report stated specifically that no fortifications were being constructed on the islands there was no such assurance in the present statement, although it is contended here that Japan is obliged to refrain from fortifying them. Whether Japan might feel offended or not, she should be required to give this assurance without further delay. Her report is incomplete without it. And until a complete report is filed, Japan is in no position to protest about any open and aboveboard harbor improvements or even fortifications that we should wish to undertake at Guam.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein the editorial to which I referred.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL LABOR RELATIONS BOARD

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Special Committee to Investigate the National Labor Relations Board may have until midnight tomorrow night to file an intermediate report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

COMMITTEE ON MILITARY AFFAIRS

Mr. MAY. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs, or any subcommittee thereof, may be permitted to sit during the sessions of the House during the coming week.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, another cigar factory in my district has closed, throwing out of employment 100 employees. For every employee thrown out like this, about five people go on relief, or must find something else to do. I have a letter from an industrial man employing 600 people, who says, "Since I have been in business during 38 years, I have never felt less disposed to push ahead than I do now." This is all because the Labor Committee is on a sit-down strike, and refuses to take action and amend these laws.

The National Labor Relations Board has ordered certain cigar manufacturers in my district to pay back $33,000 to their employees. Just recently they ordered a cigar manufacturer to pay back $2,900, and everyone of the employees went back in his office the next day and laid their money down. [Applause.]

[Here the gavel fell.]

CONTESTED-ELECTION CASE—SCOTT AGAINST EATON

Mr. GAVAGAN. Mr. Speaker, by direction of the Committee on Elections No. 2, I call up House Resolution 427.

The clerk read as follows:

House Resolution 427

Resolved, That Byron N. Scott was not elected a Member from the Eighteenth Congressional District of the State of California to the House of Representatives at the general election held November 8, 1938; and

Resolved, That Thomas M. Eaton was elected a Member from the Eighteenth Congressional District of the State of California to the House of Representatives at the general election held on November 8, 1938.

Mr. GAVAGAN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1941

Mr. CALDWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9109) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, to be equally divided between the gentleman from Nebraska [Mr. STEFAN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9109, the District of Columbia appropriation bill, 1941, with Mr. THOMASON in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. CALDWELL. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, at the outset I want to acknowledge my appreciation to the members of the subcommittee who served with me on this bill. They gave unselfishly of their time and attention and in every way cooperated to the end that an act acceptable alike to the District and the Congress might be evolved. There was no suggestion of partisanship nor of serious disagreement in the committee. Although we expedited our work as much as was consistent with conditions, the committee gave very thorough consideration to every phase of the District budget.

SCOPE OF THE BILL

The bill embraces all regular annual appropriations chargeable to revenues of the District of Columbia, including the

permanent Federal contribution, and also appropriations on account of park areas under the jurisdiction of the National Park Service, the National Capital Park and Planning Commission, the Zoological Park, and for certain work being performed under the supervision of the Corps of Engineers.

APPROPRIATIONS AND ESTIMATES

The Budget estimates for the purposes contained in this bill will be found in detail beginning on page 911 of the 1941 Budget. In addition to these estimates additional supplemental estimates, which were contained in House Document 585 and House Document 668, were also considered by the committee. The original Budget and the supplemental estimates aggregated $49,609,418. The bill under consideration carries appropriations totaling $48,291,717, or a reduction, under the Budget estimates, of $1,317,701. The bill, however, is in excess of the 1940 appropriation by $222,510.

Summarizing the estimates and appropriations for 1941, classified by sources of revenue, it would be seen that the bill provides:

	Budget estimates, 1941	Amount in bill for 1941	Increase (+) or decrease (−), bill compared with Budget estimates
Payable from—			
Gasoline-tax fund	$4,940,150	$4,918,990	−$21,160
Water revenues	2,542,980	2,244,830	−298,150
General revenues derived from taxes on real estate, tangible property, public utilities, banks, etc	36,126,288	35,127,897	−998,391
U. S. Treasury	6,000,000	6,000,000	
Total, regular annual	49,609,418	48,291,717	−1,317,701

APPROPRIATIONS AND REVENUES

The total appropriated in this bill by the committee and chargeable to the general fund of the District of Columbia and the Federal contribution is $41,127,897. In addition there are other charges against the general fund contained in other appropriation bills, including deficiencies, judgments, and so forth, estimated at $1,310,203, and making a total estimated charge against the general fund for 1941 amounting to $42,438,100. The total general-fund revenues for the fiscal year 1941 are estimated to be $42,723,000. This leaves an estimated surplus for the fiscal year 1941 in the general fund of $284,900. However, it is estimated that there will be a deficit for the fiscal year 1940 amounting to $1,085,415, which, after deducting the probable surplus for the fiscal year 1941 amounting to $284,900, will leave a net deficit at the close of the fiscal year 1941 of $800,515, unless additional revenue is provided.

The total amount approved by the committee payable from the gasoline tax and motor-vehicle fund is $4,918,990. This fund is available only for use in connection with highway department and related expenditures. The estimated revenue available in the fund for 1941 is $4,987,388.

The committee has approved a total of $2,244,830 payable from the water fund of the District. This fund is available only for water department expenditures. The estimated revenue available in this fund for the fiscal year 1941 is $2,695,410. The committee has recommended in the bill a total of $2,244,830. If this amount is approved for the fiscal year 1941, there will remain in the fund at the close of that fiscal year the estimated sum of $450,580.

The estimated expenditures from trust funds, grants, and indefinite appropriations during the fiscal year 1941 amount to $3,873,021. This sum is $6,501,870 below the estimated expenditure of $10,375,691 for the fiscal year 1940. These expenditures are made under permanent law heretofore enacted by Congress and continue as such until modified or discontinued.

ADMINISTRATIVE PROMOTIONS

In accordance with the policy heretofore approved by the committee in its consideration of previous appropriation bills, and set forth in the committee report on the independent offices appropriation bill (H. Rept. 1515, 76th Cong.), the committee has eliminated all new money submitted in the estimates for within-grade promotions. The total amount eliminated in connection with this bill amounts to $47,820. The committee has also continued in the bill a provision contained in the current law which limits the administrative promotions which may be made from lapses to a total of $50,000 during the next fiscal year and provides that the amount which may be expended for reallocations shall not exceed $35,000.

PUBLIC WELFARE AND HEALTH INSTITUTIONS

The subcommittee made a personal inspection of each of the institutions coming under the jurisdiction of the Board of Public Welfare and also visited the two major hospitals—Gallinger Hospital and the Tuberculosis Sanatoria at Glendale, Md. A survey of several of the institutions which have been under severe criticism within the past few months was also made by a group of responsible citizens of Washington, who were asked to study and report as to the situation at these places. Also, a person experienced and skilled in the matter of social service and welfare conditions in general was asked to come to Washington and make a careful study of the situation. The Board of Public Welfare and the director were heard, and numerous citizens appeared in connection with these institutions. We are of the opinion that conditions should be improved at three of the institutions under the Board of Public Welfare. The recommendations, which will be discussed in more detail later, reflect the composite opinion of the various groups which have cooperated with the committee in its attempt to improve conditions at these institutions.

DEPARTMENT OF INSPECTIONS

In addition to the denial of funds for additional promotions in this office, the committee has disallowed $1,440 for a clerk in the electrical division. The committee is of the opinion that the existing clerical staff is adequate to take care of the work.

CARE OF DISTRICT BUILDINGS

For the care of buildings under the control and operation of the District the bill provides a total of $191,210, which is $56,070 in excess of the 1940 appropriation and $9,080 less than the Budget estimates. We have made a net reduction of $10,780 in the item for fuel, light, and power for the District buildings. The reduction of this amount will leave a total of $90,340 for the next fiscal year, which is $38,260 in excess of the 1940 appropriation.

BOARD OF TAX APPEALS

In recommending $14,040 for the Board of Tax Appeals, which is the amount of the current appropriation, I wish to call attention to the fact that this Board is composed of a single member without any considerable training and experience in matters of property valuation, who is called upon to review and adjust assessments fixed by the Board of Assessors, which has the experience, background, and information to do a better job than anyone else.

PUBLIC UTILITIES COMMISSION

There is recommended for this Commission an appropriation of $69,920, which is $500 less than the current appropriation and $4,280 below the Budget estimates.

CONTINGENT AND MISCELLANEOUS EXPENSES

For contingent and miscellaneous expenses for the District, such as printing and binding, postage, advertising, and so forth, the bill allows a total of $281,360, which is $34,779 below the 1940 appropriation and $4,949 under the Budget estimates.

PUBLIC LIBRARY

For the operation and maintenance of the Free Public Library the committee considered estimates totaling $792,670 and allowed appropriations amounting to $778,540, which is $230,950 more than the 1940 appropriation and $14,130 less than the Budget estimates. The substantial increase over the current appropriation is due almost entirely to the allowance of $200,000 for continuing construction of the new main library

building, for which an unexpended balance of $350,000 was made available in the current act. This second appropriation, which is recommended in the bill, will carry forward the project, to be constructed over a 3-year period, leaving a total of $568,000 unappropriated for completion of the project.

SEWERS

For the continuation of this work we recommend a total of $1,198,560, which is an increase of $65,760 over the 1940 appropriation and $55,350 below the Budget estimates. This reduction in the estimate is applied primarily to funds for the construction of sewers, including assessment and permit work in connection with such construction, the committee having recommended a cut of $25,000 in each item.

COLLECTION AND DISPOSAL OF REFUSE

A total of $1,502,180 is contained in the bill for the collection and disposal of refuse, which is $35,230 in excess of the current appropriation and $76,020 below the Budget estimates. We allowed increases in the estimates of $12,030 for street cleaning and snow removal and an increase of $24,000 over the current appropriation of $896,000 for the disposal of refuse, which includes the operation of two incinerators. These increases are provided to take care of the normal expansion of work due to the growth of the city.

We eliminated from the bill an estimate of $75,000 for the purchase of a site for a new high-temperature incinerator to be located somewhere in the northeast section of the city.

PUBLIC SCHOOLS

In the consideration of funds to be provided for the public schools the committee had before it estimates totaling $13,275,312. We recommend a total of $12,778,773, which represents a decrease of $590,385 under the 1940 appropriation and is $496,539 less than the Budget estimates.

For the salaries of administrative and supervisory officers the committee allowed $706,950, which is $17,147 in excess of the current appropriation and $800 less than the estimates. We denied $6,400 for the employment of two heads of vocational guidance, at $3,200 each, and transferred to this fund $5,600, the salary of one first assistant superintendent of community center and recreation activities.

We made a reduction of $8,800 in the estimate of $7,338,994 for teachers and librarians, the reduction being due to the allowance of additional funds under the industrial home school for the carrying out of an educational program under the direction of the head of that institution.

Under care of buildings and grounds additional funds have been requested in the estimates for personnel for the operation and maintenance of the Calvin Coolidge Senior High School and the Thomas Jefferson Senior High School, and the committee has recommended personnel which it considers sufficient to operate these two schools.

For the current year an appropriation of $312,500 was provided for fuel, light, and power, and at that time responsible officials urged that a total of $325,000 would be required. It is now estimated that during the current fiscal year a total of only $293,741 will be expended. In view of this fact we have allowed $300,000.

For contingent expenses there is allowed $155,000, which is $18,905 less than the Budget estimate and $5,000 in excess of the current appropriation.

The committee considered estimates totaling $313,843 for furniture and equipment, $4,800 being contained in House Document 668, which proposed that sum as an additional amount for completing the furnishing of the Banneker Junior High School. The committee has allowed $4,500 for this latter purpose and recommends a reduction of $19,043 in the original Budget estimate of $309,043.

A total of $476,585 was considered by the committee for repairs and improvements, including an estimate of $11,100 for repairs and improvements, and equipment for the health school on Thirteenth near Allison Street. For this latter purpose the committee has allowed $9,000.

During hearings on the bill the committee was advised that at the present time there are enrolled in the public schools of the District between 2,700 and 2,800 students who reside in nearby Maryland and Virginia, and that last year it cost about $265,000, computed on the basis of per pupil costs, to educate these children. This burden should not be borne by the taxpayers of the District, and we have inserted in the bill a corrective provision requiring the payment of tuition for such children. It should be pointed out, however, that this provision will not affect pupils now enrolled, but will prohibit future enrollment of children for free instruction and will gradually correct the situation over a period of years.

The building projects included in the bill, together with the limit of cost in each instance where such authorization is recommended, are as follows:

Building	Appropriation in the bill	Limit of cost
Syphax School	$95,000	$190,000
Junior high school in vicinity of 17th and Q Sts. SE	445,000	881,850
Vocational school to replace Abbott Vocational School	250,000	500,000
Preparation of plans and specifications for senior high school at 24th St. and Benning Rd. NE	20,000	900,000

In connection with the provision for the purchase of two building sites, the committee has recommended $40,000 instead of $47,000 as contained in the Budget. It is believed that the former sum will be adequate to acquire the land necessary for these purposes.

METROPOLITAN POLICE

A total of $3,306,480 was considered in the Budget estimates for the salaries and expenses of the Metropolitan Police force for the fiscal year 1941. The bill carries $3,301,785, which is $85,850 less than the current appropriation and $4,695 below the estimates.

We deducted $2,000 from the estimate of $18,000 for repairs and improvements to police stations, $1,000 from the estimate of $77,150 for contingent expenses, and $1,700 from the estimate of $66,700 for the purchase of motor vehicles.

FIRE DEPARTMENT

In recommending a total appropriation of $2,353,095 for this activity the committee has provided funds which are $29,895 less than the 1940 appropriation and $11,910 less than the Budget estimates, such reductions being made in operation and maintenance items, and due primarily to the consolidation of stations made pursuant to the provisions of the 1940 District of Columbia Appropriation Act.

HEALTH DEPARTMENT

For the Health Department including the Tuberculosis Sanatoria and the Gallinger Hospital, there is allowed a total of $2,540,600, which is $31,740 more than the 1940 appropriation and $33,600 less than the Budget estimates.

For medical services there is allowed $399,870, which is $2,990 less than the Budget estimates and a like amount under the 1940 appropriation. Denial of funds for step-ups, the disallowance of one nurse at $1,800 per annum, and $250 for medical supplies for the new southwest health center account for the reductions in this item.

We recommend $20,000 for furnishing and equipping the new southwest health center instead of $21,000, as proposed by the Budget, and have eliminated the Budget proposal for $13,000 to be used to purchase a site for a health center in southwest Washington. The committee is of the opinion that this proposal should be deferred until the school-replacement program is undertaken, at which time one or more sites ideally located for this purpose will be available without additional cost to the District.

The committee recommend an appropriation of $638,960 for the operation and maintenance of Tuberculosis Sanatoria, which is $11,592 in excess of the 1940 appropriation and $3,920 less than the Budget estimates. An increase of $37,592 over the current appropriation is allowed for personal services in order to place employees in the nursing and dietetic departments on a 44-hour week. Such employees are at present on an average of 49½ or 50 to 50 or 56 hour week.

For personal services at Gallinger Hospital there is allowed $675,000, which is $75,660 in excess of the 1940 appropriation and $12,840 less than the Budget estimates. Increases allowed by the committee will provide necessary personnel for two new buildings and will also be applied to the program of reducing the working hours of hospital personnel.

During hearings on the bill the committee inquired into the number and amount of fees charged patients in the two local District-operated hospitals and gave particular attention to the tuberculosis hospital at Glenn Dale, Md. The committee was informed that at this institution an average of about 25 patients are paying for hospitalization at the rate of from $1 to $2 per day. The impression was obtained by the committee during this discussion that too little attention is given to this question and that more careful investigation and regulation would produce greater revenue to the District.

The committee has restored an item providing $5,000 for general repairs and improvements to Columbia Hospital which was eliminated by the Budget from the 1941 estimates. The District has for years been making a contribution toward the maintenance of this institution but we feel that inasmuch as the land is owned by the United States Government and the buildings were constructed by the Federal Government and the District of Columbia that consideration should be given to the advisability of turning the property over to the District to be operated as a municipal institution or for such other purposes as may be found desirable. The property seems to be valued at around a half million dollars and I can see no reason why the Government should subsidize a privately operated hospital in any such manner.

COURTS

Practically no changes in the appropriations made for the juvenile court, police court, and the municipal court have been made. The aggregate appropriation is $3,118 less than the 1940 item and $928 less than the Budget estimates.

PUBLIC WELFARE

Turning now to the Department of Public Welfare, I want to reiterate what has been said about the personal inspection made of every one of the institutions by the members of the subcommittee. While conditions were found to be far from desirable, it must here be said that they were not nearly so bad as has been painted. The chief difficulty has not been lack of funds but the failure to use available moneys in the wisest and most beneficial way. Or, to put it another way, the trouble has been directional and not monetary.

A total of $7,473,925 is allowed for the several activities and agencies comprising the public-welfare service. This sum is $123,100 more than the 1940 appropriation and $20,630 less than the Budget estimates.

For personal services we recommend $149,900, an increase of $5,370 in the current appropriation and $7,160 in excess of the Budget figure. Aside from the deduction of $1,440 for administrative promotions, we have increased the estimate by $6,500 to provide for a principal Assistant Director of Public Welfare and a stenographer at $1,440 per annum. This principal assistant director is to be a capable officer who will devote his entire time to the inspection and administration of the public-welfare institutions of the District, which will be under his immediate supervision and for which he will be responsible. It is the recommendation of the committee that this officer keep in constant touch with conditions at the institutions and visit them at frequent intervals. The committee feels that the fixing of responsibility on one qualified official who will devote his entire time to this duty will do much toward eliminating the unsatisfactory conditions which have existed in several of the institutions.

The receiving home was visited by the members of the committee. The quarters in which this institution is housed are unsuited for the purpose both as to size and arrangement, and it is recommended that the Commissioners give consideration to the location of a new home as soon as the financial condition of the District will permit. The committee believes that immediate steps should be taken to separate delinquent from nondelinquent children who are now housed together in the present home, and to that end we have allowed funds and inserted a proviso to the appropriation for board and care of children, which will permit the continuous operation and maintenance of two foster homes for the temporary board and care of nondelinquent children. This provision will take care of all children of the nondelinquent class and will correct one of the outstanding causes of complaint against the institution.

For personal services at the jail the committee has allowed $101,580, which is $8,280 less than the estimates and $3,360 more than the 1940 appropriation.

The committee considered a supplemental estimate in the sum of $64,000 for the completion of an addition to the jail, for which $250,000 has been provided heretofore. The estimate also proposed an increase in the limit of cost of this building from $250,000 to $314,000. In allowing $44,000 for completion of the building the committee has disapproved an expenditure of the remaining $20,000 in the estimate intended for use in providing a walled enclosure for the jail yard as not justifying the expenditure involved. In line with the reduction in the estimate the committee has recommended a cut in the proposed limit of cost to $294,000.

Members of the committee who visited the workhouse and reformatory were favorably impressed with the efficient administration of the affairs of these institutions. The so-called prison industries are well planned and organized and are being carried on under intelligent direction. Discipline among the prisoners is good and the physical condition of the plant is excellent.

We found that the institutions at Lorton are now purchasing their power from local utilities at what we consider an exorbitant price and asked the superintendent to submit a preliminary survey as to the economies which could be effected by the installation of a Diesel or a steam power plant. The preliminary report is shown in the printed hearings. It is suggested that the District Commissioners direct the appropriate authorities to make a careful and detailed study of this question for the purpose of determining whether a plant should be erected. On the basis of a casual study it appears that from one-third to one-half the annual power bill may be saved and the cost of the new installation amortized over a period of 20 years or less.

With the exception of a reduction of $2,350 in the estimate of $481,350 for maintenance and supplies for the institution and an item of $25,000 for a new bakery building, the committee has allowed other estimates as submitted.

Members of the committee who visited the National Training School for Girls were of the opinion that conditions were not satisfactory at the institution and that definite improvements could be made from the standpoint of sanitation and educational opportunities. It is believed this situation could be corrected by additional supervision and with a small additional expenditure for repairs and improvements. To carry into effect these recommendations the committee has provided for a superintendent at $3,800 per annum to be appointed by the Board of Public Welfare with the approval of the Commissioners, $1,620 is allowed for an employee to serve as instructor of vocational education, and $1,800 additional is provided for medical supplies, farm supplies, repairs, and temporary labor. Other increases, including one parole officer and one watchman, are allowed by the committee as provided in the estimates.

The committee at the District Training School found general conditions were fairly good. Some improvements as to segregation of inmates by classes and ages can undoubtedly be effected, and better care of the ground surrounding the building would greatly enhance the appearance of the institution. With the exception of a reduction of $5,000 in the estimate of $110,000 for maintenance of the institution, the committee has allowed funds for this school as submitted in the Budget estimates.

The committee members who visited the Industrial Home School were of the opinion that general supervision and administration was satisfactory but that improvements could be effected insofar as the educational program was concerned

and that a small additional sum for repairs and improvements was urgently needed. Teachers from the public schools are at present detailed to this institution for the purpose of instructing inmates. The committee believes that the educational program should be carried on by resident teachers directly under the supervision and control of the superintendent and that vocational training should be emphasized. To accomplish this purpose the committee has provided $7,570 for four teachers, including one part-time instructor in vocational education who will be appointed by the Board of Public Welfare. An increase of $1,600 in the estimate of $23,500 for maintenance is allowed for the purchase of equipment to put the vocational program into effect. An increase of $1,500 in the estimate of $5,000 for repairs and improvements will permit the correction of faulty plumbing, improve sanitary conditions, and provide for painting and repair to roofs.

In view of the publicity which has been given conditions at the home for aged and infirm, the committee has paid especial attention to the problem, and members of the committee have made visits to it on different occasions. The committee is of the opinion that most of the criticism leveled against the institution can be corrected by improvement in the supervision and direction of affairs at the home and by a modest increase in personnel to meet existing deficiencies. While the present superintendent of the home has rendered excellent service over a long period of years, the burdens of the work have increased to a point where it is imperative that additional supervisory personnel be provided. To meet this condition the committee has made provision in the bill for a superintendent at $4,600 per annum. The total new personnel allowed by the committee, including three new employees contained in the Budget estimates, is as follows:

	Increases
Superintendent	$4,600
2 nurses	3,260
Resident physician	3,800
Stenographer	1,440
7 hospital attendants	8,820
3 attendants	3,780
Total	25,700

To provide needed repairs to existing structures, the committee has added $7,350 to the estimate of $5,000 submitted in the Budget. Appropriations for public assistance, which include general relief, home care for dependent children, assistance against old-age want, and pensions for needy blind persons, totaling $1,678,000, are approved as provided in the estimates. The committee has also approved the proposal of the Budget earmarking $49,960 of funds for public assistance for use in certifying persons eligible for work relief and surplus commodities.

The committee has inserted in the bill the sum of $15,000 to provide for the education of handicapped or shut-in children. For the past 2 years this work has been carried on by the Work Projects Administration, which has announced that this work cannot be continued after July 1 next. While the sum provided in the bill is somewhat less than the amount provided from emergency funds, the committee feels that it is the maximum which can be allowed for this purpose and that it is sufficient to do a reasonably good job, especially if attention is given to assembling some of the less handicapped children into small groups at regular intervals. This program should be carried on with the cooperation of the public-school authorities.

MILITIA

Aside from the disallowance of $120 for administrative promotions, the sum provided for general expenses in connection with the local militia is the same as provided in the estimates and the current law—$48,880. The committee recommends a reduction of $200,000 in the estimate of $1,300,000 for continuation of construction of the new armory building. This reduction will have no effect on the date of completion of the building, which is being constructed under a 3-year program. During the fiscal year 1942 the sum of $1,150,000 will be required to complete construction of the project.

PUBLIC PARKS

For the several activities making up this appropriation there is recommended $919,842, which is $27,951 less than the 1940 appropriation and $7,280 less than the estimates. With the exception of the disallowance of $1,680 for administrative promotions and the deduction of the salary of the recreation coordinator—$5,600—who has been transferred to the public-school pay roll, the funds recommended for this work are the same as proposed in the estimates.

NATIONAL ZOOLOGICAL PARK

Other than the elimination of funds for promotions, the committee has approved the Budget estimate for this activity. The committee wishes to call attention to the amount set up against this appropriation for telephone charges, which it regards as entirely too large, and recommends that the matter be given study with a view to bringing it in line with essential requirements.

HIGHWAY DEPARTMENT

For the several activities provided for under this fund there is recommended $4,918,990, which is $241,765 less than the 1940 appropriation and $21,160 less than the Budget estimates. The committee has provided an additional electrician at $1,800 per annum to assist in the repair of traffic lights.

In connection with the estimate of $943,000 for repairs to streets, snow removal, and so forth, the committee has allowed $922,500 in recommending a reduction of $20,500 in the item. The increase of $72,500 over the current appropriation, which is approved by the committee will provide additional funds for snow removal and snow-removal equipment. In this connection, $25,000 is provided for the purchase of snow plows, and $12,500 is for the purchase of small tractors especially equipped for snow-removal purposes. Eighteen thousand dollars is provided to reimburse funds used to meet emergency snow-removal expenditures during the current year, leaving $42,000 in the fund for labor in connection with snow removal during the next fiscal year.

With the approval of the Commissioners the committee has also inserted in the bill a provision making the sum of $15,000 available from the street-repair fund for the preparation of plans and specifications for an underpass in line of Sixteenth Street NW., at Scott Circle. This project is shown as being especially urgent owing to the congestion of traffic at this point since the opening of the new underpass at Fourteenth Street and Thomas Circle. It is estimated the project will cost nearly $400,000.

WATER SERVICE

For the general services operating under the Water Department and payable from water-fund revenues, including the laying of water mains, the installation of meters, and so forth, there is recommended $2,244,830, which is $194,570 less than the 1940 appropriation and $298,150 less than the Budget estimates.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield to the gentleman from Kentucky.

Mr. O'NEAL. I would just like to make the statement that when the consideration of this bill was first mentioned there was some reluctance on the part of some Members to serve on the committee because of its controversial nature and because of the existence of many other duties which they felt were more of an obligation. The chairman of the Appropriations Committee, Mr. TAYLOR, selected the gentleman from Florida and asked him to serve as the chairman of the committee, and through a fine spirit of service, almost of self-sacrifice, the gentleman from Florida [Mr. CALDWELL], accepted the chairmanship of the committee. Those of us who served with him were very much gratified by the way he handled the work, by his intelligence and conscientious approach to the job, and we feel that the Congress and the District of Columbia have been highly favored in having the gentleman from Florida [Mr. CALDWELL] as chairman of the District of Columbia Subcommittee. [Applause.]

Mr. CALDWELL. Mr. Chairman, I am grateful for the kind words of the gentleman from Kentucky, but I must say that the work which has been done on this bill has been done

by the committee, by the members who voluntarily offered their services and who have done a good job. They have worked hard, rapidly, and faithfully. [Applause.]

Mr. STEFAN. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, as ranking member of the minority subcommittee making appropriations for the District of Columbia, I wish to take this opportunity of telling you of my appreciation for the courtesy extended to me by our chairman, the gentleman from Florida, the Honorable MILLARD F. CALDWELL, and other members on this committee who include the gentleman from Texas, Hon. GEORGE H. MAHON; the gentleman from Kentucky, Hon. EMMET O'NEAL; the gentleman from Michigan, Hon. LOUIS C. RABAUT; the gentleman from Kansas, Hon. JOHN M. HOUSTON; the gentleman from South Dakota, Hon. FRANCIS H. CASE; and the gentleman from Kansas, Hon. WILLIAM P. LAMBERTSON. I wish also to add a word of appreciation for the valuable assistance given to us by Mr. William Duval, our committee clerk.

This is the second time I have had the privilege of working on appropriations for the District, and, while it contains very little interest so far as the people of my own congressional district are concerned, I feel that it is an honor to serve on a committee which has to do with the appropriating of funds to carry on the functions of the government of our Nation's Capital. This bill takes in all the regular annual appropriations charged to the revenue of the District, including the permanent Federal contribution of the $6,000,000, over which there has been so much controversy in the past. This amount has ranged from five millions up to nine millions of dollars, and in spite of many surveys no one has yet informed Congress just what the proper amount should be, in my opinion. Anyway, members of the committee should know that this bill carried over $48,000,000, in which their own taxpayers have an interest in the Federal contribution of $6,000,000, plus other Federal benefits which are not reflected in this bill. Compared with the Budget estimate, the bill shows a decrease of $1,317,701.

In my opinion, there is no other appropriation bill which comes before this House each year which attracts more attention of the people in the District of Columbia than does the bill which we bring before you at this time. It comes to you in finished form after a most careful study and consideration by every member of this committee. It comes to you after a diligent study of each item and after a personal survey of many of the institutions which are located here. The committee brings this bill to you after holding intensive hearings and making it possible for everyone interested in the city to appear before the committee and state their views on various matters.

As is the case in other appropriation bills, your committee members are forced necessarily to depend upon the information and justifications brought to them by the various officers in charge of the various departments of the city government. In this work we were greatly aided by Maj. Dan Donovan, the District auditor, who, I believe, knows more about the District financial problems than any other individual in the city. The committee has gone further this year by making personal investigations and securing information direct from many citizens directly interested and directly affected by taxation. Until the taxpayers and citizens of this city secure a more direct benefit toward securing the privilege of saying how their tax money shall be expended, I feel that this committee has gone the limit in taking the feelings of the local public opinion and of the citizens into consideration before reaching its conclusions.

So far as I know, there is very little controversy in this bill, and it comes to you with the unanimous report of the committee. The hearings contain 559 pages of valuable information, which will indicate to you the length to which the committee went in securing information in order to be fair regarding the wishes of the citizens. The report will give to you explanations on some of the items which will show some changes compared with the items contained in the bill a year ago. I specifically call your attention to the items regarding education, public health, and public assistance, and the construction items. A close study of the hearings will indicate to you why the newspapers recently have stated that Washington is the third city in the United States in the point of new construction.

Evidence brought before us will indicate that this city and greater Washington is continuing to experience a boom and that thousands of people from all parts of the country are being attracted here because of the gigantic pay roll. As a result of this gigantic growth of the city, taxpayers find that quite a bit of their money goes toward benefits for individuals, which should be borne by taxpayers of other States, largely by the States bordering the District of Columbia. This is brought out by the fact that a year ago 2,400 pupils came to Washington from Maryland and Virginia and secured free tuition. Today that number has jumped to around 2,800, and in reply to a question, the Superintendent of Schools told the committee that the taxpayers of the District of Columbia are forced to pay $265,000 for tuition for children that should be the responsibility of nearby States. Free medical attention, free hospitalization, and other benefits here are also going to many of the people who should be the responsibility of neighboring States, and just how much of the Federal contribution goes toward these expenditures has not been determined. Yet it is safe to say that the Federal contribution to the District of Columbia government in which money paid by taxpayers in Nebraska and other States in the Union is represented, does find its way into these various expenditures.

Until some other means of appropriating funds for the District is found and until the people in the city who actually pay the bill are given more freedom and more responsibility and right to determine how their money should be spent, this Congress must act as a sort of a city council for the Nation's Capital, and your Subcommittee on Appropriations must do the best it knows how in giving fair treatment to the citizens here. Mr. Chairman, I am proud of my Nation's Capital, and like other Members and other citizens of this Nation, I am very happy to know that every effort is being made on the part of the various agencies in charge to make it the most beautiful capital city in the world. I feel every member of the committee feels the same way about it, but I know they also feel that eventually the citizens here—the taxpayers—will bring about some change in order that they will carry on their responsibility so far as the expenditure of their own money is concerned, and that something will develop in the near future whereby the taxpayers of the other States of the Union will not feel that they are in any way unjustly being taxed for the many benefits derived by the people here.

People in the various States in the Union may not realize that the city of Washington is now probably the fastest growing city in the United States. The fact that the Nation's Capital is located here is the only reason. I make this statement on the basis of facts printed in a recent issue of the Washington Evening Star, which is admitted by every newspaperman here to be the best newspaper published in Washington, and, in fact, one of the best newspapers in the United States. I feel sure that most of the people in the United States would now be happy to have the Capitol of our country located in their city. I know we people in Nebraska would like to have the Capitol in our State. We who have suffered droughts, insect plagues, and so on, would be glad to have some of the benefits which pour into this city as the result of the Capital being located here. So far as I am concerned, I feel that Washington has never felt a depression such as we have been feeling in the State of Nebraska. Let me tell you some of the benefits Washington is receiving as they are shown by the Washington Star:

> Washington leads the Nation in concentration of buying power, with private and Government pay rolls ranging between $43,000,000 and $50,000,000 a month. The magazine Sales Management estimates annual income in the District of Columbia at $3,867 per family, higher than for any other area.
>
> Population of the Washington metropolitan area has increased to approximately 950,000, compared with only 621,059 in the 1930 Federal census. Utility connections indicate a gain of 150,000 persons in the last 4 years.

Washington retail trade volume exceeded $400,000,000 for the first time in history during 1939. Department-store sales swept 3.5 percent ahead of their previous all-time high peak set in 1937 and were 18.2 percent ahead of the 1929 levels.

The rapid building pace necessary to meet greatly expanded needs for housing has attracted Nation-wide attention. More than 13,000 families were provided for in the last year in the metropolitan area. Since the beginning of 1935 more than 50,500 families have been provided for within the same boundaries.

Washington has more telephones in ratio to its population than any other city in the world. At the end of 1939 there were 254,042 connections in the District of Columbia itself. There were 311,027 connections in the metropolitan area.

With approximately 263,000 automobiles in the metropolitan area, Washington is an outstanding market for automotive products. Gasoline consumption in the District of Columbia alone jumped during 1939 to another new record of 143,000,000 gallons.

Millions of people from all over the Nation visit their National Capital every year. Visitors at Smithsonian Institution, mecca of tourists, totaled 2,542,268 during 1939, another new record.

Consumption of electric power and gas forged into new high ground during the year. The home-appliance industry rates Washington one of its most highly developed markets.

[Applause.]

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Yes.

Mr. TREADWAY. In view of the fact that this measure has to do with the finances of the District of Columbia, is the committee influenced to any great extent by the press references that are made to various items that come up in this bill?

Mr. STEFAN. Mr. Chairman, I thank the gentleman from Massachusetts for asking that question, because I know that every Member in the House, when he picks up a local newspaper about a month before the appropriation bill is made up for the District of Columbia, finds a mass of news stories, with great headlines, calling our attention to the various ills of the District of Columbia, but let me tell the gentleman something else. I welcome the information in the press, be cause I bleieve that is the only means that the people in the District of Columbia have to express their wishes. They have no other way of expressing their wishes in the District of Columbia, and the molding of opinion here is largely done through the newspapers which perform a great service to the taxpayers in the District who cannot become vocal in any other way.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Yes.

Mr. RANDOLPH. I have listened with interest to the colloquy between the gentleman from Massachusetts [Mr. TREADWAY] and the gentleman from Nebraska [Mr. STEFAN] upon the subject of certain newspaper articles which might be brought to bear and exert an influence on appropriation bills for the District of Columbia. I think perhaps the gentleman will agree with me also that the District of Columbia Committee, charged with legislation for this jurisdiction, at times is criticized because we appoint subcommittees to make inquiry and survey certain ills or bad conditions that are brought to us for our consideration. The most recent investigation along this line is one in which, the gentleman from Maryland [Mr. D'ALESANDRO], looked into the welfare and hospital situation of the city. The gentleman from Nebraska realizes, I feel sure, that we do well to investigate outstanding complaints which are brought to our attention.

Mr. STEFAN. Oh, the gentleman is absolutely right. His committee performs a valuable work, but I wish to make the record plain that the gentleman from Massachusetts [Mr. TREADWAY] was not criticizing. He was seeking information as to how these matters are brought to the attention of the Congress, and had it not been for information brought to us in various newspaper articles, I am sure very little attention would be given to some particular things that Congress would not have the time to investigate. I know that the legislative committee has done wonderful work.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Yes.

Mr. RABAUT. I rise to say a word in comment of the distinguished gentleman from Nebraska and his devotion to this city. A moment ago he was paying favorable comment to members of the committee. The gentleman from Nebraska has been with the committee for some time, and his knowledge of District affairs is indeed great. I am wondering at this time if it would not be very appropriate for the Committee to have as a matter of record in the CONGRESSIONAL RECORD the appreciation of the committee of Major Donovan.

Mr. STEFAN. Interrupting the gentleman, I am in accord with him and in fact in the extension of my remarks the gentleman will find a commendation of Major Donovan who, I believe, knows more about the District's financial affairs than any other man in Washington.

Mr. RABAUT. The gentleman is correct.

Mr. STEFAN. I agree with the gentleman from Michigan who has worked so hard on these bills and I thank him for the help he has given us; but going further into the matter of these newspaper articles, I answer the gentleman from Massachusetts and say yes, they do reflect not only in legislation, but in the appropriation bill, and the bill we have before us carries a considerable reflection of some of the things brought to the attention of Congress and the public in general by the newspapers of Washington.

Mr. STEFAN. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

THE TREADWAY RESOLUTION FOR THE CREATION OF A FEDERAL TAX COMMISSION

Mr. TREADWAY. Mr. Chairman, my remarks today are addressed to a joint resolution which I have had pending for some time which proposes the creation of a nonpartisan Federal Tax Commission, representing both the Congress and the general public, to make a thorough study of the Federal tax structure and recommend much-needed reforms.

The President of the United States is authority for the statement that taxes in this country "have grown up like Topsy." That is one of the principal faults of our present tax structure. Our tax laws are a veritable hodgepodge. They have been enacted at odd times over a long period of years, and piled one upon the other. They are not part of any integrated or coordinated plan of taxation. They do not adhere uniformly to sound tax principles. Too little consideration has been given to their effect upon taxpayers and the national economy. The Federal and State Governments have gradually encroached upon each other's spheres of taxation, thereby bringing about multiple taxes of the same character.

I share the opinion of many that it is high time we took our Federal tax system apart and rebuilt it along more satisfactory lines. We should endeavor to develop a long-range, well-balanced, equitable, and simplified scheme of taxation which will meet the legitimate revenue needs of the Government without unduly burdening the citizen or business enterprise.

The revision of our tax system is one of our most pressing national problems. It is a subject which is of vital interest to every man, woman, and child, and every business concern in the country. It is said that from death and taxes there is no escape, and this is literally true. Those taxes which we do not pay directly to the tax collector we pay indirectly in the increased cost of goods and services, and the fact is that these unseen or hidden taxes make up the greater share of our present tax burden.

In my resolution, I propose what I conceive to be generally desirable tax policies to guide the Commission in its studies. These policies have received the personal indorsement of the Secretary of the Treasury, as appears from a colloquy which I had with him in the course of the hearings before the Ways and Means Committee on the 1939 tax bill. I shall ask unanimous consent to include brief extracts from these hearings at the conclusion of my remarks.

Now what are these tax policies which I propose, and which the Secretary of the Treasury has indorsed? I shall refer to them, one by one, and make short comments thereon.

STABLE TAX POLICY NEEDED

First, it is proposed that Congress establish a stable, more permanent Federal tax policy. Right now we do not seem to have any definite tax policy, or if any exists, it certainly is not a very stable one. Every year since 1932 we have had a tax bill of some sort. Whether we have one this year is as yet uncertain. In the last 5 years, corporations have been subjected to five different kinds of taxation—and still we wonder why we have business uncertainty. Under the act of 1934, all corporations paid a flat tax on their net income. In 1935, a graduated corporation income tax was enacted, which was to apply to the taxable year 1936 and subsequent years. In 1936, before any taxes had been collected under the graduated tax, the iniquitous undistributed-profits tax was passed, which completely revolutionized corporate taxation. In 1938, as a result of public criticism, this tax was drastically amended, and we had a graduated income tax on small corporations and a modified undistributed-profits tax on large corporations. The latter tax was superseded last year by a flat tax on net income. Business can usually adjust itself to any reasonable burden if it knows what it is going to be, but it is this constant change and fear of further change that has in a large measure contributed to the present state of uncertainty. If we adopt a fixed tax policy, we can adjust the rates upward or downward to meet changing revenue needs.

BURDENSOME TAXES SHOULD BE AVOIDED

Second, it is proposed that we raise the necessary revenue for the support of the Government with the least possible burden on individual taxpayers and business enterprises. While taxes are a necessary evil, care should be taken that they do not oppress or unduly burden the taxpayer. This is one of the outstanding purposes of the resolution.

EXCESSIVE RATES CAUSE REVENUE SHRINKAGE

Third, it is proposed that due regard be given to the natural economic law of diminishing returns in fixing tax rates. We have learned by experience that there is a point beyond which a higher rate of taxation produces not more, but less, revenue. In the opinion of many, the upper brackets of the surtax, which take as much as 79 cents out of the taxpayer's dollar, have already reached that point. Excessive taxes not only dry up the sources of revenue, but they tend to drive capital out of productive enterprise, to the great detriment not only of workers but of the Nation as a whole. The President has well stated that excessive taxes

> Are reflected in idle factories, tax-sold farms, and * * * in hordes of the hungry tramping the streets and seeking jobs in vain.

During the twenties we found that we could raise more money by reasonable taxes than we could by taxes that stifled business and took too large a share of the purchasing power of the people. We should profit by that example.

TAXES SHOULD BE BASED ON ABILITY-TO-PAY PRINCIPLE

Fourth, it is proposed that Federal taxes be based, insofar as practicable and expedient, upon the principle of ability to pay. We profess to follow that principle, but in practice we do not, except to a very limited extent. The income tax is the outstanding example of this kind of a tax. One of the questions which the proposed commission undoubtedly would consider would be the broadening of the income-tax base. This, of course, is a rather unpopular subject. However, I should expect the Commission, if it made a recommendation along this line, to offset the extension of the income tax to those in the lower-income groups by the elimination of the taxes paid by such groups which are not based on ability to pay. I realize that there are some few taxes of this character, such as those on liquor and tobacco, which from the revenue standpoint probably would have to be continued.

HIDDEN TAXES SHOULD BE ELIMINATED

Fifth, it is proposed that indirect and hidden taxes be eliminated insofar as possible. This principle overlaps the one just mentioned to some extent, but it needs separate recognition. These indirect taxes not only are not based on ability to pay, but their principal vice is that they deceive the taxpayer, particularly the person of small means, as to just how much he is having to pay for what the President has termed "the luxury of being governed." On November 18, 1937, I presented to the House some studies showing how much persons in various income groups paid per year in the form of hidden taxes. These studies showed that a man with an income of only $80 per month, who owned neither a home nor a car, paid over $116 annually to the Federal, State, and local governments in taxes of this kind, which, of course, he did not realize he was paying. The man with $150-a-month income who owned a second-hand car but no home paid $229 a year in hidden taxes. It was found that 25 cents out of every dollar paid to the landlord for rent went to reimburse him for taxes assessed against the property. The hidden tax in every dollar paid for food is 7 cents, for clothing 8 cents, for fuel and light 9½ cents, for transportation by automobile 20 cents, for recreation 10 cents, and so on. A large part of the price of everything a man buys is represented by hidden taxes of one kind or another.

According to official Treasury estimates, over 60 percent of the Federal tax collections come from taxes of this character. Because so many of our taxes are hidden, persons of small means, who are not subject to the income tax, are led to believe that they are paying nothing to the support of the Government, when as a matter of fact they are actually contributing the greater share of the total tax burden. If we would bring Federal taxes out into the open, so that each person would know how much he is contributing to the cost of government, we would soon get back to a sane spending program. Only when the people are tax conscious will they become expenditure conscious as well.

SIMPLIFICATION NEEDED

Sixth, it is proposed that efforts be made to simplify the Federal-tax system, including the forms of taxation, the statement of the law, and the methods of administration. Everyone knows that our present tax laws are a headache for taxpayers, and a bonanza for tax lawyers and accountants. There is room for much work to be done along the line of simplification. It has been said that we cannot have simple tax laws applying to the complexities of modern business methods, but still we do not have to go out of our way to make the statement of the law unintelligible, or the methods of taxation unnecessarily complicated.

SHOULD ALLEVIATE HARDSHIPS AND INEQUITIES

Seventh, it is proposed to alleviate the hardships and inequities in the application and administration of the tax laws. That these hardships and inequities exist, no one will deny. We should remedy them to the extent that it is possible to do so.

THE PROBLEM OF DOUBLE TAXATION

Eighth, it is proposed to minimize double taxation on the part of the Federal and State Governments. This is one of our most pressing problems, and one which is going to be most difficult of solution. It is worthy of being made the subject of a special study. The commission, however, could at least make recommendations as to how best to proceed in endeavoring to work the problem out.

TAX LOOPHOLES SHOULD BE CLOSED

Ninth, it is proposed that further efforts be made to prevent tax evasion and avoidance. Much work has already been done along this line, but some of the outstanding methods of tax avoidance still remain unremedied. One of these is the community property system which prevails in some nine States, whereby citizens in those States are legally enabled to reduce their Federal income tax by as much as 40 percent.

OTHER DESIRABLE CHANGES

Tenth, it is proposed that the commission suggest such other changes as will improve the Federal-tax system. This is more or less of a basket clause, there being no intention to limit the commission in the scope of its study. Under this heading, the commission could give consideration to such matters as whether it is desirable to recognize capital gains and losses for income-tax purposes, whether dividends should continue to be taxed at the normal rate in the hands of individuals, whether sufficient preference is now given to the treatment of earned, as distinguished from unearned income,

and such other matters as might properly come up in connection with the general tax problem. Any number of matters of this kind could be mentioned.

FEDERAL TAX COMMISSION LONG ADVOCATED BY MANY GROUPS

Under the resolution, the commission would be directed to make such investigations as it deemed necessary or advisable in order to carry out the purposes set forth. It would be directed to report to Congress not later than January 3, 1942, which would give it ample time in which to make its study and formulate its recommendations.

Let me say that the setting up of a nonpartisan Federal tax commission on which various economic groups would be represented has long been advocated by many outstanding organizations and individuals. Among the national organizations favoring such a commission are the American Farm Bureau Federation, the American Federation of Labor, the American Bar Association, the American Institute of Accountants, the National Association of Manufacturers, and the Chamber of Commerce of the United States. Thus agriculture, labor, and industry all unite in the demand for a study such as I provide for in my resolution.

The round table on taxation and recovery, conducted last year by Fortune magazine, which was participated in by leading businessmen and tax authorities, unanimously recommended the establishment of a national tax commission, saying in part:

Our first and foremost suggestion is that Congress authorize the appointment of a national tax commission, drawn from among the ablest men in public and private life, to take evidence from every competent source, and recommend the adoption of such principles and methods of administration as would remove much of the present complexity and uncertainty.

Mr. Bernard M. Baruch, one of the elder statesmen of the Democratic Party, said, in testifying before the Senate Committee on Unemployment and Relief in 1938:

Revision of Federal and State tax structures for maximum business activity and at the same time maximum revenue on the law of diminishing returns requires study. I am not here making specific recommendations except as to principles. But I believe that an open hearing in a deliberate inquiry by a mixed commission where economic as well as political tax experts could be heard, could make proposals much improving the present tax structure, and it is hard to excuse our delay in doing that. It is a matter of public concern and pretty near first magnitude. If there is such a thing as science in government, this is where it should be applied. The Treasury is no place for the theories of political messiahs.

One of the organizations which has taken a most prominent part in advocating the creation of a Federal tax commission is the American Institute of Accountants. Tax lawyers and accountants come in direct contact with the problems which taxpayers meet in the application of the law and its administration by the Bureau of Internal Revenue and the courts. The Committee on Federal Taxation of the American Institute of Accountants, in a report made a little over 2 years ago, stated:

For many years the determination of sound principles of Federal taxation has been urged. Treasury emergency and political expediency have combined to defer this objective. The administration could do not one thing of greater importance to assure the future stability of business than to bring about the creation of a qualified nonpartisan commission to conduct the research required for the unbiased determination of fixed principles of Federal income taxation. The most confusing and perilous factor confronting those who chart the course of business today is that of taxation. Much of the uncertainty could be removed.

Since that time this organization has continued to advocate such a commission, and in its most recent report, dated September 18, 1939, states in part:

Official recognition has already been given in this country to the proposal for a qualified nonpartisan tax commission, Representative TREADWAY having introduced in the last two sessions of Congress joint resolutions providing for the creation of such a commission. Although these resolutions failed of legislative consideration, they should be revived and aggressively championed. * * * The real solution of our national tax dilemma awaits the appointment of an unbiased national tax commission, comprising individuals drawn from business, labor, government, and professional circles, who have a well-grounded knowledge of tax matters.

PROPOSED COMMISSION WOULD HAVE BROAD REPRESENTATION

In my resolution I have proposed a commission of 10 members, which is about as small a number as can reasonably be provided for and still give broad representation. There would be 4 congressional members and 6 representing the public. I have provided for 2 congressional members from each branch, 1 representing the majority party and 1 the minority party, in keeping with the nonpartisan character of the commission. Of the 6 public members 1 would be representative of agriculture, 1 of labor, 1 of business and industry, 1 of individual taxpayers and consumers, 1 of tax lawyers and accountants, and 1 of tax economists. These members would be appointed by the President, by and with the advice and consent of the Senate. They would constitute a majority of the commission.

The chief criticism of past tax studies is that they have never been very thorough, and in no instance has the public had any representation. They have been conducted by the revenue committees of the Congress working in conjunction with the Treasury. Of course, those who write the tax laws are naturally somewhat prejudiced in favor of their own handiwork. There has been too little sympathy with the viewpoint and problems of those who have to pay the tax bill. Every organization which has endorsed the proposal for a Federal tax commission has called attention to this fact and urged that interests and viewpoints be represented.

Since the introduction of my resolution two other Members of the House have introduced similar measures, namely, the gentleman from Illinois [Mr. DIRKSEN] and the gentleman from New York [Mr. CELLER]. This is evidence of the increasing interest in the matter. This is strictly a nonpartisan proposition, and I do not see how there can be any objection to it.

PROPOSED STUDY ALREADY TOO LONG DELAYED

We have already waited too long to undertake a complete overhauling of the Federal tax structure, which, as nearly everyone concedes, is much to be desired. The creation of a Federal tax commission would enable us to establish a more sound, more equitable, more understandable, and more productive tax system, and obviate the necessity for frequent changes in the forms and incidence of taxation. With our revenue problem as grave as it now is, there is all the more reason why this study should be undertaken. Before imposing any new taxes, we ought to know exactly where we stand and where and how far we can go for new revenue without "killing the goose." [Applause.]

EXHIBIT A

House Joint Resolution 35

Joint resolution establishing a Federal Tax Commission, and for other purposes

Resolved, etc., That it is hereby declared to be the policy of Congress—

(1) To establish a stable, more permanent Federal tax policy;

(2) To raise the necessary revenue for the support of the Government with the least possible burden on individual taxpayers and business enterprises;

(3) To give due regard to the natural economic law of diminishing returns in fixing tax rates;

(4) To base Federal taxes, insofar as may be practicable and expedient, upon the principle of ability to pay;

(5) To eliminate, insofar as may be possible, indirect and hidden taxes;

(6) To simplify the Federal tax system, including the forms of taxation, the statement of the law, and the methods of administration;

(7) To alleviate hardships and inequities in the application and administration of the internal-revenue laws;

(8) To minimize double taxation by coordinating the Federal tax system with those of the State and local governments;

(9) To prevent tax evasion and avoidance; and

(10) To make such other changes as will improve the Federal internal-revenue system.

SEC. 2. There is hereby established a Federal Tax Commission (hereinafter referred to as the "Commission"), to be composed of 10 members, as follows:

(1) Two members who are members of the Committee on Finance of the Senate, one from the majority and one from the minority party, to be chosen by such committee;

(2) Two members who are members of the Committee on Ways and Means of the House of Representatives, one from the majority and one from the minority party, to be chosen by such committee;

(3) Six members (none of whom holds any office in the Government of the United States or is engaged in the activities of any political party), to be chosen by the President, by and with the advice and consent of the Senate, one of whom shall be a representative of agriculture, one of labor, one of business and industry, one of individual taxpayers and consumers, one of tax lawyers and accountants, and one of tax economists.

SEC. 3. It shall be the duty of the Commission—

(1) To make such investigations as it may deem necessary or advisable in order to carry out the purposes of this resolution;

(2) To publish from time to time, for public examination and analysis, proposed measures for carrying out the policy of Congress herein expressed; and

(3) To report to the Congress from time to time, and in any event not later than January 3, 1942, the results of its investigations, together with such recommendations as it may have to make.

SEC. 4. (a) The Commission shall meet and organize as soon as practicable after at least a majority of the members have been chosen, and shall elect a chairman and a vice chairman from among its members, and shall have power to appoint and fix the compensation of a secretary and such experts and clerical, stenographic, and other assistants as it deems advisable. A vacancy in the Commission shall not affect the power of the remaining members to execute the functions of the Commission, and shall be filled in the same manner as the original selection.

(b) The Commission is authorized to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words. Subpenas for witnesses shall be issued under the signature of the chairman or vice chairman.

(c) The Commission is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government, of the Joint Congressional Committee on Internal Revenue Taxation, and of the office of the Legislative Counsel.

(d) The Commission shall have the same right to obtain data and to inspect returns as the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, and to submit any relevant or useful information thus obtained to the Congress.

(e) The members of the Commission shall serve without compensation for such service, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(f) There is hereby authorized to be appropriated so much as may be necessary to carry out the purposes of this resolution. Amounts appropriated for the expenses of the Commission shall be disbursed by the Division of Disbursements, Treasury Department, upon vouchers approved by the chairman or vice chairman.

(g) All authority conferred by this resolution shall terminate on the expiration of 3 years from the enactment of this resolution.

EXHIBIT B

COMMENTS OF SECRETARY OF THE TREASURY MORGENTHAU ON TREADWAY RESOLUTION

(Extracts from hearings before Ways and Means Committee on revenue bill of 1939)

Mr. TREADWAY. In view of the fact that you suggest the creation of a small commission, don't you think that there are serious questions involved in the whole tax picture that would deserve an investigation by a nonpartisan commission?

Secretary MORGENTHAU. Well, Mr. TREADWAY, I made this suggestion in order to raise a question which I think is a very important one. And just how Congress, in its wisdom, will handle it, naturally I will leave to them. But ever since I have been in the Treasury I have felt that this question of overlapping taxes is one of the important ones, and I take the liberty of bringing this to the attention of Congress so that you really might do something about it.

Mr. TREADWAY. Well, the modesty of Mr. JENKINS leads me to exhibit a similar modesty, but I call your attention to a measure which I introduced in two Congresses. In the last Congress I introduced a resolution, and repeated it in the Seventy-sixth Congress, extending this Commission's study on a broader scale than what you are suggesting here. Therefore, I would like to ask that House Joint Resolution 35 of the Seventy-sixth Congress also be given the attention of your experts, wherein it is stated:

"It is hereby declared to be the policy of the Congress—

"(1) To establish a stable, more permanent Federal tax policy."

You would agree that that is desirable, would you not?

Secretary MORGENTHAU. Yes.

Mr. TREADWAY. Then, in the second place—

"To raise the necessary revenue for the support of the Government with the least possible burden on individual taxpayers and business enterprises."

I take it this very statement you are making to us this morning is along that very line, is it not?

Secretary MORGENTHAU. I think both aims are laudable.

Mr. TREADWAY. Thank you. Then—

"(3) To give due regard to the natural economic law of diminishing returns in fixing tax rates."

You would approve of that, would you not?

Secretary MORGENTHAU. Yes.

Mr. TREADWAY (reading):

"(4) To base Federal taxes, insofar as may be practicable and expedient, upon the principle of ability to pay."

That is a good policy of the Government, is it not?

Secretary MORGENTHAU. Excellent.

The CHAIRMAN. It sounds like the Democratic platform.

Mr. KNUTSON. It does sound like it, but Mr. TREADWAY wants to carry it into effect.

Mr. TREADWAY. Then—

"(5) To eliminate insofar as may be possible indirect and hidden taxes."

Is there anything worse in our whole tax program than hidden taxes?

Secretary MORGENTHAU. I think we can agree on that.

Mr. TREADWAY (reading):

"(6) To simplify the Federal tax system, including the forms of taxation, the statement of the law, and the methods of administration."

Those are all laudable purposes, are they not?

Secretary MORGENTHAU. Very.

Mr. TREADWAY (reading):

"(7) To alleviate hardships and inequities in the application and administration of the internal-revenue laws."

That is a good doctrine?

Secretary MORGENTHAU. Yes.

Mr. TREADWAY (reading):

"(8) To minimize double taxation by coordinating the Federal tax system with those of the State and local governments."

That is exactly what you are recommending, is it not, in this small board you recommend setting up?

Secretary MORGENTHAU. Yes, sir.

Mr. TREADWAY. So that you approve of that?

Secretary MORGENTHAU. Yes, sir.

Mr. TREADWAY (reading):

"(9) To prevent tax avoidance."

That is the objective of all of us?

Secretary MORGENTHAU. It is.

Mr. TREADWAY. And—

"(10) To make such other changes as will improve the Federal internal-revenue system."

Secretary MORGENTHAU. Fine.

Mr. TREADWAY. Those are the declarations of policy. Then this modest bill of mine, timidly offered for your comment at this time, goes on to set up a Commission composed of two members of the Senate Finance Committee, two members of the Ways and Means Committee, and six members, none of whom hold any office in the Government of the United States or are engaged in activities of any political party, to be chosen by the President.

Secretary MORGENTHAU. Very good.

Mr. TREADWAY. That is a good board, isn't it?

Secretary MORGENTHAU. It sounds very good to me.

Mr. TREADWAY. Then, so far as I can see—the rest of it is more or less detail, method of procedure, and so on—so far as I can gather from your responses to my inquiries, you and I are in hearty accord as to the desirability of setting up such a nonpartisan commission.

Secretary MORGENTHAU. If I again might answer, it seems that you and Mr. JENKINS, the President, and I are all in accord.

Mr. TREADWAY. It looks very like it, and I am very glad to have you come around to our way of thinking.

EXHIBIT C

[Editorial appearing in the Journal of Accountancy, July 1939]

TAX REFORM

The American Institute of Accountants committee on Federal taxation has repeatedly stated its conviction that the first step toward placing the Federal tax system on a sound and equitable basis should be the creation of a qualified nonpartisan commission to establish fixed principles of income taxation and related administrative procedure. Shortly before adjournment of the Seventy-fifth Congress Representative TREADWAY, of Massachusetts, introduced a resolution which embodied the substance of the institute committee's proposal. In doing so Mr. TREADWAY quoted the committee's recommendations on the floor of the House of Representatives. Since no action was taken at that session of the Congress, the resolution was still pending when the 1939 session convened. Until recently there seemed little likelihood that it would receive serious consideration. On May 27, however, the prospect changed. The Secretary of the Treasury appeared before the Ways and Means Committee of the House on that day to discuss tax revision. He recommended that a temporary national committee be established to study all forms of taxation and to recommend improvements in the tax structure as a whole. Congressman TREADWAY, in colloquy with the Secretary, read the aims and purposes of the resolution and obtained from him an expression of complete agreement with each. Mr. Morgenthau further agreed to have the Treasury Department make a thorough study of the resolution and report to Congress on it.

Provisions of the resolution itself, which is known as House Joint Resolution 35, were described fully in the Journal of Accountancy

for July 1938. We cannot imagine any basis for disagreement with the proposals advanced by Mr. TREADWAY, and we believe that this is an issue to which the accountancy profession will wish to summon its full support.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to my colleague.

Mr. GIFFORD. Is not the gentleman fearful that the make-up of that commission would do more harm than good under the present administration, having in mind the T. N. E. C. appointments? In the end you might get a recommendation far different than the gentleman would expect. Is it not better to wait a little while?

Mr. TREADWAY. I have waited for 2 years to even have a hearing on this measure.

Mr. GIFFORD. Does the gentleman trust the President to appoint these members?

Mr. TREADWAY. The President of the United States ought to be—and I think I can say must be—interested in the welfare of his fellow citizens. I cannot conceive of a man competent to fill the office of President of the United States, to whatever party he may belong, endeavoring to set up a board having to do with the individual interests of every citizen of the country that would not treat those divisions that I spoke of fairly. I may have a little more regard for the present incumbent of the White House than the gentleman from Cape Cod.

Mr. GIFFORD. I am reading the hearings before the T. N. E. C., and many of those men—all those enthusiastic new dealers have been appointed 90 percent of the time, and 90 percent of the doctrine placed before them is of these New Deal schemes. I do not think the gentleman would be happy at all with any report that could come from a commission appointed at this time.

Mr. TREADWAY. Well, it is such an important subject that there should not be any undue delay in anticipation of a change of administration. I am not going to take up the question of partisanship in connection with this matter.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. STEFAN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. TREADWAY. I think the subject matter is too important to become involved in a discussion of the question of partisanship.

While I asked the Treasury Department on March 6 for a formal report on my resolution, none has been received up to this time. However, as I have pointed out, the Secretary has personally endorsed the proposal, so he is already on record.

I may say that I have requested the chairman of the Ways and Means Committee to hold hearings on the measure, but no action has as yet been taken on my request. However, he has discussed the matter with me informally, and I hope and trust that a favorable decision will be reached. I realize that it is difficult for a Republican Member to secure consideration of a measure when the Democratic Party is in control, but in view of the fact that my proposal is strictly nonpartisan and is one in which every person in the country has a vital interest, it would seem that the Democratic majority on the Ways and Means Committee might properly join in the nonpartisan spirit and permit public hearings to be held on the resolution. Then if my colleague wants to change the formation of the Commission, there is no pride of authorship so far as I am concerned. I shall be only too glad to have the benefit of his advice in submitting to the Ways and Means Committee a formal measure. I would say further that the measure I am introducing, of course, is only something to have before the committee, as the expression goes, to shoot at.

Mr. GIFFORD. If the gentleman will yield further, I can only remark that the present President is the only President we have. We cannot avoid having him make those appointments. The gentleman could not possibly change his resolution to avoid that.

Mr. TREADWAY. I am not so sure that we cannot have a satisfactory commission. While I realize that my colleague is rather steeped in good old-fashioned conservative Republicanism—and I do not think I need take a back seat from him on that score myself—nevertheless I am willing to show that much confidence at least in whoever may be President of the United States. My thought is we want this study made. The country cannot go along under a different tax bill year after year. We need some permanent basis on which to set up taxation. I feel very strongly, therefore, that some measure of this kind ought to be passed. The first point, of course, is to have a hearing on it.

I thank the Committee for its indulgence.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a copy of the resolution I have introduced, some excerpts from a hearing before the Ways and Means Committee in which Mr. Morgenthau testified, and an editorial from an accounting magazine.

The CHAIRMAN. The Chair reminds the gentleman from Massachusetts that he will have to obtain such permission in the House.

Mr. TREADWAY. I do not think I shall have to obtain permission to insert the resolution, shall I?

The CHAIRMAN. Permission must be secured in the House for the insertion of extraneous matter.

Mr. TREADWAY. But, Mr. Chairman, I submit this resolution is not extraneous, for it is one that I am proposing.

Mr. Chairman, I submitted three different requests, none of which, in my opinion, relate to extraneous matter under the rule. One is the resolution itself that I have introduced. I could read that in my own time.

The CHAIRMAN. The Chair advises the gentleman that the Chair is informed by the Parliamentarian that permission to insert the matter referred to by the gentleman should be obtained in the House.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE.]

Mr. WHITE of Idaho. Mr. Chairman, I realize, in saying what I am about to say, that I may tread on a lot of toes.

Mr. Chairman, I have been here in the capital of the United States now for some 7 years and have been giving considerable thought to the policies and programs of the people in control of the city and the building up of this great civic center, and the working out of those policies. I was very much interested in watching in a recent news release on the screen the act of demolishing an apartment house here in Washington to make way for the new War Department Building. As I study the city of Washington the first thing I would say in describing the city is that it is built a good deal like an egg. An egg is dark in the middle and white around the edges. I think Washington fits that description, for in the very heart of the city, down Florida Avenue and southward of it west to Sixteenth Street, it is pretty dark in complexion. I am giving some thought to this condition.

In thinking of this matter of the location of the new War Department Building, I often wonder why the powers that be put it where they did. I am wondering why the great investment was made in locating the building to house the munitions branch of the War and Navy Department in a swamp where we must use sandbags to barricade any excessive rise in the Potomac River. I am wondering why we have a $50,000 fountain in the shadow of the Capitol yet flanked by some of the most miserable slums to be found anywhere. I am wondering why the beautiful street laid out by the man who designed this city, that great French engineer, Pierre Charles L'Enfant, with its beautiful squares and circles, why majestic Pennsylvania Avenue that runs from the Capitol to the Anacostia River, an avenue having four rows of beautiful trees its entire length, is in its present neglected condition. I am wondering why there is no more interest in Congress in the care and upkeep of what was designed to be one of the finest streets in the world, a street that was laid out so broad and wide in the "horse and buggy" days, broken with parked squares, the natural location for fine homes and apartments, why it is in its neglected condition right here in the shadow of the Capitol when we have spent so many millions of dollars in

building the magnificent Supreme Court structure, the Congressional Library, and its magnificent addition, the beautiful office buildings of both branches of the Congress. Why should we have such deplorable conditions along this avenue and in what we call the southeast section of the city, on what is known as Capitol Hill?

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. I yield.

Mr. RICH. Does the gentleman know who is responsible for placing the War Department Building where it is, a site which necessitated the tearing down of several apartment buildings, one of which cost $2,000,000? The naval appropriation bill, as I understand it, will provide for the construction of a building for the Navy Department. They are going to tear down more fine buildings and it seems ridiculous to me to do that. I think the gentleman would do a good thing if he found out who is responsible for such a program.

Mr. WHITE of Idaho. Mr. Chairman, I am wondering why that building is put down there in the swampy section of Washington when the development of the city is taken into consideration, when it is conceivable that some day it may be advisable to have subways around Washington to expedite the handling of Government business. How can you build a subway down in the swamps which are below the level of the Potomac River when we have such a beautiful addition up here on Capitol Hill?

I am told we have a Fine Arts Commission, a zoning commission, and a Park and Planning Commission in Washington. Go out into the northeast and southeast sections of the city and observe the results of their deliberations, their policies, and their plans.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. WHITE of Idaho. Mr. Chairman, I am wondering why we leave these old and antiquated buildings flanking the Supreme Court and flanking the House and Senate Office Buildings, when we are at the same time spending millions of dollars tearing down magnificent apartment buildings in a city in which the rents are so high. In passing I would like to congratulate this city on being one of the few cities of the United States that enjoys two Christmases. I have gone down town and I have seen the Easter holiday crowds. I have never seen in any western or eastern city the stores jammed with people buying useless novelties in the holiday season as I have seen here in Washington during this wonderful Easter holiday. It must be a wonderful thing to be a merchant and to be in business in the capital of the United States with all these high-priced, well-paid civil-service employees, that nobody responsible to the people in the legislative branch of the Government can do anything about their policies, their labor, or the kind of service they give as we find them here in the capital of the United States.

May I suggest to the Park and Planning Commission and the zoning commission and the Fine Arts Commission that it might be worth while to take into consideration that some day we may want a better means of transportation and access to the several departments in the city of Washington. We lose a great deal of time getting to these departments and back here. It is very costly to the Government and to the Members. I am wondering why we could not locate these buildings somewhere around the Capitol of the United States and run a subway, as we have between the House and Senate Office Buildings and the Capitol, and have a quick, inexpensive means of transportation and a compact arrangement where these buildings would be located conveniently to doing the business of the Government rather than having them in some other sections away from the Capitol to boom real estate prices. I am wondering what the Planning Commission and the zoning commission is doing about that?

You know in this day and age people demand conveniences. They are not interested in living in some three-story building where they do not have janitor service, a telephone exchange, or elevators. How in the world can a property owner give those accommodations under the rules and regulations of our wonderful zoning commission? The plans of this zoning commission and the restrictions it puts on the development of this city make for the dark section in the central part of Washington. People go out where they can have unrestricted building designs and building plans. They abandon this central section. There is no way to replace these old, obsolete buildings under the rules of the zoning commission. What do you find? You find that the Capitol of the United States is inhabited by a class that is not progressive, by a class that is destructive to the development of this city. If you go down to the Federal Housing Administration and talk to them about improvements, they say "There is an infiltration into that section of undesirable people; we are not making any loans and we are not making any developments there." On whose shoulders is that responsibility? According to my idea it is based on an erroneous idea of this Park and Planning Commission and this wonderful zoning commission which is retarding the development of our Capital City and building up outlying districts in Maryland and Virginia. [Applause.]

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania, Mr. RICH.

Mr. RICH. Mr. Chairman, the gentleman from Idaho, who just preceded me [Mr. WHITE], seems greatly perturbed at some of the things that are happening in Washington by the New Deal administration. I am not surprised at anything that happens nowadays by this Congress, because I am expecting most anything. I have seen so much happen here in the last 10 years since I have been in Washington that most anything can happen and it would not surprise me at all—some good, but more bad than good, I must admit. If the worst comes to the worst, we have an administration that is responsible. Promises versus performances. The promises were not carried out. Why?

First, let me call the attention of these people, Members of Congress who are surprised, to the Democratic platform of 1932. Among other things it stated:

> We favor maintenance of the national credit by a Federal Budget annually balanced on the basis of accurate Executive estimates with revenues raised by a system of taxation levied on the principle of ability to pay.

That is a good plank for any platform.

Now, let me call attention to the deficits of this administration since 1934. In 1934 the deficit was $3,255,393,297; in 1935, $3,782,966,360; in 1936, $4,952,928,957; in 1937, $3,252,539,719; in 1938, $1,449,625,881; and last year $3,600,514,404. This year it will approach close to $4,000,000,000. Some deficits!

What does this mean? I hold in my hand a Treasury statement of March 26. Since last July we have gone into the red to the extent of $2,667,639,483.12, notwithstanding the fact that our internal-revenue collections this year were 30 percent above those of last year.

They have all been applied to this deficit up to this time. That means that in 270 days you have been going in the red at the rate of $9,880,150 a day. It means that every hour of the day you are going in the red $411,700, and for every minute of the day you are going in the red $6,861, after the promises this administration made when they were seeking election by the American people—8 long years on the road to bankruptcy; 8 long years of terrible deficits.

But that is not all. I could recite to you many, many times just what the President of the United States said when he was seeking election and what he said after he came into office asking for economy in government. Let me call your attention to the fact that on March 10, 1933, the President presented a message to the House of Representatives and the Senate in which he said:

> The Nation is deeply gratified by the immediate response given yesterday by the Congress to the necessity for drastic action to restore and improve our banking system. A like necessity exists

with respect to the finances of the Government itself which requires equally courageous, frank, and prompt action.

For 3 long years the Federal Government has been on the road toward bankruptcy.

For the fiscal year 1931 the deficit was $462,000,000.

For the fiscal year 1932 it was $2,472,000,000.

For the fiscal year 1933 it will probably exceed $1,200,000,000.

For the fiscal year 1934, based on the appropriation bills passed by the last Congress and the estimated revenues, the deficit will probably exceed $1,000,000,000 unless immediate action is taken.

Thus we shall have piled up an accumulated deficit of $5,000,000,000.

He was speaking about the former administration, and when we remember that his administration is in its eighth year and has piled up a deficit of over $25,000,000,000, I wonder what he thinks about it. Mr. Hoover was only one-fifth as extravagant as Mr. Roosevelt.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. RICH. I cannot yield now. I will yield when I finish this statement.

Let me quote further from this message of President Roosevelt:

With the utmost seriousness, I point out to the Congress the profound effect of this fact upon our national economy. It has contributed to the recent collapse of our banking structure. It has accentuated the stagnation of the economic life of our people. It has added to the ranks of the unemployed. Our Government's house is not in order, and for many reasons no effective action has been taken to restore it to order.

Upon the unimpaired credit of the United States Government rest the safety of deposits, the security of insurance policies, the activity of industrial enterprises, the value of our agricultural products, and the availability of employment. The credit of the United States Government definitely affects these fundamental human values. It therefore becomes our first concern to make secure the foundation. National recovery depends upon it.

Too often in recent history liberal governments have been wrecked on rocks of loose fiscal policy. We must avoid this danger.

It is too late for a leisurely approach to this problem. We must not wait to act several months hence. The emergency is accentuated by the necessity of meeting great refunding operations this spring.

We must move with a direct and resolute purpose now. The Members of Congress and I are pledged to immediate economy.

I am therefore assuming that you and I are in complete agreement as to the urgent necessity, and my constitutional duty is to advise you as to the methods for obtaining drastic retrenchment at this time.

I am not speaking to you in general terms. I am pointing out a definite road.

That is the statement the President made in his message to the Congress on March 10, 1933, and ever since that time he has been doing exactly what he promised the people of this country he would not do, before he was elected and after he was elected. He sure did get off the road.

The gentleman who just preceded me seemed to be very much agitated about what is happening in the Capital. I am very much agitated about what Congress has done and what the Congress is going to do. Ever since January we have seen newspaper headlines to the effect that the Congress of the United States was going to economize. We have seen the Senate of the United States pass a resolution asking that a joint committee of the House and the Senate be established to try to get together to work out things on a good, sound business basis. The Senate passed the resolution but the House has taken no action whatever on it. What is the result? They are just going hog wild, in appropriations and expenditures; they are just running in the red, as I stated awhile ago, at the rate of almost $8,000 a minute, and no head of this Government is trying to do anything to stop it. Neither the Speaker of the House nor the majority leader or any of the chairmen of the various committees have got together to try to work out a plan whereby they could make revenues equal outgo. They are piling up this deficit on the heads of the children of oncoming generations. If we cannot meet the situation in this day, how are our children going to be able to meet the situation? If you have a boy or a girl in your house, you know what they are confronted with. It is either bankruptcy or ruin, unless we change the conditions as they are at the present time.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. The gentleman ought to be fair to the President. The President wanted to abolish this debt—he said he did. I think he is abolishing it, do not you? You know, this thing we once called debt the New Deal has transformed into a credit.

Mr. RICH. They have taken jack rabbits out of the hat ever since they have been in office, and the people of this country should realize it by this time. If they ever put Mr. Roosevelt back in office again we will lose our form of Government, because he does not know how to run it. For 7 years he has been trying. Nine million men were unemployed when he came into office and now, in the eighth year of his administration, 9,000,000 men are unemployed, and the Government is going further into the red and the situation is getting worse every minute of the day. Why does he not do as he promised he would do.

Let me read to you what the President of the United States said before his election. You see if this is not a sound statement, and then see what a back flipper he has turned out to be.

We are not getting an adequate return for the money we are spending in Washington; or, to put it another way, we are spending altogether too much money for Government services that are neither practical nor necessary. And then, in addition to that, we are attempting too many functions. We need to simplify what the Federal Government is giving to the people.

I accuse the present administration—

He was speaking then about the former administration—

of being the greatest spending administration in peacetimes in all our history. It is an administration that has piled bureau on bureau, commission on commission, and has failed to anticipate the dire needs and the reduced earning power of the people. Bureaus and bureaucrats, commissions and commissioners have been retained at the expense of the taxpayer.

He said this in his speech at Sioux City, Iowa, on September 29, 1932.

Now, let me show you what that gentleman in the White House has done since he has been in office, and this is a terrible situation. He has set up 31 major functions of government, and he has no less than 1,476 subsidiary organizations and corporations administered by these 31 great functions of Government; and what has been the result?

Mr. HOFFMAN. Will the gentleman yield? Let me tell the gentleman what he promised.

Mr. RICH. We all know what he promised; but can you show me where he carried out his promises?

Mr. HOFFMAN. Did you read this one:

It is my pledge and promise that this dangerous kind of financing shall be stopped and that rigid governmental economy shall be fostered by a stern and unremitting administration policy of living within our income.

Do you remember that one?

Mr. RICH. Well, he has always been long on promises but short on performance. Just let me give you one illustration. Since George Washington took office up to the present administration, which includes all the five wars and the great World War, our receipts were $91,586,076,130. Since Mr. Roosevelt took office, less than 8 years ago, he received $40,089,857,957. He received 43 percent of all the moneys that were received since the beginning of this Government. Now, what did he do in the way of expenditures?

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I cannot yield until I give you this information, and you ought to know what this is, too. [Laughter.]

Since George Washington and up to the time Mr. Roosevelt took office, the country spent $112,203,367,065. Since Mr. Roosevelt took office on March 4, 1933, or less than 8 years ago, he has spent $65,628,526,692, which is 58 percent of all the money we have received from the time of George Washington up to the present day. Think of it! All the debts, including all the five wars, amounted to $20,617,290,935 when he took office. Since he has been in office he has spent $25,538,668,735 more than we received and put us in the red to that extent. This means that the national debt, which

was $22,538,672,164 when he came into office, is now over $44,938,577,622, about 100-percent increase, and that includes all the assets that he has figured 100 cents on the dollar in the great number of corporations we have established in this country during his administration; and what will be the result when we go to liquidate those corporations that he has established? You know and I know we have many corporations with assets figured 100 cents on the dollar, and we will take a dreadful loss when they are liquidated.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield now.

Mr. MAGNUSON. I appreciate the gentleman's sincere desire for economy. The gentleman in his speech a moment ago mentioned the creation, I believe, under the Roosevelt administration of some 32 new departments of government. I am wondering if the gentleman will inform the House, in his own service during the Roosevelt administration, just how many of these agencies the gentleman voted against creating.

Mr. RICH. I voted against pretty nearly everything that this administration brought up except the Economy Act, and I was very badly fooled on that, because I thought that the President of the United States, when he brought in the Economy Act, was going to do what he said he would do; but he fooled and humbugged the people until in March 1934, when he asked for $4,880,000,000 in House Joint Resolution 117, and section 6 of that resolution read something like this: Anyone criticizing the administration or the handling of this fund will be fined $5,000 or imprisoned for 2 years. I made up my mind then that the President of the United States wanted to be a dictator or he would never have had that language put in a bill, and I left him then and have had little confidence in him since. I believe in honesty and thrift.

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I yield the gentleman from Pennsylvania an additional 5 minutes.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield just for a question.

Mr. WHITE of Idaho. I would like to discuss——

Mr. RICH. No; you cannot discuss; make it a question.

Mr. WHITE of Idaho. I find myself more in accord with the gentleman on his criticism of the spending program——

Mr. RICH. I thank the gentleman very much. I cannot yield any further. [Laughter.]

Mr. WHITE of Idaho. I would like to ask the gentleman a question.

Mr. RICH. I cannot yield further. Lots of Democrats tell me that they are in accord with me in economy, but when it comes to voting they always do the opposite; they vote money out of an empty Treasury.

Mr. WHITE of Idaho. I want to develop the position of the gentleman on spending. Will the gentleman yield for a question?

Mr. RICH. I cannot yield.

The CHAIRMAN. The gentleman from Pennsylvania declines to yield.

Mr. RICH. Mr. Chairman, let me call attention to what has been doing this session of Congress. Notwithstanding the fact that the House said they were going to be for economy, and the Senate said that they were going to be for economy, and this is a New Deal House and a New Deal Senate, yet Congress has appropriated to date as follows:

Agriculture (passed the Senate)	[1] $922,911,213.00
District of Columbia (reported to the House)	48,291,717.00
Independent offices (passed the Senate)	1,139,783,528.00
Interior (passed the House)	118,578,187.05
Labor–Federal Security (passed the House)	1,021,639,700.00
Legislative (passed the House)	23,907,744.00
Navy (passed the House)	965,779,438.00
State, Justice, and Commerce (passed the Senate)	107,079,000.00
Treasury and Post Office (law)	1,032,801,095.00
War Department, civil (passed the House)	203,472,567.00
Emergency, supplemental (law)	252,340,776.00
Urgent deficiency (law)	57,541,300.00
First deficiency (passed the Senate)	91,533,408.52
A grand total of	5,985,659,673.57

[1] In addition, $90,000,000 made available from R. F. C. funds.

You have spent $5,985,659,673.57 to date. Let me call your attention to the total receipts of last year, 1939, $5,667,823,625. That means that you have already appropriated more than $300,000,000—more than you took in in 1939 in taxes. The estimated receipts of the President for 1940 are $5,703,795,000. There are other appropriation bills to come before the House. There will be the relief bill, and what is going to be the result next year? You promised faithfully and every one of you fellows that went in on the platform in 1932 told the people of this country that you were going to have a balanced Budget. I realize that you cannot balance the Budget at once, but you are not making any honest effort to do anything. That is what burns me up. You are not making an honest effort to cut down expenses. You could do a whole lot if you wanted to do it or desired to do it. And it is a shame that you do not. You ought to try to get a business organization here for Government operation. The great difficulty is that there is no leadership, there is no organization, because, if there was, you would not do what you have done here this week in spending. All we seem to do is appropriate money. We had a bill up here on Monday of this week to bring taxes in for the District of Columbia. When we had this present District of Columbia appropriation bill under consideration in the Appropriations Committee the other day I asked the chairman of the subcommittee whether he tried in any manner to cooperate with the District Committee, to find out just what taxes would be necessary in order that they might balance the budget for the District of Columbia.

To my surprise he said they did not need any additional taxes in the District of Columbia. I then asked whether that was the reason why they voted against the tax bill last week. I asked that in good faith, and I thought to myself that I had better talk to the mayor of the city and get his reaction to the tax bill and why it was brought in here if it was not needed. So I went to the mayor of the city, Mr. JENNINGS RANDOLPH, a mighty fine fellow, and I said to him, "Mr. Mayor, what did you bring this tax bill in for? The Appropriations Committee says that you do not need any money or any additional taxes." He stated the tax experts of the District said it was necessary. Whom am I to believe? Why did not the Appropriations Subcommittee and the District Committee get together? That is the point I want to make. Why does not the Speaker of the House call the majority leader and the chairmen of the various committees into conference, to get together on good orderly business procedure, and try to find out what our income is and what the outgo will be, and what deficit we are going to pile up on the children of the oncoming generations? What are we going to do to protect this Nation? What are we going to do to save America?

Mr. President, why not carry out your promises of economy? Why not cut out unnecessary functions of Government as you promised? Why not have economy in Government as you promised? For the sake of our children and our country, if you do not soon get away from this program of ruthless spending, we will go bankrupt and we will lose our form of government.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Chairman, you will recall the Pelley-Dies letter affair in which David D. Mayne, under oath before the Dies committee and before the Rules Committee, admitted the crime of forgery. He also admitted perjury and selling these letters for money to fool certain persons and in order, in his own words, to "put them out on a limb." Gardner Jackson and Harold Misberg, under sworn complaint before the United States district attorney, charged Mayne with perjury, forgery, obtaining money under false pretenses, and conspiring with unknown persons to violate a Federal statute. A grand jury was empaneled and listened to testimony concerning this affair. The investigation was conducted by David A. Pine, United States district attorney for the District of Columbia, assisted by Mr. Wilson, assistant district attorney. That jury, after deliberation and after

hearing the assistant district attorney, has reported and failed to indict this self-confessed perjurer and forger, even though I am further informed that David Mayne refused to testify before the grand jury, giving as his reason that his testimony might incriminate him. I thought it might be interesting for you to know now that it is not considered a crime in the District of Columbia to commit forgery or perjury.

The grand jury, not having brought out an indictment of forgery against David D. Mayne who, under oath before the Dies committee and the Rules Committee, testified he forged the letters, any reasonable person must come to the conclusion that they must have based their decision on the fact that the letters were not forged but genuine. If the letters are genuine, according to the action of the grand jury, then, of course, they should be replaced in the CONGRESSIONAL RECORD because they were taken out after David D. Mayne testified that he forged them.

Is this action on the part of the United States District Attorney David A. Pine, and his assistant, Mr. Wilson, to be construed to mean that the so-called Pelley letters were not forged?

I know that the people of this Nation are still in a quandary about the Pelley-Mayne affair before the Dies committee. Pelley, whose aims are admittedly the same as the Dies committee, is still at large. David Mayne, who was employed by the Dies committee, the perpetrator of these crimes, is now free. I wonder why? You can use your own imagination as to what must have happened, because David D. Mayne is reported to have boasted of protection by the Dies committee and its investigators. William Dudley Pelley, in his publication, Liberation, several weeks ago, carried the story that Mayne was entitled to protection from the Dies committee. Probably a resolution for a special committee to investigate this whole affair would be in order.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield.

Mr. HOFFMAN. I did not get the drift of it. What is the complaint? Is it that Mayne is not being prosecuted?

Mr. HOOK. Yes; that is right.

Mr. HOFFMAN. What crime did he commit?

Mr. HOOK. Was not the gentleman before the Rules Committee, and did he not hear the evidence?

Mr. HOFFMAN. I understand that Mayne——

Mr. HOOK. Forged letters.

Mr. HOFFMAN. Yes.

Mr. HOOK. Perjured himself and obtained money under false pretenses.

Mr. HOFFMAN. Well, just a moment. I do not know anything about obtaining money under false pretenses, but I am getting at this matter of perjury and forgery. There cannot be forgery unless it is in connection with some judicial proceeding. I do not hold any brief for Mayne, but what is the specific crime what you want Mayne indicted for?

Mr. HOOK. I mentioned all of them. The testimony has gone before the grand jury.

Mr. HOFFMAN. I am not critical, now, as the gentleman may think.

Mr. HOOK. That is up to the grand jury.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I do.

Mr. TABER. I wonder if the gentleman could tell us why the various district attorneys have not prosecuted the 22 indictments for income-tax frauds in Louisiana and why they have not prosecuted the indictments against Smith and Shushan for selling W. P. A. jobs, which were handed down last summer in New York City?

Mr. HOOK. If I were United States District Attorney, I could answer the gentleman, but I am not, and I am not a mind reader nor a crystal gazer.

[Here the gavel fell.]

Mr. RABAUT. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, at the outset I want to state that personally I appreciate the painstaking labor which has been given to the District of Columbia appropriation bills by Members charged with that responsibility. The gentleman from Florida, Chairman CALDWELL, has done a good job, and I commend him and his fellow subcommittee members. Theirs is not an easy task. Of course, they are only face to face with District problems once a year, whereas those of us who serve on the legislative committee for the District of Columbia in this House are face to face with those problems practically every day, and at least every week, during the sessions of Congress.

I feel that there is an obligation on my shoulders this afternoon to briefly discuss the need in the District of Columbia for giving bona fide residents in the United States Capital City the right and responsibility of franchise. I am well aware that there is a difference of opinion on this subject, and I know the arguments which are raised about suffrage for voteless citizens who live in this jurisdiction. I have weighed all of the arguments for and against, that I am able to study and inquire into, and my opinion on this matter is strengthened each year that I serve in Washington. I believe these are at least three local newspapers—the Star, the Post, and the Times-Herald, who editorially are fighting for the vote here. I feel more and more inclined to energetically, on every opportunity, speak in behalf of suffrage for the District of Columbia. I think it is significant that the distinguished and able chairman of the House Committee on the Judiciary, Judge SUMNERS, of Texas, a man who has had long and faithful service in this body, after studying this question, has seen fit, in the last few months, to introduce a resolution which would call for national representation for the District of Columbia. I am told that there was a time when Judge SUMNERS, of Texas, did not believe there was need for suffrage here, but I know that the very introduction of the resolution by that legislator has come about through a growing conviction that he believe the cause is just. I regret that I, myself, and others have not been able, through legislative means, to bring this matter to the floor of Congress for debate, discussion, and vote.

I feel keenly that the 250,000 men and women who reside in Washington and can claim no bona fide residence in any State do not possess the responsibility and the inherent right to exercise their vote for President of the United States and for representation in both Houses of the Congress, and also for some form of local government.

I regret there are not more Members present while we are considering the District of Columbia appropriation bill, and, without criticism of any Member, I only wish the debate itself might center more fully around District matters. I say to those who are on the floor this afternoon that I cannot believe we can longer continue in this country to deny bona fide residents the privilege of voting in Washington, D. C. I do not feel that there is a section of America where the processes of democracy should not be fully at work. I hope Members of Congress will give more thought to the subject matter of my remarks.

[Here the gavel fell.]

Mr. CALDWELL. Mr. Chairman, I yield 2 additional minutes to the gentleman from West Virginia.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. MAGNUSON. I cannot help but rise here this afternoon and make a statement of commendation of the District of Columbia Legislative Committee and the District of Columbia Subcommittee on Appropriations. As the gentleman from West Virginia knows, the gentleman from Idaho made a pessimistic review of conditions in the District of Columbia a few moments ago. It seems to me—and I believe the gentleman from West Virginia will agree with me, a gentleman who is referred to from time to time as the mayor of the District—that Congress gets out of the District of Columbia just what it puts into it. We do not put a great deal into it. This is evidenced by the fact that this afternoon there are but a baker's half-dozen on the floor when the District bill is under consideration. It is no easy job to

serve on these District committees. It is common knowledge in the House that when a new Member comes here he tries to shy away from the District Committee because it does not get a Member any votes back home, one must do much additional work, and frequently take a lot of abuse. I believe the legislative committee and the Appropriations Subcommittee on the District of Columbia deserve the gratitude and thanks of this Congress and the people of the District; but, as I say, Congress gets out of this District just what we put into it. If Congress would pay more attention to the District, such conditions as those complained of would not arise.

Mr. RANDOLPH. I thank the gentleman for his observation.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. HOOK. The gentleman has made a great study of the question of suffrage for the District of Columbia. Would he inform us whether or not the District of Columbia ever had the right of suffrage, and whether they asked that Congress take it back, and why?

Mr. RANDOLPH. There was a limited suffrage here, but I do not have time to go into that lengthy question.

The present feeling of the residents of the District of Columbia is clearly indicated by the results of a referendum they themselves conducted here on April 30, 1938. They voted before and after working hours. They spent their own money in that election and had no help from any Government agency. Practically 95,000 persons voted—all bona fide residents—and they were in favor of national representation by 9 to 1 and local suffrage by 7 to 1. They went voluntarily to the polls. There were no candidates to transport them there. They went and expressed their opinions on a vital subject. It was one of the most outstanding expressions of genuine public opinion that this Nation has ever seen.

I venture the assertion this afternoon that the time will come when suffrage in local government and national affairs will be granted the residents of the District of Columbia, as it is in the other parts of the Nation. [Applause.]

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. JOHNS].

Mr. JOHNS. Mr. Chairman, I arise at this time to say a few words to the Members of this House on what to me is one of the most important problems that has been before this House during this session and is now up for discussion and a vote in the Senate either today or not later than Monday.

There are several questions that I would like to have those handling the treaties answer before this power is extended to the President and the Secretary of State to continue to renew these treaties or make new ones.

First of all I would like to know why, after the tariff on cheese had been reduced 2 cents a pound under the first treaty with Canada had been entered into and the dairy farmer had been having a hard time to meet his obligations at that time, another reduction of 1 cent a pound was made in 1938, or a 20 percent reduction when cheese had been selling all that year at an average of 12.6 cents per pound?

Every dairyman knows that cheese at 12.6 cents per pound represents only about two-thirds of the cost of production. The Agriculture Department should have known this and if they did not know, then they should either get someone in the department that does know or discontinue the department having to do with dairy products. We have been paying enough money to the Department that they ought to know. Personally I would like to know who in the Department of Agriculture recommended this reduction of almost 50 percent in the tariff on cheese.

The dairy interests of this country are entitled to consideration the same as those producing other agricultural products, and if they do not get it there is going to be trouble in this country and it is not going to be confined to the dairy interests alone.

If anybody had taken the time to figure the cost of production of cheese and butter, they would have known that the reduction of the tariff on cheese would kill the industry in time.

In order to do this, I want to give you some figures on our investment in dairy cattle, the amount of dairy products we produce and some values of these products. I would like then to give you some facts and figures on imports and exports of dairy and other products which, either directly or indirectly, affect our daily life.

On January 1, 1939, we had 2,179,000 head of dairy cattle on farms in Wisconsin; Minnesota ranked next with 1,705,000, and Iowa third with 1,472,000 head; Texas fourth with 1,458,000 and New York fifth with 1,423,000 head.

The total milk production for Wisconsin alone in 1938 was 11,862,000,000 pounds and approximately 12,000,000,000 pounds in 1939. This figure for 1938 is about 484,000,000 pounds greater than the State's output in 1937. The average value of dairy cows in Wisconsin on January 1, 1939, was $69 per head, or a total value of $150,351,000. The average value per head on January 1, 1938, was $72. The total value of all dairy cattle in the United States on January 1, 1939, was $1,397,280,000.

The price of fluid milk during each month of the year 1938 was lower than for the year 1937, and the average loss to the Wisconsin farmers was about $1,000,000 each month.

In addition to the cheese we produced in the United States in 1937, we imported into this country about 60,000,000 pounds. Under reciprocal trade agreements this meant a loss to the Wisconsin farmers of about $1,000,000. The price paid to the farmers for livestock in 1938 averaged 12 percent lower than in 1937.

In 1935 the agricultural population of all the United States was placed at 31,800,907. This is about 25 percent of our total population.

The population of the 5 leading dairy States I have named is approximately 6,000,000 people. I figure the farmers raising cotton, corn, and wheat represent about 3.1 percent of our national income and have received millions in subsidies during the last few years. The dairy farmer has received nothing in subsidies.

We were able during the last session of Congress to get one hundred and twenty-five millions to buy surplus commodities, but this was given so the corn, cotton, and wheat growers might get larger amounts in subsidies as well as a substantial portion of the one hundred and twenty-five millions.

The Secretary of Agriculture pleaded with Congress for the one hundred and twenty-five millions to keep farm prices from going lower than in 1932.

The butterfat prices on my own farms between 1922 and 1932 averaged 46 cents per pound. They reached a low of 28 cents per pound in August 1938. I delivered all my milk to cheese factories.

Wisconsin farmers also received agricultural-relief payments made for crop reduction, rental and benefit checks, and payments for conservation of soil resources from 1933 to 1937, $24,479,202.29. This amount was paid to 18,416 farm families, numbering 78,382 people.

However, with all this help, Federal farm foreclosures in Wisconsin were three times as many in 1938 as in 1936—2 years earlier. The Federal land bank and land bank Commissioner foreclosed 1723 farm mortgages in Wisconsin in 1938, compared with 542 in 1936.

Foreclosures were particularly heavy in northern counties. I shall only call your attention to some counties in my own district, which may be considered the average in the State. Marinette had 5 foreclosures in 1936 and 39 in 1938; Oconto County, 6 in 1936 and 38 in 1938.

In some of the counties in my district where 15 years ago a foreclosure was seldom heard of, we find in 1938 foreclosures in both farm and city; 74 foreclosures in Brown County, Outagamie 88, Manitowoc 116, Oconto 71, Marinette 70, Kewaunee 21, and Door 39.

Now, let us take up and discuss the subject of reciprocal treaties and see if there is any possible casual connection between them and some of the conditions prevailing in the great dairy State of Wisconsin.

First of all I would like to call your attention to the fact that the treaty-making power under the Constitution of the United States rests with the President of the United States and the United States Senate. Subsection (1) of section (2) of article 2 of the United States Constitution provides:

He (the President shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur.

However, in 1934, this power given to the President and the Senate of the United States under the Constitution, was delegated by Congress to the President and Secretary of State, to enter into trade treaties with foreign nations.

Grave doubt exists whether Congress had the right or power to do this, but it has never been tested out in the courts.

This power expires on June 12, 1940, and the question arises, Should it be extended? This will depend upon what the American people think at this time. We have entered into some 24 treaties.

Now, let us see what has happened as a result of these treaties.

Dairymen know that the price of cattle is affected, the price of hogs also; and cream, butter, cheese, and all byproducts of milk.

In order to get a more complete history of our subject, we must go back to 1920–21, when there was a change of administration and Congress passed a farmers' emergency tariff to stop the importation of foreign products which were displacing American products and depressing all prices.

Under this act exports grew from $3,832,000,000 in 1922 to $5,241,000,000 in 1929, and our imports from $3,113,000,000 in 1922 to $4,339,000,000 in 1939.

In 1933 the present administration came into power, and in 1934 the treaty-making power was transferred as heretofore stated.

Treaties were entered into with Canada and some 23 other countries. I shall not go back to quote you figures, but it will be sufficient to give you some recent figures.

Take the item of cattle. In 1934 we exported 9,968 and imported 59,000 head. In 1935 we exported 3,348 and imported 365,000 head. In 1936 we exported 4,240 and imported 309,000. In 1937 we exported 4,132 and imported 494,945. For the first 9 months of 1938 we imported 295,000 head, and for the year 1939 we exported 2,918 and imported 753,570 head.

Now let us turn to live hogs—they go well with dairying. In 1924 we exported 3,052 head and imported 8,000 pounds of live hogs. If they weighed on an average of 200 pounds to a hog, it would be 400 head.

In 1935 we exported 303 head, but we imported 3,414,000 pounds, or at an average of 200 pounds to a hog, over 17,000 head.

In 1936 we exported 202 head and imported 17,446,000 pounds, or at 200 pounds per head, 87,230 head.

We have heard much about canned meats. In 1934 we exported 16,362,000 pounds and imported 46,781,000 pounds. In 1935 we exported 12,564,000 pounds and imported 76,653,000 pounds. In 1936 we exported 13,348,000 pounds and imported 87,959,000 pounds. In 1937 we exported 13,752,000 and imported 88,087,000, and for the first 8 months of 1939 we exported 83,404,580 pounds and imported 93,228,235 pounds.

Now, let us take up a more interesting article—butter. In 1934 we exported 1,253,000 pounds and imported 1,220,000 pounds. In 1935 we exported 958,000 pounds and imported 22,675,000 pounds. In 1936 we exported 826,000 pounds and imported 9,874,000 pounds. In 1937 we exported 800,000 pounds and imported 11,111,000 pounds, and for the first 8 months of 1939 we exported 1,285,344 and imported 702,500 pounds of butter.

I have saved the most interesting item for the last—cheese. In 1934 we exported 1,377,000 pounds and imported 47,533,000 pounds. In 1935 we exported 1,152,000 pounds and imported 48,923,000 pounds. In 1936 we exported 1,136,000 pounds and imported 59,849,000 pounds. In 1937 we exported 1,156,000 pounds and imported 60,650,000 pounds. For the year 1939 we exported 1,479,689 pounds and imported 59,071,059 pounds.

One item you will be interested in, that of corn. In 1934 we exported 2,987,000 bushels and imported 2,959,000 bushels. In 1935 we exported 177,000 bushels and imported 43,242 bushels. In 1936 we exported 524,000 bushels and imported 31,471,000 bushels. In 1937 we exported 5,834,000 bushels and imported 86,337,000 bushels.

Hay: In 1934 we exported 2,185 tons and imported 23,259; in 1935 we exported 2,718 tons and imported 67,171; in 1936 we exported 2,161 tons and imported 73,976; in 1937 we exported 41,400 tons and imported 146,149.

The farmers and dairymen are interested in their surplus barley, and barley malt, of course, is made from good Wisconsin barley. I find that we exported 25,968,000 pounds of barley malt during the year 1939 and imported 101,130,100 pounds.

Another item that goes into feed of the dairy farmer is that of oats, and I find that we exported 226,142 bushels for the year 1939 and imported 4,293,009 bushels.

I know that you will bear with me for a few minutes if I discuss an item which truly may not be classed as a dairy product but which affects the products of the dairy farmer materially, and that is the fur industry in Wisconsin and throughout the United States. If our fur producers in Wisconsin are prosperous, there is a good deal of money to be spent for dairy products, and if they are bankrupt they can buy just that much less. I find upon investigation, including the silver and black fox, which are very predominant in this State, and also the red fox, and all other kinds, that we exported from this country 43,804 during the first 9 months of 1939, and we imported 556,859. During the same period we exported 148,973 mink skins, and we imported 739,251. These were all undressed furs. Now, the dressed and dyed fox, both silver and black, for the same period, we exported 817 and imported 54,712.

We produce in Wisconsin very high-class furs, while a large majority of furs imported from foreign countries are of a cheaper type. I could go into a number of other articles affecting the dairy farmer, but I feel that I have given you sufficient facts and figures to give you some idea of whether we really are benefited by reciprocal treaties or not. Of course, the sole purpose of entering into these trade treaties was to assure us that our exports would increase decidedly with the countries with which we made the reciprocal treaties over those with which we did not have any treaties. Facts and figures do not bear out these promises, because for the first 9 months of 1939, compared with the first 9 months of 1938, a great increase in agricultural imports into the United States and a great decrease of agricultural exports from the United States has taken place. In the first 9 months of 1939 we imported farm products for consumption in the amount of $794,700,000, while in the same period in 1938 we purchased farm products in the amount of $711,600,000. For the same periods our agricultural exports declined from $602,700,000 in 1938 to $418,400,000 in 1939.

You can take the item of corn alone. During the first half of 1938, $30,000,000 of corn was exported to Canada, but less than $1,000,000 worth was exported in the same period in 1939.

I want to take just a little of your time to cite a few instances comparing the average exports in 1934 and 1935 with 1937 and 1938 to show whether we have been benefited by these trade treaties or not, and to do this I am going to call your attention to countries with whom we have trade agreements and those with whom we do not have any. Let us first turn to Latin America. For instance, in the case of Colombia and Guatemala the exports increased 84 and 18 percent, respectively. These are both treaty countries. However, our exports to Venezuela, a nontreaty country, increased by 161 percent. On November 7, 1939, we signed a trade agreement with Venezuela. Of course, the State Department does not give this information in their releases on the trade treaties.

Now, let us take two other countries, similarly situated—Brazil and Argentina. We have a treaty with the former

but did not have any with the latter until November 6 of last year. Our exports to Brazil, the treaty country, increased 56 percent, but exports to Argentina, a nontreaty country, increased 97 percent.

We will now turn to Europe and see what kind of a comparison we find there. We have a trade treaty with Sweden but not with Norway; yet our exports to Norway increased in almost the same percentage as in the case of Sweden, 80 percent as against 81 percent. Thus, all we got out of the treaty with Sweden, after making numerous concessions to her in the American market at the expense of our own producers, was a 1-percent greater increase in exports than to Norway.

The great conservation program of the Government, which I have always been interested in, but rather doubtful as to any benefits to be gained from it, we have taken out of production 40,000,000 acres of land, and have been paying the farmers for not producing on it, is offset by placing into use some 67,000,000 acres through irrigation and other means of placing land into production.

You may be interested in knowing just how this distribution has been made, and who is getting the money, and the expense connected with the program, which most dairy farmers have participated in. I would not give this to you but it enters into the reciprocal treaty set-up, because it takes out of use land in this country that we could produce the farm products on that are imported into the United States.

During the years 1937 and 1938 there were approximately 6,000,000 farmers in this country participating; 3,657,000 of these farmers and landowners received benefits under the soil-conservation program. About $315,500,000 was actually spent in payments to the farmers for soil conservation, and $43,500,000 for administration expense.

If the $315,500,000 were evenly distributed to those who complied with the soil-conservation plan the average payment would be approximately $100.

But here are some figures to which I want to direct your particular attention. Out of 3,657,000 farmers 1,091,540, or almost one-third of them, received less than $20 each. There were 773,000 who received between $20 and $40 each; 500,000 who received between $40 and $60 each; and 556,000 who got between $60 and $100.

If the one-third of all farmers who received less than $20 annually, averaged as much as $15 each, and that is a liberal estimate, $15,000,000 would pay their bill.

If the 774,000 farmers who received between $20 and $40 each, received an average of $30, $22,000,000 would have paid their contracts.

Then, as to the 500,000 farmers who got less than $60, if they received an average of $50 each, $25,000,000 would pay them.

Then we have 556,000 farmers who received between $60 and $100. If their average payment was $80, and this is liberal, they would have received $44,480,000.

In other words, with $107,000,000 we paid approximately 3,000,000 farmers. Or, putting it another way, 80 percent of all the farmers received less than one-half of the funds allocated to the farmers and farm operators. Just think of it, only a comparatively few of the 3,000,000 farmers got as much as $100. As a matter of fact, they received an average of less than $50 each.

Furthermore, it took approximately $18,000,000 to pay the administration expenses in Washington and in the States, and it took $26,000,000 for county expenses, making a total of $44,000,000 for administering the fund.

This is more money than was actually paid to 1,880,000 farmers, being more than half of those who participated in the program, and who got less than $40 each. These farmers received thirty-eight and one-half million dollars, and it took $44,000,000 to administer the fund.

After deducting the $107,000,000 which was paid to the 3,000,000 farmers, we have a balance, in round figures, of $208,000,000, which was divided among the remaining one-fifth of the farmers.

So it would appear that the remaining one-fifth of those who took part in this program in 1937 received approximately $200,000,000, or two-thirds of the amount actually distributed in soil-conservation payments.

I have given this explanation to you because so many farmers get the idea that they have received, or are receiving, a large amount of money from the Government, while in fact it is a very small amount considering the tremendous increase in the tax burden during the last 10 years. You may be interested in knowing the amount that the State of Wisconsin has received during 1936, 1937, and 1938 for the agricultural-conservation program. In 1936 Wisconsin received $11,307,000; in 1937, $8,134,000; and in 1938, $9,777,000. In 1933–34 the Government, through the Federal Surplus Commodities Corporation bought in the open market in round figures $14,000,000 worth of dairy products for the purpose of supporting dairy prices and distributed them through the relief administration. In 1934–35 between $5,000,000, and in 1935–36 a similar amount was used for the same purpose. In 1936–37 approximately $10,000,000 was used in buying the surplus that was weighing down the dairy markets. In 1937–38 this amount was increased to $15,000,000. And for the current fiscal year, the Government, in order to relieve the market, is setting aside $4,000,000 for the purchase of fluid milk, $2,250,000 for the purchase of dry skim milk, and $26,730,000 for the purchase of butter.

These sums do not include the loans made available to dairy farmers which with the above amounts aggregate an approximate total of $44,000,000 provided by the Federal Surplus Commodities Corporation for the relief of the dairy industry during this year.

I have given you a number of figures, which I doubt very much you will be able to retain for any great length of time, but they are fresh in your mind now, so let us see if we can find any reason for the great increase in imports of agricultural products into this country since the new treaties have been entered into.

Let us take up the first item—that of cattle. Under the Tariff Act of 1930 those weighing less than 700 pounds imported into this country the tax was 2½ cents per pound; those weighing 700 pounds or more, 3 cents per pound. Under the trade agreements the first item was reduced from 2½ cents to 1½ cents per pound up to 225,000 head.

Hogs, under the Tariff Act of 1930, a tax of 2 cents per pound was imposed for imports. This was reduced under the trade agreements 50 percent, or to 1 cent per pound.

Canned meats, under the Tariff Act of 1930, were 3½ cents per pound for imports, and this was reduced under the trade agreements to 2 cents per pound.

Butter, under the Tariff Act of 1930, there was an import tax of 14 cents per pound. Under the agreement in 1935 this was left at 14 cents, but under the new agreement of November 17, 1938, this was reduced 2 cents a pound and is now 12 cents.

Cheese, under the Tariff Act of 1930, was taxed 7 cents a pound on imports, and under the trade agreement this has been reduced to 4 cents a pound, and in some instances cheese that is imported the tax actually amounts to 3½ cents per pound.

Tax on corn, under the 1930 Tariff Act, was 25 cents per bushel on imports. It has been reduced under present trade treaties.

The tax on hay under the 1930 Tariff Act was $5 per ton for imports. Under the treaty of 1935 it was left at $5, but when it was renewed in 1938 it was reduced 50 percent, or $2.50 per ton.

Oats, under the Tariff Act of 1930, was taxed 16 cents a bushel on imports, and under the new agreement this has been reduced 50 percent, or 8 cents a bushel.

I give you these comparisons so that you may see the reason for the price of farm products going down in the United States. If our own farmers had been permitted to produce the farm products that have been imported into this country by foreign countries, then the prices would be much higher

than they are now; but when foreign countries, who pay about one-tenth or less for the cost of production of these products than we have to pay to produce them, then they can ship them in here under the present tariff and undersell any of these farm products that our farmers can produce.

I have refrained from criticizing anybody for present conditions, but I feel myself personally that the tariff on farm products should be high enough so that the American farmer may get the cost of production plus a reasonable profit before permitting the goods to be shipped in from foreign countries that have been produced by cheap labor. Anyone who has been privileged to visit these foreign countries and can compare the standard of living of those countries with our own will realize at once that we cannot possibly compete with them.

Mr. STEFAN. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I trust a few fighting Democrats may come in. I shall regret exceedingly if they are not present.

Mr. Chairman, I felt that this was a good time to carry on a sort of conversational argument, as it would not be difficult to be heard. I desire to make a few observations. Inasmuch as the chairman of the Committee on Expenditures is in front of me, I will explain to you why I have not this year, being the ranking man on the Committee on Expenditures, demanded a series of investigations. I have earnestly asked for so many in the past few years, and with no results, that I am simply tired of making such demands. I am forced to take this particular forum to make my remonstrances. I had a letter the other day asking me how many times I had demanded these investigations. This was probably because the writer had not noticed them of late and I feel called upon to explain. I desire to claim with some satisfaction on my part that during the last 7 years I have made many speeches on the floor of this House, feeling compelled to do so as the ranking man on the Committee on Expenditures. If ever a man could say with the greatest satisfaction, "I told you so," I am he.

Some 5 years ago I took the floor for 40 minutes, explaining that we would have a $7,000,000,000 Government permanently established. We have a $9,000,000,000 Government permanently established. In all predictions, when I was called the Jeremiah of the Republican Party—predictions as I foresaw them—what I portrayed was far below the full extent of the actual results. I spoke long ago about the asinine silver policy. It is more asinine, and so proven, than even I dared portray. I have complained about the gold policy. Everyone now is aroused and fearful about it. We have accumulated vast sums more than I ever predicted. Why was I so modest in these predictions? None of us dreamed of the continuous extravagance and "foolishments" of the New Deal before it could run its course.

I spoke about the morale of the people of the Nation. Contemplate it! Badly it was needed. Extravagantly showered over the Nation, even to the wealthiest communities, for vote-getting purposes. Morale! I may have illustrated before: He was injured on the job. The foreman met the little daughter and said, "When will your father probably be back to work?" She replied, "I don't think for a long time. Compensation has set in."

We are accustomed and hardened to receiving relief today. We do not hesitate to take it. Our cheeks do not burn when we ask for it. Rather our cheeks burn in anger if hesitation is shown in granting it. We have been spending many billions of borrowed money. I predicted 6 years ago a debt of $40,000,000,000. You might refer back to that time and note the ridicule following that prediction. Well, the debt is fifty billion now. It will be forty-five billion direct debt by next July and there are more than five billion more in notes that we have endorsed and guaranteed. It will be a direct debt of fifty billion before long. There is not the slightest chance of it being less.

The Democrats have built a house that even the Republicans cannot run decently without going into further debt. We cannot and do not tear down the house any administration has erected. We are forced to live in it. We can simply try to run it more efficiently. May I say to those Democrats who yesterday were so overjoyed at those large appropriations which they added "that he who sometimes grabs at the gravy falls into the soup."

It was rather sad for some of us here to watch the Democrats with such great glee raid the Treasury at the very moment when we are headed, as we certainly are, toward national bankruptcy. No nation ever did or can have constant deficits without inflation. That needs no argument. Everybody must know this danger. The Democratic Party must know it. But it is a habit of spending they have gotten into. We heard one of their great leaders on Wednesday, in a 5-minute speech, try to halt them. He stated that the economic stability of the Nation meant more to him than these appropriations. He pleaded most earnestly, but just as earnestly not very long ago he even threatened, as well as pleaded, that they vote for billions of dollars and the giving of blank checks that the President might shower the money unrestricted. So you see it is too late now for the leaders to check their former followers.

The country must have absolutely lost faith in the Democratic Party. We must change the occupant of the White House. Even the White House expenditures have increased its expenses 1,000 percent. If they listened to Mr. Dewey speaking over the radio last night the ears of Democrats must have burned red. He only gave facts—but so clearly and convincingly stated. I pause for a moment. No Democrat seems to want to interrupt me. I wonder why.

Mr. HOFFMAN. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. There are only three or four of them here. Oh, there are more than that number.

Mr. GIFFORD. I took this time for their benefit. Some of us are very anxious that we have some change in the occupancy of the White House. This third term distresses me. However, I realize what a terrible state the Democrats are in, because other candidates would like to declare themselves, but hardly dare. Their punishment might be most drastic. My Massachusetts Democrats say they are for Mr. Farley, but if Mr. Roosevelt runs they would be for him. However, I do not think we can endure this leadership any longer. She said to him: "You are getting to be unbearable. It will soon be impossible to live with you." He hopefully looked at her and said, "How soon?" That is the way I feel about it. A change cannot come too soon.

Now, I rejoice here today that the Democrats who are here agree with me. And they are true Democrats. They are apparently not of the type of these New Dealers who do not care if they do plunge the country into national bankruptcy. New Dealers complain about economic royalists; but every day they beg them to furnish the capital to run the Nation. When banks or other people lend us money to carry on they can assume at some time some control of our business. The banks are now furnishing nearly all the money, and they may soon control this Government. Last year the country banks outside of New York City did not increase their portfolios a dollar in United States bonds. The New York City banks accounted for the full increase.

Mr. RABAUT. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. RABAUT. The gentleman would not say that the bank control is evidenced in the interest rate, would he?

Mr. GIFFORD. No; but in the end they may have power to control. At the present time we have issued so many notes or bonds and have so much so-called debt money that no one knows what to do with it. I want to make this clear, I have tried before. You give a note for a thousand dollars payable in 20 to 40 years. That is grand for the Government. You have created $1,000 in money that can circulate until the note or bond is paid. Every bond you issue, every bond that is

taken by the banks, creates an equal amount of money, and we have now so much money that the danger of inflation is known to all. There is nothing else to do with this money but to buy more debt and create still more money. As I tried to say the other day, the insurance companies are being urged to buy more Government bonds because they pay cash and no new money created. There is much more I would enjoy mentioning, but you on the Democratic side have agreed with me so perfectly that I will yield the floor. I have enjoyed these few minutes at a time when others were not desirous of taking it.

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. EDWIN A. HALL].

Mr. EDWIN A. HALL. Mr. Chairman, I regret that I am not able to talk about District of Columbia affairs even though it is the subject of the afternoon. However, I am very well versed in a problem which is particularly sectional in nature at the present time. I refer to the very serious hay shortage in my district, about which I spoke last week. I desire to emphasize that the problem which my farmers are facing is rapidly becoming a serious one.

At this time I wish to say that the farmers of my district are absolutely without hay and it is 2 months from now until pasture time when their herds may be able to get fresh fodder. I have gone into this problem very thoroughly with the Department of Agriculture and I point out that the measure which I recently introduced, H. R. 8312, better known as the Hall farm bill, is now pending for consideration. It has been my good fortune to obtain a promise from the chairman of the Committee on Agriculture today that hearings will be held on this particular measure.

When it becomes my opportunity to be designated a date for that hearing, I am going to ask as a special favor not particularly to me but to the farmers of my district that as many Members from agricultural areas attend that hearing as can possibly find time to do so.

My bill, in short, provides for a policy to be created by the Secretary of Agriculture that when a particular section has been endangered or has been stricken by an act of nature such as droughts, floods, fire, and so forth, he may be authorized to take steps in that locality as regards the regulation of the price of hay. I may mention at this time that hay in my district has soared to the fabulous price of from $18 to $22 per ton, and that unscrupulous dealers have taken the opportunity afforded by this unfortunate situation to bring hay and fodder from outside and take advantage of the farmers to bring in hay and fodder from outside and taking advantage of the farmers in my district by giving them short weight. Not only that, but hay has been brought in from other areas and sold to the farmers who could not possibly buy it at these prices.

I found that the Department of Agriculture was having trouble in making loans available for hay at $20 a ton. You will agree with me that no farmer who is facing economic bankruptcy today will be able to borrow money to purchase hay at that fabulous price when he is unable even to buy food for himself. Therefore, the presentation of this measure, while it may affect only my district today, may next year or the next year or the next year affect the districts which you represent. [Applause.]

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

REPENTANCE SHOULD FOLLOW CONFESSION

Mr. HOFFMAN. Mr. Chairman, an editorial in this morning's issue of the Washington Post, a great newspaper, published in the Capital of the richest and most powerful nation in the world, contains unintentionally, no doubt, the most devastating indictment of the New Deal, of the President of the United States, and of the present Congress that has ever been made of a governmental agency since our Nation came into existence.

This editorial is captioned "Erosion of Character." Let me quote from the editorial—

> In his St. Louis address Thomas E. Dewey accused the administration of "a fundamental lack of integrity, a cynical disregard of the principles of common honesty." These are harsh charges.

But they have been made before. Listen to this statement made by the venerable Democratic Senator from Virginia [CARTER GLASS], who unwaveringly, unafraid, has served the great State of Virginia in the United States Senate for so long; who has eyes to see, a mind to analyze, and the courage to state the fact. Long before Mr. Dewey began his campaign the Senator said:

> The New Deal, taken all in all, is not only a mistake, it is a disgrace to the Nation, and the time is not far distant when we shall be ashamed of having wandered so far from the dictates of common sense and common honesty.

Here we have the young crusading racketbuster from the city of New York and the gray-haired patriotic sage of the Senate characterizing the present administration as lacking truthfulness and honesty, without which no nation can prosper and continue to exist.

This editorial then continues—

> But Mr. Dewey did not stop at generalizations. He went ahead to cite instance after instance of broken pledges, renewed promises, and fresh breaches of faith.
>
> Thus he noted the President's repudiation of the gold standard soon after his election upon a platform advocating a "sound currency," and his repeated promises to balance the Budget, ending with conversion to a spending theory which associates budget-balancing with disaster.
>
> Mr. Dewey also passed in review the administration's attempt to "undermine the Constitution"—notably the proposal to pack the Supreme Court, and subsequent unsuccessful efforts to effect a "political purge" of the lawmakers who had opposed the Court-packing plan.
>
> It is not an adequate answer to say that platform promises are made only to be broken. And there is a certain speciousness about the familiar argument that unforeseen emergencies justify lightninglike changes of policy. Mr. Dewey's target is obviously the President himself. And the latter's record is unquestionably vulnerable, because of the multiplicity of broken pledges that could have been kept without danger to the national welfare.

From the foregoing quotation you will note that the editorial does not question the soundness of Dewey's indictment, its truthfulness, nor does it charge that Dewey's recital of the facts did not carry conviction of that charge. The editorial rather seeks by confession an avoidance to excuse the lack of truthfulness and the lack of common honesty shown by the President's administration of his office up to this time. This attempted palliation of the lack of moral fiber in the present administration is given in these words—again I quote from the Post:

> Despite the vigor of the St. Louis speech it is questionable whether a recital of this sort will arouse any great amount of indignation. The fact is that the "erosion of character" of which Mr. Dewey complains in the National Government is paralleled in private life. Indeed, it is probable that the vacillation which characterizes our governmental policies is a reflection of the groping of bewildered individuals for a solution of the numerous social and economic problems that now affect their daily lives.

Here is an indictment not of the administration but of the American people as a whole and of this Congress in particular. Note again this sentence, from the editorial:

> Despite the vigor of the St. Louis speech it is questionable whether a recital of this sort will arouse any great amount of indignation.

What is the implication from that statement? It is this: That notwithstanding candidate Roosevelt's statement that—

> We believe that a party platform is a covenant with the people to be faithfully kept by the party when entrusted with power, and that the people are entitled to know in plain words the terms of a contract to which they are asked to subscribe.

he has seen fit, because of political expediency, to so often violate his solemn promises to the American people that they have become accustomed to the thought that truthfulness is no longer expected from the Chief Executive of the Nation.

What a long, long way we have traveled from the days of George Washington when truth was held to be a cardinal

virtue and the lowliest citizen of the Republic who failed to keep his promise was without credit or respect in his community.

If the thought expressed in this editorial be true, and there is some truth in it, the lessons to children at the mother's knee must be redoubled and emphasized. The old, old saying that honesty is the best policy must again, day after day, be brought home to our citizens so that undone may be the harm and the false doctrine which has been implanted in the minds of the people by our Chief Executive and those who surround him.

Mr. Dewey charged that there had been an "erosion of character" of this administration, if one may speak of an administration as having character. The Washington Post charges that the "erosion of character" of which Mr. Dewey complains in the National Government is paralleled in private life.

The Post charges that the "vacillation which characterizes our governmental policies is a reflection of the groping of bewildered individuals for a solution of the numerous social and economic problems that now affect their daily lives."

Rather the truth is that the people have come to have less regard for truth and honesty because of the lack of those qualities in the present administration. It is not the lack of truth and honesty in the common people which has seduced and corrupted this administration; it is the lack of those qualities in the administration which has undermined, and to a certain extent, dulled those virtues in the minds of the people.

The man who leads the way in times of great national stress, a Washington, a Lincoln, not only reflects the thought of the people, but serves ever as a real leader of the people by his acts, his conduct, and faithfulness to his public utterances, setting an example which all might follow with safety.

If there is among the people of this Nation lack of respect for truth, for honesty, it is because of the example which the Chief Executive has given them during the past 7 years.

The problems which confront this Nation today are no different in principle than those which have always confronted us as a Nation. No man worthy of leading us can excuse the failure to be truthful and honest by the whimpering cry of expediency. The responsibility for our present condition, for the carelessness with which we as a people regard the breaking of promises, the waste, extravagance, the borrowings which enable us to shift our burdens to the shoulders of future generations, rests not alone upon the shoulders of the President and his advisors but squarely upon us, the Members of Congress, who day after day fail to keep our promises to safeguard our Nation from national bankruptcy; from the destruction by governmental agencies of the liberty which our forefathers so dearly won.

Have we forgotten the old proverb—

As a dog returneth to his vomit, so a fool returneth to his folly.

How much longer will we violate our promises, and as a Nation continue to borrow and spend, submit to bureaucrats, Government underlings, stealing from our people the right to free speech, a free press, due process of law, a fair trial in our courts?

Read again and ponder well this editorial from the Washington Post and then, standing convicted as we do of undermining at least some of the necessary foundations of our Government—that is, creating a disregard for truth and honesty—let us repent and before the session ends, give a demonstration by our acts, that our repentance is not a sham and a deception. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired; all time has expired.

The Clerk will read.

The Clerk read as follows:

For general supplies, repairs, new batteries and battery supplies, telephone rental and purchase, telephone service charges, wire and cable for extension of telegraph and telephone service, repairs of lines and instruments, purchase of poles, tools, insulators, brackets, pins, hardware, cross arms, ice, record book, stationery, extra labor, new boxes, maintenance of motortrucks, and other necessary items, $34,700.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word to ask a question of the chairman of the subcommittee.

I notice in the bill that money is available for the construction of a new armory, based upon an authorization carried in the appropriation bill of last year. I want to know whether or not this entire amount is coming out of District funds or whether any of it comes out of the Treasury of the United States.

Mr. CALDWELL. It all comes out of the District with the exception of that portion which is allocable to the Federal Government under the Federal contribution of $6,000,000.

Mr. COCHRAN. I thank the distinguished gentleman from Florida. I have a large number of protests against the appropriation of money by the Congress out of the Treasury of the United States for the construction of a convention hall or an auditorium, in the District of Columbia. The taxpayers back home feel that their money or Government money should not be used for such a purpose, and if the people of the District of Columbia desire to construct an auditorium or a convention hall, or whatever you might call it, for convention purposes, and so forth, they should pay for it themselves.

I notice in the report you have several legislative provisions wherein you authorize the Commissioners to enter into contract or contracts for additions to schools, and so forth. Is there any such provision in this bill that would take care of an auditorium, convention hall, or arena?

Mr. CALDWELL. There is a provision in this bill for the continuation of the construction of an armory.

Mr. COCHRAN. I am talking about an auditorium, convention hall, or arena.

Mr. CALDWELL. No; there is not. The armory is the only thing to which you might refer and the only contribution the taxpayers of your State may make is, perhaps, the contribution toward one-eighth of the total cost of the armory.

Mr. COCHRAN. That money for the armory comes out of the general funds of the District of Columbia and can be properly spent for that purpose, but what I want to make sure of is that there is no money coming out of the United States Treasury alone for the purpose of constructing an auditorium, convention hall, or an arena out of Federal funds alone.

Mr. CALDWELL. The gentleman may be assured that such is the fact.

Mr. COCHRAN. Washington is called the ideal convention city. We have often read in the local press that political national conventions, outstanding athletic events such as the Army-Navy football game, and so forth, could be brought here if proper facilities were available. That is the business of the people of Washington but it is properly the business of my constituents and taxpayers to protest the use of their money to make provisions to care for such events, thus taking that business from them.

My home city, St. Louis, is a great convention city. The finest of hotel accommodations and proper buildings to hold conventions are available. The city is in the center of the country. The money to provide proper facilities for conventions came out of the pockets of the people of St. Louis and therefore I submit it would be unfair to use their money to construct suitable buildings and fields in Washington which in the end would certainly at least compete with my city. I hope the committee will always bear this in mind and if ever an attempt is made to authorize such places provisions will be made that the money to do the work come out of the revenue of the District of Columbia and not out of the Treasury.

The clerk read as follows:

For contingent and other necessary expenses, including equipment and purchase of all necessary articles and supplies for classes in industrial, commercial, and trade instruction, $4,000.

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, everybody who seems to have anything to say, any place in the Nation, nowadays, refers to it as America's No. 1 problem, but if this Congress wants to take cognizance of the real No. 1 problem of this country they have it right here in the District of Columbia, and in the hearings at page 179.

In these hearings you will find that in the elementary-school system of the District, among the white children in 1930, there was an enrollment of 33,631 children, and in 1939 there was an enrollment of 29,951 children; at the same time there was an increase in the population of the District of Columbia from 468,000 to the estimated present population of 685,000.

Enrollment in elementary schools—membership reports of Nov. 1, 1930, 1933, 1934, 1935, Oct. 30, 1936, Oct. 29, 1937, Oct. 28, 1938, and Oct. 27, 1939

School	1930	1933	1934	1935	1936	1937	1938	1939
Divisions 1–9 (white):								
Kindergarten, grade 8	32,779	31,592	32,781	32,468	31,564	30,592	29,638	28,588
Ungraded	852	1,064	1,117	1,053	1,076	1,157	1,136	1,363
Total, divisions 1–9	33,631	32,656	33,898	33,521	32,640	31,749	30,774	29,951
Divisions 10–13 (colored):								
Kindergarten, grade 8	18,901	19,780	20,808	21,414	21,634	21,521	22,109	21,787
Ungraded	327	648	678	606	592	705	371	908
Total, divisions 10–13	19,228	20,428	21,486	22,020	22,226	22,226	22,480	22,695
Total elementary:								
Graded	51,680	51,372	53,589	53,882	53,198	52,113	51,747	50,375
Ungraded	1,179	1,712	1,795	1,659	1,668	1,862	1,507	[1] 2,271
Total, divisions 1–13	52,859	53,084	55,384	55,541	54,866	53,975	53,254	52,646
Increase or decrease over preceding year	1,413	349	2,300	157	−675	−891	−721	−608

[1] Includes 495 pupils belonging to the Bundy School which makes a special feature of industrial arts but is not considered a special school for occupational classes.

There is your No. 1 problem, the fall-off in the child birth rate of America. It has declined from 25.1 in 1915 to 17.6 in 1938 per 1,000 population.

Statement indicating the birth rate (number of live births per 1,000 population) for the United States, 1915–37

Year:	
1915	25.1
1916	25.0
1917	24.7
1918	24.6
1919	22.3
1920	23.7
1921	24.2
1922	22.3
1923	22.2
1924	22.4
1925	21.5
1926	20.7
1927	20.6
1928	19.8
1929	18.9
1930	18.9
1931	18.0
1932	17.4
1933	16.5
1934	17.1
1935	16.9
1936	16.7
1937	17.0
1938 [1]	17.6

[1] 1938 figures are provisional.

This reduction is Nation-wide, and as Frank C. Waldrop rightfully said in his column in the Washington Times-Herald yesterday, you will not be troubled very much longer with building elementary schools in this Nation except to replace those that become obsolete. You will not need as many doctors interested in children as are required today, less teachers, less nursemaids, less clothing, less agricultural products, and all down the line. It is your No. 1 problem, and do not have any doubt about it. The absent child of today is the missing but necessary adult of tomorrow.

Mr. O'NEAL. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman.

Mr. O'NEAL. Consistency is such a rare jewel in these days and times, and so few people speak who are qualified as experts, I would like to add at this point that the gentleman who is speaking on this subject, certainly is qualified, having nine children of his own. [Applause.]

Mr. RABAUT. I thank the gentleman, and I am proud of it.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I am very pleased to yield to the gentleman from Nebraska.

Mr. STEFAN. I think we should clarify the gentleman's statement a little bit as to the increase or decrease of pupils in the elementary schools in Washington. The testimony before our committee shows that the population of Washington is around 613,000, and the percentage of colored people in the District of Columbia is 27 percent, yet the elementary school population in the public schools is 43 percent.

Mr. RABAUT. Colored children.

Mr. STEFAN. The colored population in the city is 27 percent and the colored population in the elementary schools is 43 percent.

Mr. RABAUT. I want to say further to the Committee that after the above and surprising facts had been given to your subcommittee we were approached concerning the nuisance of the dog population of Washington.

As long as I can remember the subject of the poet's pen and the artist's brush has been a boy and his dog. I imagine if we could go back far enough we would find that the original dogs were domesticated to be the companions and protectors of children. Today, with the marked reduction in child population, we hear a great complaint about the excess number of dogs in the city of Washington, and while I am the master of a devoted Irish setter, the faithful companion of my children, nevertheless, I want to know who are petting all these dogs?

The Clerk read as follows:

For the maintenance of schools for crippled pupils, $3,500.

Mr. NICHOLS. Mr. Chairman, I move to strike out the last word. I take this time in order to get into the RECORD the following letter from Mr. William E. Hayes, chairman, taxation committee, District of Columbia Bar Association, in reply to a recommendation carried in the report accompanying this bill, which I shall read:

The House Appropriations Committee, under date of Wednesday, March 27, 1940, reported the District of Columbia's 1941 appropriation bill to the House and in the report the Committee said, among other things:

"In recommending $14,040 for the Board of Tax Appeals, which is the amount of the current appropriation, the committee wishes to call attention to the fact that the Board is composed of a single member without any considerable training and experience in matters of property valuation, who is called upon to review and adjust assessments fixed by the Board of Assessors, which has the experience, background, and information to do a better job than anyone else.

"The Committee finds difficulty in reconciling a condition of this kind, and recommends that consideration be given to improvement of the situation by the appropriate authorities."

The purpose of the Board of Tax Appeals of the District of Columbia, as now constituted, is to afford taxpayers of the District of Columbia an independent review by an independent tribunal of every type of tax paid by the taxpayers of the District of Columbia, whether it be real estate, inheritance, estate, personal property, income, or others. The determination of the proper tax, regardless of the type of tax, naturally involves an independent review of the law, and the facts pertaining to the particular issue, including in many instances the valuation of property. The Board is quasi-judicial and determines the facts, including valuation, in certain cases, upon the evidence presented at the hearing. It is not contemplated that he should possess the qualifications of an assessor or an appraiser any more than a judge or a jury who is called upon to perform a similar type function in the ordinary lawsuit.

To leave valuation questions with the Board of Assessors, one of whom makes the assessment originally, is to deprive the taxpayers of the independent review to which they are now entitled and which can only be had by an independent tribunal, such as the present Board of Tax Appeals of the District of Columbia.

In response to a suggestion some time ago that the Board of Tax Appeals be abolished, 23 civic organizations, including the Bar Association of the District of Columbia, the Association of Certified Public Accountants, and the Board of Trade, and similar organizations, appeared and strongly protested the abolition of the Board of Tax Appeals.

It is felt that the statement herein referred to is a misconception of the purposes of the Board and its functions, and equally so to have the review of valuation questions of real estate revert to the

Board of Assessors of the District would be a grave injustice to the taxpayers of the District and deprive them of the right they unanimously asserted they desired when they appeared and demanded an independent Board of Tax Appeals for the District of Columbia.

WM. E. HAYES,
Chairman Taxation Committee, District of Columbia Bar Association.

Mr. Chairman, I point out to Members at this time that the Board of Tax Appeals was created about 2 years ago by the Committee on the District of Columbia. That was done at the instance of repeated requests and demands by the taxpayers of the District that such a Board be set up, because under the old law we had this situation. A man went out and assessed your property, and he fixed the valuation on the property and levied the assessment. Then you appealed from that, and then found that man with other men out of the assessor's office sitting as the board of appeals. It is the opinion of the District of Columbia Committee that there should be some appeal to an independent authority rather than an appeal to the man who fixed the valuation and who had levied the assessment.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The Clerk read as follows:

For purchase and repair of furniture, tools, machinery, material, and books, and apparatus to be used in connection with instruction in manual and vocational training, and incidental expenses connected therewith, including all necessary expenses in connection with the operation, maintenance, and repair of automobiles used in driver-training courses, $70,400, to be immediately available.

Mr. CALDWELL. Mr. Chairman, I offer the following committee amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment offered by Mr. CALDWELL: Page 26, line 12, strike out the words "including all" and insert "and for insurance and all other"; and in line 14, after the words "repair of", insert "District-owned or loaned."

Mr. CALDWELL. That is a clarifying amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

For textbooks and other educational books and supplies as authorized by the act of January 31, 1930 (46 Stat. 62), including not to exceed $7,000 for personal services, $190,000, to be immediately available.

Mr. BOREN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BOREN: Page 27, line 21, strike out all of lines 21 to 24, inclusive.

Mr. BOREN rose.

Mr. CALDWELL. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 6 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BOREN. Mr. Chairman, I do not wish to make a speech on this subject. The Federal Government does not provide free textbooks for any other students in any other part of the Nation, and I do not believe the Federal Government should provide free textbooks for students in the District of Columbia. At the present time they are providing free textbooks even in the high schools of the District of Columbia.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. BOREN. Yes.

Mr. MAHON. The gentleman realizes that the District pays over $40,000,000 in taxes, and that this money comes from the taxpayers of the District of Columbia and is not provided for out of the Treasury of the United States.

Mr. BOREN. Just the same, the Federal Government contributes $6,000,000 to the District and pays a portion of this free-textbook cost.

Mr. MAHON. The chairman of the subcommittee advises me that it is required by law to make this appropriation.

Mr. BOREN. I recognize that this item is required by law, but the funds come out of public funds, nevertheless, appropriated by Congress, and I do not feel it is justified.

Mr. KENNEDY of Maryland. There is a total of $48,000,000, and only $6,000,000 is contributed by the Federal Government.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. BOREN].

The question was taken; and on a division (demanded by Mr. BOREN) there were ayes 1 and noes 18.

So the amendment was rejected.

Mr. BOREN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. BOREN. Mr. Chairman, I withdraw the point of order.

The Clerk read as follows:

No part of the appropriations herein made for the public schools of the District of Columbia shall be used for the free instruction of pupils who dwell outside the District of Columbia: *Provided*, That this limitation shall not apply to pupils who are enrolled in the schools of the District of Columbia on the date of the approval of this act.

Mr. SASSCER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SASSCER: On page 31 strike out all of lines 15 to 20, inclusive.

Mr. CALDWELL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SASSCER. Mr. Chairman, the purpose of this amendment is to strike lines 15 to 20, inclusive, on page 31, from the act. The purpose of those lines is to repeal existing law which permits children whose parents work either in the Government service or in private employment in the District of Columbia, but who live without the District, to be admitted free into the District of Columbia schools. Although, to some extent, this is legislation on an appropriation measure, I did not make a point of order against it, possibly because it is by way of limitation, a point of order might not be well taken.

Briefly, I understand there are some 2,500 children who come into the District schools; that the cost of education of those children is something over $250,000. It may be asked why should those children come in free. I might briefly say that the parents of those children live on the border of the District of Columbia and, speaking for Maryland, I can say that as far as reciprocity is concerned, children of the District of Columbia go free to the Maryland schools. In my own county, just on the border of the District of Columbia, I am informed there are some hundred children who reside in the District of Columbia, in the outlying sections, who attend Maryland schools free. I am sure the same situation is true in Montgomery County, where a great many District of Columbia children go free to the Montgomery County schools.

In addition to that, our great university at College Park, built up now to the point where it stands foremost among those of the Nation, is supported by the taxpayers of Maryland. We permit students from the District of Columbia to attend that university at practically the same cost to Maryland students, and less than the charge made to the students from other States.

I have been in touch with our Maryland government for some years. One of the reasons why that reciprocity was extended was because the children in Maryland, whose parents work in the District of Columbia, go free to the District of Columbia schools. There are seven or eight hundred District of Columbia students who go to College Park at $75 per year less than students from other States, making a total in that one item alone of over $50,000. I feel sure that in addition to the spirit of reciprocity and cooperation prevailing in greater Washington, if we check this down the

line and take into consideration the children from the District of Columbia who attend Maryland schools free, and take into consideration the great number who attend the University of Maryland, there cannot be any question about the fairness and justice of this amendment. The parents of these children are not Marylanders necessarily. In that suburban section many citizens of different States reside and retain their residence at home. They work in the Government in the District of Columbia and some bring their children into the District of Columbia. The fact that the Federal Government does appropriate a substantial sum for the District of Columbia should be taken into consideration, also. If you would go out to the District line and see how the Maryland people on their way home are trading at the District stores, you can realize how much Maryland money is spent here. Practically all of their money for clothing, and so forth, is spent in the department stores in the District of Columbia. So you can see it is not only eminently fair because of the money we spend here but Maryland has met its reciprocity by accepting District children into its university and into its own public schools.

I therefore respectfully ask that this reciprocity be not destroyed, and this act repealed by this appropriation bill.

[Here the gavel fell.]

Mr. CALDWELL. Mr. Chairman, on the question of reciprocity I am not sure what the situation is in Maryland, but in the hearings Dr. Ballou was asked about this problem.

As will be found on page 191 of the hearings, he said:

I got a letter just the other day, following a newspaper discussion of this matter, calling attention to the fact that a resident of the District was sending a child to a school in one of the counties of Virginia, and that resident of the District has to pay tuition in that county in Virginia.

District students are not given the same privileges at the University of Maryland that Maryland students are given. Twenty-eight hundred students from Virginia and Maryland are now going to school in the District. It is unfair to burden the people of the District with this additional $265,000. The people who are sending their children to the District are in the upper financial brackets and there is no reason why they could not pay a modest or reasonable sum for that privilege. I think they should.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield.

Mr. DONDERO. Do the political subdivisions that are adjacent to the District of Columbia have any law whereby they might repay the District the amount of the tuition that might be charged for these children attending District schools?

Mr. CALDWELL. I am not certain as to that.

Mr. DONDERO. We have such a law in my State of Michigan. I am quite familiar with it.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield.

Mr. VORYS of Ohio. Is provision made whereby parents, if they want to send their children to the District schools, may do so upon payment of tuition and mileage?

Mr. CALDWELL. Oh, yes. The school department is authorized, under the language of this limitation, to accept such students upon payment of reasonable tuition—whatever may be fixed. I may say further that this does not apply to children now enrolled but to future enrollees.

Mr. KENNEDY of Maryland. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield.

Mr. KENNEDY of Maryland. Is there any provision whereby Members of Congress have to pay for the education of their children in the District?

Mr. CALDWELL. I am not sure about that.

Mr. KENNEDY of Maryland. Is it not true that their children are educated without any charge at all?

Mr. CALDWELL. I believe that is true.

Mr. KENNEDY of Maryland. Why should not they pay?

Mr. CALDWELL. Their children should be treated the same as the children of any other residents of the District; they are educated in the District schools whether the parents reside here temporarily or permanently.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield.

Mr. STEFAN. In the past the House has passed this item and it has been fought on the other side of the Capitol Considerable opposition has always come from Representatives from neighboring States. I do not feel that the taxpayers in my State of Nebraska, who are ready to pay a portion of the Government's $6,000,000 contribution to the general expenses of running the District, should be taxed for the tuition of pupils from Maryland and Virginia who participate in these benefits here.

The schools of the District of Columbia are perhaps the finest schools in the United States; they are model schools. People come from all over the country endeavoring to send their children to the District schools. I do not blame the people in Maryland and Virginia for endeavoring to secure this fine free tuition, but I do not want my taxpayers in Nebraska to contribute to the education of the children of Maryland and Virginia, who must pay tuition should they send their children to other States.

Dr. Ballou, Superintendent of Schools in the District of Columbia, states that there is absolutely no reciprocity so far as tuition is concerned between Maryland and Virginia. I do not blame my colleagues from Virginia and Maryland for trying to retain this advantage for their people. They are always fighting against the dropping of this privilege, which costs from $250,000 to $265,000, which should be their own responsibility.

Mr. SASSCER. Mr. Chairman, will the gentleman yield?

Mr. CALDWELL. I yield.

Mr. SASSCER. So far as reciprocity is concerned in the case of Maryland University, does the gentleman realize that there is no land-grant school in the District of Columbia, and that for their vocational training District students go to the University of Maryland absolutely free and the others go there on a reduced basis?

Mr. CALDWELL. All I know is what the superintendent of schools told us at the hearings.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Florida has expired; all time has expired.

The question is on the amendment offered by the gentleman from Maryland.

The question was taken; and on a division (demanded by Mr. SASSCER) there were—ayes 8, noes 29.

So the motion to the amendment was rejected.

The Clerk read as follows:

For the pay and allowances of officers and members of the Metropolitan Police force, in accordance with the act entitled "An act to fix the salaries of the Metropolitan Police force, the United States Park Police force, and the Fire Department of the District of Columbia" (43 Stat. 174–175), as amended by the act of July 1, 1930 (46 Stat. 839–841), including one captain, who shall be property clerk, and the present acting sergeant in charge of police automobiles, who shall have the rank and pay of a sergeant, $2,924,280.

Mr. SCHULTE. Mr. Chairman, I offer an amendment.

Amendment offered by Mr. SCHULTE: Page 35, line 20, strike out "$2,924,280" and insert in lieu thereof "$2,948,505"; and on page 68, line 7, strike out "$516,050" and insert in lieu thereof "$520,325."

Mr. CALDWELL. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SCHULTE. Mr. Chairman, I have introduced this amendment for the purpose of increasing the Police Department of the District of Columbia by 25 men. Of course it means an increase in the Budget of $42,500. The men are started off at a salary of $1,900 a year, which is the salary paid to rookies. Now, let me state the reason for this amendment.

We have been reading in the newspapers constantly of hold-ups, burglaries, the snatching of purses, and other petty

crimes. I do not mind saying to you that Washington is fast becoming known as the petty-crime center of the universe. Do you know that just this morning on the Capitol Grounds there was a hold-up? On the Capitol Ground of the Nation! Certainly this is becoming serious when they are so brazen as to attempt a hold-up on the Capitol Grounds. When the matter of robberies is called to the attention of the major of police he continues to say that he is short of police, he has not enough men.

Let me say to the Members of the House that the major has some justification for saying that very thing, and I believe we all agree that he does not have enough men, so certainly he is right in advancing that sort of an argument because of the fact that they are constantly draining his department. Men are taken to the White House to accompany the President to the train and to receive the President when he comes back and they perform other functions such as guarding the embassies, the legations, and a great many other duties they do not have to perform in other cities, but must do here in the District of Columbia. Last year there were 4,000 man-hours used in that type and kind of service.

I appreciate the fact that the Police Department in the District here is entitled to be streamlined and that there are some ills and faults with the Police Department that should be corrected. For instance, 14 men from the Police Department, drawing a salary of $2,400 a year each, are assigned as hack inspectors. They are the fellows who go out and ask the hack driver if he has a license. They see if he has four wheels on his taxicab and perform services of that kind. Those are not the duties of a policeman, and this service, I maintain, should be placed in the Traffic Department under the supervision of Mr. Van Duzer, and certainly a big saving could be effected right here in this department. Instead of paying policemen $2,400 a year, others could do it for $1,800 a year, so that would give us about 14 more men to do police work. Those are some of the things we have to contend with—and again here is another incident. There are 10 or 12 men from the Police Department assigned to the A. B. C. Board. Those men are charged against the Police Department. They go around to see that the taverns have licenses, they see that there are no violations going on in these taverns, and again I say that does not belong to the Police Department. This work again should be done by men hired by the A. B. C. Board, and should they have any trouble they could call on the man on the beat. The man on the beat should be able to take care of that situation.

If we could get the Commissioners to cooperate with the people of the District of Columbia and cooperate with the various heads of departments, we would not have any argument in the District of Columbia for the vote and suffrage. But we do not have that now. I hope when the President makes his next appointment to the District Commission that he will select someone who has no connection whatsoever with the District Building or any of its affiliates, someone who really has the District of Columbia and its people at heart. I am frank to say, if he does appoint a man of that type, we can correct this situation very quickly, and I am serious when I make that statement. I have been a member of the Committee on the District of Columbia for the past 8 years, and I feel that I have gained quite a bit of experience by being a member of that committee and that I can speak authoritatively.

Mr. Chairman, in going over the Police Department and its various subdivisions I can readily understand why the major should have an additional 25 men. He has been working the men from 8 o'clock in the morning until 12 at night. He has to do that because of the fact that the crime wave is here. At least that is what the newspapers have called it, and certainly it has been very serious in the last 2 weeks. It subsides one night, then breaks out again the next night. Your constituents and mine have probably had the same experience that I had the misfortune to go through. I do not want to face these guns. It is not a pleasant thing to look into the business end of a gun and be told to surrender your money. I am frank to state that around 1,400 or 1,425 police are not sufficient in a city of 629,000 people, when they are assigned to other bureaus, while still being charged to the Police Department. I hope that at some time or other with District Commissioners whose sole interests are in the District of Columbia and its welfare this thing may be ironed out to the satisfaction of everyone concerned, and I want to suggest to the Commissioners now to have the police who are assigned to the hack inspectors and the A. B. C. Board that they be returned back to the Police Department for which they were hired, and then hire men who are paid but $1,800 a year to do this clerical work that is to be done in these agencies.

Mr. Chairman, I hope my amendment will be agreed to, which will provide $42,500 for an additional 25 policemen to be used for the prevention of crime and hold-ups in the District of Columbia.

[Here the gavel fell.]

Mr. O'NEAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, unfortunately, the number of police does not always mean efficiency with reference to a police department. There are 133 Capitol police up here on the Hill; and if there was a hold-up on Capitol Hill this morning, it was not due to a lack of police. Certainly if the same proportion of police were employed all over the city of Washington, it would be quite impossible to pay all of them. That is not where the difficulty lies. The remedy is in having the Police Department do the job as it should be done on the Hill and in Washington.

Taking 12 comparable cities in the United States, Washington has more policemen in proportion to population than 9 of those cities. There are only 3 of them that have more.

Your committee has gone into this very carefully. The amount in the amendment would exceed the Budget estimate. Also, Washington, in addition to having more policemen than most cities of the United States in proportion to population, has for its protection 72 Park Police, 133 Capitol Police, and 60 members of the Secret Service. Every building in Washington has its custodial guard and, as you know, hundreds and hundreds of men are used in that capacity, and they are, in a certain sense, policemen. The committee allowed the Budget estimate. As I stated, our committee has gone into this very carefully, and as far as numbers are concerned Washington is better off than most cities. We see no reason to increase it, and we hope you will support the action of the committee.

Mr. RANDOLPH. Will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I know the gentleman and the members of the Subcommittee on District Appropriations have considered this item carefully, as they have all other items. I am wondering if they realized in estimating the population of the District of Columbia that there are hundreds of thousands of persons who are here every day who are not counted in the regular population?

Mr. O'NEAL. Yes. I think the purpose of the guards and the custodians in the Government buildings, which these people frequent, is one reason we have so many guards, and they are there for the protection of the visiting public.

Mr. SCHULTE. Will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Indiana.

Mr. SCHULTE. I appreciate the fact we have 100 or more police around the Capitol, and that there are hundreds employed in the various Government buildings, but may I say to the gentleman that those guards are not allowed out of the buildings. They do not patrol the streets, the highways, or the byways, and that is where most of our petty crime is being committed today. One of the Members said to me, "Frankly, I am afraid to go out on the streets at night, and I am even afraid to drive my car."

Mr. O'NEAL. We have given the Police Department an increase every year, practically. It was increased by 25 last year. There are 1,400 police in Washington, which is 2.2 to every 1,000 of population.

Mr. CALDWELL. Will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Florida.

Mr. CALDWELL. May I remind the gentleman that in the hearings, it developed that 14 members of the uniformed force are now being used throughout the city to inspect various buildings, and determine whether or not occupational licenses should be paid.

Mr. O'NEAL. That is true.

Mr. CALDWELL. They have taken 14 members of the police force out of circulation, and put them on another job.

Mr. SCHULTE. I grant that.

Mr. O'NEAL. The problem is to use what they have to better advantage. The committee went into this very carefully. I trust the amendment will not be adopted.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Texas.

Mr. RAYBURN. Of course, I am going to support the committee, as I am expected to do, but I do want to say that the kind and, I may say, the adequacy of the police force on Capitol Hill has been, at times, a source of no little distress to me. I am pleased that these boys have these jobs, as I know that nearly all of them go to school. However, we all know that when war comes in any country in the world a great many people lose their reason. I have thought for a long time that especially in times like these, in view of the importance of this building and its occupants, the Capitol Police ought to be supplemented in some fashion by men selected in the same way, and required to have the same physical and mental qualifications as the police in the average metropolitan center. I should like to know what the gentleman thinks of this idea.

Mr. O'NEAL. The gentleman is referring to the Capitol Police?

Mr. RAYBURN. I am.

Mr. O'NEAL. The gentleman is asking my personal opinion?

Mr. RAYBURN. Yes. I know the gentleman has gone into matters like this, and I have not.

Mr. O'NEAL. With 133 police on Capitol Hill, as Members of Congress we certainly should give more attention to their selection, training, and discipline; because my observation has been that it is anything but a trained, soldierly, efficient outfit.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. SCHULTE) there were—ayes 6, noes 31.

So the amendment was rejected.

The Clerk read as follows:

For personal services, $148,145, including not to exceed $1,265 for the salary of one part-time physician to be paid at the rate of $3,800 per annum.

Mr. PLUMLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been impressed and oppressed by the fact that notwithstanding we like to believe that we are 435 representatives of the intelligence, the virtue, and the wisdom of the country, we neglect to do some things with respect to our membership and with regard to our friends on this floor which in any other body of this size would be deprecated by any of us. We come here in the morning and see that the flag is at half-staff, a signal that one has gone whom we have "loved long since and lost a while." Someone has died.

We go along about our business here and pass a resolution at the end of the day's work, and then adjourn out of respect to that Member, for whom we have respect and regard but for whom we show neither respect nor regard, by our insistence upon attending to trivial or important material matters and things incident to the day's work, utterly and hypocritically disregarding him, his death, and our loss. This should give us pause.

There is something more than the conideration of dollars and cents in living this life, else Socrates was right when he said: "The happiest man is he who is born dead."

I rise at this moment, sentimentally, you may say—but if life is worth living, it is because of the sentiment that is found in it—to suggest to you that today in charge of this bill is one of the most able, efficient, and conscientious men who ever sat on this floor since I have known anything about it [applause], and my history goes back to the days when I was secretary to my father in 1909. I am speaking about a man who has had the courage to stand and to bear a terrific personal burden, but who has never imposed it upon any of us; a man who comes in here today after having announced publicly that he would never again seek to be a candidate for the office of Congressman but who privately, and I do not know but that he may have done so publicly, has stated that in taking the position as chairman, as he has, of this subcommittee he would undertake to leave to his successor a slate as clean as he could wipe it. I refer to the gentleman from Florida [Mr. CALDWELL]. By his determination not again to be a candidate for Congress we have sustained a loss immeasurable.

[Here the gavel fell.]

The Clerk read as follows:

For completely furnishing and equipping the Southwest health center, $20,000, to be immediately available.

Mr. RANDOLPH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to inquire of the chairman of the subcommittee about an item in connection with the Southwest health center. I do not speak now in any critical vein, but I believe that perhaps a little fuller explanation might be given than that which is carried in the report. I notice you have eliminated the proposal of the Budget for $13,000, which was recommended to be used for the purchase of a site for the health center in Southwest Washington. I quote from the report, as follows:

The committee recommend $20,000 for furnishing and equipping the new Southwest health center instead of $21,000 as proposed by the Budget, and has eliminated the Budget proposal for $13,000 to be used to purchase a site for a health center in Southwest Washington. The committee are of the opinion that this proposal should be deferred until the school-replacement program is undertaken, at which time one or more sites ideally located for this purpose will be available without additional cost to the District.

May I ask the gentleman when he believes the school-replacement program will make available a site which can be used for this purpose?

Mr. CALDWELL. As the gentleman knows, we are not able to make any definite prediction, but it was the feeling of the committee, and of all those with whom we talked, that within the next 1, 2, or 3 years there would be a sufficient consolidation and replacement of the old schools to provide a site that would be entirely suitable for this purpose.

Mr. RANDOLPH. I wish to see these health centers established as quickly as possible where they are needed in Washington. With this explanation of the chairman, I feel that I have no opposition to the deletion of this item.

The Clerk read as follows:

For the maintenance, under the jurisdiction of the Board of Public Welfare (of a suitable place in a building entirely separate and apart from the house of detention for the reception and detention of children under 18 years of age arrested by the police on charge of offense against any laws in force in the District of Columbia, or committed to the guardianship of the Board, or held as witness, or held temporarily, or pending hearing, or otherwise, including transportation, food, clothing, medicine, and medicinal supplies, rental, repair and upkeep of buildings, fuel, gas, electricity, ice, supplies, and equipment, and other necessary expenses, including not to exceed $20,920 for personal services, $39,000.

Mr. CALDWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CALDWELL: On page 47, line 11, strike out the parenthesis and insert a comma.

The committee amendment was agreed to.

The Clerk read as follows:

For current work of repairs to streets, avenues, roads, and alleys, including the reconditioning of existing gravel streets and roads; for cleaning snow and ice from streets, sidewalks, cross walks, and gutters in the discretion of the Commissioners; and including the purchase, exchange, maintenance, and operation of non-passenger-carrying motor vehicles used in this work, $922,500, of which amount $97,500 shall be available exclusively for snow-removal

purposes, $18,000 thereof to be immediately available for reimbursement to the appropriation from which expenditures for such purposes have heretofore been made, and not to exceed $37,500 thereof to be available for the procurement of snow-removal equipment: *Provided*, That appropriations contained in this act for highways, sewers, city refuse, and the Water Department shall be available for snow removal when specifically and in writing ordered by the Commissioners: *Provided further*, That the Commissioners of the District of Columbia, should they deem such action to be to the advantage of the District of Columbia, are hereby authorized to purchase a municipal asphalt plant at a cost not to exceed $30,000: *Provided further*, That not exceeding $15,000 of the foregoing appropriation shall be available for the preparation of plans, working drawings, and specifications for the construction of an underpass in the line of Sixteenth Street NW., at Scott Circle, including necessary changes in surface and underground structures within public property areas now occupied by roadways, sidewalks, walkways, parking and park reservations: *Provided further*, That upon the completion and approval of such plans by the Commissioners of the District of Columbia, the said Commissioners are authorized to submit the project as a Federal-aid highway project to the Public Roads Administration under the provisions of the Federal Aid Highway Act of June 8, 1938 (52 Stat. 633), and upon approval of such project by the Public Roads Administration the Commissioners are authorized to construct such underpass and perform such necessary incidental work and pay the cost thereof from the appropriation contained in this act for Federal-aid highway projects and the District's allocation of funds by the Public Roads Administration authorized by the said Federal Aid Highway Act: *Provided further*, That the necessary transfer of jurisdiction of public land and the relocation of monuments is authorized and directed under the provisions of the Land Transfer Act of May 20, 1932 (47 Stat. 161): *And provided further*, That the Commissioners are authorized to employ necessary engineering and other professional services, by contract or otherwise, without reference to section 3709 of the Revised Statutes (41 U. S. C. 5), the Classification Act of 1923, as amended, and civil-service requirements.

Mr. BOLLES. Mr. Chairman, I make a point of order against all of the paragraph beginning at line 23, page 72, the last three lines, and all of page 73, and lines 1 and 2, on page 74. I make the point of order that this is legislation on an appropriation bill.

Mr. CALDWELL. Mr. Chairman, the committee is disposed very promptly to concede that the point of order is well taken.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

SEC. 9. No part of this appropriation shall be available for any expense for or incident to the issuance of congressional tags except to those persons set out in the act of December 19, 1932 (47 Stat. 750), including the Speaker and the Vice President.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT: On page 88, after line 5, insert a new section as follows:

"SEC. 10. No part of any appropriation contained in this act or authorized hereby to be expended shall be used to pay the compensation of any officer or employee of the Government of the United States or of the District of Columbia unless such person is a citizen of the United States or a person in the service of the United States or the District of Columbia on the date of the approval of this act who, being eligible for citizenship, had theretofore filed a declaration of intention to become a citizen or who owes allegiance to the United States."

Mr. CALDWELL. If the gentleman will yield to me, I may say that it is my information that there is no one employed by the District or under this appropriation who is not a citizen; but if the gentleman insists, I see no objection to the amendment.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. CALDWELL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. THOMASON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 9102, the District of Columbia appropriation bill, 1941, had directed him to report the same back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. CALDWELL. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The motion was agreed to.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment; if not, the Chair will put them en gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CALDWELL. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill may have 5 legislative days within which to revise and extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

ADJOURNMENT OVER

Mr. CALDWELL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next at 12 o'clock noon.

The SPEAKER pro tempore. Is there objection?

Mr. MICHENER. Mr. Speaker, I reserve the right to object to ascertain what the program will be for next week.

The SPEAKER pro tempore. Monday is Consent Day. The committee having in charge appropriations for the War Department say that they cannot be ready before Wednesday. It is my intention to ask unanimous consent on Monday that Calendar Wednesday be transferred to Tuesday. Wednesday and Thursday will be taken up by the War Department appropriation bill. If it should be completed by Thursday night, it is expected that the conference report upon the independent offices appropriation bill will come up Friday.

Is there objection to the request of the gentleman from Florida?

There was no objection.

EXTENSION OF REMARKS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain excerpts from the Washington Star.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. STEFAN. Also, Mr. Speaker, on behalf of my colleague, the gentleman from Massachusetts [Mr. TREADWAY], I ask unanimous consent that in the extension of his remarks he be permitted to insert a resolution establishing a tax commission, and an excerpt from the Ways and Means hearing about the commission; also an editorial on the subject from the accountants' publication.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent that my colleague from New York [Mr. COLE] be permitted to extend his own remarks and to include therein an address delivered by the Honorable Frank Gannett.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. KELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a very important and convincing letter from the Honorable Thomas E. Dewey.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JONES of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a table prepared by the Department of Commerce.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the disposition of matters on

the Speaker's table, and other special orders, I be permitted to address the House for 45 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that after the address by the gentleman from Michigan [Mr. DONDERO] today I be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include tables showing the deficit from 1933 to 1939.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, I ask unanimous consent that at the conclusion of the business on the Speaker's desk and any other special orders on Thursday next, I be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. If the gentleman will permit a suggestion, the Chair feels certain that Wednesday and Thursday will be taken up entirely by the business of the House, while Monday and Tuesday will not. Is there objection to the request of the gentleman from Ohio?

There was no objection.

WATERS OF YELLOWSTONE RIVER

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill S. 1759, granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River, with House amendments thereto, insist on the House amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection?

There was no objection.

By unanimous consent the Speaker pro tempore appointed the following conferees: Mr. WHITE of Idaho, Mr. HILL, and Mr. HAWKS.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Michigan [Mr. DONDERO] is recognized for 20 minutes.

CENSUS QUESTIONS

Mr. DONDERO. Mr. Speaker, there appeared in the public press on March 26 a statement that the Census Bureau would have available a 5-percent sample of its population enumeration, which would be published during the summer and that the total number of the unemployed might be compiled before the election.

That statement challenges my attention. The implication that any reasonable person can possibly draw from such an announcement on the part of the Census Bureau is that it might have a direct relation or a direct bearing on the coming election next November. If such is not the correct conclusion, if that is not a reasonable interpretation of such an announcement, why does the Census Bureau single out the one subject, the unemployed, to be announced before the election?

That announcement standing alone may not be impressive enough to challenge the attention of the people if it were not associated with certain questions to be asked by an army of 130,000 census enumerators who are to begin their work next week.

The census of 1940 has been given wide publicity. The attention of the whole Nation has been drawn to the fact that the people were to be subjected to questioning heretofore unknown to the people of the United States.

A resolution was introduced in the Senate during this session of Congress by a distinguished Senator from the State of New Hampshire, calling upon that historic legislative body to express itself in opposition to questions relating to the income of the people and to instruct the Bureau of the Census and the Secretary of Commerce, Hon. Harry Hopkins, that it was their judgment that such questions relating to income should be deleted. A hearing on this resolution was held by a subcommittee of the Committee on Commerce of the Senate, and full opportunity given for the proponents and opponents of that resolution to state their views.

After the hearing the committee reported it favorably to the Senate, but no further action has been taken.

I introduced an identical resolution in this House on February 26, being House Resolution 397, and which provides as follows:

Whereas section 4 of the act of June 18, 1929 (providing for the fifteenth and subsequent decennial censuses), provides that "* * * the fifteenth and subsequent censuses shall be restricted to inquiries relating to population, to agriculture, to irrigation, to drainage, to distribution, to unemployment, and to mines,"; and

Whereas the act of August 11, 1939 (providing for a national census of housing), extends the scope of the population inquiry of the Sixteenth Decennial Census to include the obtaining of information with respect to dwelling structures and dwelling units in the United States; and

Whereas neither of the acts aforementioned nor any other act of Congress authorizes the officers and employees of the United States charged with the duty of taking the Sixteenth Decennial Census to make inquiries with respect to income; and

Whereas, notwithstanding the absence of authority to make inquiries with respect to income, questions numbered 32 and 33 on the forms prepared by the Bureau of the Census to be used by the enumerators in taking the Sixteenth Census are as follows:

"Amount of money, wages, or salary received (including commissions)." (1939.)

"Did this person receive income of $50 or more from sources other than money, wages, or salary?" (1939); and

Whereas no jurisdiction can exist for officers and employees of the United States to lawfully arrogate to themselves the power to make unauthorized inquiries into the private affairs of citizens; and

Whereas it is particularly dangerous for officers and employees of the United States to abuse their authority in cases where citizens may tolerate such abuse of authority because of their fear of being prosecuted criminally; therefore be it

Resolved, That it is the sense of the House of Representatives that the Director of the Census and the Secretary of Commerce should immediately cause to be deleted from the population schedule proposed to be used in taking the sixteenth decennial census inquiries Nos. 32 and 33 now appearing upon such proposed schedule.

Little opportunity has been presented for the Congress to express itself in relation to this new form of inquisition into the private affairs of the people. We all know that at this late date no action will be taken, but the Bureau of the Consus, after proceedings were instituted in this Congress and after the resolution had been favorably reported, apparently believing that its position was untenable in insisting that questions 32 and 33 should be asked; and, undoubtedly, believing it had no legal right to ask the questions relating to income, and that it had gone beyond the scope of the law, resorted to the strategy adopted and known to the legal profession as "confession and avoidance." Confessing that the Bureau had no legal right to inquire into the income of the people and avoiding the issue by permitting the people to answer the questions in private without divulging their income to the enumerators but setting forth their income on a private slip of paper and sealing it in an envelope.

If the Bureau of the Census and the Secretary of Commerce had had any legal right whatever to inquire and snoop into the incomes of the people, they would not have retreated nor used this subterfuge to obtain the information.

The statute under which this census is to be taken clearly sets forth seven subjects to which inquiry can be made, namely, population, irrigation, agriculture, drainage, distribution, unemployment, and mines. It is strictly a statute of limitation. It is inclusive in the number of subjects listed and it is exclusive of all other subjects. No one can read into the law what is not there and nowhere in the statute is the subject of income mentioned. If Congress had intended, when it passed the law in 1929, that the income of the people should be a subject of inquiry, it would have said so. But having failed to include that subject no one, not even a bureau or a department of the Government, has any right to assume authority for making inquiry regarding a subject

which concerns the private affairs of the people. Such dictatorial and bureaucratic procedure and assumption of authority is one way to undermine the guaranteed rights of a free people and as Washington once predicted, "It means the eating away of the coast line of our national existence."

Now I desire to return to the subject that the Bureau of the Census deems so important that the information to be obtained should be published before election and that is the subject of the unemployed.

I have in my possession a copy or sample questionnaire issued by the Bureau of the Census relating to the population schedule. I also have in my possession a copy of the instructions delivered to this vast army of 130,000 enumerators.

Question 21 to be asked is as follows:

Was this person at work for pay or profit in private or nonemergency Government work during week of March 24–30? Yes or No.

Questions 22, 23, 24, and 25 are not to be asked if the answer is "Yes" to question 21. Question 21, above quoted, looks innocent enough standing alone, but when it is associated with the instructions sent out by the Bureau of the Census to the enumerators it becomes an inquiry not only to arouse suspicion but one that challenges the good faith and the proper intent of the Bureau of the Census in obtaining the information. What is the meaning of the words "at work" as interpreted by the Bureau of the Census?

If question 21 is answered "Yes or No," in accordance with the instructions placed in the hands of the enumerators, it will result in an inaccurate, unreliable, and untruthful census in regard to the number of unemployed.

I quote the instructions issued in regard to this subject found on pages 50 and 51 of Instructions to Enumerators, section 498 (b) and section 501 (b); and page 52, (d), section 498:

Enter "Yes" also for any person who worked during the week at unpaid family work as defined below.

Enter "Yes" for a person with a business of his own (such as a store owner, a radio-repair man, a contractor, or a peddler) who operated his business, that is, who attempted to sell his wares or to obtain orders, even though he may not have made any sales or performed any services during the week.

Section 501 (d), page 52, Instructions to Enumerators:

Enter "Yes" for each person who worked for pay or profit in his or her own home at any time during the week, as for example, a woman who took in laundry, or who made artificial flowers that she intended to sell, or did sewing at home for a shop or clothing factory.

In answering question 21, which is subtle and deceptive in the information it seeks to elicit when related to the instructions given, it might be well to give in full not only question 21 on the population schedule of the census blank but also to include questions 22, 23, 24, and 25, which are as follows:

Question No. 22:

If not, was he at work on, or assigned to public emergency work (W. P. A., N. Y. A., C. C. C., etc.), during week of March 24–30? Yes or No.

Question No. 23:

Was this person seeking work? Yes or No.

Question No. 24:

If not seeking work, did he have a job, business, etc.? Yes or No.

Question No. 25:

Indicate whether engaged in home housework (H), in school (S), unable to work (U), or other (Ot).

The first consideration in the study of these questions, if the answer to question 21 is "Yes," the other four are not asked. Bearing in mind the instructions given to the enumerators, let us clearly understand what the Census Bureau believes to be a person "at work." Let us make it understandable. If you worked for pay or profit at any private or nonemergency Government work, regardless of the nature of that work or the amount of money you received during the week of March 24 to 30, 1940, you were employed. In other words, if you were out trying to peddle razor blades, shoelaces, flavoring extracts, although really unemployed, or if you took out the ashes for a neighbor for pay, shoveled the snow from the sidewalks for pay, washed the windows in a store that week for pay, even though you had never done it before nor be offered the job thereafter, you would be employed. And you would also be employed whether or not you sold any razor blades, flavoring extract, or other articles; and the same is true if your wife made an effort to make a sale—she would be employed. If through sheer necessity she took in the first bundle of laundry or did a little sewing at home for some shop or factory, she would be employed; or if she made a few artificial flowers which she intended to sell, even though she was not successful in selling a single flower, she would be listed as employed, or, in the words of the census, "at work."

The same applies to any person 14 years old or over. If you or any member of your family 14 years old or over worked at anything for pay or profit, including unpaid family work, such as helping out at the little newsstand, and so forth, regardless of whether you received any money or not, and if you did, regardless of the amount received, you or they were employed.

Questions 22, 23, and 24 would give the information necessary: Was this person on emergency work? Was this person seeking work? or Did this person have a job?

Let us look at it from another angle. How many people who are, in truth, unemployed will be required to answer "yes" to question No. 21? Who of us, if unemployed, would not try to peddle something or get an odd job here or there in order to get the barest of necessities? Who of us would not cut cordwood for a wealthy neighbor in the North country so that the money would not be called charity, or who of us would not wash the windows of the rich man's home in the Southland for the same reason? Yet all this time we are really unemployed.

Remember that the enumerator is the sole judge of what he will enter upon the schedule; second, that the person furnishing the information is not permitted to see the entries made; third, that this unpropitious question, No. 21, will require an answer of "yes" from untold numbers of persons who are in fact unemployed; fourth, that a "Yes" in answer to this question causes the other employment questions to go unasked; and, last but by no means least, the natural temptation of the enumerator to have done with it. Question No. 21 looms large and foreboding.

Question No. 21 is dangerous. If it is not removed from the census schedules, there may be 1,000,000, 2,000,000, or even 3,000,000 less unemployed people to talk about in the coming Presidential campaign.

Referring to "Instructions to Enumerators—Population and Agriculture—1940," known as form No. PA–1, page 4, paragraph 20:

Untruthful replies: You have a right not only to an answer, but to a truthful answer. Do not accept any statement that you believe to be false. Where you know that the answer is incorrect, enter upon the schedule the correct answer as nearly as you can ascertain it.

This instruction, above quoted, gives the enumerator a free hand to enter upon the schedule any answer which he, the enumerator, thinks is right. The supposition or assumption that the enumerator can answer the question better than the citizen questioned is preposterous and should not be permitted. Let me quote further from form PA–1, a sentence contained in paragraph 21:

Be particularly careful that no person is reading the entries you are making or the entries you have made for other households.

In other words, the person being questioned has no guarantee, even though he is truthful in every detail, that the enumerator is putting it down in the book right, because he is not permitted to see that it is done right. Remember this instruction because it is exceedingly important.

Questions 21, 22, 23, 24, and 25 covering the employment situation are cunningly and ingeniously framed and when asked in their chronological order as per strict instructions set forth in PA–1, page 50, paragraph 496—

Do not ask them in any other order.

present a unique picture of an attempt to show that there are a great many less unemployed people in the country than is actually the case.

It must be obvious to every thinking citizen that the enumerator is not himself entitled to anything, as his right, except to ask the questions contained in the questionnaire and to receive and record the citizen's answers thereto. If the enumerators followed this instruction they will have been authorized to set themselves as the judges of the integrity of the citizens, as the judges of the truthfulness of the citizens' answers, and the result of the census will be an inaccurate and unreliable mixture of what the citizens say is true and what the census enumerators decided to put in because they thought it was true. Any enumerator who might not choose to believe some citizen would, under his instruction, be authorized to disregard the citizen's answers and to put in such answers as the enumerator might believe to fit the particular case.

A very grave danger lies here. When the questionnaire reaches Washington, if some official should investigate and should determine that some answer was incorrect, and should undertake to invoke the penalty of fine or imprisonment against the citizen, how would any man or woman be able to prove that the enumerator had answered the question according to his belief, instead of according to the facts as represented by the citizen?

There is not time enough to touch on all the dangers involved in the way the 1940 decennial census is to be conducted. Suffice it to say, however, that attempts never heretofore dreamed of are being made to ignore the Bill of Rights, to defy the Constitution, to override the liberties of the citizens, and to set up a precedent of arbitrary regulation, and then to endeavor to invoke the penalties prescribed by the Congress for failure to answer proper questions in order that the bureaucrats may compel the answering of questions not contemplated by the Congress when it passed the law. [Applause.]

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. KELLER. Is it not true that at every 10-year period, when the census is taken, new questions have always been used to cover the new conditions that have arisen in the meantime?

Mr. DONDERO. I have no information on the subject that new questions have been asked, but this census is to be taken under the 1929 law, and the questions that I complain about were not included in the census of 1930.

Mr. KELLER. But, as a matter of fact, I think the gentleman knows, because I have a very high regard for his intelligence, and ordinarily for his judgment, that what I have suggested is true—that every time we have included new questions from the very First Census until the last one.

Mr. DONDERO. When they are authorized by law, yes; but the 1929 act only includes seven subjects, and "income" is not one of them. It is a statute of limitation.

Mr. KELLER. One of the most important things we have to consider at this time is the matter of national income.

Mr. DONDERO. Let me say to my able friend from Illinois that if the income of the people is an important question, why does not the Government of the United States now divulge the information it has concerning every person in this Nation with an income of $1,000 or more?

Mr. KELLER. Unfortunately, it has not that information to the extent that we must have it, and this information which we are asking for will go much more fully into it than has been done before. It does seem to me that we ought to dig in and find out what the national income is to be in this Nation, because without it we cannot intelligently discuss the questions that are facing us at the present time, in my judgment. Why not have it done? The gentleman does not object to answering that, does he?

Mr. DONDERO. Does the gentleman mean the question of income?

Mr. KELLER. Yes.

Mr. DONDERO. I do not, for the reason that the Government already has the information in regard to my income.

Mr. KELLER. If it did not have it, you would not object to it?

Mr. DONDERO. I would object to it unless the Congress authorizes it. It is an unauthorized question as it stands under the present law.

Mr. KELLER. As a matter of fact, have not the officials of the Census Bureau always had authority to make whatever questions they really found necessary to bring out the facts in the case?

Mr. DONDERO. Oh, I think not. I do not think my able friend from Illinois believes that, unless the Census Bureau is authorized by Congress to do so.

Mr. KELLER. From the very first time to this last census it has been within the discretion of the officials to ask whatever questions they saw fit.

Mr. DONDERO. I must disagree with any such conclusion as that. They do not have the right to ask a single question not authorized by Congress.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. PLUMLEY. I would like to ask the gentleman if he thinks there is any reason why a snooping enumerator could not obtain the information contained in the answers made in confidence and put it in an envelope, by just opening that envelope if he wants to, and then if it is of value to him, from a neighborhood gossip standpoint, putting the name of the person who contributed that envelope on the outside of the envelope?

Mr. DONDERO. Well, I think the method now employed to obtain the information regarding income will not suffice, will not be accurate, and will be entirely unreliable, and it is not authorized by law. That is my objection to it.

Mr. PLUMLEY. I do not want to have the gentleman misunderstand me.

Mr. DONDERO. That would be possible, as the gentleman suggests, of course.

Mr. PLUMLEY. Absolutely. My only opposition to this is—and I do not want to be misunderstood—from the standpoint of one who comes from a rural State and who knows how widely disseminated all information is, notwithstanding the law and the prohibitions contained in it, with respect to GEORGE DONDERO'S business if he lives in Northfield, Vt. Everybody will know it overnight. I do not think it is anybody's business, and if large incomes are to be advertised and small incomes are to be advertised, I do not take any exception to that, but I am opposed to this great Government of the United States getting down to the basis of a missionary meeting—gossip society.

Mr. DONDERO. Of course, I will say to the gentleman from Vermont that if they did know my business they would be surprised how little it is.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. WHITE of Idaho. Does the gentleman know that the National Association of Merchants has made a special request that the Census Bureau compile the very information he criticizes?

Mr. DONDERO. I have heard that discussed before the Senate committee, and I wonder why they want to know how much a man's salary might be below $1,000 when the Internal Revenue Department already has it for every person in the Nation above $1,000.

Mr. WHITE of Idaho. Does not the gentleman think that if we now had the information we are seeking to obtain in the coming census whereby we could make comparisons down throughout the length of time this Government has been in operation that it would be invaluable in the consideration of the development of the country, legislative trends, and trends of business development?

Mr. DONDERO. That is a matter open to argument and long discussion. There is no authority for asking or making inquiry for such information at the present time.

Mr. HEALEY. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. Certainly.

Mr. HEALEY. If I understand the gentleman correctly in his reply to the gentleman from Illinois [Mr. KELLER], he said Congress has directly and inflexibly stated the questions that may be asked by an enumerator of the census.

Mr. DONDERO. No. I answered the gentleman's question in this way: Congress has passed a law on the subjects about which inquiry can be made, and that income is not one of them.

Mr. HEALEY. There is, of course, much room for discussion on the part of the authorities charged with taking the census as to the type of question that will conform with the subject matter.

Mr. DONDERO. To answer the gentleman, the only reason the Census Bureau thinks it has a right to ask the questions on income is because it claims that income is akin to population. There is not a Member in this House but can think of more intimate and delicate questions more closely related to the subject of population than income.

[Here the gavel fell.]

The SPEAKER pro tempore. Under the previous order of the House the gentleman from California [Mr. HINSHAW] is recognized for 10 minutes.

NATIONAL LABOR RELATIONS BOARD

Mr. HEALEY. Mr. Speaker, will the gentleman from California yield?

Mr. HINSHAW. I yield.

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Utah [Mr. MURDOCK], and myself, members of the Special Committee to Investigate the National Labor Relations Board may have 10 days in which to file minority views in connection with the majority report which is to be submitted.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BROOKS. Mr. Speaker, will the gentleman from California yield?

Mr. HINSHAW. I yield.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of flood control and navigation in the Red River Valley, a speech I made recently over the radio.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

COAST DEFENSES

Mr. HINSHAW. Mr. Speaker, I do not expect to use all the time allotted to me, but I want to direct the attention of the House to the thought that there are certain aspects of national defense to which we have not, perhaps, given close enough attention. One of these is coast defense. Today I introduced a resolution, which is entirely local in character, calling upon the Secretary of War to report to the House of Representatives concerning, first, the nature and adequacy of existing measures of defense on the coast of southern California against hostile attack; second, what, if any, critical shortages in personnel or equipment for the United States Army exists which might jeopardize a successful defense of the coast of southern California; third, the scope of existing harbor-defense projects and the adequacy of such projects when completed to provide a reasonable defense of the harbors of such coast; and, fourth, the present stage of completion of existing harbor-defense projects in southern California and the policy of the War Department as to their completion. This is entirely local in character, but it is my hope that the chairman of the Committee on Military Affairs may consider this matter of sufficient importance to broaden the resolution to include the entire coast of the United States.

When the War Department officials or any other department officials come before the Appropriations Committee they may testify voluntarily only within the limits of the budget which is under consideration. Consequently the information of record in the committee hearings is likely to be incomplete. It is incomplete unless some member of the committee takes it upon himself to make a deeper inquiry by questioning the departmental witness beyond the scope of the budget.

I have introduced this resolution not in any sense of alarm, but because I am sure that we do not have full and complete information on our coast defenses, and certainly our coast defenses are our second line of defense. I am particularly interested in adequate defense for the coast of southern California because I live there and I am certain that the present defenses are inadequate to prevent even a raid, let alone a vigorous attack. I do not anticipate any raid or attack, but the best insurance is a good defense posture.

Mr. PLUMLEY. Will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Vermont.

Mr. PLUMLEY. Has the gentleman made a similar request of the Navy Department?

Mr. HINSHAW. No; I have not. I am thinking particularly of the military aspect of the coast defenses. The Hepburn committee made a complete report concerning the naval aspect of defenses all over the United States and its Territories and island possessions.

Mr. PLUMLEY. Does the gentleman think you can get the Army and the Navy to agree on what is adequate defense for southern California?

Mr. HINSHAW. Of course, I do not know. However, there is between the Navy and Army what is called the joint board. The General Staff of the Army and the high command of the Navy are both represented on this board, and it is assumed they cooperate in such matters.

Mr. PITTENGER. Will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Minnesota.

Mr. PITTENGER. Is it not the proper procedure for that board to present evidence before the Naval Affairs Committee and the Military Affairs Committee and ask for these additional defenses?

Mr. HINSHAW. Not unless they are called upon or directed to do so, as I understand it.

Mr. Speaker, I shall not use any more of my time except to say again that I hope the Committee on Military Affairs will consider this matter favorably and perhaps enlarge the scope of this inquiry.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. HINSHAW].

There was no objection.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an opinion of the Supreme Court rendered March 25, 1940, on the Puerto Rican land situation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. CRAWFORD]?

There was no objection.

ADJOURNMENT

Mr. KELLER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 10 minutes p. m.), under its previous order, the House adjourned until Monday, April 1, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 2, 1940:

H. R. 7169, authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation.

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 3, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

COMMITTEE ON THE PUBLIC LANDS

Tuesday, April 2, 1940:

There will be a meeting of the Committee on the Public Lands on Tuesday, April 2, 1940, at 10:30 a. m., in room 328, House Office Building, for the consideration of H. R. 3648.

COMMITTEE ON THE JUDICIARY

On April 2, 1940, at 10:30 a. m., there will be continued before Subcommittee No. 4 of the Committee on the Judiciary, a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building, and will be continued on the following dates: April 3, April 9, and April 10, at 10:30 a. m.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1494. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of, and reexamination of reports on Wilson Harbor, N. Y., authorized by the River and Harbor Act approved August 26, 1937, and requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted May 12, 1937 (H. Doc. No. 679); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1495. A letter from the chairman, Railroad Retirement Board, transmitting the report of the Railroad Retirement Board for the fiscal year ended June 30, 1939, together with supplementary information covering the period July 1 to September 30, 1939; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DIES: Special Committee to Investigate Un-American Activities. House Resolution 446. Resolution to certify report of the House of Representatives' Committee to Investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against James H. Dolsen for contempt, (Rept. No. 1900). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLAUGHLIN: Committee on the Judiciary. H. R. 9139. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 1901). Referred to the House Calendar.

Mr. SMITH of Virginia: Intermediate report of the Special Committee of the House of Representatives of the Seventy-sixth Congress, first session, appointed pursuant to House Resolution 258, to investigate the National Labor Relations Board; without amendment (Rept. No. 1902). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 9153. A bill to authorize a preliminary examination and survey of the Big Sur River, also the Carmel River, and their tributaries in the county of Monterey and State of California, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. FULMER:

H. R. 9154. A bill to promote the national health and welfare through appropriation of funds for the construction of hospitals; to the Committee on Interstate and Foreign Commerce.

By Mr. KEFAUVER:

H. R. 9155. A bill to provide for the establishment, maintenance, and operation of the Tennessee National Forest, and for other purposes; to the Committee on Agriculture.

By Mr. RANKIN:

H. R. 9156. A bill for the creation of the United States De Soto Exposition Commission to provide for the commemoration of the four hundredth anniversary of the first crossing of the Mississippi River, by Hernando De Soto, the commemoration of De Soto's visit to the Chickasaw Territory in Northern Mississippi, and the two hundred and fifth anniversary of the Battle of Ackia, and for other purposes; to the Committee on the Library.

By Mr. CHAPMAN:

H. R. 9157. A bill to authorize the establishment of a fish-cultural station in the State of Kentucky; to the Committee on Merchant Marine and Fisheries.

By Mr. MAY:

H. R. 9158. A bill to amend the act entitled "An act for the protection of certain enlisted men of the Army," approved August 19, 1937, and for other purposes; to the Committee on Military Affairs.

By Mr. PETERSON of Florida:

H. R. 9159. A bill providing for a preliminary examination and survey of St. Petersburg Harbor; to the Committee on Rivers and Harbors.

By Mr. SUMNERS of Texas:

H. R. 9160. A bill to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges; to the Committee on the Judiciary.

By Mr. WELCH:

H. R. 9161. A bill to amend the Panama Canal Act; to the Committee on Merchant Marine and Fisheries.

By Mr. WOLVERTON of New Jersey:

H. R. 9162. A bill to provide for the construction of five vessels for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Merchant Marine and Fisheries.

By Mr. VINSON of Georgia:

H. R. 9163. A bill to amend chapter 21 of the Internal Revenue Code, relating to the processing tax on certain oils imported from the Philippine Islands or other possessions of the United States, so as to provide uniform treatment for Guam, American Samoa, and the Philippine Islands; to the Committee on Ways and Means.

By Mr. AUGUST H. ANDRESEN:

H. R. 9164. A bill relating to the acquisition of foreign silver by the United States; to the Committee on Ways and Means.

By Mr. LEMKE:

H. J. Res. 502. Joint resolution making an additional appropriation for work relief and relief in certain drought-stricken areas of the United States; to the Committee on Appropriations.

By Mr. HAVENNER:

H. Res. 447. Resolution directing the Secretary of the Interior to transmit to the House of Representatives a report relative to a survey of the possibilities and prerequisites of the development of the Territory of Alaska; to the Committee on the Territories.

By Mr. MOSER:

H. Res. 448. Resolution to provide for an investigation of the Civil Service Commission and its activities; to the Committee on Rules.

By Mr. HINSHAW:

H. Res. 449. Resolution directing the Secretary of War to provide certain information concerning the coast defenses of southern California; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MACIEJEWSKI:

H. R. 9165. A bill for the relief of John Carroll; to the Committee on Military Affairs.

By Mr. CHAPMAN:

H. R. 9166. A bill granting a pension to Sarah C. Freeland; to the Committee on Pensions.

By Mr. KITCHENS:

H. R. 9167. A bill for the relief of Ben H. Thomason; to the Committee on Claims.

By Mr. CROWE:

H. R. 9168. A bill for the relief of Ellison McCurry; to the Committee on Claims.

By Mr. CLEVENGER:

H. R. 9169. A bill granting an increase of pension to Jane Vanskiver; to the Committee on Invalid Pensions.

By Mr. LELAND M. FORD:

H. R. 9170. A bill for the relief of Robert P. Sick; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7250. By Mr. McANDREWS: Petition of the racing homing-pigeon fanciers and friends of Chicago, Ill., supporting House bill 7813; to the Committee on Agriculture.

7251. By Mr. HART: Petition of the New Jersey Press Association, opposing the Patman chain-store bill as menacing to free business enterprise and destructive of chain stores whose natural development has been to the benefit of consumers and producers; to the Committee on Ways and Means.

7252. Also, petition of the New Jersey Audubon Society, Newark, N. J., favoring the adoption of the plan of flood control for the Passaic River Valley which contemplates a dry detention dam being constructed at Two Bridges and which would not result in permanently flooding any of the Passaic River bottom lands above Two Bridges; to the Committee on Flood Control.

7253. Also, petition of the Associated General Contractors of New Jersey, Trenton, N. J., opposing the use of Work Projects Administration funds and Work Projects Administration labor on Federal-aid highway projects; to the Committee on Appropriations.

7254. Also, petition of the New Jersey State Federation of Labor, Newark, N. J., favoring the passage of the amendments to the National Labor Relations Act sponsored by the American Federation of Labor; to the Committee on Labor.

7255. By Mr. LUDLOW: Petition of Harrison White, of Indianapolis, Ind., relating to the fiscal policy of the United States; to the Committee on Appropriations.

7256. By Mr. THOMASON: Petition of residents of El Paso, Tex., urging passage of the Neely block-booking bill; to the Committee on Interstate and Foreign Commerce.

7257. By Mr. SCHIFFLER: Petition of L. Litman, president, and Sara Durham, secretary, Townsend Club, No. 1, Moundsville, W. Va., lamenting the passing of the late Senator William Edgar Borah, of Idaho; to the Committee on Memorials.

7258. By the SPEAKER: Petition of the General Welfare Federation of America, Inc., State of Florida, Congressional District No. 1, asking that the Seventy-sixth Congress enact the improved General Welfare Act (H. R. 5620); to the Committee on Ways and Means.

7259. Also, petition of the American Student Union, University of California Chapter, making certain demands regarding the National Youth Administration; to the Committee on Military Affairs.

7260. Also, petition of the American Communications Association, Local 31, supporting Senate bill 591; to the Committee on Banking and Currency.

7261. Also, petition of the Polish Community Home, Binghamton, N. Y., with respect to aid and relief from America for the suffering, needy, and starving people of Poland; to the Committee on Foreign Affairs.

7262. Also, petition of the International Workers Order, Branch 939, asking for the discontinuance of the Dies committee; to the Committee on Rules.

7263. Also, petition of Thelma R. Grimm and sundry citizens of Columbus, Ohio, requesting the passage of the Neely bill (S. 280); to the Committee on Interstate and Foreign Commerce.

SENATE

MONDAY, APRIL 1, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty God, who art the Father of all men upon the earth, most heartily we pray that Thou wilt deliver Thy children from the cruelties of war and lead the nations into the way of peace. Teach us to put away all bitterness and misunderstanding, that we, with all the brethren of the Son of Man, may draw together as one comity of peoples and dwell evermore in the fellowship of that Prince of Peace who liveth and reigneth with Thee in the unity of the Holy Spirit both now and for evermore. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 29, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed a bill (H. R. 9109) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lee	Schwellenbach
Ashurst	Downey	Lodge	Sheppard
Austin	Ellender	Lucas	Shipstead
Bailey	Frazier	Lundeen	Smathers
Bankhead	George	McCarran	Smith
Barbour	Gerry	McKellar	Stewart
Barkley	Gibson	McNary	Taft
Bilbo	Gillette	Maloney	Thomas, Idaho
Bone	Glass	Mead	Thomas, Okla.
Bridges	Green	Miller	Thomas, Utah
Brown	Gurney	Minton	Tobey
Bulow	Hale	Murray	Townsend
Byrd	Harrison	Norris	Truman
Byrnes	Hatch	Nye	Tydings
Capper	Hayden	O'Mahoney	Vandenberg
Caraway	Herring	Overton	Van Nuys
Chandler	Holman	Pepper	Wagner
Chavez	Holt	Pittman	Walsh
Clark, Idaho	Hughes	Radcliffe	White
Clark, Mo.	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Davis	La Follette	Schwartz	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Alabama [Mr. HILL], the Senator from West Virginia [Mr. NEELY], and the Senator from Illinois [Mr. SLATTERY] are detained from the Senate on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

CONVEYANCE OF LAND AT MARMET, W. VA.—VETO MESSAGE (S. DOC. NO. 173)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and ordered to be printed, as follows:

To the Senate:

I am returning herewith, without my approval, S. 1750, an act authorizing the Secretary of War to convey to the town of Marmet, W. Va., two tracts of land to be used for municipal purposes.

It is the purpose of this bill to authorize and direct the Secretary of War to convey by quitclaim deed to the town of Marmet, W. Va., two tracts of land aggregating approximately 4.38 acres, more or less, situated on the west side of the Great Kanawha River, at lock and dam No. 2, in Marmet, W. Va., no longer needed for the purpose for which acquired, and being a part of the 9.24 acres acquired by the Government in 1933 at a cost of $25,000 for access purposes and as a site for the storage of equipment and materials during the construction of the dam. The town of Marmet desires the land for use as a play and recreational ground for the town, as well as the immediate environment at the Great Kanawha Valley.

The act of August 26, 1935 (49 Stat. 800), authorized the Secretary of the Treasury to dispose of building sites under his control for which he had determined there was no further Federal need by sale and quitclaim deed to States, counties, municipalities, and other political subdivisions, at a price not less than 50 percent of the value of the land as appraised by the Treasury Department; and the act of August 27, 1935 (49 Stat. 885), authorized the Secretary of the Treasury to sell any real property of the United States outside the District of Columbia and exclusive of military or naval reservations, surplus to the needs of the Federal Government, at public sale to the highest responsible bidder.

It would appear, therefore, that regardless of the procedure that may have been followed prior to the enactment in 1935 of these two laws, their enactment definitely establishes the intent of the Congress and the policy of the Federal Government, to the effect that it is not in the public interest to grant public land without compensation, although differentiating in favor of States, counties, and municipalities as to the amount of compensation that should be paid.

I feel compelled, therefore, to withhold my approval of the bill, but I would not object to the enactment of legislation which would permit the Secretary of War to deed this property to the town of Marmet at a price not less than 50 percent of the current appraised value thereof.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 1, 1940.*

Mr. SHEPPARD. I move that the message of the President, with the accompanying bill, be referred to the Committee on Military Affairs.

The motion was agreed to.

THE ALASKA RAILROAD—MOUNT M'KINLEY NATIONAL PARK (S. DOC. NO. 174)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States transmitting draft of proposed provisions or amendments pertaining to the appropriation Alaska Railroad Special Fund (in the pending Interior Department appropriation bill, 1941), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ELIMINATION OF CERTAIN OATHS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to eliminate oaths required of masters of vessels and shippers of cargo in certain cases in which the requirement of such oaths is unnecessarily burdensome upon legitimate commerce and administratively impossible of enforcement, which, with the accompanying papers, was referred to the Committee on Commerce.

REPORT OF THE BOY SCOUTS OF AMERICA

The VICE PRESIDENT laid before the Senate a letter from the chief scout executive, Boy Scouts of America, transmitting, pursuant to law, the thirteenth annual report of the Boy Scouts of America, with related reports, which, with the accompanying papers, was referred to the Committee on Education and Labor.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Blanco National Farm Loan Association, of Blanco, Tex., favoring restoration of the Farm Credit Administration to the status of an independent bureau and placing the operations of the Federal land banks, national farm-loan associations, and other units of the Administration under the supervision of a bipartisan board appointed by the President, by and with the advice and consent of the Senate, which was referred to the Committee on Banking and Currency.

He also laid before the Senate resolutions adopted by a mass meeting of citizens of Polish extraction of Binghamton, Endicott, and Johnson City, N. Y., favoring the granting of relief to the people of Poland suffering as a result of the twofold invasion of that country, and also that such relief be distributed through American agencies, which were referred to the Committee on Foreign Relations.

Mr. WALSH presented petitions of sundry citizens of the State of Massachusetts, praying for the location of a general hospital or diagnostic center in Boston, Mass., or in the vicinity thereof, which were referred to the Committee on Finance.

OLD-AGE ASSISTANCE—RESOLUTION OF THE MISSISSIPPI LEGISLATURE

Mr. HARRISON. Mr. President, I present for printing in the RECORD under the rule and reference to the Committee on Finance a concurrent resolution adopted by the Legislature of the State of Mississippi, memorializing the Congress to enact the Connally bill, providing for additional old-age assistance. As the Senate will recall, during the last session, along with the Senator from Texas [Mr. CONNALLY] and a number of our colleagues, I made every effort to have enacted the amendment offered at that time by the Senator from Texas [Mr. CONNALLY] to the social-security legislation, providing for increased old-age assistance to needy aged persons.

The VICE PRESIDENT. Without objection, the resolution will be received, referred to the Committee on Finance, and printed in the RECORD.

The concurrent resolution is as follows:

House Concurrent Resolution 22

Concurrent resolution memorializing Congress to pass the Connally bill providing for old-age assistance.

Whereas the State of Mississippi is not financially able to pay an adequate old-age pension without the aid and assistance of the Federal Government; and

Whereas the Federal Government is granting Mississippi less money than any other State; and

Whereas the United States Senate is considering the Connally bill, providing that the Federal Government shall contribute to the States twice their contribution, up to $15 per month: Therefore, be it

Resolved by the House of Representatives of the State of Mississippi (the senate concurring therein), That the Congress of the United States be respectfully petitioned to pass this measure.

RELIEF OF THE PEOPLE OF POLAND—RESOLUTIONS

Mr. MEAD presented resolutions adopted by a mass meeting of citizens of Polish extraction of Binghamton, Endicott, and Johnson City, N. Y., held under the auspices of the Polish Community Club, of Binghamton, favoring the granting of relief to the people of Poland, which were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

POLISH COMMUNITY HOME,
Binghamton, N. Y., March 17, 1940.

Hon. JAMES M. MEAD,
United States Senator,
Washington, D. C.

HONORABLE SIR: For your consideration and official action we hereby respectfully submit to you, as directed by the mass meeting which unanimously adopted them, the following resolutions, with our respectful plea to personally help in carrying them out in letter and spirit and to have them spread upon the official CONGRESSIONAL RECORD for perusal, consideration, and action of Congress.

Resolved, That we, assembled here this Sunday evening, March 17, 1940, constituting the entire Polish population of Binghamton, N. Y., Johnson City, N. Y., Endicott, N. Y., and its environs, as American citizens, in accordance with American ideals and traditions, hereby petition our President of the United States, the Honorable Franklin Delano Roosevelt; the Congress of the United States; Hon. John Nance Garner, the Vice President, as President of the United States Senate; Hon. WILLIAM B. BANKHEAD, as Speaker of the House of Representatives; Hon. ROBERT F. WAGNER, United States Senator; Hon. JAMES MEAD, United State Senator; and the Honorable EDWIN ARTHUR HALL, Congressman from the Thirty-fourth District of New York, to support and to have Congress make the necessary appropriations for Polish relief and to take steps officially to answer the cry of distress and pleas for help of millions of suffering people of Poland, now temporarily in the toils and grips of the German Nazi and Russian Soviet invaders.

Resolved, That the aid and relief from our American Government, as well as all other aid and relief of the different and various humanitarian agencies of America, be distributed by Americans, and that it be carried on under American supervision in accordance with precedents and justice.

Resolved, That we hereby further petition our Government to see to it that all aid and relief from America for the suffering, needy, and starving people of Poland is carried on, distributed, and supervised by Americans for the benefit of people of Poland and not for the benefit of their enemies and invaders.

Resolved, That we hereby solemnly pledge our continued aid and support to the cause of giving aid and relief to the suffering, needy, and distressed people of Poland until they are free and independent and are with other free and civilized people of the world permitted to carry on their mission for the benefit of freedom, humanity, civilization, and peace.

Resolved, That we further petition our Government to intervene for the cause of all humanity to prevent the hideous and barbarous treatment of all the peoples of Poland, and to protest most vigorously the unnecessary slaughter of a defenseless people; namely, the aged, women, and children.

The demonstration which the foregoing resolutions were presented and adopted was under the auspices of the Polish Community Club, which represents and combines the large organizations of Americans of Polish ancestry, their churches, and their institutions in the work of raising funds for helping the cause of Polish relief.

Respectfully submitted for your kind consideration and action by direction of the mass meeting and by the order of the Polish Community Club, for them and in their name.

Frank L. Wasileski; George Guzewicz, pastor of St. Stanislaus Church; Peter H. Morjka; Joseph Szewczak; Pauline Sulkowski; Helena Hlebica; Eugene H. Laskowski; Anthony Orsjewski; Joseph Kieklo; John Skiabalak; and Stanly Slezark.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. VANDENBERG. Mr. President, I present a letter in the nature of a petition from the Detroit and Wayne County Federation of Labor asking for the defeat of the pending House Joint Resolution 407 unless it includes complete protection based on the difference in the cost of production at home and abroad. I ask that the entire letter be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DETROIT AND WAYNE COUNTY FEDERATION OF LABOR,
Detroit, Mich., March 29, 1940.

Senator ARTHUR VANDENBERG,
Senate Office Building, Washington, D. C.

DEAR SIR: Upon instructions of the Detroit and Wayne County Federation of Labor, we desire to place before you a request that you vote against the continued authorization in reciprocal-trade treaties the admittance of any foreign-made products competitive with products made by American workers unless the total cost of these articles, including duties paid, are equal to the cost of American products or wholesale selling prices in the competitive American market.

Our delegates feel that to permit foreign-made products to enter this market in competition with American-made products on a price that is below that of American manufacturers' cost of production will only result in exporting the American workingman's job to a foreign country.

God knows we have plenty of unemployed in this country already without giving our jobs to workers in other countries where wage standards are below American wages.

Very respectfully,

DETROIT AND WAYNE COUNTY FEDERATION OF LABOR,
FRANK X. MARTEL, *President.*

REPORTS OF COMMITTEES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3530) to prohibit the exportation of tobacco seed and plants, except for experimental purposes, reported it without amendment.

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which were referred the following bills, reported them each without amendment and submitted a report thereon as indicated:

S. 3243. A bill to provide for a customhouse building at Miami, Fla.; and

H. R. 8540. A bill to authorize an increase in the White House Police force (Rept. No. 1361).

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NYE:

S. 3694. A bill for the relief of Oscar G. Norgaard; to the Committee on Claims.

By Mr. TOBEY:

S. 3695. A bill to remove the penalty of imprisonment for failure to answer questions on the census schedules; to the Committee on Commerce.

By Mr. BYRD:

S. 3696. A bill for a preliminary examination and survey of the southwest side of the Rappahannock River in the

vicinity of Bowlers Wharf, Essex County, Va.; to the Committee on Commerce.

By Mr. REYNOLDS:

S. 3697. A bill for the relief of Lloyd D. Rhodes; to the Committee on Military Affairs; and

S. 3698. A bill to amend the act to regulate barbers in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KING:

S. 3699. A bill to amend an act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, and for other purposes; to the Committee on the District of Columbia;

S. 3700. A bill providing for the construction or enlargement of certain public buildings at Salt Lake City, Utah; and

S. 3701. A bill authorizing an appropriation for the construction and enlargement of public buildings; to the Committee on Public Buildings and Grounds.

By Mr. MEAD:

S. 3702. A bill to clarify the employment status of special-delivery messengers in the Postal Service; to the Committee on Post Offices and Post Roads.

By Mr. JOHNSON of California (for himself and Mr. DOWNEY):

S. J. Res. 236. Joint resolution to authorize the coinage of silver 50-cent pieces to indicate the interest of the Government of the United States in the ideals and purposes of the Golden Gate International Exposition to be continued in 1940 and to authorize the issue of such coins to the San Francisco Bay Exposition sponsoring said international exposition and the sale thereof by the San Francisco Bay Exposition at par or at a premium, and for other purposes; to the Committee on Banking and Currency.

By Mr. FRAZIER:

S. J. Res. 237. Joint resolution proposing an amendment to the Constitution of the United States to deprive Congress of its power to regulate intrastate commerce with the Indian tribes; to the Committee on the Judiciary.

(Mr. REYNOLDS introduced Senate Joint Resolution 238, which was referred to the Committee on Foreign Relations and appears under a separate heading.)

HOUSE BILL REFERRED

The bill (H. R. 9109) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

AMENDMENT TO RIVER AND HARBOR BILL—DENISON RESERVOIR, RED RIVER, TEX.-OKLA.

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL

Mr. DONAHEY submitted an amendment proposing to pay Francis Biddle $9,356.97 and Thomas A. Panter $4,958.39 for salaries and expenses in satisfaction of their respective claims for balances due them under the terms of their employment by the Joint Committee to Investigate the Tennessee Valley Authority, intended to be proposed by him to House bill 8913, the legislative appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENT TO THE INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. KING submitted an amendment intended to be proposed by him to the bill (H. R. 8745) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed as follows:

On page 110, between lines 13 and 14, insert the following new paragraph:

"Dinosaur National Monument, Utah: For reliefing the dinosaur skeletons on the quarry wall, for protection of such skeletons from the elements, for personal services, general expenses, supplies, traveling expenses, and mechanical equipment in connection with such project, including not exceeding $1,400 for the purchase, maintenance, operation, and repair of a heavy-duty truck, $40,080."

TELEVISION INVESTIGATION

Mr. LUNDEEN submitted the following resolution (S. Res. 251), which was referred to the Committee on Interstate Commerce:

Whereas the Federal Communications Commission on February 29, 1940, issued an order permitting limited commercial sponsorship of television beginning September 1, 1940; and

Whereas television interests immediately launched a manufacturing, advertising, and sales promotion campaign; and

Whereas the Federal Communications Commission on March 22, 1940, rescinded its order of February 29, 1940, with resultant confusion in the minds of the public and causing abandonment of manufacturing, advertising, and sales programs which had, in effect, been authorized by the Commission's earlier ruling: Therefore, be it

Resolved, That the Senate Committee on Interstate Commerce is hereby requested to investigate the actions of the Federal Communications Commission in connection with the development of television and, in particular, to ascertain whether the Commission has exceeded its authority, and whether it has interfered with the freedom of public and private enterprise.

ROBERT H. HINCKLEY, CHAIRMAN, CIVIL AERONAUTICS AUTHORITY

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an article by Drew Pearson and Robert S. Allen, published in the Washington Times-Herald of March 30, 1940, relative to Hon. Robert H. Hinckley, Chairman of the Civil Aeronautics Authority, which appears in the Appendix.]

ADDRESS BY HON. SMITH W. PURDUM AT DEDICATION OF FEDERAL BUILDING, HARRISONBURG, VA.

[Mr. BYRD asked and obtained leave to have printed in the RECORD the address delivered by the Fourth Assistant Postmaster General, Hon. Smith W. Purdum, on the occasion of the dedication of the post office and courthouse building at Harrisonburg, Va., on March 23, 1940, which appears in the Appendix.]

ARTICLE BY DON WHITEHEAD ON THE T. V. A.

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article by Don Whitehead, published in the Washington Post of Sunday, March 31, 1940, entitled "T. V. A. Oldest New Deal Experiment, Closing Seventh Year," which appears in the Appendix.]

THE SILVER PROGRAM—ARTICLE BY HENRY H. HEIMANN

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an article entitled "Our Silver Program," written by Henry H. Heimann, and published in the March 15, 1940, issue of the Monthly Business Review of the National Association of Credit Men, which appears in the Appendix.]

WALTER WINCHELL ON PREPAREDNESS

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article by Walter Winchell on the subject of preparedness, which appears in the Appendix.]

NEW YORK'S STAKE IN FORESTRY

[Mr. MEAD asked and obtained leave to have printed in the RECORD a letter written by R. M. Evans, regional forester, in regard to the timber and forestry resources of the State of New York, which appears in the Appendix.]

ARTICLE BY LEON PEARSON ENTITLED "BELOW THE RIO GRANDE"

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Leon Pearson entitled "Below the Rio Grande," published in the Washington Times-Herald of Sunday, March 31, 1940, which appears in the Appendix.]

THE 1940 CENSUS

[Mr. HERRING asked and obtained leave to have printed in the RECORD an article from the Des Moines (Iowa) Register of March 29, 1940, entitled "What To Do When Census Man Knocks," which appears in the Appendix.]

APPROPRIATIONS FOR WEATHER BUREAU

The VICE PRESIDENT. When the Senate took a recess last Friday the Senator from Nevada [Mr. MCCARRAN] had

offered an amendment to the pending joint resolution and expressed the hope that he might address the Senate upon it today. The Chair recognizes the Senator from Nevada.

Mr. MEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from New York?

Mr. McCARRAN. I yield.

Mr. MEAD. Mr. President, permit me not to allow the record of our action on the 1941 agricultural bill to be closed without voicing regret of the inadequate treatment we have accorded the Weather Bureau.

Respect for the gentlemen who serve faithfully on the Appropriations Committee constrains me to make this statement, not in protest but as a constructively intended suggestion.

The Senator from Georgia [Mr. RUSSELL] and his distinguished associates have faced a peculiarly difficult task. Their conclusions were reached sincerely. I am grateful for the $116,000 which their action has added to the Weather Bureau's prospective funds. I can even understand that it took courage and persistence on the part of clear-thinking Senators to make that addition; but it falls short of the $400,000 increase approved and recommended by the Budget Bureau, for one of the most important services in our civil establishments.

I am proud of the United States Weather Bureau. I am proud of its 70 years of service to the American people. I am proud of its high score in economy. I am proud of its increasingly high score in accuracy of prediction. I am proud of its open-minded ability to adopt new methods and to set new goals in the form of constantly higher standards of accomplishment.

I am proud of American aviation. To aviation I give the credit for confronting the Weather Bureau with a challenge for more detailed observing and casting. A pilot about to fly an airplane from Cleveland to Chicago could not get along with merely a prediction of the weather at Cleveland, or even with a knowledge of the weather conditions within a 50- or 60-mile radius of Cleveland. He had to know what the weather would be 3 hours thereafter in Chicago; otherwise he would not know whether he could land safely. And he had to know what weather to expect at every intermediate point in order to know whether he could take his flight through. Moreover, his information had to be current and accurate; he was staking his life on it.

Observations taken at widely scattered sampling spots once or twice or four times a day would not do. Aviation required a sure knowledge of weather changes; and that called for hourly observations at points less than 100 miles apart. Furthermore, the airplane pilot could not proceed solely on a knowledge of surface weather. He also had to know the strength and direction of winds aloft; the temperature, pressure, the humidity of the upper air at various altitudes; where ice was forming, and where he could avoid it.

So different were the weather requirements of aviation from any requirements that had preceded them, that, after we passed the Air Commerce Act of 1936, and in that act charged the Weather Bureau with the duty of furnishing meteorological service for the civil airways, the Weather Bureau developed, in addition to its general weather service—a distinct new aerological or airway weather service to meet the needs of aviation.

Then came the revelation that the accurate and timely observations and forecasts made for the airways were worth their weight in gold to the general weather service. Seized upon and used for the benefit of everybody, they raised the general weather service to a new standard of helpfulness.

Likewise, with the upper-air soundings. Weather observations of this character were begun in 1898 with the use of kites and captive balloons, as a part of the general weather service. Upper-air wind measurements, begun 20 years later, likewise were first undertaken as a part of the general weather service. Such intensive and successful development did these activities receive at the hands of the Weather Bureau's airway establishment that today whenever we hear them mentioned I believe we think of them as special services for the benefit of aviation. Quite on the contrary, the development they have undergone to meet the exacting requirements of aviation have made them vastly more useful to everybody. The knowledge gained from even the limited number of upper-air observations now made has formed the basis for learning the behavior of the great air masses which generate the weather. And this increased knowledge, in turn, is making it possible to make surprisingly accurate long-range predictions. Thanks to this general progress arising from the developments required by aviation, it will be possible within the next few years—assuming that we do not withhold the necessary appropriations—to have the weather accurately predicated many days in advance.

The wise administration of the Weather Bureau last year began to combine the "general" and "airway" weather services. At Kansas City and at Albuquerque, all of the general forecasting for a great bank of the Southwestern States is now done at the airway forecast centers. And so successful have been the results that in the 1941 fiscal program, which we have just enacted, the two formerly separate services have been combined throughout for the entire country.

But when that fiscal program came to this Congress, I regret to say that we made this wise unification of the weather service a basis for cutting down the Budget recommendation for its support. The Budget Bureau recommended an increase of $400,000 for 1941, over the sum of the two previously separate appropriations for the fiscal year 1940. The money was for specific and badly needed new items of work, all set out in explicit detail and with excellent justification.

Management of the Weather Bureau's work as one unit is, of course, going to lead to better husbandry of money. But I think it surpasses human expectation to believe that even the Weather Bureau can effect $300,000 worth of economy in the first year of the unification.

Let me cite one illustration: In the coming fiscal year the Weather Bureau should spend an additional $250,000 in securing weather reports from ships on the Pacific and Atlantic Oceans. We require a certain amount of service of that nature, but if we do not appropriate the money to pay for it we do not get it. No amount of administrative wisdom or unified management can reduce this type of cost.

Similarly, a large part of the Weather Bureau's yearly expenditures is for telegraph tolls. The size of the bill depends on the number of messages. As new observing stations are required, and as more observations per day become necessary, this bill is bound to go up. Either we appropriate the money or the Weather Bureau cannot buy the service.

Eventually, I am sure, savings will be effected which may even exceed the $300,000 presumed in the report from the House Appropriations Committee which I have been quoting; but no such savings will be achieved in the first year, or the first 2 years, of articulating such a huge mechanism, especially when the service faces urgent and growing necessity of expansion.

I saw the estimate of improvements in the Weather Bureau's facilities that remained unprovided for after we had enacted the 1940 appropriation bill. The total was a little over $1,800,000. That list had its origin in the work of the special committee presided over by my illustrious predecessor, the distinguished Senator Royal S. Copeland. I know that each segment which had been removed from the list and appropriated for in the past three agricultural bills had been subjected to the closest scrutiny, not only by the Weather Bureau, but successively by the Secretary of Agriculture and his fiscal officers, the Budget Bureau, Mr. CANNON's committee in the House, and our own Appropriations Committee, of which Senator Copeland was a member; and that the items which were provided for in those appropriations fully stood up under that scrutiny. I know that on at least two occasions since the 1940 Appropriation Act was passed, the Weather Bureau has subjected that $1,800,000 residue to a battering analysis, in which the Civil Aeronautics Authority and the military and civil users of the airways have participated, in order to knock out of the list every possible unnecessary or unjustifiable item. Yet that list stands today

at $2,003,600. Every possible reduction in it has been offset, and the total even a little outbalanced, by the current and reasonable increase that goes hand in hand with the normal growth of an essential service.

That means that today we ought to be spending $2,000,000 more on the Weather Bureau than we are spending. I have not deducted the $216,000 by which the appropriation stands increased in the 1941 agricultural bill as we have returned it to the House. I mentioned a few moments ago that the Weather Bureau's telegraph charges amount to $400,000 a year. On January 1, after the 1941 Budget estimates had been completed, the Federal Communications Commission increased by 50 percent the rates which the Government pays for telegraph messages. You can figure the result for yourselves. The $216,000 which we have added to the Weather Bureau's funds is going to amount to about $16,000 net. The result is that for another 15 months we are leaving the Weather Bureau service exactly where it is, except for such economies as the unified management of activities may engender.

This means something to all of us. I am not now talking about the remaining gaps along the airways. I am not talking about the regrettable delay in realizing the benefits of long-range air-mass forecasts. I am not talking about the handicap we are putting ourselves under, in flying the Pacific, in flying the Atlantic, and in pioneering the great frontier of the South Pacific to New Zealand, all without making provision for weather reports from the oceans. I am talking in homely terms which I think every Senator will understand.

I mean that in my home city of Buffalo, the Weather Bureau station will continue for 15 months to make one daily observation of the upper-air weather instead of the two per day that it ought to make. I mean that the weather observatory on Whiteface Mountain, that ought to be functioning today, will not be established until 1942 or 1943. I mean that the new off-airway station that ought to be established at Watertown will not be established, and that the stations at Canton and Delhi and Knapp Creek and Lake Placid, which ought to make observations and send in reports every 3 hours, will still be operating on a 6-hour schedule no matter how rapidly the weather changes.

My distinguished colleagues from Arizona will find that their State will have to get along for another 15 months without a Weather Bureau airport staff at at least two places where such a staff should be functioning today; without two new off-airway stations that ought to be operating this month and this minute; without a mountain observatory which ought to be established within the next 6 months; and with at least three of their existing Weather Bureau stations continuing to function at half efficiency.

I could go down the list of States and be equally specific.

The $216,000 that we added to the 1941 Weather Bureau appropriation has a history. I have shown how it resulted from paring down unjustifiably a Budget recommendation of $400,000. The $400,000 Budget recommendation itself was the product of paring. The Chief of the Weather Bureau testified in the Senate hearings that the amount which the Department had asked the Budget Bureau to recommend was at least twice that much. If the Department's request was $800,000, that was still only 40 percent of the currently existing needs. And I have shown that the increase we have voted, in which I hope the House will concur, has been all but swallowed up by the increase in the Weather Bureau's telegraph bill.

This is no way to catch up with current needs. I ask that we start now to put ourselves in a frame of mind so that when the next Weather Bureau budget recommendations come before us we will stop being ostriches. The only way to buy $2,000,000 worth of needed service is to appropriate $2,000,000.

GRASSHOPPER AND MORMON CRICKET CONTROL CAMPAIGNS

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Nebraska?

Mr. NORRIS. I should like to say to the Senator from Nevada that I am asking him to yield for the purpose of having read a letter pertaining to an item in the deficiency appropriation bill which is now in conference. I think I ought to tell the Senator that I am going to ask that it be read. However, it is not a long letter.

Mr. McCARRAN. I yield for that purpose.

Mr. NORRIS. I send to the desk a letter which I ask to have read and referred to the Senate conferees on the deficiency appropriation bill.

The VICE PRESIDENT. Without objection, the letter will be read and referred as requested by the Senator from Nebraska.

Mr. NORRIS. I call the attention of the conferees to the letter. I think it has a direct bearing on the appropriation bill they have in charge.

The legislative clerk read as folows:

COOPERATIVE EXTENSION WORK IN
AGRICULTURE AND HOME ECONOMICS, STATE OF NEBRASKA,
March 26, 1940.

Hon. GEORGE W. NORRIS,
Senate Office Building, Washington, D. C.

DEAR SENATOR NORRIS: Information has reached the Nebraska Grasshopper Control Committee that a shortage of funds is causing serious delay in Federal activities necessary for the most effective conduct of the grasshopper and Mormon cricket control campaigns for the coming season. Materials that should be ordered immediately are not being purchased, repairs to trucks and other machinery needed in the work are being delayed, and the necessary arrangements for field offices and supervisors are not being made. All of these are fundamental to the success of the actual control program.

Organization of the work must not be interrupted now if crop losses are to be prevented. It is therefore important that the proposed appropriation for the control of grasshoppers and Mormon crickets be made available at the earliest possible moment. The success of this program is vital to Nebraska interests and any further help that you can give will be appreciated.

Yours respectfully,

W. H. BROKAW,
Chairman, Director Extension Service,
LOUIS BUCHHOLZ,
Director of Agriculture.
W. W. BURR,
Director of Experimental Station.
MYRON H. SWENK,
Chairman, Department of Entomology.
FRANK B. O'CONNELL,
Secretary, Nebraska Game, Forestation, and Parks Commission.

Mr. ADAMS. Mr. President——

Mr. McCARRAN. I yield to the Senator from Colorado.

Mr. ADAMS. Just a word in line with the letter which has been read.

The deficiency appropriation bill as it came to the Senate carried $2,000,000 for the grasshopper and Mormon cricket control program, and the Senate added a further million dollars. The conference report was rejected, and the matter has now gone to the House. The House, of course, is its own master, and we have been waiting for the House either to authorize its conferees to have a further conference or to take some other action in regard to the bill. The Senate asked a further conference and appointed conferees in order to take up this one item in dispute; so we are now awaiting the action of the House.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield to the Senator from Tennessee.

Mr. McKELLAR. I may say further that there is now in this fund, left over from last year, the sum of $400,000, which may be used for any necessary immediate purpose in eradicating or controlling the pests. The Senator from Colorado has correctly stated the facts.

Mr. NORRIS. Mr. President, if I may say a word in reply to the two Senators, who are members of the conference committee of the Senate, I have had this letter read, coming from the authorized officials of the various Nebraska organizations having to do with the grasshopper and Mormon cricket plague, for the purpose of giving information to the conferees, and have had it referred to the conferees, so that when the proper time comes, if the House does not recede prior to any conference, the Senate conferees may have this information, which I think is very valuable.

The VICE PRESIDENT. The letter presented by the Senator from Nebraska will be referred to the Senate conferees on the first deficiency appropriation bill (H. R. 8641).

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. McCARRAN. Mr. President, before referring to the amendment which I offered at the last session of the Senate and had read, I desire to touch upon the correspondence which was inserted in the RECORD by the able Senator from Nebraska [Mr. NORRIS] a few moments ago. I address both able Senators—one from Colorado and the other from Nebraska—on the subject of the letter. The Senator from Colorado being the chairman of the Senate conferees, I naturally ask for his attention for the reason that, in keeping with the letter placed in the RECORD by the Senator from Nebraska, a number of telegrams and letters have come to me from my own State, which is now being infested with the first hatch of Mormon crickets.

If there is anything in the world that is destructive of vegetable life in general, much more destructive than even the grasshopper infestation, it is the Mormon cricket. Not only that, but those having control of the transcontinental highways are instructed to post the highways to advise those who travel to be careful because of the danger from Mormon crickets. Many accidents have occurred, some of them resulting in the loss of human life, by reason of the infestation of Mormon crickets covering the highways and so smearing the roads that automobiles skid and go off the grades. That is one thing, but vegetation in general is now being threatened and destroyed by the annual infestation of Mormon crickets which is now manifesting itself. If we can have action taken now, while the Mormon cricket is in his adolescent stage, we can at least put an end to the greatest part of the destruction. I join the Senator from Nebraska in the suggestion to the Senator from Colorado, and others on the conference committee.

Mr. President, to address myself now to the amendment which I had read last Friday, and which has to do with exempting commodities upon which excise taxes have been approved by Congress in years past from the effect of the reciprocal-trade law, there are four commodities which Congress saw fit to protect by way of what we term excise taxes. The able chairman of the Committee on Finance may take issue with the term "excise taxes." The reason why I take that position is because the RECORD shows that, in 1934, the chairman of the Committee on Finance, the Senator from Mississippi [Mr. HARRISON], intimated that, in his judgment, these taxes were not excise taxes, but were duties.

In the same speech, Mr. President, the able Senator from Mississippi made it known, not only in one presentation upon the floor of the Senate, but in two, as I recall, that the excise taxes on copper, coal, lumber, and oil were regarded by him, and were to be regarded by those who had the administration of the reciprocal-trade law, as frozen; in other words, they were not to be affected by any action of the President under the reciprocal-trade law.

Mr. CLARK of Missouri. Mr. President——

Mr. McCARRAN. I will yield in a moment. The able Senator from Mississippi made that exceedingly plain by using the term "frozen," and I draw it to his attention. In other words, the taxes were not to be at all affected by the measure which we were considering in 1934, and which we again considered in 1937, and which is again before the Senate.

I now yield to the Senator from Missouri.

Mr. CLARK of Missouri. Mr. President, I do not wish to interrupt the trend of the Senator's argument, because I intend to discuss this matter in my own time, but, since the statement of the Senator from Mississippi, the chairman of the committee, has been mentioned, I do wish to call the attention of the Senator from Nevada to the fact that, while the chairman of the committee stated that, in his opinion, the excise taxes should be "frozen", the chairman of the committee later offered an amendment to incorporate in the bill itself a provision for freezing those excise taxes, and that on the very bitter protest of the senior Senator from Arizona [Mr. ASHURST], one of the champions of the excise tax on copper, the Senator from Mississippi then withdrew the amendment; it was then reoffered by the then Senator from Louisiana, Mr. Long, and defeated by the Senate on a yea and nay vote, the vote being 29 to 57, and among those voting "nay" on that question were the Senator from Arizona [Mr. ASHURST] and the Senator from Nevada [Mr. MCCARRAN]. It seems to me that sufficiently disposes of what was held out in the discussion of the subject during the consideration of the act of 1934.

Mr. McCARRAN. Mr. President, the Senator from Missouri correctly cites the RECORD; but it will be recalled that prior to the time the Senator from Arizona protested the amendment which was to be offered by the Senator from Mississippi, the Senator from Mississippi had made the statement, had made it clear, had made it emphatic, that all excise taxes were regarded as frozen. He used the word "frozen." When that statement was made on the floor of this legislative body by the chairman of the committee having to do with that particular subject, wherein he said in emphatic terms that excise taxes on particular commodities which the body had under consideration then should be frozen, those of us who come from the States producing these commodities regarded it as a solemn declaration, a solemn statement of purpose, an indication of what the purpose of the legislation was; and we thought that that purpose, so declared, and that statement, so announced by the chairman of the Committee on Finance, would be carried out in entirety.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. VANDENBERG. I may say to the Senator that substantially the same statement was made in the report of the Ways and Means Committee of the House of Representatives when it presented the proposed legislation in the first place. So the Senator has not only the assurance of the chairman of the Senate Finance Committee, he has the assurance of the text of the House Ways and Means Committee report.

Mr. McCARRAN. I am sure the Senator is entirely correct, from my reading of what occurred.

Mr. CLARK of Missouri. Mr. President, if the Senator will permit a further interruption, it seems to me that the action of the Senate itself, by an overwhelming majority of two to one rejecting such an amendment to freeze the tax, is of the highest importance and of the most compelling force.

Mr. VANDENBERG. Mr. President——

Mr. McCARRAN. I prefer not to yield just now. I prefer to answer the Senator. Then I shall be glad to yield.

Mr. VANDENBERG. Of course, there is an answer.

Mr. McCARRAN. The vote on the amendment offered by the late lamented and much beloved Senator from Louisiana, Mr. Long, followed the announcement of the Senator from Mississippi, the chairman of the Committee on Finance. I voted against the Long amendment, because I relied on the word of the chairman of the Committee on Finance, and I thought there was no necessity for doing more.

Mr. President, I state, without fear of contradiction, believing that I am as correct as to others as I am as to myself, that other Senators voted against the Long amendment, because the chairman of the Committee on Finance, who had the subject in hand, had promised us, had said here on the floor on at least two occasions, that it was not the intent at all to interfere with those things which were covered by excise taxes.

I represented a State which produced only one of the commodities; that is, copper. There were here on the floor of the Senate those who represented States which produced others of the commodities, namely, lumber, coal, and oil. I voted on the Long amendment, and I am one of those, as I recall, voting against the Long amendment, because of the history of the whole transaction, the history of the whole proposition from beginning to end.

Now, if the Senator from Michigan wishes to have me yield, I am glad to yield.

Mr. VANDENBERG. I think it is interesting to note another collateral fact of the time. I think that when the able Senator from Mississippi offered his amendment, intending in good faith to carry out his promise to us that these excise taxes should not be reduced, his reason for withdrawing the amendment was that the senior Senator from Arizona [Mr. ASHURST] made a fervid plea that nothing should be done to prevent an increase in the protection which copper should receive. His protest was against something which would prevent an increase. Of course, that is a totally different contemplation. Some of us did not understand his position at the time, and I think perhaps he may have misapprehended the purpose of the amendment, but he clearly made it obvious that he was taking his position against any stricture which would prevent an increased protection for copper.

Mr. McCARRAN. That is correct.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. CLARK of Missouri. Since the Senator from Michigan has put this construction on the matter, I should merely like to call attention to the fact that the issue was drawn with the greatest possible clearness by the late Senator from Louisiana, and no man who has served in this body during my membership in the Senate could draw an amendment with greater clearness than he could when he desired to do so. I read from the RECORD of June 4, 1934, page 10392. The Senator from Mississippi interrupted the Senator from Louisiana.

Mr. HARRISON. Mr. President, the Senator will recall that I withdrew the amendment.

Mr. LONG. I am not censuring the Senator from Mississippi. I am offering his amendment, which I presume he will support. I believe he will.

Mr. President, we were told that these commodities would be protected because the tariffs we have on oil and lumber and coal and copper are very necessary. A number of Senators and I fought here many nights and many days to get tariffs on these items, and we want to protect them.

Senators will notice that he said "tariffs," not "excises."

We were assured that they would be protected. Today, as an example, notwithstanding the fact that it is said we have an overproduction of oil in America, nonetheless we are importing into the country 260,000 barrels of oil a day. Notwithstanding all our lumber trouble and the cheapness of lumber, lumber is still being imported. We were told, and we believed, and I am sure Senators mean to stick by it, that we should have this tariff protection, and it would be disastrous to us if it were not given to us.

I ask for the yeas and nays, Mr. President.

The Senator from Louisiana drew that issue with the greatest possible clearness and explicitness.

Mr. VANDENBERG. Yes, Mr. President; but if the Senator will now read the observations of the Senator from Arizona, he will find that they entirely justify the observation I made.

Mr. CLARK of Missouri. I read the observations of the Senator from Arizona this morning, and before that on yesterday, and, further, I heard them when they were delivered.

Mr. McCARRAN. Mr. President, I think we have all gone through the history of when this record was made. There is no doubt in my mind as to what was the intendment of the Senator from Mississippi when, as chairman of the Committee on Finance, he made the statement before the Senate to which I have referred. He will not deny that he made the statement. He sought at that time to establish a fact; he sought at that time to do what many of us do in debate here, to have it understood as the sense of this body what was intended by the proposed legislation then pending. If the Senator from Mississippi had intended anything else, of course he would now contradict me. He was clear; he was frank; he was honest about it. He wanted those of us who were interested in excise taxes to know he wanted those representing the copper-producing States, for instance, to know that the 4 cents imposed as an excise tax or duty on copper would not be disturbed, because he knew, as we know, as the able Senator from Arizona, representing one of the great copper-producing States of the Union, knows, that if the 4-cent excise tax or protection is taken off copper, the copper mines of Arizona will be closed. I know that if the 4-cent tax on copper is taken off, the copper mines of Nevada will be closed, and I know that if the copper mines of Nevada are closed, five or six or seven thousand miners, together with their dependents, will be put on the relief rolls.

Mr. President, the able Senator from Montana knows that when the 4-cent excise tax is taken off copper the mines of Butte will be closed and Butte copper miners will be put on the relief rolls. Some of us would battle until the end to obtain a clear knowledge of the effect of the reciprocal-trade agreements on the 4-cent tax protection to copper.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. MURRAY. I can verify the statement just made by the able Senator from Nevada with respect to the effect of the withdrawal of the excise tax, or a material modification of it, on copper production and employment in Montana. During the year 1929, when the country was enjoying the highest degree of prosperity, the mines in Butte, Mont., were already closing down because foreign-produced copper could be delivered in New York for less than the cost of production in Montana. These conditions rapidly increased in the years following. The mines operated by the Anaconda Copper Co. in Chile were shipping cheaply produced copper into this country free of duty and delivering it here at a price cheaper than the figure at which it could be produced in Montana and other copper-producing States. So it seems to me, Mr. President, that if anything should now be done affecting the operation of these excise taxes it would have a disastrous effect on the American copper producer.

Mr. McCARRAN. Mr. President, I am grateful to the junior Senator from Montana for the contribution he has made, because no one in this body understands the copper situation better than he does. From the standpoint of the welfare of the toiler, no State in the Union is more greatly affected or will be more greatly affected than the State of Montana. The State of Utah, the State of Nevada, the State of Arizona, all the copper-producing States, are interested in knowing that the industry is protected perpetually, so that copper produced by slave labor and under slave conditions shall not be brought into this country to close American mines and thus throw our miners out of employment.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. VANDENBERG. The Senator might add that under the latest copper development in South Africa, where the copper is virtually scooped off the ground, it can be delivered in New York for almost the amount of the 4-cent excise protection which we are seeking to maintain.

Mr. McCARRAN. I am grateful to the Senator from Michigan for his contribution. The Senator from Michigan represents a State, and represents it ably, which is equally interested in the subject of copper.

Let me deal with this subject from a factual standpoint. Today Northern Rhodesia can export copper to this country so cheaply that no American copper mine, in competition with it, can possibly operate and pay even working expenses. The average wage per day in Rhodesia is in the neighborhood of 30 cents. The average wage per day in Chile is less than 60 cents. The average wage of the American miner in the copper industry is based upon a scale which depends on the market price of copper. Today our copper miners, working in the copper mines of Montana, Nevada, Arizona, and other copper producing States, are earning from $4.50 to $6.50 a day.

When the 50-cent copper produced under slave and peon labor in Chile is imported into this country, in competition with the copper produced under the American standards of living, the result is simply to close down the copper mines of the United States. When oil produced in South America, under present conditions there, is imported into the United States and competes with the oil-producing States of this

country, the result is to destroy or impair our oil-producing industry.

Why am I interested in this subject? Because in my State and the other States producing copper, miners are employed. They are not industrial States from the standpoint of processing. They employ miners to produce the raw commodity from the mines. The continued operation of their mines allows the miners and their dependents to enjoy American life by their own industry and by their own efforts. If the price of these commodities is reduced, and our miners are placed in competition with slave labor abroad, then confidence in American institutions is destroyed.

As I have said, I represent a State which produces only one of the commodities under consideration. The Senators from Michigan represent a State interested not only in copper, but in lumber as well. The State of Arizona is interested in the production of copper. Other States, such as Pennsylvania and Oklahoma are interested in oil production. In every one of these instances those who are engaged in the production of these commodities are looking to the continuation of the excise tax, so that the industry thus protected may be permitted to continue, so that the toilers in those States may know that it is not a question which rests in the hands or on the judgment of some particular appointed individual, who has no responsibility to the people of the United States, but who will decide in Washington, in a star-chamber proceeding, whether or not the industry on which the toiler depends shall go forward or shall be closed down and go out of existence.

Mr. President, that is why some of us are protesting to the end that this reciprocal-trade law shall not touch upon or impinge upon those commodities with respect to which the Congress of the United States, based upon investigation and understanding, has placed an excise tax.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McNARY. I recall that in October of last year in this Chamber the able Senator from Michigan [Mr. VANDENBERG] discussed the history of the Reciprocal Trade Agreements Act, and the effect of the trade agreements upon the excise tax. I recall very vividly when these excise taxes were included in the tariff law. At that time I was very much interested, and I am now interested in the excise tax on lumber. I suggested at the time of the speech by the Senator from Michigan that we knew or at least felt encouraged that if the Reciprocal Trade Agreements Act was passed the excise tax would not be molested. I was given on this floor full assurance by the chairman of the Committee on Finance that the excise duty upon the four products which the Senator has mentioned would not be touched. I was given the same assurance that they would not be touched, by the able Senator from Arizona [Mr. HAYDEN]. This assurance was given after a discussion had with several other Senators with respect to the difference between tariff rates and excise duties.

We relied upon these repeated assurances, and I say to the able Senator that in the northwestern section of the country a great injury was done to the timber and forest-products industry when the $1 excise tax was removed from lumber products. I do not want to see a recurrence of such a thing in connection with the other commodities with respect to which we have now imposed the excise tax. I think the copper industry and the other industries which are still in that category of protection should still continue there, without any notion on the part of the Secretary of State that the tax should be removed, but in view of the precedent with respect to lumber, unquestionably if the Secretary or his advisers believed that they could get a better trade agreement on copper from a copper-producing country, that excise duty on copper would be removed.

We judge of the future by what has occurred in the past, and in spite of the efforts which were made by myself and others to persuade the Secretary of State to honor the statement of the chairman of the Committee on Finance, the dollar excise tax was taken off. And what is true of lumber will be true of copper if the opportunity arises which might justify such action on the part of the Secretary of State or his advisers.

Mr. McCARRAN. Mr. President, I am grateful to the Senator from Oregon for his observation, because it is a true statement of what has occurred and is not denied by the able Senator from Mississippi, the chairman of the Committee on Finance.

Mr. President, what has followed since the making of the legislative history to which we have referred? Following the action under the reciprocal-trade law which affected lumber, last September, as will be recalled, there was proposed a reciprocal-trade agreement between this country and Chile, by which copper was to be affected. Immediately the able Senators from Arizona, leading the vanguard of those of us who are opposed to a change in copper excise taxes, went before the representatives of the State Department and protested any change in the excise tax on copper. There was a debate on the floor of the Senate, I recall, between the Senator from Michigan and the Senator from Mississippi, in which the language of the Senator from Mississippi was brought back again to the floor of the Senate, language by which we had been assured that these excise taxes were "frozen," to use the expression of the Senator from Mississippi. Notwithstanding that, those in charge of the reciprocal trade agreement machinery in the State Department were seriously considering reducing the tariff on copper. All of a sudden, after the protest became sufficiently violent and it was sufficiently apparent that the representatives of the copper-producing States were not going to support the continuation of the Reciprocal Trade Act, there was an announcement to the effect that copper had been dropped from the program and would not be affected.

If, notwithstanding the assurance given by the chairman of the Committee on Finance to the United States Senate, and the promise given to Senators, which caused the Senators from Arizona to vote against the Long amendment, those having control of the administration of the reciprocal-trade law had the temerity to include copper as a commodity upon which there was to be a proposed reduction—if notwithstanding all that those having control of the administration of the reciprocal-trade law had the temerity to dare to say that they would affect the excise taxes on copper, then there is no telling to what lengths they might go, notwithstanding any promise which might be made.

I say without fear of contradiction that the bill could not have been passed in 1934 if it had not been for the promise to which I refer and the understanding between the chairman of the Committee on Finance and the Senate. I believe the measure renewing the reciprocal-trade law could not have been passed in 1937 if it had not been for that understanding. Nevertheless, those having control of the administration of the reciprocal-trade law say that that understanding does not bind them. They propose to affect, and have already affected, two of the commodities and will affect more.

The Congress of the United States did not intend to pass a law which would permit those who have no responsibility to the people to affect a tax which was intended to be exempt from the effect of the law. Therefore, my amendment is offered so that the promise given by the chairman of the Finance Committee may be written into the law.

Mr. President, I think that what applies to four commodities should apply to every commodity on which an excise tax has been imposed; but inasmuch as only four commodities were mentioned by the chairman of the Committee on Finance in his promise to this body, my amendment touches only those four commodities. I hope the amendment may be adopted, so as to make it clear that when a Senator as able, experienced, and as much loved and honored in this body as is the chairman of the Committee on Finance, gives his promise to this body, that promise will be as good as law.

Mr. President, some Senators now in the Chamber have not heard the amendment stated. I ask unanimous consent that it be stated at this time.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 8, after "1940", it is proposed to insert a comma and the following:

with the proviso that the authority conferred in the said act does not embrace authority to include in any trade-agreement negotiations excise taxes imposed under the provisions of paragraphs (4), (5), (6), and (7) of subsection (c) of section 601 of the Revenue Act of 1932, as amended, which are now a part of the Internal Revenue Code, subtitle (c), chapter 29, subchapter (b), part 1, sections 3420, 3422, 3423, 3424, 3425.

Mr. McCARRAN. Mr. President, returning to the subject, I shall not detain the Senate much longer, except to draw to the attention of the Senate the history of this legislation, the fact that it was enacted in 1934, and the fact that at its enactment Senators who were interested in the subject matter of the four commodities affected, namely, copper, coal, lumber, and oil, had it made plain to them that the law would not affect those commodities. It was under those circumstances that the law was enacted in the first instance. At the risk of repetition, I say that it would not have been enacted if it had been known that the intention was to affect copper.

The remarks of the able Senator from Arizona [Mr. ASHURST] have been referred to. He may be considered the dean among Senators representing copper-producing States. At that time assurance was given to the Senator from Arizona. He did not want the proposed amendment to go in, because the assurance was even greater and more sacred than the amendment itself.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield for a question.

Mr. CLARK of Missouri. Evidently the Senator has not lately read the objection of the Senator from Arizona, because I am certain that if the Senator had read it at any recent time he would not make the statement he has just made.

Mr. McCARRAN. Mr. President, I read it as recently as this morning. The Senator from Arizona said that the amendment was born in iniquity, and so forth. He denounced it very bitterly. He denounced it because of the very answer that was given by the Senator from Michigan [Mr. VANDENBERG] a few moments ago, namely, that there would be a freezing with regard to the raising of the tax in protection of copper. It was his position that the 4-cent copper protection now afforded by the revenue law might be raised when, as, and if conditions in this country and abroad demanded the protection of an American industry in which hundreds of thousands of miners and their dependents are involved.

Mr. President, I leave the question with the Senate. It is not a matter to which I propose to devote much time, because the facts are so plain. The whole history of the legislation is clear. My good friend the Senator from Mississippi [Mr. HARRISON], notwithstanding the fact that he has been presented time and again with statements which he made, sees fit to corroborate what I say by his silence.

Mr. LODGE obtained the floor.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. McNARY. I wish to submit an inquiry to the able Senator from Nevada [Mr. McCARRAN] with regard to the history of the legislation, or at least call his attention to some of the history involved in the colloquy a few moments ago with the Senator from Missouri [Mr. CLARK] regarding what took place on the floor of the Senate with regard to the discussion of these four commodities. I refer to page 1766 of the CONGRESSIONAL RECORD of Tuesday, October 31, 1939. On page 1084 the distinguished Senator from Michigan [Mr. VANDENBERG] asked:

Is it not a fact that at the time the reciprocal trade treaty law was passed every effort was made on the floor of the Senate to make it clear and plain that the excise taxes on copper, coal, lumber, and oil were beyond the jurisdiction of the trade-treaty negotiators?

The Senator from Arizona [Mr. HAYDEN] then interposed and stated:

That effort was very definitely made at the time the Reciprocal Trade Agreement Act was under consideration. As a practical matter, it does not make sense to me to say that Congress would intentionally pass an act permitting tariff duties to be raised and lowered and have in mind anything other than an established tariff. If Congress does not act, the excise tax automatically expires, and then what have we? We have nothing to negotiate about. If, by the enactment of the reciprocal trade agreement law, the State Department had power to freeze the excise tax on copper at 2 cents without further action by Congress, I should say then there would be some logic to the proposed negotiations; but when the fact is that if nothing is done the tax automatically expires, it clearly indicates to me not only that Congress never contemplated that the Reciprocal Trade Agreement Act should apply to excise taxes of this character, but in addition it would seem that any negotiations with Chile must rest on an unsound and insubstantial basis.

That statement certainly covers the attitude of the Senator from Arizona. It is supplemental to what has been stated by the Senator from Michigan [Mr. VANDENBERG]. I am not now testifying, but I made a statement along the same line. So I think it must be clear to anyone that when we considered the Reciprocal Trade Agreements Act, everyone relied on the assurances that these particular excise taxes would not be touched. I think that is the recollection of the Senator from Nevada. It is the recollection of the Senator from Michigan, of the Senator from Arizona, and of myself. We are all recorded in the CONGRESSIONAL RECORD on page 1084 and subsequent pages.

Mr. President, I call attention to this matter only because of the statement made a few moments ago by the Senator from Missouri [Mr. CLARK] that no such implication could be gleaned from the statement of the Senator from Arizona.

I thank the Senator for his courtesy.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. McCARRAN. Not only is the Senator entirely correct, but the CONGRESSIONAL RECORD from the inception of this question until the present time bears out the statement made by the Senator from Oregon. More than that, in June 1939, the Congress reenacted the excise tax of 4 cents on copper. That was long after we had enacted the reciprocal-trade law, showing what the intendment of Congress was as regards the freezing of the excise tax bearing on copper.

Mr. LODGE. Mr. President, I desire briefly to state my reasons for opposing——

Mr. McNARY. Mr. President——

Mr. LODGE. I yield to the Senator from Oregon.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lee	Schwellenbach
Ashurst	Downey	Lodge	Sheppard
Austin	Ellender	Lucas	Shipstead
Bailey	Frazier	Lundeen	Smathers
Bankhead	George	McCarran	Smith
Barbour	Gerry	McKellar	Stewart
Barkley	Gibson	McNary	Taft
Bilbo	Gillette	Maloney	Thomas, Idaho
Bone	Glass	Mead	Thomas, Okla.
Bridges	Green	Miller	Thomas, Utah
Brown	Gurney	Minton	Tobey
Bulow	Hale	Murray	Townsend
Byrd	Harrison	Norris	Truman
Byrnes	Hatch	Nye	Tydings
Capper	Hayden	O'Mahoney	Vandenberg
Caraway	Herring	Overton	Van Nuys
Chandler	Holman	Pepper	Wagner
Chavez	Holt	Pittman	Walsh
Clark, Idaho	Hughes	Radcliffe	White
Clark, Mo.	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Davis	La Follette	Schwartz	

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Eighty-nine Senators having answered to their names, a quorum is present.

Mr. LODGE. Mr. President, I desire to state briefly my reasons for opposing the further extension of the policy of reciprocal-trade agreements. I should like, before doing so, to join sincerely in the general expressions of praise for the character and integrity of the Secretary of State. I have had the pleasure of his acquaintance for many years, going back to the time when he was in the House of Representatives and I was in the press gallery. He was courteous and

considerate to me then and has been so since. I can sincerely express the same regard for Senators who are on the opposite side of this question. Certainly the Senator from Mississippi [Mr. HARRISON] has been an extremely fair chairman, and has always given those who were in the minority full opportunity to exercise their rights.

I am, first of all, impressed by the constitutional arguments in opposition to the pending joint resolution which have been so ably advanced in the week that has just passed. I cannot rid myself of the notion that this is an instance, to use the words Mr. Justice Cardozo employed in connection with a case pending before the Supreme Court, of "delegation run riot," and that if the Congress can abdicate so much of its power having to do with the raising of revenue and with the conclusion of treaties, it can equally well abdicate a great deal more of its power with respect to other equally essential functions of government. It is clear that if our government of checks and balances and our constitutional theory have any reality this is a case in which the power of the Executive should be curbed.

I am also impressed by the following arguments: First, that treaties require a two-thirds vote of the Senate, and that so-called trade agreements are treaties; second, the constitutional provision that "all legislative power shall be vested in a Congress"—the word "all" should be stressed in that connection—and, third, the constitutional provision that revenue bills shall originate in the House of Representatives.

I am informed that of the 22 nations with whom we have concluded trade agreements some 18 or 19 require that agreements made with them shall be ratified by the parliamentary body of the nation concerned.

It is clear also that this is a question in which partisanship really has no place. It has been demonstrated time and time again since this debate began that Republicans and Democrats have been on both sides of this question. I will not detain the Senate by quoting from the utterances of prominent statesmen on this subject. I should like, for the RECORD, however, as one exception, to cite the statement made by Secretary Hull when he was a Member of the House of Representatives with regard to a proposal which was much more limited than this and which he opposed in the following terms. I quote:

> The proposed enlargement and broad expansion of the provisions and functions of the flexible-tariff clause is astonishing, is undoubtedly unconstitutional, and is violative of the functions of the American Congress. Not since the Commons wrenched from an English king the power and authority to control taxation has there been a transfer of the taxing power back to the head of a government on a basis so broad and unlimited as is proposed in the pending bill. As has been said on a former occasion, "this is too much power for a bad man to have or for a good man to want."

I believe those words, which were so eloquently uttered in connection with a legislative proposal far less broad in its scope than this one, should give us pause today.

Mr. President, so much for the constitutional aspects. I am not going to detain the Senate long on the economic aspects of the case, except to reiterate the conviction I have expressed here before that to sell American goods to Americans is not only just as good as selling them to foreigners, but is better. The free-trade economic philosophy would have us believe that if an automobile made in Michigan, let us say, is sold in Europe, the transaction, by some mysterious alchemy, by some mystic induction, creates some new wealth which is not created if the automobile is sold to an American citizen. I have yet to see that proposition demonstrated. I have yet to see it proved. It seems to me that if an American automobile is sold to an American citizen, whether he lives in Massachusetts or whether he lives in Texas, or whatever State he may live in, it is better than selling the automobile abroad, because the American citizen who buys the automobile is going to be a customer for parts and for tires and for gasoline and for oil; he is going to eat at wayside lunchrooms, and in every way he is going to continue being a spender; and in order to maintain that car such expenditures will be made to American citizens instead of being made to foreigners.

I do not want to labor the economic argument, because it has been done much more ably than I can do it, and it is a two-sided proposition. But I contend that we are hypnotized by the idea that there is an advantage in selling our goods to foreigners over selling them to ourselves.

I should like to say, too, that I detest the old logrolling system just as much as do any of the advocates of the joint resolution. I should not want to go back to it. I was not in politics when the Hawley-Smoot Tariff Act was passed. I note that it has not been repealed, although certainly the party in power has the votes in both branches of Congress to do so. I do not want to return to the logrolling method. The goal which appeals to me is the goal of William McKinley, who said, in 1897:

> The end in view is always to be the opening up of new markets for the products of our country by granting concessions to the products of other lands that we need and cannot produce ourselves, and which do not involve any loss of labor to our own people, but tend rather to increase their employment.

There is a definite standard, an American standard, and a reasonable standard. I think those of us who oppose the pending measure—I know it is true in my case—favor a scientific tariff, arrived at in a scientific, decent, intellectually self-respecting way. We believe there ought to be some kind of a standard established, and that a question such as, Shall the United States be protectionist, or shall it be free trade? should not be left to the discretion of an administrative official. I should like to see a scientific tariff established with a protectionist philosophy, but, regardless of philosophy, I should like to see some kind of a standard written into this joint resolution.

This brings me to the point which impresses me the most, and which I do not think has been touched on as much in this debate as it should have been, and that is the contrast and the contradiction which the reciprocal-trade policy embodies.

Since I have been in Congress I have had the opportunity to support legislation aiming to increase the wages and reduce the hours and improve the working conditions of persons working in factories. As we look back over the years we find a constant improvement throughout American history in wages and in working conditions, going back to the early days in the textile mills when young girls were employed for long hours at a time for very small wages, and coming down to the conditions which today obtain in so many industries in which the hours are limited, and there is some kind of a minimum wage. I believe one of the most hopeful and one of the most inspiring things in our national history is the gradual improvement in the working conditions and the living conditions and the economic conditions of the average American citizen. It must be obvious to us all that goods manufactured under those conditions cost a great deal more than goods manufactured under sweatshop conditions, and that if we are going to try to build up the living conditions of our own people we simply cannot permit the entry of goods which are made by foreigners under definitely substandard conditions. There is a case in which we cannot ride two horses at once, because the two horses are going in opposite directions.

I understand that an amendment is to be offered to the pending joint resolution which will prevent the entry of goods produced under substandard labor conditions. I offered a similar amendment to the wage and hour bill when it was before the Senate. I certainly shall support the amendment in this instance. I think we have an absolutely hopeless contradiction here; that if we embrace the free-trade theory, the high-wage theory suffers, and if we embrace the high-wage philosophy, we are bound to restrict our foreign trade.

In this case there can be no doubt in the mind of anyone who studies the situation that the theory of raising wages and reducing hours is the one which is suffering and that the free-trade theory is in the ascendant in the conduct of our Government today. Of course, nobody is abandoning lip service to the ideal of high wages and shortened hours and better working conditions, but the fact remains that the extension of the free-trade principle is bound to be a hindrance to the extension of the high-wage principle.

Of course, the argument I have just made is criticized and attacked. Some say that it is the argument of isolationists. I have heard the word "isolationist" used a great deal on the floor of the Senate, and I have very seldom heard it defined. I do not know exactly what is meant by the appellation "isolationist." If the meaning is that an isolationist is a man who wants to protect his country from the bad influences of the outside world, then I say, yes; we are all isolationists. We ought to be. If an isolationist is a man who thinks it is easy for us to cut ourselves loose from the world, then, of course, no one but a fool would be an isolationist, because it is not easy. It seems to me it is desirable, however, for us to be as free as we possibly can from the dangerous influences which are at large in the world.

Of course, in the philosophy I am trying to describe there is no question of the United States moving to complete self-containment. That is a theoretical state of things which is just as impossible as a condition of complete free trade. The advocates of this joint resolution do not favor complete free trade any more than its opponents favor complete self-containment. There is a question of the direction in which we shall go, of the trend which we favor; and there is a legitimate question in my mind as to whether we, a vast continental nation with virtually limitless resources, should frame our trade policy as though we were a small island country which literally could not live without foreign trade.

There is a question of the trend which we follow, and what is that trend?

I respectfully submit that at present it is a trend toward increasing our trade relations with the armed camps of the world.

It is a trend which regards international trade as an end in itself, as something for which risks should be taken, for which men may even be called upon to die instead of merely viewing it for what it is, a useful economic tool.

It is a trend which assumes that nationalism is bad, which is a polite way of saying that patriotism is bad.

It is a trend which assumes that international trade promotes peace—an entirely unsupported and unsupportable assertion against which every counsel of experience and history stands in contradiction.

Indeed, wherever we turn we find that international trade is the cause of war rather than its preventer. It is certainly at the bottom of a great deal of the friction between Japan and China. It was certainly a factor in the rivalry between Germany and Great Britain in 1914, and it is certainly at the bottom of much of the trouble in Europe today. Certainly I think it is not at all extravagant to say that if international trade promotes peace and if the reciprocal trade-agreement policy promotes peace, the condition of Europe today is not a very convincing endorsement.

Prof. Charles A. Beard recently wrote an article, published in Harper's magazine, in which he listed some of the international wars which have taken place in the past century. Even though the list is quite long, I should like to read it into the RECORD. He lists the following:

1828–29, Russian war on Turkey.
1838–42, British war of Afghanistan.
1840, British opium war in China.
1845, British war in the Punjab.
1847, France finishes conquest of Algeria.
1854–56, England, France, Sardinia, and Turkey wage war on Russia.
1856–60, France and England wage war on China.
1859–60, France and Sardinia wage war on Austria.
1861, England, France, and Spain act against Mexico.
1864, Prussia attacks Denmark and seizes Schleswig-Holstein.
1866, German-Italian axis treaty; Germany wages war on Austria.
1870–71, Franco-Prussian War.
1877, Russia wages war on Turkey.
1881, France finished conquest of Tunis.
1882, Italy makes an axis with Austria and Germany; British seize Cairo.
1883, France finishes conquest of Annam.
1885, France takes Tonkin from China by war; Serbo-Bulgarian war.
1895, Japan finishes war on China.
1896, Italian war on Abyssinia.
1897, Germany seizes Kiao-chau in China.
1898, bloody uprising in Milan.
1899, Britain opens war on Boer republics.

Mr. President, that is the list of wars in the nineteenth century, and I think that any Senator who examines the list will have to admit in all candor that the desire for raw material, the desire for foreign markets, the desire to build up some kind of international commerce, played a very large part in every one of those wars, if not a decisive part, at least a very important and substantial part; and that whatever the economic advantages of the free-trade system may be, however secure its constitutional foundation may be, the contention that it promotes peace is unsupportable.

On the contrary, it seems to me that this policy would lead us to the conclusion that those who support it think that the good to be derived from foreign trade is so great as to justify a certain amount of risk. I tried to develop this point at the time the pending bill was being considered by the Committee on Finance, and I should like to read a brief extract describing a colloquy between the senior Senator from Kentucky [Mr. BARKLEY] and myself, which is found printed on page 152 of the hearings, as follows:

Senator LODGE. I said Great Britain, being an island and being dependent on foreign trade, naturally got involved in wars; that if you did not have the foreign trade you would get involved in wars just that much less.

Senator BARKLEY. You would just abolish foreign trade, then? You would just live on an island?

Senator LODGE. If you were single-minded about peace above everything else, that is what you would do.

Senator BARKLEY. If you were single-minded about peace and nothing else, all that you would have would be peace.

Senator LODGE. That is right. And it is better to be alive on a low living standard than to be rich and then get killed.

Senator BARKLEY. I would rather take a chance to keep alive by trade than to starve to death without it.

I congratulate the Senator from Kentucky on being so candid, so frank, because most people are not so candid and so frank. Most persons try to eat their cake and have it, too. They say, "Yes; we are going to have foreign trade, and ships all over the world, and navies to protect it, and we are going to have peace also." The Senator from Kentucky is very candid. He says, "I think foreign trade is such a good thing it is worth running some risk for."

That is a legitimate ground on which we can differ. That is his philosophy, and it is a very respectable one, but it is not a philosophy with which I agree. I think it points up this whole conflict, which to me seems very far reaching. It involves the philosophy of an America run for Americans, with the high-wage trend ever continuing. It involves the philosophy of having an internal situation which we can more or less control, and in which we can work out our own social reforms. It involves the question of having the United States keep out of foreign wars, walking a wide circle around them, and not getting into the frictions and involvements which are always caused by being dependent on foreign trade.

Mr. President, that is the real crux of this matter to me, and I humbly submit that it involves the whole American way of life, and involves the future of the American experiment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House insisted upon its disagreement to the amendments of the Senate to the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR, Mr. WOODRUM of Virginia, Mr. CANNON of Missouri, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the further conference.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. WILEY. Mr. President, of late I have been receiving a good many communications which indicate to me that, while perhaps the Members of this body are familiar with the issues involved in the present debate, the citizen out on the farm, and in the village, and in the city, is very much confused. I have no idea of making any considerable contribution to the discussion of the issues here involved, but I do desire to state my position rather bluntly and plainly.

First. I believe everyone in this Chamber is in favor of fair, equitable trade agreements or treaties between this country and foreign nations.

Second. No one in this Chamber is against the principle of reciprocity embodied in such an agreement or treaty.

Third. A large group in this Chamber is in favor of the principle laid down in the Pittman amendment and the one which will be laid down later in the Adams amendment. Why? Because if the Supreme Court should hold that these agreements are not treaties, then we would have simply delegated the legislative power to the President to negotiate the agreements, and the Senate would pass upon them or renew them. Is there anything wrong about such a procedure?

If, on the other hand, the Supreme Court should hold that these agreements are treaties, then no harm would be done, because the President has the right to negotiate treaties and the Senate must then approve or disapprove them.

Fourth. If the Senate does not adopt the principle laid down in the Pittman amendment or a similar amendment, then a large group of Senators is not in favor of extending the legislative power to the President at this time. Why? Because of world conditions. If any reason not now apparent should become apparent in the future necessitating a change, of course Congress could be convened in extraordinary session, or Congress could at any regular session change its action.

Fifth. The best minds of America, I believe, should concentrate on American affairs instead of European affairs. The extensive trade we now have with Europe is not the result of these so-called reciprocal treaties, and when the war is over that trade will be gone. The best minds of America have a real job to attend to in this country. I refer to rehabilitating our farmers, getting jobs for youth, looking after the aged, extending and protecting the industrial life of the Nation, so that the unemployed and industry itself can get a break. All this must be done so that America will be equipped to meet the economic "blitzkrieg" which will inevitably follow the European war.

Mr. President, it is generally conceded that because of world conditions and because of America's virtual monopoly of gold the importance of reciprocal treaties, so-called, and their utility are constantly diminishing. Why? Because of foreign trade obstacles which virtually did not exist when Secretary Hull initiated the treaties. Straight tariffs do not count as they used to before the days of trade controls, export subsidies, barter agreements, exchange restrictions, exchange allotments, embargoes, currency blocs, and depreciated currencies.

The most-favored-nation policy, which we had much to do with, now operates in many instances to the detriment of our own industries and producers.

Mr. President, I believe that if the people of America were educated fully on these so-called trade barriers and informed further as to the effect of the so-called reciprocal-trade agreements on our economy, in that they are absolutely ineffectual to meet the new economic weapons forged by European governments because of economic conditions, the group now in favor of granting the additional power to the President would not be so insistent in their demands.

What I am getting at, bluntly, is that exchange quotas and controls, exchange restrictions imposed by foreign governments, discriminations by foreign governments, destruction of the structure of international prices, and depreciated currency, make the theory of reciprocal agreements unworkable. If that statement is correct, then all the argument that has been advanced is simply a smoke screen to hide the real purpose, which is to delegate to the Executive in these perilous times an additional power. My own thought is that the Congress has already delegated to him too much power. The powers conferred upon him by the Constitution are ample. Congress should exercise its own powers, and I believe that is the wish of the people, especially after 7 years of trial and error.

Mr. President, I listened with a great deal of interest to the dramatic appeal of the distinguished senior Senator from Nebraska [Mr. NORRIS], especially that part in which he claimed that if the pending measure should not become law there would be dire consequences to this Nation. Of course, what he said was simply an expression of opinion, and I value his opinion very highly, but I think in this particular he is very much mistaken.

What did he say the consequences would be?

He has assumed the following:

First. That the treaties would protect this Government in its dealings with foreign nations after the war was over.

Second. That the treaties would provide an instrument to put together the fragments and pieces of a torn and shattered civilization, or help to do so.

Third. If we should not pass the pending legislation we could not offer foreign nations adjustments of their tariff situation. He did not know what adjustments would be necessary.

Fourth. He asked the question: "Shall we be able to meet the situation with instrumentalities of government?"

Long before Secretary Hull started to operate his "reciprocity shop" America faced foreign situations. The President of the United States under the Constitution negotiated treaties and the Senate ratified them. Under the Constitution the President entered into agreements and compacts which were not treaties.

Mr. President, I do not like the tendency toward "Executive omniscience." It is bad business in Europe. It will be bad business here in the United States if put into effect. As I view the situation, we should not continue the authority in the President for the very reasons which became apparent from the argument of the distinguished Senator from Nebraska.

Answering the distinguished Senator on his first point, I ask, How will a treaty negotiated now, a reciprocal treaty that fixes the tariff basis on imports from any other country, operate to protect this Government after the war, especially if the present tariff is 50 percent of the much maligned Smoot-Hawley tariff? The distinguished junior Senator from Massachusetts brought forth the idea, which I now emphasize. Is it not strange that the Smoot-Hawley tariff, so much vilified by our Democratic friends, has not been repealed by them? It will be remembered that for 7 long years the Democrats have had control of both Houses, and they have done nothing to repeal that law. In other words, they have recognized that in the days that are ahead this law will be a great barrier against America becoming inundated with foreign imports which might paralyze our internal economy.

The second point made by the Senator from Nebraska was that the reciprocal treaties would provide an instrument to put together shattered Europe. My answer is that it will take more than a reciprocal treaty; it will take the great charitable heart of America and the rest of the world; it will take another Hoover, the great humanitarian, to look after broken-down humanity. It will take men with vision in America, whose hearts are in America and who will not sell out America under an emotional jag of pity—practical men, men who know how to rebuild and construct—not theorists, but men who realize that the future of the world depends upon keeping America safe under her republican form of government. It will also take a Europe reborn to the need of getting rid of her centuries of hate and national animosities.

As for the third point, we are told by the distinguished Senator that if we do not confer this power on the President we cannot offer foreign nations adjustments of their tariff situation. I take it what he means is that Congress would not be willing to take down the barrier. If that is what the senior Senator from Nebraska means, I believe he is correct. We cannot help Europe after the war by paralyzing our own industries or by selling out our own domestic trade.

For his fourth point the distinguished Senator asked the question:

> Shall we be able to meet the situation with the instrumentalities of government?

This question implies that the power conferred upon the President to negotiate trade treaties would be a very significant instrument of government in the post-war years. I doubt the correctness of that conclusion. Let us get this question straight. The President, without this power, may negotiate treaties. We believe in having fair dealings with all nations that will deal with us fairly; but I believe the Senator, in his ardent advocacy of the measure, has blinded himself to the realities.

If we do not pass the joint resolution we shall not interfere with the right of the duly constituted authorities to negotiate commercial treaties, or with the right of the Executive, within his field, to enter into agreements or compacts. All we are doing is saying that for the time being we feel it unwise to extend this legislative power to the President.

A trade treaty implies that the two nations have something to trade. It must be conceded that any agreement with a war-racked nation, involving the importation of foreign goods in competition with American goods, should have not only the serious consideration of the experts in the State Department—who themselves are not immune to logrolling or influence—but in these critical times should be reviewed by the constitutional authority—the Senate.

On Friday the distinguished Senator from Nebraska claimed that to give the President this power was common sense. I asked him this question:

> I am wondering whether it is not common sense to adopt the Pittman amendment, which would virtually make the Senate a board of review as to the merits of any agreement or treaty?

His answer was, in substance, that for the Senate to retain that power would kill the whole measure "as dead as a doornail."

I cannot agree with the Senator in that conclusion. I believe that the people of this country have the same opinion about the Senate that Webster had when, on March 7, 1850, he said:

> It is fortunate that there is a Senate of the United States; a body not yet moved from its propriety, not lost to a just sense of its own dignity and its own high responsibilities, and a body to which this country looks with confidence for wise, moderate, patriotic, and healing counsels.

Mr. President, when did the executive branch of this Government become so dependable, and the Senate of the United States so undependable, that the Senate must delegate its powers to the Executive? Since becoming a Member of the United States Senate a year and 3 months ago, I have become very well acquainted with a number of my colleagues. I believe they are dependable men. I further believe that most of them are men who have graduated from the "university of hard knocks"—practical men, men with ideals and ideas. In this particular period I believe that the combined views of these men, who come from different sections of this great Nation, would provide a better standard to tie to than the judgment of the Executive or the State Department. Why? Because we have our feet on the ground. We are mixing daily with the common man, whom Abraham Lincoln said God Almighty must have loved because he made so many of them. Our eyes are not continually fixed on the "mirage of foreign trade." We know the problems of our constituents, and they know and we know that under present world conditions trade treaties will not provide a panacea for the economic ills within our own borders.

Mr. President, it has been said a number of times that since the passage of the original Reciprocal Trade Agreements Act, we have entered into 22 reciprocal-trade pacts, and that only 3 of those pacts were not required to be ratified by legislative action of the foreign nations. Under what strange spell have we in America fallen, that we listen to the siren voice which suggests that the Senate of the United States should delegate its powers because it does not know what is for the welfare or best interests of our people?

Mr. President, in the history of Israel, there was a time when its people worshipped the golden calf. It was hung aloft so that the people could see it. In this argument there are those who have indicated a worship of the golden calf of legislation. I know that the word "reciprocity" has hypnotized many of our people. It has been hung aloft, and every virtue has been attributed to trade treaties. In spite of all the evidence to the contrary, partisans are almost willing to say that every virtue is tied to them. If we could strip off the veneer of this golden calf, we should find that there is nothing magical in trade treaties. The present discussion involves only the question whether or not we want to delegate to the Executive for the next 3 years the significant powers which have been discussed—powers involving treaties, taxation, and revenue. Personally, I believe that if they are delegated they will not be used because of the uncertainty of conditions and currencies abroad and because of the situation of agriculture and business within our own borders. Later, I shall have something further to say as to the workability of trade treaties during and after the World War.

Mr. President, the economic life of the Nation is built upon domestic and foreign trade. We are informed that our foreign trade does not exceed 10 percent of our total trade. Ever since the inception of this Government, our policy in relation to foreign trade has been of great significance in directing our progress.

The Tariff Act of 1789 was the first tariff legislation passed under the Constitution. Down through the years we have had our tariff squabbles. We have had great debates in Congress on the merits of the protective- and the free-trade systems.

The protective tariff had as its primary purpose building up American industry and making America an industrial Nation—a Nation producing manufactured products from raw materials, and in so doing creating good jobs.

We could spend hours in going into the "pros and cons" of the value of a protective tariff. We could bring into the discussion what the lowering of the tariff would do to the American standard of living. We could also bring into the discussion the arguments on behalf of free trade. But this would do us no particular good at this time, because the subject under discussion is the continuity of the new tariff procedure which was brought into being in 1934 largely through the efforts of Cordell Hull, the Secretary of State. I refer to the Reciprocal Trade Agreements Act of June 12, 1934, which, for a period of 3 years, through the Department of State, gave to the President power to negotiate reciprocal-trade agreements with other nations, the idea being that such treaties or agreements would add impetus and volume to international trade, and in so doing stimulate our own trade and markets. As every Senator knows, the idea behind giving the President this authority was that by such agreements we could expand foreign markets for the products of the United States.

The delegation of authority to the President to change tariff rates, with the consent of the Senate, is not a new matter in our history. In 1897 the Dingley Act was passed, authorizing the President to negotiate similar agreements covering a limited group of imports. I am informed that both President Theodore Roosevelt and President McKinley negotiated agreements with a number of foreign countries under the Dingley Act; but all those reciprocal treaties received the approval of the Senate.

Under the Fordney-McCumber Act of 1922 the President was authorized to increase or decrease duties on any particular article when, on the basis of an investigation by the Tariff Commission, he found that the existing duties did not equal the difference between the costs of production in the United States and in the competing country.

As we all know, the Reciprocal Trade Agreements Act expired in 1937, at which time Congress renewed it for another 3 years. So today the question is, Shall we renew this authority of the President, or shall we amend the act to require Senate approval, or shall we defer action until the world again becomes sane?

Mr. President, I am not finding fault with the idea of reciprocal-trade treaties or agreements. Secretary Hull did not originate the idea. It came out of experience. In it is contained much common sense. This is a large country, a country of many sections, with a diversity of crops, a country of many mineral resources. Industrially and agriculturally, it is the most nearly self-sufficient country on the face of the globe—which means that we produce almost everything. When we trade or sell some of our products to foreign countries, they sell back to us products which compete with our home production. The idea is that by selling more of our goods we create more opportunities for labor. By adding economic flow to the economic current we contribute toward prosperity.

But unfortunately in many instances, as Senators have shown, the trade treaties have not operated in that way. The agreements are the result of human minds meeting—a group in the State Department and representatives of foreign nations—and, of course, the human mind is fallible. Therefore, in treaties such as that with Canada an escape clause or clauses provided in substance that either country, if it found that under the agreement domestic production of the article concerned was injuriously affected, or if a wide variation occurred in the rate of exchange between currencies, might take action to remedy that situation.

However, I invite attention to a challenging fact. I am informed that in these agreements more than a thousand commodities have been considered, but so infallible have been the master minds which negotiated the treaties that no advantage has been taken of the escape clause or clauses. Here, I believe, we have the reason for much of the opposition to the treaties. In other words, the servant has fallen asleep on the job. We know that a number of conferences have been held by the State Department at the instance of producers of this country. Remember, these producers are American citizens with rights and privileges. One of the great rights of a citizen is the right to petition his Government, and it is the obligation of the servant—the employee of Government—to pay attention when the citizen speaks. Yet out of all these hearings there has come no admission, even in one instance, that the State Department has been wrong.

After a great deal of pressure, a supplementary agreement was entered into with Canada with relation to fox furs, and a ceiling of 100,000 was placed on the number of fox furs that could be imported. That ceiling is much more than the normal importation, with the result that while it stopped a total inundation it did permit a partial one, with the result that in that industry American citizens have lost much money. My own State has been seriously affected.

Let us be frank about the whole situation. We are living in a topsy-turvy world; and if we are to continue the present trade policy—as it appears we are, because word has gone out from the White House to continue it—we must safeguard our American position so as to avoid any treaty arrangement which, under the direction of some State Department experts, will mutilate some of our American industries and further injure our farmers.

I have no personal feeling toward the employees of government—I myself am one—but I do have a feeling against some of the high-flying theorists, many of whom have never earned a dollar by the sweat of the brow, and who are always anxious to experiment with other people's money but not with their own. I have heard some of them argue that the thing to do would be to reduce all tariff barriers and let the goods of all the countries flow into the United States. In view of the topsy-turvy world we are in, let us proceed cautiously in reducing tariff rates. Some of us believe that is the Senate's business.

As I have said, a large majority of the present so-called reciprocal treaties were required to be approved by the legislative bodies of other nations. This fact should cause us to pause, especially in these times, when we see the executive arm in other nations taking all the power. If this law is to be continued, it must be borne in mind that it does not present a situation giving the President power in relation to specific items, but it gives him blanket authority to negotiate agreements relative to everything produced in this country.

The purpose of extension of our trade and commerce is a beneficial one; but to delegate that job to the Executive at this time might result in the diminution of our trade and commerce. We know that trade wars are unprofitable and that good will and friendly trade relations are much desired. Is not every Senator interested in furthering such trade and commerce? Some of us feel that under the fundamental law of the land it is the function of the Senate, after the President has formulated a treaty affecting the commercial interest of our people, to approve or disapprove such treaty or agreement.

Mr. President, there is nothing sacrosanct, mysterious, or obnoxious in the word "reciprocity." However, there is much misunderstanding of the real issues involved in this debate. There is an old saying that "figures don't lie, but liars will figure." In these times it has become the custom to do two things to sustain one's position: First, get together a lot of figures or statistics; second, get a group of experts on one's side.

As I see the situation, we need neither of these factors to back up either position taken in this debate. Why? Because, in the first place, when the figures which are produced for or against the reciprocal-trade treaties are examined, they cannot be said to be conclusive proof of the contentions made. The reason is that so many other factors are involved. I have already mentioned some of them—world unrest, war, currency instability, and so forth.

Secondly, we do not need the experts, because they are partisans who draw their conclusions from the figures which they produce to sustain their position.

Mr. President, it is interesting to note how many distinguished Senators have changed front on this issue, although I must say that the experts and the figures have had nothing to do with the change. The distinguished junior Senator from Nevada [Mr. McCARRAN] showed that a number of Democratic Senators—including the present Secretary of State—opposed the policy embodied in the joint resolution when the Republicans were in power.

This change is unimportant, except that it seems to me that, after all, politics appears to play a part in fundamental matters as well as in superficial matters. I was interested in the remarks of the junior Senator from Nevada today on that very issue. He said that the Reciprocal Trade Agreements Act would not have been passed had it not been definitely understood that there would be no change in the excise duties on copper and other commodities. I cannot conceive how Senators who would be against the idea of giving the President power to negotiate agreements of this kind in times of peace can now favor giving him this power in a time of great world crisis.

Mr. President, if the question were simply an academic one—Do you favor reciprocal treaties or agreements between nations?—I believe we could answer that question generally in this way: We believe in fair dealing between fair men; we believe in fair dealing between nations which want to deal honorably and fairly, but we believe also that this Government, in its foreign economic policy, must give realistic consideration to the situation which now obtains throughout the world.

Let us keep clearly in mind the point that until the advent of the present administration every reciprocal treaty was approved by the Senate. If, in times of peace, such reciprocal agreements or treaties worked beneficially to the contracting parties, but were required to be confirmed or ratified by the Senate, I ask, Is there not more reason than ever, in these troubled times, for treaties which affect the economic life of this Nation to have the approval of the Senate or Congress?

In approaching this problem, we must analyze it coolly, with the idea foremost in our thoughts of safeguarding America and American interests.

Mr. President, only yesterday there appeared in the press something which I do not believe, something which I believe

is the result of Nazi propaganda. However, it is pertinent to the subject I am discussing. In approaching this problem we must bear in mind, first and foremost, the safeguarding of America and American interests. I cannot believe that our representatives abroad, or the President in this country, made any such commitment as was intimated in the dispatches from Berlin; but I do know that in this country of ours there are those who are so shot through with their interest in foreign affairs that their eyes are blinded to American affairs. If those men hold office, then, in the words of a gentleman from the other body, they should be "brought to time." This country is our heritage; this is our mint to look after, and we had better not become involved in looking after foreign problems. So, Mr. President, I repeat that in approaching this problem we have to analyze it coolly, with the idea foremost in our thoughts of safeguarding America and American interests. Having this thought in mind and applying it does not make us less constructive in our relations with the rest of the world. The security and the welfare of the American people should be first. We realize, especially under normal circumstances, that we must seek to develop trade with other nations.

But, I repeat, Europe and Asia are at war. Force rules nations. Treaties are disregarded. Perhaps we are seeing a change in the world order. The balance of power is in the balance. We must also realize that in this changing world there appears to be more and more contempt for democratic processes—yes; for democratic ideas. With what result? The rules of the game are changing. I mean the political and economic rules applicable to international relations. No one can doubt this statement.

If, in 1934 and 1937, before the world went mad, Congress thought it advisable to give the President the power to negotiate all reciprocal agreements or treaties, that is no reason why that power should be continued. The power was given before Mars had raised his fiery head, before President Roosevelt had made his Chicago speech, and there are now 22 treaties, or reciprocal agreements, in force which will continue to be in force until either one or both of the nations who are parties thereto elect, under the terms of the treaties, to abrogate them.

In spite of all the propaganda—and there has been plenty of it on both sides—I think this whole matter can be simplified. The human mind has a tendency to complicate everything coming within its grasp. I take it that every Senator has had communications from this group and that group, indicating that someone has asked them to write letters requesting Senators to support the President's bill or not to support it. What is the nature of the pending joint resolution? It simply provides:

Resolved, etc., That the period during which the President is authorized to enter into foreign trade agreements under section 350 of the Tariff Act of 1930, as amended by the act (Public, No. 316, 73d Cong.) approved June 12, 1934, is hereby extended for a further period of 3 years from June 12, 1940.

It will be noticed that the joint resolution does not even mention that most significant word "reciprocal"; it merely uses the words "foreign trade agreements." Yet the whole propaganda in favor of this program has been built around the word "reciprocity." Everywhere, in every little country town, in every village and every organization the suggestion has been "support the reciprocity agreements," and that is the way it comes to Washington.

As all the Senators know, there is a question whether these agreements are treaties within the provision of article II, section 2, of the Constitution which provides:

He (the President) shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur.

Is the Trade Agreements Act constitutional? There has been so much said on that subject that I shall not spend a great deal of time on it; but it appears to me it all depends on whether or not the Supreme Court shall say that these instruments which we are trying to give the President power to go ahead and negotiate are treaties or are merely agreements. Bearing in mind the provision of the Constitution just read, it seems to me that if we pass this measure we are attempting to delegate to the President power which we cannot delegate.

Then there is the objection that under the provisions of the Trade Agreements Act the President is given authority to raise or lower duties by 50 percent, but the act provides no standard to guide the Executive. I understand that amendments are to be offered which will provide standards. If such amendments should be attached to the bill, the objection to which I have alluded would be obviated. The Supreme Court has held that the delegation of power by Congress without adequate standards is unconstitutional. The argument of the Senator from Vermont [Mr. AUSTIN], to which I listened the other day, seems to me to be absolutely unanswerable and unanswered. The House has seen fit, in its vote on this measure, to abandon to the President its functions of initiating revenue laws, but Congress cannot delegate the constitutional provision with regard to treaties.

That brings to mind the question, Why has not the act been declared unconstitutional by the Court during the last 6 years? That question has been asked on the floor of the Senate. Here it appears the act itself denies the manufacturer or producer the remedy allowed by section 516 (b) of the Tariff Act of 1930, and no one could probably prove an injury because of a reduced duty which was not common to the people generally. That is the answer to the question.

It is claimed that the history of these treaties in the last 6 years demonstrates clearly the value of the program, in that it is said that there has been a 97-percent increase in our export trade from 1932 to 1939.

On the other hand, it is claimed by those who oppose the continuance of this power that our exports increased primarily as a result of world recovery and would have taken place if the trade-agreements program had not been put into effect.

That brings up the question of what this program has done for industry.

Figures issued by the Department of Commerce show that agricultural exports in 1939 were 1 percent below agricultural exports in 1932, the bottom year of the depression, although over this same period exports of United States merchandise increased 98 percent. We also find that agricultural exports in 1939 were 12 percent below agricultural exports in 1935. So, apparently, if we take the figures as a basis, the program has not benefited the farmer.

The fact that agricultural surpluses have accumulated shows that the farmer has not been getting any benefit from these treaties. Furthermore, the facts show that with countries with whom we have had treaties, exports have increased but four and one-half times, while from 1935 to 1938 exports to nontreaty countries increased nearly nine times. Our foremost important export agricultural products are cotton, tobacco, wheat, and pork. From 1935 to 1938 exports of hams, shoulders, and bacon to countries with whom we had treaties actually declined 9.5 percent, while exports to other countries with whom we had no treaties increased 4.6 percent; and in the case of cotton, from 1935 to 1938 our exports declined 22 percent.

One of the purposes of the act was to regulate the admission of foreign goods into the United States "in accordance with the characteristics and needs of various branches of American production." Has this been carried out?

I feel that this language, so far as my State of Wisconsin is concerned, has been forgotten. Does this country need to import meat, milk, butter, cream, and cheese? Is there need for the importation of fox furs? Or do we fail to produce enough of these things to satisfy our home demand? The answer is an emphatic "No." We know that the dairy farmer needs the American market. The fox-fur farmers need the American market.

In general, I feel that the Department of State has not done the job it could have done. It has not exercised, in many instances, where it should have done so, its rights under the escape clauses. It has made agreements that relate to over a thousand items, and yet it has not seen fit to admit that it was wrong in any case. If this act should be continued in force, as I presume it will be, I think that some consideration

should be given to helping those who might be injured by the operation of the act.

There is no question that the reciprocity agreements have benefited certain groups in our economy—that is, the foreign trade has benefited them—and there is no question that it has harmed other groups. This is due probably to the fact that we are a large nation and produce a great variety of things. We are the most self-sufficient Nation on earth.

Mr. President, what would happen if the President's power to negotiate so-called reciprocal-trade agreements should not be extended? Well, the present agreements would continue unimpaired; and there are, I believe, 22 in existence. The President's power, however, would not be curtailed to negotiate any new treaties. If we should not extend the President's power under the Trade Agreements Act, he could negotiate just the same. The only difference would be that the treaties or agreements thus negotiated would have to come back to the Senate for ratification or rejection.

Then there is the so-called Norris argument that we should confer the power upon the President so that if in the future there should be an opportunity to make effective agreements he should be in a position to do so. I have partially answered that argument, but, answering it further, let me say that it seems to me we must realize that under the Trade Agreements Act the President is given the power to reduce the tariff rate, but once a trade treaty becomes operative, it has, because of the favored-nation clause, the effect of giving other nations the right to the same reduction of tariff rates.

I remember that the other day the effect of that clause was very clearly illustrated by the distinguished Senator from Michigan [Mr. VANDENBERG], who showed how Russia got the benefit of a most-favored-nation clause in a treaty we negotiated with another nation. There are numerous instances of the way in which that clause works, and it works detrimentally to American producers.

The future holds some very difficult problems. I wish everyone in this country would realize this fact, especially the persons who are going to have something to do about getting America interested in dealing with foreign nations after the war is over. When the war is over our market, which is the best market in the world, will be the target for every nation, if we permit it.

I should like to see the State Department concentrate upon protective measures that will protect America against the onslaughts of the future trade of these nations. The trade wars of the future will present plenty of problems for us to solve. Europe, without credit or gold, will have to barter with us. Whether we like it or not, because we are living in a neighborhood world, we shall have to adopt some of the self-sufficiency ideas of the Old World.

Much was said today by the junior Senator from Massachusetts [Mr. LODGE] which applies directly to that point. I want Senators to bear in mind that no one has claimed at any time that our maximum foreign trade ever exceeded 10 percent of our total trade; and yet we are talking all the time about protecting the 10 percent. Ten percent. What about thinking a little bit of how to protect the 90 percent?

These are questions which cannot be answered by statistics for or against trade agreements. Statistics are valuable if they are properly utilized; but we cannot use statistics as a yardstick to measure the effectiveness or ineffectiveness of a trade treaty when we know that the results obtained are the product of many factors, such as war with its changed demands, drought, flood, gold purchases, change in labor costs, material costs, change in tariff walls, blockades, new methods of production, and so forth. Therefore we must not be misled, as so many persons seem to permit themselves to be, by statistics, because they are inadequate and misleading.

That brings us to another consideration. What about the war situation and the economic situation in Europe? Will they have any influence on the reciprocity treaties?

The warring powers with which we have had treaties have exercised their right under the treaties to do that which they could not do under the treaties in case they were at peace. However, the situation will be far more serious after the war. We all know that Europe's gold will be here in America, and a great deal of the Allies' American investments will have returned home. After the war we may find all nations doing what Germany has had to do—engage in barter.

The war is forcing Great Britain and France into the same kind of an economy that Germany is in. If Germany should win the war, the situation would be bad indeed. All we have to do to appreciate the truth of this statement is to realize the kind of peace that would be imposed upon the vanquished. Look at Czechslovakia and Poland and Finland. We have already said to England and France and the rest of the world that we want gold or its equivalent, and nothing else. No foreign nation will have gold, so we may expect ruthless competition, even such as Germany has been carrying on, in all the markets of the world. Then, if we are dependent upon foreign trade, we shall be in a bad fix, because our economy with high labor costs and with high prices free from Government control will have to compete in a world of totalitarian economics based on controlled wages, government-fixed and adjusted prices, currency managed internationally, and trade by barter. The question is whether or not a reciprocity-agreement policy can be effective in any degree under such circumstances. I have not heard that argument met on this floor, nor have I read anywhere that anyone has attempted to argue that the policy would be effective at such a time.

My suggestion is that we quit fiddling around, quit thinking so much about foreign conditions, and realize that we have a great opportunity to put our house in order domestically. We have to consider, of course, world economic realities, but we must also count our own blessings and utilize all the economic values that we have in the Western Hemisphere.

I repeat, the principle of reciprocity is sound, but it is only as sound as that embodied in any other trade. If you go into a store and trade your dollar for an article that is worth the dollar, you have engaged in a reciprocal or mutual transaction. Such a deal is fair, and both parties benefit by it. Not only the storekeeper, but the manufacturer and the laborer in America who produced the article have benefited. But if you go into a store and buy an article not manufactured in America—an article which could be manufactured here, and an article which comes into direct competition with one manufactured in America—you have, unless there is some compensating benefit, interfered with the American workman who could produce the domestic product; you have interfered with the factory; and it may be that you bought the article for 90 cents because it was produced abroad at a cheaper labor cost and a cheaper material cost, with the result that even the American concern had to sell its product down to 90 cents. I know this is not a complete analogy, but it has more than a grain of truth in it.

Yes, Mr. President, foreign trade is important, but it is not so important that we should lose our perspective; or, putting the matter in the vernacular of the street, we should not, because of our foreign trade, lose the coat, vest, and pants of our domestic trade.

Judging by the vote on Friday, it seems likely that the measure we are discussing will become law. I am not a prophet nor the son of a prophet, and I realize that it is dangerous to engage in the role of a prophet; but I am going to take the risk. I am going to hazard a few guesses as to what the results will be. They are as follows:

First. During the war no appreciable damage or benefit will result from the extension of the power of the President.

Second. If the war ceases within the 3 years, and then the power is exercised by the President, considerable damage will result to our own economy if new treaties are entered into by a President who is free-trade-minded or foreign-minded.

Third. Many of the present treaties will have to be abrogated or amended after the war, and even before the war ceases, to protect our economy.

Mr. President, I conclude as follows:

First. I believe we should not attempt to delegate to the President the treaty power, the tariff power, and the internal taxing power.

Second. We should not keep on conferring more power on the Executive. The people want this march toward economic dictatorship by the President stopped. It was never contemplated by the founders of the Republic that the Executive should have other than executive power.

Third. By refusing to pass this joint resolution in these perilous and changing times, the Senate will serve notice on America that we are aware of our high responsibilities, and that very act will open the door for a return of confidence and economic healing.

During the delivery of Mr. WILEY's address:

Mr. DAVIS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CONNALLY in the chair). Does the Senator from Wisconsin yield to the Senator from Pennsylvania?

Mr. WILEY. I yield.

Mr. DAVIS. A statement was recently made on the floor of the Senate with respect to the time consumed in the consideration of the tariff law. It was said that it consumed practically the whole session.

I note on page 3674 of the CONGRESSIONAL RECORD of March 29, 1940, that the Senator from Kentucky [Mr. BARKLEY] interrupted the Senator from Nebraska [Mr. NORRIS] to remind him and the Senate that the present tariff law was begun in the House of Representatives in December 1928 and was passed and signed finally by the President in June 1930, taking 19 months, in the two Houses, to write a tariff law.

The object of this interruption was to point to the possibility of great time consumption should we make mandatory the submission of tariff trade agreements to the Senate for ratification.

The Senator from Kentucky, however, did not tell us that during the 19 months he said elapsed between the inception and approval of that act, Congress in the same period, and in addition to the Tariff Act, passed 89 private acts, 109 public resolutions, and 378 public acts. Neither did he indicate the relatively small number of items in a trade agreement when placed in comparison with a major revision of the tariff, with its thousands of items and its highly controversial administrative features, nor the 235 yea-and-nay votes in the Senate alone, all of which constitute a magnitude that no trade agreement could possibly attain.

The Trade Agreement Act was approved June 12, 1934, and it has taken nearly 6 years to negotiate and put into effect 22 agreements; and the total of items negotiated does not approach the number in the Tariff Act of 1930.

The comparison chosen by the Senator from Kentucky—the Tariff Act of 1930—was not entirely appropriate, for that legislation was made the target of attack by the Democratic Party to a greater extent than any prior act. Senators will recall the "smear" campaign against it by a highly paid Democratic specialist; and they will recall that after the bill had been pending in the Senate for 6 months, the then Senator from Utah, Mr. Smoot, placed in the CONGRESSIONAL RECORD of March 3, 1930, on page 4612, a statement of time consumed on the tariff bill, which I will read:

Mr. SMOOT. Mr. President, in that connection I send to the desk and ask that it may be printed in the RECORD the result of an examination of the CONGRESSIONAL RECORD from September 4, 1929, the date on which the pending tariff bill was reported to the Senate by the Finance Committee, to February 25, 1930. That examination discloses approximately 2,638 pages containing the actual debate on the tariff bill. Of this total, the space in the RECORD is divided approximately as follows:

Democrats, 1,108 pages.

Republicans, 791½ pages.

Insurgents, 738½ pages.

The Official Reporters of the Senate state that each page in the CONGRESSIONAL RECORD represents approximately 12 minutes of debate. Thus expressed, the relative amount of time consumed by each group during the period mentioned is set forth in the statement, which I ask to be printed entire in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement entire is as follows:

"An examination of the CONGRESSIONAL RECORD from September 4, 1929, the date the pending tariff bill (H. R. 2667) was reported to the Senate by the Finance Committee, to February 25, 1930, discloses that approximately 2,638 pages contain the actual debate on the tariff bill.

"Of this total, the space is divided approximately as follows:

"Democrats, 1,108 pages.

"Republicans, 791½ pages.

"Insurgents, 738½ pages."

"The Official Reporters of the Senate state that each page of the CONGRESSIONAL RECORD represents approximately 12 minutes of debate. Thus expressed, the relative amount of time consumed by each group during the period above mentioned is as follows: Democrats, 221 hours, or 42 percent; Republicans, 158 hours, or 30 percent; insurgents, 148 hours, or 28 percent."

The chronological history of the Tariff Act of 1930 (H. R. 2667) is as follows:

Ways and Means hearings, January 7, 1929, to February 25, 1929.

Introduced in House and referred, May 7, 1929.

Reported to House, May 9, 1929.

Passed the House, May 28, 1929.

Received and referred in Senate, May 29, 1929.

Reported to the Senate, September 4, 1929.

Passed the Senate, March 24, 1930.

Conference report adopted in Senate, June 13, 1930.

Conference report adopted in House, June 14, 1930.

Approved by the President, June 17, 1930.

I thought the Senator from Wisconsin would like to have the history of the debate and the time consumed in the consideration of the Smoot-Hawley tariff measure.

Mr. WILEY. Mr. President, I thank the distinguished Senator from Pennsylvania. I am sure he has done a real job.

After the conclusion of Mr. WILEY's speech—

WHITE BOOK PUBLISHED BY GERMAN GOVERNMENT

Mr. REYNOLDS. Mr. President, I have listened with interest, as I always do, to what the able junior Senator from Wisconsin [Mr. WILEY] had to say; but I was particularly interested in the portion of his address in which he digressed to mention a situation which has arisen within the past several days as a result of the publication of the so-called White Papers.

Mr. President, in my opinion the publication of the so-called White Book by the German Government imposes a very definite duty upon the Senate, regardless of our individual opinions as to the authenticity of the documents reproduced therein.

I believe we here have a duty to perform because Mr. Bullitt is Ambassador to France by virtue of the fact that upon the recommendation of the President we voted to confirm his nomination. The same state of facts applies to Mr. Kennedy, our Ambassador to the Court of St. James's. Let me add also, Mr. President, that not so long ago we confirmed the nomination of Mr. Cromwell as Minister to Canada; and recently Mr. Cromwell publicly stated substantially the same things that Mr. Bullitt and Mr. Kennedy are alleged to have privately stated, according to the Polish documents published by the German Government.

In my opinion it is our immediate business to institute a searching inquiry into the conversations of Mr. Bullitt and Mr. Kennedy. Mr. Bullitt is here in the United States. Before he takes the plane for Europe, I suggest that he be required to appear before the Foreign Relations Committee of the Senate and testify under oath as to the truth or falsity of the serious allegations made by the German Government. If the State Department demands it, let the examination of Mr. Bullitt be conducted behind closed doors, but examine him we should. The American people are entitled to all obtainable information pertaining to these charges.

In connection with this examination, let us request the State Department to supply us with authenticated copies of the public addresses made by Mr. Bullitt and Mr. Kennedy, and also by Mr. Cromwell.

Mr. President, we cannot ignore this incident. The parents of the boys who some think must die on foreign battlefields to finish other people's wars are going to hold us responsible if we do not take appropriate action to correct a menacing situation.

The most deplorable fact about this matter is that even if the documents published in the German White Paper are branded as forgeries, or possibly proved to be forgeries, any man can say, and many are already saying, that these interviews, or alleged interviews, sound very much like many things

we have heard over the radio from many people in high office from time to time. That cannot be denied.

For example, on October 5, 1937, the President made an address in which he said:

The peace-loving nations must make a concerted effort in opposition to those violations of treaties and those ignorings of humane instincts which today are creating a state of international anarchy and instability from which there is no escape through mere isolation or neutrality.

That statement, Mr. President, was a clear and precise expression of opinion that the United States cannot escape involvement in an European controversy through isolation or neutrality.

The President said further, in the same speech:

There is a solidarity and an interdependence about the modern world, both technically and morally, which makes it impossible for any nation completely to isolate itself from economic and political upheavals in the rest of the world, especially when such upheavals appear to be spreading and not declining.

And again, the President said:

I am compelled and you are compelled, nevertheless, to look ahead. The peace, the freedom, and the security of 90 percent of the population of the world is being jeopardized by the remaining 10 percent who are threatening a break-down of all international order and law. Surely the 90 percent who want to live in peace under law and in accordance with moral standards which have received almost universal acceptance through the centuries, can and must find some way to make their will prevail.

Now, Mr. President, although the Secretary of State has repudiated any association with the policies which it is alleged our diplomats sponsored in conversations, he cannot escape the logical conclusions which must be drawn from a paragraph in his letter of September 2, 1938, to the Foreign Minister of Peru. Let me read what he said on that date:

Events in other parts of the world have emphasized recently the extent to which some nations have wavered from the orderly and friendly relations which should prevail between neighbors. The nations of the world are faced with the issue of determining whether relations shall be characterized by international anarchy and lawlessness or by the principles of fair play, justice, and order under law. No nation and no government can avoid the issue; neither can any nation avoid participation, willing or not, in the responsibility of determining whch course of action shall prevail.

Mr. President, there is an unfortunate misconception in the minds of many people that the executive branch of the Government has unlimited power to conduct the foreign relations of the United States as it sees fit. The fact of the matter is that the Constitution of the United States, by the first section of article I, conferred all legislative powers upon the Congress, which it decrees should consist of the Senate and House of Representatives. The Constitution confers the sole power on the Congress to declare war, in subsection 2 of section 8 of article I. That tells the story. The Congress alone has the power to involve the Nation in war. And note well the final subsection of this section 8. Let me read it.

The Congress shall have power * * * To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Mr. President, it is hardly necessary for me to pile proof upon proof that the Congress is the master of all executive agencies of this Government. But let me point out as a final word on this particular point that the very fact that the Constitution provides, in article II, section 2, that the President shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur, demonstrates conclusively our right to participate in the conduct of the foreign relations of the United States.

Mr. President, I take it that no one in this body will deny that the Congress of the United States is the voice of the people, subject only to the limitation that all powers not specifically delegated to the Federal Government are reserved to the States and to the people.

The American people are jarred by the revelations in these documents. As I have said before, unfortunately it is impossible to dissociate them, whether they be true or false, from public pronouncements by many officials or the executive branch of our Government. The American people want to keep out of war. The people want to be assured that neither this administration nor any succeeding administration will lead them into war by surreptitious engagements or otherwise. We have the power, Mr. President, to give this reassurance. I call upon my colleagues to join with me in the assertion of our prerogative to control the destiny of the United States.

Now, Mr. President, I ask unanimous consent to introduce a joint resolution, and ask that it be read by the clerk.

There being no objection, the joint resolution (S. J. Res. 238) disclaiming intention of the Government to interfere in international controversies or domestic concerns of European, Asiatic, or African powers, was read the first time by its title, and the second time at length, as follows:

Resolved, etc., That the Government of the United States disclaims any desire or intention to interfere in the international controversies or domestic concerns of any European, Asiatic, or African power, and will recognize the de facto government in control of any area therein located as the legitimate government of that area, and will seek to promote friendly intercourse therewith, provided such government respects the rights of American citizens, observes good faith in its international relations, and refrains from any attempt to extend its territory, system of government, or political ideology to any portion of the Western Hemisphere.

Mr. REYNOLDS. Mr. President, it is entirely unnecessary for me to consume the time of this body to bring to its attention, or to the attention of the individual Members thereof, the gravity of the situation which now exists, particularly that pertaining to the United States of America, because for several days headlines on the front pages of virtually every newspaper in the United States have appeared over articles relative thereto. In addition, I may add, there have been innumerable editorials pertaining to the controversy which is raging now as to the truth or falsity of the allegations made by the German Government.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Without objection, the joint resolution will be referred to the Committee on Foreign Relations.

Mr. REYNOLDS. Mr. President, the American people are entitled to know, by way of record, by way of a congressional inquiry, by way of statements made under oath, as to whether or not the statements made by the German Government are to be believed, as to whether or not statements made by the German Government are false or true.

In substantiation of the great amount of publicity that this matter has been given, I ask to have printed in the CONGRESSIONAL RECORD, at this point, an article entitled "United States Envoys' Activities Are Criminal, Nazis Say."

Of course, the American people make denial of that statement, but we make denial of it upon the assumption that no representatives of ours would deal with or indulge in conversations such as revealed by the White Book released by the German Government.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Washington Daily News of April 1, 1940]

UNITED STATES ENVOYS' ACTIVITIES ARE CRIMINAL, NAZIS SAY

BERLIN, April 1.—The Diplomatic and Political Correspondence, German Foreign Office newspaper, which joined in an angry press campaign, today said activities of American diplomatic representatives in Europe, as alleged in an official White Book, had been "dangerous and even criminal."

"It is surprising, and even monstrous," said the publication, "that official diplomatic representatives of a power which fundamentally since Washington and Monroe, has opposed interference in the affairs of foreign countries were irresponsible enough to stimuluate the danger of conflict between third powers.

"TRAGIC IN EFFECT

"Tragic in their effect are the reports of Polish diplomats to Warsaw regarding the readiness of American diplomats, by intervention in London, to close up existing gaps.

"The methods of these American amateur diplomats are all the more inconceivable since the neutrality laws of their country must have told them that their actions were diametrically opposed to the standpoint of their country.

"The willfullness of these representatives, which cannot be excused solely on the grounds of dilettantism, and which has caused unending damages to Berlin in the past, remains a factor with which foreign nations, and also the American people, must reckon."

MORE HEADLINES

Newspapers continued to display sensationally the allegations in the White Book which the foreign office published as representing diplomatic papers found in Polish archives in Warsaw after the German occupation.

Voelkischer Beobachter, official Nazi Party newspaper, centered its attack on William C. Bullitt, American Ambassador to France. On page 1 it printed an article with the headline: "Bullitt's shattered plan: War between Germany and Russia followed by English, French, and American attack from the rear on weakened Germany."

Mr. REYNOLDS. In order that the situation may be clear for those who do me the honor to listen and for the readers of the CONGRESSIONAL RECORD, I ask that there be published at this point in the RECORD a very excellent article from the pen of W. A. Hildebrand, the Washington correspondent of the Daily News of Greensboro, N. C., bearing date March 30, 1940.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

REYNOLDS WILL ASK PROBE OF NAZI CHARGES

(By W. A. Hildebrand)

WASHINGTON, March 30.—Senator ROBERT R. REYNOLDS, of North Carolina, a member of the Foreign Relations Committee, and likewise active in the work of the Military Affairs Committee, was in Paris last September 3 when at 11 o'clock in the forenoon Great Britain declared war on Germany, the Polish affair having served as the casus belli, and France issued mobilization orders a few hours later.

Predicating his view on what he saw and heard upon that historic occasion, Senator REYNOLDS is persuaded that, in fairness to the American people, the current disclosures by the publishers of the German White Book should be made the subject of a thorough and prompt Senate investigation.

THOROUGH INQUIRY

Senator REYNOLDS feels that this should be done, and a thoroughgoing inquiry made without reference to the developments in Berlin, where it is declared that another and more sensational chapter will presently be made available which will establish beyond question the accuracy and authenticity of the documents seized from Polish foreign office files when the Germans entered Warsaw. According to the alleged documentary evidence the American Ambassador to France, William E. Bullitt, and the Ambassador to England, Joseph Kennedy, were guilty of what the Nazis call warmongering, that Bullitt in particular encouraged Poland to refuse a settlement of the Danzig and the Polish Corridor problems by peaceful negotiation, and implied in frequent conversations that this country would participate in any war that Great Britain and France might see fit to start. Bullitt is now preparing to return to his Paris post, but Senator REYNOLDS thinks he should be required to remain here for questioning by a Senate committee.

SHOULD BROADEN SCOPE

At the instance of Senator CLARK of Missouri, the Foreign Relations Committee has reported out a resolution designed to insure an inquiry into foreign propaganda, but Senator REYNOLDS thinks the scope of this inquiry should be broadened to embrace an inquiry relative to the activity of our own envoys that have been assigned to foreign governments. Visitors who were, perforce, in Paris in the early days of the war in Europe observed as much excitement, and heard as much talk in the American Embassy as was to be observed in the French foreign office. In Government circles they were more diplomatic about it, but the men on the Paris streets were soon convinced that Washington would join in a declaration of war against Germany that it was found impossible to disabuse their minds. Once more they have progressed to the point of referring to us as Uncle Shylock, interested solely in the ideas of cash on the barrel head; but they still want Uncle Shylock to produce the money and materials that Bullitt is said to have talked about. In today's edition of the New York Times, Anne O'Hare McCormick, writing from London, says American visitors to England "are immediately struck by the growing irritation toward America, partly a reflex of American irritation toward the British, but mostly arising from the disappointment after widespread expectation that the United States was sure to enter the war."

FEARS INVOLVEMENT

Senator REYNOLDS found this widespread expectation, that this country would be "sure" to enter the war, and he very greatly fears, surveying events since his sojourn in Europe, that this country is, in point of fact, being drawn gradually but inexorably toward the western front, or toward the Rhine, which some of our officials are understood to regard as the American frontier.

Once the Hull reciprocal trade agreements extension resolution is disposed of, Senator REYNOLDS expects to introduce his resolution to investigate at once the documentary evidence presented in the German White Book, which purports to link the American envoys in Paris and London to the events leading up to the war in Europe. All the way through President Roosevelt was connected with these disclosures by inference, and in any event there is a feeling here that Secretary Hull has on his hands some more Cromwell cases, which presumably call for more reprimands.

Since Sumner Wells, the Undersecretary of State, has just returned from Berlin, where he talked with Hitler and foreign office officials, Senator REYNOLDS thinks it would be in order to send another man back there on a "fact-finding mission," or that the German Government should be asked for proof of the White Book contents.

WOULD WIDEN DOCTRINE

Having made the investigation he will request, Senator REYNOLDS thinks it would be wise to go further and by formal resolution declare it to be the sense of the Senate that the Monroe Doctrine should be given world-wide application. If this doctrine is to be maintained for the Western Hemisphere, then Senator REYNOLDS feels that the converse of this policy should be recognized, and that we should once more heed the admonition of George Washington to avoid foreign entanglements. Under such a policy other nations would be granted the right to maintain Monroe Doctrines and spheres of influence, all this being no concern of this Nation, whatever American envoys to foreign governments may think about it.

Senator REYNOLDS said today that he had noted that the Chamberlain government is now asking the help of nations at least nominally neutral not to aid in making the world safe for democracy, but in an effort to establish a New World order, which appears to be a grandiose commercial or business affair. H. G. Wells, the English historian, says it contemplates nothing more than an attempt to keep intact the British and French Empires. But whatever the merits of the scheme, whether Wells and his liberal associates, or the British Foreign Office, are right, Senator REYNOLDS thinks this country should remain aloof from all this Old World scheming, and from their never-ending conflict over territory, raw materials, and the spoils of war generally.

The difficulties certain to attend the effort of the common people of this country to keep out of the European conflict are perhaps given additional emphasis by the disclosures of the German White Book, disclosures which may influence the entire world situation despite diplomatic denials. And then there is the circumstance that the entire American economy is rapidly being geared to the European war. A Franco-British coordinating committee is promising to spend a billion dollars for American-made bombers, dollar exchange which might otherwise have been used, in part, in the purchase of American-grown tobacco and fruits.

FISH WANTS PROBE—MIGHT ASK BULLITT IMPEACHMENT

WASHINGTON, March 30.—Representative FISH, Republican, New York, said tonight that he would demand a complete investigation of the German White Book and would seek impeachment of Ambassador William C. Bullitt "if the facts warrant."

In a radio address FISH said that President Roosevelt and Bullitt owed the American people "a categorical and detailed answer" to every charge made in the book.

It was no answer, he said, "to raise the hue and cry of 'propaganda' or to sprinkle a few grains of salt on its tail."

Asked about the charges at his press conference, President Roosevelt suggested that all propaganda from Europe be taken with several grains of salt. Bullitt, the Ambassador to France, also used the salt phrase in denying conversations attributed to him.

Mr. REYNOLDS. Mr. President, I ask that that be followed by an admirable editorial which I observed yesterday in the columns of the Washington (D. C.) Post, entitled "The Element of Truth."

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial is as follows:

[From the Washington Post]

THE ELEMENT OF TRUTH

It would be pleasant to feel that the issue of the Polish diplomatic documents, made public in Berlin, has been disposed of by Mr. Hull's statement that he pays not "the slightest credence" to the statements attributed to American diplomats therein.

Unfortunately, memory recalls that only a week ago Mr. Hull found it necessary to rebuke our Minister to Canada for a speech which contravened standing instructions to American diplomatic officers. And there will be many who may be disposed to conclude that where one political ambassador is indiscreet, others have been the same.

It will be noticed that the German disclosures concentrate on statements attributed to two noncareer diplomats. Ambassador Bullitt denies their accuracy, and Ambassador Kennedy, who seems less implicated, may be expected to do likewise. But the sad part of the affair is that the excerpts so far published sound plausible.

And they sound plausible because Mr. Bullitt and Mr. Kennedy, as personal appointees of the President, are known to be in a different category from that of our responsible career diplomats. Considering all the circumstances of their appointments, it would be extraordinary if they did not to some extent regard themselves as personal envoys of Mr. Roosevelt, owing allegiance to him, rather than to the scrupulous regulations and carefully disciplined professional practice of the Department of State.

That is why there is something unsatisfactory in Secretary Hull's insistence that "the statements alleged have not represented in any way, at any time, the thought or the policy of the American Government."

Undoubtedly that is the literal truth. But the whole truth must include suspicion that the alleged statements might well have represented the personal thought and policy of the President, as distinct from that of the administration. And this, it will be noticed, is all that the documents claim.

The German Government has accomplished a very subtle piece of propaganda by the publication of these documents. And, false or true, their effect is not to be minimized. The object, on the one hand, is clearly to make the British and French people believe that the United States egged them into war even though this country had no intention of risking anything in the struggle. And, on the other hand, the Nazis seek to persuade Americans, shortly prior to the Presidential election, that the administration was willing to take sides in the German-Polish quarrel in a way scarcely consistent with complete neutrality.

There is just enough truth in both of these clever insinuations to make them difficult to laugh off. And the propaganda which is built on an element of truth is the really dangerous propaganda. So it would be idle to pretend that Dr. Goebbels has failed to score.

As the subtlety of this propaganda is realized, its damage will be repaired. But from this incident, as from that of the Cromwell speech, a permanent moral stands clear. The sooner all our diplomatic posts are filled from the career service, the sooner there is a final end to the custom of sending personal envoys of the President to represent this country in foreign capitals, the better for the welfare of the United States.

Mr. REYNOLDS. Mr. President, in concluding let me say that we all know that Mr. Sumner Welles, who was dispatched to Europe by the State Department, assumedly at the request of the administration itself, for the purpose of ascertaining the status of matters over there, has but recently returned. The American people were greatly interested in knowing why such a mission was sent. We were told by some officials, and some representatives of the press stated, that he went there for the purpose of endeavoring to bring about peace, which the whole world desires, but later it was revealed that his mission, unfortunately, was not for that purpose. Then it was said that he went there for the purpose of suggesting to the warring nations of the world a disarmament program after the war had ended, and I then and many others were sorry that he had not gone there for the purpose of making a suggestion that the warring nations of the world disarm now before the slaughter began.

Mr. Welles has returned. The American people are extremely desirous of ascertaining from Mr. Welles personally information as to where he went, with whom he talked, when he talked, what he said, and what was said to him. This is no time for secret diplomacy. If we must have a house in Europe I insist that we have a glass house in order that all may see and in order that all may know what is in it.

I say that the seriousness of the situation calls for Mr. Welles, through the State Department, or orally before the Foreign Relations Committee, to make a statement in full and candidly to the American people as to what he found the situation to be, insofar as the American interests are concerned, because the American people, particularly the mothers, now are more concerned as to whether or not their sons will be sent to bleed and die upon the fields of Europe to save the British Empire than they are interested in anything else.

Everywhere I have been in this country for the past several months from time to time the American mothers are saying that they hear the British are sending a million young Frenchmen to their death to save the British Empire, and the American mothers now want to know, and demand to know, whether or not the United States is to send its sons abroad to create a new order in world affairs, because that is now the "come on" cry.

During the World War it was said we were to go over there for the purpose of saving democracy, saving Christianity, and ending all war for all time, but the American people, fortunately, have gotten wise to that, and the new "come on" cry is "Join us, for there must be a new world order."

Mr. President, I say that the American people will not be satisfied until they ascertain the truth or the falsity of the statements which are being made by the Berlin Government; and, therefore, while Mr. Bullitt is in this country I think we should have the opportunity of directing inquiries to him under oath before the Foreign Relations Committee, or some other committee, as to whether or not these statements are true or false, in order that the American people—who after all pay the taxes—and the American mothers—who after all give of their blood—should know.

In that connection Mr. Welles, as I stated, should tell us with whom he talked, and what they had to say. We want no secret diplomacy now.

At this juncture and in conclusion, I ask to have printed in the RECORD a telegram which I received from a gentleman who lives in Glen Burnie, Md., which reads as follows:

GLEN BURNIE, MD., *March 31, 1940.*

Senator R. REYNOLDS,
House Office Building, Washington, D. C.:

My family and I are in complete accord with your attitude that all facts in connection with Sumner Welles' European visit be made publicly known at once, keeping in mind it is a Government for the people, of the people, by the people. I ask if it is for the good of the people the secrecy surrounding the past and present activities of the administration in connection with foreign affairs, Above all we must not become involved in war.

W. E. OSTERTAG.

In view of the fact that he says he has a family, I am ready to assume that his good wife was more thoroughly interested in that matter than many others who have no sons who will be called upon to give their blood in the future.

In connection with my resolution I ask that there be printed in the RECORD part of page 402, all of page 403, and part of page 404, a portion of the address of President Monroe made on December 12, 1823, and there is one paragraph which I should like to be provided the opportunity of reading now, and then I shall have concluded:

Our policy in regard to Europe—

I said that I read this in connection with my resolution—

which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is, not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate government for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy, meeting, in all instances, the just claims of every power, submitting to injuries from none.

Mr. President, I ask that the portions of President Monroe's message of December 2, 1823, to which I referred, being on page 402 to 404, be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The excerpt from President Monroe's message is as follows:

It was stated at the commencement of the last session that a great effort was then making in Spain and Portugal to improve the condition of the people of those countries and that it appeared to be conducted with extraordinary moderation. It need scarcely be remarked that the result has been so far very different from what was then anticipated. Of events in that quarter of the globe with which we have so much intercourse and from which we derive our origin we have always been anxious and interested spectators. The citizens of the United States cherish sentiments the most friendly in favor of the liberty and happiness of their fellow men on that side of the Atlantic. In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparation for our defense. With the movements in this hemisphere we are, of necessity, more immediately connected, and by causes which must be obvious to all enlightened and impartial observers. The political system of the allied powers is essentially different in this respect from that of America. This difference proceeds from that which exists in their respective governments. And to the defense of our own, which has been achieved by the loss of so much blood and treasure, and matured by the wisdom of their most enlightened citizens, and under which we have enjoyed unexampled felicity, this whole Nation is devoted. We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, ackowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny,

by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States. In the war between these new governments and Spain we declared our neutrality at the time of their recognition, and to this we have adhered and shall continue to adhere, provided no change shall occur which, in the judgment of the competent authorities of this Government, shall make a corresponding change on the part of the United States indispensable to their security.

The late events in Spain and Portugal show that Europe is still unsettled. Of this important fact no stronger proof can be adduced than that the allied powers should have thought it proper, on any principle satisfactory to themselves, to have interposed by force in the internal concerns of Spain. To what extent such interposition may be carried, on the same principle, is a question in which all independent powers whose governments differ from theirs are interested, even those most remote, and surely none more so than the United States. Our policy in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate government for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy, meeting in all instances the just claims of every power, submitting to injuries from none. But in regard to these continents, circumstances are eminently and conspicuously different. It is impossible that the allied powers should extend their political system to any portion of either continent without endangering our peace and happiness; nor can anyone believe that our southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition in any form with indifference. If we look to the comparative strength and resources of Spain and those new governments, and their distance from each other, it must be obvious that she can never subdue them. It is still the true policy of the United States to leave the parties to themselves in the hope that other powers will pursue the same course. (Pars. 48 and 49, message of December 2, 1823.)

President Monroe's annual message, December 2, 1823, American State Papers, Foreign Relations, volumes 246, 250.

See President Monroe to Jefferson, December 1823, Fifteenth Proceedings of the Massachusetts Historical Society, January 1902, 411–412; Eighth American Historical Review (October 1902), 50. In this letter President Monroe said: "There is some danger that the British Government, when it sees the part we have taken, may endeavor to throw the whole burden on us and profit, in case of such interposition of the allied powers of her neutrality, at our expense. But I think this would be impossible after what has passed on the subject; besides, it does not follow from what has been said that we should be bound to engage in the war in such event. Of this intimations may be given, should it be necessary. A messenger will depart for England with despatches for Mr. Rush in a few days, who will go on to St. Petersburg with others to Mr. Middleton. And, considering the crisis, it has occurred that a special mission, of the first consideration from the country, directed to England in the first instance, with power to attend any congress that may be convened on the affairs of South America or Mexico might have the happiest effect. You shall hear from me further on this subject."

"The logical conclusion seems to be that the conception of the Monroe Doctrine and much of its phraseology came from Adams and that the share of Monroe did not extend beyond revision." (Reddaway, the Monroe Doctrine, 87.)

Mr. BYRNES. Mr. President, will the Senator from Ohio yield to me for the purpose of incorporating certain matters in the RECORD at this point?

Mr. TAFT. I yield for that purpose.

Mr. BYRNES. In connection with the statement as to the White Book revelations by the Hitler government, and the truth or untruth of these revelations, it is pertinent to know the views of Hitler as to propaganda. I ask to read a short paragraph from Mr. Hitler's book Mein Kampf. Mr. Hitler in his book, in stating what should be the attitude of the Government in discussing war guilt, said:

It was fundamentally wrong, when discussing the subject of war guilt, to suggest that Germany could be counted as partly responsible for the outbreak of that catastrophe; the proper thing would have been to lay the burden of it without cease upon the enemy, even if this did not correspond with the true course of events, as was nevertheless the actual fact. The masses are in no position to distinguish where foreign illegality begins and our own ends.

I also ask to have included as part of my remarks the statements of Hitler on the subject of war propaganda, which appear in the unexpurgated edition of his book Mein Kampf.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

What was least understood was the first prerequisite of any propaganda activity whatever—a deliberately subjective, one-sided attitude toward every question discussed. The sins in this direction at the very beginning of the war and from the top down were such that one was really justified in doubting whether such madness could really all be ascribed to pure stupidity.

What, for instance, would people say to a poster which was meant to advertise a new soap, but which also described other soaps as "good"? They would simply shake their heads.

But the same thing is true of political advertising. It is the task of propaganda not, for instance, to assay the various causes but to emphasize exclusively the one cause it represents. It must not objectively explore any truth that favors the other side, and then present it to the masses with doctrinaire honesty, but must perpetually labor for its own truths.

It was a fundamental error to discuss guilt from the standpoint that Germany could not be made solely responsible for the outbreak of the catastrophe; the right way was to load the guilt solely upon the enemy, even if this had not corresponded to the actual situation, which in this case it really did.

* * * * * * *

But all the brilliance of presentation in the world will not lead to the success of propaganda unless one fundamental principle is always kept clearly in view. Propaganda must limit itself to saying a very little, and this little it must keep forever repeating. Perseverance, here as so often in this world, is the first and most important prerequisite for success.

In the field of propaganda we must never be guided by aesthetes or the blasé—not by the former because the expression and form of what was said would soon have drawing power only for literary tea parties instead of being suited to the masses; the latter we must anxiously shun because their own lack of emotional freshness is constantly seeking new stimulants. These people are soon fed up with anything; they want variety, and they cannot put themselves in the place of their less surfeited fellow men, or even understand their needs. They are always the first to criticize propaganda, or rather its substance, which seems to them too old-fashioned, too stale, and then again too outworn. They are always looking for something new, seeking variety, and thus are the death of any effective political mass recruiting. For as soon as organization and substance of any propaganda begin to be made for these people's needs, they lose any sort of unity, and instead are altogether dissipated.

The purpose of propaganda is not to be a constant source of interesting diversion for blasé little gentlemen, but to convince, and to convince the masses. But they are so slow moving that it is always some time before they are ready even to take notice of a thing, and only thousandfold repetition of the simplest ideas will finally stick in their minds.

Mr. TAFT. Mr. President, I wish to make a brief statement of the reasons why I voted for the Pittman amendment and intend to vote against the joint resolution extending the power of the President to make reciprocal-trade agreements.

The act of June 12, 1934, which it is proposed to extend, delegates to the President power to make foreign trade agreements increasing or decreasing the existing tariff rates by 50 percent "whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States."

This delegation is so broad that it affords no standard whatever for the new tariff rates which are to be fixed by the President. If the President happens to approve the theory of protection, the rates will be protective of American industry and agriculture. If the President happens to be a free-trader, the rates may be made for revenue only and may admit foreign products in competition with manufactured products, with agricultural products, and with the products of our mines and oil wells.

Whether or not the delegation of authority is so general that the Supreme Court will hold it to be unconstitutional may be open to question. However, it seems to me clear that a Congress bound by the Constitution should not delegate to the Executive the determination of the whole policy underlying our tariff. This is no theoretical objection. The act, as passed and as proposed to be extended, would permit a free-trade Secretary of State to destroy an American industry. The Canadian agreement reducing the tariff on lumber, the Venezuelan agreement reducing the tariff on oil, the Cuban agreement reducing the tariff on sugar, the Canadian and Mexican agreements reducing the tariff on livestock, and many others, have permitted foreign goods competing with some of our major products to be delivered in this country, pay the tariff, and still undersell the same article produced in the United States.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. TAFT. Surely.

Mr. BROWN. Did I correctly understand the Senator to say that we have an agreement with Mexico?

Mr. TAFT. I think we have an agreement which at least applies to Mexico, permitting the introduction of Mexican livestock at a rate lower than the regular tariff duty.

Mr. BROWN. I have listened very carefully to the various hearings of the Finance Committee, and I am fairly certain there is no trade agreement with Mexico.

Mr. TAFT. It may be that the Canadian treaty, through the most-favored-nation clause, extends that privilege to Mexico. I only know that when I was in Texas I met persons who said they were actually buying Mexican cattle and taking advantage of a treaty. I have not verified the fact.

Mr. BROWN. I am certain there is no agreement with Mexico.

Mr. TAFT. Except for quotas, there would be little left of some American industries. Obviously, to the extent that the quota does not limit importation, American production is decreased, and unemployment increased.

Since there does not seem to be the slightest intention on the part of the administration to impose any standard of protection in the joint resolution, I see no choice for anyone who believes in the protection of American industry, mining, and agriculture except to vote against the measure. Since the administration refused to permit Congress to impose a standard in advance of the making of treaties, I voted for the Pittman amendment to reserve the right to approve the treaties after they are made. I listened with interest to the debate on the question whether or not the foreign trade agreements provided for by the act are treaties and therefore must be subject to Senate ratification. Without passing on that question, I voted for the Pittman amendment, because apparently it was the only possible amendment having any chance of adoption which would limit the discretion now given to the President and the Secretary of State.

I cast this vote with some reluctance, because I believe Congress should delegate to an executive body, like the Tariff Commission, power to fix the actual rates on different products after Congress itself has determined the main question as to whether the United States shall adopt the policy of free trade, or the policy of protection. The actual making of tariffs by Congress has been an unsatisfactory process, and in my opinion has produced some tariffs considerably higher than were actually necessary for protection. Congress, as a body, is almost as awkward when it comes to fixing tariff rates, as in the case of railroad rates. I believe the power to fix rates may be delegated, and that some constitutional method may be worked out by which rate reductions will be dependent on rate reductions being made by foreign countries on American exports. I hope that if the joint resolution shall fail, such a plan will be developed within the limits of the Constitution.

In accord with that idea, I am proposing an amendment to the joint resolution providing that no foreign trade agreement shall go into effect until the Tariff Commission shall have filed a statement certifying that it will not reduce the rate of duty on any article below an amount sufficient to equalize the difference between the cost of such articles in this country and abroad. The amendment further provides that after the agreement is made it shall be published, and the Tariff Commission shall hold public hearings on the specific rates proposed before making any certification. The purpose of the amendment is to provide a definite standard which the executive department must follow.

In my opinion, any delegation of authority must contain a definite statement of the protective principle. This country for years has adopted a policy of protection. It has built up a higher wage scale than exists anywhere else in the world. It has built up a higher standard of living. It is possible that, in theory, free trade would produce a higher average level of prosperity over the entire world; but certainly for the time being it would tend to level down the country with the highest standard of living. This is particularly true today, when the rest of the world is impoverished by war, a condition likely to continue for many years, even after the war shall end. It is particularly true today, when foreign currencies are constantly depreciating.

Conditions have also changed since the days when the free-trade theory was approved by many economists. According to that theory, our special ability in mass production would maintain our standard of living without a tariff. But today, when American machinery can be transferred to countries where wages are only one-third of the wages in this country, any advantage we have from quantity production very quickly evaporates.

Many Senators and others are in favor of free trade in theory, but whenever they run up against an actual case of foreign competition with the products of their own State they immediately demand protection. It at once becomes clear to them that regardless of theory, the wages paid in this country and the other costs are so much higher than foreign wages and costs in many industries that the American product simply cannot successfully compete under free trade. Free trade is a theory which no party in America today can long carry out in practice. Our effort must be to hold down the tariff to the minimum which will afford adequate protection, but will not create an embargo on foreign imports.

I have heard much loose argument to the effect that the tariff is merely a subsidy for wealthy manufacturers. Of course, this is untrue. It protects the products of our mines, our forests, and our farms. It protects the American wage level and the American standard of living. The American livestock industry, for instance, would be almost destroyed if Argentine meat were freely admitted to this country. Of course, the tariff tends to raise the price of American products, but the greater part of that increase is absorbed in increased wages and other costs. If the Department of Justice does its job in enforcing competition—and I think it is doing that job today—there will be just as much competition behind the tariff wall as there would be if no tariff existed; and that competition will keep prices as low as they can be kept consistent with American costs of production and American wages. It is true that the prices of a limited number of farm products cannot benefit from a tariff because they depend on a surplus production to be sold on world markets, where they must take the world price. For the limited number of products of this class, export subsidies or other devices should serve the purpose of a tariff if properly worked out.

In my opinion, therefore, Congress must declare the policy of the United States to be one of protecting American producers. The amendment which I have offered is intended to lay down a reasonable standard of protection, which I believe should be adopted if any further extension of the reciprocal trade treaty policy is to be granted.

Mr. CAPPER. Mr. President, I intend to support the amendment offered by the Senator from Nevada [Mr. McCARRAN], which is similar to a resolution I introduced a year ago on the same subject. It is not my intention to detain the Senate with a long speech on this subject, as I stated my position and the reasons therefor in the Senate last week.

I believe that when the Reciprocal Trade Agreements Act was first considered in Congress it was the understanding and intention that import excise taxes should not be disturbed. I think Congress intended—certainly Congress should have intended—to keep in its own hands control of the excise taxes.

I am making a plea to my colleagues today to support the McCarran amendment in the interest of the independent oil producers of Kansas and other Western States and in the interest of the consumers of the Nation. The consumers' protection against monopoly in the petroleum industry is the independent producer. His ability to stay in business is seriously jeopardized by imports of petroleum from Venezuela. Congress finally realized the necessity of protection for the petroleum industry in 1932 by providing an excise tax on imports.

Whatever may have been the intention of Congress, last December a trade agreement was negotiated with Venezuela by which the protection afforded the independent producers was cut in half.

This reduction threatens the stability of the petroleum industry in the midcontinent and west-coast fields. It is a very serious threat to independent producers in those fields. The reduction does not help Venezuela or Venezuelans, but it does improve the opportunities for three large American oil companies operating from Venezuela to work toward monopo-

listic control of the Atlantic seaboard territory, squeeze the independents out of this trade territory, and then apply the squeeze over the rest of the Nation.

I desire to read to the Senate the following statements in a letter to me from Russell B. Brown, representing the Independent Petroleum Association of America.

Since the inclusion of the petroleum excise taxes in trade agreements is being discussed in the Senate, I feel you are entitled to know the position of the domestic petroleum industry.

Mr. Brown writes me.

Congress adopted these taxes by a nonpartisan vote, based on economic and not political conditions. The independent oil men do not wish to be drawn into any political dispute, but the impending consequences of greatly increased imports resulting from the reduction in these excise taxes through the Venezuelan trade agreement are so serious that they feel compelled to present their situation to you. They are doing this because Congress is the only place left for such a presentation. They have previously tried to present their case to the State Department. They have appealed to the President. Their problem has nowhere received the consideration necessary to correct the injury they have suffered through the Venezuelan trade agreement.

Since the original adoption of the excise taxes Congress has exercised a biennial supervision over them to observe their effect in protecting the domestic petroleum industry from demoralization, in preventing the occurrence of an oil monopoly, in maintaining and promoting exploratory work and development work which adds to the Nation's oil reserves, in encouraging competition, and in protecting the interests of the consumer. This biennial supervision appears to be destroyed through the inclusion of these taxes in a trade agreement.

Again I express the hope, Mr. President, that the McCarran amendment will be adopted and that the power to deal with the excise taxes on imports of petroleum, coal, copper, and lumber will be retained in the hands of Congress.

Mr. WHITE. Mr. President, in the books may be found many definitions of reciprocity. In the 150 years of our national life there have been many efforts to give effect to reciprocity. The fisheries, shipping, trade arrangements, and practices, and, in particular, customs duties, have come within the scope of the principle as it has from time to time been understood and sought to be applied. One could quote almost interminably the writings and the utterances of our public men and of students not in public life upon this subject. I can see, however, no present advantage in so doing. I think I am justified in broadly asserting that Republicans have generally been the advocates of reciprocal proposals and that Democrats have opposed the particular efforts made in behalf thereof. It is important, however, to make it clear that no responsible Republican ever heretofore advocated reciprocity as now conceived and as now the subject of discussion, and that no Democrat before this hour ever defended such surrender of congressional control of the taxing power, such effort by the Senate to yield its rights and evade and avoid its constitutional obligations as an essential party to treaty making, or such a concentration of economic and political power in the hands of the Executive as inhere in the pending legislation.

Mr. President, I desire to place before the Senate and to make known to the people of the State of Maine the foremost reasons which compel me to vote against this legislation. So far as possible, I propose to avoid argumentative speech and to limit myself to a statement almost in summary form of the views I hold.

First of all, I conceive this legislation to be an attempt to delegate authority to the President in disregard of constitutional inhibition. Able lawyers in this body in their speeches of recent days have confirmed me in this opinion. That there are agreements not of the dignity of treaties I concede. That these may be entered into without Senate ratification I acknowledge. The President's authority to negotiate and conclude such arrangements is found in the Constitution and in the nature of the Presidential office. Legislation by the Congress is not needed to confer upon him the power to make agreements of this kind with foreign nations, and it is equally certain that legislation cannot confer upon him the power to make agreements which are treaties. Neither the Senate nor the Congress can give to the President the right to do alone that which the Constitution says can only be done by the President by and with the advice and consent of the Senate.

I doubt if these general propositions will be challenged. The question, then, is in what class do these agreements of which we speak properly fall? To my mind, the overwhelming weight of authority and of reason declare them to be treaties. To my mind each and every one heretofore negotiated is violative of the Constitution, and each and every one hereafter negotiated will be evidence of further disregard of our fundamental law and of the rights of the Senate of the United States. Constitutional principles and democratic principles are both flouted in order that practical ends, as they are called, may be speedily attained.

Mr. President, I said a moment ago that if these arrangements are not treaties, the President needed no legislative act to authorize their negotiation. He had that power. Why, then, were we asked to pass the 1934 act? There can be but one answer. Clearly it was because the President wanted to negotiate and conclude arrangements with foreign nations which he did not otherwise have the power to consummate. He wanted to make what were in their substance treaties without the necessity of securing Senate advice and consent evidenced by the concurrence of two-thirds of the Senate. And it is equally certain that the Congress sought to confer the right in order to free him from this Senate check upon his unrestrained discretion and act. This request for authority and this congressional action demonstrate to me at least that the President asked, and that the Congress sought to give to the President alone, a treaty-making power lodged by the Constitution in the President and the Senate.

I still insist the Constitution may not be altered in such a way.

Mr. President, I pass over other phases of the question as to the powers which Congress can delegate. My views coincide closely with those of the Senator from Vermont [Mr. AUSTIN]. I wish to address myself briefly to the proposition that, even were the 1934 Trade Agreements Act a lawful grant of power, the act itself has been misinterpreted in one important particular by those charged with its administration.

The act in question, for certain general purposes, gives to the President "whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified," authority from time to time—

First. To enter into foreign-trade agreements.

Second. To proclaim modifications of existing duties and other import restrictions, and so forth, as are required or are appropriate to carry out any foreign-trade agreement which the President has entered into hereunder.

The act further provides that no proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free lists.

Now, Mr. President, I assert as incontrovertible that the President may negotiate a trade agreement under this act only when two situations exist. He may act only if and when he has found that an existing duty or other existing import restriction unduly burdens and restricts the foreign trade of the United States, and if and when he has found that his action will promote the general purposes declared by section 350 (a).

This language, and the whole spirit of the act, make clear that Presidential intervention is justified only if existing duties or other import restrictions are burdening our foreign trade. The provision of the act prohibiting the transfer of any article from the free list to the dutiable list but further emphasizes the stubborn fact that the theory underlying this legislation was and is that existing duties may unduly burden our commerce, and that when they do they may be lessened in their weight by the permitted reduction. But when was it ever before asserted by those on the majority side that free entry of an article unduly burdened our foreign trade?

When was it ever before urged that an existing duty or import restriction burdened the foreign trade of this country when in fact there was no duty at all and no restriction at all upon the commodity dealt with? If it be now asserted that the free entry of an article does constitute a restriction burdening our foreign trade, what can be the justification for permitting the President to bind that free entry for a term of years, thus perpetuating the alleged restriction and burden?

The act proposed to be extended gives the President jurisdiction over an article only when a duty or a restriction upon its movement burdens the trade of this country. There is no such duty and there is no such restriction when the article enters this country free of duty. There can, therefore, be no Presidential jurisdiction over it. The basic conception of this legislation is that a duty may be burdensome and restrictive, and that in such case and upon such a finding the President may afford relief through a negotiated treaty. To find that free entry constitutes such a burden as to give the President jurisdiction, and then to bind this article so burdening our trade upon the free list, is a contradiction and an absurdity.

Mr. President, it was never believed that the presence of an article on the free list, with no quota or other limitation upon its unrestricted flow, would be held to be a restrictive burden upon our foreign trade. Other charges have been leveled at the presence of a particular commodity upon the free list, but this contention is new to our political thought.

I contend that the President cannot, with proper regard for the act and for fact, assume jurisdiction over the free list and bind thereon hundreds of articles and things. The Canadian treaty alone has bound upon the free list some 22 or 23 commodities now imported into this country in intensified competition with the products of my own State. I assert this to be wholly unwarranted by the legislation before us.

Considerations other than those of a legal nature impel me to oppose this legislation. I am against placing in the control of a single man such power as the act gives to affect for good or ill the economic, the agricultural, the industrial, and the social life of our people.

This legislation as it is interpreted gives to the President power to favor one section of our country to the prejudice of another; to build one industry upon the ruins of another; to profit one class of workers at the loss of another class; to sacrifice industry to agriculture, or to advance the cause of industry at the cost of agriculture. I am against the lodgment of such powers in any one man.

I oppose this legislation further because I believe it to be part of a general assault upon the protective system, an assault which has already done harm to agriculture and particular branches of industry, and which, if persisted in and pressed to the point to which its advocates would extend it, must do untold injury to American agriculture and industry and must level down American standards of wage and life to those of other nations. I have seen life in too many countries of the world to welcome such results for America. Already over a thousand tariff rates have been lowered. Unless this tendency is checked, we shall soon be upon the lowest tariff basis in at least a half century. I am not ready to contribute to this disaster.

In particular, I shall vote against this joint resolution because of the impact of the treaties negotiated thereunder upon the State of Maine, its interests, and its people. In greater degree than any other State, Maine is surrounded by Canada. Almost every product of the farm, the forests, and the waters of my State is likewise produced by the farm, the forests, and the waters of Canada. Hardly a concession could be made to the products of eastern Canada except at the cost of a product of Maine. By the Canadian treaty the duties were reduced upon butter and eggs, cheese, milk, cream, apples, potatoes, livestock and hay, upon lumber and timber, upon pulp and pulpwood, upon fish found in our coastal waters and the products thereof, and upon many other articles and things produced in Maine, or these products were frozen upon the free list beyond the reach of remedial efforts. I venture the assertion that a larger percentage of the products of my State has been adversely affected by the exercise of this tariff-making power than in the case of any other State. The knowledge that they have been offered up as a vicarious sacrifice to the interests of some other part of the United States, that some other industry elsewhere may be benefited by their new hardships, neither clothes nor feeds nor houses the people of Maine.

I should do violence to my convictions that this legislation is unconstitutional; that it confers dangerous powers upon a single man; that it threatens the well-being of our country; and particularly that it prejudices the interests and people of my own State, and that the exercise of the powers claimed to be conferred is more liable to lead to international discord than to international understanding and peace, if I did not by my voice and vote register my disapproval of the pending measure.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Vermont?

Mr. WHITE. I do.

Mr. AUSTIN. I have listened with great admiration to the illuminating address of the Senator from Maine. His allusion to the fixing on the free list of a large number of items which interest the State of Maine and which also interest the State of Vermont moves me to ask him a question which I think is the test of the soundness of the act. To reduce the matter to the most absurd form, assume that there is only one item which is fixed on the free list for the period of 3 years and 6 months, the duration of the agreement; what has been done to the legislative power of Congress during that period of 3 years and 6 months?

Mr. WHITE. Of course, in the case stated by the Senator from Vermont, Congress has been deprived of the power to deal with that article, and if these arrangements have validity and are constitutional, we have entered into a solemn covenant with another nation that we will not touch that article during the life of the agreement.

Mr. AUSTIN. I thank the Senator.

Mr. CLARK of Missouri obtained the floor.

Mr. McNARY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Oregon?

Mr. CLARK of Missouri. I yield.

Mr. McNARY. When I asked the Senator from Missouri to yield I did not observe the presence of the distinguished Senator from Mississippi, who has charge of the joint resolution.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Mississippi?

Mr. CLARK of Missouri. I do.

Mr. HARRISON. Several Senators will be necessarily absent this afternoon, or within a few moments. It is apparent to everyone that it will be at least 5 o'clock, or nearly that hour, before we can reach a vote on the pending amendment. It would greatly inconvenience at least two Senators for debate to be prolonged that long, with a vote at that time. I therefore ask unanimous consent that on the pending amendment or any substitute for it, beginning immediately after the approval of the Journal tomorrow, debate be limited to 10 minutes for any individual Senator.

The PRESIDING OFFICER. The Senator from Mississippi asks unanimous consent that when the Senate reconvenes tomorrow debate on the pending amendment or any substitute therefor be limited to 10 minutes for each Senator. Is there objection?

Mr. McNARY. I think that is perfectly agreeable.

Mr. JOHNSON of California. Mr. President, just a minute, please. As I understand, a 10-minute limitation is asked for on this amendment or any other amendment.

The PRESIDING OFFICER. No; merely on the pending amendment, or any substitute for it.

Mr. HARRISON. I ask for no limitation on debate on the joint resolution generally, or on any other amendment, but merely for a 10-minute limitation upon debate by any individual Senator on this amendment.

Mr. JOHNSON of California. We had better have the author of the amendment present before any agreement on the subject is made. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Missouri yield for that purpose?

Mr. CLARK of Missouri. Yes; I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lee	Schwellenbach
Ashurst	Downey	Lodge	Sheppard
Austin	Ellender	Lucas	Shipstead
Bailey	Frazier	Lundeen	Smathers
Bankhead	George	McCarran	Smith
Barbour	Gerry	McKellar	Stewart
Barkley	Gibson	McNary	Taft
Bilbo	Gillette	Maloney	Thomas, Idaho
Bone	Glass	Mead	Thomas, Okla.
Bridges	Green	Miller	Thomas, Utah
Brown	Gurney	Minton	Tobey
Bulow	Hale	Murray	Townsend
Byrd	Harrison	Norris	Truman
Byrnes	Hatch	Nye	Tydings
Capper	Hayden	O'Mahoney	Vandenberg
Caraway	Herring	Overton	Van Nuys
Chandler	Holman	Pepper	Wagner
Chavez	Holt	Pittman	Walsh
Clark, Idaho	Hughes	Radcliffe	White
Clark, Mo.	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Davis	La Follette	Schwartz	

The PRESIDING OFFICER. Eighty-nine Senators having answered to the roll call, a quorum is present. The Senator from Missouri has the floor, and he has yielded to the Senator from Mississippi.

Mr. HARRISON. Mr. President, I again make the request, as the Senator from Nevada [Mr. McCARRAN] is in the Chamber now, that after 12 o'clock tomorrow no individual Senator may speak longer than 10 minutes on the pending amendment, or any amendment thereto, or substitute therefor.

The PRESIDING OFFICER. Is there objection?

Mr. McCARRAN. Mr. President, reserving the right to object, I respectfully suggest that we compromise the matter by making the limitation 20 minutes on the amendment or any substitute therefor. I think the Senator from Mississippi will probably be agreeably surprised at the shortness of the debate.

Mr. HARRISON. I think we can get through very quickly. May I suggest a compromise of 15 minutes?

Mr. McCARRAN. I prefer my compromise.

Mr. HARRISON. I agree to the Senator's suggestion.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kentucky?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. Does the Senator mean by his request that during the further consideration of the pending amendment debate shall be limited to 20 minutes on the amendment and on the joint resolution?

Mr. HARRISON. No; I saw that there would be very violent objection to that.

Mr. McNARY. I stated that I would object to any limitation of debate on the joint resolution——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Oregon?

Mr. CLARK of Missouri. I yield.

Mr. McNARY. I have stated that I would object to any limitation of debate on the joint resolution or any other amendment save the one under consideration at this time.

Mr. McCARRAN. My understanding is that the request is as to the pending amendment.

Mr. McNARY. Yes.

Mr. McCARRAN. That commencing tomorrow at 12 o'clock no Senator may speak longer than 20 minutes on the pending amendment or any substitute therefor. Is that the understanding?

Mr. HARRISON. I had hoped to make the time 15 minutes, but I accept the suggestion of the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Mississippi modifies his request. Is there objection to the request as modified? The Chair hears none, and it is so ordered.

Mr. CLARK of Missouri. Mr. President, before I begin the brief remarks which I wish to make directly to the amendment proposed by the junior Senator from Nevada [Mr. McCARRAN], I desire to make a few remarks which it had been my hope to make on Friday last before the amendment offered by the senior Senator from Nevada [Mr. PITTMAN] was voted upon.

The contention advanced in the debate on the amendment of the senior Senator from Nevada that under the Constitution of the United States ratification by two-thirds of the Senate of the United States was necessary for the validity of the trade agreements, in other words, argument to the effect that the trade agreements were in fact treaties and as such must necessarily, under the Constitution, be considered as treaties and accordingly submitted to the Senate for ratification, was so completely answered and so devastatingly dealt with by the Senator from Georgia [Mr. GEORGE] that I would not presume to retrace in any degree whatever the arguments which were made by the Senator from Georgia in his masterly address. In my opinion, no man who ever sat in this body has had a clearer legal mind and more lucid power of expression on legal and constitutional questions than the Senator from Georgia, and it seems to me that in that respect his argument upon the pending measure was and will remain unanswerable.

Not by way of enlarging upon the argument of the Senator from Georgia, but merely to add another set of records which the Senator from Georgia did not have the opportunity to consider, I desire to call attention to certain facts with regard to the trade agreements provided for in section 3 of the Tariff Act of 1897, generally known as the Dingley Act.

A great deal of emphasis was placed by the senior Senator from Nevada on his allegation that the agreements concluded under section 3 of the act of 1897 were merely temporary modi vivendi, which could be terminated at any time by either party to such an agreement. On the other hand, he stated, the agreements under the present Trade Agreements Act are treaties, since they run for periods of 3 years.

Mr. President, first it is important to note that the Trade Agreements Act is in fact definitely more restrictive with respect to the duration of agreements than was section 3 of the Dingley Act, which made no provision whatever and contained no limitation whatever with respect to the duration of the agreements therein authorized. On the other hand, and in direct contrast, the present Trade Agreements Act, the extension of which is the question now pending before the Senate, limits the maximum original term of any agreement to 3 years, but it does not require or contemplate that these agreements shall necessarily be for terms of 3 years. Moreover, after the maximum initial period of the trade agreements of 3 years, the agreements are terminable under the terms of the act on not more than 6 months' notice. This further limitation was not in the act of 1897. In fact, as is shown by the table which I propose to append to these remarks, a substantial number of the trade agreements made under the present act were made for initial periods of less than the maximum period of 3 years. Several of them, in fact, were originally terminable upon 6 months' notice.

The table also shows that as of today some 15 agreements out of the 20 agreements still in effect are now terminable upon not more than 6 months' notice, since their original terms have now expired.

The appended memorandum summarizing the terms of the 15 agreements concluded under section 3 of the Dingley Tariff Act of 1897 shows that at least two of the agreements were for longer terms than those permitted by the present Trade Agreements Act. The agreement with Portugal under the Dingley Act was for a term of 5 years, and thereafter was only terminable after 1 year's notice. The agreement with Italy was for a period of approximately 3½ years, and thereafter was terminable upon not less than 1 year's notice.

In the case of several agreements the term was indefinite, for example, the French agreement, which was signed on May 28, 1898, and which was apparently terminated only by the Tariff Act of 1909, 11 years later. It may be noted

in this connection that there was quite a diplomatic dispute with France with respect to our right to terminate an agreement within an indefinite term. These indefinite agreements were thus much less limited than in the case of the trade agreements entered into under the present law, which are for specified short terms. It may further be noted that many of these agreements were embraced in formal documents, and not consummated by a mere exchange of notes.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BROWN. I have been somewhat disturbed in regard to the question of termination to which the Senator from Missouri is now addressing himself. Does the Senator think there is any authority left in the Congress itself to terminate a trade agreement, or is that authority entirely in the executive department of the Government?

Mr. CLARK of Missouri. I will say to the Senator I think the agreements could be terminated by act of Congress.

Mr. BROWN. By what method could Congress terminate an agreement? The repeal of the law would not operate to that effect.

Mr. CLARK of Missouri. I assume it would require an affirmative act of Congress directing the President to terminate the notice, which would, in my opinion, be within the jurisdiction of Congress. Of course, it would require the signature of the President.

Mr. BROWN. The Senator recognizes that against an unwilling Executive it would mean that a two-thirds vote of the Senate and of the House would be required to bring about termination of the agreement?

Mr. CLARK of Missouri. That is unquestionably true, as it is true in regard to every other law upon the statute books. The same argument was made in regard to the reorganization bill, and the same argument is made and is applicable to every other grant of power to the President of the United States.

Mr. BROWN. Looking at the other side of the controversy, because I am not partisan with respect to this matter at all, it seems to me that we are going quite far when we say to the Executive, "You can tie up this matter for any length of time you desire." The treaties are for 3 years—"agreements" is a better word—the agreements are for 3 years, and for a period thereafter until the President gives 6 months' notice of termination.

Mr. CLARK of Missouri. Mr. President, the point to which I was addressing myself was a comparison of the powers granted under the Trade Agreements Act and under the act of 1897, in response to what was said in the debate last week by the Senator from Nevada [Mr. PITTMAN], and I was pointing out that the powers as to duration of time—the powers under the act of 1897 were much more extensive than under this act, and in one case which I cited, the agreement with France, was absolutely indefinite as to time, and was only terminated in fact by the passage of an act by Congress, to with the Payne-Aldrich Tariff Act.

Mr. BROWN. The other feature to which I should like the Senator to put his mind is this——

Mr. CLARK of Missouri. Mr. President, I shall be glad to put my mind to things which may interest the Senator from Michigan when I shall have concluded the matter concerning which I am trying to address to the Senate. I shall be glad to discuss that question or any other question at that time, but I should like to continue my statement, and then take up what the Senator has in mind a little later.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield, so that I may place something in the RECORD in answer to the first question asked by the Senator from Michigan?

Mr. CLARK of Missouri. I am glad to yield to the Senator from Washington for that purpose.

Mr. SCHWELLENBACH. I recall to the memory of the Senator from Michigan the citation which I placed in the RECORD last Friday, the case of *Van Der Weyde* v. *Ocean Transport Co., Ltd., et al.* (297 U. S. 114), in which the precise question of the direction by Congress to the President either to abrogate or to modify a treaty was made in section 16 of the Seamen's Act of March 4, 1915, and in this opinion, which was written by Chief Justice Hughes, the Supreme Court said:

> As to the third point, we think that the question as to the authority of the Executive in the absence of congressional action, or of action by the treaty-making power, to denounce a treaty of the United States is not here involved. In this instance the Congress requested and directed the President to give notice of the termination of the treaty provisions in conflict with the act. From every point of view, it was incumbent upon the President, charged with the conduct of negotiations with foreign governments and also with the duty to take care that the laws of the United States are faithfully executed, to reach a conclusion as to the inconsistency between the provisions of the treaty and the provisions of the new law.

In other words, the Supreme Court very definitely said that when the Congress authorized and directed the President to take a certain action in reference to treaties which were in effect there was a responsibility upon the President, since he did have imposed on him the duty to take care that the laws of the United States are faithfully executed, to carry out that direction of the Congress, and to reserve, modify, or to abrogate a treaty as Congress directed.

Mr. CLARK of Missouri. Mr. President, in regard to the other question of the Senator from Michigan, I hope the Senator from Michigan did not think I had the slightest intention of being discourteous when I suggested that I should like to continue with my remarks.

Mr. BROWN. Not at all.

Mr. CLARK of Missouri. I agree with the Senator from Michigan, of course, that so far as changing this situation by an act of Congress is concerned, it would necessarily, in case of veto by the President, take a two-thirds vote of each branch of the Congress to effectuate such a change. That would be equally true, however, if the agreements were considered as treaties and ratified by a two-thirds vote of the Senate. That situation would not in the slightest degree be affected by the question of whether these instruments are agreements or treaties.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. In that connection, it has geen generally conceded here that Congress may by an act abrogate a treaty which has been ratified by a two-thirds vote of the Senate. Inasmuch as these agreements do not rise to the dignity of a treaty, of course, we should be bound to concede that the same sort of action would affect one of these agreements that would affect a treaty which had been ratified by two-thirds vote.

Mr. BROWN. Mr. President will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BROWN. That is one point that deeply concerns me. Does the Senator from Missouri agree with the Senator from Kentucky that by a concurrent resolution the Senate and the House could abrogate a trade agreement?

Mr. CLARK of Missouri. I did not understand the Senator from Kentucky to say that. He said an act of Congress, which could not be a concurrent resolution. It would require either a joint resolution or a bill, which would have to be signed by the President.

Mr. BROWN. That comes back to the point that against an unwilling Executive, an Executive who had vetoed the bill or joint resolution, it would take a two-thirds vote of the House and Senate to abrogate the measure.

Mr. CLARK of Missouri. Yes.

Mr. BARKLEY. And that would be true as to any law that Congress desired to repeal, if the President vetoed it.

Mr. CLARK of Missouri. That is true with regard to the provisions of the Smoot-Hawley Act or any other law. Under the provisions of the Smoot-Hawley Act, Congress granted the President authority to raise or lower rates 50 percent. As against an unwilling Executive, that could be changed only by an act of Congress by a two-thirds vote of each body. So, it seems to me, the situation would be precisely the same.

Mr. BROWN. No; I think there is a difference. In the case of the Smoot-Hawley Act or any other legislation, we enact the legislation. We determine what the rates are. In this case, we pass on to the President the right to enter into trade agreements. We do not know what they are going

to be; we do not know what their contents will be; we do not know what the rates will be. If we are entirely dissatisfied with the rates, as we may be, we put ourselves in such a position that it would take two-thirds of the Senate and the House to abrogate the agreement.

Mr. CLARK of Missouri. Mr. President, Congress passed an act giving the Interstate Commerce Commission authority to fix railroad rates. If the Interstate Commerce Commission fixes some railroad rates that Congress does not like, what can Congress do about it? Congress cannot do anything except to pass an act either exercising its legislative functions of changing those rates or ending the authority of the Interstate Commerce Commission to fix rates; and if the President of the United States does not like that act of Congress, and sees fit to veto it, the same situation exists; that is, it takes two-thirds of each House to override the veto.

Mr. BROWN. The cases are not parallel at all. In the case of the Interstate Commerce Commission, we grant it certain authority to fix rates. It is not a body that has the power to veto an act of Congress. The President of the United States has that right. But in the case of the trade agreements we are granting authority to the President, who happens to be the governmental official who has the power of veto, which does not exist in the case of the Interstate Commerce Commission.

Mr. CLARK of Missouri. I think that is a distinction of fact without any distinction of law, if I may be pardoned for saying so.

Mr. BARKLEY. Mr. President, will the Senator again yield?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. A while ago the Senator from Michigan stated that in the Hawley-Smoot Tariff Act the rates were fixed, or that in a resolution we might pass we could fix the rates, whereas in this particular resolution the rates are not fixed. I think they must be considered as having been already fixed by law. They are in the Smoot-Hawley Act.

Mr. CLARK of Missouri. Just as much so as in the case of the provisions of the flexible-tariff measure.

Mr. BARKLEY. Yes; just as we set out in the act of 1934 what the rates would be, but authorized the President to modify them 50 percent up or down by trade agreements. Under the Hawley-Smoot Act and previous acts the President, on the advice and recommendation of the Tariff Commission, could raise or lower the rates within the limitation of 50 percent. So I think, for all intents and purposes, we may consider that the present law is based on the acknowledged fact that the rates have already been fixed by Congress, and they are just as effective as if they were carried in this law, and the President is authorized to change them by 50 percent, up or down, and no more. So we really do not get away from the situation fixed in the act in which the Tariff Commission was established and in which the President was authorized to fix the rates.

Mr. CLARK of Missouri. Mr. President, I now ask unanimous consent to insert at this point in my remarks a table showing the trade agreements in force as of March 1, 1940, the country with which the agreement has been made, the date signed, the date effective, the initial term of duration, and the date at which the agreement may be terminated by 6 months' notice.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

Trade agreements in force Mar. 1, 1940

Country	Date signed	Date effective	Initial term of duration [1]	Agreement may be terminated after the following date on 6 months' prior notice [1]
Belgium	Feb. 27, 1935	May 1, 1935	Until 6 months after notice of termination.	
Brazil	Feb. 2, 1935	Jan. 1, 1936	2 years	Dec. 31, 1937

[1] All of these agreements (except that with Haiti) are subject to modification or termination on short notice under special contingencies stipulated therein, i. e., the "escape clauses."

Trade agreements in force Mar. 1, 1940—Continued

Country	Date signed	Date effective	Initial term of duration	Agreement may be terminated after the following date on 6 months' prior notice
Canada	Nov. 17, 1938	Jan. 1, 1939	Approximately 3 years.	Nov. 25, 1941
Colombia	Sept. 13, 1935	May 20, 1936	2 years	May 19, 1938
Costa Rica	Nov. 28, 1936	Aug. 2, 1937	3 years	Aug. 1, 1940
Cuba	Aug. 24, 1934	Sept. 3, 1934	do	Sept. 2, 1937
Ecuador	Aug. 6, 1938	Oct. 23, 1938	Until 6 months after notice of termination.	
Finland	May 18, 1936	Nov. 2, 1936	3 years	Nov. 1, 1939
France	May 6, 1936	June 15, 1936	Until July 1, 1937	June 30, 1937
Guatemala	Apr. 24, 1936	do	3 years	June 14, 1939
Haiti	Mar. 28, 1935	June 3, 1935	do	June 2, 1938
Honduras	Dec. 18, 1935	Mar. 2, 1936	1 year	Mar. 1, 1937
Netherlands	Dec. 20, 1935	Feb. 1, 1936	Until Jan. 1, 1939	Dec. 31, 1938
Nicaragua [2]	Mar. 11, 1936	Oct. 1, 1936	3 years	Sept. 30, 1939
Salvador	Feb. 19, 1937	May 31, 1937	do	May 30, 1940
Sweden	May 25, 1935	Aug. 5, 1935	do	Aug. 4, 1938
Switzerland	Jan. 9, 1936	Feb. 15, 1936	Until Feb. 14, 1939	Feb. 13, 1939
United Kingdom.	Nov. 17, 1938	Jan. 1, 1939	Until Dec. 31, 1941	Dec. 30, 1941
Turkey	Apr. 1, 1939	May 5, 1939	1 to 3 years [3]	Dec. 31, 1941
Venezuela	Nov. 6, 1939	Dec. 16, 1939	[4]	Dec. 15, 1942

[2] The duty concessions in this agreement were terminated by mutual consent effective Mar. 10, 1938.

[3] The Government of either country may terminate this agreement at the end of 1939, 1940, or 1941 on 2 months' written notice, but if it is not so terminated it shall continue in force indefinitely subject to 6 months' prior notice.

[4] The agreement will come definitively into force after ratification by Venezuela for an initial term ending Dec. 15, 1942. Pending ratification, the substantive provisions of the agreement were made provisionally effective for a year from Dec. 16, 1939.

Mr. CLARK of Missouri. I also ask unanimous consent to insert in the RECORD at this point, as part of my remarks, a table giving the summary of the 15 executive agreements concluded under section 3 of the Dingley Tariff Act of 1897, in connection with which I direct particular attention to the agreements with Portugal, Italy, and France, as I mentioned a moment ago; also, a summary of the 12 executive agreements entered into under section 3 of the McKinley Tariff Act of 1890, which conveyed similar powers and in which the result of the statute was similar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

FIFTEEN EXECUTIVE AGREEMENTS CONCLUDED UNDER SECTION 3 OF THE DINGLEY TARIFF ACT OF 1897 (30 STAT. 151, 203)

I. NOTE

The texts of all but two of these agreements appear in Malloy, Treaties, Conventions, International Acts, Protocols, and Agreements Between the United States and Other Powers at the pages cited hereafter. The references to the texts of the other two agreements are given in the list of agreements which appears under part III. Except where noted under part III, the agreements were in the form of a formal international document reciting the authority of the signatories and, in most cases, the purposes of the agreement, as well as the particular concessions granted. In each case, of course, the concessions granted by the United States were limited to those authorized by section 3 of the Tariff Act of 1897. Consequently, in the summary of the agreements contained in part III, the concessions granted by the United States have, in most cases, not been specified.

II. SUMMARY OF SECTION 3 OF THE DINGLEY TARIFF ACT OF 1897

"That for the purpose of equalizing the trade of the United States with foreign countries, and their colonies, producing and exporting to this country the following articles: Argols, or crude tartar, or wine lees, crude; brandies, or other spirits manufactured or distilled from grain or other materials; champagne and all other sparkling wines; still wines, and vermouth; paintings and statuary; or any of them, the President be, and he is hereby, authorized, as soon as may be after the passage of this act and from time to time thereafter, to enter into negotiations with the governments of those countries exporting to the United States the above-mentioned articles, or any of them, with a view to the arrangement of commercial agreements in which reciprocal and equivalent concessions may be secured in favor of the products and manufacturers of the United States; and whenever the government of any country, or colony, producing and exporting to the United States the above-mentioned articles, or any of them, shall enter into a commercial agreement with the United States, or make concessions in favor of the products, or manufactures thereof, which, in the judgment of the President, shall be reciprocal and equivalent, he shall be, and he is hereby, authorized and empowered to suspend, during the time of such agreement or concession, by proclamation to that effect, the imposition and collection of the duties mentioned in this act, on such article or articles so exported to the United States from such country or colony, and thereupon and

thereafter the duties levied, collected, and paid upon such article or articles shall be as follows, namely:"

(The following is paraphrased.)

Argols, or crude tartar, or wine lees, crude: 5 percent ad valorem.

Brandies, or other manufactured or distilled spirits: $1.75 per proof gallon.

Champagne and all other sparkling wines: In bottles containing from 1 pint to 1 quart, $6 per dozen; in bottles containing from one-half pint to 1 pint, $3 per dozen; in bottles containing one-half pint or less, $1.50 per dozen; in bottles or vessels containing more than 1 quart, in addition to $6 per dozen bottles, on the quantities in excess of 1 quart at the rate of $1.90 per gallon.

Still wines and vermouth: In casks, 35 cents per gallon; in bottles or jugs, per case of 1 dozen each containing from 1 pint to 1 quart, or 24 bottles or jugs containing not more than 1 pint, $1.25 per case; and any excess beyond these quantities found in such bottles or jugs, 4 cents per pint or fractional part thereof.

Paintings in oil or water colors, pastels, pen-and-ink drawings, and statuary: 15 percent ad valorem.

"The President shall have power, and it shall be his duty, whenever he shall be satisfied that any such agreement in the section mentioned is not being fully executed by the government with which it shall have been made, to revoke such suspension and notify such government thereof.

"And it is further provided that with a view to secure reciprocal trade with countries producing the following articles, whenever and so often as the President shall be satisfied that the government of any country, or any colony of such government, producing and exporting directly or indirectly to the United States coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans, or any of such articles, imposes duties or other exactions upon the agricultural, manufactured, or other products of the United States, which, in view of the introduction of such coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans into the United States as in this act hereinbefore provided for, he may deem to be reciprocally unequal and unreasonable, he shall have the power and it shall be his duty to suspend by proclamation to that effect the provisions of this act relating to the free introduction of such coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans, of the products of such country or colony, for such time as he shall deem just; and in such case and during such suspension duties shall be levied, collected, and paid upon coffee, tea, and tonquin, tonqua, or tonka beans, and vanilla beans, the products or exports, direct or indirect, from such designated country, as follows:

"On coffee, 3 cents per pound.

"On tea, 10 cents per pound.

"On tonquin, tonqua, or tonka beans, 50 cents per pound; vanilla beans, $2 per pound; vanilla beans, commercially known as cuts, $1 per pound."

III. LIST OF AGREEMENTS

France

Date of signature: May 28, 1898.

Date of proclamation under section 3: May 30, 1898 (30 Stat. 1774).

Scope of concessions received: Minimum French rates of duty secured for canned meats, lemons, oranges, mandarin oranges, table grapes, apples, pears, and other fruits (including both fresh and dried fruits), various classifications of timber and lumber, paving blocks, staves, hops, pork products, and lard.

Duration of agreement: No termination date specified. The agreement was apparently terminated by the Tariff Act of 1909.

Text of agreement appears in: 1 Malloy 542.

Portugal

Date of signature: May 22, 1899.

Date of proclamation under section 3: June 12, 1900 (31 Stat. 1074).

Scope of concessions received: Reduction of duty rates to most-favored-nation level on flour other than wheat flour, maize, wheat, lard and grease, mineral oils and their products, reaping, mowing, and threshing machines, machines for compressing hay and straw, steam plows, parts of the foregoing machines and plowshares, agricultural implements, and tools. In addition, maximum duties are prescribed for certain of the mineral oils and for the machinery, implements, and tools.

Duration of agreement: Five years and thereafter terminable upon 1 year's notice with a special right to Portugal to terminate upon 3 months' notice in the event of imposition by the United States of any duty on Portuguese cork or coffee and in the event the United States failed to give most-favored-nation treatment on various other listed products of particular interest to Portugal.

Text of agreement appears in: 2 Malloy 1463.

Italy

Date of signature: February 8, 1900.

Date of proclamation under section 3: July 18, 1900 (31 Stat. 1079).

Scope of concessions received: Maximum duties specified for cottonseed oil, fish, agricultural machinery and parts, scientific instruments, dynamo electrical machines and parts, sewing machines, and varnishes; bound on the free list turpentine oil, natural fertilizers, skins, and furs.

Duration of agreement: Until December 31, 1903, and thereafter until 1 year's notice of termination.

Text of agreement appears in: 1 Malloy 987.

Germany

Date of signature: July 10, 1900.

Date of proclamation under section 3: July 13, 1900 (31 Stat. 1079).

Scope of concessions received: Conventional tariff rates on all American products; annulment of German regulations requiring inspection of dried or evaporated fruits imported from the United States and binding of customs duties on such fruits.

Duration of agreement: Terminable upon 3 months' notice.

Text of agreement appears in: 1 Malloy 558.

France—Amendatory agreement

Date of signature: August 20, 1902.

Date of proclamation under section 3: July 13, 1900.

Scope of agreement: The agreement of May 28, 1898, was made applicable to Algeria and Puerto Rico. France agreed that Puerto Rican coffee should until February 23, 1903, be entitled to minimum French duties.

Duration of agreement: To continue in force during the life of the agreement of May 28, 1898.

Text of agreement appears in 1 Malloy 543.

Portugal—Amendatory agreement

Date of signature: November 19, 1902.

Date of proclamation under section 3: January 24, 1907 (34 Stat. 3268).

Scope of agreement: The agreement of May 22, 1899, was made applicable to Puerto Rico.

Duration of agreement: The amendatory agreement was to continue in force during the life of the agreement of May 22, 1899.

Text of agreement appears in 2 Malloy 1466.

Germany—Special commercial arrangement in the form of an exchange of notes

Date of signature: February 18–19, 1906.

Date of proclamation under section 3: February 27, 1906 (34 Stat. 3192).

Scope of concessions received: German conventional tariff to be made applicable to all United States exports.

Duration of agreement: Until June 30, 1907.

Text of agreement appears in United States Foreign Relations (1906), part I, page 643.

Bulgaria—Agreement in the form of an exchange of notes

Date of signature: June 5–6, 1906.

Date of proclamation under section 3: September 15, 1906 (34 Stat. 5231).

Scope of concessions received: Bulgaria agreed to extend most-favored-nation treatment to exports of the United States.

Duration of agreement: Not specified.

Text of agreement appears in: United States Foreign Relations (1908), part I, page 141; sets forth in dispatches from the American diplomatic agent at Sofia the substance of the exchange of notes.

Spain

Date of signature: August 1, 1906; exchange of explanatory notes, December 20, 1906.

Date of proclamation under section 3: August 27, 1906 (34 Stat. 3227).

Scope of concessions received: Most-favored-nation treatment granted by Spain on all American exports. The explanatory notes of December 20, 1906, provide that United States exports shall pay the minimum Spanish tariff and shall be entitled to the benefit of all reductions granted by Spain in present or future agreements with other countries. The notes also provide that the Territories and possessions of the United States to which the general tariff laws of the United States are applicable are deemed to be covered by the agreement.

Duration of agreement: No time specified.

Text of agreement appears in: 2 Malloy 1718.

Germany

Date of signature: April 22, 1907.

Date of proclamation under section 3: May 2, 1907.

Scope of agreement: In addition to granting the concessions authorized by section 3 of the Tariff Act of 1897, the United States agreed to make certain modifications in its customs and consular regulations, as described in a note from Secretary Root to the German Ambassador dated April 22, 1907, and attached to the agreement. Germany agreed to apply specified tariff rates to a long list of American export products which are set forth in seven and one-half pages of small print in a schedule attached to the agreement.

Duration of agreement: To remain in force until June 30, 1908, and thereafter to be terminable upon 6 months' notice.

Text of agreement appears in: 1 Malloy 563.

Netherlands

Date of signature: May 16, 1907.

Date of proclamation under section 3: August 12, 1908 (35 Stat. 2198).

Scope of agreement: Maximum Netherlands duties are specified for mutton, salt pork, salt bacon, and canned meats in packages of more than 4 pounds. The United States, in addition to concessions authorized by section 3 of the Tariff Act of 1897, agreed to amend its instructions to customs officers.

Duration of agreement: Indefinite, but terminable upon 1 year's notice with the exception that the United States may terminate

upon 3 months' notice in the event that the Netherlands failed to give most-favored-nation treatment to any United States product.

Text of agreement appears in: 2 Malloy 1275.

Great Britain

Date of signature: November 19, 1907.

Date of proclamation under section 3: December 5, 1907 (35 Stat. 2163).

Scope of concessions received: Samples of dutiable goods brought into the United Kingdom by American commercial travelers to be exempt from inspection on importation on the basis of certification of the American customs authorities at the time of exportation.

Duration of agreement: To continue in force until after 6 months' notice of termination.

Text of agreement appears in: 1 Malloy 813.

France—Supplementary agreement

Date of signature: January 28, 1908.

Date of proclamation under section 3: January 28, 1908 (35 Stat. 2178).

Scope of agreement: Food products of the United States and Puerto Rico except sugar and mineral oils of the United States to be admitted into France and Algeria at the French minimum tariff rates. The United States agreed to impose the reduced duties authorized by section 3 of the Tariff Act of 1897 on champagne and sparkling wines imported into the United States and Puerto Rico. In addition, each party agreed to appoint a commission of three experts to consider complaints with respect to the import regulations of the respective countries. Each commission was to report to its own government, which report was to form the basis of an exchange of views designed to remove, if possible, the causes of complaint considered in the report.

Duration of agreement: To remain in force during the life of the agreements of May 28, 1898, and August 20, 1902.

Text of agreement appears in: 1 Malloy 547.

Spain—Supplementary agreement in the form of an exchange of notes

Date of signature: February 20, 1909.

Date of proclamation under section 3: February 20, 1909 (35 Stat. 2229).

Scope of agreement: The notes recite that in order to remove any possible ground for the exercise by the Government of Spain of its right under the agreement of August 1, 1906, to rescind any of its concessions made to the United States, the President of the United States deems the concessions made by Spain as reciprocal and equivalent to the reduced duties authorized by section 3 of the Tariff Act of 1897. Accordingly, the note of the United States stated that the President would issue a proclamation suspending the duties on sparkling wines imported from Spain and would substitute therefor the reduced duties authorized by section 3 of the Tariff Act of 1897.

Duration of agreement: No period specified. Presumably as this was supplementary to the agreement of August 1, 1906, the supplementary agreement was to continue for the life of the earlier agreement.

Text of agreement appears in: 2 Malloy 1721.

Italy—Supplementary agreement

Date of signature: March 2, 1909.

Date of proclamation under section 3: April 24, 1909 (36 Stat. 2492).

Scope of concessions received: Italy agreed to a specific maximum rate of duty on mowers and tedders imported from the United States.

Duration of agreement: To continue in effect until after 1 year's notice of termination.

Text of agreement appears in: 1 Malloy 994.

TWELVE EXECUTIVE AGREEMENTS ENTERED INTO UNDER SECTION 3 OF THE MCKINLEY TARIFF ACT OF 1890 (26 STAT. 567, 612)

NOTE

I. The texts of all but two of these agreements appear in Senate Executive Document No. 119, Fifty-second Congress, first session (1892). The sources for the texts of the other two agreements (that with France and the second agreement with Salvador) are indicated hereafter in connection with the description of those two agreements.

II. Summary of section 3 of the McKinley Tariff Act of 1890:

"That with a view to secure reciprocal trade with countries producing the following articles, and for this purpose, on and after the first day of January 1892, whenever, and so often as the President shall be satisfied that the government of any country producing and exporting sugar, molasses, coffee, tea, and hides, raw and uncured, or any of such articles, imposes duties or other exactions upon the agricultural or other products of the United States, which in view of the free introduction of such sugar, molasses, coffee, tea, and hides into the United States he may deem to be reciprocally unequal and unreasonable, he shall have the power and it shall be his duty to suspend, by proclamation to that effect, the provisions of this act relating to the free introduction of such sugar, molasses, coffee, tea, and hides, the production of such country, for such time as he shall deem just, and in such case and during such suspension duties shall be levied, collected, and paid upon sugar, molasses, coffee, tea, and hides, the product of or exported from such designated country as follows, namely:"

(The following is paraphrased.)

Sugar: Sugar of or below No. 13 Dutch standard in color, to pay duty according to polariscopic tests: If not above 75 degrees to pay seven-tenths of 1 cent per pound; for every additional degree two one-hundredths of 1 cent per pound.

Sugar above No. 13 Dutch standard in color and of or below No. 16 to pay 1⅜ cents per pound.

Sugar between No. 17 and No. 20 to pay 1⅝ cents per pound.

Sugar above No. 20 to pay 2 cents per pound.

Molasses: If testing above 56 degrees to pay 4 cents per gallon.

Coffee: To pay 3 cents per pound.

Tea: To pay 10 cents per pound.

Hides and skins of various kinds, 1½ cents per pound.

III. LIST OF THE 12 EXECUTIVE AGREEMENTS, EACH OF WHICH WAS IN THE FORM OF AN EXCHANGE OF NOTES

Brazil

Date on which agreement was reached: January 31, 1891.

Date of proclamation under section 3: February 5, 1891 (26 Stat. 1563).

Scope of concessions received: Free entry covering 15 scheduled items and a 25-percent reduction, based on existing Brazilian rates, covering 9 other tariff items.

Duration of agreement: Indefinite; terminable on January 1 or July 1 of any year on 3 months' notice by either party.

Text: Senate Executive Document No. 119, page 28, Fifty-second Congress, first session.

Dominican Republic

Date on which agreement was reached: June 4, 1891.

Date of proclamation under section 3: August 1, 1891 (27 Stat. 986).

Scope of concessions received: Schedule of 32 items, free entry; schedule of 11 other items, 25-percent reduction based on existing general rates.

Duration of agreement: Indefinite; terminable at will of either party without notice.

Text: Senate Executive Document No. 119, page 48, Fifty-second Congress, first session.

Spain (for Cuba and Puerto Rico)

Date on which agreement was reached: June 16, 1891.

Date of proclamation under section 3: July 31, 1891 (27 Stat. 982).

Scope of concessions received: A temporary schedule, which was to be effective until July 1, 1892, carried 20 items on the free list, 4 items at specified rates, and 3 items at a 25-percent reduction in existing rates. This was to be superseded on the date mentioned by a permanent schedule providing free entry for 39 products, specified duties for 5, a 50-percent reduction for 17, and a 25-percent reduction for 14 products.

Duration of agreement: Indefinite; terminable at will.

Text: Senate Executive Document No. 119, page 35, Fifty-second Congress, first session.

Guatemala

Date on which agreement was reached: December 30, 1891.

Date of proclamation under section 3: May 18, 1892 (27 Stat. 1025).

Scope of concessions received: Schedule of 29 products to be admitted free of duty.

Duration of agreement: Indefinite, without provision for notice of termination by either party.

Text: Senate Executive Document No. 119, page 98, Fifty-second Congress, first session.

Salvador

Date on which agreement was reached: December 30, 1891.

Date of proclamation under section 3: December 31, 1891 (27 Stat. 996).

Scope of concessions received: Free entry for 46 scheduled products. This agreement was provisional and was to be superseded by a more "definite arrangement" (infra).

Duration of agreement: Not later than December 31, 1892. Terminable meanwhile upon 30 days' prior notice.

Text: Senate Executive Document, No. 119, page 89, Fifty-second Congress, first session.

German Empire

Date on which agreement was reached: August 22, 1891.

Date of proclamation under section 3: February 1, 1892 (27 Stat. 1004).

Scope of concessions received: The United States obtained the benefit of the German Empire's conventional rates, effective February 1, 1892, on 41 tariff items as well as any future reductions which the latter government might establish by convention. The conventional rates were lower than the general rates in 21 of the 41 items, and all were bound against increase. A prohibition against the importation of American hogs, pork, and sausages was abolished.

Duration of agreement: Indefinite without specific provision for notice of termination by either party.

Text: Senate Executive Document, No. 119, page 108, Fifty-second Congress, first session.

Great Britain (for certain West Indian colonies and Jamaica)

Date on which agreement was reached: December 29, 1891.

Date of proclamation under section 3: February 1, 1892 (27 Stat. 999).

Scope of concessions received: Separate schedules were applicable in the West Indian colonies and in Jamaica. That for the former provided free entry for 58 products, a 50-percent reduction in existing rates for 8 products, and a 25-percent reduction for 8 other products. The schedule covering imports into Jamaica contained a free list schedule covering 63 items, 50-percent reductions covering 5 items, and 25-percent reductions covering 5 others.

Duration of agreement: Indefinite, without provision for notice of termination.

Text: Senate Executive Document, No. 119, page 82, Fifty-second Congress, first session.

Nicaragua

Date on which agreement was reached: March 11, 1892.

Date of proclamation under section 3: March 12, 1892 (27 Stat. 1009).

Scope of concessions received: Thirty-four scheduled products of the United States became entitled to free entry.

Duration of agreement: Indefinite, without a notice provision covering termination by either party.

Text: Senate Executive Document, No. 119, page 94, Fifty-second Congress, first session.

France

Date on which agreement was reached: March 13, 1892.

Never proclaimed.

Scope of concessions received: The French minimum tariff was accorded to eight scheduled products in this informal agreement. In addition, the removal of the French restriction on the importation of American pork was obtained. This had been imposed on sanitary grounds.

Duration of agreement: Indefinite.

Text: Departmental Archives, Diplomatic Dispatches, France, volume 107.

Honduras

Date on which agreement was reached: April 29, 1892.

Date of proclamation under section 3: April 30, 1892 (27 Stat. 1023).

Scope of concessions received: Free entry into Honduras was guaranteed for 46 products of the United States.

Duration of agreement: Indefinite. However, as the agreement was provisional on the part of Honduras, the United States reserved the privilige of terminating it on 30 days' prior notice if the Honduran Legislature should fail to take action authorizing a more comprehensive agreement or if such an agreement should not be concluded by January 1, 1893.

Text: Senate Executive Document No. 119, page 103, Fifty-second Congress, first session.

Austria-Hungary

Date on which agreement was reached: May 3, 1892.

Date of proclamation under section 3: May 26, 1892 (27 Stat. 1026).

Scope of concessions received: The United States obtained the benefit of Austro-Hungarian conventional rates, established pursuant to six agreements with other European governments on about 179 tariff items. The conventional rates were all lower than the general rates which had theretofore been applicable to American products. The right to the benefit of any future reductions which Austria-Hungary might grant to third countries was also obtained.

Duration of agreement: Indefinite.

Text: Senate Executive Document No. 119, page 114, Fifty-second Congress, first session.

Salvador

Date on which agreement was reached: November 29, 1892.

Date of proclamation under section 3: December 27, 1893 (27 Stat. 1056).

Scope of concessions received: Free entry for 45 American products. This agreement superseded the "transitory" agreement, supra, effective January 1, 1893.

Duration of agreement: Indefinite, without specific provision for notice of termination.

Text: Departmental Archives, Diplomatic Dispatches, Central America, volume 55.

Mr. CLARK of Missouri. In connection with the suggestion made on the floor, the fact that the trade agreements tied the hands of Congress with respect to future action on matters covered in the agreements, although the answer was given that this is merely action taken pursuant to the authorization and policy which the present Congress deems desirable and necessary to effectuate its purpose, the further point can be made that, of course, if Senate ratification was required and the agreements were treaties this would be equally true, and, in fact, it is probable that if treaties were concluded they would not be for such short periods, since the President in negotiating the treaties would not be limited by the restrictions with respect to the duration laid down by the Trade Agreements Act.

Mr. President, I desire to detain the Senate for only a little while on the pending amendment of the Senator from Nevada [Mr. MCCARRAN]. It seems to me this amendment may be repeated without undue loss of time of the Senate, in order that we may all clearly understand the issue presented by the amendment.

On page 1, line 8, after the numerals "1940", it is proposed to insert a comma and the following:

with the proviso that the authority conferred in the said act does not embrace authority to include in any trade-agreement negotiations excise taxes imposed under the provisions of paragraphs (4), (5), (6), and (7) of subsection (c) of section 601 of the Revenue Act of 1932, as amended, which are now a part of the Internal Revenue Code, subtitle (c), chapter 29, subchapter (b), part 1, sections 3420, 3422, 3423, 3424, 3425.

Mr. President, I am glad that the Senator from Nevada in drafting his amendment took the trouble to refer to the provisions of the Internal Revenue Code, giving the subsections thereof, because that very designation conclusively shows the nature of the sections to which he refers, and shows that while the duties are referred to here as excise duties, they are in fact import duties, and have been so treated by the Congress of the United States in codifying the revenue law.

I call attention to the fact that in the codification these sections do not appear under the heading of excise taxes, which are internal revenue taxes and have always been so considered in the revenue history of this country until this fake device was brought forward in the consideration and passage of the Smoot-Hawley Tariff Act; but they are included under the section devoted to import taxes. They are import taxes, Mr. President, as recognized by the codification of the laws unanimously passed by the Congress. They are import duties as recognized by the courts of the United States. They are import duties, as is fully set out in the opinion of the Secretary of the Treasury, based upon court decisions and upon the codification of the law. So why should we not stop talking about excise duties and call them what they are? They are tariff duties, levied under the very terms of the act itself, in accordance with the practices, rules, and methods of collection with respect to every other tariff duty on articles coming into the United States.

Mr. President, I have heard the story that at one of President Lincoln's Cabinet meetings he turned to Secretary Seward, who was reported not to have been a great admirer of Lincoln's propensity for joking, and asked Seward, "If you were to call a sheep's tail a leg, how many legs would the sheep have?" Seward simply snorted and said, "Why, five, of course." Lincoln said, "Oh, no; it would not. It would have only four, because calling a sheep's tail a leg would not make it one." [Laughter.]

Calling these import duties excise taxes will not change the nature of the taxes. They are import duties—tariff levies—and ought to be considered as such.

We come down to the naked question whether or not there is anything in the peculiar situation of the commodities covered in these four sections, namely, petroleum, coal, lumber, and copper, which entitles them to be specially selected and set aside as a sacrosanct institution to which the provisions of the act should not be applicable. Except for the fact that the States which produce the commodities or are interested in the particular taxes have a very large representation in this body—more or less disproportionate to the population of those States—there is no reason on the face of the earth, Mr. President, why these duties should not stand on their own feet, the same as other duties contained in the various tariff acts of the United States which are the subject of the Reciprocal Trade Agreements Act.

I do not say that the duty on copper ought to be reduced. I do not say that the duty on petroleum, lumber, or coal ought to be reduced. What I do say is that there is nothing sacred about those commodities which justifies the Congress of the United States in setting them aside and saying, "All the other hundreds of thousands of items contained in a tariff bill may be the subject of reciprocal-trade agreements, but you shall not lay your finger on these particular items because they are the Ark of the Covenant. They are sacred."

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Kentucky.

Mr. BARKLEY. Is it not true that there are many articles of importation into the United States with respect to which the proportion of imports to domestic production is much greater than in the case of oil, petroleum, copper, or lumber?

Mr. CLARK of Missouri. I think that is unquestionably true. I know that certain Senators are very much interested in the production of flaxseed in this country. Why should they not say, "We want an excise duty, or a prohibitive tariff duty—which is what it amounts to—on flaxseed? You have established such a duty on copper, oil, coal, and lumber. Why should flaxseed be left out?"

Others might say, "We are interested in zinc, and we want a prohibitive tariff on zinc. Why should copper from Arizona and Montana have a prohibitive tariff, while zinc from Missouri and Oklahoma has not? Why should one be subject to the operation of this general law and the other not be?"

Many people in various sections of the country are interested in wheat. Others are interested in cotton. There are still some people interested in cotton in this country. Others are interested in countless other commodities; but the Congress of the United States is solemnly asked to pick out four separate tariff items—because that is what they are—and say, "These are sacred, and nothing must be done with them."

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. McCARRAN. I do not wish to interrupt the Senator's thought, but his argument as to cotton reminds me of the fact that ever since I have been in the Senate, western Senators—and I am very happy to say that I have been one of them—have supported a subsidy for cotton, and have stood for the protection of cotton. I am now looking to my brethren from cotton-producing States to support copper so that we may keep on the employment rolls American citizens who constitute the red blood of this country, just as we have tried to protect the industry of the cotton-producing States.

Mr. CLARK of Missouri. Mr. President, by and large the representatives of every other commodity in this country have participated in the formulation of the program which has been in effect since the inauguration of President Roosevelt in 1933; but the proposal the Senator himself is advancing is that four particular commodities shall be selected out of all the thousands of commodities whose representatives have participated in the making of various policies—including the policy with regard to cotton—and that we shall say, "These are sacred, and you must not touch them."

Mr. BROWN. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BROWN. The statute itself sets forth one exception. The entire field of international trade is not opened by the pending measure. Subsection (b) of section 1 provides:

> Nothing in this section shall be construed to prevent the application, with respect to rates of duty established under this section pursuant to agreements with countries other than Cuba, of the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902—

That is the most important agreement of all with respect to the interests of many States of the Union—

> or to preclude giving effect to an exclusive agreement with Cuba concluded under this section, modifying the existing preferential-customs treatment of any article the growth, produce, or manufacture of Cuba.

That means that we can enter into an agreement with Cuba and eliminate in that agreement the most-favored-nation clause.

Mr. CLARK of Missouri. Of course, the Senator is familiar with the fact that that provision goes back to an old international obligation of the United States growing out of the Spanish-American War.

Mr. BROWN. That is true.

Mr. CLARK of Missouri. I am not debating its wisdom; but it seems to me that is an essentially different question from selecting four commodities and saying, "These are sacrosanct and are to be excepted from the general operation of the Tariff Act."

Mr. BROWN. What is the effect of that clause? The effect of it is that Cuba is granted preferential treatment, not particularly with respect to Venezuela, Peru, or any other sugar-producing area, but with respect to the sugar industry of the United States.

Mr. CLARK of Missouri. That may be. If the Senator should move to strike out that provision, the subject would be highly debatable. I can say to the Senator—because I was a member of the Finance Committee when this provision was first reported—that it was adopted simply to carry out an obligation which was assumed by treaty by the United States after the conclusion of the Spanish-American War. However, I still insist that that is entirely beside the point of selecting four commodities and having them made sacred.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Kentucky.

Mr. BARKLEY. If I correctly recall, the Tariff Act of 1930 and most previous tariff acts gave Cuba a preferential duty on sugar. While the duty was $2.20, I believe, from other countries, a 20-percent differential was accorded to Cuba, because ever since the Spanish-American War we have recognized a sort of moral obligation toward and sponsorship of the Republic of Cuba, which we never felt toward any other country.

Mr. CLARK of Missouri. We assumed it by formal action in the so-called Platt amendment, and in pursuance of that policy a similar provision was incorporated in every tariff act subsequently passed.

Mr. BROWN. It was the use of the word "sacrosanct" by the Senator that brought me to my feet. So far as the products of Michigan are concerned, all four of these commodities—coal, copper, oil, and lumber—are produced in the State of Michigan. We cannot be sacrosanct as to those products, but we can be as to the products of the island of Cuba; and that is what rather disturbs me in regard to this legislation.

Mr. CLARK of Missouri. The Senator from Georgia [Mr. GEORGE] has kindly called my attention to the provision of the Tariff Act of 1930, section 316:

> CUBAN RECIPROCITY TREATY NOT AFFECTED
>
> Nothing in this act shall be construed to abrogate or in any manner impair or affect the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902, or the provisions of the act of December 17, 1903, chapter 1.

So in that section of the act to which the Senator has referred the United States in the Tariff Act of 1930 was simply carrying out its treaty obligations to the Republic of Cuba.

Mr. BROWN. If the Senator will permit me further, when the Smoot-Hawley Tariff Act, which was passed in 1930, was enacted, of course, there were set up certain standards and certain tariff rates that may have been beneficial to the State of Michigan and to the Middle West. They were fixed and established within reasonable limitations. In consideration of those rates it was all right for us to agree to this arrangement with respect to Cuba, but when we come to this legislation——

Mr. CLARK of Missouri. It had already been agreed to long since, I will say to the Senator, by treaty between the United States and Cuba, ratified back in 1902.

Mr. BROWN. That is true, but when we come to this agreement we fix and establish the arrangements with Cuba, and do not permit the President to interfere with those. However, when it comes to rates that are effective in my State of Michigan, we permit the President to do almost anything he wants to do with respect to those rates. So I say it is a different situation.

Mr. CLARK of Missouri. I say, too, it is a different situation. I say that the situation with regard to Cuba is a peculiar situation made necessary by the fact that the

United States saw fit to enter into a treaty which has been carried out in our tariff legislation. I refer to section 320 of the Tariff Act of 1922, containing a provision, which I ask to have inserted in the RECORD at this point, exactly similar to the provision of the act of 1930. So there can be no question whatever as to the fact that we were bound by treaty obligations, and it seems to me that that situation is not in any way comparable to that of selecting particular commodities for special treatment.

The PRESIDING OFFICER. Without objection, the section of the Tariff Act referred to by the Senator from Missouri will be printed in the RECORD.

The section referred to is as follows:

SEC. 320. That nothing in this act shall be construed to abrogate or in any manner impair or affect the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902, or the provisions of the act of December 17, 1903, chapter 1.

Mr. CLARK of Missouri. Mr. President, much has been said here about certain so-called commitments which were made in the Senate and in the Congress in connection with the passage of the Trade Agreements Act in 1934 and again by its extension in 1937. I read part of the RECORD this morning. I think it would be beneficial to call the attention of the Senate again to precisely what happened on that subject and to the whole of it. The Senator from Mississippi [Mr. HARRISON] toward the close of the consideration of the original act of 1934 proposed an amendment which would freeze these commodities under the duties called excise taxes. The Senator from Arizona [Mr. ASHURST] objected very strenuously and the Senator from Mississippi withdrew that amendment, which, in turn, was then offered by the then Senator from Louisiana, Mr. Long, and overwhelmingly defeated by the Senate by a vote of 29 to 57, or nearly 2 to 1.

In that debate after the Senator from Mississippi had offered his amendment, the Senator from Arizona said:

Mr. President, I have taken no time on this bill; and we are to vote, I believe, in 10 minutes. Will not the Senator from Mississippi withdraw this statement? I do not want to be required to speak against the amendment, but there are a dozen Members on this side of the Chamber who ought to do so, and we have only 10 minutes.

Will the Senator now at the last hour draw a dirk? Will the Senator please withdraw his amendment? Is the Senator proposing—

With the frankness which always distinguishes the Senator from Arizona and charms his associates in this body on all occasions, the Senator from Arizona was candid enough to state the reason why he did not want any agreement made as to "freezing" the rates—

Is the Senator proposing to go to the country with a bill which will preclude the President from raising the tariffs on oil, copper, and lumber?

I oppose that amendment. No man who pretends to be fair would, after discussion upon this bill has been practically completed, draw from his breast a dirk against these great industries.

I have always been in favor of a proposal to give the President the power to raise tariffs and lower them, to get away from logrolling—

Which is what we are trying to do in this measure—

and it ill becomes the able Senator at this hour, when no one can make reply to him, to propose such an amendment. It is conceived in iniquity, it is born in sin, and generated in unfairness.

I regret to apply this last remark of my great and distinguished friend from Arizona to the amendment pending before the Senate offered by my great and distinguished friend from Nevada, but I am compelled to do so because the proposition involved in the two amendments is precisely the same.

Mr. ASHURST. Mr. President——

Mr. CLARK of Missouri. I am delighted to yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, if I had walked into the Senate Chamber not knowing what had previously occurred, and that language had been read, I would know it was mine. I recognize my own rhetoric.

Mr. CLARK of Missouri. Mr. President, I am very happy to bear witness that no Senator in this Chamber could possibly compare in rhetoric with the Senator from Arizona.

Mr. ASHURST. I might say that I have great tenacity, but it is tempered with tremendous flexibility.

Mr. President, I think I ought not to be silent in the situation because the Senator from Missouri [Mr. CLARK] is a man so able, so learned, and so pungent in argument that what he says is always worthy of consideration.

Mr. CLARK of Missouri. I thank the Senator.

Mr. ASHURST. I do not rise to disclaim or explain anything. My policy in life has been never to explain because if today one explains tomorrow he will be explaining his explanation. When this administration came into power I profoundly believed that it would be a high-tariff administration.

Possibly I had sweetbreads for brains when I so believed. Suffice it to say that I believed it, and I had reason to believe it, and I believe now that if the Roosevelt administration goes on the rocks it will be because it has not been a high-tariff administration.

Mr. President, now, as to that somewhat gorgeous rhetoric, I wish to say that the debate had practically closed on that occasion; in fact, I think each Senator was allowed but 5 minutes, and I could not, nor could any other Senator, explain in 5 minutes that which was understood by all responsible persons, to wit, that there was an agreement on all sides, including the administration, that the tariff on copper would be raised. Believing that the tariff on copper would be raised, believing that it should be raised, I could not consent to an amendment which would preclude the President from raising the tariff on copper.

I would today vote to give the President the power to raise or increase the tariff.

I am a high-tariff man and for that I make no apology. I have in season, and many of my brother Senators, think perhaps out of season, championed high tariffs. Perhaps I am trespassing too long on the time of the Senator from Missouri.

Mr. CLARK of Missouri. I am delighted to have the Senator say anything he desires on my time.

Mr. ASHURST. This is not the occasion to speak, much as I should delight to do so, of the beneficent effect of high tariffs on our country. I may be old-fashioned or I may be reactionary, but I believe in high tariffs, and I have never failed in the past 20 years to advocate high tariffs. If someone advocating low tariffs should be a candidate for office in the West, in my judgment he would not be elected.

It may be asked, Why, therefore, are you so interested? The answer is if I do not stand for high tariffs, Arizona will send someone here who will have the courage to stand for high tariffs. I have an election approaching. I would be disingenuous and lacking in frankness if I should pretend that I am putting this question upon a more exalted plane. Arizona will see to it that I am displaced by a high-tariff man if I fail to do my duty here.

Now, if the Senator will pardon me for a few moments more——

Mr. CLARK of Missouri. I yield.

Mr. ASHURST. I speak this afternoon with mingled feelings of duty and gratitude. It is my duty to speak for high tariffs on this floor because I am thus representing the views of my people and of the West in speaking for high tariffs.

It will be 28 years tomorrow since I was inducted into the Senate. No Senator has ever been treated more generously by his constituents than have I. Not only have they repeatedly reelected me but they have done that which few States have ever done to or for any Senator—allowed him to do almost as he pleased. For that I am profoundly grateful to Arizona. No words at my command can express to the people of Arizona the gratitude I feel to them for so long sustaining me here and almost always giving me the right to act as I thought best. Other States may have paralleled that action in generosity toward a Senator. None has ever excelled it in generosity toward a Senator.

Therefore if I fail in any way in the Senate I have no alibi. The people have given me the privilege of doing what I think

proper and right, and if I fail it is my own fault. Whatever may be my shortcomings, since I became converted to the high-tariff policy I have not failed on any proper occasion to advocate high tariffs.

May I trespass for another 5 minutes on the time of the Senator from Missouri?

Mr. CLARK of Missouri. Certainly.

Mr. ASHURST. I thank the Senator.

Mr. President, I wish to say, not as a mere gesture—I do not say this as a friendly Senatorial courtesy respecting the able Senator from Missouri [Mr. CLARK]—that long before I came to the Senate I recognized him not only as an expert in parliamentary law, but as a student of treaties and of tariffs; and while the words of affection I have toward him come from my heart, they are words that one student might say about another in recognition of his ability and his diligence; but I disagree with him on the tariff. He believes in low tariffs. He has abundant historical, even party, authority for it.

Mr. President, why am I so much interested in copper tariff? Why my solicitude for copper tariffs? First, whether destiny is kind or unkind in building a State largely around a particular industry is for someone else to decide. Suffice it to say that, while Arizona has great lumbering interests, while she has great livestock and agricultural interests and possibilities, while her tourist trade is remarkably great, and her many dude ranches and her many places of majestic scenery attract persons, and while she produces all the precious, rare, and base metals, except oil and coal, she is engaged largely in the production of copper. Copper, directly or indirectly, pays about one-half of all the taxes paid in Arizona. Copper employs about one-half of all the persons employed in Arizona. I should be a poor representative of Arizona, if I did not have a solicitude and at least a friendly attitude toward the major industry of my own State.

I know how boresome and tiresome figures are; but let me, with the Senator's further kind permission, read some data about the copper industry in Arizona.

In round numbers, from the year 1874—the year of my birth—down to 1939, Arizona produced $2,816,000,000 worth of copper, and this sum of money was expended as follows: For wages and salaries, $938,000,000; for supplies and equipment, $586,000,000; for taxes, State and Federal, $251,000,000; for freight on copper, $157,000,000; for refining, $173,000,000; for selling, $34,000,000; for insurance and replacements, and so forth, $130,000,000; for dividends, $547,000,000. These are round numbers.

Making, as I said before, a total of $2,816,000,000 of copper which Arizona has produced since I first saluted the dawn.

Mr. President, during the year 1937—I have no figures available since the year 1937—in the copper mines of the United States there were employed 24,900 persons, and in the copper smelters, mills, plants, and auxiliary works there were employed 22,315 persons, making a total of 47,215. These 47,215 employed persons subsisted about half a million persons.

Mr. President, withdraw the excise tax, and many, if not most, of the copper mines and smelters in the West would fall into deliquescence, would fall into disrepair; they would be abandoned. The plumes of smoke that now pour forth from the smelters would no longer be in the sky. The flashes of light from the smelters would no longer illuminate the midnight sky. Thousands of persons who are now employed at good wages would tread the streets of the towns and the copper camps, asking for employment; the dust of the desert would cover and the reptilia of the desert would soon inhabit those copper towns that have been built around the copper camps. Towns noted for their beauty and order, towns in which have been built temples of religion, temples of art, and temples of industry, would be destroyed under a doctrine of free trade or low tariffs.

Mr. President, it would be discourteous and impolite for me to trespass further upon the time of the able Senator from Missouri; but I thank him for giving me this opportunity to say a word.

Mr. CLARK of Missouri. Mr. President, I am very glad to have the Senator from Arizona make remarks in any remarks I make whenever he so desires. I desire further to say that, much as I disagree with what I consider the very erroneous views of the Senator from Arizona on the tariff, so far as his service in this body is concerned the State of Arizona has honored itself as much as it has honored him by his repeated reelections.

It was not my purpose to enter into a debate as to these particular items; but, since the Senator has mentioned copper, I only desire to call his attention to the fact that the exportations of copper from this country—of course, we all recognize that copper is an export industry—increased from $16,065,000 in 1932 to $44,244,000 in 1936 and $79,492,000 in 1939.

I do not say that the reciprocal-trade agreements were entirely responsible for this increase; but I do call attention to the fact that the exportations of this great export commodity, copper, have multiplied under the Hull reciprocal trade agreements policy as against the exportations at the time of the beneficent Hawley-Smoot Tariff Act. I further direct attention to the fact that exports of copper to non-trade-agreement countries have increased only 53.1 percent as against 74.1 percent to trade-agreement countries. So, Mr. President, in any way we please to take it, the record is favorable to the trade agreements.

Furthermore, in the case of another one of the commodities subject to these excise taxes, against the eloquent testimony of the Senator from Arizona as to the benefits which have come to the United States and the various industries of the United States I set the testimony of a very able and distinguished man, Dr. Wilson Compton, the technical head and adviser of the lumber industry of the United States, who said in a letter on December 22, 1938, addressed to the Lumber Manufacturers' Association:

> It is a mathematical certainty that during the past 10 years the industry has lost in foreign markets a greater volume of trade than it has gained through protection in domestic markets.

Mr. President, on the question of what the RECORD shows as to the promises which were held out either at the time of the enactment of the original trade-agreements measure or at the time of the consideration in 1937 of its extension, I desire to conclude by reading part of the proceedings of June 4, 1937, when the Long amendment was offered and rejected by the Senate, because it seems to me the action of the Senate on this matter is absolutely conclusive.

After the remarks of the Senator from Arizona which I read a few moments ago the following occurred:

> Mr. HARRISON. Mr. President, there are only a few moments remaining before the time for voting. I desire to say to the Senator from Arizona that I have offered this amendment in order to help his contention. I shall gladly withdraw the proposal.
>
> Mr. ASHURST. The Senator will pardon me. I have only 3 minutes on this bill.
>
> Mr. HARRISON. If the Senator desires to have the amendment withdrawn, I shall be delighted to withdraw it.
>
> Mr. ASHURST. I desire to have any amendment withdrawn which precludes the President from raising the tariff on copper.

Then there was some colloquy between the then Senator from Delaware, Mr. Hastings, and the then Senator from Louisiana, Mr. Long, which resulted in the Senator from Louisiana reoffering the amendment for freezing the excise import duties upon the four commodities. I read further from the RECORD:

> The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Louisiana.
>
> Mr. ASHURST. Mr. President, I ask the yeas and nays on that amendment.
>
> Mr. LONG. Mr. President, I am willing to have a yea-and-nay vote on the amendment. I desire to be heard for a minute.
>
> Mr. ASHURST. Mr. President, will the Senator yield to me for a moment? I am willing to take my chances. I am willing to leave it to Franklin D. Roosevelt as to whether or not the tariff shall be increased.
>
> Mr. LONG. Mr. President, I refuse to yield.
>
> The VICE PRESIDENT. The Senator from Louisiana declines to yield.
>
> Mr. LONG. I have but 5 minutes, and the Senator from Arizona has already spoken for 5 minutes.

Mr. President, we were given to understand and we were assured that copper, oil, coal, and lumber would not be affected by this bill; and, as one of the Senators who had received this assurance——

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LONG. No; I will not yield, Mr. President. I have only 5 minutes.

Mr. CLARK. I should like to know what effect the assurance the Senator received had on him. He apparently is not going to vote for the bill, anyway.

Mr LONG. Mr. President, I do not know what effect it had, except that I took them at their word.

Mr. HARRISON. Mr. President, the Senator will recall that I withdrew the amendment.

Mr. LONG. I am not censuring the Senator from Mississippi. I am offering his amendment, which I presume he will support.

And which he did not support.

I believe he will.

Mr. President, we were told that these commodities would be protected because the tariffs we have on oil and lumber and coal and copper are very necessary.

I again call attention to the fact that the Senator from Louisiana, Mr. Long, with that frankness which was one of his great characteristics, did not attempt to call these excise duties, did not attempt to confuse them with internal-revenue taxes, but called them tariff duties. I continue the quotation:

Mr. President, we were told that these commodities would be protected because the tariffs we have on oil and lumber and coal and copper are very necessary. A number of Senators and I fought here many nights and many days to get tariffs on these items, and we want to protect them. We were assured that they would be protected. Today, as an example, notwithstanding the fact it is said we have an overproduction of oil in America, nonetheless we are importing into the country 260,000 barrels of oil a day. Notwithstanding all our lumber trouble and the cheapness of lumber, lumber is still being imported. We were told—and we believed—and I am sure Senators mean to stick by it, that we should have this tariff protection, and it would be disastrous to us if it were not given to us.

I ask for the yeas and nays, Mr. President.

Mr. President, I ask leave to have inserted in the RECORD at this point in my remarks the yea-and-nay vote in the Senate on June 4, 1934, on the Long amendment, the result being, yeas 29, nays 57, which I insist is the pronouncement of policy upon this question by the Senate.

The PRESIDING OFFICER (Mr. HERRING in the chair). Is there objection?

There being no objection, the yea-and-nay vote was ordered to be printed in the RECORD, as follows:

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. FESS (when his name was called). Repeating my statement made previously with reference to my pair, I withhold my vote.

Mr. LEWIS (when Mr. NEELY'S name was called). I am authorized to state that were the Senator from West Virginia [Mr. NEELY] present, he would vote "nay."

Mr. ROBINSON of Arkansas (when his name was called). Announcing the same pair and its transfer as on previous votes, I vote "nay."

Mr. STEPHENS (when his name was called). I repeat my former announcement as to my pair and transfer and vote "nay."

The roll call was concluded.

Mr. HEBERT. The senior Senator from Pennsylvania [Mr. Reed], if present, would vote "yea" on this question. He is paired with the Senator from California [Mr. McAdoo], as announced by the transfer of the pair of the Senator from Arkansas [Mr. Robinson].

Mr. OVERTON. I inquire if the senior Senator from Utah [Mr. KING] has voted?

The VICE PRESIDENT. That Senator is not recorded as having voted.

Mr. OVERTON. I am paired with that Senator, and in his absence withhold my vote.

Mr. LEWIS. I wish to announce that the senior Senator from Oklahoma [Mr. Gore] is detained on official business.

The result was announced—yeas 29, nays 57, as follows:

Yeas, 29: Austin, Barbour, Carey, Coolidge, Couzens, Cutting, Davis, Dickinson, Fletcher, Frazier, Gibson, Goldsborough, Hale, Hastings, Hatfield, Hebert, Johnson, Kean, Keyes, Long, McNary, Metcalf, Schall, Steiwer, Thomas of Oklahoma, Townsend, Vandenberg, Walcott, and White.

Nays, 57: Adams, Ashurst, Bachman, Bailey, Bankhead, Barkley, Black, Bone, Borah, Brown, Bulkley, Bulow, Byrd, Byrnes, Capper, Caraway, Clark, Connally, Copeland, Costigan, Dieterich, Dill, Duffy, Erickson, George, Harrison, Hatch, Hayden, La Follette, Lewis, Logan, Lonergan, McCarran, McGill, McKellar, Murphy, Norbeck, Norris, Nye, O'Mahoney, Patterson, Pittman, Pope, Reynolds, Robinson of Arkansas, Russell, Sheppard, Shipstead, Smith, Stephens, Thomas of Utah, Thompson, Tydings, Van Nuys, Wagner, Walsh, and Wheeler.

Not voting, 10: Fess, Glass, Gore, King, McAdoo, Neely, Overton, Reed, Robinson of Indiana, Trammell.

So Mr. Long's amendment was rejected.

Mr. CLARK of Missouri. Mr. President, I shall not detain the Senate by reading from the record the entire colloquy which took place on this subject in the Committee on Finance in 1937, but I do desire to insert in the RECORD at this point in my remarks certain quotations from the hearings before the Finance Committee on this subject on February 10, 11, 12, and 15, 1937, particularly colloquies between the Senator from Michigan [Mr. VANDENBERG], Assistant Secretary of State Sayre, and myself.

The PRESIDING OFFICER. Is there objection?

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

[From hearings before Committee on Finance, United States Senate, February 1940, pp. 34–40]

Senator VANDENBERG. Dr. Sayre, under what clause of the law which you invoke to reach into the internal taxes would you also consider that you had the power to reach into the excise taxes on oil and copper and such?

Dr. SAYRE. The particular taxes to which you refer on oil and copper, and so forth, if I remember correctly, are levied upon importations, and I believe that there is a specific provision in section 601 of the Revenue Act, which is the one to which I think you refer, that they shall be treated as import taxes. Under that provision the Trade Agreements Act does delegate to the President the power to affect those particular excise taxes, sir.

Senator VANDENBERG. Senator HARRISON made the statement on the floor of the Senate—I have it here somewhere—that specifically it was not the intention, either of the House or the Senate, to give you any power to deal with those excise taxes. Now, do you disagree with Senator HARRISON on that?

Mr. SAYRE. All I can do, sir, is to quote you the law. Under the law, you will remember, as I read a few moments ago, the President is authorized to proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods of existing customs or excise treatment of any article covered by foreign-trade agreements, as are required or are appropriate to carry out any foreign-trade agreement that the President has entered into hereunder. To that I would add the provision of section 601 of the revenue act which states that——

Senator VANDENBERG. At any rate, you interpret the situation which you are asking us to extend as giving you authority to reduce the excise taxes on oil, copper, and so forth?

Mr. SAYRE. To reduce, Senator, or to——

Senator VANDENBERG. To freeze?

Mr. SAYRE. To freeze; yes, sir. If I may read you the language of section 601, I think that is made clear.

The CHAIRMAN. What do you mean by "freezing," Doctor?

Mr. SAYRE. Continuing without raising.

Senator VANDENBERG. I hope the Senator from Texas heard this answer, that he thinks his authority is broad enough even to affect the excise taxes on oil, copper, and so forth.

Mr. SAYRE. Under the provisions of section 601.

Senator VANDENBERG. Yes.

Senator CONNALLY. I understood that.

Senator VANDENBERG. When it passed the Senate it was specifically stated by the Senator from Mississippi on the floor that that power did not exist under the law.

The CHAIRMAN. Have you got my statement there? I think I said it froze these propositions.

Senator VANDENBERG. No; your statement was a very gorgeous one—very conclusive.

Mr. SAYRE. Senator Vandenberg, these are, as you understand, under the language of section 601, treated as import taxes so that they could be frozen or they could be reduced.

Senator VANDENBERG. Senator Harrison asked me to read what he said——

The CHAIRMAN. I don't care anything about it, I will read it myself.

Senator VANDENBERG. I think I better read it now. On June 4, 1934, at page 10391 of the RECORD, the able chairman said:

"It will be noted that, so far as tariff rates are concerned, the President has the power to increase or lower them by 50 percent; but as to excise taxes, they may be continued. It was the intention of those who framed the legislation, and of the House in passing the bill, that they would be frozen; in other words, they might not be modified."

Is that your interpretation?

Mr. SAYRE. My interpretation is simply the reading of the law. I read you the provision in the Trade Agreements Act. I do not seem to have available here section 601 of the revenue act, but it contains a provision which directs that those particular excise taxes, which are levied on importations, shall be treated to all intents and purposes under the law as import taxes. As such, I presume they would be subject to either freezing or reduction under some trade agreement which might be made.

Senator VANDENBERG. Well, the importance to us is that you are now asking us to extend the power, and it is important to know which power you will contemplate using.

Senator CLARK. Dr. Sayre, let me understand this proposition correctly. I have been very much in sympathy with the reciprocal-trade agreements and feel that they have accomplished a great deal of good. But do I understand your proposition to be that in case of gasoline, let us say, on which we have levied an excise tax for years in this country—a nuisance tax, to be sure, but nevertheless an excellent revenue producer for the absolute necessities of the Government, and which this committee and the Congress have never found an opportunity to take off, although it is a burdensome tax by reason of the fact that the necessity for revenue is too desperate—do I understand that if the State Department was to happen to include gasoline in one of the reciprocal-trade agreements that that would automatically, if the State Department chose to do it, reduce or wipe out a tax that the Congress had been levying as an internal excise tax for its purposes?

Mr. SAYRE. No, sir. That is what I fear might be misunderstood from Senator VANDENBERG's question. There is no such power under the Trade Agreements Act.

Senator CLARK. I certainly did not understand that there was one when we passed the act.

Senator VANDENBERG. What power do you contemplate you have with respect to the internal tax on gasoline?

Mr. SAYRE. We have no power to do anything with respect to the internal tax on domestically produced gasoline. I come back to the language of the Trade Agreements Act, sir.

Senator CONNALLY. This is an excise tax on imported gasoline now.

Senator VANDENBERG. As I understand the Secretary, he says he has the power to deal with it.

Mr. SAYRE. I come back to the language of the act, which is that the President is authorized to proclaim such modifications of existing duties and other import restrictions—and this next is the language which concerns the matter—"or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements."

The CHAIRMAN. Dr. Sayre, since they brought my name into this discussion, for which I am sorry, it will be recalled that in the debate, as shown on page 10391 of the CONGRESSIONAL RECORD for 1934, there came up some questions about this, and I stated I was offering an amendment.

Senator VANDENBERG. That is right.

The CHAIRMAN. And that amendment sought to freeze these excise duties, in particular on lumber, I think it was, copper, oil, and coal. When I offered that I thought a certain gentleman of the Senate would be glad to receive it, but he made an objection, one of the Senators did, and I had to withdraw it. Afterward the Senator from Louisiana offered it and it was objected to. * * *

Senator VANDENBERG. And it has bound the hands of Congress in respect to internal taxation?

Mr. SAYRE. No; that is putting it too strongly, sir; not in regard to internal taxation; only with regard to these very peculiar excise taxes on imported products. * * *

* * * Congress has delegated to the President the power to reduce tariffs on certain commodities and to bind United States excise taxes with respect to those imported commodities during the life of the trade agreement, but that does not cover internal taxation as such. It covers only excise taxes on imports. It covers only what is included in the specific language of this act.

Senator VANDENEERG. But an excise tax is an import tax so far as the net result is concerned?

Mr. SAYRE. Yes; insofar as imported goods are concerned; such an excise is a form of duty. But when you say the trade agreements give to the President the power to bind internal taxation, that is not true, because these excise taxes are only a very minor part of our internal-tax structure.

Senator CLARK. In this illustration that I asked you about a moment ago, this gasoline tax which is on the books right now is an excise tax. By every theory of taxation, the only theory on which it is imposed is as an excise tax. The same is true of all these nuisance taxes, the tax on jewelry, the tax on furs that we have, all of them are excise taxes. They are so classified by every tax authority and every lawyer that I have ever heard make a classification.

Senator VANDENBERG. Would you say you had the power to agree with England that the internal tax on British cigarettes sold in this country could not be raised?

Mr. SAYRE. I would want to consult a good many lawyers before I answered a question like that, sir.

Senator VANDENBERG. I think, on the basis of the Brazilian precedent, your answer would be "yes."

Mr. SAYRE. I would want to consult a good many lawyers.

Senator VANDENBERG. Then we better consult a good many lawyers before we extend this act.

Mr. SAYRE. Remember, Senator—I come back again and again to this—that these excise taxes are very peculiar, that with a single exception there has been no binding of them apart from the trade agreements with Colombia, with Brazil, and with Cuba. In those trade agreements excise taxes on imported goods were bound only with respect to commodities largely tropical and not directly competitive with commodities in this country. * * *

Mr. CLARK of Missouri. Mr. President, in the Finance Committee hearings on House Joint Resolution 96 references were made by several witnesses to the matter of internal taxes, excise taxes, and related subjects under the trade-agreements program. The following witnesses commented on this phase: Mr. Holman, pages 296, 297, 298; Mr. Wheeler, pages 325, 326; and Mr. Loomis, pages 505, 506. The testimony of these gentlemen was directed, however, to the broad question of "binding the hands of Congress respecting internal taxes," and did not relate solely to the questionable authority of the President to modify the excise taxes on coal, oil, lumber, and copper.

When the joint resolution was being considered in executive session by the Finance Committee, the Senator from Michigan [Mr. VANDENBERG] offered the following amendment:

Provided, That after the enactment of this resolution no trade agreement shall include any provision in any way limiting the power of Congress over internal taxes.

This amendment was rejected in the committee by a vote of 13 to 5.

It might be pointed out that the report of the Finance Committee contains reference to the continuance of excise treatment under the original Reciprocal Trade Agreements Act, and it is naturally implied that the previous position taken by the Department is approved by the committee in its report.

Mr. ASHURST. Mr. President, lest what I said a moment ago might be construed as a reflection on Secretary Hull, will the Senator from Missouri yield to me to make a short statement regarding the Secretary of State?

Mr. CLARK of Missouri. I yield.

Mr. ASHURST. There is no man now alive for whom I have greater respect than the present Secretary of State, Mr. Hull. Indeed, I believe that his conduct of our foreign relations has been as able and as noble as that of any previous Secretary of State, and in many particulars shines like a beacon light on a dark and stormy ocean. The fact that I think he is wrong in his view as to these reciprocal-trade agreements, and that I believe they are baleful to our country, does not indicate that I have lessened in my affection and respect for Secretary Hull as a man. Indeed, it would be very dull to have to go through life and be required to agree with one merely because we were fond of him. At times we disagree with Senators although we may have great affection for them, and while I think that the Secretary of State is in error in his conclusions as to these trade treaties, and while I believe they will lead to no good to our country, and certainly no good to the Democratic Party, I should be lacking in fairness if I failed to say that I esteem the Secretary of State as a worthy man and high-minded official of great ability.

Moreover, Mr. President, I am not irritated because the able Senator from Missouri has adverted to the colloquy of 1934. It is legitimate debate. He would be derelict in the performance of his duty to present his case if he did not direct our attention to what occurred on the occasion to which he refers.

Mr. CLARK of Missouri. Let me say to the Senator, if I may, that I refer to that colloquy only for the purpose of establishing what the understanding and belief in the Senate were at that time.

Mr. ASHURST. I am so persuaded of the fairness and propriety of presenting the colloquy that I had intended to be in the Chamber at 12 o'clock today and to make a short speech referring to it myself, to show how much we may be mistaken in our estimates of men and measures. It seems odd when we reflect that I could have believed in 1934 that Franklin D. Roosevelt as President, and Secretary Hull as Secretary of State, would have increased the tariff. I believed that, and so did many other men whose processes of thought and avenues of information were more nearly accurate than my own.

I thank the Senator for yielding to me.

Mr. CLARK of Missouri. Mr. President, I desire to refer to just one or two remarks in the testimony which I have just obtained permission to have inserted in the RECORD, and to give a brief summary of the colloquy, because the question of the power and authority of the administration, of the President of the United States to change the taxes on these very four items was the subject of the debate. It was brought up

by the Senator from Michigan [Mr. VANDENBERG] who asked the direct question of the Assistant Secretary of State, Mr. Sayre, as to whether he considered that under the provisions of the act which was then sought to be extended the President had a right to interfere with excise taxes. Mr. Sayre explicitly replied that it was his construction and that of the State Department that under the provisions of the Reciprocal Trade Agreements Act, having in mind the provisions of section 601 of the Revenue Act of 1932, which specifically made those excise duties part of the Tariff Act of 1930, the President did have the right to change those excise duties. Then I asked the Assistant Secretary whether he meant to be understood by that answer as contending that the President or the State Department had the power to change domestic excise taxes, such as the tax on cigarettes, or the tax on beer or whisky, or the tax on gasoline or the so-called nuisance taxes, and the Assistant Secretary of State drew a clear and inescapable distinction between the two classes of excise taxes, one being so-called excise taxes on imports which, by the terms of section 601 of the Revenue Act of 1932, were specifically import duties, and the other being the ordinary internal-revenue taxes in this country, with which we have always been familiar. He contended that it was the opinion of the State Department that the first, that is, the import excise duties, were affected and subject to the provisions of the Reciprocal Trade Agreements Act, and that the others were not.

Every member of the committee understood that. I think every member of the Senate understood it, and when the measure came to the Senate floor the Senator from Michigan offered an amendment to the joint resolution extending the Reciprocal Trade Agreements Act not dealing with these four specific duties, but merely asserting that the President did not have authority to change excise taxes. I have forgotten what the vote was, but he got hardly enough votes to count, and did not even have a roll call on it. So the record, so far as any promises, or agreements, or understandings as to what was to be done on this matter are concerned, is not as my good friend the Senator from Nevada [Mr. MCCARRAN] understood it to be, from his statement this morning.

Mr. President, I insist that the action of the Senate itself on June 4, 1934, in voting down the Long amendment freezing these four excise taxes, is an indication that the Senate did not want to do what is proposed to be done now under the amendment pending before the Senate. I submit that there is no rhyme or reason or justification whatever for merely picking four items out of a thousand items in a tariff bill and saying, "These are sacred. We have to be sure that these particular items are to be sacred before we will let you enter on a broad policy of upbuilding the foreign trade of the United States, and promoting the domestic prosperity of the United States."

Mr. HARRISON rose.

Mr. McKELLAR. Mr. President, will the Senator yield to me to make some remarks?

Mr. HARRISON. I yield.

Mr. NORRIS (and other Senators). Vote! Vote!

Mr. HARRISON. I may suggest to the Senator from Nebraska and other Senators who suggest a vote, that some Senators had been assured that they could leave today, and that no vote would be taken today, because we have an agreement to limit debate tomorrow.

LOANS MADE UNDER RURAL ELECTRIFICATION ACT

Mr. McKELLAR. Mr. President, it will be remembered that week before last, in debate in the Senate on the agricultural appropriation bill, the Senator from Ohio [Mr. TAFT] took issue with respect to the accounting and the work done under the rural-electrification program, and said he had been unable to obtain information concerning that organization of the Government. He said particularly, as I recall, that he had been refused information concerning it; and at that time I promised to secure that information and present it to the Senate. I have that information, and I shall now present it. The Senator also said he had seen little or no evidence that the loans to be made under the Rural Electrification Act "are really good loans," and declared that we ought to have figures to support the contention that the R. E. A. loans are good loans. I agree that we should have; but I do not agree that such evidence is not available. There is plenty of evidence, and I shall present some of it as well as I can in a limited time.

I am profoundly interested in the rural-electrification program, both in my own State of Tennessee and in the Nation generally. The reasons are not far to seek. Countless farmers tell us—and I know it is true—that our Government has inaugurated few activities that have meant as much to the farm family—in the terms of increased comfort, shortened hours of labor, lightened drudgery, and in general a happier and worthier way of life—as the R. E. A. program. Because of the contribution R. E. A. has already made, and promises to continue to make, to the betterment of farm life—because of its fine social and human values—I want to see its work go on.

The achievement of R. E. A., now rounding out its fifth year of financing electric distribution systems to serve the farmers of the United States, is well known. I need do no more than summarize briefly the high points of its program. Since its establishment in May 1935, R. E. A. has allotted approximately $270,000,000 to 689 borrowers, designed to finance a quarter of a million miles of new rural electric lines and a few generating plants that will make service available to 850,000 farm families and other rural users. By the end of February 1940, 579 R. E. A. financed systems had been energized. These included 190,000 miles of lines, with 463,000 consumers already connected, and thousands more being added each month. In addition, the work of R. E. A. has acted as a powerful stimulus to the rural-development programs of private utility companies. In 1935, when rural electrification was practically at a standstill, power-company executives declared that rural lines were being extended as rapidly as was economically feasible. Yet since that date, and since the Rural Electrification Administration program got under way, the private utilities have extended electric service to nearly as many additional farms as they had undertaken to serve in the preceding quarter century. In the light of their lethargy earlier, I think it is only fair to credit R. E. A. with a large share in awakening the private companies to the opportunities of present-day rural electrification and in promoting the extension of service by R. E. A. borrowers and by the utilities, in less than 5 years, to nearly a million additional farms. For a more detailed account of the progress of rural electrification I call the Senate's attention to the statement inserted at page 4923 of the RECORD of March 21, by the Senator from Nebraska [Mr. NORRIS].

The Administrator of R. E. A., in his annual report for 1939, submitted to the Congress on February 16, pointed out in some detail the reasons why this unprecedented expansion of rural electric service has been possible. Under R. E. A. financing the cost of constructing a mile of rural line has been sharply cut, from an average of around $1,500 a mile to something like $750. Simplification of construction, adoption of assembly-line methods, building of comparatively large mileages under contracts let after competitive bidding—all these factors have contributed to the economy of R. E. A. construction. More important from the social point of view, R. E. A. has insisted on the fullest possible development of a given area, taking electric service to every farm that could possibly be served, in clear and telling contrast to the older practice of utility companies, which "skimmed the cream" by serving only the more prosperous farms and condemning the less well off to years of darkness and drudgery.

The question is often raised, "How is it possible for R. E. A. borrowers to extend electric service on a self-liquidating basis if private utilities cannot do so?" That question has been asked more than once. It was implied in some of the remarks made in the debate on the appropriation for R. E. A. here last Thursday. It is a fair question, and one which every

friend of rural electrification is glad to answer. One answer, I think, is the fact I have already cited—that since the establishment of R. E. A. the private utilities have come to realize that widespread rural electrification is economically feasible. No more convincing evidence is needed than the 600,000 farms to which they have extended service in the past 4 or 5 years. And yet, as Mr. Slattery's report shows, there is even more convincing evidence. Referring to the more favorable areas in which R. E. A. has financed new electric lines, Mr. Slattery states:

No further proof is required of the bright prospects of the R. E. A. systems serving these areas than the repeated unsuccessful attempts the utilities have since made to buy them out.

In the less favorable areas, as the annual report of R. E. A. further demonstrates, the combination of strict economy in construction with education for fuller and more productive use of the newly acquired electric power has produced a very healthy outlook for most of these systems. And with the growing sense of cooperation among the farmers served by these lines, and their increasing knowledge of the value of electricity when wisely and liberally used, the outlook seems to become steadily healthier.

The junior Senator from Ohio alluded on Thursday to what he considers a great dearth of specific information on the financial condition of these R. E. A. financed cooperatives. He seemed to think that no facts at all were available. On the contrary, we find that the hearings of the House Appropriations Committee contain considerable information on the payments and defaults of nearly 100 R. E. A. borrowers. The annual report of the Administrator—whose accuracy certainly I would never impugn—presents a series of facts that encourage my belief in the soundness of R. E. A. loans and R. E. A. In particular I should like to call attention to the following very pertinent statements appearing on pages 134–135 of the R. E. A. report:

NO CHARGE-OFFS OR LOSSES

Under the Rural Electrification Act, the Rural Electrification Administration advances 100 percent of the funds necessary not only for the building of the line but for other overhead incident to the construction loan—such items as engineering fees, legal fees, etc. Not a dollar of the loans, totaling over $176,000,000 advanced up to December 1, 1939, has been charged off by R. E. A. or transferred to an inactive account, although in financial experience generally such charge-offs are quite common. No losses have been experienced on any loans, and there have been no foreclosures.

DEFAULTED PAYMENTS

Twenty-seven installments of interest and principal on outstanding loans remained unpaid on June 30, 1939, and were thereby defaulted. The borrowers, however, are being granted extensions of time to pay interest and principal in accordance with section 12 of the Rural Electrification Act which authorizes the Administrator to extend the time of payment of principal or interest of loans for power systems for a period not in excess of 5 years. The payments allowed to become past due were in situations where the old 20-year-payment plan was in effect with its accelerated scale of payment. None of these situations is a result of impaired assets or operating conditions which cannot be remedied. In many instances the difficulty lay in the fact that circumstances beyond the control of the borrower, such as injunctions by private interests, had delayed construction or energization and the inflow of operating revenue. Some of the systems affected have since shown an accelerated growth. The total of such defaulted payments was $65,616.30.

On R. E. A.'s wiring and plumbing installation loan contracts, under which $2,114,315 had been advanced up to December 1, 1939, collections showed less than 1 percent delinquencies. No extensions of time have been granted on any of these loans. Furthermore, full interest and principal payments begin 6 months after the date of the note.

Especially encouraging is the fact that a number of R. E. A. borrowers have made substantial payments well ahead of the dates on which they were to fall due, as shown by the following section of the Annual Report (p. 133):

ELEVEN BORROWERS PAY IN ADVANCE

Indeed, some of the earlier established systems have shown up so well in point of revenues, that 11 of the cooperatives and other borrowers have made—or, in one instance, is about to make—substantial payments of interest and principal in advance. The Green River Rural Electric Cooperative Corporation of Owensboro, Ky., recently paid $6,000 to wipe out interest accumulated but not yet due and made an advance payment on principal of $10,000.

Similarly, the Inter-County Rural Electric Cooperative Corporation of Danville, Ky., has requested authority for payment of $6,000 for interest charges not yet due, and of $4,000 in advance on principal.

Eight other borrowers made interest and principal payments in advance, repaying obligations which will fall due on various dates in 1940 and 1941. These systems are: Illini Electric Cooperative, of Champaign, Ill.; the Jackson County Rural Electric Membership Corporation, of Brownstown, Ind.; the Amana Society Service Co., of Amana, Iowa; the Maquoketa Valley Rural Electric Cooperative, of Anamosa, Iowa; the Benton County Electric Cooperative Association, of Vinton, Iowa; the Salt River Rural Electric Cooperative Corporation, of Bardstown, Ky.; the Pitt & Greene Electric Membership Corporation, of Farmville, N. C.; and the Duck River Electric Membership Corporation, of Shelbyville, Tenn.

Another such borrower is the Anoka County Cooperative Light & Power Association, of Anoka, Minn., whose system did not go into operation until March 1938. In May 1939, little more than a year after it began serving its farmer members, it found itself with a substantial amount of cash in the bank from the excess of revenues over operating costs. The only payment falling due on its loan was one of about $1,000 for interest on June 1. On its own motion, the cooperative paid to R. E. A. all interest which had accrued but would not become due for some time, amounting to approximately $6,000.

A few weeks later a tornado hit the cooperative's system at the one spot where it could do the most damage; it utterly demolished the substation. The cooperative still had sufficient resources to restore service and complete repairs.

The total of the advance payments made or about to be made by the 11 borrowers mentioned is $79,594.70.

I believe that most people will agree with me that those statements contain a good deal of specific information, and that the disclosures of defaulted payments reveal considerably more frankness than the Senator from Ohio has been willing to attribute to R. E. A. Furthermore, when I asked the Administrator whether he could bring those two figures, the figures on advance payments and on defaults, a little more up to date, he was good enough to provide me with figures for January 1, 1940. By that date advance payments of interest and principal made out of operating revenues amounted to $140,643. I ask whether that is not an excellent showing, particularly when we remember, as the Senator from Nebraska pointed out in the debate a few days ago, that all rural electric enterprises, whether public, private, or cooperative, require a period of growth of perhaps 5 years before they attain their full development. Not one of the systems financed by R. E. A. has been energized for so long a time.

Installments in arrears on January 1, 1940, totaled $56,765. In explanation of this figure, Mr. Slattery tells me that it represents current delinquencies; that is, payments now overdue according to the requirements of loan contracts now in effect. The reduction over the earlier figure is accounted for by rescheduling of the terms of payment, a subject to which I shall return later. Here I wish simply to point out that the early administration of R. E. A. set terms for the beginning of payment of interest and principal on a very rigorous basis. This was done with the intent of extension in particular instances according to particular circumstances, such as delays in construction and energization, and therefore the earning of income, beyond the control of a borrower.

From time to time we hear demands from various quarters that these new and still developing cooperative associations submit, for public inspection, detailed reports of their operations. Some of them have done so. Other cooperatives have been more cautious. R. E. A. has been cautious too, since it is a fair question just how far the agency should go in revealing detailed figures on the cooperatives it has financed. A banker would ordinarily consider it his duty to inform himself of operations in appraising the soundness of a loan; but he would certainly not consider it his privilege to disclose confidential business reports. R. E. A. is in much the same position. Moreover, when we trace the origin of some of these demands for information, that caution seems only the part of wisdom. Within the past 2 months an editorial demanding such reports was circulated widely in many States. Some cooperative officials, recognizing in its vituperative tone another hand than that of the local editor, took the trouble to find out the source of the editorial. Their investigations established that it was the work of the Hofer syndicate, of

Portland, Oreg., a so-called news service which, the Federal Trade Commission hearings several years ago disclosed, had collected $84,820 a year from various utilities and a like amount from other industrial concerns. Of course, in sending out the editorial the Hofer firm did not inform local editors that it had ever received such subsidies.

I am told, too, that these cooperatives frequently receive questionnaires from other agencies which are closely associated with, or sponsored by, private utility interests. These questionnaires attempt to probe deeply into figures on such points as number of members connected, amount of energy purchased at wholesale and sold at retail, rates, revenues, and related items. Since the cooperatives are still in an early developmental stage, it is perfectly natural that their showing would be less favorable than it would be after they had been in operation for a reasonable period. Every figure is, therefore, a weapon to be turned against them, and I can, therefore, see very clearly, and I believe that every true friend of rural electrification can see, that the publication of these figures at this time might in certain instances have a very unfortunate effect on the R. E. A. cooperatives. Of course, the Congress, which has the responsibility for authorizing these loans, has the right and, indeed, the duty to satisfy itself as to their soundness and the outlook for their repayment. But we can—and should—do so without exposing these young cooperatives to the hostile attacks of those who would like to scuttle this program.

The Senator from Ohio asserted on the floor of the Senate last Thursday that the R. E. A. financed cooperatives "have not earned the interest" on their loans from the Government. This seemed without foundation, and I asked Mr. Slattery, the Administrator of R. E. A., to give me some figures on it. He has given me a statement which I should like to have inserted in the RECORD as a part of my remarks. It shows that of the energized systems financed by R. E. A., 280 had, by February 29, 1940, made payments of interest and principal out of operating revenues. With reference to these payments from revenues, I wish to call attention to one of the provisions of many of the loan contracts covering this R. E. A. financing. Under this provision payments are not required until 30 months after the loan contract is executed. This fact in substantial part accounts for the difference between the number of systems energized—579—and the number appearing in this table—280—as making payments out of revenues.

Of course, the deferring of payments for 30 months does not wholly account for the difference. Some of the R. E. A. financed cooperatives have very small revenues as yet, and have had to meet their early interest payments out of loan funds, as so many new enterprises do. Some few are in default, as I have pointed out. That fact, as I have already shown, was candidly revealed in the 1939 annual report. The report also reveals at least one very significant reason for many of these defaults. On the earlier loans, a 20-year maximum repayment period was provided for in the loan contracts, with payments of interest scheduled to begin long before anything approaching full development of the systems could possibly have taken place. The Rural Electrification Act of 1936 was drawn with a clear recognition of the need for a development period, and authorized the substitution of the 25-year maximum period of repayment. On a number of these loans, therefore, the extension has been granted, and where it appears desirable a rescheduling to the longer term is now in process for other loans. All revisions that have been made have been kept within the terms of the 25-year schedule, while on many other loans the 20-year terms have been retained, even though they appear generally less appropriate, simply because there has been no need, thus far at least, to change them.

The Senator from Ohio also remarked last Thursday that if we could produce evidence that a single rural electric cooperative has earned the interest on its indebtedness, he thought it should be inserted in the RECORD. After a brief discussion of some figures I have obtained from R. E. A., I shall be happy to comply with his request.

Now about Tennessee. Naturally, I am most keenly interested in the progress of the R. E. A. financed cooperatives in my own State, which lies in the T. V. A. area. It is, of course, true that these cooperatives enjoy the benefit of the unusually low T. V. A. rates for wholesale power. But, let us remember that their retail rates are correspondingly low, and that, moreover, they are operating in rural areas where the average of farm income is low. I have looked into the financial condition of the projects in Tennessee and I find it very encouraging indeed. In December 1939 there were 13 projects in operation in my State, with 34,720 consumers actually taking service. The gross revenue of these 13 systems for that month was $131,784. Their operating expenses, including the cost of purchased power, taxes, and depreciation, came to $95,610. This leaves an earned net revenue of $36,174 to cover current interest expenses of $14,433, and means that for the group as a whole interest expenses were earned two and a third times. Up to December 31, 1939, these Tennessee projects had made, out of revenue, interest and principal payments to R. E. A. totaling $84,339. Needless to say, some of them are doing better than others. One of them has made no such payments at all. On the other hand, a majority of them have made substantial payments from their operating revenues. The Southwest Tennessee Electric Cooperative, for example, had paid from revenues a total of $21,609 up to December 13, 1939, while close behind came the Volunteer Electric Cooperative, with $19,928. Or, looking at the question from another point of view, the Southwest Tennessee Electric Cooperative had an interest expense for December 1939 of $1,447, while its net operating revenue, available to meet these interest requirements, was $3,444, or two and one-third times as great. The Volunteer Cooperatives makes an even more favorable showing, with $1,184 of interest expense and $4,654, or four times the interest requirement, as net operating revenue. Certainly these figures do not lead me to conclude, as the Senator from Ohio has asserted, that it is doubtful that we shall ever get back more than one-half of what we actually advance to these R. E. A. projects. On the contrary, the figures seem to indicate that by and large these R. E. A. loans will be, as they are intended to be, self-liquidating.

In Tennessee we have a large rural population scattered among our 95 counties. Lines financed by R. E. A. are already energized in sections of 36 of Tennessee's counties, and are in progress in 16 others. I look forward to the time when farm families in every county in Tennessee will have the advantages of low-cost T. V. A. electricity through their own R. E. A. financed cooperatives. The number of Tennessee farms with central-station electric service has tripled since December 1934, and yet nearly 90 percent of Tennessee's 288,000 farms are without service. In the eastern half of the State the need for rural electrification is especially acute. There hundreds of thousands of hard-working, self-reliant men, women, and children on the upland farms are still chained to primitive hardship and toil. Their sinew and their backbone have toughened the sinew and backbone of America; yet America, in her progress, has until now largely passed them by. Electric power, in Tennessee as in every other State in the Union, can do much to bring our farm people abreast of modern life. It is our responsibility, through forwarding the R. E. A. program, to see that it does.

I am proud of the progress Tennessee has made in this field and hope the time may soon come when every county and every farm will have rural electrification.

Mr. President, I ask unanimous consent that the tables and other material presented in connection with this matter may be printed in the RECORD at this point, as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement for December 1939 of six Rural Electrification Administration financed projects in Tennessee

Name of borrower	Number of consumers	Residential average kilowatt-hour	Gross revenue	Operating expenses [1]	Net revenue [2]	Current interest expense	Times interest earned	Interest and principal paid to Rural Electrification Administration from revenue to Dec. 31, 1939
Tenn. 1. Volunteer Electric Cooperative	3,374	84.2	$14,909	$10,255	$4,654	$1,184	3.93	$19,928
Tenn. 16. Southwest Tennessee Electric Cooperative	2,674	115.7	11,673	8,229	3,444	1,447	2.38	21,609
Tenn. 19. Middle Tennessee Electric Cooperative	4,226	95.7	14,904	10,961	3,943	1,813	2.17	10,960
Tenn. 20. Gibson County Electric Cooperative	4,949	91.9	20,550	12,454	8,096	2,229	3.63	3,269
Tenn. 21. Duck River Electric Membership Cooperative	6,047	88.8	28,657	21,230	7,427	3,195	2.32	16,910
Tenn. 23. Town of Dickson	1,167	70.5	3,892	2,478	1,414	374	3.78	2,542
Total	22,437		94,585	65,607	28,978	10,242	2.83	75,218

[1] This item covers all operating costs including purchased power, taxes, and depreciation.
[2] Available for interest and principal repayments.

Rural Electrification Administration, U. S. Department of Agriculture—Report of payments made by borrowers from revenues as of Feb. 29, 1940

	Interest	Principal
ALABAMA		
9. Clarke Washington Electric Membership Corporation	$1,804.53	
18. Cullman County Electric Membership Corporation	6,545.58	$7,721.72
20. Baldwin County Electric Membership Corporation	3,632.23	2,211.82
21. Cherokee County Electric Membership Corporation	1,727.91	
23. South Alabama Electric Membership Corporation	9,332.01	1,364.67
ARIZONA		
2. Stonewall Electric Co	525.79	
4. San Carlos Irrigation and Drainage District	5,137.29	15,859.94
ARKANSAS		
10. First Electric Cooperative Corporation	1,220.45	1,878.13
11. Farmers Electric Cooperative Corporation	819.21	
13. Arkansas Valley Electric Cooperative Corporation	482.31	
14. Arkansas Power & Light Co	12,871.45	5,000.00
15. Woodruff Electric Cooperative Corporation	910.74	
CALIFORNIA		
1. Imperial Irrigation District	25,495.66	
6. Surprise Valley Electrification Corporation	2,454.30	
COLORADO		
7. Grand Valley Rural Power Lines, Inc	2,880.99	
14. San Luis Valley Rural Electric Cooperative, Inc	4,604.91	
15. Morgan County Rural Electric Association	1,745.31	
21. Stonewall Electric Co	268.02	
DELAWARE		
2. The Delaware Rural Electric Association	12,434.87	
FLORIDA		
7. Florida Power Corporation	13,189.71	30,302.65
12. Florida Public Service	1,783.43	6,381.60
GEORGIA		
2. The Crisp Farmers Cooperative Corporation	4,881.70	3,638.33
7. North Georgia Electric Membership Corporation	26,704.78	13,900.49
8. The Rayle Electric Membership Corporation	807.15	124.42
16. Georgia Power & Light Co	7,944.96	20,115.76
17. The Planters Electric Membership Corporation	4,811.23	
20. Troup County Electric Membership Corporation	5,737.58	11.12
22. The Colquitt County Rural Electric Co	16,684.30	
31. Upson County Electric Membership Corporation	2,156.79	
34. The Carroll Electric Membership Corporation	5,376.42	8,337.85
35. The Walton Electrical Association	5,268.84	6,342.33
37. Douglas County Electric Membership Corporation	4,395.25	5,868.94
42. The Altamaha Electric Membership Corporation	6,413.80	4,263.31
51. Snapping Shoals Power & Light Co	4,448.90	3,695.38
58. The Central Georgia Electric Membership Corporation	5,487.58	765.30
65. Irwin County Electric Membership Corporation	8,202.22	5,969.50
66. Taylor County Electric Membership Corporation	3,976.30	566.35
67. The Satilla Rural Electric Membership Corporation	3,196.26	4,705.45
IDAHO		
4, 6. North Idaho Rural Electric Rehabilitation Association, Inc	11,475.28	468.07
10. Clearwater Valley Light & Power Association, Inc	1,135.12	1,822.44
ILLINOIS		
2. Wayne-White Counties Electric Cooperative	6,894.99	
4. Suburban Electric Corporation	4,977.62	76,948.21

Rural Electrification Administration, U. S. Department of Agriculture—Report of payments made by borrowers from revenues as of Feb. 29, 1940—Continued

	Interest	Principal
ILLINOIS—continued		
7. Farmers Mutual Electric Co	$3,430.41	$2,473.52
18. Illinois Rural Electric Co	7,133.33	
21. Menard Electric Cooperative	7,481.42	10,984.36
23. Rural Electric Convenience Cooperative Co	13,850.49	14,832.50
26. Eastern Illinois Power Cooperative	15,076.25	3,385.61
28. Illinois Electric Cooperative	2,796.11	
INDIANA		
1. Utilities District of Western Indiana Rural Electric Membership Corporation	1,441.71	2,328.24
6. Boone County Rural Electric Membership Corporation	35,408.24	39,502.60
7. Whitley County Rural Electric Membership Corporation	19,347.57	24,456.07
8. Wabash County Rural Electric Membership Corporation	7,247.82	11,438.68
9. Marshall County Rural Electric Membership Corporation	1,252.83	2,022.82
14. Shelby County Rural Electric Membership Corporation	28,927.64	
16. Henry County Rural Electric Membership Corporation	24,637.19	11,116.92
18. Rush County Rural Electric Membership Corporation	7,026.61	635.69
21. Bartholomew County Rural Electric Membership Corporation	4,017.34	
24. Carroll County Rural Electric Membership Corporation	9,439.98	14,855.98
32. Hancock County Rural Electric Membership Corporation	8,425.75	2,184.14
33. Hendricks County Rural Electric Membership Corporation	18,575.54	16,388.65
38. Johnson County Rural Electric Membership Corporation	13,892.50	4,019.25
59. Wayne County Rural Electric Membership Corporation	531.45	814.62
74. Huntington County Rural Electric Membership Corporation	14,881.55	24,638.72
80. Noble County Rural Electric Membership Corporation	531.96	845.00
92. Jackson County Rural Electric Membership Corporation	8,938.35	
101. Central Indiana Power Co	3,942.66	
IOWA		
5. Glidden Rural Electric Cooperative	1,167.42	
6. Central Iowa Power Co	543.60	1,604.89
9. Eastern Iowa Light & Power Cooperative	14,527.03	22,971.73
11. Gowrie Rural Electric Cooperative Association	1,473.70	1,417.17
12. Amana Society Service Co	2,370.21	5,410.46
14. Humboldt County Rural Electric Cooperative	2,546.39	
15. Harrison County Rural Electric Cooperative	1,747.66	
16. Monona County Rural Electric Cooperative	7,051.20	
18. Boone Valley Electric Cooperative	3,458.18	3,271.19
19. Adams County Cooperative Electric Co	2,151.95	1,096.76
23. The South Crawford Rural Electric Cooperative	2,376.67	
26. Shelby County Rural Electric Cooperative	5,301.30	
27. Buena Vista County Rural Electric Cooperative	2,745.55	1,535.71
30. Franklin Rural Electric Cooperative	10,044.85	
31. Grundy County Rural Electric Cooperative	3,151.01	3,972.29
32. Butler County Rural Electric Cooperative	709.48	1,109.16
33. The Calhoun County Electric Cooperative Association	9,187.26	
34. Maquoketa Valley Rural Electric Cooperative	5,204.76	3,508.60
36. Wright County Rural Electric Cooperative	5,071.72	5,639.86
38. Pocahontas County Rural Electric Cooperative	2,142.60	1,058.01
39. Benton County Electric Cooperative Association	15,162.21	2,036.95
40. Pella Cooperative Electric Association	3,053.67	
43. Greene County Rural Electric Cooperative	688.77	1,112.02
45. City of Maquoketa	3,089.70	
47. Federated Cooperative Power Association	1,634.87	7,235.49
48. Central Electric Federated Cooperative Association	1,703.70	2,745.44
49. Hardin County Rural Electric Cooperative	3,259.36	1,126.17

Rural Electrification Administration, U. S. Department of Agriculture—Report of payments made by borrowers from revenues as of Feb. 29, 1940—Continued

	Interest	Principal
KANSAS		
3. The Utility Service Co	$80.71	$129.58
7. The Jewell-Mitchell Cooperative Electric Co., Inc	3,979.80	
13. The Brown-Atchison Electric Cooperative Association, Inc	3,178.26	378.81
15. The D. S. & O. Rural Electric Cooperative Association, Inc	609.46	978.49
KENTUCKY		
1. Kentucky Rural Electrification Co	3,684.53	3,442.33
14. Henderson County Rural Electrification Association	5,856.96	416.41
18. Meade County Rural Electric Cooperative Corporation	636.73	1,024.84
20. Jackson Purchase Rural Electric Cooperative Corporation	678.20	1,092.14
21. Salt River Rural Electric Cooperative Corporation	17,394.26	3,437.16
23. Taylor County Rural Electric Cooperative	698.92	
27. Inter-County Rural Electric Cooperative Corporation	6,497.15	
30. Shelby Rural Electric Cooperative Corporation	481.60	770.16
33. Green River Rural Electric Cooperative Corporation	13,439.27	10,667.85
37. Owen County Rural Electric Cooperative Corporation	630.05	1,014.45
52. Fleming-Mason Rural Electric Cooperative Corporation	1,327.97	1,656.66
MARYLAND		
4. Southern Maryland Tri-County Cooperative Association	5,696.15	1,224.41
MICHIGAN		
5. Southeastern Michigan Rural Electric Cooperative, Inc	1,202.75	
28. Presque Isle County Electric Cooperative Association	1,437.62	2,255.14
37. Thumb Electric Cooperative of Michigan	13,136.45	
38. Fruit Belt Electric Cooperative	603.58	971.94
MINNESOTA		
1. P. I. C. K. Cooperative Electric Association	3,801.79	6,052.07
3. Meeker Cooperative Light & Power Association	1,976.90	13,583.10
4. The Cooperative Light & Power Association of Lake County	6,868.66	
9. Goodhue County Cooperative Electric Association	8,630.18	13,532.90
10. Carlton County Cooperative Power Association	3,600.22	2,696.84
15. Wells Electric Association	3,964.69	3,066.67
18. Douglas County Cooperative Light & Power Association	9,205.07	3,959.16
25. McLeod Cooperative Power Association	26,565.25	16,718.58
32. Tri-County Electric Cooperative	4,537.32	1,834.38
35. Brown County Rural Electric Association	8,506.96	5,400.66
37. Federated Rural Electric Association	7,758.09	11,303.07
48. Anoka County Cooperative Light & Power Association	3,508.54	5,836.56
53. Steele Waseca Cooperative Electric	13,935.24	1,625.15
54. Faribault County Cooperative Electric Association	3,501.30	5,339.96
55. South Central Electric Association	7,142.14	6,796.90
56. Crow Wing Cooperative Power & Light Co	1,116.06	
60. Central Minnesota Cooperative Power Association of Redwood County	774.83	1,198.77
61. Freeborn-Mower Cooperative Light & Power Association	6,913.17	7,693.36
62. Wright-Hennepin Cooperative Electric Association	1,101.26	1,676.13
63. The Minnesota Valley Electric Cooperative	2,752.57	4,199.58
65. The Dakota County Electric Cooperative	1,411.75	3,042.47
66. Nobles Cooperative Electric	8,592.03	7,836.66
81. Mille Sasc Region Cooperative Power & Light Association	3,857.20	2,926.33
MISSISSIPPI		
1. The Monroe County Electric Power Association	8,433.77	9,000.00
19. The City of Holly Springs	3,406.40	1,000.00
20. Yazoo Valley Electric Power Association	6,077.22	
21. Coahoma Electric Power Association	2,154.99	4,143.84
22. Central Electric Power Association	779.73	1,257.07
23. Southwest Mississippi Electric Power Association	490.68	787.89
24. North East Mississippi Electric Power Association	721.55	1,165.24
28. Coast Electric Power Association	419.17	674.80
29. Four-County Electric Power Association	605.95	
50. Natchez Trace Electric Power Association	776.53	
MISSOURI		
18. Intercounty Electric Cooperative Association	2,900.21	1,576.45
19. Boone County Cooperative Electric Association	845.71	1,367.37
20. Missouri Rural Electric Cooperative Association	16,753.10	
22. Howard County Electric Cooperative Association	882.33	
23. Lewis County Rural Electric Cooperative Association	3,811.03	
24. Callaway County Electrical Cooperative Association	1,452.28	
26. Ralls County Electric Cooperative Association	2,238.15	
27. Northwest Missouri Electric Cooperative	2,343.72	
25. Missouri General Utilities Co	2,804.52	4,945.56

Rural Electrification Administration, U. S. Department of Agriculture—Report of payments made by borrowers from revenues as of Feb. 29, 1940—Continued

	Interest	Principal
MONTANA		
1. Ravalli County Electric Cooperative, Inc	$5,050.51	$1,415.82
2. Sun River Electric Cooperative, Inc	725.58	1,166.82
5. Lower Yellowstone Rural Electric Association	735.33	1,186.65
9. Yellowstone Valley Electric Cooperative, Inc	1,900.88	1,690.45
10. Vigilante Electric Cooperative, Inc	362.69	584.70
11. Sanders Electric Cooperative, Inc	828.50	
12. Missoula Electric Cooperative Inc	528.73	852.41
NEBRASKA		
1. Roosevelt Rural Public Power District	1,357.05	
2. Gering Valley Rural Public Power District	3,534.16	
3. Chimney Rock Public Power District	564.49	906.62
5. Southern Nebraska Rural Public Power District	932.55	
7. Southeastern Nebraska Rural Public Power District	29,709.12	20,490.55
24. Lancaster County Rural Public Power District	12,666.99	
44. Eastern Nebraska Rural Public Power District	24,298.80	694.26
51. Burt County Rural Public Power District	9,314.45	1,023.09
54. Cuming County Rural Public Power District	1,187.12	
NEW JERSEY		
4. Tri-County Rural Electric Co., Inc	3,591.38	837.96
6. Sussex Rural Electric Cooperative	4,740.22	1,963.17
NEW YORK		
18. New York State Gas & Electric Corporation	16,385.31	12,820.52
NORTH CAROLINA		
3. Wilson County Electric Membership Corporation	9,066.92	9,638.01
9. Tide Water Power Co	9,019.76	18,717.10
14. Pitt & Greene Electric Membership Corporation	1,565.39	
15. Johnston County Electric Membership Corporation	226.94	8,000.00
16. Edgecombe Martin County Electric Membership Corporation	1,778.09	2,037.91
23. Caldwell Mutual Corporation	10,027.43	8,315.03
25. Rutherford Rural Electric Mutual Association, Inc	150.56	241.73
27. Ocracoke Power & Light Co	658.39	3,098.00
29. Pamlico Ice & Light Co	545.89	
41. City of Greenville	190.60	
NORTH DAKOTA		
8. Baker Electric Cooperative, Inc	415.50	729.60
11. Cass County Electric Cooperative, Inc	1,986.64	3,321.26
OHIO		
1. Pioneer Rural Electric Cooperative, Inc	36,259.80	
24. Delaware Rural Electric Cooperative, Inc	6,127.49	9,740.24
29. Inter-County Rural Electric Cooperative, Inc	4,803.12	
30A. Marion Rural Electric Cooperative, Inc	6,310.44	846.49
31. Holmes Rural Electric Cooperative, Inc	29,389.35	11,010.02
33. Midwest Electric, Inc	3,737.01	5,917.77
41. Licking-Rural Electrification, Inc	1,078.56	1,659.64
42. Darke Rural Electric Cooperative, Inc	1,966.14	
50. Union Rural Electric Cooperative, Inc	8,828.39	
55. Tuscarawas-Coshocton Electric Cooperative, Inc	1,350.92	1,955.24
56. Lorain-Medina Rural Electric Cooperative, Inc	30,220.62	9,793.34
59. Morrow Rural Electric Cooperative, Inc	2,251.84	3,618.11
60. North Central Electric Cooperative, Inc	1,918.92	2,852.88
65. South Central Rural Electric Cooperative, Inc	767.06	1,234.48
68A. Tri-County Rural Electric Cooperative, Inc	396.77	
71. Logan County Cooperative, Power & Light Association, Inc	7,278.93	793.43
74. Butler Rural Electric Cooperative, Inc	4,327.39	
75. North Western Electric Cooperative, Inc	3,012.01	
OKLAHOMA		
1. Cimarron Electric Cooperative	2,796.44	4,226.63
2. Kay City Electric Cooperative	3,647.94	3,370.44
6. Caddo Electric Cooperative	1,272.01	1,970.75
8. Earl W. Baker Utilities Co	4,463.36	9,605.35
10. Oklahoma Electric Cooperative	1,859.35	2,996.88
12. Alfalfa Electric Cooperative, Inc	4,443.69	2,300.39
14. Red River Valley Rural Electric Association	889.17	
OREGON		
2, 2G. Blachly-Lane County Cooperative Electric Association	783.03	
5. Nehalem Valley Cooperative Electric Association	1,193.63	
14. Umatilla Electric Cooperative Association	312.07	
PENNSYLVANIA		
4. Northwestern Rural Electric Cooperative Association	15,638.57	
6. Southwest Central Rural Electric Cooperative Corporation	3,814.86	6,213.81
12. Sullivan County Rural Electric Cooperative Inc	2,146.58	
13. Tri-County Rural Electric Cooperative Association	10,744.00	14,127.85
14. The Central Rural Electric Cooperative Association, Inc	7,017.07	11,069.79
15. Claverack Electric Cooperative, Inc	6,217.41	9,124.46

Rural Electrification Administration, U. S. Department of Agriculture—Report of payments made by borrowers from revenues as of Feb. 29, 1940—Continued

	Interest	Principal
SOUTH CAROLINA		
1, 9. State Rural Electrification Authority	$30,226.84	$61,035.64
13. Greenwood City, S. C	9,441.48	7,000.00
SOUTH DAKOTA		
3. Clay-Union Electric Corporation	1,201.58	1,565.77
6. Union County Rural Power Co	704.83	1,132.51
7. Lincoln Union Electric Co	1,098.27	
TENNESSEE		
1. Volunteer Electric Cooperative	12,370.67	5,361.86
9. Tri-County Electric Membership Corporation	2,805.02	900.21
16. Southwest Tennessee Electric Membership Corporation	13,072.22	12,313.92
19. Middle Tennessee Electric Membership Corporation	16,279.11	273.12
20. Gibson County Electric Membership Corporation	1,998.68	2,904.58
21. Duck River Electric Membership Corporation	16,775.49	
22. Mayor and Alderman of Milan, Tenn	1,810.83	
23. Town of Dickson	2,542.19	
24. Cumberland Electric Membership Corporation	1,723.39	
25. Upper Cumberland Electric Membership Corporation	3,947.73	
31. Pickwick Electric Membership Corporation	3,768.58	
32. Meriwether Lewis Electric Cooperative	2,743.61	
TEXAS		
7. Bartlett Community Light & Power Co	3,927.51	5,610.06
21. Belfalls Electric Cooperative, Inc	18,006.86	
33. City of Bryan, Tex	12,140.83	
38. Hill County Electric Cooperative, Inc	2,154.95	3,478.11
39. Farmers Electric Cooperative, Inc	1,021.11	
41. Panola-Harrison Power Co	4,646.12	3,172.89
44. Hunt-Collin Electric Cooperative	1,057.37	1,698.92
45. Limestone County Electric Cooperative, Inc	1,762.30	2,825.30
46. Farmers Electric Cooperative, Inc	8,414.24	
47. Deaf Smith County Electric Cooperative, Inc	935.16	
49. Denton County Electric Cooperative, Inc	3,257.38	5,226.62
9074. City of Seymour	1,740.96	
VIRGINIA		
2. Craig-Botetourt Electric Cooperative	4,505.20	7,091.31
11. Shenandoah Valley Electric Cooperative	12,920.54	18,746.60
18. Tidewater Electric Service Co	3,755.83	17,203.75
20. The Bull Run Power Co	4,365.59	4,674.77
22. Virginia Electric Cooperative	22,127.79	23,430.03
27. Southside Electric Co	2,737.37	4,527.50
WASHINGTON		
8. Benton Rural Electric Association	216.88	
9. Orcas Power & Light Co	210.22	337.50
18. Inland Empire Rural Electrification, Inc	3,293.77	5,309.47
WEST VIRGINIA		
10. Harrison Rural Electrification Association, Inc	501.95	
WISCONSIN		
14. Oconto Electric Cooperative	10,621.05	
16. Head of Lakes Cooperative Electric Association	6,738.06	4,851.55
19. Chippewa Valley Electric Cooperative	1,240.19	1,705.52
21. Taylor County Electric Cooperative	3,002.12	
25. Oakdale Cooperative Electrical Association	4,548.68	3,507.39
27. Buffalo Electric Cooperative	3,747.97	
29. Clark Electric Cooperative	10,551.22	9,804.02
31. Columbus Rural Electric Cooperative	15,879.79	897.00
32. Pierce-Pepin Electric Cooperative	7,188.32	10,502.81
35. Richland Cooperative Electric Association	13,079.70	18,197.12
37. Trempealeau Electric Cooperative	13,300.18	18,453.52
38. Rock County Electric Cooperative Association	18,827.42	4,618.48
40. Barron County Electric Cooperative	5,385.12	
41. Vernon Electric Cooperative	9,788.64	15,753.60
45. Wisconsin Power Cooperative	366.65	588.65
WYOMING		
5. Big Horn Rural Electric Co	935.56	636.06
6. Wyrulec Co	1,313.81	1,973.75
10. Wheatland Rural Electric Association	2,064.43	717.61
11. Lower Valley Power & Light, Inc	1,007.84	1,605.98
12. Garland Light & Power Co	1,239.76	370.99
13. Washakie Rural Electric Co	361.09	582.87
Total	1,638,519.93	1,168,483.95

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HERRING in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nomination of James Earl Evans to be postmaster at Carrollton, Mo., in place of Lee Dickson.

Mr. CONNALLY, from the Committee on the Judiciary, reported favorably the nomination of William M. Lindsay, of Kansas, to be United States marshal for the district of Kansas, vice Lon Warner, removed.

NOMINATION OF MATTHEW F. M'GUIRE—EXECUTIVE REPORT OF THE JUDICIARY COMMITTEE

Mr. O'MAHONEY. Mr. President, on behalf of the Judiciary Committee, I submit a favorable report upon the nomination of Matthew F. McGuire, of Massachusetts, to be the Assistant to the Attorney General, vice Edward G. Kemp, resigned.

Mr. President, I may say that Mr. McGuire was appointed to the Department of Justice in 1934 as a special attorney in the Criminal Division, and has steadily advanced through the various degrees in the Department until he has now been nominated for the second place in the Department.

He has the rather unusual distinction nowadays of having been a school teacher, a newspaperman, and a most successful lawyer. He was graduated from Holy Cross College with a bachelor of arts degree in 1921. Thereafter he studied law at Boston University, from which he was graduated in 1926. In the meantime, in 1923, he established a weekly newspaper at Charlestown, Mass., in the shadow of Bunker Hill. While still a newspaperman, having already taught school in Boston for a year, he entered upon the practice of law in the city of Boston, where he was associated with the present Attorney General of Massachusetts, Mr. Paul Dever.

He has had a notable career. In the Department of Justice as a special attorney he aided materially in the drafting of the law, popularly known as the Lindbergh kidnaping law. His knowledge and experience were also called upon in the writing of other Federal crime laws, which were enacted a few years ago for the purpose of eliminating gangsterism.

This was followed by his promotion to be an associate of the Assistant to the Attorney General. In that capacity he supervised personnel, and, upon the resignation of Joseph B. Keenan, Mr. McGuire acted as the Assistant Attorney General. A year ago he was named to a newly created post of Special Assistant Attorney General, and in that capacity acted as liaison officer between the Attorney General and Congress and other agencies and departments of the Government. He also handled confidential, special legal, and administrative matters. The duties of the latter office will be combined with the duties of his new important post.

The PRESIDING OFFICER. The nomination will be placed on the Executive Calendar.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters on the calendar.

Mr. McKELLAR. Mr. President, I ask that the nominations of postmasters on the calendar be confirmed en bloc, with the exception of the first nomination on the calender, that of Dorothy B. Keeling to be postmaster at Camp Taylor, Ky., which I ask go over under the previous request made by the Senator from Kentucky.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar will be confirmed en bloc, with the exception of the first nomination, which will be passed over.

CONFIRMATION OF NOMINATION OF DOROTHY B. KEELING

Mr. BARKLEY. Mr. President, my attention was directed to another matter for a moment. I wish to refer to the first nomination on the calendar. For several days the nomination of Dorothy B. Keeling to be postmaster at Camp Taylor, Ky., has gone over at my request, because I had received some communications asking that it be held up. I have indicated to those who protested that if there was anything they could present concerning the qualifications or character of this lady I would submit it to the Senate. But nothing of that sort has been brought to my attention. It is rather a contest between applicants for this appointment, and I have no desire to hold it up any longer. I ask that the nomination of Dorothy B. Keeling to be postmaster at Camp Taylor, Ky., be confirmed.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 2, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 1 (legislative day of March 4), 1940

APPOINTMENT IN THE NATIONAL GUARD OF THE UNITED STATES

GENERAL OFFICER

Brig. Gen. Edward James Stackpole, Jr., Pennsylvania National Guard, to be major general, National Guard of the United States.

PROMOTIONS IN THE NAVY

MARINE CORPS

Col. Alexander A. Vandegrift to be a brigadier general in the Marine Corps from the 1st day of April 1940.

The following-named colonels to be colonels in the Marine Corps, to correct the dates from which they take rank, as previously nominated and confirmed:

Alphonse DeCarre from the 1st day of September 1938.
Samuel L. Howard from the 5th day of September 1938.
Lyle H. Miller from the 1st day of October 1938.
Ralph J. Mitchell from the 3d day of January 1939.
Archie F. Howard from the 1st day of February 1939.
Raymond R. Wright from the 1st day of April 1939.
Pedro A. del Valle from the 1st day of April 1939.
William G. Hawthorne from the 1st day of June 1939.

Lt. Col. Thomas E. Watson to be a colonel in the Marine Corps from the 1st day of July 1939.

Lt. Col. William C. James to be a colonel in the Marine Corps from the 21st day of August 1939.

Lt. Col. Thomas E. Bourke to be a colonel in the Marine Corps from the 1st day of November 1939.

Lt. Col. LeRoy P. Hunt to be a colonel in the Marine Corps from the 1st day of January 1940.

Lt. Col. Clifton B. Cates to be a colonel in the Marine Corps from the 1st day of April 1940.

Lt. Col. Leo D. Hermle to be a colonel in the Marine Corps from the 1st day of April 1940.

The following-named majors to be lieutenant colonels in the Marine Corps from the 1st day of April 1940:

Herman R. Anderson
Julian P. Brown
Merritt A. Edson

Pay Clerk Norman C. Bates to be a chief pay clerk in the Marine Corps, to rank with but after second lieutenant, from the 18th day of December 1939.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 1 (legislative day of March 4), 1940

POSTMASTERS

CONNECTICUT

Albert C. Santi, Ivoryton.
Frederick J. Bielefield, Middletown.
Patrick J. Goode, New Haven.

KENTUCKY

Dorothy B. Keeling, Camp Taylor.

LOUISIANA

Mrs. Leonard C. Davenport, Mer Rouge.

NEW HAMPSHIRE

Ruth N. Ray, Chester.
Leon A. Warren, Groveton.
Arlene S. R. Wells, Haverhill.

PENNSYLVANIA

Joseph P. Duffy, Bristol.
Allen J. Stevens, Carlisle.
Vesta Alice Swartz, Dauphin.
James F. Donahue, Kennett Square.
George L. Corrigan, New Hope.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 1, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we praise Thee that Thou hast made Thyself known to us through Jesus Christ our Lord. Through Him we have words for our tongues, thoughts for our minds, and light for our eyes; oh, be Thou unto us a Saviour. Take from our hearts our burdens as we help others to lift theirs. Keep us from being narrow and willful, that our daily desire may be to walk with Thee in new strength, new beauty, and in new joy. Heavenly Father, if faith is the victory that overcometh the world, arm us with its power; if it be better to minister than to be ministered unto, teach us that the lowliest duty done is the highest service unto Thee; if love is better than hate and will help us bear all things, endure all things, and will last when prophecies fail and tongues cleave the dust, O God, wing our words that they may reach the hidden depths of many a heart. Scatter every cloud of doubt, that we may gather from the fields of abounding faith the living sheaves that are to be written in the Lamb's Book of Life. In the holy name of Jesus. Amen.

The Journal of the proceedings of Friday, March 29, 1940, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. FRAZIER, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 200. Joint resolution to provide for participation of the United States in the Golden Gate International Exposition at San Francisco in 1940, to continue the powers and duties of the United States Golden Gate International Exposition Commission, and for other purposes.

FIRST DEFICIENCY APPROPRIATION BILL, 1940

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, with Senate amendments thereto, insist on the House disagreement to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. TAYLOR, WOODRUM of Virginia, CANNON of Missouri, LUDLOW, SNYDER, O'NEAL, JOHNSON of West Virginia, TABER, WIGGLESWORTH, LAMBERTSON, and DITTER.

WORK PROJECTS ADMINISTRATION

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I rise to urge the Subcommittee on Appropriations that handles the money for the W. P. A. to bring in a resolution appropriating sufficient money to keep 2,100,000 people on the W. P. A. rolls during May and June. This morning I had a conference with Col. F. C. Harrington, Administrator of the W. P. A., who stated that while they had reduced their rolls for the month of April 200,000 below the number carried during March, he had not made any announcement as to what might happen during May and June. Colonel Harrington stated that during the month of March 2,300,000 people were on the W. P. A. rolls and that the money allocated to the various States for the month of April would only take care of 2,100,000 and that they started to work on that basis today.

Colonel Harrington further advised me if the W. P. A. rolls are to carry 2,100,000 during May and June, about $38,000,000 additional will be needed by the W. P. A. This was in response to my inquiry. I also find that there are 1,000,000 people in the United States who, after an investigation, have been certified as being eligible for employment on W. P. A. who cannot be taken care of due to a lack of funds. These people are out of employment, have dependents, and naturally must look to the cities and States for assistance. I further learned that the W. P. A. has only been able to put back to work two-thirds of the number who were furloughed as a result of the 18-month clause in the existing law, that the balance, one-third, have been certified, all have dependents, but cannot be taken care of unless additional money is secured. It is my understanding that vacancies are not being filled as W. P. A. workers resign to accept private employment, but the number resigning is not sufficient to absorb the entire reduction that is necessary.

I am in favor of reducing expenditures where it is possible but not at the expense of men and women who have dependents who cannot secure work in private industry. A critical situation confronts the country, and I cannot see how the Congress is going to be able to refuse to appropriate additional money for W. P. A., not only between now and June 30, but for the next fiscal year. Business will certainly feel this reduction as the purchasing power of the people is being reduced. The cities and States say they will be unable to carry any additional load. I know in my State and city money available for direct relief will not enable St. Louis and the State of Missouri to take care of those who will be necessarily furloughed from W. P. A. if additional money is not made available.

Colonel Harrington will appear before the Appropriations Committee Tuesday and make a detailed statement in reference to the situation and I hope the committee will act immediately on a deficiency appropriation. [Applause.]

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, my purpose in asking for this 1 minute was to reemphasize many of the things the gentleman from Missouri has said and to add just one more statement. The time for a reduction in Government employment of the unemployed is when private employment is increasing. That time is not now. It would require $86,800,000 to prevent any cuts in the W. P. A. rolls for the balance of this fiscal year. As a means of making this proposition definite, I am today introducing a deficiency appropriation bill to provide that amount of money for W. P. A. employment between now and the 1st of July.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, I have placed on the Clerk's desk this morning a motion to discharge a subcommittee of the Committee on Appropriations from the further consideration of the bill H. R. 7240, which was introduced by me last year following the consideration of the relief bill by the House. This bill does the same thing the House did when it placed in the relief bill a provision that heads of families aged 45 and over should not be subjected to the automatic lay-off under the 18-month employment clause.

HOUSE ACTION RECALLED

If the Members of the House will recall, when the emergency relief appropriation bill of 1939 was before them, an amendment, which I sponsored and which is recorded on page 7363 of the CONGRESSIONAL RECORD of June 16, 1939, was agreed to in the Committee of the Whole by teller vote and remained in the bill as passed by the House. However, the provision was later stricken in conference.

The amendment provided for the exemption of heads of families, 45 years of age and over, from the automatic separation from the Work Projects Administration at the end of an 18-month period of employment.

My astonishment at the action of the conferees was properly expressed when the conference report was presented to the House on June 30, and my remarks at that time were as follows:

> An exemption to the automatic 60-day lay-off for heads of families—men and women—45 years and over with dependents was my amendment passed in the House by a teller vote; and now to realize that that humanitarian provision has been eliminated by the conferees comes as a distinct surprise to the membership of this body. In my opinion, the W. P. A., by the very nature of its set-up, should be a secure place for those in need of its humanitarian provisions, especially those of the age referred to and heads of families. Everyone knows a man or woman with dependents can save nothing on W. P. A. wages. The dread of the automatic lay-off period will prove a continuous worry throughout the period of employment. Perhaps legislation to correct this injustice is the answer.

Time has demonstrated the truth of my prediction. You will note that my remarks were concluded with the statement, "Perhaps legislation to correct this injustice is the answer."

CORRECTIVE MEASURE PROPOSED

Accordingly, on July 14, I introduced in the House, H. R. 7240, a bill to exempt certain persons with dependents from the provisions requiring separation from the Work Projects Administration rolls at the end of 18 months, which bill has been referred to the Appropriations Committee. In substance it champions the rights of heads of families, 45 and over, and seeks the same results as my amendment to which I have just referred.

Although it was manifestly the will of this House to include this exemption in the original bill, to date no action has been taken by the committee. Therefore, I am asking the Members of Congress to sign a petition which was placed on the Journal clerk's desk this morning. This is a motion to discharge the committee from consideration of H. R. 7240 and will bring this measure to the floor. As I stated, this matter has already been discussed and adopted, but in view of later evidence and obvious need for such corrective legislation, I suggest that we once more study the subject.

SURVEY PROVES INHUMANITY OF AUTOMATIC LAY-OFF

In July and August more than 775,000 W. P. A. project workers were dropped from their jobs in accordance with the 18-month provision of 1939 Relief Act. In November, 2 to 3 months after their dismissal, a survey was made covering 138,000 of these workers in 23 large and representative cities.

The facts of this survey, which was conducted by the Research Division of the Work Projects Administration, were set forth in a report by Col. F. C. Harrington, Commissioner of the Work Projects Administration, to the gentleman from Virginia, Representative CLIFTON R. WOODRUM, of the House Appropriations Committee, on January 26, 1940. The facts set forth in this survey are such as to prove the correctness of the decision of the House when they wrote the provision protecting from dismissal from the service, heads of families, 45 and over. What does the survey show as to W. P. A. workers dismissed under the 18-month rule, known as the dismissal clause? In spite of the fact that the dismissals occurred during a period of sharply rising industrial activities, less than 13 out of every 100 were found to have jobs as much as 3 months after the lay-off. Approximately half of these having jobs were earning less than the security wage they previously had earned on the W. P. A.

Colonel Harrington explained that the number finding jobs was no greater proportionately to those who would have left the rolls of their own accord, since voluntary separations have averaged over 100,000 a month during the last calendar year. The majority of these leave the W. P. A. to take jobs in private employment.

The survey also brought out that as late as November, of the 87 out of each 100 who did not have jobs, 28 were on local relief rolls, 27 have been reassigned to the W. P. A. and 32 were without public support of any kind, save what they could procure through surplus commodities. More than three-fourths of those who had not returned to the W. P. A. in November were subsisting on incomes below their previous earnings as project workers. In none of the 23 cities surveyed was the average income of this group—including wages of those privately employed, relief grants, and the value of food, fuel, and clothing distribution—as much as $14 a week. In 10 of the 23 cities it was less than $5. More than 100,000 of all those dismissed had no income whatever in the 2 weeks preceding the survey. Dismissals in accordance with the provision between July 1 and August 31 totaled nearly one-third of the total number employed as of July 1.

The study indicates that the average weekly earnings of those who had jobs when interviewed in November was $17.22, while 21.2 percent received less than $10 per week. The most critical conditions were experienced by those workers—nearly one-third of all those dismissed—who did not have private jobs when interviewed in November, who were not returned to the W. P. A., and for whom no direct relief was available. Forty percent of this group reported no income whatever during a period of 2 weeks before they were interviewed.

In summary, the results of this survey, which was made 2 to 3 months after the dismissal of these 775,000 W. P. A. workers, are set forth below:

CHART A

Status	Number of individuals	Percentage of total
Private jobs	94,225	12.7
Without jobs (no private, Work Projects Administration, nor direct relief)	249,550	32.2
On relief	220,100	28.4
Reassigned to Work Projects Administration	211,125	26.7

CHART B

Total weekly family income of workers separated in accordance with the 18-month provision who were not reassigned and who were not receiving direct relief

Weekly income:[1]	Percentage
No income	29.5
$0.01–$4.99	19.2
$5–$9.99	13.4
$10–$14.99	11.2
$15–$19.99	10.3
$20–$24.99	6.7
$25 or over	9.7
	100.0

[1]Average income, $5.50 per week.

CHART C

Total weekly family income of workers separated in accordance with the 18-month provision who were not reassigned to W. P. A.

Income:[1]	Percentage
No income	17.7
$0.01–$4.99	18.3
$5–$9.99	21.7
$10–$14.99	17.2
$15–$19.99	11.6
$20–$24.99	6.3
$25 or more	7.2
Income compared with former W. P. A. wages:	
Higher	20.5
Same	2.3
Lower	77.2

[1]Average income, $8.23 per week.

This break-down of the facts is a compliment to the decision of the House of Representatives, but a sad commentary on the action of the conferees in permitting this humanitarian amendment to be stricken from the bill.

THE HOUSE WILL HAVE ITS WAY

I know the temper of this House. I feel I know their interest in the fathers and mothers, heads of families, forced to rely on the W. P. A. Therefore I know that it will come as a shock to all of you when you realize that 37 percent of the thousands of these workers who were dismissed were 45 years of age or older. These are the persons who have fought a losing battle and who have come to a point where they are no longer wanted by private industry. But because of the clause in the relief act were forced out of the ranks of the W. P. A. in spite of the fact that they have dependents looking to them for the necessities of life.

As I have said, the House tried to protect this large group who are heads of families, but because of the action of the conference the wishes of the Members were disregarded. It was stated by the gentleman from Virginia [Mr. WOODRUM] that he could not see the "inhumanity" in the 18-month dismissal clause; in fact, he considered that it was "eminently proper and fair." But now, in view of the facts which have been made known to us by the Work Projects Administration survey, we know that it has been anything but humanitarian in its results.

When we realize that 37 percent of the persons dismissed under the clause are 45 years of age or older, then we can understand the terrific hardships which have resulted from the conference action in eliminating the exemption of these people from the harsh dismissal clause.

PLEA TO SIGN DISCHARGE PETITION NO. 27

In conclusion, I make a plea to each of you as individuals and to all of you as Members of the House of Representatives to sign discharge petition No. 27 in order that we may rectify the errors of the past. Not a person can doubt my sincerity, and I was never more sincere than I am this morning. This injustice to the heads of families 45 years of age and over should be corrected. It is the duty of this House, and there is no more powerful manner in which to present the will of this House to the Subcommittee on Appropriations having this matter under consideration than to sign this discharge petition No. 27. I ask your cooperation.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday next may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two letters to the Attorney General.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE CENSUS

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, in view of the hullabaloo raised by some of the Members of the House and of the Senate concerning a few of the questions on the schedules for the Sixteenth Census, I believe it is well to realize this hullabaloo is not universal throughout the Nation. Objections, based on claims that the census questions violate constitutional rights, and dire forebodings that they threaten the integrity of our American democracy and even the Republic itself, do not appear to be shared by the citizens of the First Congressional District of Colorado. The intelligent and ever-alert people of Denver are always most jealous of their liberties. I am happy to say they are never hesitant about protesting vigorously to their Representative when they believe their rights are threatened. But I have not received from them any protests whatsoever concerning the census questions.

Probably the people of Denver realize that the confidential nature of their answers to the census questions will be guarded as inviolate. Doubtless also they have in mind that all enumerators and other census officials have been solemnly admonished to guard jealously the confidential nature of these communications, and that, by act of Congress, violation of such admonition is subject to heavy penalties.

The opinion of an eminent educator of Colorado, Mr. Robert G. Dunbar, assistant professor of history at the Colorado State College of Agriculture and Mechanic Arts at Fort Collins, Colo., is also significant. Therefore, Mr. Speaker, I ask unanimous consent to insert, at this point in the RECORD, a letter from him to me on this subject. Mr. Dunbar points out the statistical value of the information sought and that "similar questions have been asked in previous censuses—the seventh, eighth, and ninth—without serious consequences to the Bill of Rights and American democracy"; and that "the American farmer has answered questions of this nature for decades."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The letter referred to follows:

COLORADO STATE COLLEGE OF AGRICULTURE AND MECHANIC ARTS AND EXPERIMENT STATION,
Fort Collins, Colo., March 13, 1940.

LAWRENCE LEWIS,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: The newspapers report the attempt that is being made by some Members of Congress to delete from the Sixteenth Census the schedule concerning wages and salaries.

It would be unfortunate if such a deletion took place. It is true that the census could be taken without the schedule, as it has been before, but the addition of the information on the national income will make it much more valuable. No other information will give as good an index of the economic and social conditions of the Nation at the end of the critical fourth decade of the twentieth century; no other schedule will be more valuable to American legislators, sociologists, economists, and social historians. Similar questions have been asked in previous censuses (the seventh, eighth, and ninth) without serious consequences to the Bill of Rights and American democracy; in truth, the American farmer has answered questions of this nature for decades.

I therefore urge that you do everything possible to keep the schedule on wages and salaries within the Sixteenth Census.

Yours truly,

ROBERT G. DUNBAR,
Assistant Professor of History.

PERMISSION TO ADDRESS THE HOUSE

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GEYER of California. Mr. Speaker, 23 years ago the 6th of this month, this Nation made a declaration of war. One year before that date the people little thought that would be the course of affairs.

The world is now once again engaged in mortal conflict, and we have thus far escaped participation in it.

Our citizens are anxiously watching every act of the Nation's men in public life. The slightest rumor of approach to the brink of war causes them grave concern.

A recent speech of one of our foreign representatives has not added to our people's peace of mind.

White books, issued by foreign governments, even though we know them to be mere war propaganda, sends the whole Nation into a state of jitters.

It seems to me that now is the time for national leaders in all departments of the Government to reassure our people that it is our determination to remain at peace. As 23 years ago we declared war, we should, in commemoration of that day, now declare peace; that is, declare that it is our policy to remain at peace. Accordingly I have introduced into this House a concurrent resolution asking that next Saturday, April 6, be set aside for the proper observance of this day. The resolution provides for a joint session of the Senate and House. That to that session the President and his Cabinet and such others as is customary on such occasions be invited. It also provides that the President shall at that time address those assembled and the Nation at large on the subject of peace, stressing our determination to stay out of the conflict. I hope the Rules Committee will see fit to report the resolution. [Applause.]

EXTENSION OF REMARKS

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short editorial from the Fort Smith Times-Record.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to speak for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I received word this morning from the W. P. A. Administrator that the quota in Montana would be cut down from 14,600 for the month of March to 12,025 for the month of April. This is going to bring an untold hardship upon our needy people. We have white people—men, women, and children—in Montana who are without work and in dire need. We have Indians who are now, and have been during the winter months, living in tents without sufficient clothing or food, and this reduction in relief is going to increase the acute distress condition. We seem to have money to take care of the needy in foreign nations, and my thought is that charity begins at home. I fully realize that looking after your own people and attending to your own business does not make headlines, but I want to say that we had better give more attention to the economic needs of our own people than we have been, or else we may not have to

look 3,000 miles across the water for trouble. We are not menaced by any foreign nation in the world, but unemployment is stalking this country, and we had better take heed before it is too late. Therefore let us give our attention to home affairs.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article appearing in the April issue of the National Grange Monthly, which includes a statement by Louis J. Taber.

The SPEAKER. Is there objection to the request of the gentleman from Oregon.

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a brief editorial appearing in the Palladium Item, of Richmond, Ind., of March 28.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short letter from W. W. Chapin, publisher of the California Argonaut, and to insert an editorial on the national block-booking bill from a nonpartisan standpoint.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD, and I also ask unanimous consent that I may proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, the thing that seems to concern the gentlemen on the right-hand side of the aisle is what they are going to do about relief, and then they say that we cannot look to industry to provide complete employment. I want to say to the Congress that if we had as much red blood in our veins to try to get up here and help the people of this country get jobs as we have to get them a dole, we would give them jobs by changing some of the laws that we have enacted here in the last 4 or 5 years and give industry an opportunity to go ahead and do something without being harassed by the National Labor Relations Board. This will do more to give jobs than any other one thing that we can do and will take people off the dole.

I believe it is time for us to give recognition to some of the things that are going to provide employment for people in private industry and take them off of the dole. This is what we want to do, and we can do it if we will only act wisely and judiciously.

If we were as interested in getting people jobs in industry as getting votes we would help those on the dole. We would help the country and probably this would not be called April-fool day. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THORKELSON. Mr. Speaker, I have two unanimous-consent requests to make. I ask unanimous consent to extend my remarks in the RECORD and to include a quotation from the Gold Reserve Act, and I also ask unanimous consent to extend my remarks in the RECORD and to include quotations from the Gold Reserve Act and from opinions of the Supreme Court.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short editorial from one of my papers.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

WITHDRAWAL OF PERMISSION TO ADDRESS THE HOUSE

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to withdraw my request for time this afternoon at the close of the business of the day. I shall not desire to use the time.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a radio address delivered by my colleague the gentleman from New York [Mr. FISH].

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my remarks and print in the RECORD a tribute by the United States Maritime Commission to the late Joseph R. Sheehan, former executive director of the Commission, and, at the time of his death, president of the American President Line.

The SPEAKER. Is there objection?

There was no objection.

W. P. A. APPROPRIATIONS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, it would be a violation of the rules of the House to question the accuracy of the statements made this morning by the gentleman from Montana [Mr. O'CONNOR] and the gentleman from Missouri [Mr. COCHRAN], who spoke about the need for W. P. A. appropriations in their respective States. What I am wondering now is how their statements can be true—and I refer to the picture they painted as to the dire distress, the overpowering need for further relief appropriations, the millions of unemployed; how these things can be, after the more than 7 years of reform and recovery legislation which they have given us; after the expenditure of some $65,000,000,000; after the addition of more than $25,000,000,000 to the national debt—all expended under the prescription of the gentleman in the White House, who knew just what was wrong with us as a Nation; who knew the remedy which we needed to bring about a full recovery and who promised, if we would let him prescribe, that he would cure all our ills.

Is the picture which was painted by the gentlemen—the one from Missouri, the other from Montana—untrue? It seems not. Rather it appears that our doctor has been administering quack remedies and that, as a physician and curer of domestic ills, he is, by the results, shown to have been a failure. [Applause.]

EXTENSION OF REMARKS

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on two subjects, Education and the United Mine Workers.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article by Mr. Carl H. Wilken, secretary of the Raw Materials National Council, on reciprocal-trade agreements.

The SPEAKER. Is there objection?

There was no objection.

UNITED STATES FOREST SERVICE

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend and revise my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

TRANSFER OF UNITED STATES FOREST SERVICE TO DEPARTMENT OF THE INTERIOR WOULD BE A MISTAKE

Mr. PITTENGER. Mr. Speaker, in a newspaper article on Saturday the statement was made that some 40,000,000 acres of land in the United States forests under the jurisdiction of the United States Forest Service would probably be transferred to another department of the Government. I call the attention of the Members of the House to what is being done under one of those acts of consolidation which was passed in the interest of economy last year. As far as I know—and I stand subject to correction if I am not correct—the only thing that has been done under those acts authorizing the executive branch of the Government to consolidate departments and transfer from one to the other has been a letterhead-paper proposition.

In other words, the Bureau of Fisheries, for example, is still the Bureau of Fisheries, but under the legislation passed in 1939 it has been transferred from the Department of Commerce to the Department of the Interior. There was no attempt at any economy, and there has been none. We just have a new letterhead reading "Department of the Interior" instead of "Department of Commerce."

This particular transfer may or may not be a good one. In fact, it may or may not be necessary. But it does show how tremendous power is centralized and placed in the hands of one man. Congress, which appropriates the money necessary for bureaus and commissions and departments, should never have surrendered its prerogative.

All of you will recall that in 1939 attempts were made to transfer the national forests, which are under the supervision of the United States Forest Service, to the Department of the Interior. There were so many protests that such a transfer at that time was reported to be abandoned. The United States Forest Service had done fine work, and no one had any valid reasons why it should be interrupted. After all, its primary purpose is forestry, not recreation.

And so, Mr. Speaker, I want to register a protest against this new proposal which was announced in the newspapers under date of March 30. Bear in mind that these reorganization proposals have now passed out of the hands of Congress and can be done by the President, and unless Congress takes affirmative action to disapprove his procedure it has the effect of a law.

This newspaper announcement indicates that about 40,000,000 acres of the forest land is to be transferred under another reorganization decree. In the district which I have the honor to represent there is the Superior National Forest. The United States Forest Service is doing splendid work in that district, and the sentiment of the people in that territory is not favorable to having the United States forests transferred to the Department of the Interior.

There is no greater conservation agency in the Government than the Forest Service, and its policies ought to be continued. We do not need a national park in northern Minnesota, and those who think otherwise are not familiar with conditions in that section.

The SPEAKER. The time of the gentleman from Minnesota has expired.

EXTENSION OF REMARKS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article from the Christian Century.

The SPEAKER. Is there objection?

There was no objection.

BUSINESS CONDITIONS

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GIFFORD. Mr. Speaker, just because it is an opportunity to do so, I have asked for 1 minute to call attention again to the New York Times Business Index of yesterday. The business index is still going down like a rocket. I do not know that that will affect the State of Montana but I predict that business conditions are due for a much greater fall than is seen at present. I want the gentleman from Montana [Mr. O'CONNOR], who sits beside the gentleman from Virginia [Mr. WOODRUM], on whom he must rely for funds this year, to some day tell why this condition seems now so constant in Montana, and whether he sees any hope ahead of conditions there being better.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. O'CONNOR. It will take more than 7 years for this country to recover from the wreck left after the 12 long years preceding the 7 years.

Mr. GIFFORD. That is exactly what I thought the answer would be, and it is such an evasive answer that I would not take time to reply to it if afforded under my request.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

BUSINESS CONDITIONS AND FARM PRICES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

CURRENCY EXPANSION

Mr. RANKIN. Mr. Speaker, the condition to which the gentleman from Massachusetts [Mr. GIFFORD] referred evidently exists. Business is "on the skids." It is on its way down to a level with agriculture. You have had industry stilted up by the tariff and other advantages all out of line with agricultural prices, and it is on its way now down to a meeting point with agriculture.

This condition is going to continue until we have a reasonable, controlled expansion of the currency, until we take this gold out of the ground that we have buried in Kentucky and use it for the purposes for which it was intended, and that is the issuing of currency against it, remonetizing silver, and putting that currency and that silver into circulation and raising the price of farm commodities to their normal level. I repeat again you Republicans continue to criticize this administration, but not a man running for President on the Republican ticket, and very few Members who are offering themselves for reelection for the House or Senate will dare to offer the American people a solution of this monetary problem, that must be solved before we get out of this depression. [Applause.]

The SPEAKER. The time of the gentleman from Mississippi has expired.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include certain editorials.

The SPEAKER. Is there objection?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

WAPATO SCHOOL DISTRICT NO. 54, YAKIMA COUNTY, WASH.

The Clerk called the first bill on the Consent Calendar, H. R. 3824, to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORIZING CERTAIN OFFICERS OF UNITED STATES INDIAN SERVICE TO MAKE ARRESTS

The Clerk called the next bill, H. R. 5409, to authorize certain officers of the United States Indian Service to make arrests in certain cases, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

TRIALS AND JUDGMENTS UPON GOOD BEHAVIOR OF CERTAIN FEDERAL JUDGES

The Clerk called the next bill, H. R. 5939, to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CELLER. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

Mr. KEAN, Mr. TABER, and Mr. CHURCH objected to consideration of the bill, and it was stricken from the calendar.

PASSAMAQUODDY BAY TIDAL POWER

The Clerk called the next business, Senate Joint Resolution 57, authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SEQUOIA NATIONAL FOREST, CALIF.

The Clerk called the next bill, H. R. 1790, to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation or Executive order.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act approved March 20, 1922 (42 Stat. 465; U. S. C., title 16, sec. 485), and of the act approved February 28, 1925 (43 Stat. 1090; U. S. C., title 16, sec. 486), are hereby made applicable to the lands excluded from the boundaries of the Tule Indian Reservation by the act of May 17, 1928 (45 Stat. 600), as hereinafter described, which, upon conveyance to the United States, shall be parts of the Sequoia National Forest, and the President of the United States hereby is authorized to add to the said Sequoia National Forest, by proclamation or Executive order, any of said described lands which are in the ownership of the United States:

Southwest quarter southwest quarter section 7;

Section 16 and section 17;

East half northeast quarter, southwest quarter northeast quarter, southeast quarter northwest quarter, each half southeast quarter section 18;

East half northwest quarter, northwest quarter northwest quarter, northeast quarter section 20;

Northwest quarter northwest quarter section 21;

And tract No. 48 in the southeast quarter section 28, all in township 21 south, range 31 east, of the Mount Diablo meridian in California.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL CROP INSURANCE ACT

The Clerk called the next bill, H. R. 6972, to amend the Federal Crop Insurance Act.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6314, authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORIZING A NATIONAL MISSISSIPPI RIVER PARKWAY

The Clerk called the next bill, H. R. 3759, to authorize a National Mississippi River Parkway and matters relating thereto.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTABLISHING A NATIONAL LAND POLICY

The Clerk called the next bill, H. R. 1675, to establish a national land policy, and to provide homesteads free of debt for actual farm families.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

KIOWA, COMANCHE, AND APACHE TRIBES JURISDICTIONAL ACT

The Clerk called the next business, House Joint Resolution 290, referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. COCHRAN and Mr. WOLCOTT asked unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

BRIDGE ACROSS MISSOURI RIVER NEAR FLORENCE STATION IN THE CITY OF OMAHA

The Clerk called the next bill, H. R. 7069, authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LIMITING THE OPERATION OF PRESENT LAWS WITH RESPECT TO COUNSEL IN CERTAIN CASES

The Clerk called the next bill, H. R. 7032, to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT, Mr. CHURCH, Mr. KEAN, Mr. TABER, and Mr. COSTELLO objected, and the bill was stricken from the calendar.

CROP-CONTROL LAW RELATING TO LIEN IMPOSED THEREUNDER

The Clerk called the next bill, H. R. 7878, to amend the crop-loan law relating to the lien imposed thereunder, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MILEAGE TABLES AND ALLOWANCES

The Clerk called the next bill, S. 506, relating to mileage tables for the United States Army and other Government agencies and to mileage allowances for persons employed in the offices of Members of House and Senate.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WHITTINGTON, Mr. COCHRAN, and Mr. KUNKEL objected.

DELAWARE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6535, authorizing an appropriation for payment to the Delaware Tribe of Indians on account of permanent annuities under treaty provisions.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

COLVILLE INDIAN RESERVATION

The Clerk called the next bill, H. R. 6957, to extend to the Colville Indian Reservation in the State of Washington the provisions of the act of June 18, 1934 (48 Stat. 984), as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act of June 18, 1934 (48 Stat. 984), as amended, shall apply to the Colville Indian Reservation in the State of Washington, upon the acceptance of said act by the Indians residing on said reservation at an election called by the Secretary of the Interior, and held in accordance with existing law within 6 months from the date of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COTTONSEED GRADES AND PRICES

The Clerk called the next bill, H. R. 8642, to establish and promote the use of standard methods of grading cottonseed, to provide for the collection and dissemination of information on prices and grades of cottonseed and cottonseed products, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CEDAR BREAKS NATIONAL MONUMENT AND DIXIE NATIONAL FOREST, UTAH

The Clerk called the next bill, H. R. 8476, to adjust the boundaries of the Cedar Breaks National Monument and the Dixie National Forest, in the State of Utah, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to valid existing rights, the following-described lands in the State of Utah are hereby eliminated from the Dixie National Forest and included in and made a part of the Cedar Breaks National Monument, subject to all laws and regulations applicable thereto, to wit:

SALT LAKE MERIDIAN

Township 36 south, range 9 west, west half southwest quarter section 22, west half west half section 27, west half west half section 34, west half of lot 8, section 36; township 37 south, range 9 west, west half of lot 3, section 1, lot 4, section 3, comprising four hundred and sixty-five and eighty-one one-hundredths acres.

SEC. 2. That, subject to valid existing rights, the following-described lands in the State of Utah are hereby eliminated from the Cedar Breaks National Monument and included in and made a part of the Dixie National Forest, subject to all laws and regulations applicable thereto, to wit:

SALT LAKE MERIDIAN

Township 36 south, range 9 west, northwest quarter northeast quarter, north half northeast quarter northwest quarter, northeast quarter northwest quarter northwest quarter, east half northwest quarter northwest quarter northwest quarter section 24, northwest quarter northeast quarter section 36, comprising one hundred and fifteen acres.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO ADMIT CERTAIN ALIENS TO CITIZENSHIP

The Clerk called the next bill, H. R. 6381, for the admission to citizenship of aliens who came into this country prior to February 5, 1917.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, we had some discussion of this bill the last time it was called on the Calendar. The question has not been cleared up yet. For this reason I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISPOSITION OF CONDEMNED NAVAL ORDNANCE

The Clerk called the next bill, H. R. 7074, to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, and cannonballs in their respective departments," approved May 22, 1896, as amended, is amended to read as follows:

"That the Secretary of War and the Secretary of the Navy are each hereby authorized, in their discretion, to loan or give to soldiers' monument associations, posts of the Grand Army of the Republic, posts of the American Legion, and other recognized war veteran associations, State museums, and incorporated museums operated and maintained for educational purposes only, whose charter denies them the right to operate for profit, municipal corporations, and posts of the Sons of Veterans Reserve, condemned or obsolete ordnance, guns, projectiles, books, manuscripts, works of art, drawings, plans, models, and other condemned or obsolete material which may not be needed in the service of either of said Departments.

"Such loan or gift shall be made subject to rules and regulations covering the same in each Department, and the Government shall be at no expense in connection with any such loan or gift."

SEC. 2. All acts or parts of acts in conflict with this act are hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARROWROCK DAM

The Clerk called the next bill, H. R. 8498, to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of avoiding an unduly high operation and maintenance assessment in any one year and to keep the operation and maintenance charges in connection with the Arrowrock division of the Boise reclamation project within the ability of the water users to pay, the Secretary of the Interior is authorized to allow the irrigation districts of the said Arrowrock division and the irrigation districts, ditch companies, and water users who have assumed obligations to pay proportionate parts of the estimated cost of the operation and maintenance of the Arrowrock Reservoir, to pay the costs, as determined conclusively by said Secretary, incurred in the repair, resurfacing, and improvement of the Arrowrock Dam and in increasing the height thereof (to provide additional capacity to offset past and, to some extent, future losses of capacity resulting from the deposit of silt in the said reservoir) in 20 annual installments instead of requiring the payment of all of such operation and maintenance costs in 1 year, as provided in section 5 of the act of Congress of August 13, 1914 (38 Stat. 686).

With the following committee amendment:

Strike out the period in line 12, page 2, and add the following: *Provided*, That such costs, for the purpose of any amendatory contracts affecting the construction charges of Arrowrock Dam that

may be entered into as authorized by the act of August 4, 1939 (53 Stat. 1187), may, in the discretion of the Secretary, be treated as part of the construction charges of said dam, and as payable in the same manner as such charges.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MOUNT RUSHMORE NATIONAL MONUMENT

The Clerk called the next bill, H. R. 8357, to amend the Mount Rushmore Memorial Act of 1938.

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. KELLER. Mr. Speaker, reserving the right to object, does the gentleman understand what the bill is and what it does?

Mr. RICH. Yes.

Mr. KELLER. It is simply an authorization to provide an additional 160 acres to the 1,500 already set aside as the Mount Rushmore Park. The necessity for acquiring this additional ground is to preserve the natural beauty of the park and prevent the establishment of a lot of hot-dog stands and other undesirable things that might be set up along this approach.

Mr. RICH. We have already taken a great amount of territory for this Mount Rushmore Memorial.

Mr. KELLER. Not as much as needed.

Mr. RICH. It seems to me that we are getting bill after bill after bill to increase the size of national monuments. In the case of the Mount Rushmore Memorial the original purpose was that the Federal Government should spend $200,000 on the memorial. So far we have spent about $700,000, and more will be asked in proportion as the size of the monument is increased. No matter what we do there will always be someone else wanting to extend the boundaries. We must call a halt to it somewhere.

Mr. KELLER. This bill was accompanied by a unanimous report from the Committee on the Library. It was thoroughly considered.

Mr. RICH. I think the bill should go over until the next Consent Calendar day. We want to give it more study.

Mr. KELLER. The gentleman will not look at it again, and he knows it.

Mr. RICH. I will look at it. When I say I will do a thing I will do it. I do not want the gentleman to make a statement like that. He should give some of his time to the Labor Committee and go down there and go to work, not criticize some other Member for what he may do.

Mr. KELLER. I spend as much time at the Labor Committee as the gentleman talks nonsense.

Mr. RICH. All the gentleman does is talk nonsense.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

Mr. RANKIN. Mr. Speaker, a point of order. Unanimous consent to consider the bill has already been granted.

The SPEAKER. The Chair does not think so. The gentleman from Pennsylvania asked unanimous consent that the bill be passed over without prejudice.

Mr. RANKIN. I understand that, but the bill had been submitted to the House and the consent of the House had been granted to consider the bill. The gentleman's request came on an amendment that was offered.

The SPEAKER. The Chair does not so recollect the facts. The Chair recognized the gentleman from Pennsylvania [Mr. RICH] to submit the unanimous-consent request.

Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH] that the bill be passed over without prejudice?

There was no objection.

BRINGING MENOMINEE INDIANS WITHIN COMPENSATION ACT

The Clerk called the next bill, S. 607, to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, is amended by inserting after the words "Panama Railroad Co." the following: "and all persons, other than independent contractors and their employees, employed on the Menominee Indian Reservation in the State of Wisconsin subsequent to September 7, 1916, in operations conducted pursuant to the act entitled 'An act to authorize the cutting of timber, the manufacure and sale of lumber, and the preservation of the forests on the Menominee Indian Reservation in the State of Wisconsin,' approved March 28, 1908, as amended, or any other act relating to tribal timber and logging operations on the Menominee Reservation."

SEC. 2. Any award heretofore made by the United States Employees' Compensation Commission under such act of September 7, 1916, to persons coming within the purview of the first section hereof, for disability or death resulting from a personal injury sustained prior to the enactment of this act, shall be valid, if such award would be valid if made in respect to an injury or death sustained after the enactment of this act. Any claim for disability or death to any person coming within the purview of the first section hereof, if such disability or death occurred prior to the enactment of this act, may be filed at any time within 1 year after the enactment hereof.

With the following committee amendment:

Page 2, line 17, after the word "act", strike out the remainder of the line and down through line 21 and insert the following: "Claim on account of disability or death of any person coming within the purview of the first section hereof, for benefits on account of injury incurred subsequent to July 28, 1935, may be filed under said act: *Provided*, That such claim be filed within 1 year after the approval hereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF THOMAS JEFFERSON

The Clerk called House Joint Resolution 445, to establish a commission for the celebration of the two hundredth anniversary of the birth of Thomas Jefferson.

The SPEAKER. Is there objection to the present consideration of the House joint resolution?

Mr. HOOK. Mr. Speaker, I object.

VACANCY IN BOARD OF REGENTS OF SMITHSONIAN INSTITUTION

The Clerk called House Joint Resolution 461, providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that Senate Joint Resolution 226 be substituted for House Joint Resolution 461.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the resignation of John C. Merriam, be filled by the appointment of Vannevar Bush, a resident of the city of Washington, for the statutory term of 6 years.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House joint resolution (H. J. Res. 461) was laid on the table.

TO SET ASIDE CERTAIN LANDS FOR THE MINNESOTA CHIPPEWA TRIBE

The Clerk called the next bill, H. R. 7833, to set aside certain lands for the Minnesota Chippewa Tribe in the State of Minnesota, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to the payments prescribed by section 2 hereof the following-described lands are hereby eliminated from the Chippewa National Forest and permanently reserved for the use of the Minnesota Chippewa Tribe without in any manner affecting existing reserves for church, cemetery, and other purposes, or individual rights or interest in said lands: South half northwest quarter southwest quarter, southeast quarter southwest quarter, section 12; northwest quarter northwest quarter, west half northeast quarter northwest quarter, south half northwest quarter, west half southwest quarter, lots 2, 4, 5, and 6, section 13; northeast quarter southeast quarter, section 14; lots 11, 12, 13, 3, 4, 6, 7, 8, and 9, section 24, township 142 north, range 31 west, fifth principal meridian, Minnesota, excepting a tract containing approximately one and ninety one-hundredths acres, being that portion of lot 4, section 13, township 142 north, range 31 west, beginning at angle point 1, lot 5, section 13, township 142 north, range 31 west; thence north thirty-three degrees forty-two minutes east one hundred and twenty-nine and five-tenths feet; thence south eighty-nine degrees forty-eight minutes east two hundred and thirty-one and four-tenths feet; thence south one degree fifty-four minutes west eighty-five and two-tenths feet; thence south nine degrees thirty-one minutes east two hundred and five and two-tenths feet; thence south nine degrees no minutes west eighty and four-tenths feet; thence south forty-one degrees nineteen minutes west one hundred and nineteen and four-tenths feet to angle point 4, lot 5; thence along the boundary of lot 5, north fifty-one degrees no minutes west one hundred and twenty and one-tenth feet to angle point 5, lot 5, north thirty-seven degrees forty-five minutes east one hundred and twenty and one-tenth feet to angle point 6, lot 5, north fifty-one degrees no minutes west two hundred and eighty-seven and one-tenth feet to angle point 1, lot 5, and point of beginning.

SEC. 2. That the Secretary of the Interior is hereby authorized to withdraw from the Minnesota Chippewa tribal fund now held in trust in the Treasury of the United States a sufficient sum to reimburse the United States for the land and timber thereon, the value of the land to be calculated at $1.25 per acre, and the value of the timber to be ascertained by the Secretary of Agriculture after the same has been examined and appraised under his supervision: *Provided, however*, That the transaction contemplated in this and the preceding section shall be effected only with the consent of the Minnesota Chippewa Tribe expressed through the body authorized to represent it: *And provided further*, That all money received by the United States under the authority of this act shall be deposited in the Treasury of the United States, and the same is hereby appropriated for the acquisition of forest land within the Chippewa National Forest under the provisions of the act approved March 1, 1911, as amended (U. S. C., title 16, secs. 513, 519, 521).

SEC. 3. That exchanges of Indian allotted, restricted, and tribal lands for lands in the Chippewa National Forest are hereby authorized. In order to consummate exchanges involving allotted and restricted Indian lands, the Secretary of the Interior is hereby authorized to accept relinquishments or conveyances of Indian lands, which lands shall thereupon become a part of the Chippewa National Forest, and to issue trust patents to the Indians for the lands received by them in exchange: *Provided*, That with the consent of the Indians involved title to the lands received in any such exchange may be taken in the name of the tribe, in which case the transfer of title shall be evidenced by an order of the Secretary of Agriculture transferring the lands to the Secretary of the Interior in trust for the Minnesota Chippewa Tribe: *Provided further*, That exchanges involving tribal lands shall be made only with the consent of the Indians and shall be evidenced by appropriate orders of transfer executed by the Secretary of Agriculture and the Secretary of the Interior: *And provided further*, That the land exchanges authorized herein shall be made on the basis of lands of equal value, and no exchange shall be made unless it is first approved by the Secretary of Agriculture.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BLACKFEET INDIAN PROJECT, MONTANA

The Clerk called the next business, House Joint Resolution 334, to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project.

The SPEAKER. Is there objection to the present consideration of the House joint resolution?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that Senate Joint Resolution 153 be substituted for the House joint resolution, it being identical with the House joint resolution.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 153

Joint resolution to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project

Whereas the act of Congress approved June 22, 1936 (49 Stat. 1803), provides that the Secretary of the Interior may adjust, defer, or cancel irrigation charges against non-Indian-owned lands within Indian irrigation projects, where conditions are found to justify such action, subject to the approval of Congress; and

Whereas an investigation of conditions affecting the Blackfeet Indian irrigation project, Montana, is contemplated within the near future pursuant to the provisions of the said act; and

Whereas the Secretary of the Interior has deferred certain irrigation charges against lands of the said project which are now delinquent or will become due and payable before the proposed investigation can be completed: Now, therefore, be it

Resolved, etc., That in accordance with the act of June 22, 1936 (49 Stat. 1803), the action of the Secretary of the Interior in deferring such charges under said irrigation project is hereby approved.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House joint resolution (H. J. Res. 334) was laid on the table.

DAM ACROSS STANSBURY CREEK IN BALTIMORE COUNTY, MD.

The Clerk called the next bill, S. 2977, authorizing the construction and maintenance of a dike or dam across Stansbury Creek in Baltimore County, Md.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Glenn L. Martin Co. and its successors and assigns to construct and maintain a dike or dam across Stansbury Creek at a point suitable to the interests of navigation about five-eighths mile above the mouth of Stansbury Creek in the county of Baltimore in the State of Maryland, in accordance with the provisions of section 9 of the River and Harbor Act of March 3, 1899.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING FREE HIGHWAY BRIDGE ACROSS PEARL RIVER AT CARTHAGE, MISS.

The Clerk called the next bill, S. 3209, granting the consent of Congress to the Mississippi State Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Carthage in the State of Mississippi.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Mississippi State Highway Commission to construct, maintain, and operate a free highway bridge and approaches thereto across the Pearl River, at a point suitable to the interests of navigation, at or near Carthage, Leake County, Miss., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE SUSQUEHANNA RIVER, MIDDLETOWN, PA.

The Clerk called the next bill, H. R. 7406, granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Middletown, Pa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a bridge and approaches thereto across the Susquehanna River, at a point suitable to the interests of navigation, at or near Middletown, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved

March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintenance, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE SUSQUEHANNA RIVER, MILLERSBURG, PA.

The Clerk called the next bill, H. R. 7407, granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Millersburg, Pa.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to know if this bridge is on a public highway and if that highway is built with Federal funds. I am constitutionally opposed to giving private concerns the right to build toll bridges on highways that are built in whole or in part with Federal funds. I have no objection to the State of Pennsylvania or any subdivision thereof building a free bridge, but I believe that it is a bad practice to turn these highways over to a few bridge companies so they may bottle up the highways and exact a toll from everybody who passes along the highways. I want to know if the gentleman is willing to agree to an amendment to strike out that provision with reference to the toll bridge.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Missouri.

Mr. COCHRAN. I do not know whether or not the gentleman recalls it, but about 14 years ago I started in this House a single-handed fight against toll bridges constructed and promoted by private individuals. On the first roll call that I forced, my motion received 13 votes. However, I kept on and finally the House adopted a policy which the committee has been carrying out declining to let private interests build toll bridges. This particular bill involves the State, and there never has been any objection to a State or a subdivision of a State building a toll bridge. In the end they will become free bridges.

Mr. RANKIN. This bill reads "the State or." I do not believe the gentleman read this bill carefully.

Mr. COCHRAN. Or representatives of a State.

Mr. RANKIN. As I understand, this does not refer to representatives of a State; it is a bridge company.

Mr. COSTELLO. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from California.

Mr. COSTELLO. The bill provides for the State Authority, Commonwealth of Pennsylvania, or the Pennsylvania Bridge and Tunnel Commission, either one of them separately, or jointly, to construct this bridge. This is a public organization, it is not a private organization.

Mr. RANKIN. It is the State of Pennsylvania?

Mr. COSTELLO. Yes.

Mr. RANKIN. Very well.

Mr. RICH. Mr. Speaker, if the gentleman will yield, may I say that if someone wishes to build a bridge and the people who use that bridge are willing to pay a toll so the bridge may be paid for and the Federal Government will not have to levy taxes to pay for it, it seems to me they should be allowed to do so. That is sound legislation and certainly good business. We have bridges at Harrisburg, Pa., and we have bridges on the other side above York, Pa., over the Susquehanna River. If the local people want to construct a bridge at Middletown and for some reason want to pay for it, why not let them do it? I am not interested in someone's trying to make any money out of it or to gouge the people. I want to serve them.

Mr. RANKIN. I understand.

Mr. RICH. But if the State authority looked after the matter and saw that those who built the bridge could not make more than 5 or 6 percent on their money, would it not be wise business procedure for us Members of Congress to follow to let the people who use the bridge pay for it? That seems sensible. That is good business. That is the logical thing to do. And it will not cost any person a penny who does not use it, and those who use it pay for service rendered.

Mr. RANKIN. I may say to the gentleman from Pennsylvania that if nobody was involved except the local people his contention might be correct, but if this bridge is on a transcontinental highway that is built with Federal funds, a highway the people of the whole country use, I am not willing to turn it over to a private bridge company.

Mr. RICH. I will guarantee that the State Highway Department of Pennsylvania is not going to let anybody build a toll bridge by which they will hoodwink and gouge the people of Pennsylvania. If the people are willing to pay the toll, then I believe we ought to let this bill go through and render a service without cost to the United States.

Mr. RANKIN. I shall not object.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a bridge and approaches thereto across the Susquehanna River, at a point suitable to the interests of navigation, at or near Millersburg, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintenance, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF TIME FOR CONSTRUCTION OF A BRIDGE ACROSS THE DELAWARE RIVER BETWEEN SHOHOLA, PA., AND BARRYVILLE, N. Y.

The Clerk called the next bill, H. R. 7655, to extend the times for commencing and completing the construction of a bridge across the Delaware River between the village of Barryville, N. Y., and the village of Shohola, Pa.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the highway bridge across the Delaware River between points in the village of Barryville, Sullivan County, N. Y., and the village of Shohola, Pike County, Pa., authorized to be built by the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania, by an act of Congress approved June 19, 1936, heretofore extended by an act of Congress approved August 23, 1937, are hereby further extended 1 and 3 years, respectively, from June 19, 1939.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGALIZING AN EXISTING BRIDGE ACROSS THE NESTUCCA RIVER AT PACIFIC CITY, OREG.

The Clerk called the next bill, H. R. 7989, to legalize a bridge across the Nestucca River at Pacific City, Oreg.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Chief of Engineers and the Secretary of War are hereby authorized to approve the location and plans of a bridge already constructed by the county of Tillamook across the Nestucca River at Pacific City, Oreg.

SEC. 2. That when the location and plans of said bridge have been so approved, said bridge shall be deemed a lawful structure and subject to the laws enacted by Congress for the protection and preservation of the navigable waters of the United States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 6, after "Oregon", insert a colon and the following: "*Provided*, That said bridge has been authorized by the legislature of the State of Oregon and as located and constructed affords free, easy, and unobstructed navigation.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF TIME FOR CONSTRUCTION OF A BRIDGE ACROSS THE MISSISSIPPI RIVER NEAR JEFFERSON BARRACKS, MO.

The Clerk called the next bill, H. R. 8320, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Jefferson Barracks, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River at or near Jefferson Barracks, Mo., authorized to be built by the county of St. Louis, State of Missouri, by an act of Congress approved August 7, 1939, is hereby extended 1 and 3 years, respectively, from August 7, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 4, after "River", strike out "at or."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River near Jefferson Barracks, Mo."

EXTENSION OF TIME FOR CONSTRUCTION OF A BRIDGE ACROSS THE MISSISSIPPI RIVER AT OR NEAR CHESTER, ILL.

The Clerk called the next bill, H. R. 8372, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Chester, Ill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Mississippi River, at or near Chester, Ill., authorized to be built by the city of Chester, Ill., by an act of Congress approved July 18, 1939, are hereby extended 1 and 3 years, respectively, from July 18, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS OLD CHANNEL OF THE WABASH RIVER, POSEY COUNTY, IND.

The Clerk called the next bill, H. R. 8467, authorizing the Superior Oil Co., a California corporation, to construct, maintain, and operate a free highway bridge or causeway across the old channel of the Wabash River from Cut-Off Island, Posey County, Ind., to White County, Ill.

Mr. SCHULTE. Mr. Speaker, reserving the right to object, I wonder if they could explain this bill?

Mr. BOEHNE. Mr. Speaker, there is no reason for any objection to the bill. If the gentleman had only noticed where the bridge is being constructed, he would not have asked the question.

Mr. SCHULTE. I did not know there was any such town in the State of Indiana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the Superior Oil Co., a California corporation, is hereby authorized to construct, maintain, and operate a free highway bridge or causeway (including approaches thereto) across the old channel of the Wabash River in order to connect Cut-Off Island, Posey County, Ind., with the highway system in White County, Ill., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Superior Oil Co., a California corporation, all the rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge or causeway, and its approaches, as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the States in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid for according to the laws of each such State, respectively, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such States, respectively.

SEC. 3. The authority herein granted shall extend not only to the Superior Oil Co., a California corporation as aforesaid, but also to the owners of Cut-Off Island, Ind., at the date of the enactment of this act and any future owners of such island.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Strike out all of section 2, lines 5 to 18, inclusive, on page 2.
Page 2, line 19, after "SEC.", change "3" to "2."
Page 2, line 24, after "SEC.", change "4" to "3."
Amend the title.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the Superior Oil Co., a California corporation, to construct, maintain, and operate a free highway bridge or causeway and approaches thereto across the old channel of the Wabash River from Cut-Off Island, Posey County, Ind., to White County, Ill."

BRIDGE ACROSS MISSOURI RIVER NEAR RANDOLPH, MO.

The Clerk called the next bill, H. R. 8669, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.

The Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of the bridge across the Missouri River at or near Randolph, Mo., authorized to be built by the Kansas City Southern Railway Co., its successors and assigns, by an act of Congress approved May 24, 1928, heretofore extended by acts of Congress approved March 1, 1929, May 14, 1930, February 6, 1931, May 6, 1932, January 19, 1933, April 9, 1934, April 10, 1936, and May 31, 1938, are hereby further extended 2 and 4 years, respectively, from May 24, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 5, strike out "the" and insert "The."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE COAST GUARD

The Clerk called the next bill, H. R. 8423, to amend an act entitled "An act to increase the efficiency of the Coast Guard," approved January 12, 1938.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to increase the efficiency of the Coast Guard," approved January 12, 1938 (52 Stat. 4), is hereby amended to read as follows:

"SEC. 2. The Secretary of the Treasury, at the direction of the President, shall assemble annually a Coast Guard Personnel Board (hereinafter referred to as the Board), to be composed of not less than five commissioned officers of the rank of captain or above on the active list of the Coast Guard. It shall be the duty of the Board (a) to recommend for retirement such commissioned officers of the Coast Guard who have 30 or more years of service, as the Board determines, in its discretion, should be retired from active service, (b) to recommend for retirement such commissioned officers of the Coast Guard who have been placed out of line of promotion and who have 10 years or more of commissioned service, as the Board determines, in its discretion, should be retired from active service, and (c) to recommend for placing out of line of promotion such lieutenant commanders on the active list, as the Board determines, in its discretion, should be placed out of line of promotion. The proceedings, findings, and recommendations of the Board shall be transmitted to the Commandant of the Coast Guard for review. If the Commandant shall approve the recommendations of the Board, notification thereof shall be given by him in writing to each officer concerned, who, for the first time under this act, is recommended for retirement or for placing out of line of promotion; and any such officer who, within 30 days after receipt of such notification, files with the Commandant a written protest of the action taken by the Board in his case, shall not be retired involuntarily or placed out of line of promotion under this act unless a subsequent annual Board, none of the members of which were members of the previous Board which recommended such officer's retirement or placing out of line of promotion, determines, in its discretion, that such officer should be retired or placed out of line of promotion, and so recommends, in which case such officer may, upon approval by the President, be retired from active service with retired pay as prescribed by section 3 hereof, or be placed out of line of promotion, as the case may be, as hereinafter provided. At the expiration of 30 days after receipt by an officer of notice aforesaid, in the event that no such protest is filed by him, such officer may upon approval by the President, be retired from active service with retired pay as prescribed by section 3 hereof, or be placed out of line of promotion, as the case may be, as hereinafter provided. If the Commandant shall disapprove any recommendation of the Board, the officer concerned shall retain his status in the Coast Guard to the same extent as if his case had not been considered by such Board. Except as hereinbefore provided, each recommendation of the Board which is finally approved by the Commandant, together with the proceedings and findings of the Board, shall be transmitted to the Secretary of the Treasury for further review, and if the Secretary shall disapprove any recommendation of the Board, the officer concerned shall retain his status in the Coast Guard to the same extent as if his case had not been considered by such Board. Each recommendation of the Board which is not disapproved by the Secretary shall be laid before the President by the Secretary with his recommendation in the case. The President may, in any calendar year, pursuant to recommendations so laid before him—

"(a) Place out of line of promotion such number of lieutenant commanders on the active list as will not exceed the whole number nearest to 2 percent of the officers in that grade as of January 1 of such year; except that such limitation shall not be construed to limit the number of lieutenant commanders who may be placed out of line of promotion, in accordance with regulations prescribed by the Secretary of the Treasury, for failing to establish their mental, moral, and professional fitness for promotion.

"(b) Place upon the retired list such number of commissioned officers who have 30 or more years of service as will not exceed the whole number nearest to 5 percent of the number of officers falling within that classification on January 1 of such year.

"(c) Place upon the retired list any officer who has been placed out of line of promotion and who has 10 years or more of commissioned service."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INDIANS OF THE CROW TRIBE, MONTANA

The Clerk called the next bill, H. R. 8916, to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the period of trust on lands allotted to Indians of the Crow Reservation, Mont., upon which the trust period expired July 14, 1931, or at any other time prior to the approval of this act, and for which lands patents in fee have not been issued, is hereby reimposed and extended to May 23, 1940: *Provided*, That further extension of the period of trust may be made by the President, in his discretion, as provided by section 5 of the act of February 8, 1887 (24 Stat. 388), and the act of June 21, 1906 (34 Stat. 326).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STAR ROUTE MAIL CARRIERS

The Clerk called the next bill, S. 1214, to provide for a more permanent tenure for persons carrying the mail on star routes.

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill may go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ADDITIONAL COMPENSATION TO SPECIAL ASSISTANTS TO THE ATTORNEY GENERAL

The Clerk called the next bill, H. R. 4366, to authorize the payment of additional compensation to special assistants to the Attorney General in the case of United States against Doheny executors.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I notice there is a minority report in connection with this bill signed by six members of the committee. It is very obvious when there is a minority report accompanying a bill that it is not going to be passed by unanimous consent. My only reason for asking that it be passed over without prejudice is that the committee might want to request that it be taken from the calendar because there is not any chance whatsoever of a bill with a minority report on it going through on the Consent Calendar, and for this reason I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PATENTS FOR LANDS HELD UNDER COLOR OF TITLE

The Clerk called the bill (H. R. 7736) authorizing the Secretary of the Interior to issue patents for lands held under color of title.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That if within 5 years after passage of this act it shall be shown to the satisfaction of the Secretary of the Interior that a tract or tracts of public land in the State of Michigan, not exceeding in the aggregate 160 acres, has or have been held in good faith and in peaceable, adverse possession by a citizen of the United States, his ancestors or grantors, for more than 20 years prior to the approval of this act under claim or color of title, and that valuable improvements have been placed on such land or some part thereof has been reduced to cultivation, the Secretary may, in his discretion, upon the payment of $1.25 per acre, cause a patent or patents to issue for such land to any such citizen: *Provided*, That the term "citizen," as used herein, shall be held to include a corporation organized under the laws of the United States or any State or Territory thereof.

With the following committee amendments:

Page 1, line 10, strike out the word "valuable."

Page 2, line 2, after the word "Secretary", strike out "may, in his discretion" and insert the word "shall."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

PULASKI MEMORIAL DAY

The Clerk called House Joint Resolution 400, authorizing the President of the United States of America to proclaim October 11, 1940, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the President of the United States of America is authorized to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11, 1940, and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies in commemoration of the death of Gen. Casimir Pulaski.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DEFINING CERTAIN MINING PRACTICES

The Clerk called the bill (H. R. 8285) with reference to certain mining practices and defining unfair trade practices in certain instances.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object. I have prepared an amendment to this bill to make it general in character. In my opinion, the bill, as far as it goes, is a worthy bill and should be passed. I have taken the matter up with the gentleman from Florida [Mr. PETERSON], who introduced the bill, and he suggests that it be amended; and I have prepared an amendment including all of the products and articles and the importation of articles produced on which there is a patent. Some time ago my attention was called to a magazine article in which there were photographs of infringements of patents held by citizens of the United States in foreign countries, and these are imported and come in competition with our products, and there seems to be no way now, in view of the decision of the Supreme Court in the Mineral case, by which the owner of the patent has any claim against the importer or anyone else. My amendment would make this general, to include all articles and products.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That it shall be deemed an unfair trade practice to import for use, sale, or exchange any minerals mined, produced, or processed by use of the flotation process except where such minerals are produced or mined under authority of the owner of such flotation process.

With the following committee amendment:

Strike out all after the enacting clause and insert:
"That it shall be deemed an unfair trade practice and a violation of the right of the patentee to import for use, sale, or exchange any minerals mined, produced, or processed by use of any mining process covered by the claims of any outstanding United States letters patent heretofore or hereafter issued, except where such minerals are produced, processed, or mined under authority of the owner of such process."

Mr. WOLCOTT. Mr. Speaker, I offer the following substitute for the committee amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Strike out all after the enacting clause and substitute in lieu thereof the following:
"That it shall be deemed an unfair trade practice and in violation of the right of the patentee to import for use, sale, or exchange any article, mineral, or product produced, processed, or mined by use of any process covered by the claims of any outstanding United States letters patent, or to import for use, sale, or exchange any article, mineral, or product which infringes the right of any patentee under letters patent so issued, except where such articles are produced, processed, mined, or imported under authority of the owner of such process or patent."

The SPEAKER. The question is on agreeing to the substitute offered by the gentleman from Michigan for the committee amendment.

The substitute was agreed to.

The SPEAKER. The question now is on the amendment as amended by the substitute.

The amendment as amended was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents; to define unfair trade practices in certain instances, and for other purposes."

UNIFORM ADMINISTRATIVE PROVISIONS IN VETERANS' LAWS

The Clerk called the bill (H. R. 8930) to amend section 202 (3) World War Veterans' Act, 1924, as amended, to provide more adequate and uniform administrative provisions in veterans' laws, and for other purposes.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

TOMAH INDIAN SCHOOL, WISCONSIN

The Clerk called the next bill, H. R. 7530, to transfer the site and buildings of the Tomah Indian School to the State of Wisconsin.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion to transfer to the State of Wisconsin under such terms and conditions as he may prescribe all or any part of the land and buildings comprising the Tomah Indian School at Tomah, Wis.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:
"That the Secretary of the Interior be, and he is hereby, authorized to transfer to the State of Wisconsin, upon such terms and in such manner as may be mutually agreed upon, for institutional or other public use, title to all or any part of the property known and designated as the Tomah Indian School located at Tomah, Wis."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTIETAM BATTLEFIELD SITE

The Clerk called the next bill, S. 1780, to authorize the Secretary of the Interior to acquire property for the Antietam Battlefield site in the State of Maryland, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like someone to explain this bill, and how much ground they want to add to this battlefield. I ask unanimous consent that the bill go over without prejudice, Mr. Speaker

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TRANSFER OF UNITED STATES PRISONERS IN CERTAIN CASES

The Clerk called the next bill, H. R. 9047, to provide for the transfer of United States prisoners in certain cases.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOOK. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDING SUBSECTION (D) OF SECTION 4 OF THE ACT OF CONGRESS APPROVED MAY 26, 1924

The Clerk called the next bill, H. R. 8753, to amend subsection (d) of section 4 of the act of Congress approved May 26, 1924, entitled "An act to limit the immigration of aliens into the United States, and for other purposes."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VAN ZANDT and Mr. CLEVENGER objected.

Mrs. O'DAY. Will the gentleman reserve the objection?

Mr. VAN ZANDT. Yes; I will reserve the objection.

Mrs. O'DAY. Mr. Speaker, this bill gives to women the same privileges that foreign men, ministers, and professors have had ever since the immigration law was passed. Four hundred and seventeen men have come in under the nonquota law and have brought their wives and children. In that length of time 47 women professors have come in, and I know that most of them were spinsters. Now we want legislation to change that, to give women the same privilege as men.

Mr. VAN ZANDT. Mr. Speaker, in reply to the gentlewoman from New York [Mrs. O'DAY], it is legislation of this type that provides an additional loophole in our immigration laws.

So that my colleagues may fully understand the far-reaching effect of section 4–D of the Immigration Act of 1924, I wish to call to your attention that since the act became effective in 1924 a total of 15,578 nonquota immigrant aliens, as ministers, professors, their wives, and unmarried children, were admitted to the United States.

For the further information of my colleagues, I am inserting herewith a break-down of the 15,578 nonquota immigrant aliens referred to above, showing pertinent facts compiled by the United States Immigration Service.

Nonquota immigrant aliens admitted since July 1, 1924, under sec. 4d of the Immigration Act of 1924, as ministers and professors and their wives and unmarried children; also ministers and professors admitted since 1932, by sex, as specified.[1]

Fiscal year	Ministers	Wives of ministers	Children of ministers	Professors	Wives of professors	Children of professors
1925	694	295	486	187	49	25
1926	664	235	436	151	39	26
1927	595	338	721	138	40	21
1928	594	226	393	124	40	27
1929	507	212	355	118	40	20
1930	508	215	382	160	50	25
1931	383	144	226	109	38	43
1932	291	81	132	100	35	21
1933:[1]						
Men	201	41	57	38	19	14
Women	3			7		
1934:						
Men	193	69	97	51	28	24
Women	3			10		
1935:						
Men	197	60	102	45	26	22
Women	2			4		
1936:						
Men	240	85	129	42	20	16
Women	1			4		
1937:						
Men	230	79	128	47	26	26
Women	3			7		
1938:						
Men	281	70	105	48	29	28
Women	2			4		
1939:						
Men	322	148	234	215	117	88
Women	1			27		
6 months, July–December 1939:						
Men	174	94	116	153	93	71
Women	-------			23		
Total	6,089	2,392	4,099	1,812	689	497

[1] Statistics showing classes of admission under the act of 1924 by sex, not compiled prior to 1933.

The committee report on the measure now before us—H. R. 8753—states that in the last 5 years 46 female professors came into the United States nonquota. It is true under the existing law they are not permitted to bring their husbands or unmarried children under 18 years of age. To care for this group of husbands and unmarried children we are asked to approve H. R. 8753 as an amendment to the Immigration Act of 1924. If this amendment is approved not only will we take care of the husbands and unmarried children of the 46 female professors now in the United States, but another loophole will be provided in our immigration laws that will permit the influx of more aliens; thus further hampering the efforts of the American people to solve their own unemployment problem. The plight of 10,000,000 unemployed Americans is the real question before this Congress at the present moment.

This amendment vitally concerns this question of unemployment, whether it permits the admission of a dozen nonquota immigrants, or a thousand such persons. Therefore, I take the position, that this amendment rather than being assigned to the Consent Calendar of the House, where debate is denied, rightfully should come to this floor under a rule granting full debate and a thorough analysis of the effects of the amendment so that every Member of the House may have knowledge of the serious consequences to result from its enactment.

The problem of the 46 female professors may be solved by the introduction of a private bill in each instance, and the merits of the individual case considered.

Therefore, Mr. Speaker, I insist on my objection.

The SPEAKER. Objection is heard. The Clerk will report the next bill.

MORE ADEQUATE COMPENSATION FOR CERTAIN DEPENDENTS OF WORLD WAR VETERANS

The Clerk called the next bill, H. R. 9000, to provide for more adequate compensation for certain dependents of World War veterans, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I hope the gentleman will allow this bill to be passed. It provides compensation for the widows and orphans of World War veterans; it is following precedents set by Congress for the dependents of veterans of the Civil War and the Spanish-American War. I hope the gentleman will allow this measure to go through.

Mr. COSTELLO. Mr. Speaker, I will say to the gentleman that the bill provides for a possible annual cost of over $48,000,000. Of course, the committee, in making its estimate of the bill, presumed that only half of those who are eligible the first year will make application, and for that reason they cut the cost of the bill down to a possible $24,000,000. But the bill provides for benefits to widows and children without regard to the cause of the veteran's death, or requirement of the existence of a service-connected disability at the time of death. This bill provides for general pensions for all widows and dependents, whether they be children or parents, of all veterans who served for a period of 90 days and were honorably discharged. To my mind we are stepping out on a very vast program that may run into hundreds of millions of dollars annually. I think it would be a dangerous precedent for the Congress to establish by this act. Once the requirement of a service-connected disability is waived for the benefit of widows and dependents it will be only a short step to waiving the service-connection requirements for the veterans themselves. A veteran who has suffered no disability during his war service does not have a claim against the Government for compensation. Since the veteran does not have a claim, and after all, it was the veteran who went to war and not his dependents, then certainly the dependents cannot have a claim against the Government. This legislation is purely a gratuity that cannot be justified, but which will cost the Government possibly $48,000,000 the first year and an ever-increasing amount each year thereafter.

Mr. RANKIN. I was afraid the gentleman did not understand the proposition. This bill will not begin to cost $48,000,000 a year. It will not cost $25,000,000. The chances are it will take so many of these widows and orphans and dependents off of the relief rolls that it will not cost any more than we are paying now. In addition to that, this bill is even a limitation on the legislation governing compensation for widows and orphans of other wars, in that it only provides for compensation of those widows without children who married the veteran prior to July 3, 1921, the legal date of the closing of the World War. Many thousands of these widows with these little children are on relief; and I submit veterans' widows ought not be compelled to rear the veterans' orphan children on relief. I hope the gentleman will withdraw his objection and let this bill go through.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I simply asked that the bill be passed over without prejudice.

Mr. RANKIN. I think the gentleman ought to withdraw that. I will have to object to that request, Mr. Speaker.

The SPEAKER. Objection is heard. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, reserving the right to object, I will state that the committee report shows that during the first year 30,500 widows alone, 66,700 widows with children, and 23,500 children are going to be affected by this legislation.

The committee giving its statement as to the possible costs, cutting their own figures in half stated that the bill would cost approximately $19,957,000, bringing on the rolls the dependents of approximately 60,300 deceased World War veterans.

Further as to the parents, it is estimated that the parents of approximately 32,800 deceased veterans would be entitled to compensation at a cost of approximately $8,472,000 the first year. Quoting the committee report, it states:

However, if it can be assumed that one-half of those that apply will be paid the first year, the cost for this group would approximate $4,236,000 bringing on the rolls the parents of approximately 16,400 deceased veterans.

The committee's own report taking their half figures states that this bill will cost approximately $24,000,000 the first year. If all the widows and dependents applied the next year, it would cost over $48,000,000; and every year veterans are dying off so as to continually increase the number. Their widows and dependent children and parents would be entitled under this legislation to come in and obtain a pension. You are giving a blanket pension to all dependents of veterans who served in the war regardless of whether the veteran had any disability. For the first time you are about to eliminate the requirement of service connection. To my mind, Mr. Speaker, there is no reason why we should single out that group of civilians who wore the uniform for a short period of time, suffered no disability, and then say to their widows and to their dependents, "You shall have a pension," but turn to all other civilians regardless of what disability they may incur in civilian life and say they shall have no compensation at all unless it be under the old-age pension acts. Why one small group should be so singled out and given pensions is far beyond me to understand, and I frankly state to this House that every piece of legislation of this kind that we pass is used simply as a springboard to dive farther into the Treasury pool in order to obtain further benefits.

If you pass this legislation, there is absolutely no question in my mind but what you are going to come in here next with a bill providing universal pensions for all veterans who served in the World War regardless of whether they suffered any disability; and, remember, over 4,000,000 veterans served in the World War. If we are going to grant universal pensions to those veterans, the cost is going to be not only prohibitive but it is going to plunge us into bankruptcy. The passage of such legislation as the pending bill is only a step toward far greater expenditures in spite of all the benefits which have already been conferred on the World War veterans. The gentleman from Mississippi states that he is only trying to do for the World War veterans what has been done for the veterans of other wars. Whenever this argument is made, the full facts and the complete picture are never presented. Instead, certain very astonishing facts and figures are seldom referred to or revealed. The long list of extra benefits which were extended to the World War veterans which the veterans of other wars did not get and which amount to so staggering a sum that it becomes well-nigh incredible, is a matter which is not mentioned.

For the benefit of the taxpayers of this country, who, in the long run, are called upon to finance the benefits disbursed by reason of such legislation as this, it will be interesting to review the cost of pensions and compensation which, since the year 1790 until June 30, 1939, totaled $13,702,692,413.96. The total expenditures for pensions of Civil War veterans through June 30, 1939, amounted to $8,006,533,061.14. The total expenditures for veterans' pensions and compensation does not take into consideration other benefits that were given to World War veterans. For example, under the war-risk policies, the Government has paid to the veterans $2,136,101,862.63, and the veterans contributed something over $454,000,000. It has been the belief of many American taxpayers that the World War veterans have paid for all the insurance they got, but this is not an accurate statement; they paid less than 25 percent of the cost of the war-risk insurance. The war-risk insurance should not be confused with Government life insurance, however, as this is self-sustaining.

During the World War, veterans who had dependents could allot $15 of their pay for such dependents, and the Government made an additional allowance in various amounts to their dependents. These allowances amounted to appropriations of over $1,580,000,000. The dependents of the Civil War and Spanish-American War were not honored by such gratuities.

In order to eliminate pensions for World War veterans, vocational training laws were enacted in 1918. Eligibility was determined for vocational training of 179,519 World War veterans. Of the total number of World War veterans benefited by this act, 128,747 satisfactorily completed the courses prescribed for them. The total cost of vocational training was $644,804,963.82.

After the World War period, the various veteran groups petitioned Congress for a cash bonus for World War veterans and as a result of their concentrated efforts over a period of years, the World War Adjusted Compensation Act was passed. This act, as you all know, provided that veterans would be given an adjusted service certificate which would become due in 20 years, with a loan value on the certificate which increased in value after the first 2 years. What happened to this law is history, as the veterans shortly after receiving their certificates demanded full payment of the certificates and 4,117,473 veterans and their dependents have been paid either by bonds or check a sum of $3,765,473,212.49. These certificates under the original act would not have become due until 1945 if the veteran filed for them in 1925.

Apparently every major program of the veteran organizations has been to provide certain benefits to their respective group, which would eliminate the possibility of veterans demanding pensions. As a result of this millions of dollars have been appropriated. For instance, the sum total of $200,044,766 was made available for construction purposes during the past 20 years, and as a result of this huge expenditure the Veterans' Administration is now operating hospital facilities at 84 locations in 45 States and the District of Columbia. These facilities have a bed capacity of 54,779, and when the program is completed the total bed capacity will be around 100,000. Since March 3, 1919, when the acquisition of Government facilities was first authorized for the treatment of veterans of the World War, there have been 2,028,865 admissions of United States veterans to hospitals, of which 165,776 were made during this year. Since June 7, 1924, when hospitalization was first authorized for veterans of all wars without regard to the origin of their disabilities, 1,206,966, or about 75 percent of the admissions, have been for treatment of disabilities not connected with service. Over 92 percent of the admissions last year were on account of non-service-connected disabilities. The granting of hospitalization to World War veterans for disabilities which are not service-connected is purely a gratuity at the expense of the taxpayers, and unlike service-connected disabilities cannot be justified as something to which the veteran is rightly entitled as compensation from his Government for service rendered. Of the United States veterans admitted to hospitals during last year 90 percent were World War veterans.

It was not long, however, after the World War Veterans' Act of June 7, 1924, which embraced new principles in the payment of compensation to veterans that far exceeded those of any previous group, that the Disability Allowance Act was passed. This law, as you know, provided pensions to World War veterans who did not have any disabilities attributable to their military service. The total cost of the Disability Allowance Act was $190,334,347.54, and on June 30, 1933, when these veterans were taken off the pension rolls due to the Economy Act there were 412,482 veterans in receipt of disability allowance. There are, however, remaining on the rolls 55,739 World War veterans receiving permanent total non-service-connected benefits. The annual value of awards for these veterans amounts to $18,092,688. In addition to this staggering sum there has been expended for compensation for World War veterans the sum in excess of over $3,000,000,000.

There has never been a country in the world's history that has been so generous and liberal with its veterans and their dependents, especially the World War veteran group. Regardless of the fact that World War veterans have received insurance benefits, their dependents have received allotment and allowance benefits, free hospitalization, adjusted compensation—bonus—disability allowance for non-service-connected disabilities, and liberal compensation benefits for service-connected disabilities that cost the taxpayers of this country over $11,000,000,000, which is more than two-thirds the benefits received by veterans other than the World War group, now we are faced with a pension drive by the World War veterans for widows and orphans of that war which will cost the taxpayers an additional $48,000,000 the first year, and which will increase annually by large amounts that will only be exceeded by the cost of future legislation when the World War veteran himself makes his demand for universal pensions in a sum that will definitely bankrupt the country.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object to the present consideration of the bill.

EXTENSION TO CERTAIN CIVILIANS OF PRIVILEGES OF THE SOLDIERS' HOMES

The Clerk called the next bill, H. R. 1008, to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to say, in reply to the gentleman from California, that those old people who would have been benefited by the passage of the last bill, as has just been explained in the Well of this House, are being thrown off of relief; they are being thrown off of W. P. A.; they are being thrown off without anything.

So far as concerns the creating of a precedent by the passage of such bill and its laying the groundwork for further legislation, no man has any right to make that kind of charge against it in this House. What we are trying to do is to hold this veterans' legislation down for these dependent widows, children, and parents. We are trying to hold it down the very best we can; and to broadcast a speech like that, attacking the veterans of this country and stating that it means a pension for all veterans of the World War, is nothing in God's world but propaganda that ought not to go into the RECORD.

Mr. Speaker, I withdraw my objection.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, the bill under consideration has no relationship whatsoever to the previous bill, to whose consideration I objected. The pending bill has to do with the granting to certain civilians who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition, the benefits of hospitalization, and the privileges of the soldiers' homes.

In view of the fact that the report does not contain any statement from any one of the three departments of Government that are concerned I feel that this legislation is not entitled to the consideration of the House at this time. It is my understanding that the War Department is opposed to the legislation in view of the fact that it provides that civilians may be placed in the Washington Soldier's Home, an institution maintained by funds derived from deductions from the pay of soldiers serving in the military forces of the country. For this reason, Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

Mr. FADDIS. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object to the consideration of the bill.

ENFORCEMENT LAWS PROHIBITING THE IMPORTATION OF PIRATICAL COPIES OF WORKS COPYRIGHTED IN THE UNITED STATES

The Clerk called the next bill, S. 2689, to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, is amended to read as follows:

"SEC. 33. That the Secretary of the Treasury and the Postmaster General are hereby empowered and required to make and enforce individually or jointly such rules and regulations as shall prevent the importation into the United States of articles prohibited importation by this act, and may require, as conditions precedent to exclusion of any work in which copyright is claimed, the copyright proprietor or any person claiming actual or potential injury by reason of actual or contemplated importations of copies of such work to file with the Post Office Department or the Treasury Department a certificate of the Register of Copyrights that the provisions of section 12 of this act, as amended, have been fully complied with, and to give notice of such compliance to postmasters or to customs officers at the ports of entry in the United States in such form and accompanied by such exhibits as may be deemed necessary for the practical and efficient administration and enforcement of the provisions of sections 30 and 31 of this act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PURCHASE OF CERTAIN LANDS FOR SAN CARLOS INDIANS (ARIZONA)

The Clerk called the next bill, H. R. 6796, to authorize the purchase of certain lands for the San Carlos Apache Tribe, Arizona.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, to ask the author of this bill a question. The cost of this property is estimated to be $19,134 for the land for this Indian tribe. Who is going to purchase this land?

Mr. MURDOCK of Arizona. Mr. Speaker, the land will be purchased by the Indian Bureau and that price is approximate because an agreement has not been entered into. About 600 acres of land will be purchased out of funds already appropriated or to be appropriated later to the San Carlos Indians of the San Carlos Indian Reservation. I do not know whether it could be taken out of the Indian funds or whether it must be out of funds appropriated for the Indians.

Mr. RICH. Does this Indian tribe have any funds in the Treasury?

Mr. MURDOCK of Arizona. I think they have.

Mr. RICH. Does the gentleman know?

Mr. MURDOCK of Arizona. I do not know how much they have, but whatever it is, this purchase price should not be taken out of it.

Mr. RICH. I think the gentleman better get that information before action is taken on this bill. I ask unanimous consent, Mr. Speaker, that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

Mr. MURDOCK of Arizona. Mr. Speaker, reserving the right to object, this bill has been O. K.'d by the Indian Bureau and endorsed by two government agencies of Arizona. We are trying to buy 600 acres of land to add to the San Carlos Indian Reservation. About 130 or 140 acres are tillable when under irrigation. This is another effort to make these Indians more nearly self-supporting. If they may have some farm land on which to raise grass, they will become self-sufficient, as they are expert stockmen. This purchase will facilitate the economic management of the San Carlos Reservation.

Mr. RICH. Mr. Speaker, I appreciate all that, and I know that the Indian Bureau is interested. We say we are trying to make the Indians self-supporting; but if notice is taken of the legislation we have passed in the last 4 or 5 years in support of Indians, the amount of appropriation each year is

becoming greater and greater. It is supposed that the number of Indians is becoming less and less, but the cost of maintaining them is increasing. Every member of the Interior Department Appropriation Committee that has charge of the allocation of funds to the Indian Bureau knows this to be the case. I would like to know whether these funds are going to be paid out of the Treasury of the United States or out of the Indian tribe funds for the land. We ought to know that definitely before we decide on the passage of the bill. I think it should go over until the gentleman can get the information we are asking for.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

EXCHANGE OF LANDS ADJACENT TO SAN JUAN NATIONAL FOREST, COLO.

The Clerk called the next bill, H. R. 8356, for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act of March 20, 1922 (42 Stat. L. 465; U. S. C., title 16, sec. 485), entitled "An act to consolidate national forest lands," and the provisions of the act of February 28, 1925 (43 Stat. L. p. 1090; U. S. C., title 16, sec. 486), entitled "An act to amend an act entitled 'An act to consolidate national forest lands,'" and acts amendatory thereto, are hereby extended to include any suitable offered lands within the boundaries of that portion of the former Mexican grant known as the Tierra Amarilla Grant, lying within the State of Colorado, adjacent to the Rio Grande or San Juan National Forests. Lands conveyed to the United States under this act shall, upon acceptance of title, become parts of the national forest nearest to which they are situated, and shall thereafter be subject to the laws, rules, and regulations applicable to said national forest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMISSION TO CITIZENSHIP OF CERTAIN ALIENS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to return to Calendar No. 575, to consider the bill H. R. 6381, for the admission to citizenship of aliens who came into this country prior to February 5, 1917.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. LESINSKI]?

Mr. TABER. Mr. Speaker, reserving the right to object, this bill provides for the admission to citizenship of aliens who came to this country prior to February 5. Will the gentleman explain the bill?

Mr. LESINSKI. This bill provides that the people who are legally in this country, and who have entered prior to 1917, being in the main old people and unable to speak the language fully and correctly, may be allowed to become citizens without going through all the tests that are necessary now. In other words, they are not allowed citizenship unless they can read and write the English language.

Mr. TABER. Mr. Speaker, I shall have to object.

TRANSFER OF UNITED STATES PRISONERS IN CERTAIN CASES

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to return to Calendar No. 610 and the consideration of the bill H. R. 9047, to provide for the transfer of United States prisoners in certain cases.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. GOSSETT]?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That whenever any person confined in any penal or correctional institution pursuant to a judgment of conviction of an offense against the United States has been indicted or convicted of a felony in a court of record of any State, other than the State in which such person is confined, the Attorney General shall, if he finds it in the public interest to do so, upon the request of the Governor or the executive authority of such State, and upon the presentation of a certified copy of such indictment or judgment of conviction, cause such person to be transferred prior to his release to a penal or correctional institution situated within such State that is authorized to receive United States prisoners. In the event more than one such request is presented in respect to any prisoner, the Attorney General shall determine in his discretion which request should receive preference. The expense of personnel and transportation incurred in carrying out the provisions of this act shall be chargeable to the appropriation for the "support of United States prisoners."

SEC. 2. The term "indictment" as used in this act shall include "information" and the term "indicted" shall include "informed against." The term "State" shall include the District of Columbia, but not Territories.

SEC. 3. Nothing in this act shall be deemed to limit the authority of the Attorney General to transfer any prisoners pursuant to any other provision of law.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill just passed at this point in the RECORD, and include a proclamation of the Governor of Texas and also a letter.

The SPEAKER. Is there objection?

There was no objection.

Mr. GOSSETT. Mr. Speaker, a number of Members have asked me about H. R. 9047 on today's Consent Calendar, which was introduced by me, and have wanted to know the reasons and necessity therefor. This I am glad to explain.

H. R. 9047 is entitled "A bill to provide for the transfer of United States prisoners in certain cases." Since this bill is short and since the reading of the bill, I think, will enable one to understand its purpose and import, I quote the bill just here in full:

Be it enacted, etc., That whenever any person confined in any penal or correctional institution pursuant to a judgment of conviction of an offense against the United States has been indicted or convicted of a felony in a court of record of any State, other than the State in which such person is confined, the Attorney General shall, if he finds it in the public interest to do so, upon the request of the Governor or the executive authority of such State, and upon the presentation of a certified copy of such indictment or judgment of conviction, cause such person to be transferred prior to his release to a penal or correctional institution situated within such State that is authorized to receive United States prisoners. In the event more than one such request is presented in respect to any prisoner, the Attorney General shall determine in his discretion which request should receive preference. The expense of personnel and transportation incurred in carrying out the provisions of this act shall be chargeable to the appropriation for the "Support of United States prisoners."

SEC. 2. The term "indictment" as used in this act shall include "information," and the term "indicted" shall include "informed against." The term "State" shall include the District of Columbia, but not Territories.

SEC. 3. Nothing in this act shall be deemed to limit the authority of the Attorney General to transfer any prisoners pursuant to any other provision of law.

The purpose and workings of the bill might be further illustrated by brief reference to a case prosecuted by me while I was district attorney of the forty-sixth judicial district of Texas. In January of 1934 it was my unpleasant duty to prosecute a former sheriff and tax collector of Foard County, Tex. This sheriff was sent to the Texas penitentiary under convictions in three separate cases, two convictions carried penalties of 3 years each while a third carried a penalty of 7 years. On January 14, 1935, this ex-sheriff received a conditional pardon on his 7-year sentence, but not on his 3-year sentences, commitment papers on which had not been filed at the State penitentiary at Huntsville, Tex. Immediately on receipt of this conditional pardon said ex-sheriff went to New Orleans, La., and surrendered to Federal officers to begin the service of a sentence of 1 year and 1 day for conspiracy and counterfeiting, and on January 30, 1935, was committed to the United States penitentiary at Atlanta, Ga. On July 2, 1935, the aforesaid conditional pardon was revoked by the then Governor of Texas, the Honorable James V. Allred. The revocation proclamation of Governor Allred contains a further statement of facts, and the proclamation is here quoted in full:

PROCLAMATION BY THE GOVERNOR OF THE STATE OF TEXAS

To All To Whom These Presents Shall Come:

Whereas Que R. Miller, convict No. 75520, was convicted in the district court of Hardeman County, Tex., in January 1934, of misapplication of public funds, and sentenced to 7 (2–7) years' confinement in the State penitentiary; and was, on the 14th day of

January 1935, granted a conditional pardon by the then Governor in proclamation No. 27386; and

Whereas I have, as Governor, been requested to revoke the conditional pardon granted Que R. Miller in proclamation No. 27386. It has been represented to me by Hon. Ed L. Gossett, district attorney in and for the forty-sixth judicial district of Texas, as follows: "Said Miller in the procurement of said pardon perpetrated a fraud upon the Governor in failing to disclose: (1) That at the time said pardon was granted he was under final conviction for the misapplication of public funds in Foard County, Tex., the commitment papers for which were not then of record in the State penitentiary; (2) That at such time there was then pending (and is still pending) in the district court of Wilbarger County, Tex., an indictment against the said Miller for the misapplication of public funds; (3) That the said Miller had admitted the misapplication and conversion of public money while sheriff and tax collector of Foard County exceeding $40,000; (4) That said Miller had been indicted in Foard County, Tex., in cause No. 516 on the docket of the district court for the fraudulent disposition of mortgaged property, which case had been dismissed after he had gone to the penitentiary; (5) That there had been filed on the 10th day of January 1935, and was then pending (and is still pending) in the district court of Johnson County, Tex., in cause No. 14994, an indictment against the said Que R. Miller for felony theft; (6) That on the 10th day of December 1933, in the district court of Jackson County, Okla., said Miller had been indicted for the offense of robbery with firearms under the alias of George Waggoner, said Waggoner and Miller being the same persons, which indictment is now pending; (7) That at the time such conditional pardon was granted that said Miller had pending against him in the district court of Shawnee, Okla., an indictment for robbing one Evans of $2,000, and was under $10,000 bond in such cause, which cause is still pending; (8) That the records of the Western Union office at Vernon then revealed that said Miller had received in nine telegraphic messages over $38,000 from the tax collector of Wilbarger County, Tex., such wires dating from October 1931 to May 1932, and that the tax collector of Wilbarger County had admitted such money to have been public funds and such tax collector went to the Texas penitentiary for such misapplication but the said Miller was never indicted for this offense, it being the opinion of prosecuting officials that he would have to do the 7 years assessed him in Hardeman County, Tex.; (9) That at such time said Miller had pled guilty in the Federal court of New Orleans to the possession of counterfeit money for which crime he is now serving in the Federal penitentiary at Atlanta, Ga., his time expiring on November 12, 1935. Furthermore, since the granting of said conditional pardon, said Miller has been twice indicted by the grand jury of Wilbarger County, Tex. The grand jury for the March term, 1935, indicted said Miller for the swindle of one B. A. Winter out of a diamond ring of the alleged value of $1,000; the grand jury for the June term, 1935, indicted the said Miller for the swindling of one F. M. Johnson out of $200, said swindle occurring on or about January 15, 1935, at the very time of or after said conditional pardon was granted." Because the said Que R. Miller has been twice indicted for felonies since the granting of the conditional pardon to him in proclamation No. 27386, because there is now pending against him in four different district courts at least six felony indictments, and because of the fraudulent representations and nondisclosures, and because Miller's entire record proves him to be a dangerous enemy of society, this request for a revocation of the conditional pardon granted the convict has been asked. The conditional pardon granted the said Que R. Miller stated that it was subject to revocation "for any good and sufficient reason" of the Governor's justifying his so doing * * * "with or without hearing * * *." Acting upon and because of the recommendation stated above: Now, therefore,

I, James V. Allred, Governor of the State of Texas, by virtue of the authority vested in me under the constitution and laws of this State, upon the recommendations hereinabove cited and for the reasons herein set out and now on file in the office of the Secretary of State, do hereby revoke the conditional pardon granted to Que R. Miller in proclamation No. 27386 by the then Governor on the 14th day of January 1935. The said conditional pardon is hereby set aside and declared void. The prison authorities are hereby instructed to take him in charge immediately upon his release from the Federal penitentiary at Atlanta, Ga., and return him to the penitentiary to serve the remainder of his term.

In testimony whereof, I have hereunto signed my name officially and caused the seal of State to be impressed hereon at Austin, this the 2d day of July, A. D., 1935.

[SEAL]

JAMES V. ALLRED,
Governor of Texas.

By the Governor:

GERALD C. MANN,
Secretary of State.

On the expiration of said ex-sheriff's term in the United States prison at Atlanta, on request from Texas officials, upon warrants from Texas courts, said Miller was taken into custody by the sheriff of Fulton County, Ga.

Gov. Eugene Talmadge, of Georgia, refused to surrender said ex-sheriff to Texas officers. Notwithstanding three unserved sentences in the Texas penitentiary, notwithstanding the numerous felony indictments pending in Texas against the said Que R. Miller, Governor Talmadge refused Governor Allred's request for Miller's return and gave his reasons therefor in the following letter to Governor Allred:

DECEMBER 20, 1935.

Hon. JAMES V. ALLRED,
Governor of Texas, Austin, Tex.

MY DEAR GOVERNOR: The requisition for the extradition of Q. R. Miller, was presented to me today, and after going into the matter thoroughly, I have declined to grant the extradition.

It appears that Miller was given a conditional pardon by the Governor of Texas on January 14, 1935, that he immediately surrendered himself to the Federal authorities and was sent to the Federal penitentiary at Atlanta, Ga., and served a sentence of which he had been previously convicted.

He has completed the service of this sentence at the Federal penitentiary in Atlanta, Ga., and the request for his extradition is based on the fact that his conditional pardon was revoked on July 2, 1935.

It is apparent on its face that this man has not had an opportunity to commit a crime or to violate his conditional pardon, due to the fact that he has been incarcerated in the Federal penitentiary since it was granted.

Sworn testimony was given showing that the information given by the district attorney in his petition to you for revocation of the conditional pardon was on file with Governor Ferguson when she granted the conditional pardon. This being true, I cannot see how Miller could be guilty of fraud in securing his conditional pardon.

In view of these facts which appear on the face of this case, and from sworn testimony, I think the extradition should be denied, and have given the matter that direction.

With kindest regards, I am,

Sincerely yours,

EUGENE TALMADGE, *Governor.*

Had H. R. 9047 been the law in 1935, Federal officers would have placed said Miller in a Federal prison in Texas prior to his release. Miller would have been released in his home State of Texas at little or no additional expense and there would have been no confusion or miscarriage of justice. H. R. 9047 is designed to plug this big hole in our defense against crime and to provide for better cooperation by the Federal Government with the States in the matter of law enforcement.

The SPEAKER. This concludes the consideration of bills on the Consent Calendar.

EXTENSION OF REMARKS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein comments by Senator MCNARY, Senator BARKLEY, and others.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. SHEPPARD]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOREN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes and to revise and extend my remarks, including a letter from a member of the Oklahoma Legislature.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. BOREN]?

There was no objection.

Mr. BOREN. Mr. Speaker, in the RECORD of March 25, the gentleman from Mississippi [Mr. RANKIN], in an extension of his remarks, made an attack on the Governor and Legislature of Oklahoma.

Mr. Speaker, I rise because I want to do what little I can to destroy prejudice wherever it may raise its vicious head.

In his remarks unfounded assertion has been the gentleman's chief resort. There was a time when slander fulminated from the platform smote like a sword, but the supply having greatly exceeded the demand, political slander and misrepresentation has at last become almost innocent amusement.

Arguments cannot be answered by personal abuse. There is no logic in slander. Falsehood in the end defeats itself. The gentleman does not offer facts, he makes assertions. He does not say, "I think." He says, "I know." He does not appeal to reason, he calls on prejudice. It is amazing to me that a difference of opinion on a condition that he knows nothing with certainty about should lead the gentleman from Mississippi to accuse, persecute, and hate people he does not know. Does he denounce and slander every person who thinks for himself? Does he hold that every thought con-

trary to his own is conceived in falsehood and brought forth in fraud?

Slander has been used as a weapon for centuries against those who exercise the right to think for themselves. It is the same old hoot, hooted by screech owls for a thousand years. There is little democracy until there is mental grandeur enough to allow every man to have his thought and say without impugning his motives and slandering his actions. Is it now so that no two men can differ and still respect each other's motives and integrity? Is thought to become a slave and reason a trembling coward? Is independence a crime? Has cowardice become a virtue? In my opinion every mind should think, investigate, and conclude for itself the road to take. Every man should repel dictation and tyranny from whatever source it should come.

Particularly, the gentleman said:

A large number of influential members of that body (the State legislature), who occupy key positions, are on the pay rolls of the oil interests, coal interests, or power interests.

In addition to his malicious attack on the Governor of Oklahoma, the gentleman has seen fit to indict and condemn the State legislature. If the gentleman from Mississippi has any specific information of any wrong activity or any guilt on the part of any of these people whom he condemns, I am sure that the people of Oklahoma would like to have specific information, if the gentleman can base it upon substantiating facts. If he has no facts, he ought to say so. If his statements are based on hearsay, they are immediately open to suspicion.

Like the Congress of the United States, the Legislature of Oklahoma is an elected body, made up by and large, I am sure, of men of integrity. The gentleman's remarks about the Legislature of Oklahoma indicate with what amazing ingenuity a fragment of truth can be magnified, twisted, and distorted out of language.

I am not addressing myself to the right or wrong of any particular action of the Governor or the Legislature of the State of Oklahoma. I do not follow the details of their activities closely enough to pass judgment. I devote my time to trying to do a good job here. So far as my relations with the Governor and the members of the Legislature of Oklahoma are concerned, they attend to their affairs and I attend to mine. I do not meddle in State affairs, but I resent, for the State of Oklahoma, this false accusation against the elected officials of my State.

The charge that any great number of influential members of the State Legislature of Oklahoma are on the pay roll of special interests is unreasonable, untrue, and malicious. I hold these charges in infinite contempt.

I do not believe the gentleman ever set foot in Oklahoma or ever spent a day in Oklahoma in his life, so how can be know the facts involved? I can assure the gentleman that Oklahoma is filled with men of character and intelligence. Men and women capable of governing themselves without assistance from the gentleman from Mississippi.

The State of Mississippi, with all of its fine and splendid people, is not free from suffering and want, and I expect that in the State of Mississippi industry is crippled, labor is robbed, and the poor are burdened with taxation. While we realize that the gentleman's mental hemorrhage in which he slandered the Governor and Legislature of Oklahoma was born out of a feeling of knight errantry, we feel that his knighthood would best be in flower championing the cause of labor in Mississippi, promoting the health and welfare of the farmers of Mississippi and abolishing the specter of hunger, want, and insecurity from within the boundaries of his State.

I do not assert that every action of the Governor and Legislature of Oklahoma has been in every way correct. I have no doubt but that there have been errors of judgment. I am certain that in the main the Oklahoma Legislature is filled with men of wisdom, integrity, and good character.

I have no information which would lead me to pass judgment on the action of the Governor of Oklahoma at the Grand River Dam, so I do not approve or condemn it. I feel that those questions are up to the people of Oklahoma and not for me to decide, and certainly not to be settled by the gentleman from Mississippi.

It is an unpleasant and unwanted duty to come in conflict with a colleague, but the gentleman's broad indictment is unjust and unfair. He has not supported with evidence and fact a single assertion that he has made.

Representing my district with the concurrent broader responsibilities has absorbed all of my time, and so I repeat, in conclusion, that I have had neither the time nor the inclination even to observe closely the activities of the Governors or the legislatures of the various States. I do not try to decide what they should do with the problems which they must face and meet. I have enough to do to decide what should be done with problems we must meet and solve here. I would not presume to try to tell the Governor or Legislature of Oklahoma or of any other State what to do, just as I would not permit them to tell me what to do in any given circumstance.

Mr. Speaker, I do not rise here to defend the action of the Governor or any particular member of the Oklahoma Legislature in any particular circumstance or matter, but I do defend the Governor of Oklahoma as a man of character and the legislature of my State as a body of honorable men. The finest thing about a democracy is that every action is its own defense and lives only the length of its value. If an action is right it will live and grow forever. If it is wrong it will break down of its own weight and die in its own error. Mr. Speaker, I arose to denounce and condemn an unjust and unwarranted attack upon my State and the elected officials of my State.

HOUSE OF REPRESENTATIVES, STATE OF OKLAHOMA,
March 29, 1940.

Hon. LYLE H. BOREN, M. C.,
House Office Building, Washington, D. C.

DEAR SIR: I have noticed in the newspapers that an attack has been made upon the Governor of our State in regard to his partiality to utilities and also as to his record when a member of the house of representatives. I feel that this is a reflection upon the record that I have written as a member of the house of representatives. Certainly it behooves me to protect my record and that of the Governor also.

For your information and that of the gentlemen who made this attack, I have gone through all the legislative journals since 1933, the beginning of Governor Phillips' career in public office, and have checked the recorded votes affecting utilities. Not one time do I find where he has cast a vote in support of legislation favoring the utilities and public-service corporations of this State.

It might be well to here set out and enumerate the bills that were introduced and passed by the fourteenth, fifteenth, and sixteenth sessions of the Oklahoma Legislature, of which Governor Phillips was a member. Beginning with the fourteenth legislature in 1933, Governor Phillips voted "aye" on house bill No. 1, which was an act levying a tax upon the net incomes of utilities and public-service corporations. I find that he voted "aye" on house bill No. 225, which levied a tax upon freight rates against railroads. He voted "aye" on house bill No. 650, levying a corporation license tax. He was the author of house bill No. 675, which proposed to create a revolving fund of $100,000 to investigate and assemble facts in regard to the public utilities' rate—this fund to be collected from the utilities doing business in this State.

During the fifteenth session of the Oklahoma Legislature, in 1935, Phillips was speaker of the house of representatives. He changed the basic rates of income tax which vitally affected the utilities of this State. The old law provided for a 2-percent to 5-percent tax on a graduated scale. He passed the bill, broadening it from 1 percent to 6 percent, which nearly doubled the tax on utilities. House bill No. 87, known as the gross production tax bill, passed the house in that session, increasing the gross-production tax from 3 percent to 8 percent. That more than doubled the tax. During the fifteenth session Phillips initiated a program and set up a balanced budget, which this State had not enjoyed for 8 years previous. It also created a surplus of about $1,000,000. Nobody else can take credit for that except our Governor.

In the sixteenth legislature, beginning in 1937, Governor Phillips voted for and supported a bill which created the Grand River Dam authority. He also voted for the passage of house bill No. 94, which limited the length of trains. The railroads put on a lobby during that session attempting to defeat this bill which has never been surpassed. House bill No. 349, charging a franchise tax on public utilities that operated in this State, was passed by Governor Phillips' untiring efforts.

During his administration as Governor he has done away with the ports of entry, which were a trade barrier limiting the trucking industry from competition and giving the people a disadvantage in freight rates in the State of Oklahoma with surrounding States.

As Governor he ordered his attorneys in the tax commission to collect a use tax against the Stanolind Pipe Line Co. and the Southwestern Bell Telephone Co. These companies had paid this tax and later filed a suit in the Federal courts to recover the amount of revenue that they had paid in. This case has been heard and decided in favor of the companies and, upon the Governor's instructions, appealed to the circuit court of appeals and is set for oral argument on April 16 of this year.

All during his tenure in public office not one place can I find a bill showing favoritism to the utilities. I had the pleasure of serving 4 years in the house of representatives with Governor Phillips. I served in the last session, under his administration, as a representative from Lincoln County. I am rather proud of the record I have made and I am more than proud of the record that Governor Phillips has made in the past and is making at the present time as Governor of this Commonwealth.

Certainly, bearing in mind Governor Phillips' legislative record and his record as our chief executive, no one familiar with these facts could charge him with favoring utilities or public-service corporations.

I have made a thorough check of his record and I am giving it to you to do with as you please. You may use it to enlighten others who have made these accusations or to acquaint yourself with his record.

Sincerely yours,

LESTER D. HOYT,
State Representative, Lincoln County.

The SPEAKER pro tempore (Mr. SHEPPARD). Under a previous special order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 30 minutes.

THE UNEMPLOYMENT PROBLEM

Mr. VOORHIS of California. Mr. Speaker, we are confronted today with a critical situation, to which reference has already been made in the House this afternoon, but it can hardly be understood except against the background of the general economic problem which we face.

I take it that all of us are eager to solve the unemployment problem. But we do not want just to solve the unemployment problem. We want to do more than that. We want to solve the unemployment problem within the framework of a free economic system and with the preservation of our constitutional democracy as a form of government. This presents us with a more difficult task than might otherwise be the case. That task is worth doing with all our might, for the future of human liberty depends upon our accomplishing it.

The problem in a nutshell is largely a matter of 2 plus 2 having to equal 4. Industry and agriculture turn out goods each year of a certain value and price. The total selling price of all these goods is equal to the realized income of the people of the United States, but unless that income is promptly either spent on consumers' goods or invested in new capital goods you have a shortage of buying power, and a part of those goods cannot be sold.

Under these circumstances one of three things must happen: Either Congress without resort to public debt has to exercise its constitutional prerogative and actually create money and place it into circulation through the hands of people who will spend it promptly to an amount sufficient to compensate for that shortage of buying power, or else it must do things which will directly stimulate the prompt investment of idle savings, or else Government must in some manner itself spend sufficient funds to compensate for the shortage of buying power relative to the value of goods and services produced. The last method is the one used over the past 7 years. But it has been used intermittently and at times on an insufficient scale to bring the desired results. And once the money has been spent we have had no adequate means of keeping it in active circulation.

Unless these things are done and if investment is not promptly made of that section of realized income which goes into the hands of the people who normally will save or invest it, then you have unemployment and depression.

OUR CONDITION TODAY IS WHOLLY DIFFERENT FROM THAT OF THE TWENTIES

I know that in what I am going to say here today I shall be confronted before I get through with someone saying, "Why not go back to what we did in the twenties? We seemed to get along all right in those days. Why not go back and follow along that same policy?" I am going to answer that at this time before I get started on the rest of my remarks.

In the first place, we did not get along all right in the twenties. The reason we did not get along all right was because all through the twenties we were laying the groundwork for the most terrible depression in all the history of this country; namely, the depression of 1929. The collapse of that year was caused by maladjustments which had been accumulating all through the previous 9 years.

The second point is that during the twenties you had four different things that were taking place which constituted avenues of compensation for the failure of savings to go promptly into investment. The first of these was a net increase in the debts of local governments; that is, States and municipalities, of about $1,000,000,000 a year. This money was mostly spent on local public improvements and public works. This net expansion of local-government debt, totaling about $9,000,000,000 during the twenties up to 1929, continued until approximately the year 1933, when it started to level off. The debt of local public bodies is now slightly on the decline.

In the second place, the consumers of America had accumulated a total consumers' indebtedness by 1929 of somewhere between $9,000,000,000 and $11,000,000,000. They owed that much for goods bought on the installment plan; that is, they had attempted to purchase some $11,000,000,000 more of goods and services than they had the income to pay for, and had taken those goods off the shelves but never, in fact, were able to pay for them.

In the next place, a lot of foreign bonds were sold, which means there was a lot of money loaned to foreign countries, money that never was paid back but which for the time being constituted a market for goods. In other words, America was able to work like the very devil in order to create a lot of valuable goods to send abroad and not get paid for them, but it did create employment temporarily and a distribution of buying power.

Now, let me show you a couple of charts. I hold in my hand a chart of family dwelling construction. This is 1932, and this is 1939. It shows a steady increase during those years. Look at the difference, however, between the twenties and the thirties. There is where a lot of money now in idle savings went in the twenties. This is the value of building construction, telling the same story. I could go on and show you other examples of the same thing.

We are not in a period comparable to the twenties, Mr. Speaker; we are in a new period which is marked more than anything else by one characteristic; namely, a sharp increase in the output and efficiency per worker both in agriculture and in industry. We can produce more with fewer people employed. But we cannot continue to produce unless pretty much everyone is able to consume his share of national output. We are under the absolute necessity of seeing to it that the standard of living of the American Nation rises in proportion to its power to produce wealth. For good or ill, and I would say on the whole for good, we are not at the moment making a lot of foreign loans, not in anything like the volume they were being made in the twenties.

We cannot simply stop all our governmental efforts and turn this thing loose, because there just simply is not room for enough investment to absorb the funds which now seek investment. Our distribution of income is so heavily weighted in favor of the top one-third of our population that they cannot find places to invest promptly the 20 percent of the total national income which, in a year like 1937, they will save. We save about 20 percent or at any rate 15 percent of our national income. On the basis of a national income of even $80,000,000,000 we would have to find investment opportunity for about $19,000,000,000, and it just cannot be done. We just do not need $19,000,000,000 of new capital goods each year. That amount of money is half the value of all the factories in America. There has got to be more money in the stream of consumer buying power and less in the pools of idle savings in order to enable the remainder of investment funds to be promptly put to work.

Every time a new machine is invented, moreover, we need an additional volume of consumer buying power in circulation to match this increased production. At present we depend on an increase in either public or private debt to get this expansion of our money supply. We should not be in that position when our Nation's power to produce increases; then is the time when our money supply should be increased by direct action of Congress creating that money. We should not, as a Nation, go into debt to the banking system when we need a net addition to consumer buying power to match an increase in production. But to get back to our comparison of the present day with the 1920's.

State and local debt has stopped increasing, and consumers on the whole are not able to expand their debt as they did during the twenties. We find ourselves, therefore, in the position where, unless some other salutary measures are taken, such as a program of taxes and pensions to our older citizens which would, in effect, shift a portion of funds that now seek investment over into active consumer buying power—in the absence of taking that step, in the absence of establishing a truly scientific monetary system which would bring money into circulation in accordance with national needs and not in accordance with purely fortuitous circumstances of a group of people being willing to borrow at interest from the banking system, and the banks being likewise ready to lend, in the absence of taking some of these steps, in the absence of making a constructive use of some of the gold and silver resources that now lie idle in the Federal Treasury as a credit base for a public-works program which might be run on the basis of as little as 1 percent interest, in the absence of doing those things, we are confronted with the necessity that the Federal Government has got to compensate for the failure of investment to be promptly made or else you go deeper into depression, and unemployment continues.

Since last December 1939 the Federal Reserve index of production has declined from 128 points to 104 for the month of March. The rate of decline is just about as sharp as it was in the latter part of 1937.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman.

Mr. O'CONNOR. It has been suggested that we must resort again to increasing our imports and commence to lend again to foreign nations to bring us out of the condition we are in. What has the gentleman to say about that?

Mr. VOORHIS of California. The gentleman has this to say about it. I am in favor of foreign trade as a means of mutual benefit to two nations, one of which can produce certain commodities and the other other commodities so that there is benefit by mutual interchange of needed goods. But I believe it is a confession of failure on our own part when we find it necessary to rely upon shipping valuable commodities out of our country in order to distribute wages to our own people because of those exports instead of being able to bring about a better standard of living for our own people here at home. And I would remind the gentleman of the very remarkable speech made by Mr. Milo Perkins, in Des Moines, Iowa, in which he pointed out that so far as the farmers of America are concerned, their greatest possibility of an expanded market lies in enabling the poorest two-thirds of the American people to buy the food they really need.

Mr. O'CONNOR. I want to say that the gentleman is making a very splendid, convincing, and elaborate argument and I agree with every word he says, but the gentleman would oppose, would he not, the further lending of money to foreign countries until we have put our own country on its feet?

Mr. VOORHIS of California. I think the gentleman is right.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Texas.

Mr. PATMAN. Is it not a fact, though, that the gentleman would welcome loans to foreign countries that are good loans, properly secured, if they are secured and the gentleman feels reasonably certain they would be paid back. That kind of foreign trade the gentleman would be in favor of.

Mr. VOORHIS of California. That is quite a different matter, I will say to the gentleman.

I would like to proceed now, if I may for a few moments without interruption, because I want to get on with my statement.

YEARS 1937 AND 1940 COMPARED

In the year 1937, the Congress was confronted by a decision very similar to the one that it confronts today. In the closing months of 1936 we found an increase in employment. Here is a chart that shows it. Here is 1933, and employment went up through about the middle of 1937 and got above 100, which was the average for 1923 to 1925. At that point we said, "Ah, now we must balance the Budget. Now we almost have gotten the best of this thing, so now is the time to quit." This short-sighted policy, together with another factor that came into the picture at that time—the Social Security Act—caused a sharp decline. I think I can explain that better by saying that manufacturers and producers of goods ordinarily accumulate a certain quantity of inventory. If their inventory becomes a considerable one and if they must look forward to a sharp curtailment of mass buying power on the part of the people, they just let those inventories run off, shut down their plants, and curtail employment. They do not do this to be mean; they do it because they have to. Therefore, when in 1937 it became apparent that not only was it contemplated that W. P. A. employment would be sharply curtailed, but that P. W. A. was to be shut down, and also that there would be a serious deflationary influence from the operation of the Social Security Act, you then had a sharp decline in employment in private industry in 1937. Now, if you will observe the curve at the end of this chart, you will find that the same tendency is indicated for the beginning of 1940, and indeed, between December 1939 and February 1940, employment did decline, according to the Department of Labor, by 1,160,000, part of which, of course, was a seasonal decline. Our main job, however, is to halt that decline now. We can do it.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Yes.

Mr. PATMAN. Does the gentleman remember another factor that he did not mention—the time the curve started down and the country went into a tail spin? Just before that the reserve requirements of the banks were doubled, which was the same as plowing under three or four billion dollars. It was lost.

Mr. VOORHIS of California. Yes; and I think also at that time there were other policies that might have been pursued with good effect by the Federal Reserve Board, that were not used. I would point out generally that inflation can never take place so long as increases in monetary supply or velocity are matched by corresponding increases in the production of goods and services.

As far as inventories at the moment are concerned, we find the manufacturing inventories in February at 110.5, compared to 100 for December 1938, and 12 points higher than last June. Wholesale inventories in February were at 118 points, compared to December 1938. If businessmen must look ahead to the Federal Government firing 1,400,000 W. P. A. workers between now and October—I will explain that statement later on—do you think they would maintain these inventories or would they let them run off and cut down production and lay off men? Anybody who can think about it will know. As a matter of fact, since December there has been a net decline in private employment of over 1,000,000 men. I do not know exactly how many, but some people estimate it at a million and a half. Orders on file have declined. Here is a chart that shows that.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. These charts are mostly for heavy-goods industries. I will yield in a moment. We have no P. W. A. program in operation at the moment, though we ought to have, and my speech today would be different if we did have one. We could have one without any particular burden, without 1 cent of burden on the Budget. We could have a program offering loans at 1 percent to public bodies for public works—for schools, hospitals, and the like. We could have that if the Federal Government stopped hoarding some $4,000,000,000 of money, which it is not using today. There is $1,600,000,000 of idle silver seignorage in the Treasury. There is the $2,000,000,000 stabilization fund, of which only $200,000,000 has ever been used. Assuming that $500,000,000 were left in the stabilization fund, that is a total of $3,100,000,000 which might readily be used as a credit base. In addition, there is $280,000,000 of completely idle gold, to say nothing of the Government gold against which the Federal Reserve banks have been given gold-certificate credits, and a working balance of over a billion dollars in the Treasury. It seems to me that we might make use of some of the monetary resources. The people have paid for them; why not use them for the people's benefit?

I would not be speaking as I am today except that we have failed to pass legislation that would have given us a monetary system readily responsive to the Nation's needs; we have gone along with a seriously deflationary social-security program, seeking to build up a huge reserve instead of passing a national pension system that would operate on a pay-as-you-go basis, paying out promptly all the tax money it takes in.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Yes.

Mr. PATMAN. The gentleman brought out an interesting point the other day, and I hope that he develops it more fully now, as to how much of this money in the Treasury could be used. There is a general fund and a stabilization fund, and I believe it was shown that there were about $3,000,000,000 hoarded in the Treasury that could be used now for W. P. A. or anything else of that kind.

Mr. VOORHIS of California. I think it is at least that much. There is $1,642,000,000, approximately, of silver seignorage against which there has been no currency issued, and in the stabilization fund there is a total of $2,000,000,000, of which only $200,000,000 has ever been used. A billion and a half might readily be used for constructive purposes. There is also nearly $300,000,000, I believe, of completely free gold, and, as the gentleman suggests, a very large working balance of, I believe, over $1,000,000,000.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Yes.

Mr. RANKIN. Does not the gentleman think it is better to restore prosperity to our own people than to stabilize the currency of foreign countries?

Mr. VOORHIS of California. I do; and at this present moment we might have a long-range program of public works, that might be set up on a basis of approved projects, which might be available at the time of unemployment, so that men could be put to work when necessary, so that we would have it on a stable basis. We have the monetary reserve to do that. That is only one part of the answer I would like to make to the gentleman.

Mr. RANKIN. The program we are following is extremely deflationary.

Mr. VOORHIS of California. It is, in my opinion.

Mr. RANKIN. We are borrowing money from the rich and giving it to the poor, for the rest of the American people to give back with compound interest. That not only kills initiative, but it also depresses prices. We demonetize silver and demonetize gold. We have our gold buried in the ground and our silver almost in the same condition. If we would remonetize both gold and silver on a ratio of something like 15 or 16 to 1 and issue currency against this gold and put it in circulation, it would remonetize silver all over the world and start foreign nations which are not at war to trading with us. That would restore farm commodity prices almost overnight and would break this deadlock. Then men would find their own jobs. They would go back to their own farms and their own homes and not be seeking the relief rolls. Until we do that, we might as well understand that we are going to be in this log jam that we are in today, and public spending will continue.

Mr. VOORHIS of California. I thank the gentleman from Mississippi very much. Now, speaking of deflationary influences, I would just like to point out—I know the reasons for it and why it is done and everything else, but the fact remains that in the current year of 1940 the social-security system will tax away from the people $1,200,000,000 more than will be paid out in benefits. That is for the purpose of building up a reserve; but the point is that unless that $1,200,000,000 is compensated for some way by additional spending on the part of the Government, which amount must, under our present monetary system, be borrowed, then you have got into a deflationary influence there that is most serious from the standpoint of our need for a proper balance between the consumer buying power and the power to produce. That is the reason why I believe, frankly, we should have a national system of pensions based upon the kind of taxes that will reduce the total volume of now idle money.

Mr. PATMAN. Will the gentleman yield further?

Mr. VOORHIS of California. I yield.

Mr. PATMAN. Will the gentleman develop the unemployment-insurance taxation? Would you have another system of raising the money for that?

Mr. VOORHIS of California. I would raise the benefits first of all. But the difficulty is that only the States can take that action. I personally believe, also, that there is too much money being set aside for administration. I cannot understand why 10 percent is necessary, but I am a layman on that and I do not know for certain about that, and perhaps I should not say anything about it. But in general I would say that the benefits from unemployment insurance should be raised. That is a State matter, however.

Mr. PATMAN. I mean the taxes; the tax to raise that money. Would you adopt another method for raising the money or would you continue the one we have now?

Mr. VOORHIS of California. I think the tax on pay rolls for unemployment insurance, as well as old-age insurance, is essentially a deflationary tax. As a matter of fact, we are taxing pay rolls and spending the money on general Government expenses. Sound tax policy would indicate an opposite system.

Mr. PATMAN. I agree with the gentleman.

Mr. VOORHIS of California. But on unemployment insurance I would say this, in general: I think that at the moment the most important thing would be for the States to raise the benefits, because many a man is worse off because he gets it than if he did not get it, because it makes him ineligible for other work programs. We cannot correct that, but the States can correct it.

On the matter of old-age pensions, we should have a different form of taxation, and one which would meet this central problem I am talking about, namely, the unbalance between consumer buying power, on the one hand, and production on the other—the inability of our people to buy what can so easily be produced.

W. P. A. ONLY AGENCY NOW AVAILABLE

One agency remains today which we can use to do the immediate job of starting employment on the upward road again. Here is the chart of industrial production for 1937 and for 1940. In both years a drop in employment shows the same proposition—sloughing off there and sloughing off here. We have one agency that can be used to check this tendency before it becomes serious, as it did in 1937, and that is the W. P. A. Yet here is what we plan to do.

I come to you with a brief today not only for those W. P. A. families, hundreds of whom I know, who are good people, people who only want to keep their kids in school, who only want to work for a living instead of being on relief or the dole. People talk about this being a dole program. It is not a dole program. It is an opportunity for people to earn a living instead of being put on the dole. I come to you not only with a brief for that group of people, but with a brief

for the whole economic system of this country at this moment. I come to you with an appeal to keep these people working in order to stiffen consumer demand. If we wait longer, we will be hearing speeches about how "hunger is not debatable," and we will be passing an emergency bill to feed people when it is too late, and it will cost us a lot more money after we get through than if we act now.

In 1937 we waited, and in 1938 we came in with something like a $4,000,000,000 program. The time to cut these programs is when these people actually go back to work in private industry and not when somebody thinks maybe they are going to go back. How many of us know what this schedule of cuts on W. P. A. contemplates? It contemplates the following: 200,000 off in April; 300,000 off in May; 200,000 off in June. That is the end of this fiscal year. Seven hundred thousand heads of families to be laid off at a time when private employment is declining and not increasing.

PROGRAM FOR NEXT FISCAL YEAR

We must put people to work, for private industry is not taking up the slack. If we are to have a sound program, we had better increase those rolls and not cut them down. At least we must keep them where they are. And now let us look ahead. The figure of the Budget for next year, $1,000,000,000 for W. P. A. next year, would employ only 1,350,000 as against an average of 2,000,000 for this year. It means an average cut of 650,000.

Now, unless we keep up the employment for the balance of this year, there will be only a million and a half employed at the end of this coming June, and if the $1,000,000,000 Budget figure for next year is not changed, W. P. A. will have to cut another 600,000 or 700,000 off between June 30 and the trough of employment in the late summer in order to have any expansion of the rolls possible in the coming winter. What we are really contemplating, unless this picture is changed by Congress, is a reduction of the W. P. A. employees by 1,400,000 between now and the end of the summer. We cannot do this thing, Mr. Speaker.

WHERE WILL THE MONEY COME FROM?

Certainly the least we can do is to prevent the laying off of one single person between now and the end of the fiscal year. To do this will cost $86,800,000. That is all it will cost us, but where are we going to get the money? I will tell you about that.

Mr. RANKIN. I would get the money.

Mr. VOORHIS of California. I will come to that in a moment.

Mr. RANKIN. I would issue it against this gold.

Mr. VOORHIS of California. I thank the gentleman for the contribution, and I am not in disagreement with him, I will say that; but I want to show that there is more than one way of doing it and no excuse for not doing it. I will tell you various ways it could be done. I have already introduced a bill to do it. It would be this. There are some industries that have benefited very greatly from the war situation—a few, not very many, but a few. Agriculture has been hurt, fruit and vegetables have been hurt, tobacco has been hurt, even wheat has been hurt, and other peacetime industries. I think it is fair for us to levy a special tax on war excess profits in order that the burden of raising this revenue should be better distributed as between those who benefit from wartime profits and those who are hurt by war. That bill would provide some relief. In other words, I just want to say that I am not afraid to take my medicine on the tax side of this thing if it is necessary.

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. Very briefly, but I have not much time left.

Mr. PATRICK. Would it not be tremendously difficult, if not almost impossible, to determine who was hurt and who was not hurt, between ordinary profits and excess profits?

Mr. VOORHIS of California. Not if we would follow this bill and say we would take normal profits as profits made in a base period of 4 or 5 years. A base period would be fixed in which normal profits would be determined. The tax would not apply say to any profits below 5 percent, 6 percent, or 7 percent, in any case, and it would fall only on the increase over and above normal profits of corporations. Another way of getting the money, however, is this hoarded money in the Treasury that we spoke about awhile ago. Another way is that current tax revenues according to the best estimate that we can get hold of are going to run about $400,000,000 ahead of the original estimates. The $86,000,000 required to carry the W. P. A. rolls along at their present strength would be less than one-quarter of the estimated increase of revenue derived from income-tax sources and from customs. No; if Congress permits these lay-offs, it cannot give the excuse that it did not have the money.

Over a period of time we have run on the basis of employing about 25 percent of the unemployed on W. P. A. I read in the morning's paper that the A. F. of L. estimates the unemployed at the present time at about 10,500,000, if my memory serves me correctly. According to the basis that we have followed in the past, that would mean over 2,500,000 people on W. P. A. As a matter of fact, we have about 2,300,000. And we are planning to cut it down to 900,000 before next fall.

WE NEED A CONSISTENT POLICY

I think I have made my position abundantly clear. I want to look at this thing fundamentally. I do not want the Congress to continually find itself in a position where it must suddenly decide that we have got to expand W. P. A., or having done so for a period, then to decide again all of a sudden that we have got to cut it down. What I am anxious to do is to get to the bottom of the fundamental problem, the fundamental reasons why we have this unemployment problem and try to work in a way that will result in a well-reasoned program that will be a permanent answer to it.

So I do not believe that any of us, regardless of what his political opinion may be, can afford to lay off these 1,400,000 American heads of families. I do not think we would be doing a fair thing by the businessmen, by the farmers, by those W. P. A. workers, by any other workers, or anybody else; and I ask you, therefore, to maintain these rolls where they are now for the balance of this fiscal year. Meanwhile we must find out once for all what is the real cause of unemployment, how we should act on taxes, old-age pensions, agriculture, public works, and many other matters to help solve it. Let us analyze the effect of the social-security program and see how different would be the effect of a national pension system paying out as it took in and operating to shift money out of idle pools into active consumers' hands. Let us think through this central problem of money and exchange and see whether it is not after all reasonable to say that if we have so-called surplus-farm commodities already piled up and several million people who need to eat them, that after all it would be right, it would be just, and it would be fair, particularly since those farm commodities sell today for a price below what is fair and below what is parity, to use the constitutional right of Congress to put sufficient money into circulation to enable those farm commodities to be moved. Such an expansive policy to be followed until such time and only until such time as farm prices are restored to a parity basis.

Mr. BATES of Massachusetts. Has the gentleman given any consideration to the local responsibility that ought to be assumed in the administration of the W. P. A.? I have in mind that in many of the States throughout the country the Federal Government ratio of expenditure for direct relief runs from 95 to 99 percent of the total cost. I have further in mind the fact that in many, many States of the Union they spend less money for direct relief even than some cities in my own State. What has the gentleman to say about that?

Mr. VOORHIS of California. I will say in the first place that what the gentleman says does not hold true in my State.

Mr. BATES of Massachusetts. That is true.

Mr. VOORHIS of California. We have perhaps taken care over a period of time of approximately as many employable unemployed through State funds as were on W. P. A. There are other States where this has not been done, but I am told that if the rate of taxation in general in the State of Ohio,

for example, were as high as the rate of taxation in the State of Mississippi, the State of Ohio could raise four times the revenue that it is raising now. What I mean is this: One reason why some of the States do not pay more is because there is not the wealth to tax. For my part I believe that for the welfare of the United States as a whole, and certainly for the welfare of my own State, one of the biggest jobs is to get a better spread of prosperity throughout this Nation.

Mr. BATES of Massachusetts. The gentleman thinks that in a State where there is no income tax there is an inability to pay? Does he believe where there is widespread real-estate exemptions there is an inability to pay? Does he believe where industrial conditions have consistently improved during the last 10 years there is an inability to pay?

Mr. VOORHIS of California. Not necessarily.

Mr. BATES of Massachusetts. That exists in many States of the Union.

Mr. VOORHIS of California. The gentleman may be right.

And now in conclusion, Mr. Speaker, I would like to recite just a bit of history.

In 1937, on May 20, I said this in the House:

> The President has stated the thing most necessary for continued recovery and betterment is consumer purchasing power. I predict that if this Congress appropriates a billion or a billion and a half dollars, either one, but fails to appropriate more than either of these figures, we will be laying the ground work for the next depression. Not a penny less than $2,200,000,000 must be appropriated to keep W. P. A. employment where it is now, and if you want money for P. W. A., the amount ought to be $2,500,000,000.

We did not appropriate $2,200,000,000. We appropriated $1,500,000,000, and a few months later the recession began.

This year, on January 24, I said in the House:

> No. I am frank to say that I believe that, under present circumstances, unless some of the things are done which I am going to talk about right now, it is necessary to keep up employment of our people—on public works, if necessary—to at least the degree it was last year. I would keep every young person in America busy. Therefore I do not agree with the Budget. I think it is altogether possible that if we make these drastic cuts we will have another decline like we did in 1937, with the consequent necessity of spending more money in the end than if at this moment we seized unemployment by the scruff of the neck and said: "We are going to do the job that has to be done. We are going to actually put to work American people who are not at work."

I have asked this time to repeat that warning.

If you do not like W. P. A. let us find a better method of dealing with this problem. I have said and I believe there are better methods.

But until those other methods are actually in operation we have no right to deny a minimum of life and decency to 1,400,000 American families in the next few months—no right to cut W. P. A. employment from 2,300,000 to 900,000 in about 7 short months. And that is what the present schedule calls for.

Either you must join with us in our conference on unemployment and help the 70 members who are working through it to develop the fundamental answer to unemployment or else—ladies and gentlemen of the House—you must change that schedule and find the money to provide more jobs for these unemployed people who have already over a 10-year period paid a very very heavy price for the failure of us here in Washington to solve the unemployment problem more quickly.

America has never lost a battle yet. She is not going to lose this one now. There will arise, I firmly believe, a new consecration among us, a new devotion to duty and to our country and to every last person in it. The difference between right and wrong will become more clear and here and there throughout the land will arise men of vision who will begin to say with conviction, "This way is the will of God for America."

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include certain excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution adopted by the Wisconsin Association of Real Estate Brokers.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. HAWKS]?

There was no objection.

UNEMPLOYMENT IN THE UNITED STATES

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. FADDIS]?

There was no objection.

Mr. FADDIS. Mr. Speaker, I am sure we are all indebted to the gentleman from California for his efforts to produce a solution for our problem of unemployment, as, indeed, we are to everyone else in the House of Representatives who is working on this problem. I am sure we all recognize it as the gravest problem which confronts the Nation today—a problem the magnitude of which makes it necessary that we get down to hard and fast fundamental facts and devise some common-sense method of coping with this problem.

We have had it with us now for some 10 years, and it is now time that we should be able to profit by the experience we have had—collect our many ideas together, dispense with all hysteria and sentimentalism, and get down and work out some practical solution. When I think of the billions of dollars we have spent in the last 7 or 8 years on W. P. A., and think that all of this money has left almost nothing permanent behind it, I feel very much discouraged. When I make this statement I mean that we have spent all this money and indulged in all of this expenditure, but we have not devised any system whatsoever to make those who are unemployed or on W. P. A. any more able to care for themselves than they were before we spent this money. Very little of it has been spent for any real, permanent good.

Mr. Speaker, if we are going to solve the problem of unemployment, we must solve it in some manner that does not fasten the unemployed on the public pay roll for their existence. We cannot forever continue to take money from those who have and give it to those who have not. Soon we will have only the have-nots. I believe we must go into the homes of the unemployed in the United States and make an estimate of the capabilities to be found there. We will find there a certain percentage of unemployed people who came from the farms. Certainly some means should be devised to return those people to a piece of land whereby they will be enabled to raise at least a part of their livelihood in the way of food. I recognize quite well that it is impossible to do this with all of the unemployed. Many people have said they should all be put back on the farms, but such a blanket movement would be no solution. There are a certain number of these unemployed who originally came from farms, and they can get along on the farms if they are put back there. They can raise enough to eat, or at least a good portion of what they will need to eat. The money used to put them back there would not be money thrown away. It would have a permanent and beneficial effect. On the other hand, there is a certain class of these people who, if put back on the farm, would have to have a high-priced expert with every family to prevent them from starving to death on the farm. Obviously, their return to the farm would be poor economy, and some other solution must be worked out in their case. To start with those who came from the farm would be a step in the right direction.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from California.

Mr. VOORHIS of California. I am deeply interested in what the gentleman says, and I am with him. I wonder if he would include a reclamation program as a part of the thing he is suggesting, and I wonder what he would think about our approaching this problem of soil conservation in perhaps a more vigorous way than we have, with the possibility of enabling some of these people to go to work on soil

conservation in some sections of the country with a view to improving the land that they might themselves go onto.

Mr. FADDIS. In answer to the gentleman's question, I would be willing to go along on a proposition of that kind if it were undertaken on a hard and fast common-sense basis and not from the viewpoint of putting these people indefinitely on the public pay rolls, working around with soil until they wore it out. In other words, if the program would include putting them on a piece of land where they could raise their own living in the meantime, and then, in order to give them extra cash for clothing, amusement, and incidentals, let them work on soil conservation, all right; but if the program was purely a matter of putting these people on the public pay roll to work at soil conservation, no. That would be worse than the present program.

Mr. VOORHIS of California. I believe the gentleman is right. May I ask one more question? I should like to know what the gentleman's opinion is of the Wheeler-Jones farm credit bill in this connection, and what his opinion is of the bill of the gentleman from Georgia [Mr. PETERSON] relating to farm homesteads?

Mr. FADDIS. That would be almost too much to answer at the present time, I may say to the gentleman.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I am in thorough sympathy with what the gentleman is saying. I have felt for some time—as a matter of fact, for the last 5 or 6 years—that if we had taken the money we have spent without bringing about any permanent benefits and had acquired farms around the centers of population, dividing the farms into 5-acre tracts, where the people could keep a cow, maybe a pig or two, and a few chickens, and raise some potatoes, and be partially self-sustaining, they could always get part-time labor in the towns. It happens that I come from a community where we have a large granite industry, and that is part-time work. The men are not employed the year around. If these granite cutters lived on such 5-acre tracts, with what they earn in the granite sheds and the quarries they would be living on top of the world and, as far as they are concerned, relief would be solved for all eternity.

Mr. FADDIS. I agree with the distinguished gentleman, and that is exactly what I should like to see started. For instance, let me use a personal illustration in saying that you can put some of these people back on the farm and others you cannot. Take myself, for instance. I was raised on a farm. If I had to go back to the farm and the cow got hidebound I would know what was the matter with her. If the chickens got the roup, I would know what to do. If the cutworms were after the corn, I would know what was the matter and have an idea of what to do. But there are other people who, if you would put them on a piece of land of that kind, would be utterly and helplessly lost. You would have to provide entirely too much assistance to people of that kind to enable them to get along well on a piece of land to make the matter practical. Therefore, before any system of that kind could be put into effect, it would be necessary to make a thorough inventory of the unemployed and classify them in order to determine just where you could put them so they could help themselves.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield further?

Mr. FADDIS. I yield.

Mr. KNUTSON. I notice in discussing the relief problem here on the floor that many Members labor under the impression that everybody would go back on the farm. I know people who would rather live in town on half rations than go out and work on a farm at full rations, because their inclination is not that way. However, if you would locate them on the outskirts of a town, where they could walk in and see a movie in the evening, or perhaps visit with friends in town, they would not feel that they were isolated far out in the country. This is a very important angle that is often overlooked. We are not all alike. Many of us would not like to go out on a farm, and would not be happy out there. They would feel they were cut off from everything. Yet they would be thoroughly happy on a small tract of land which they could work by hand in the evenings and in their spare time.

Mr. FADDIS. I quite agree with the gentleman.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Mississippi.

Mr. RANKIN. Let me say to the gentleman from Minnesota that he is talking back in the "tallow candle" days. We now have rural electrification. We are taking cheap electricity out to the farmers of this country, and providing them with every convenience that you have in the towns without the noise and the taxes and other adverse influences from which they would like to get away. Consequently, there are more people moving back to the farm now. The inclination to move back to the farm or out to the rural sections is today stronger than it has ever been in the history of the country.

[Here the gavel fell.]

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield for one brief observation?

Mr. FADDIS. I yield.

Mr. KNUTSON. May I say to the gentleman from Mississippi that there are a great many people who, if you took them away from the noise, would feel they were out of everything. They would miss it.

Mr. RANKIN. We take them the noise over the radio.

Mr. ALLEN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Pennsylvania.

Mr. ALLEN of Pennsylvania. The gentleman from California [Mr. VOORHIS] in his address a moment ago made the statement that the total national income either had to be spent on consumers' goods or invested in capital goods, or the amount withheld measured the amount of goods not purchased, which resulted in ultimate unemployment. Is not our problem here to determine why vast sums are not being invested in capital goods?

Mr. FADDIS. That is true. Capital goods are the goods that really create the employment with which we wish to take up the slack.

Mr. ALLEN of Pennsylvania. Exactly; and these superficial panaceas, such as pump priming, will never get to the root of the evil.

Mr. FADDIS. That is true, and if the gentleman will permit, right in line with his remarks I may say that I am satisfied that we in the Congress of the United States must get down to a proper understanding of the fundamentals which govern our economic relations, both foreign and domestic, if we are ever to solve our pressing problems. We must give less attention to details and be moved more by reason than by hysteria. If we master the fundamental principles governing our economic life, such details as unemployment will take care of themselves. They are the result of the lack of understanding of fundamentals.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. GIFFORD. I simply want to observe that the gentleman was reassured, was he not, that rural electrification had taken care of farm problems.

Mr. FADDIS. Of course, we all understand the gentleman from Mississippi [Mr. RANKIN] is very enthusiastic about rural electrification, and sometimes I wonder if his enthusiasm in that respect does not equal the enthusiasm of the ultra visionaries who wish to solve this problem by putting everyone who is unemployed on the public pay roll. But, Mr. Speaker, if we are to solve this problem we must do as I stated before; we must make a thorough analysis of the capabilities of those who are unemployed. Those whose capabilities would permit them to be returned to a piece of land whereby they could earn part of their living should be returned to a piece of land. We must also return those who have capabilities along other lines to some form of employment whereby they can

take care of themselves, at least part of the time. We must work out some program which will take the unemployed from the dole and the W. P. A. and make them self-supporting citizens. I realize, and everyone else, I am sure, realizes, that when we undertake to put such a program as this into effect, we are going to run into objections from the organized farmers, and if we attempt to put some of these people into a sort of semiprivate industry whereby they can support themselves, we are going to run into trouble with organized labor.

So there will be two stumbling blocks in the road of any program of this kind, but if it is to be solved, if the unemployed are to be taken off of the backs of the taxpayers of the United States, as they must be eventually, or the financial structure of this Nation will collapse, we will have to sit down and work out a program which will be mutually beneficial and agreeable to the taxpayers of the United States, to the farmers, and to the groups of organized labor of this Nation.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from Wisconsin.

Mr. HAWKS. Then will it not be one of the primary objects of Members of Congress to keep in mind the welfare of all of the people of the country rather than to run to cover every time one of these pressure groups starts working on us?

Mr. FADDIS. That is exactly true; and I believe right now that pressure groups are the most dangerous foes of democracy. They work only for their own selfish interests. [Applause.]

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman.

Mr. GIFFORD. I just want to say that the gentleman is sound and he has my deep sympathy because, as you know, you only have 20 on this side of the House who think the way you do. The gentleman understands that, does he not?

Mr. FADDIS. I know there are a great many on this side of the House that I could wish thought as I do. Perhaps, I am wrong, but I have always believed I am right.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield to the gentleman from California.

Mr. VOORHIS of California. I just want to say that so far as I am personally concerned, what I said here today is not the result of any activities of any pressure group at all, but simply represents my own thinking on the subject.

Mr. HAWKS. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. HAWKS. I did not mean my statement as any reflection on the gentleman from California, because I have always felt he is speaking his own mind. I have never agreed with him on most of his philosophies; in fact, I am absolutely opposed to them, but there was no personal reflection upon the gentleman in the statement I made.

Mr. FADDIS. I am sure the gentleman from Wisconsin expresses the belief of every Member of the House in that respect. No one doubts the sincerity of the gentleman from California.

Now, Mr. Speaker, in conclusion I plead today for less hysteria, less sentimentalism, and less selfishness in this question of unemployment. It is our primary national problem. It has been amply proven by 7 years' experience that it is permanent, not temporary, and must therefore have a permanent and not a temporary solution. Our experience has proven that W. P. A. is only a makeshift and no solution. We must get together and work it out on a common-sense basis, by making it possible for everyone to be self-supporting by means of the only method the world ever knew—production. We must work it out with the idea in mind of helping both the unemployed and the employed. We must work it out along the ideas of Americanism and not in response of the wishes of any or all of the many pressure groups in this Nation. We must function as statesmen, and when we do so we will find the answer. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. D'ALESANDRO. Mr. Speaker, I ask unanmous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objecton to the request of the gentleman from Maryland?

There was no objecton.

Mr. D'ALESANDRO. Mr. Speaker, the American people are determined now more than ever to abide by the wise advice given the Nation in the days of its infancy by its first President, the immortal George Washington. He warned us to beware of foreign alliances and entanglements. The present Congress is in complete agreement with that principle. I find an overwhelming sentiment against foreign involvements and alliances. I know I speak the sentiment of the vast majority of the Members of Congress when I say that the maintenance of peace is the cornerstone of our national policy. Unless called on to defend our country, this Nation will remain at peace. We are agreed that we will not enter into the quarrels of other nations. Yet we are all of one mind, that we will defend our shores, our lives, our liberties against foreign invasion.

We will not invite trouble to our land, but trouble may come without our making. Finland made every honorable attempt by peaceful means to avoid attack, but the Communist army marched against her. Poland was content to live within its borders at peace with the world, yet from the east and from the west it found itself invaded and crushed by the dictatorships—its liberties gone, its citizens condemned to lives of serfdom, its religion prostituted and destroyed. Czechoslovakia, a nation peopled by a proud and noble race, a nation desiring and asking nothing more than the opportunity to live its life in peaceful industry, found itself, too, taken over by a dictatorship.

We are living in a chaotic world. Who knows what the trend of events in Europe may be? Who can say the Communists will be content with their conquest of Finland and Poland? Without our people realizing what has been going on, the "red" dictator has been at work in our midst these many years. The Communist Party, professing Americanism, but accepting its orders and instructions from Moscow, has been boring from within. The Communists have entered the teaching role in our schools and colleges. Diligently the "red" agitator has been spreading his teachings of class hatred and strife.

In the words of a distinguished religious leader and citizen of Baltimore, the purpose of communism is not to keep the poor contented and happy but to create discontentment and to keep it steadily growing. The worst possible thing in the world for Communists is contentment. They breed on discontent.

The time has come in America for Americans to awake to what is going on about them. We who love freedom of opportunity, religious liberty, and political rights must realize that within and without there stand powerful forces that would destroy our American institutions. Little do some of us realize the insidious foreign influences and propaganda that are active all about us.

Everything that we have been taught from infancy to hold dear is held up to scorn, ridicule, and hatred. The family and the home, the Communist would destroy. Were the Soviet to succeed from without, or triumph by a successful revolution from within, Christianity would be banished from American life. The religions of our fathers—Catholic, Protestant, and Jewish—would meet the fate religion has met in Soviet Russia. The churches would be turned into halls for riotous living. The holy men and women of religious vocations would be violated and butchered.

Ours is the duty to make it plain to the foreign agitator that there is no place in America for him. If he does not like the American way, let him return to the place he came from. The foreign agitator can be curbed only if our people will exercise the eternal vigilance which is always the price of liberty.

To guard against the dangers from without is the task of the President and Congress. I am happy to say that Congress

is alive to its obligations. It realizes that the surest guaranty of security for America is an America adequately prepared to defend its liberties. No foreign nation will be likely to attack us if it realizes we are prepared to ward off attack.

Modern warfare is not a mere matter of calling up a citizens' army. It is not a matter of a month or two of preparation. Adequate defense means first a navy equal to any other navy in the world. I am happy to say the President and Congress have done and are doing nobly to create such a navy, one that in a short time will be the pride and joy and the security of every American.

Likewise, the army of modern warfare requires long training, an efficient officer personnel, modern equipment in tanks, guns, and shells. Such an army cannot spring into being overnight. Therefore, I am happy to tell you that the President and Congress are alive to the needs of the Army.

There is no hysterical preparation for war. Hysteria and scare, the Congress has carefully avoided. But it has set in motion the machinery that will give us the nucleus for a sufficient Army if we are called upon to defend ourselves.

The American air force a short time back was far inferior in numbers and equipment to the air forces of other nations. Here, too, we have realized our shortcoming. With great vigor we are creating an air force worthy of the greatness of America. Shortly our air force will be large enough to beat off any force that might be sent against us.

Adequate defense is the watchword. Let us build to the point required for our safety and security. For adequate defense we must build and build promptly.

The scientists, it has been said, measure space by the distances of stars; the dictators measure distances on this globe by the range of their bombing planes. Though America is determined to remain neutral and at peace with the world, it cannot close its eyes to what is going on about it. The only neutral that can feel safe in its desire for peace is the neutral that is ready and able to defend itself. The only plea for peace that the war-mad dictators will respect is a peace backed with battle for battle, bomber for bomber, tank for tank, gun for gun. This is the kind of preparedness that the American people are entitled to have. This is the kind of preparedness the President and Congress are now undertaking to provide for our peace-loving nation. It is our surest bulwark against war. [Applause.]

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes and to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I also listened with great interest to the gentleman from California [Mr. VOORHIS] who spoke a few moments ago. I rose once to question him, but saw that he had been so interrupted that he had too little time. I am taking just a moment now to express my firm belief that he is fundamentally right in the views he expressed. I might disagree with him in some detail, but not to any great extent. As I understood the gentleman from California, we cannot long continue to borrow from the rich to feed the poor, although his heart and mine are in sympathy with the mass of the poor who must be taken care of. There must be, and there is another way. Fundamentally we must revise not only our economic system, but our financial system, so as to do some long-range planning for this thing and not depend upon shots in the arm, these hypodermic injections which we have been using so frequently.

However, I do not condemn hypodermic injections absolutely, either financial or physical. A physician who goes into a hospital and says he will never resort to hypodermic injections, or to the use of drugs because his patient is apt to become addicted to the same, is making a sad mistake, and is showing inhumanity. There is, of course, danger of a patient becoming addicted to the use of drugs when he is carelessly treated for his health. So may our Nation, by these shots in the arm, lead some of our people to become addicted to help from the Government. We must watch out that we do not pauperize our people. I fear that, and I want to avoid that.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK of Arizona. Yes; I shall be glad to yield.

Mr. VOORHIS of California. Does the gentleman feel that in justice to what has been done in the last few years it should be pointed out that the borrowing which the Government has done has been merely to compensate for the failure of private debt to be contracted during those years, which under our present monetary system is the means we depend upon to bring money into circulation.

Mr. MURDOCK or Arizona. The gentleman is right; that is the way we have brought money into circulation and I feel there ought to be other means of bringing money into circulation.

Mr. VOORHIS of California. But that is the explanation of the Government's increase in debt.

Mr. MURDOCK of Arizona. My understanding is that a capitalistic system of society where free enterprise is permitted—which is a system which we have and want to protect—requires borrowing. Therefore an interest-bearing debt is a characteristic feature of our economic society. Our national debt has now reached the point where we are beginning to feel concerned, but I am less concerned than some of my colleagues, when I think of the purpose for which this debt was created.

Textbooks on economics have long taught that it is the business of government to embark upon a spending and building program to furnish employment whenever the periodic depressions of the business cycle hit us, and private employment is reduced. If that was good economic doctrine in classical theory, why is not it good actual practice? And that, as I conceive it, is exactly what we have done.

The gentleman from California will recall that he and I listened 2 hours one evening recently to a distinguished scholar from Sweden who told us that his people believed in balancing the Budget, but that they had found out that it was not necessary to balance it annually. He said they were satisfied to balance it according to each business cycle. There is much food for thought there. I am in favor of our balancing the Budget according to business cycle rather than according to year.

Those who appear so desperately alarmed about our national indebtedness and fearful as to who will pay it and bear the interest burden might do well to consider that the total interest-bearing indebtedness for the country, public and private, is no greater now—indeed, it is less—than the total was in 1929. The difference is that there is now more Government borrowing and lending and less private lending than in 1929. Just so long as we have the American scheme of things, capital will be needed, borrowing will be necessary, and there must be an interest burden. Personally, I would prefer that most of the capital be furnished by private sources and the interest payments necessitated thereby go to private citizens. However, I should want that to be a natural and logical function of our economic and business system and not because of a monopolistic control by any special group. I do not believe that we ought to have a national debt, an interest-bearing debt, merely so some of our wealthy citizens can be coupon clippers.

Alexander Hamilton was of the school that believed a national debt is a national blessing. I can follow his reasoning. I can conceive that a national debt sometimes can be a national blessing, and believe it was in the early days of the Republic; but, on the other hand, I can conceive of a national debt—and we are approaching that situation now—being a menace. Perhaps we have just about reached the point where we do not want to go further into debt. Therefore, in order to help the country rather than to satisfy the desires of the lending class, we must seek some other way of financing that part of the program which the Government must necessarily carry on.

However, I am in agreement thoroughly with one or two remarks made just ahead of me—that it is our job now to find

employment for our unemployed in private industry. Really that is why I have asked for this time. A businessman said to me when I was home—and he is my banker, and a glass-eyed individual, at least he was glass-eyed on one or two occasions when I have visited him—that we ought to do something for the small-business man to help him be an employer; we have helped everybody else under heaven, and why not help the small-business man. I agree with him; and although this is not the chief explanation of what he thought ought to be done, I believe that a large part of the unemployment in the State of Arizona would vanish if mining could be resumed in the proper way. There is a great area highly mineralized; there is hidden wealth lying under the ground that ought to be taken out. There are 4,000 members of the small-mine operators in Arizona who have claims and who want to go to work, but these 4,000 small-mine operators have little or no capital. We have come to the aid of the railroads, the building trades, and the farmers, but we have done nothing for the development of mining, and there are about a dozen States in this country where mining is the basic industry. Mining is a hazardous venture, but is it more hazardous than fire, automobile, or marine insurance? Mining is one industry to which all other industries look for materials. Even farming is no more basically necessary than the taking of wealth from the earth, and yet no encouragement, aside from producing the precious metals, has been given our miners. To do two things at once, the Government could stimulate the mining industry and solve the unemployment problem.

Well, you say, "Why don't these mining men go to Wall Street and borrow, or why don't they go to Phoenix and borrow?" They cannot do so for several reasons. The one thing they need is to bring more capital into the mining industry. These men are entrepreneurs in the mining game, if you will allow that expression. These are private owners, and they want to get capital whereby they can go ahead and develop mines as they did 20 or 30 years ago. That is true not only in the State of Arizona, but it is true throughout the West. I believe that a wise policy on the part of this Government to aid such small-business men would give employment to thousands. That would be one of my suggestions.

Mr. FADDIS. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield.

Mr. FADDIS. I am interested in the gentleman's statement and I want to advance my thought in that connection. I said a moment ago that I believed we paid too little attention to fundamentals and too much attention to details. Now the gentleman is mentioning a problem in connection with the mining industry. Certainly the gentleman recognizes this fact, that in order to have an outlet for the products of those miners there must be a market?

Mr. MURDOCK of Arizona. Exactly. That is one of the essentials.

Mr. FADDIS. So the first thing we must do in this country is to restore confidence in the American institutions and in our time-honored economic system until it will produce a market for the products of the mine. Of all industries, mining is so dreadfully expensive labor that you must have a ready market for the products of the mine in order to produce them.

Mr. MURDOCK of Arizona. I may say to the gentleman that his State furnishes such a market, but I know one way to improve it. The gentleman will recall how strenuously he labored to get authorization and appropriation for a stock pile of the strategic minerals. His great objective was to lay in a supply of such as quickly as possible as an emergency proposition. The gentleman is aware that the great steel industry of Pennsylvania must have these same strategic minerals and metals, such as manganese and tungsten. The gentleman's State will serve as a ready market for all of these that we can produce. In safety for our country, the gentleman will admit we ought to develop the needed supply at home and not depend upon foreign sources.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. FADDIS, Mr. VAN ZANDT, and Mr. PATRICK by unanimous consent were granted permission to revise and extend their own remarks in the RECORD.

THE UNEMPLOYMENT PROBLEM

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I am in thorough accord with the remarks made by the gentleman from Pennsylvania [Mr. FADDIS]. It is encouraging to hear Members of the House, regardless of which side of the aisle they may represent, talk along such practical lines.

In the last 7 years we have spent $22,108,454,024.98 for relief and recovery. I believe it is safe to say that we are no farther along today on the road to recovery than we were when the program was set up back in 1933. We cannot continue to carry this tremendous burden indefinitely. Already taxes have reached a point where they are acting as a brake on recovery and have lowered our living standard. Further unnecessary expenditures, of course, will be reflected in increasing those taxes and reducing the amount paid to the needy. Our aim should be to find a permanent cure for the unemployment that afflicts us at the present time. Today one out of every six and one-half persons is out of work and 6,000,000 of our youth have never had a steady job.

I have no sympathy with those who would have us believe that one-sixth of our people are on the relief rolls permanently. They do not want to stay on relief. They want jobs. I would rather take an optimistic view of it, that as yet we have but scratched the surface in our country's development. A large majority of those out of work would gladly take a job if it could be found. The thing that we need above everything else, as the gentleman from Pennsylvania [Mr. FADDIS] so well pointed out, is to restore confidence on the part of those who are engaged in business and who have money to invest.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. McCORMACK. I am in thorough agreement with the gentleman's statement. Would the gentleman desire to express his views briefly on the inducement for capital to invest in productive enterprise through a decrease of the higher surtaxes that we have on our income taxes?

Mr. KNUTSON. Leading economists are of the opinion that our present surtax rates have already passed beyond the point of diminishing returns. In other words, they believe we could get more revenue with modified rates. This view has been held by former Secretaries of the Treasury, and Democrats as well as Republicans. I am inclined to agree with them because, after all, excessive taxation tends to create stagnation and unemployment. On that subject let me quote President Roosevelt in his Pittsburgh address on October 19, 1932:

> Taxes are paid in the sweat of every man who labors because they are a burden on production and can be paid only by production. If excessive, they are reflected in idle factories, tax-sold farms, and, hence, in hordes of the hungry tramping the streets and seeking jobs in vain.

No longer does the cry "soak the rich" have any appeal for the thinking man and woman because they know the rich are being taxed to the limit at the present time. The highest income brackets are taxed 79 percent by the Federal Government, which leaves them 21 percent for living expenses, replacement, expansion, and State and local taxes. How long can a program like that stand up without breaking down? It is time that we take a rational and common-sense view of this whole question. The demagogue has been ranting long enough.

The time has come for us to lay aside partisanship in the consideration of this great question. I want to believe, and I

do believe, that those who are now charged with the administration of relief in this country are doing the best that they can. They are acting according to their light, but it would seem that by this time it should be apparent to all that no lasting benefit has accrued from what has already been done, and that it would be futile to expect any benefit of a permanent nature can be derived from the present program in the future.

If I were conducting the relief policy of this Government, I would acquire farms on the outskirts of centers of population, and, instead of putting one family on 160 acres, I would divide that farm up into 30 or 40 small tracts, put a set of buildings on each tract costing $3,000 or $4,000. I would not expect the people that we placed on those tracts to derive their entire income and support from the homestead, but at least it would be a refuge in times of unemployment.

[Here the gavel fell.]

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. There is always seasonal work to be had in centers of population. If we could provide those people who are now on relief, or the greater part of them, with a small tract of land that they could work by hand, where a team would not be required, where they could have a cow, a pig or two, a few chickens, and raise their own potatoes and other garden truck—with what they could earn on the side in seasonal work would make them absolutely independent, and that is what they want.

The $22,000,000,000 we have spent on relief and recovery would have provided $6,316 for each of the three and one-half million families on relief. How much of that amount has each family received? We all know that relief has been necessary and will continue to be until we can find jobs for the unemployed, but too much of the relief dollar has gone for administration and too little of it got down where it was needed. Those who have opposed the excessively high administrative cost of relief are called heartless reactionaries who would let the people go hungry. My friends, that is not true.

There is a very considerable element in this country who do not want to see the relief problem solved. They aim to keep that large number under their thumb politically. Then, there are those who have organized large groups of reliefers and make an easy living out of contributions received from people who can ill afford to spend money for that purpose. It is a sad and sordid picture and one that we will not be proud to look back upon when times again become normal.

Relief will have to be continued until industrial production can be speeded up to a point where the unemployed can be absorbed. Unfortunately, the present policy is preventing the speeding up of production, except in a few industries that supply war material.

The charge that Congress has been niggardly in appropriating for relief is not borne out by facts. Such appropriations would have been all-sufficient had they been wisely expended. If it has been found necessary to lay off relief workers the blame must be laid at the door of those who have been charged with spending the money. They have wasted the money we gave them. On all sides we find examples of wasteful spending for needless projects. Congress is not altogether blameless for this sad state of affairs but, primarily, the major blame must be placed on the shoulders of those who failed to grasp the fact that every dollar wasted came out of the pockets of those who are in dire need. Let them explain what has been done with the money we have appropriated for relief and recovery since 1933. The total represents $22 for every minute since the time of Christ, or $22,108,454,024.98, an astronomical figure, and yet there are those who say it should have been much greater.

If we would take our foot off the brake that is holding the machine back while we are climbing a steep grade—and it is the first time in history that we have seen anyone do that in climbing a steep grade—if we would take our foot off the brake, reduce Government spending to actual needs, reduce expenditures in such a way that it will be reflected in a substantial reduction in taxes, which in turn will inspire confidence and provide work for those unemployed but are employable. That would end the depression.

You cannot make me believe that we have reached full development of our country. When I was in Europe last summer I found there was an actual manpower shortage in Germany, France, Belgium, Holland, and the Scandinavian countries. The only country where there was an unemployment problem of any magnitude was in Great Britain. We should not have that problem on our hands. Instead of lagging back way down the list in recovery we should be way out in front in recovery, with our great resources, our untapped wealth.

Today we are No. 20 in point of recovery. We should be No. 1. We should be leading the whole world on the road back to normal times. But we cannot do it, Mr. Speaker, until we have reduced taxes, until we have taken the Government's strangling hand off of the throat of industry, and until we give some assurance that the man who has the courage to invest his money is going to get a fair return on his investment. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATRICK. Mr. Speaker, frequently we are getting excited up here when we drift into partisanship, something which has not shown itself today, there has been no partisanship shown here, and it is a refreshing thing. Here is what we are in this country, and I think as lawmakers we might as well just relax and think it out. We Americans are a bunch of people who landed in a country of tremendous resources, the like of which had not been enjoyed by any other people in any other part of the world. This is a storehouse of earth's richest treasure. This is the lap of Croesus here. So, as a people, what did we do? We became naturally a bunch of cold, sotted wastrels. We had so much we did not know what to do with it. We cut down our forests. If trees died by worms, by fire, or general waste we could go across the hollow to find and cut more. There were plenty. We killed off our bison, we recklessly and carelessly plowed our lands. If we plowed it up and down hill and it washed away we could move to another hundred acres across the valley. It could be obtained by mere entry. Not only have we done that with our timber, wild game, and our grasslands, but also with most of our natural resources, and we bolted into the same sort of growth as to our general economic structure. It may be a bit harder to visualize but is as certain a fact.

We now have come to the place where there are 130,000,000 people in this country, and the things that we have enjoyed by reason of natural abundance we find are becoming exhausted. Even our old methods of economics cannot be sustained. The Democrats have been blaming the Republicans and the Republicans blaming the Democrats when as a matter of fact it is just a condition wherein we have caught up with ourselves; we have taken up all the slack and we might just as well blame nobody as anybody else, but have the common sense to get together to figure it out and decide what we had better do, for it we do not learn to operate on a different basis than we have in the past poverty is assured the generation that is to come. [Applause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

SOLVING OUR NATIONAL PROBLEMS

Mr. RANKIN. Mr. Speaker, I take it that every Member of Congress is interested in restoring normal conditions throughout the country. The question is how to arrive at that solution.

For us to admit in the very infancy, you might say, of this Republic, with all our great natural resources, for us to admit that we are unable to solve these problems certainly would be a confession that would be deadening to the aspirations of the American people.

My contention is that we have the solution in our hands and that it is the duty of Congress to solve these problems. You are not going to do it, however, by borrowing money from the rich and giving it to the poor for all of us to pay back with compound interest, in that way holding down commodity prices, depressing prices, and stultifying human initiative.

I believe in a free economy. The only attack that I have made on private enterprise has been against those monopolies that violate every fundamental principle of the common law. The only time I have ever advocated public ownership was a public ownership of public utilities where they were engaged in a public business, such as the electric power business.

In my opinion, that is the only way we are ever going to solve the problem we have today of these enormous holding companies that impose upon the masses of the American people the exorbitant overcharges that we are now having to pay for electric lights and power.

I have tried to secure for the American people relief from these exorbitant overcharges for electric energy, and I have the happy consolation of knowing that my efforts in that respect have helped to reduce light and power rates in every State in the American Union and in every congressional district represented on this floor. Practically every human being who turns an electric switch anywhere in the United States has benefited by my efforts.

Here we are in the richest land the world has ever seen. We have more wheat, more corn, more cotton, more lumber, and more manufactured articles than we know what to do with. The contention is made that we have a surplus—that we have too much. Yet hungry people are appealing to us on every hand. We try to solve the problem, as I said, by borrowing from the rich and giving to the poor, which is one of the most deflationary programs I have ever known. Agriculture has been regimented, the farmer has been put in a strait jacket and told how much he shall plant, what he shall plant, and what he shall do with it, contrary to all those fundamental principles of the common law on which human freedom and free institutions have been built. We have gathered up the gold of the world, demonetized it, and buried it in the ground. We have demonetized silver. The ones from whom we bought much of this gold have taken the money we paid for it back to countries that have depreciated their currencies and have bought three, four, or five times as much goods with it as they could have bought with the same amount of money in this country.

Under the Federal Reserve Act we have a right to issue currency with a 40-percent gold coverage. This $18,000,000,000 of gold we have buried in the ground would supply a reserve for a sufficient amount of currency to pay the national debt.

Where is our foreign market? It is not in Europe today. We have demonetized silver, as I said a moment ago. When we demonetized silver we killed our foreign markets in the Orient. Silver has been the money of all the Orient since the beginning of time. The first money ever mentioned in Holy Writ was silver. That is the only money the people in the Orient know. That is the only money they can get. When we demonetized silver we killed our foreign trade in the oriental countries. Today our foreign trade is dead; it has come to a standstill; high tariffs and other trade restrictions have killed our European trade, and our silver policy has almost destroyed our oriental trade.

The industrialists are today charging the same prices for their industrial commodities that they were receiving at the peak of agricultural high prices. The farmers are paying the same prices for manufactured articles today that they were paying when cotton was 20 cents or 25 cents a pound and when wheat was $2 or $2.50 a bushel. Our farmers cannot stand it. It is gradually grinding them into the dust. We never will solve this problem until we solve the monetary question—put this gold and silver to work, or put its representative, the currency issued against it, to work, and in that way restore the prices of farm products. Members from industrial centers will say, "You would just raise prices to all." But that would not raise the debt these farmers owe; it would not raise the taxes these farmers have to pay; it would not increase the interests on those debts. But it would increase the farmer's income and give him something to buy with.

You talk about income taxes. The farmers of this Nation, the home owners of this Nation out in the rural sections, pay the highest taxes for the incomes they receive of anybody under the American flag. When you depressed those prices from 20-cent cotton and $2 wheat to 10-cent cotton and $1 wheat, or 8-cent cotton and 80-cent wheat, you simply double the burden he has of paying his taxes, his interest, and the debt against his farm. That is the reason that the onward march of farm foreclosures has continued during the time we have spent these billions of dollars trying to restore prosperity in an illogical way.

A while ago the gentleman from Minnesota [Mr. KNUTSON] said that these people would not go back to the farms, and he drew, very graphically, the picture of the old conditions back on the farm, of drudgery, montony, silence, no conveniences, the drab life of the farmer of 30 years ago. In the last few years I have waged a successful fight here for rural electrification in this country. I have waged a battle to get electricity to the farmers at rates they can afford to pay, and in my own area I have succeeded.

In other sections of the country we are not only extending the lines, but we are gradually bringing those rates down. If the farmer can get cheap electricity, and he will get it before we quit—if he can have the conveniences you have in the city, the radio, lights, washing machine, water pump, vacuum cleaner, refrigerator, electric range, and electric heat for his house, he would rather live out there.

You notice almost every Congressman who has spoken here today has said that he comes from the farm. If they had the same conveniences out there that they have in the cities, he would never have left the farm. That is the condition we are trying to create. The greatest movement that has ever been instituted to bring about that condition has been rural electrification—taking electricity to the farms of this Nation at rates based upon the cost of the generation, transmission, and distribution.

Mr. PATRICK. Will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Alabama.

Mr. PATRICK. I was in the gentleman's area 10 years ago and I have been there recently. I can testify to what he states. Will the gentleman please tell this body the number of people who had lights and modern conveniences in his district 10 years ago compared with today?

Mr. RANKIN. As far as the farmers in my section are concerned, 10 years ago the private power company had one little line that I know of. The company charged them $3.25 a month for line charges and then charged them so much a kilowatt-hour for their electricity. The use of 25 kilowatt-hours of electricity a month in those days cost a farmer on this line $4.50. It now costs him $1 a month under the T. V. A. rates, and 25 cents of that dollar goes to amortize his line. When the line is paid out, then the rates will be further reduced.

You cannot stop this movement toward cheap electricity. The American people have had a taste of it, and the ones who are not tasting it are tasting the bitter fruits of the overcharges they have to pay. They are going to demand lower rates, and by the time another election comes around the rest of you Congressmen will be just as enthusiastic as I am about bringing the rates for electricity down to where the people can pay them.

But that is not the only thing necessary to restore prosperity. I read speeches every day of candidates for the office of President of the United States. Unfortunately some of them are Members of the United States Senate and I cannot criticize a Senator on the floor of the House. However, those speeches sound like the fulminations of school boys as far as touching the great problems with which we have to deal is concerned. They never propose to even attempt to wipe out the disparity between agriculture and industry the tariff has produced. They never make a stab, even, at wiping out the freight rate discriminations that have been bleeding the farmers of the South, the West, and the Middle West for a quarter of a century, shipping uphill, if you please, paying through the nose the overcharges for freight rates. They never attempt to speak on the money question. They avoid this money question for fear they might offend some of the money barons of the Nation. They seem to overlook the fact that we are now in a death grapple with the favored few who have made their fortunes out of the prosperity of the past, whether it was the artificial prosperity of the war or not. These few have made their fortunes and now have their money invested in tax-exempt securities, and many of them live off incomes to which they have never contributed.

Many of them have not earned a dollar of their vast fortunes for three generations, and yet they strive to hold prices down in order that the values of their holdings may be held up. Of these men who are out running for President, not a single one has dared to tell you what he would do with this great wealth of gold we have buried in Kentucky. Oh, for a William J. Bryan, oh, for a William E. Borah on your side, to go to the American people and arouse them to a realization of the fact that we never will cure the conditions with which we are now confronted unless this policy is changed, and that if we follow the policy advocated by these Republican candidates for President the conditions will grow infinitely worse.

What we need today is men who understand this monetary question, men who understand the great economic questions of the day, men who do not have their minds buried in the cesspools of Europe, men who are not itching to get us into a World War, but who are determined to keep us out of the present conflict, men who are interested in the restoration of prosperity for our country, in the prosperity and welfare of the American people now and for generations to come. Through such a policy we can solve the great questions that now confront the Nation, by stimulating and encouraging free enterprise, restoring the farmer's prosperity, and making it possible for him to purchase industrial commodities. That would start the wheels of industry and give work for the unemployed. In that way we can bring back prosperity for all, we can take our people off the relief rolls, we can start the wheels of industry moving, restore prosperity to the farmers of the Nation, and pass this Republic down to the generations to come—a rich and prosperous Nation—the outstanding and unchallenged leader of all the great countries of the world. [Applause.]

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. RABAUT, indefinitely, on account of sickness at home.

To Mr. MCLAUGHLIN, for 2 weeks, on account of important business.

To Mr. BURGIN (at the request of Mr. BULWINKLE), for 14 legislative days, on account of illness.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 200. Joint resolution to provide for participation of the United States in the Golden Gate International Exposition at San Francisco in 1940, to continue the powers and duties of the United States Golden Gate International Exposition Commission, and for other purposes; to the Committee on Foreign Affairs.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 2, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 2, 1940:

H. R. 7169, authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation.

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 3, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 2, 1940, at 10:30 a. m., in room 328, House Office Building, for the consideration of H. R. 3648.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 3, 1940, at 10:30 a. m., for the consideration of H. R. 3047, H. R. 3048, H. R. 5674, and H. R. 5918.

COMMITTEE ON THE JUDICIARY

On April 3, 1940, at 10:30 a. m., there will be continued before Subcommittee No. 4 of the Committee on the Judiciary a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building, and will be continued on the following dates, April 9 and April 10, at 10:30 a. m.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1496. A letter from the Chief Scout Executive, Boy Scouts of America, transmitting a copy of the Thirtieth Annual Report of the Boy Scouts of America (H. Doc. No. 680); to the Committee on Education and ordered to be printed, with illustration.

1497. A letter from the Archivist of the United States, transmitting a list of papers consisting of seven items from the Government Printing Office to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1498. A letter from the Archivist of the United States, transmitting a list of papers consisting of two items from the Work Projects Administration which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1499. A letter from the Archivist of the United States, transmitting a list of papers consisting of 30 items from the Works Progress Administration which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1500. A letter from the Archivist of the United States, transmitting a list of papers consisting of 86 items from the Federal Security Agency which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1501. A letter from the Archivist of the United States, transmitting a list of papers consisting of one item from the Department of Labor which is to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1502. A letter from the Archivist of the United States, transmitting a list of papers consisting of 10 items from the Department of Labor which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1503. A letter from the Archivist of the United States, transmitting a list of papers consisting of 21 items from the Department of Labor which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1504. A letter from the Archivist of the United States, transmitting a list of papers consisting of 17 items from the Department of Commerce which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1505. A letter from the Archivist of the United States, transmitting a list of papers consisting of 26 items from the Department of Agriculture which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1506. A letter from the Archivist of the United States, transmitting a list of papers consisting of 28 items from the Department of the Interior which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1507. A letter from the Archivist of the United States, transmitting a list of papers consisting of 362 items from the Post Office Department which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1508. A letter from the Archivist of the United States, transmitting a list of photographic films from the Department of the Navy which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1509. A letter from the Archivist of the United States, transmitting a list of papers consisting of two items from the records of the United States attorney at Brooklyn, N. Y., which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1510. A letter from the Archivist of the United States, transmitting a list of papers consisting of six items from the Department of War which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1511. A letter from the Archivist of the United States, transmitting a list of papers consisting of 70 items from the Department of the Treasury which are to be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

1512. A letter from the Acting Secretary of the Treasury, transmitting the draft of a proposed bill to eliminate the oaths required of masters of vessels and shippers of cargo in certain cases; to the Committee on the Judiciary.

1513. A letter from the Acting President, Board of Commissioners, District of Columbia, transmitting the draft of a proposed bill to amend an act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions"; to the Committee on the District of Columbia.

1514. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Tygart River and tributaries in the vicinity of Elkins, W. Va., authorized by the Flood Control Act approved August 28, 1937; to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR: Committee on Indian Affairs. H. R. 8937. A bill to authorize an appropriation for the relief of ill-clothed, ill-fed, and ill-housed needy American Indians through the utilization of surplus American agricultural and other commodities; with amendment (Rept. No. 1903). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Naval Affairs was discharged from the consideration of the bill (H. R. 8659) to clear the name of Burney Peters, and the same was referred to the Committee on Merchant Marine and Fisheries.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DEROUEN:

H. R. 9171. A bill to withdraw certain portions of land within the Hawaii National Park and to transfer the same to the jurisdiction and control of the Secretary of War for military purposes; to the Committee on the Public Lands.

By Mr. DIMOND:

H. R. 9172. A bill to forbid the appointment of any person but a resident of the Territory of Alaska to the office of Governor of said Territory; to the Committee on the Territories.

H. R. 9173. A bill for the protection of the water supply of the town of Petersburg, Alaska; to the Committee on the Public Lands.

By Mr. FULMER:

H. R. 9174. A bill to amend an act entitled "An act authorizing the Director of the Census to collect and publish statistics of cottonseed and cottonseed products, and for other purposes," approved August 7, 1916; to the Committee on the Census.

By Mr. SCHULTE:

H. R. 9175. A bill to provide for a full-time judge to try traffic offenses in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. VOORHIS of California:

H. R. 9176. A bill to provide necessary funds for the Work Projects Administration; to the Committee on Appropriations.

By Mr. CONNERY:

H. R. 9177. A bill to establish equitable and uniform rates of compensation and hours of labor for civilian employees of the War and Navy Departments; to the Committee on Military Affairs.

By Mr. FISH:

H. Res. 450. Resolution providing for the appointment of a select committee to investigate the German White Book; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Illinois:

H. R. 9178. A bill for the relief of Mary Keegan; to the Committee on Claims.

By Mr. ANDERSON of Missouri:

H. R. 9179. A bill for the relief of Mrs. William Meister; to the Committee on Claims.

By Mr. COLE of New York:

H. R. 9180. A bill for the relief of the estate of Max Adams Shepard; to the Committee on Claims.

By Mr. GEYER of California:

H. R. 9181. A bill to authorize cancelation of deportation in the case of A. W. Eichel; to the Committee on Immigration and Naturalizatcn.

H. R. 9182. A bill directing the Secretary of War to issue Army discharge to George James Everett, who was regularly inducted into the military service of the United States prior to November 11, 1918, and was discharged from draft on June 13, 1918; to the Committee on Military Affairs.

By Mr. LANDIS:

H. R. 9183. A bill granting a pension to Alice Chumbley; to the Committee on Invalid Pensions.

By Mr. KELLER:

H. R. 9184 (by request). A bill for the relief of Arthur Smith; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7264. By Mr. HART: Petition of the mayor and Council of the Borough of Pompton Lakes, N. J., favoring and desiring the adoption of a plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7265. Also, petition of the Council of the Town of Kearny, N. J., favoring and desiring the adoption of a plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7266. Also, memorial of the General Assembly of the State of New Jersey, requesting that legislation be enacted to reimburse the Passaic Valley sewerage commissioners for damages occasioned to the outfall pipes of the Passaic Valley trunk sewer in New York Harbor by the steamship *Leviathan*, which was owned and operated by the United States of America; to the Committee on Claims.

7267. By Mr. JOHNS: Petition of Maurice Schur and 23 others of Kaukauna, Wis., asking Members of Congress to give vigorous support to the Patman chain-store tax bill, H. R. 1. that it may be speedily enacted into law; to the Committee on Ways and Means.

7268. Also, petition of Frank Verhagen and 16 others, of Kimberly, Wis., asking Members of Congress to give vigorous support to the Patman chain-store tax bill (H. R. 1), that it may be speedily enacted into law; to the Committee on Ways and Means.

7269. Also, petition of Edw. C. Keller and 64 others, of Appleton, Wis., asking Members of Congress to give vigorous support to the Patman chain-store tax bill (H. R. 1), that it may be speedily enacted into law; to the Committee on Ways and Means.

7270. Also, petition of Edmund St. Clair and 184 others, of Green Bay; Carl Jannesen and 17 others, of De Pere; and 87 others from Manitowoc, Kewaunee, Door, Outagamie, Brown, Marinette, Oconto, Florence, and Forest Counties, all of the State of Wisconsin, urging and requesting their Representative in Congress to use his best efforts to secure the passage of the Patman chain-store bill (H. R. 1); to the Committee on Ways and Means.

7271. Also, petition of Merton Snow and 11 others, asking support of Senate bill 1610, House Calendar 184; to the Committee on the Civil Service.

7272. By Mr. KEOGH: Petition of the New York Post Office Clerks Association, station K post office, New York City, favoring longevity pay bills now pending before the Committee on Post Offices and Post Roads; to the Committee on the Civil Service.

7273. By Mr. MACIEJEWSKI: Petition of racing homing pigeon fanciers and friends, supporting House bill 7813; to the Committee on Agriculture.

7274. By Mr. O'NEAL: Petition of various citizens of Louisville, Ky., in behalf of House bill 5620; to the Committee on Ways and Means.

7275. By Mr. PFEIFER: Petition of S. Rankin Drew Unit 340, American Legion Auxiliary, New York City, concerning House bills 8390 and 9000; to the Committee on World War Veterans' Legislation.

7276. Also, petition of the New York Post Office Clerks Association, Inc., New York City, urging favorable consideration and passage of the longevity pay bills; to the Committee on the Civil Service.

7277. By Mr. SWEENEY: Petition of the Amalgamated Association of Iron, Steel, and Tin Workers of North America, S. W. O. C., Harrison Lodge, No. 1020, Cleveland, Ohio, concerning violations of National Labor Relations Act by Republic Steel Corporation, Bethlehem Steel, and Weirton Steel, and petitioning the Members of Congress to pass House bill 3331; to the Committee on Labor.

7278. Also, petition of the Amalgamated Association of Iron, Steel, and Tin Workers of North America, S. W. O. C., Harrison Lodge, No. 1020, Cleveland, Ohio, concerning the Wagner Act and the National Labor Relations Act, and petitioning the Members of Congress to pass House bill 3331; to the Committee on Labor.

7279. By the SPEAKER: Petition of the State, County, and Municipal Workers of America, Local 184, opposing antialien legislation; to the Committee on Immigration and Naturalization.

7280. Also, petition of the National Brotherhood of Electrical Workers, Champaign, Ill., supporting Senate bill 591; to the Committee on Banking and Currency.

7281. Also, petition of the United Electrical Machine Workers of America, Fort Wayne, Ind., supporting Senate bill 591; to the Committee on Banking and Currency.

7282. Also, petition of Local U. E. R. M. W. A., supporting Senate bill 591; to the Committee on Banking and Currency.

7283. Also, petition of the Federation of Architects, Chemists, and Engineers of the Congress of Industrial Organizations, supporting the National Labor Relations Act; to the Committee on Labor.

7284. Also, petition of the International Brotherhood of Electrical Workers, favoring the continued cooperation with the housing committee of the American Federation of Labor; to the Committee on Banking and Currency.

7285. Also, resolution of the Electrical Workers Local, No. 595, supporting Senate bill 591; to the Committee on Banking and Currency.

7286. By Mr. HARRINGTON: Petition of the Sioux City National Farm Loan Association, of Sioux City, Iowa, regarding Government loans; to the Committee on Agriculture.

7287. Also, petition of the National Farm Loan Associations of Danbury, Iowa, regarding Government loans; to the Committee on Agriculture.

SENATE

TUESDAY, APRIL 2, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty God, who hast given us this good land for our heritage, we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry, sound learning, and pure manners. Save us from violence, discord, and confusion; from pride and arrogancy; and from every evil way. Defend our liberties and fashion into one united people the multitudes brought hither out of many kindreds and tongues, that we may be an acceptable nation in Thy sight. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, April 1, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolutions of the Senate:

S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes;

S. 2977. An act authorizing the construction and maintenance of a dike or dam across Stansbury Creek in Baltimore County, Md.;

S. 3209. An act granting the consent of Congress to the Mississippi State Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Carthage, in the State of Mississippi;

S. J. Res. 153. Joint resolution to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project; and

S. J. Res. 226. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

The message also announced that the House had passed the bill (S. 607) to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1790. An act to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation or Executive order;

H. R. 6957. An act to extend to the Colville Indian Reservation in the State of Washington the provisions of the act of June 18, 1934 (48 Stat. 984), as amended;

H. R. 7074. An act to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments;

H. R. 7406. An act granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Middletown, Pa.;

H. R. 7407. An act granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Millersburg, Pa.;

H. R. 7530. An act to transfer the site and buildings of the Tomah Indian School to the State of Wisconsin;

H. R. 7655. An act to extend the times for commencing and completing the construction of a bridge across the Delaware River between the village of Barryville, N. Y., and the village of Shohola, Pa.;

H. R. 7736. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title;

H. R. 7833. An act to set aside certain lands for the Minnesota Chippewa Tribe in the State of Minnesota, and for other purposes;

H. R. 7989. An act to legalize a bridge across the Nestucca River at Pacific City, Oreg.;

H. R. 8285. An act to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents; to define unfair trade practices in certain instances, and for other purposes;

H. R. 8320. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River near Jefferson Barracks, Mo.;

H. R. 8356. An act for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado;

H. R. 8372. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Chester, Ill.;

H. R. 8423. An act to amend an act entitled "An act to increase the efficiency of the Coast Guard," approved January 12, 1938;

H. R. 8467. An act authorizing the Superior Oil Co., a California corporation, to construct, maintain, and operate a free highway bridge or causeway, and approaches thereto, across the old channel of the Wabash River from Cut-Off Island, Posey County, Ind., to White County, Ill.;

H. R. 8476. An act to adjust the boundaries of the Cedar Breaks National Monument and the Dixie National Forest, in the State of Utah, and for other purposes;

H. R. 8498. An act to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes;

H. R. 8669. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H. R. 8916. An act to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana;

H. R. 9047. An act to provide for the transfer of United States prisoners in certain cases; and

H. J. Res. 400. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1940, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Barbour	Brown	Chandler
Ashurst	Barkley	Bulow	Chavez
Austin	Bilbo	Byrnes	Clark, Idaho
Bailey	Bone	Capper	Clark, Mo.
Bankhead	Bridges	Caraway	Connally

Danaher	Hayden	Mead	Stewart
Davis	Herring	Miller	Taft
Donahey	Hill	Minton	Thomas, Idaho
Downey	Holman	Murray	Thomas, Okla.
Ellender	Holt	Neely	Thomas, Utah
Frazier	Hughes	Norris	Tobey
George	Johnson, Calif.	Overton	Townsend
Gerry	Johnson, Colo.	Pepper	Truman
Gibson	King	Pittman	Tydings
Gillette	La Follette	Reed	Vandenberg
Glass	Lee	Reynolds	Van Nuys
Green	Lucas	Schwartz	Wagner
Guffey	Lundeen	Schwellenbach	Walsh
Gurney	McCarran	Sheppard	White
Hale	McKellar	Shipstead	Wiley
Harrison	McNary	Smathers	
Hatch	Maloney	Smith	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Georgia [Mr. RUSSELL], and the Senator from Illinois [Mr. SLATTERY] are detained from the Senate on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

The Senator from Virginia [Mr. BYRD] is absent attending the funeral of the late Lieutenant Governor of Virginia.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

PUBLIC BUILDINGS IN THE DISTRICT

The VICE PRESIDENT laid before the Senate a letter from the Administrator of the Federal Works Agency, transmitting a draft of proposed legislation to authorize the construction of public buildings in the District of Columbia, which, with the accompanying paper, was referred to the Committee on Public Buildings and Grounds.

RELIEF OF CERTAIN EMPLOYEES AND DISBURSING OFFICERS, VETERANS' ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes, which, with the accompanying papers, was referred to the Committee on Claims.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of War, the Judiciary (3), the Post Office, the Interior, Agriculture, and Commerce, the Veterans' Administration, and the Federal Works Agency, Work Projects Administration, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. GIBSON members of the committee on the part of the Senate.

MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of Local No. 184, Division of Unemployment Compensation and Employment Service, State, County, and Municipal Workers of America (C. I. O.), of Philadelphia, Pa., protesting against the enactment of pending antialien legislation, which was referred to the Committee on Immigration.

Mr. HOLT presented a paper in the nature of a memorial from Ernest Plymale, Jr., and 65 members of Local Union No. 528, American Flint Glass Workers of North America, in the State of West Virginia, remonstrating against the enactment of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, unless proposed reciprocal-trade agreements are ratified by the Senate, which was ordered to lie on the table.

INCOME FOR PARITY PAYMENTS TO FARMERS

Mr. CAPPER. Mr. President, I desire to call the attention of the Senate to several petitions received by me during the last few days from Kansas farmers urging that some permanent financing of the parity payments be approved by Congress.

I read the following petition from Ellsworth County, sent me by C. C. Frevert, of Holyrood, signed by about 80 wheat growers of Ellsworth County:

> We the undersigned farmers and citizens of Ellsworth County, Kans., earnestly petition you to urge Congress to enact some permanent legislation for funds to give us farmers full parity payments on our base production of wheat. We farmers have cooperated with the agricultural-conservation program almost 100 percent, year after year, with the hope that Congress would do the right thing by providing funds by some form of processing tax. For 7 years we have patiently waited for Congress to give us parity prices on wheat. So far it has been nothing but appropriations. Either give us something worth while or else tear down that high tariff wall that has favored the industries for some 100 years. They have no right to special privileges under our democracy.

Also, from Ellsworth County, Mr. J. W. Hoker, of Kanapolis, sends me a petition to the same effect, signed by 40 farmers from that vicinity. Mr. I. H. Hickman, of Kirwin, sends me a similar petition signed by some 90 citizens of Phillips County.

Mr. Frevert in a note accompanying the petition from Holyrood says:

> In a recent article in the paper I noticed appropriations were again started for parity payments. We farmers appreciate help in any form, but this digging into the Federal Treasury cannot long continue.
>
> I trust Congress will enact the income-certificate plan for raising the money for parity payments, and I trust you will put your efforts back of this.

This morning I received a similar petition from farmers of Barton County, Kans., forwarded me by Mr. H. A. Praeger, of Claflin, master farmer, and one of the straight-thinking wheat growers of Kansas. In an accompanying letter he says in part:

> We are pleased to note that the parity appropriation has been voted for next year. However, to avoid this annual turmoil, we are suggesting that a permanent way of financing the farm program be devised without taking the money from the General Treasury. Another way of helping to balance the Budget. We believe the certificate plan is a step in the right direction.

I have received a number of letters along the same line. These letters and the accompanying petitions came over the week end.

Mr. President, the American farmer has been subsidizing American industry and American consumers at the rate of $2,000,000,000 a year for the past decade. His annual income is that much less than Congress has declared he is entitled to under the definition of parity in the Agricultural Adjustment Act.

When Congress amended the act in 1938 it authorized parity payments for the five major surplus crops. By implication, at least, it said to the farmers that the Government would do everything in its power to bring about parity income. Directly Congress said that parity payments would be made to assist in attaining this goal.

Mr. President, the farmer does not like these payments from the Treasury. He believes he is entitled to prices on what he sells commensurate with the prices he pays for what he buys. He believes the food and feed and other necessities of life he supplies the people of the United States are worth the cost of production. Congress has told him he is entitled to parity payments. But obviously, from the experiences of the past three sessions of Congress, the financing of parity payments by annual appropriations is not the right way to go about the matter.

I agree with the farmers who are asking for permanent financing. I urge early consideration of the income-certificate plan, and other plans, to attain that end.

I ask unanimous consent to have printed, as part of my remarks, the petition from Barton County, and also that the petition be referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, it is so ordered.

The petition referred to is as follows:

> We, the undersigned citizens of Barton County, Kans., are in hearty accord with the principles embodied in the A. A. A. Act, as

amended in 1938, with its provisions for conservation and parity payments for those farmers who make full compliance in the program.

We realize the uncertainty that an annual appropriation from the United States Treasury embodies and believe that the raising of these funds would be more just and equitable by some form of a processing-tax or certificate plan. We therefore petition you, as our representative in Congress, to work toward the attainment of this goal.

Mr. CAPPER. I also ask that a letter from I. H. Hickman, prominent farmer of Phillips County, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KIRWIN, KANS., *March 28, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR MR. CAPPER: I am sending you a list of names of residents of this community who are desirous of seeing the present farm program continue in its present form without discrimination. We realize that all lines of business is being subsidized and are asking the legislative bodies to protect our interests to the best of their ability.

Another thing the people of the Plains States is vitally interested in is farm mortgages. For the last 2 years there has hardly been room in the county paper to carry the foreclosure notices.

In the last few months the Federal land bank has softened up some and is reamortizing the Commissioner loans from 10 to 20 years. That will help some, but with the drought that we have had in this State for 6 years it is impossible to make any payments above interest. Ninety percent of the loans in Phillips County had to be refinanced.

The people need these loans readjusted to suit the productivity of the farm on which they are placed. There are a great many loans in this territory that the land will not produce in normal times to pay interest and make payments on principal with the size loans they are carrying.

The rate of interest is also too high in comparison to the rate that other branches of business pay. I know that short-time bonds on the money market are sold at less than 1 percent.

It seems to me that these farm-mortgage bonds could be reissued at a much smaller rate than they are now carrying. If you could get the business world to realize the quick upturn in business if the farmer had a few much-needed dollars to spend instead of sending it all away, the wheels of industry would soon be humming, something we would all like to see.

I am sending a copy of this to Mr. FRANK CARLSON.

Very cordially,

I. H. HICKMAN.

We, the undersigned, hereby take this method to express our sentiment to the legislative body of our Government in reference to the following:

It is highly important that the agricultural appropriation be secured in sufficient amount to provide sufficient funds to properly administer all of the present program with its various phases. This cannot be done with any reduction; agriculture must not suffer for the benefit of other appropriations.

Geo. T. Perkins, Mr. Floyd Reynolds, Mrs. R. E. Downing, George Camp, G. J. McDowell, Albert Fink, Kenneth Camp, Theron Wyley, F. W. Zoller, Walt Kendall, J. W. Kelley, Waldo Stephens, Forest Elliot, Jim Lemon, John Ronan, Thelma Wyley, Charlotte E. Werner, Edd McDermed, John McDermed, Lawrence Debey, Melva Lemon, Chas. Bogart, Minnie Bogart, George R. Still, Myrtle Still, Clara Scott Hurst, Ila Townsend, C. M. Lemon, Jane I. King, Mrs. F. J. Rehor, Mrs. Frank Gingles, Mrs Walter Kendall, Tom Williams, Mrs. Mark Bogart, Mrs. Maude Meckinstock, Mrs. Will Adams, I. H. Hickman, Myrtle Hickman, M. S. Smith, Wilbur Ellenberger, D. W. Smith, S. L. Eller, John L. Paulson, Charles Leydig, Russel McFadden, Merwin Lemon, Clauton McDowell, Wm. Hamson, John Debey, Gill Atchison, Cleatus Byfield, V. N. Wilson, Lawrence Werner, O. C. Meckenstock, M. C. Desjardins, Ira E. Porter, M. H. Klontz, Carl Larue, Mark Bogart, J. J. Townley, A. J. Jerby, H. T. Atchison, John Sickman, A. N. Rutherford, W. C. Adams, W. E. Whited, Hugh Townsend, W. N. Townsend, Geo. T. Palmer, R. C. Paulson, Everett Peugh, C. H. Freman, M. C. Nedrow, Frank Gingles, Kenneth Nedrow, Otto Werñer, G. E. Reynolds, Mrs. G. E. Reynolds, Mrs. C. O. Townsend, Mrs. Will Adams, Mrs. Janes Lemon, Frank L. Townsend, Joseph C. Johnson, Mrs. Joseph C. Johnson, Georgia Hampton, Mrs. Will Claggett, Vera Stoner, Mrs. Waldo Stephenson, Eva Francis Kelley.

[These people are all residents of Kirwin, Kans., and the surrounding territory.]

REPORTS OF COMMITTEES—LEGISLATIVE APPROPRIATIONS

Mr. TYDINGS. Mr. President, from the Committee on Appropriations I report back favorably with amendments the bill (H. R. 8913) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, and I submit a report (No. 1362) thereon. I ask that the bill go to the calendar.

The VICE PRESIDENT. Without objection, the report will be received, and the bill will be placed on the calendar.

Mr. CHANDLER, from the Committee on the Judiciary, to which was referred the joint resolution (H. J. Res. 437) authorizing the President of the United States of America to proclaim Citizenship Day for the recognition, observance, and commemoration of American citizenship, reported it with an amendment and submitted a report (No. 1363) thereon.

Mr. CONNALLY, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 7233) to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes, reported it with amendments and submitted a report (No. 1364) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. VANDENBERG:

S. 3703. A bill for the relief of Vasil Dimitroff Techoff; to the Committee on Immigration.

By Mr. THOMAS of Oklahoma:

S. 3704. A bill granting a pension to Caroline Danforth (with accompanying papers); to the Committee on Pensions.

By Mr. CHANDLER:

S. 3705. A bill for the relief of the Ansonia Copper & Iron Works, Inc.; to the Committee on Claims.

By Mr. SCHWELLENBACH (for Mr. BURKE):

S. 3706. A bill for the relief of Alfred G. Balls; and

S. 3707. A bill for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department; to the Committee on Claims.

By Mr. BROWN:

S. 3708. A bill to amend the National Firearms Act; and

S. 3709. A bill to amend section 1426 (b) (8), as amended, of the Internal Revenue Code; to the Committee on Finance.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and a joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 1790. An act to authorize additions to the Sequoia National Forest, Calif., through exchanges under the act of March 20, 1922, or by proclamation or Executive order;

H. R. 7736. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title;

H. R. 8356. An act for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado; and

H. R. 8476. An act to adjust the boundaries of the Cedar Breaks National Monument and the Dixie National Forest, in the State of Utah, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 6957. An act to extend to the Colville Indian Reservation in the State of Washington the provisions of the act of June 18, 1934 (48 Stat. 984), as amended;

H. R. 7530. An act to transfer the site and buildings of the Tomah Indian School to the State of Wisconsin;

H. R. 7833. An act to set aside certain lands for the Minnesota Chippewa Tribe in the State of Minnesota, and for other purposes; and

H. R. 8916. An act to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana; to the Committee on Indian Affairs.

H. R. 7074. An act to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments; to the Committee on Military Affairs.

H. R. 7406. An act granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a

toll bridge across the Susquehanna River at or near the city of Middletown, Pa.;

H. R. 7407. An act granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Millersburg, Pa.;

H. R. 7655. An act to extend the times for commencing and completing the construction of a bridge across the Delaware River between the village of Barryville, N. Y., and the village of Shohola, Pa.;

H. R. 7989. An act to legalize a bridge across the Nestucca River at Pacific City, Oreg.;

H. R. 8320. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River near Jefferson Barracks, Mo.;

H. R. 8372. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Chester, Ill.;

H. R. 8423. An act to amend an act entitled "An act to increase the efficiency of the Coast Guard," approved January 12, 1938; and

H. R. 8467. An act authorizing the Superior Oil Co., a California corporation, to construct, maintain, and operate a free highway bridge or causeway, and approaches thereto, across the old channel of the Wabash River from Cut-Off Island, Posey County, Ind., to White County, Ill.; to the Committee on Commerce.

H. R. 8285. An act to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents; to define unfair trade practices in certain instances; and for other purposes; to the Committee on Mines and Mining.

H. R. 8498. An act to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes; to the Committee on Irrigation and Reclamation.

H. R. 8669. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.; to the calendar.

H. R. 9047. An act to provide for the transfer of United States prisoners in certain cases; and

H. J. Res. 400. Joint resolution authorizing the President of the United States of America to proclaim October 11, 1940, General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—AMENDMENTS

Mr. SHIPSTEAD submitted two amendments and Mr. JOHNSON of Colorado and Mr. THOMAS of Idaho each submitted an amendment, intended to be proposed by them, respectively, to the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, which were severally ordered to lie on the table and to be printed.

AMENDMENT TO NAVAL APPROPRIATION BILL

Mr. BARBOUR submitted an amendment intended to be proposed by him to House bill 8438, the naval appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 45, line 6, after the colon, insert the following: "*Provided,* That $5,000,000 of this sum shall be devoted to the expansion of naval aviation facilities at Cape May, N. J., and that such additional sums as may be necessary shall be used to investigate and report on the advantages of Conaschonck Point, N. J., as a naval aviation base, the facilities of which would be available also for the use of transoceanic commercial planes, and to determine and report on the cost of constructing such a base, to include facilities for both land and sea planes."

ADDRESS BY HON. PAUL V. M'NUTT BEFORE NATIONAL INDUSTRIAL CONFERENCE BOARD

[Mr. HARRISON asked and obtained leave to have printed in the RECORD an address delivered by Hon. Paul V. McNutt, Federal Security Administrator, before the National Industrial Conference Board at New York City, March 28, 1940, which appears in the Appendix.]

ADDRESS BY F. HAROLD DUBORD BEFORE DEMOCRATIC STATE CONVENTION, BANGOR, MAINE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an address delivered at the Democratic State Convention held at Bangor, Maine, March 27, 1940, by F. Harold Dubord, of Waterville, Maine, Democratic national committeeman from Maine, and temporary chairman of the convention, which appears in the Appendix.]

SENATOR VANDENBERG'S PROPOSAL FOR A FOREIGN TRADE BOARD—ARTICLE BY WALTER LIPPMANN

[Mr. BILBO asked and obtained leave to have printed in the RECORD an article by Walter Lippmann, published in the Herald Tribune of February 10, 1940, under the heading "Mr. VANDENBERG's pup," which appears in the Appendix.]

PROPOSED FEDERAL ADMINISTRATIVE PROCEDURE LEGISLATION

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a joint report of the committees on administrative law and on Federal legislation, of the Association of the Bar of the City of New York, on Senate bill 915 and House bill 4236, which appears in the Appendix.]

ARTICLE BY JOHN T. FLYNN ON RECIPROCAL-TRADE AGREEMENTS

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an article by John T. Flynn on the subject of reciprocal-trade agreements, published in the Washington Daily News of today, which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The VICE PRESIDENT. Let the Chair state the parliamentary situation as he understands it.

Yesterday, the Senate entered into a unanimous-consent agreement that debate on the pending amendment or any amendment thereto should be limited to 20 minutes in the case of any individual Senator. Nothing was said about debate on the joint resolution itself; but the Chair has consulted the majority leader, the minority leader, the Senator in charge of the joint resolution, and the Senator who offered the amendment, and the Chair thinks the agreement applies to the pending amendment only, or any amendment thereto, and that the 20-minute limitation will apply to any Senator who wishes to discuss the pending amendment.

Mr. McCARRAN. Mr. President, in order to clarify the situation, so that those who desire to discuss the pending amendment from now on until the conclusion of the discussion on this amendment may know the situation, I desire at this time to offer a substitute for my pending amendment; and I wish to discuss for just 2 or 3 minutes the substance of the substitute, so that it may be understood what I am offering, and why I am offering it.

The VICE PRESIDENT. The Senator from Nevada offers an amendment as a substitute for the pending amendment. The Chair is of the opinion that the limitation of debate applies also to the substitute under the language of the unanimous-consent agreement. The clerk will state the substitute amendment.

The CHIEF CLERK. On page 1, line 8, before the period, it is proposed to insert a colon and the following:

Provided, That no foreign-trade agreement entered into under such section 350 after the date of enactment of this act shall (1) provide for the reduction of any tax imposed under sections 2490, 2491, 3420, 3422, 3423, 3424, or 3425 of the Internal Revenue Code, as amended, (2) provide for any reduction in any excise tax now or hereafter imposed with respect to any article by the United States, or (3) bind the United States not to impose, or not to increase, any excise tax with respect to any article.

Mr. McCARRAN. Mr. President, I offer that amendment as a substitute for my pending amendment, and I desire to have it take the place of the amendment I first offered.

The Senate will notice that in the substitute there are set out the identical sections of the statute which were set out in my previous amendment to the joint resolution; and, in addition, the substitute, provides that the Congress of the United States may in the future impose excise taxes and

not be interfered with by the so-called reciprocal-trade law. It further provides that any excise tax on any commodity now in existence shall not be interfered with by the reciprocal-trade law.

My reason for offering the substitute is to broaden the field so that, for instance—and I use this as an instance—if there were an excise tax as to vegetable oil, or if the Congress desired to impose an excise tax to protect vegetable oil, to make it possible to limit the influx of vegetable oil into this country, that might be done without interference by those having charge of the enforcement of the reciprocal-trade law. In other words, my object is that Congress shall not lose complete control over that which, in my judgment, Congress is specifically given control—namely, revenue and taxation—so that Congress may impose excise taxes, as in the case of copper, lumber, oil, and coal it has imposed excise taxes. I propose that those excise taxes so imposed up to date shall not be interfered with, in keeping with the explanation I made yesterday on the floor of the Senate; and, in addition to that, I propose that excise taxes imposed as to other commodities by act of Congress, or which have been imposed as to other commodities by act of Congress, shall not be interfered with except by Congress itself.

That is my explanation. I do not care to take up the time of the Senate further, because other Senators may desire to address themselves to the substitute.

Mr. KING. Mr. President, before the Senator takes his seat, will he yield to me?

Mr. McCARRAN. I yield to the Senator from Utah.

Mr. KING. Has the Senator in mind any commodity, other than the four which were first enumerated in his amendment, to which the substitute would apply?

Mr. McCARRAN. I answer that at this moment I have not in mind any such commodity; but I have in mind an incident which I think exemplifies what I have in mind in the substitute.

Sometime ago certain Senators proposed legislation by way of bills to affect the tariff on a certain commodity, namely, vegetable oil. They were very much interested in it. It was a question which materially affected them in their respective States. A letter came here from the State Department, addressed to the chairman of the Committee on Finance, which letter I had inserted in the RECORD several days ago, in which it was pointed out that the bills introduced by the Senators to whom I have referred should not be favorably looked upon, because they would interfere with existing agreements, or agreements about to be made. It is that which I have in mind. If there are no other excise taxes in the usual sense, there may be; but there are now in existence excise taxes in the way of processing taxes, and the definition covers all processing taxes, because a processing tax within the territorial limits of the jurisdiction of the United States is an excise tax; and the Congress does not want those having control of the reciprocal-trade law to be interfering with excise taxes imposed by way of processing taxes.

Mr. PITTMAN. Mr. President, I have a very few words to say on this amendment.

I think the junior Senator from Nevada has made a very clear case. I do not care to go into the question as to the intent of the committee at the time the Reciprocity Act of 1934 was passed; but, notwithstanding all of the debate on the subject, it is quite clear to me that the chairman of the committee, speaking for the committee, did not intend that any of these excise taxes should be affected by the Reciprocity Act.

The argument that the Senate voted down an amendment on this subject is not at all material, according to my idea. As a matter of fact, the Senator from Mississippi [Mr. HARRISON], the chairman of the Finance Committee, himself offered the amendment. What was the purpose of the Senator from Mississippi in offering such an amendment? It was to prevent those excise taxes from being reduced. Why should he propose to offer that amendment if he did not believe that was the intent of the committee? Some of the Senators have made a great ado over the fact that the amendment finally was not offered by the Senator from Mississippi, but the same amendment was offered by the late Senator from Louisiana, Mr. Long. It is apparent from the RECORD why that amendment was voted down—because the amendment not only attempted to protect these excise taxes against being reduced, but it attempted to prevent Congress at any time from increasing them. That was the only reason.

Mr. VANDENBERG. Mr. President, before the Senator leaves that point, will he yield to me?

Mr. PITTMAN. I yield to the Senator from Michigan.

Mr. VANDENBERG. I should like to call the Senator's attention, furthermore, to the fact that the Senator from Mississippi [Mr. HARRISON] himself voted against his own amendment when it was offered by the late Senator from Louisiana, which I think further strengthens the viewpoint of the Senator from Nevada that the roll call is highly irrelevant and incompetent and immaterial as an exhibit of the good faith and purpose of the Senator from Mississippi and the authors of the legislation.

Mr. PITTMAN. I do not think there is any doubt about it. All of the circuitous arguments which have been made here have not affected anyone's sincere belief about this matter.

These excise taxes, so far, are emergency taxes. They are emergency tariffs. They are imposed for short periods of time, to meet an emergency. They come up before the Congress every 2 years, we will say, so that Congress may determine whether or not it wants them continued, whether the emergency has ceased to exist. In the reciprocity law which is to take the place of all tariff laws of this body for the period of possibly 6 years—because there are 3 years in which to make these tariffs, and they may last for 3 years—we have absolutely surrendered, or apparently are about to surrender, all tariff-taxing power for the period of 6 years. That is the intention of the proponents of the joint resolution. The letter of the Secretary of State, to which the junior Senator from Nevada referred, objecting to any action by Congress with regard to vegetable oil, proves it. He will object to any legislation by Congress as conflicting with the policy established in the Reciprocity Act. No Senator can logically come here after this extension passes and say to his fellow Senators, "There is a great emergency existing with regard to a particular article." The proponents of this act will have to reply to him, "Well, what difference does that make? We have surrendered, for the period of 6 years, the right to make tariffs. Go down and see the Secretary of State." The Secretary of State will say, "I have a right to raise the tariff duty, but it is inconsistent with the policy of the act, and I will not do it."

Is it possible that not only is Congress going to delegate for the period of 6 years the tariff-making power, but it is not going to reserve to itself the right to pass an emergency act for the period of 2 years? That is what it means.

I have expressed my views with regard to this delegation of authority, and a majority of the Senators do not agree with me apparently. I have expressed my views as to the unconstitutionality of these agreements, and apparently a majority of the Senate does not agree with me. I do not believe those who do not take my view have considered the matter as serious as I consider it. I notice some writers do not consider it so serious. They refer to a handful of cattle in the State of Nevada. Mr. President, this rises above the consideration of a handful of cattle in the State of Nevada. Nearly every farmer in this country has a few cattle, and every farmer in this country has a right to exist. Every farmer in this country has a right to have the Congress of the United States decide what is necessary for his protection. But we are not doing that. Congress has lightly and frivolously surrendered its most important power, the power of taxation. It has done it not as a result of arguments on this floor but for reasons which should be entirely foreign to the impulses which should actuate us here. There is the love of men, the admiration for men, the pride of authorship, and numerous ulterior motives. We find insignificant writers, who take advantage of the Constitution of the United States in its protection to freedom of the press, belittling men on this floor who dare to speak for the Constitution of the United States and against expediency.

I am at this time appealing to the United States Senate at least to reserve some right of legislation in Congress, at least to reserve the right to enact emergency legislation, which might not last over a year or two years. If we do not reserve that right, if we do not reserve the right to pass emergency legislation—and this character of legislation is emergency legislation—then we surrender not only the tariff-making power but we surrender the power to protect our own citizens in an emergency. That is all I have to say.

I ask unanimous consent to have inserted in the RECORD at this point as pertinent to the situation as it affects copper a letter addressed by me to the chairman of the Committee for Reciprocity Information and the reply thereto.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D. C.

In the matter of the proposed trade agreement between the United States and Chile.

Hon. HENRY F. GRADY,
Chairman, Committee for Reciprocity Information,
Washington, D. C.

MY DEAR MR. CHAIRMAN: You have under consideration, so I am advised, the question of the approval of a treaty under the authority of the Trade Agreements Act of June 12, 1934, as amended.

The chief object of the proposed treaty is the reduction of the excise tax on copper imported into the United States. I voted for the Trade Agreements Act. I voted against the extension of the act, however, in the first session of the Seventy-sixth Congress primarily because I believed that agreements executed under the act are treaties within the purview of the Constitution and have no effect until ratified by the Senate of the United States as provided in the Constitution. I believe there is also a serious legal question as to whether, under the act, excise taxes can be reduced. I am certain that it was generally understood in the Senate that agreements made under the act should not apply to excise taxes. The President may be obligated to consider these legal questions. Your committee, however, I realize, are not concerned with them. I therefore go directly to the merits of the proposed agreement as affecting copper.

In my opinion the following facts cannot be successfully controverted:

1. The existing mine capacity in the United States can today supply the demand for copper in the United States.

2. For long periods of time there have been surpluses of copper in the United States which have caused copper mines to reduce their production, in many cases 80 percent.

3. The copper-mining industry is a primary industry in the United States, directly employing many laborers, and indirectly employing many more. In certain Western States it is the largest source of employment.

4. The object of the proposed agreement with Chile is to reduce the excise tax so that Chile may profitably export copper into the United States.

5. Under the unconditional favored nation clause, the reduction in such excise tax applies to Canada, Africa, Bolivia, and other countries equally with Chile.

6. If the reduction of the excise tax permits Chile to economically export copper into the United States, such condition will equally apply to Africa.

7. Conditions may arise in which it would be more profitable for Canada to export her copper to the United States than to Great Britain.

8. The production of copper in the foregoing-named countries is more than sufficient to supply the entire consumption of the United States.

May I base a few statements upon what I have above asserted as facts. I am not advised that there is any substantial unemployment in Chile, or that Chile is encountering any difficulty in finding a market for her copper at the present time. In the United States, at the present time, there is the largest percentage of unemployment in the world. This unemployment situation is the source of the greatest uneasiness in this country. Why even take chances on increasing unemployment in this country through decreasing the production of copper? How can any scientific body in the United States determine the cost of production abroad tomorrow, under present world conditions? What will be the exchange value of the pound sterling tomorrow, or 6 months from now? What will be the exchange value of the French franc tomorrow, or 6 months, or a year from now? The answer to those questions depends upon the result of the war. Who is there among us that can prophesy with regard to the present war? And why should we attempt to? The South and Central American republics are in no better position than is the United States in attempting to determine these questions at the present time. They must adjust their own economies as world conditions require them to do.

I hope that the committee, in its high idealism with regard to certain particular matters, will not overlook the realities that are threatening the world today. Let us be patient and cautious.

I am not taking the liberty to advise the committee. I am not in position to advise the committee with regard to this proposed agreement or any other because, as I have stated, I am of the opinion that such agreements are unconstitutional. I am protesting, however, against the execution of this treaty by the agents of our Government. The facts and the evidence clearly indicate to my mind that the execution of the treaty will very probably result in the flooding of our domestic market with foreign copper, not only from Chile but from Africa and Bolivia. I feel sure, also, that copper will be exported into the United States from Canada until the price in the United States for the Canadian product is beaten down to 9 cents a pound, that being the British fixed price for copper. If the price of American copper is beaten down to 9 cents a pound, Canada will probably export to Great Britain; but Chile and Africa can export to the United States copper at a profit and at a price of less than 9 cents a pound in the United States.

In other words, I believe the facts and the evidence conclusively prove that unless a differential of 4 cents a pound, in the form of the excise tax, is maintained the domestic market will be largely consumed by foreign producers of copper, with the inevitable result of economic distress in many of our States and greatly increased unemployment.

I can conceive that your committee may take issue with me with regard to the facts. I fully realize that your judgment is as good if not better than mine. Admitting that there may be a doubt as to the present effect on reducing the excise tax upon the imports of copper to the United States, still will not you admit that the decrease in the exchange value of the pound sterling and the franc with the American dollar or the rise in the exchange value of the money of other countries would be factors which would affect the advisability of reducing the excise tax on copper? I am sure that you will admit this. Then why act with regard to this matter until war conditions have abated?

I take the liberty of writing you these views because I feel some official responsibility to the Federal Government and my State with regard to these matters, which I consider extremely serious.

Sincerely yours,

KEY PITTMAN.

COMMITTEE FOR RECIPROCITY INFORMATION
Washington, D. C.

NOVEMBER 30, 1939.

The Honorable KEY PITTMAN,
United States Senate.

DEAR SENATOR PITTMAN: I have for reply your letter of November 24, addressed to Mr. Henry F. Grady, formerly chairman of this committee and now Assistant Secretary of State, with regard to the proposed trade agreement between the United States and the Republic of Chile as it may affect the excise tax on copper imported into the United States.

Your views in opposition to any reduction in the excise tax on copper in these negotiations will be given careful consideration prior to the commencement of any conclusive negotiations with Chile. In this connection I would call your attention to the fact that the inclusion of copper among the articles announced as under consideration in the negotiations with Chile may not be taken as indicating that it will actually be included in that agreement if it should be consummated. I can assure you that every effort is made to ascertain all the facts before making a concession on this or on any other product.

I am in general accord with your view that the many uncertainties inherent in the present world situation must be taken into account in the consideration of concessions to be made in trade agreements.

This committee, as you state, has no responsibility regarding the legal questions you raise. It has been established to obtain from interested parties facts regarding possible concessions to be given or to be asked for by us.

Sincerely yours,

OSCAR B. RYDER, *Chairman.*

Mr. CHAVEZ. Mr. President, my remarks this afternoon are addressed to the question of enacting House Joint Resolution 407, which would extend for another 3-year term legislation, characterized as an emergency measure, first introduced 6 years ago, and whose announced purpose was to enable the Executive to engage in the formulation and execution of foreign-trade agreements, among other things.

I intend to discuss the proposed legislation under five principal headings:

First. Analysis of the proposed legislation;

Second. The constitutional and legislative aspects;

Third. Strategic raw materials and our national defense;

Fourth. Trade agreements and the national economic situation; and

Fifth. Effect on economic conditions in the State of New Mexico.

I. ANALYSIS OF THE PROPOSED LEGISLATION

Section 350 (a) states the purpose of the act to be the expansion of foreign markets for the products of the United States, and lists, as a means of assisting:

First. The present emergency in restoring the American standard of living;

Second. Overcoming domestic unemployment;

Third. Overcoming the present economic depression;

Fourth. Increasing the purchasing power of the American public; and

Fifth. Establishing and maintaining a better relation among various branches of American agriculture, industries, mining, and commerce.

This is to be accomplished, according to section 350 (a)—

By regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets of affording market opportunities for foreign products in the United States.

The President is thereupon authorized—

Whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purposes above declared will be promoted to enter foreign-trade agreements. * * *

TRADE AGREEMENTS AND THE TREATY-MAKING POWER OF THE UNITED STATES

To proceed to subsection (1), I quote it, in part:

(1) To enter into foreign-trade agreements with foreign governments or instrumentalities thereof.

This is undoubtedly one of the most dangerous of what I consider unconstitutional extensions of Executive power that has ever been attempted. Indeed, there is no occasion for doubt that the framers of the Constitution and the founders of this Republic would have been aghast at the mere possibility, or at the very thought, of anyone having the thought and idea of undermining the jealously safeguarded and secured rights of the States, represented in the Senate by Senators who act as the guarantors of the right of the people in the several States to be protected from unchecked, unbridled adventures into foreign fields, all too frequently inimical to the best interests of the people of the United States. It is the duty of the elected guardians of the Constitutional guaranties to protect the people from the willful encroachments of appointed administrators whose responsibility ends with their personal loyalty. Need they account to the electorate for their stewardship? Never! But they do not hesitate to invade the political lists in an attempt to tell the voters what to do and how to do it. This overramification of the administrative process has brought about the unintended evils of disregard for personal and property rights. These evils, Mr. President, are the curse of our democracy, and the proposed legislation, in my opinion, is subject to this criticism. These constitutional objections I shall develop more fully under the appropriate heading.

REVENUE PROVISIONS

Proceeding with an analysis of section 2, it authorizes the President—

To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign-trade agreements, as are required or appropriate to carry out any foreign-trade agreement that the President has entered into hereunder. No proclamation shall be made increasing or decreasing by more than 50 percent any existing rate of duty or transferring any article between the dutiable and free lists. The proclaimed duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly: *Provided*, That the President may suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts or policies which, in his opinion, tend to defeat the purposes set forth in this section; and the proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.

Commenting on this subsection, the term "discriminatory treatment" is, to say the least, susceptible of various interpretations, dependent upon the momentary outlook.

It is especially noteworthy that the Executive may also suspend the application of the act if there are "other acts or policies which, in his opinion, tend to defeat the purposes set forth."

Mr. President, what is the meaning of this language? Please note that there is no possibility of review of the Executive's actions, for the act merely requires that he have an opinion. And even if this "opinion" results in deprivation of rights, valuable rights, there is still nothing, under the act, that can be done about it. What must the President's opinion include? Merely his decision that—

Other acts or policies * * * tend to defeat the purpose.

I submit, Mr. President, that here is the ultimate in encroachment upon the legislative power, in the authorization of misuse and abuse of discretionary power; it makes the President the sole judge of what acts or policies tend to defeat the purposes of the act. Who will ever know what motivates the Executive in his absolutely final determination to enter into treaties or agreements? Yet that final determination is fraught with the gravest consequences.

Why did the framers of the Constitution insist on incorporating a specific check, that is, the requirement that two-thirds of the Senators must concur in their advice and consent, if the President is now to be given a blank check, while the responsibility remains ours? This can only result in an aggravation of the maladjustment in our Federal governmental structure.

HEARING AND NOTICE OF HEARING

A feeble attempt to give a semblance of protection to those whose rights and interests would be jeopardized by the conclusion of foreign-trade agreements is contained in section 4, which reads in part:

SEC. 4. Before any foreign-trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of this act, reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to the President, or to such agency as the President may designate, under such rules and regulations as the President may prescribe. * * *

In spite of this provision, the right of the manganese producers to present their case to the Department of State, charged by the President with the administration of the act, I am informed, was completely disregarded, and no opportunity was afforded for such presentation.

Although ostensible protection is thus afforded, this seeming protection is worse than useless, for it lulls into a false sense of security those who might otherwise be more alert were they not confident that the administration of the act would be conducted in a sound and wise manner.

Bitter criticism has resulted from a failure to carry out these legislative mandates; and now, Mr. President, we are at the crossroads. Shall we who are charged with the protection of the rights of those who repose their trust and confidence in us abandon what we consider to be a proper interpretation of the Constitution?

II. CONSTITUTIONAL AND LEGAL ASPECTS—CONSTITUTIONALITY

When the delegates from those of the Thirteen States that were represented in Philadelphia met in the Constitutional Convention in 1787, they met as representatives of sovereign States which had lately achieved a complete measure of independence and whose sovereignty was in no sense limited except by their own consent. These representatives were confronted with the problem of foreign relations; how best to carry on their common cause by unified action, yet retaining final control over the negotiations and international transactions which they could not carry on in the minute detail made essential by the nature of this work. Therefore regarding the Executive of the United States as the agent of the States for this purpose, the framers of the Constitution, and the people who adopted it, imposed a check on what would otherwise have been the untrammeled authority of the Executive. This check was the power reserved to the representatives of the States sitting in this Chamber to approve or withhold approval from agreements or treaties negotiated by the President in the course of his Executive conduct of foreign relations. However, there is no indication that either the framers or the people had the slightest intention of exempting from the general theory of separation of powers but

controlled by "checks and balances," constituting the very cornerstone of our democracy, such a large body of international treaties as these trade agreements.

Before examining the question of constitutionality further, I may say without any hesitancy that, judging by the nature of their utterances, the founders of this Government would have been shocked at the suggestion that the Executive be given the power to conclude treaties or agreements finally without referring them back to the Senate; our elder statesmen would have regarded this as abdication rather than as a delegation of a power that was expressly entrusted to the Senate representing the people of the States of the United States. That safety device was not meant to be carelessly discarded by the legislative body and allowed to fall into the eager hands of the Executive. To be most emphatic, and to guard against any misuse or abuse of the treaty-making power, the constitutional provision requires that treaties may be made "provided two-thirds of the Senators present concur" (art. 2, sec. 2).

Prior to the establishment of the Federal Union, under the Articles of Confederation, the treaty-making power was exercised by the various States "in Congress assembled." There is no doubt that the individual States had complete sovereignty prior to their entry into the Federal Union and in making treaties, as, for example, the treaties with France of February 6, 1778, each individual State bound itself and thereby extended the operation of the treaty to its territory.

Under the Constitution the article relative to the legal nature of a treaty reads:

> This Constitution and the laws of the United States which shall be made in pursuance thereof and all treaties made, or which shall be made, under the authority of the United States shall be the supreme law of the land * * * (art. vi).

The wording of the second clause is—

> and all treaties made, or which shall be made, under the authority of the United States.

From the clear context of the language of this article together with article X, section 1, "No State shall enter into any treaty, alliance, or confederation," there would seem to be a complete renunciation on the part of the individual States of the treaty-making power in favor of all the States collectively viewed as "the more perfect union." To develop further the concept of the sovereignty of the individual States prior to the adoption of the Federal Constitution, I quote from the words of Mr. Justice Samuel Chase, speaking for the Supreme Court of the United States in *Ware* v. *Hylton* (3 Dall. 199):

> I consider this as a declaration (referring to the Declaration of Independence), not that the united colonies jointly, in a collective capacity, were independent States, etc., but that each of them was a sovereign and independent State—that is that each of them had a right to govern itself by its own authority, by its own laws without any control from any other power on earth (at p. 224).

But, in the interests of their collective welfare, the States gave up a certain measure of their treaty-making power, which was, of course, plenary at first, as is the case with all sovereign States. But how far did this delegation go? It went to the extent of having the President designated as the agent for the negotiation of treaties, and their ratification—

> By and with the advice and consent of the Senate * * * provided two-thirds of the Senators present concur.

Therefore, although there is delegation, it is not unlimited delegation. But restricting the President's power to make treaties is the retention of the right to "advise and consent" in the Senate as the body representative of the States.

On this point I quote the words of an eminent authority on the treaty-making power of the United States—Dr. James Brown Scott—who, in an address delivered before the meeting of the American Society of International Law, on April 28, 1934, said:

> Without the advice and consent of the Senate the President of the United States cannot legally exercise the treaty-making power * * * the President is thus the general agent of the people of the United States; the Senators are agents of the people within each of the individual States.

If this power of approval or "advice and consent" is regarded as one of the reserved powers belonging to the people of the several States, it was meant and is meant to constitute a true check upon any reckless, capricious, and whimsical international engagement which the Executive might otherwise be tempted to make. Had it not been for this constitutional protection vested in and exercised by the Senate in fearless and timely manner when the Versailles Treaty and the League of Nations Covenant were before it, this country, contrary to the wishes of our people, might be embroiled in the present European conflict.

While we may have supreme confidence in the present Executive and in our Secretary of State, our beloved and revered former colleague, Mr. Cordell Hull, there is no assurance that during the next 3 years there may not be changes in both these offices. While we trust Mr. Hull, yet there are incidents that shake our confidence in the conduct of our foreign relations, such as recent utterances by our diplomatic representative to Canada, James Cromwell, who so far forgot himself and the best interests of his country as to fall into the error described by George Washington as an "excessive sympathy" which betrays us. Other diplomatic representatives, recently called home from European posts for consultation and conference, have been given much space in the newspapers lately in connection with the origin of the present European war, although I find it difficult to believe that they would have been so careless as to leave any written memoranda lying about.

If the proposed trade-agreements law is to be administered in the same spirit of impartiality as has characterized our neutrality, then our domestic economy will be as definitely jeopardized as has been the firm and oft-manifested intention of our people—and I refer to those who would have to do the fighting, the bleeding and dying, not those who would make the millions in profit—to keep and enjoy the blessings of peace. What guaranty have we, leaving aside the unconstitutionality of the proposed legislation for the moment, that the administration of the proposed statute will not result in a warped and unbalanced economic situation? Delegation of such power to anyone is dangerous; exercise of such power by an incompetent administrator would be vicious.

The PRESIDING OFFICER (Mr. KING in the chair). The Chair is compelled to announce that under the unanimous-consent agreement the time of the able Senator from New Mexico has expired.

Mr. CHAVEZ. I will speak on the bill, then, Mr. President.

The PRESIDING OFFICER. The agreement relates solely to the amendment which is under consideration. It is the opinion of the Chair that under the unanimous-consent agreement the Senator cannot speak on the bill now in addition to the time consumed by him under the 20-minute limitation.

Mr. CHAVEZ. Mr. President, I did not clearly understand the Chair.

The PRESIDING OFFICER. Under the unanimous-consent agreement, 20 minutes alone were permitted for discussion of the pending amendment.

Mr. CHAVEZ. One moment, Mr. President. The reason I suggested that I would proceed and speak on the bill was that when the Chair announced the unanimous-consent agreement which was entered into after consultation between the majority leader, the Senator from Nevada, and other Senators, I understood that Senators could speak for 20 minutes on the amendment, and then, if they desired, proceed and speak on the bill. However, I shall speak further on another amendment.

The PRESIDING OFFICER. The Chair holds that the unanimous-consent agreement extended only to the amendment under consideration.

Subsequently, following Mr. LA FOLLETTE'S speech on his amendment, Mr. CHAVEZ resumed and concluded his speech, as follows:

Mr. CHAVEZ obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Schwartz
Ashurst	Donahey	King	Schwellenbach
Austin	Ellender	La Follette	Sheppard
Bailey	Frazier	Lee	Shipstead
Bankhead	George	Lodge	Smathers
Barbour	Gerry	Lucas	Smith
Barkley	Gibson	Lundeen	Stewart
Bilbo	Gillette	McCarran	Taft
Bone	Glass	McKellar	Thomas, Idaho
Bridges	Green	McNary	Thomas, Utah
Brown	Guffey	Maloney	Tobey
Bulow	Gurney	Mead	Townsend
Byrnes	Hale	Miller	Truman
Capper	Harrison	Minton	Tydings
Caraway	Hatch	Murray	Vandenberg
Chandler	Herring	Neely	Van Nuys
Chavez	Hill	Overton	Wagner
Clark, Idaho	Holman	Pepper	Walsh
Clark, Mo.	Holt	Pittman	White
Connally	Hughes	Reed	Wiley
Danaher	Johnson, Calif.	Reynolds	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present.

Mr. CHAVEZ. Mr. President, it is my purpose to resume the discussion interrupted earlier in the day by the time limit under the unanimous-consent agreement on the McCarran amendment. I shall proceed to discuss with the Senate the matter of strategic raw materials and our national defense.

III. STRATEGIC RAW MATERIALS AND OUR NATIONAL DEFENSE

Mr. President, in the defense of our country, which many people believe to be more vital today than ever before in view of the troubled state of various continents, certain strategic raw materials are essential. The domestic development of adequate supplies of such resources is the avowed and announced public policy of the Government of the United States, for both the legislative and executive branches have so declared themselves. Yet, although this is our public policy, the administration of the Trade Agreements Act has had the very opposite effect, for quantities of foreign manganese have been imported at the expense of the development of domestic sources. This cannot be justified on any basis, for manganese is essential in order to make steel alloys flexible, durable, and resistant. Manganese removes carbon and sulfur and makes the steel less brittle than it would otherwise be. Manganese steel is used for armor plate, guns, machine tools, and for countless other strategically important purposes.

Some of my colleagues have mentioned other commodities which have been adversely affected by the Executive's trade-agreement policy, but none has suffered more than manganese, this really vital strategic raw material so essential to our national defense and recognized as such by the executive and legislative branches. What is the situation with respect to manganese? Actually, Mr. President, in spite of oft-reiterated and emphatic statements that the domestic production of manganese is so necessary to our national defense, nevertheless, on February 2, 1935, the United States and Brazil signed a reciprocal-trade agreement which, among other concessions, provided for a reduction of 50 percent in the American duty on manganese ore imported from Brazil. But this reduction was not confined to Brazil, where production would have been stimulated had it been so confined, but instead the reduction was extended to Russia. The latter country has continued to be the major shipper of manganese ore to the United States.

By providing a suitable protective tariff in accordance with the recommendations of the most prominent officials identified with our national defense, the domestic production of manganese was increased in the following manner:

Ore containing from 5 to 10 percent manganese increased from 62,670 tons in 1921 to 1,110,067 tons in 1929.

From 10 to 35 percent manganese went from 8,439 tons in 1921 to 364,312 tons in 1926.

Ore containing 35 percent manganese or more was developed from 13,531 tons in 1921 to 98,324 tons in 1925.

The Tariff Act of 1922 provided a duty of 1 cent per pound on metallic manganese-containing ores running about 30 percent metallic manganese. Now the duty has been extended—Tariff Act, 1930—so that 1 cent a pound duty is levied on all imports containing 10 percent or more of metallic manganese. In spite of all statements deriding efforts to produce high-grade manganese from low-grade ore, this has been accomplished, and accomplished on a commercially sound basis, where a minimum amount of protection was afforded to this industry. While the President, in his message to Congress March 2, 1935, in which he urged the adoption of a trade-agreement program, said:

> You and I know, too, that it is important that the country possess within its borders a necessary diversity and balance to maintain a rounded national life, that it must sustain activities vital to national defense, and that such interests cannot be sacrificed for passing advantage.

Yet a 50-percent reduction on the duty on manganese was agreed to by the Department of State 11 months later. In spite of the plain requirements of the law, and for reasons never given, domestic manganese producers, I am informed, were not notified nor afforded an opportunity for hearing prior to the reduction in the duty on manganese imported under the trade agreement with Brazil.

It does not appear that the War Department was either considered or consulted by the Department of State prior to negotiation of this agreement. The responsible officials of the War Department were unaware of this reduction until after the agreement had been concluded. This is indeed a lamentable, regrettable state of affairs. Nor did the Department of State make any attempt to obtain information as to the status of domestic manganese production prior to the negotiation of the agreement.

In testimony before the Finance Committee of the Senate, Hon. Francis B. Sayre, Assistant Secretary of State, speaking of the trade-agreement legislation, said:

> The whole purpose of the program of trade bargaining is this—to restrict the commodities covered in the agreement with any specific country to commodities of which that country furnishes the chief source of supply of importation into the United States.

If this was really the purpose, the Department chose a strangely opposite method to accomplish it. Manganese duties were reduced with respect to Brazil although Brazil shipped no managanese at all to the United States during the year 1933, and manganese was not listed in the public announcement of items being imported from Brazil, although the complete list of items released by the Department of State prior to the agreement included items with a value as low as $386 (cabinet woods) imported by the United States from Brazil during the preceding year. Although nominally the reduction was effective on the nonimported Brazilian manganese, actually Russia was the third-party beneficiary under this major concession.

While the Department of State has been apprised of the true situation, and while the War Department is keenly aware of the immediate necessity for the further development of domestic manganese, no action has been taken to restore the duty on manganese ore, which is so essential to the creation of an adequate reservoir of manganese for the steel industry in time of emergency. While lack of production has stunted the growth of the manganese industry, steel has steadily forged ahead under the stimulus of a bountiful subsidy which effectively eliminates all danger of foreign competition. In the 15 years from 1922 to 1937 this subsidy in the form of duties on steel cost the American consumer about eight and one-half billion dollars, or somewhat more than half a billion dollars a year. It could hardly be argued that the United States steel industry, the largest producer in the world, is an infant industry; nevertheless, it still enjoys a formidable tariff protection.

Our experience with manganese requirements in the last war is enlightening. We were made to pay 500-percent increase over normal prices by our foreign suppliers; and even at such a fanciful selling price it was difficult, and at times impossible, to obtain any at all. Not only have we failed to protect our manganese development, but some eighteen and one-half million dollars in revenue have been lost to the Federal Government by the reduction in manganese tariff duties.

Mr. President, I submit that the reciprocal trade-agreement policy has been a signal failure in this as in other instances.

TRADE AGREEMENTS AND THE ADMINISTRATIVE PROCESS

The gradual steps whereby an attempt was made to grant to the Executive the power to make treaties called "Reciprocal Trade Agreements" are noteworthy. The first serious extension occurred when the flexible-tariff provision was written into the Fordney-McCumber Tariff Act—1922—which established a 50-percent range within which the President might raise or lower tariff duties. The vast and essential difference between the constitutionality of the Fordney-McCumber Act and the present proposal lies in the existence in the former case of a definite and intelligible standard—the difference in the cost of production at home and abroad was to determine the President's action in raising or lowering the tariff within the fixed limits imposed by the legislature—whereas in the present legislation no such limitation as to trade-agreement negotiation is established. There is a grave danger in these seemingly temporary expedients of 3-year grants of power—constituting virtual abdication—but the proponents urge that it is only a temporary expedient in the interest of the economic welfare of the country. How long will it be before this temporary expedient will crystallize into a permanent power?

There is under way a concerted effort toward centralization and concentration of power in the hands of the Federal Government—a centralization that is the very antithesis of the small, vestigial remnant which may be left of the States' rights which Thomas Jefferson and his associates so ardently defended. This balance of power between the States and the Federal Government has been displaced and encroached upon in devious, subtle, and insidious ways ever since 1865.

Mr. President, unless we heed the warning signals which should be plain to all who can read, the American system, the system of checks and balances, will be gone forever. Why is it that while attacks are being made upon the totalitarian governments and the enormous concentration of power in their dictators, our own Government is constantly seeking new ways of increasing its power at the expense of the States and the duly elected representatives of the people? Administrators, so-called, are not elected representatives, nor are they responsible to the people. They need not answer at the polls for their misconduct. This administrative irresponsibility leads to a careless disregard of the rights of the individual States and of the people, to abuses of power, and sometimes to a willful deprivation of rights which not even our democracy can indefinitely endure.

These foreign-trade agreements, so-called, have a far-reaching effect, perhaps not entirely understood, and may be, and indeed have been, in conflict with earlier treaties and statutes. Yet by what superior magic does the act of the Executive overrule the will or approval of the people as expressed in a properly formulated and ratified treaty?

Reference has frequently been made during our debates to various statements in *Hampton Co.* v. *United States* (276 U. S. 394 (1928)). In that case, the sine qua non of legislative delegation of power was established as "an intelligible principle" or standard which would establish a sufficiently identified and restricted framework beyond which the Executive could not go. As to unintelligible standards, we have the basic case of *United States* v. *Cohen Grocery Co.* (255 U. S. 81 (1921)). There the standard was not sufficiently definite to be intelligible to persons subject to the Lever Act (41 Stat. 298, Sec. 2 (1919)); and subsequently, in *Small Co.* v. *The American Sugar Refining Co.* (267 U. S. 233), this lack of intelligibility was further explained in the Court's opinion, which stated:

> It was not the criminal penalty which was held invalid, but the exaction of obedience to a rule or standard which was so vague and indefinite as really to be no rule or standard at all * * *.

Subsequently, it was stated:

> The prohibition (in the Lever Act) was declared a nullity because it was too vague to be intelligible * * *.

According to this decision, its consequences are not limited to criminal prosecutions (*Standard Chemical Corporation* v. *Waugh*, 231 N. Y. at p. 54).

More recently, in the decision of *Panama Refining Co.* v. *Ryan* (293 U. S. 288 (1935)), the Chief Justice of the United States, speaking for all but one of his colleagues on the Supreme Court, found section 9 (c) of the act of June 16, 1933 (48 Stat. 200, sec. 9 (c)), which provided that—

> The President is authorized to prohibit the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or valid regulation * * * thereunder * * *. Any violation of any order of the President issued under the provisions of this subsection shall be punishable by fine of not to exceed $1,000 * * *—

To be unconstitutional, because the delegation was so broad that "delegation" would there have been a misnomer, and, in very truth, the effect of the act would have been to substitute the Presidential rule-making authority for any further necessity of having a legislative body.

Indeed, is this not the situation which confronts us here? Mr. President, what is to prevent a complacent and indulgent Congress from granting the President power "to enter into agreements with foreign governments or instrumentalities thereof," and since the present legislation reads:

> SEC. 250. (a) * * * the President * * * is authorized from time to time * * * (1) to enter into foreign-trade agreements with foreign governments or instrumentalities thereof; * * *.

Who, after all, is to define the term "agreement"? Is there any guarantee that "agreement" may not become an all-inclusive term which will leave "treaty" with form, but no substance?

Mr. President, I am convinced that it would be a mistake to permit this extension of an act which has gone too far toward engulfing us in the mire of indifference to valuable rights of the citizens of this country.

To understand more fully the nature of a treaty, it is appropriate to examine judicial pronouncements which have been decisive on this point in the past.

In *Foster* v. *Neilson* (2 Peters 253) Mr. Chief Justice Marshall said:

> Our Constitution declares a treaty to be a law of the land. (Constitution, art. VI, cl. 2.) It is, consequently, to be regarded in courts of justice as equivalent to an act of the legislature, whenever it operates of itself without the aid of any legislative provision. But when the terms of the stipulation import a contract, when either of the parties engages to perform a particular act, the treaty addresses itself to the political, not the judicial departments; and the legislature must execute the contract before it can become a rule for the Court. * * *

Mr. Justice Field, in *Geofroy* v. *Riggs* (133 U. S. 258 (1890)), said:

> That the treaty power of the United States extends to all proper subjects of negotiation between our Government and the government of other nations is clear. * * * The treaty power, as expressed in the Constitution, is in terms unlimited except by those restraints which are found in that instrument against the action of the Government or of its departments, and those arising from the nature of the Government itself and of that of the States. * * * But, with these exceptions, it is not perceived that there is any limit to the questions which can be adjusted touching any matter which is properly the subject of negotiation with a foreign country.

In *J. Ribas E. Hijo* v. *United States* (1. P. R. Federal Reports, 71) the court said, referring to the effective date of

the treaty of peace between the United States and Spain following the Spanish-American War:

The President has not the power to terminate the war by treaty without the advice or consent of the Senate of the United States.

Of course, it is understood that a treaty of peace is eminently political in character; but until recently there never was any doubt that commercial agreements were treaties in the constitutional sense of the word and would have to be referred to the Senate for approval. In short, Mr. President, the distinction between political and commercial treaties is essentially pretextual, and not real.

While these observations are basic, there is another criticism that is fully as significant, although touching upon the prerogatives of the House of Representatives rather than upon the treaty-approval power of the Senate. The Constitution requires that all revenue legislation must originate in the House of Representatives.

All bills for raising revenue shall originate in the House of Representatives (art. I, sec. 7)—

Is the exact language.

Under the pending measure revenue legislation may be enacted by the Executive without any reference to the Congress—another deplorable example of the attempted breakdown of the principle of the separation of powers which the founders of our Government wove into the very fabric of this constitutional democracy.

Senators, I warn you, if this Executive usurpation of power is not checked now, in a year or two it will be too late. We must take inventory now and appraise the amount of damage inflicted upon our form of government by the heedless actions of the Congress in granting, without a thought of the morrow, most of the powers requested—or giving them as a result of persuasion—to the Executive.

Years ago "taxation without representation" was a real issue, one which I seem to recall had much to do with the dissolution of the political ties that had united the American Colonies to England.

IV. ECONOMIC CONSEQUENCES OF THE RECIPROCAL TRADE AGREEMENTS PROGRAM

While the published statistics of the operation of the trade-agreements program looks rather favorable at first blush, a careful analysis does not indicate that this is really the result of this program. In fact, one would be entirely too optimistic to suggest that the trade agreements alone had accomplished much of this.

Analyzing the statistics for the year 1939, it is observed that December 1939 saw the highest total of exports since March 1930. Yet we are all aware of the tremendous demands made upon the United States by the belligerent powers the moment the arms embargo was lifted. Would anyone dare to suggest that the abandonment of the embargo was not directly responsible for the tremendous upsurge of exports witnessed last December?

To illustrate the real significance of December's foreign trade: The first 11 months of 1939, compared with the equivalent period of 1938, show an increase of only 4.9 percent. However, when December is taken into consideration, an increase of 8.1 percent for the entire year resulted. Both of these figures apply only to countries covered by reciprocal-trade agreements, which, of course, are the countries that enjoy the advantages of a beneficial trade relationship with us. In the nonagreement countries the decrease in exports amounted to only 4.5 percent for the entire year, comparing 1939 to 1938, instead of 7.9 percent for the first 11 months, indicating that here, too, lifting the embargo had a much more perceptible effect than the mere conclusion of trade agreements. Comparable differences as between the 11-month period and the entire year are shown in the import statistics.

As an example of the effect of the embargo repeal, I cite exports of aircraft in December of each of the 2 years under consideration, 1939 and 1938. In December 1939—the first full month of unlimited war-material exports—the value of airplanes sent overseas amounted to $28,900,000, compared to $5,700,000 in December 1938.

Mr. President, this should indicate the significance of the embargo repeal as contrasted with the reciprocal trade agreement program. December 1939 saw a 500-percent increase in the value of exports of aircraft. Perhaps, with the undertaking of the executive department to furnish the Allied governments with the latest type of airplane not yet furnished in quantity to the United States Army, future export-trade statistics will look even brighter to the uninitiated. But, Mr. President, will that be the result of reciprocal-trade agreements, or will it be the result of a form of artificial respiration, a "shot in the arm," or oxygen-tent stimulus which has its dangerous side? For while the operation may be successful, the patient may die.

While surgeons may bury their mistakes, legislators and governments find their mistakes haunting them, dogging their very footsteps, and plaguing them with economic misfortune and political downfall.

I have no desire to bore you with a lengthy analysis of the foreign-trade statistics, for the preparation of which I am indebted to the Trade Agreements Unit of the Bureau of Foreign and Domestic Commerce, whose statistical studies have been helpful and revealing.

Mr. President, I ask unanimous consent to insert in the RECORD at this point in my remarks tables published in the February 17, 1940, issue of Commerce Reports, entitled "Results Under the Reciprocal Trade Agreements Program During 1939," bearing in mind at all times that these tables have not attempted to differentiate between the increased volume of business brought about by the artificial stimulus of belligerent operations and what I consider the unconstitutional stimulus of the reciprocal trade agreements program.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—*United States trade with trade-agreement countries and with all other countries, 1939 compared with 1938, and 1938–39 compared with 1934–35*

[Values in millions of dollars]

Items	Comparison of 1939 with 1938				Comparison of 1938–39 with 1934–35			
	1938 value	1939 value	Change		1934–35 average value	1938–39 average value	Change	
			Value	Percent			Value	Percent
Exports, including reexports								
Total, trade-agreement countries	[1] 1,758	[1] 1,901	+142	+8.1	[2] 757	[2] 1,232	+475	+62.8
Total, nonagreement countries	1,336	1,277	−59	−4.5	[3] 992	[3] 1,306	+314	+31.7
Total, all countries	3,094	3,177	+83	+2.7	2,208	3,136	+928	+42.0
General imports								
Total, trade-agreement countries	[1] 1,155	[1] 1,387	+233	+20.1	[2] 774	[2] 942	+168	+21.6
Total, nonagreement countries	806	931	+125	+15.6	[3] 772	[3] 868	+97	+12.5
Total, all countries	1,960	2,318	+358	+18.3	1,851	2,139	+288	+15.6

[1] Including the 18 countries (and colonies) with which agreements were in operation during the greater part of the last 12 months. Only 1 of the agreements was in operation throughout 1935, 6 throughout 1936, 14 by the end of 1936, 16 by the end of 1937, 17 by the end of 1938, and 18 by the end of 1939, including the agreement with the United Kingdom (covering also Newfoundland and the non-self-governing British colonies). The agreement concluded with Turkey became provisionally effective only on May 5, 1939, and the agreement with Venezuela only on Dec. 16, 1939. Statistics for these countries are therefore not included in the above calculations.

[2] These figures do not include Ecuador, the United Kingdom, Newfoundland, and non-self-governing British colonies, Turkey, and Venezuela with which agreements have been concluded but where the period during which the agreement has been in effect is too short to justify inclusion for purposes of comparison.

[3] The apparent discrepancy shown by these figures in comparison with the other totals is due to the noninclusion of trade with Ecuador and the United Kingdom and its Crown colonies.

GENERAL NOTE.—Percentage changes have been calculated upon fuller figures in thousands of dollars.

Source: Latest records of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

TABLE 2.—*United States trade with individual trade-agreement countries, 1934–39*

[Values in millions of dollars]

Trade-agreement countries (in order of effective dates)	Dates effective	Exports, including reexports						General imports					
		1934 and 1935 average value	1938 and 1939 average value	Percentage change	1938 value	1939 value	Percentage change	1934 and 1935 average value	1938 and 1939 average value	Percentage change	1938 value	1939 value	Percentage change
Total, trade-agreement countries		757	1,232	+62.8	1,758	1,901	+8.1	774	942	+21.6	1,155	1,387	+20.1
Cuba	Sept. 3, 1934	53	79	+49.8	76	82	+7.0	92	105	+14.9	106	105	−.7
Belgium	May 1, 1935	54	71	+30.7	77	65	−16.1	33	52	+59.1	42	63	+51.8
Haiti	June 3, 1935	3	4	+31.3	4	5	+41.1	1	3	+151.6	3	3	+2.2
Sweden	Aug. 5, 1935	36	80	+125.7	64	97	+50.5	38	44	+16.1	45	42	−6.4
Brazil	Jan. 1, 1936	42	71	+69.5	62	80	+29.8	96	103	+7.3	98	107	+9.8
Canada	do	313	481	+53.6	468	493	+5.5	259	300	+15.8	260	340	+30.7
Netherlands (including overseas territories)[1]	Feb. 1, 1936	75	170	+126.4	168	171	+2.3	93	135	+45.3	124	145	+17.2
Netherlands proper		50	97	+93.4	97	97	+.08	35	30	−12.6	31	29	−8.0
Netherland Indies		10	31	+200.8	28	35	+28.9	46	81	+74.4	69	93	+35.2
Netherland West Indies		14	41	+192.0	43	38	−10.3	11	20	+87.8	21	20	−4.3
Switzerland[2]	Feb. 15, 1936	8	15	+82.1	11	19	+75.6	16	27	+70.4	23	31	+32.9
Honduras	Mar. 2, 1936	6	6	+4.1	6	6	−7.6	7	6	−9.2	6	7	+23.5
Colombia	May 20, 1936	22	46	+111.5	41	51	+25.5	49	49	+.8	49	49	−.8
Guatemala	June 15, 1936	4	8	+93.2	7	9	+25.0	5	10	+89.5	10	11	+12.6
France (including colonies)[3]	do	127	174	+36.4	148	199	+34.4	68	76	+11.7	71	81	+13.8
France proper	do	116	158	+35.7	134	182	+35.8	60	58	−2.3	54	62	+15.5
Nicaragua	Oct. 1, 1936	2	4	+43.3	3	4	+53.1	2	3	+20.8	2	3	+17.1
Finland	Nov. 2, 1936	6	13	+110.2	12	13	+12.1	11	19	+83.1	18	21	+14.3
El Salvador	May 31, 1937	3	4	+29.1	4	4	+18.3	4	6	+69.0	6	7	+22.7
Costa Rica	Aug. 2, 1937	3	8	+179.9	5	10	+79.6	3	4	+41.2	4	3	−21.3
Ecuador	Oct. 23, 1938	(4)	(4)	----------	3	6	+78.2	(4)	(4)	----------	3	4	+36.0
United Kingdom	Jan. 1, 1939	(4)	(4)	----------	521	505	−3.0	(4)	(4)	----------	118	150	+26.6
Newfoundland	do	(4)	(4)	----------	8	9	+16.2	(4)	(4)	----------	7	9	+31.3
British colonies	do	(4)	(4)	----------	71	72	+1.1	(4)	(4)	----------	161	208	+28.9
Total, nonagreement countries		[5] 992	[5] 1,306	+31.7	1,336	1,277	−4.5	[5] 772	[5] 868	+12.5	806	931	+15.6
Total, all countries		2,208	3,136	+42.0	3,094	3,177	+2.7	1,851	2,139	+15.6	1,960	2,318	+18.3

[1] These figures include Surinam (Dutch Guiana), the trade with which is too small to warrant individual listing.

[2] United States statistics show only a small portion of the actual exports to Switzerland, most of which are transshipped through third countries and are shown as exports to those countries. Therefore, too much significance should not be attached to the statistics of exports to Switzerland.

[3] These figures include all French colonies. Only France proper is listed separately.

[4] Countries with which agreements have been concluded but where the period during which the agreements have been in effect is too short to justify inclusion for purposes of comparison.

[5] The apparent discrepancy shown by these figures in comparison with other totals is due to the noninclusion of trade with Ecuador and the United Kingdom and its Crown colonies.

GENERAL NOTE.—Percentage changes have been calculated upon fuller figures in thousands of dollars.
Source: Latest records of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

TABLE 3.—*United States trade with individual nonagreement countries—1934–39*

[Values in millions of dollars, except those inclosed in parentheses, which are in thousands of dollars]

Nonagreement countries	Exports, including reexports						General imports					
	1934 and 1935 average value	1938 and 1939 average value	Percentage change	1938 value	1939 value	Percentage change	1934 and 1935 average value	1938 and 1939 average value	Percentage change	1938 value	1939 value	Percentage change
Total, nonagreement countries	992	1,306	+31.7	1,336	1,278	−4.5	772	868	+12.5	806	931	+15.6
Mexico	60	73	+20.4	62	83	+34.1	39	53	+33.4	49	56	+14.9
Panama (including Canal Zone)	20	29	+45.7	24	33	+33.6	5	4	−14.2	4	4	+3.5
Dominican Republic	5	6	+20.7	6	7	+19.0	4	6	+32.0	6	6	+1.4
Venezuela[1]	19	57	+201.7	52	62	+18.5	22	22	+.2	20	24	+17.9
Argentina	46	79	+71.5	87	71	−18.1	47	51	+8.1	41	62	+52.1
Uruguay	6	5	−17.2	5	5	+2.3	6	7	+21.8	5	9	+97.3
Bolivia	4	5	+24.7	5	5	−16.4	(261)	1	+454.4	(865)	2	+134.6
Chile	13	26	+90.5	25	27	+8.9	24	34	+46.8	28	41	+44.1
Peru	11	18	+63.8	17	19	+13.9	7	13	+96.0	13	14	+8.9
Austria[2]	2	----------	----------	(746)	----------	----------	3	----------	----------	1	----------	----------
Czechoslovakia[2]	3	15	+405.7	27	4	−85.8	19	15	−22.5	26	4	−84.6
Denmark	13	24	+80.4	25	24	−3.8	3	4	+35.9	3	4	+14.1
Germany[2]	100	77	−23.0	107	47	−55.8	73	58	−20.2	65	52	−18.7
Hungary[2]	(423)	3	+541.4	3	3	−1.3	2	4	+66.5	4	4	+19.2
Ireland	7	18	+154.3	27	10	−64.8	(633)	1	+107.7	(958)	2	+74.5
Norway	12	27	+119.9	23	32	+42.3	17	19	+11.7	16	22	+38.2
Poland and Danzig[2]	22	20	−6.1	25	16	−35.2	8	12	+63.1	13	11	−14.3
Union of Soviet Socialist Republics[3]	20	63	+217.8	70	57	−18.7	15	25	+62.7	24	25	+4.1
Italy	68	59	−14.5	58	59	+1.0	37	22	−40.8	41	40	−3.2
Portugal	9	10	+11.8	11	10	−8.6	4	5	+34.2	4	6	+62.3
Spain	40	20	−50.8	12	27	+118.0	19	10	−50.2	9	10	+11.5
Greece	6	7	+28.6	8	6	−20.6	9	19	+103.7	15	22	+50.3
Rumania	3	6	+92.0	6	6	−1.3	(640)	2	+279.1	2	2	−3.9
Yugoslavia	(697)	3	+291.0	2	3	+20.5	3	5	+51.4	4	6	+42.9
Iran	4	7	+68.9	9	4	−51.4	3	4	+10.2	3	4	+35.0
Turkey[1]	4	11	+200.0	13	8	−37.1	7	19	+159.6	19	20	+4.6
British India (including Burma)	29	41	+40.4	36	47	+31.1	59	63	+7.1	59	67	+14.1
Philippine Islands	50	93	+86.9	86	100	+15.7	92	93	+.7	94	92	−2.5
China	53	45	−15.3	35	56	+60.7	54	54	+.7	47	62	+30.8
Kwantung	4	16	+300.6	17	16	−8.6	3	2	−54.0	2	2	−4.9
Japan	207	236	+13.8	240	231	−3.4	136	144	+5.8	127	161	+27.2
Australia	50	65	+30.1	69	62	−10.8	12	12	+1.8	9	15	+71.1
New Zealand	14	20	+39.8	23	17	−29.5	8	9	+11.4	7	11	+71.0
Egypt	9	14	+57.3	13	14	+4.9	9	6	−34.0	5	7	+47.2
Morocco	3	3	−4.9	3	3	−6.6	(736)	1	+90.2	1	1	+5.7
Union of South Africa	49	70	+41.7	70	69	−1.4	3	22	+566.3	16	29	+79.7
Other nonagreement countries	23	34	+50.6	33	35	+5.9	16	27	+73.6	23	31	+36.0

[1] Reciprocal-trade agreements with Turkey and Venezuela, became effective on May 5 and Dec. 16, 1939, respectively.

[2] For statistical purposes, trade with Austria beginning May 6, 1938, and trade with the Sudeten area beginning Nov. 10, 1938, as far as ascertainable, has been included with Germany, while with the other Czechoslovak Provinces occupied by Germany, Hungary, and Poland has been included with these countries since Mar. 18 or 19, 1939.

[3] Since Aug. 6, 1939, a commercial agreement has been in effect between the United States and the Soviet Union under which the latter country expressed its intention to purchase annually American goods to the value of at least $40,000,000 and, on its part, the United States undertook to accord to the commerce of the Soviet Union unconditional most-favored-nation treatment.

GENERAL NOTE.—Percentage changes have been calculated upon fuller figures in thousands of dollars.
Source: Latest records of Division of Foreign Trade Statistics, Bureau of Foreign and Domestic Commerce.

Mr. CHAVEZ. In the years 1928–29, or in the era preceding the economic depression, the total foreign trade of the United States (including exports and imports) was approximately $10,000,000,000 in value. In spite of the elaborate trade-agreements program effective for the past 6 years, the year ending December 31, 1939, shows a total foreign trade of only five and a half billion dollars, which is slightly in excess of 50 percent of the 1928–29 level.

It is my reasoned and recondite conclusion, reached after mature deliberation, that even were the proposed legislation constitutional, the practical economic effects of these trade "agreements" in no wise justifies any further appropriation whatsoever for this work.

Mr. President, just a few more words in conclusion; and what I am about to state was possibly brought about by a statement made on the floor during the day.

It sounds very fine to have members of a legislative body recognized as statesmen. It is very nice to listen to arguments that this legislation will be beneficial and to the interest of the entire country. Nevertheless, throughout the years I have observed that whenever legislation is presented that may have a detrimental effect on certain States or on certain sections of the country, there is no hesitancy on the part of the representatives of the people of those sections or States in raising their voice in protest. Hence, when I visualize what might be possible under the provisions of the pending legislation, when I think of the effect it may have on the industries of New Mexico, I, sir, raise my voice in protest against such legislation.

Mr. President, in point of industrial development New Mexico is practically a new State, although historically we stand with Arizona as the oldest settled areas of the entire United States. Because of the distance of the markets of the industrial world, it took New Mexico a long, long while to come into its own. As a matter of fact, we have hardly scratched the surface of our natural resources—resources that can be developed and will sustain an empire. Yes, Mr. President, we have water, we have minerals, we have timber, we have clay, and many other undeveloped resources. Of later years the State has commenced to develop industrially. Were I to tell you that in 1928 you could have gone to Hobbs, in Lea County, N. Mex., and that people would have offered you acreage at 50 cents an acre, you would have thought they were trying to "put something over" on you. However, the same acreage is now a proven oil-producing area. The Hobbs field alone has a potential proven capacity of over 1,000,000 barrels daily. The Eunice Monument and the Jal fields, a few miles to the south, are just as large, and have proven capacity, not anticipated in dreams, but actual wells that can and do produce oil. In Eddy County, directly to the west of these fields, another oil field is in operation and in actual production. These oil fields have tremendous possibilities that mean a great deal not only to the particular counties of New Mexico in which they are located but to the entire United States.

In keeping with orderly processes for the conservation of natural resources, New Mexico has joined Texas, Oklahoma, and Kansas and is making compacts by which the production of oil is prorated. Although we have a proven capacity to produce millions of barrels daily, under the proration agreement the production of only 150,000 barrels a day is allowed.

Many of the wells that are now producing are located on lands that belong to the State of New Mexico—lands that were given to the State by the Federal Government in the early days for the upkeep of our schools. The oil is produced by high-class labor that is well paid. The tool dresser gets from $10 to $14 per day. The common laborer gets a wage in keeping with the American standard of living. With millions of people out of work, and with thousands out of work in New Mexico, I, for one, do not think it is right or just that while we are reducing our production of oil it should be possible to have tankers come up the Atlantic coast to the eastern refineries with oil from Colombia, from Venezuela, and other places—oil that has been produced by cheap labor—and allow it to compete with American oil production. It is obstructing the development of our own wealth.

So much for oil.

Mr. President, New Mexico has the only two potash mines in the entire United States. The United States Potash Co. and the American Potash Co. went into New Mexico during the years of the depression and spent millions of dollars in sinking shafts and developing the mines. They sank shafts some thousand feet deep, and from there commenced tunneling in every direction of the compass—sometimes for miles—to get out the ore. They have invested thousands and thousands of dollars in putting up refineries in Carlsbad, N. Mex., in order to refine the ore. Before the development of these mines, most of our potash came from Germany or Spain. Potash is extremely necessary to the farmers of the country and, I may say, might be considered a strategic material for national defense. Being a Senator from the State of New Mexico, I certainly am not going to vote for legislation that might—because it is possible—interfere with the orderly future development of the potash industry in my State.

I know it has been stated over and over again that the stockmen, cattlemen, and sheepmen are doing well now and that their commodity prices are above parity. How easily we forget. It was only a few years ago that things were so bad with the cattle business of the West that the National Government had to take action and purchase the dying cattle for as low as $8 a head. The trade agreements may not now or in the future interfere with the stock industry of my State; but I, for one, am not willing to take a chance on what might happen. I would rather not give authority for such possibilities.

Mr. President, there are millions of acres of timberland in New Mexico; there are millions of acres of coal lands in New Mexico. I feel confident that if the Bureau of Mines of the Department of the Interior were consulted it would furnish information to the effect that New Mexico is possibly the only State in the entire West that produces both anthracite and bituminous coal.

Mr. President, in southwestern New Mexico there are copper camps, beautiful little cities and villages with churches, good schoolhouses, paved streets, electric lights. The people of these cities and villages are dependent upon the development and carrying on of the copper industry. The coal we produce, the lumber we produce, the copper we produce is produced by American labor. Wages are generally good, although possibly not as good as I would like, but certainly more than those paid in the Belgian Congo or elsewhere. Some few years ago the Congress in its wisdom—wisdom arrived at after looking into the matter and fully investigating the conditions of the various industries—placed an excise tax on the importation of coal, the importation of lumber, and the importation of copper—three commodities produced in my State. I do not care to vote for legislation which might result in taking away the little protection these three industries in my State have in the way of an excise tax.

Mr. President, I believe that at the last session Congress passed a law, sponsored by the junior Senator from Utah [Mr. THOMAS], which had to do with the national defense and with the development of strategic raw materials. Among the materials enumerated in the reports to the committee and to the Congress was manganese. I feel quite confident that there is not one person in this body who minimizes the importance of manganese. The production of manganese in large quantities is a new thing in the United States. There are thousands and thousands of acres of manganese in Luna, Hidalgo, and Grant Counties in New Mexico. Since the passing of the Thomas law American citizens have gone into that area and are now developing the manganese mines. I am informed by persons in a position to know that around Dem-

ing, N. Mex., where some manganese mines are located, the depth of the manganese mineral is as much as 600 feet. Is it not plain that it would be in the interest of national defense, in the interest of the economic welfare of this country, to develop this industry and thereby help take from the relief rolls thousands of persons and give them private work? Mr. President, we appear concerned about the unemployed. Nevertheless, in my opinion, the proposed legislation now pending will retard the employment of unemployed citizens and will only help develop other countries. The manganese industry, a new industry, is trying in every way possible to continue to live while we get tons and tons of manganese mineral from Brazil and Russia.

I may not be a statesman, but since a very young chap I have heard the saying that "charity begins at home." Certainly I do not feel justified in voting for legislation that would interfere with the orderly development of manganese. I owe a certain duty and allegiance and loyalty to the citizens of my State. They sent me here. I also feel that I am doing my duty as a United States Senator if I protest legislation which, in my opinion, may keep people out of work and be detrimental to American labor.

WHITE BOOK PUBLISHED BY GERMAN GOVERNMENT

Mr. REYNOLDS. Mr. President, in pursuance of my statement made yesterday in reference to Mr. Sumner Welles, Under Secretary of State, and his recent trip to Europe, and also in reference to the so-called White Book issued by Germany, I desire now to bring to the attention of the Senate an article which I clipped from the Times-Herald this morning entitled "Potocki Aides Brand Nazi Charge False."

I desire to call the attention of the Members of the Senate to a paragraph in this article which reads:

> The embassy spokesman said that the letterhead definitely pointed out that there was no connection with Washington, but rather with Stockholm.

In other words, those responsible for this interview state that the information evidently emanated from Sweden rather than from Washington or elsewhere. It is difficult for me to understand why it is stated in the headlines that the charges are branded as false, and in the body of the article they are virtually admitted by the statement that perhaps the truth is contained in the article, but instead of emanating from Paris, London, or Washington they emanated from Stockholm.

Mr. President, I ask unanimous consent to have this particular article printed in the RECORD at this juncture.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of April 2, 1940]

POTOCKI AIDES BRAND NAZI CHARGE FALSE—WHITE BOOK RIDICULOUS FORGERY, THEY DECLARE

A letter, which is among the exhibits in the German White Book, and which is designated as having been written by Polish Ambassador Jerzy Potocki, was branded as "false and ridiculous" by Polish Embassy officials last night.

Embassy officials were shown a photostatic copy of the letter which the German White Book brands as an open admission that the United States shares in the present war guilt.

WORDING "GARBLED"

An embassy spokesman interpreted the letter as having nothing whatsoever to do about the war, but rather about the abilities of a certain and unidentified Mr. Hudson. The wording so far as Polish usage is concerned, Embassy officials said, was garbled and was interpreted in this manner:

"In connection with the report April 8 as of this year for the legation communicates that further informations are received on the subject of the stay of Mr. Hudson in Stockholm are witnessed to that in this territory he obtained major successes. It happens that Mr. Hudson will prove ability in conducted conversations * * *." (The rest of the letter could not be interpreted into English, they said.)

The Embassy spokesman said that the letterhead definitely pointed out that there was no connection with Washington, but rather with Stockholm.

THE GERMAN VERSION

The letter is one of the documents the German Government says was found in the archives of the Polish foreign office after the conquest of that country.

The Germans claim that in the letter Count Potocki reports an alleged interview he had with Ambassador William C. Bullitt, in which the American diplomat is supposed to have said:

"If war were to break out, we certainly would not participate in the beginning, but we will in the finish."

Count Potocki several days ago denied the interview in its entirety.

Mr. REYNOLDS. In addition, Mr. President, I have before me an article from the same newspaper of this morning entitled "Inquiry Into Kennedy and Bullitt Talks Asked." This article is by Mr. Chesly Manly. I ask that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of April 2, 1940]

INQUIRY INTO KENNEDY AND BULLITT TALKS ASKED

(By Chesly Manly)

Demands for a congressional investigation of war-mongering statements attributed to American ambassadors by the German White Book, published last Friday, were made in both the Senate and the House yesterday.

There were signs of a gathering storm as Members of Congress on and off the Senate and House floors compiled their own "White Books" of official public statements by President Roosevelt, Secretary of State Hull, and other administration officials in support of their contention that there is no reason to doubt the authenticity of the German documents.

REYNOLDS ASKS PROBE

The German White Book, based upon purported Polish records seized after the fall of Warsaw, quoted William C. Bullitt, Ambassador to France, and Joseph P. Kennedy, Ambassador to Great Britain, as telling Polish diplomats in 1939 that the United States would participate with its financial and material resources on the side of the British and French Empires in the event of war in Europe.

Senator ROBERT R. REYNOLDS, Democrat, of North Carolina, a member of the Foreign Relations Committee, demanded in a Senate speech that the committee investigate the conversations and activities of Bullitt and Kennedy, and that Bullitt, who is in this country, be summoned before he catches an airplane for Europe.

HOPES BULLITT WON'T FLY

Senator REYNOLDS plans to introduce a resolution today calling for Bullitt's appearance before the Foreign Relations Committee, and on Wednesday, the committee's next meeting date, he will demand a vote on the resolution. He said he hoped Bullitt in the meantime would not fly away.

In the House yesterday Representative HAMILTON FISH (Republican), of New York, ranking minority member of the Foreign Affairs Committee, introduced a resolution calling for the appointment of a special committee to inquire into the authenticity of the German White Book.

OFFER OF AID RECALLED

Senator REYNOLDS, as a member of the Military Affairs Committee, was present at the famous White House conference during the investigation of the French airplane scandal in January 1939, when President Roosevelt was quoted as telling Senators the United States would give all possible assistance "short of war" to England and France in the event of a conflict between the Allied Empires and Germany. The President told the Senators at that conference that "our first line of defense is in France."

"The most deplorable fact about this matter," said Senator REYNOLDS in his speech yesterday, "is that even if the documents published in the German white paper are branded as forgeries, or possibly proved to be forgeries, any man can say, and many are already saying, that these interviews or alleged interviews sound mighty like a lot of things we have heard over the radio from many people in high office from time to time. That cannot be denied."

QUOTES F. D. SPEECH

REYNOLDS then quoted from President Roosevelt's Chicago bridge speech of October 3, 1937, in which he proposed concerted international action to "quarantine" aggressor nations, the following:

"The peace-loving nations must make a concerted effort in opposition to those violations of treaties and those ignorings of humane instincts which today are creating a state of international anarchy and instability from which there is no escape through mere isolation or neutrality."

"That statement," said Senator REYNOLDS, "was a clear and precise expression of opinion that the United States cannot escape involvement in a European controversy through isolation or neutrality."

WOULD CALL WELLES

While the Foreign Relations Committee is inquiring into the utterances attributed to Bullitt and Kennedy, REYNOLDS told the Senate, it would be well to call Sumner Welles, Under Secretary of State, who returned last week from a survey of the European war situation at President Roosevelt's request.

"The American people are extremely desirous of ascertaining from Mr. Welles personally where he went, with whom he talked, what he said, and what was said to him," REYNOLDS declared. "If we must have a house in Europe, I insist that we have a glass house in order that all may see and all may know what is going on. We want no secret diplomacy now."

Mr. REYNOLDS. Mr. President, in reference to this all-important matter in which the American people are interested at this time, I have another article entitled "White Book Forged? Prove It, Nazis Say. Documents Offered for Experts' Inspection."

My humble opinion is that, instead of leaving this all-important matter to the German Government to prove the truth of it, we should attempt to prove the falsity thereof, particularly in view of the fact that the papers from the White Book charge that our representatives have encouraged the present war in Europe.

I ask unanimous consent that this particular article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of April 2, 1940]

WHITE BOOK FORGED?—PROVE IT, NAZIS SAY—DOCUMENTS OFFERED FOR EXPERTS' INSPECTION

(By Dana Schmidt)

BERLIN, April 1.—The German press today challenged William C. Bullitt, American Ambassador to France, to make a convincing defense against allegations in an official Nazi White Book on Friday that he engaged in war machinations against Germany.

The press centered its attacks upon Bullitt and emphasized criticism of President Roosevelt in the United States in connection with the White Book allegations but, for the most part, refrained from fresh attacks on Joseph P. Kennedy, United States Ambassador to London, also named in the charges.

ACTIVITIES CALLED CRIMINAL

Diplomatische Politische Korrespondenz, organ of the foreign office, asserted that the activities of American diplomatic representatives in Europe as alleged in the White Book have been "dangerous and even criminal."

The Frankfurter Zeitung ridiculed Bullitt's denial of the White Book charges, purporting to be based in diplomatic papers found in Polish archives in Warsaw after the German occupation, as "entirely unconvincing."

"If Bullitt wants to justify himself * * * he must either prove that the Polish documents are forgeries or that two Polish Ambassadors lied in their reports," the newspaper said.

UNQUESTIONABLY GENUINE

"He has not even attempted to prove a forgery and he cannot do so because they (the documents) unquestionably are genuine and available for examination by any foreign expert.

"If, however, he should accuse the Polish diplomats of reporting falsely, it will be difficult to find a plausible explanation of why two Polish diplomats in two places independently made the same false report."

Referring to a statement by Count Jerzy Potocki, Polish Ambassador to Washington, denying that he ever held any conversation at the American Embassy in Paris regarding United States participation in the war, the Frankfurter Zeitung said the White Book spoke only of conversations held in Washington.

The Deutsche Allegemeine Zeitung said the White Book documents proved that American diplomats "approved and encouraged" British claims to authority over the European continent.

The British claims are being prosecuted now, the newspaper adds, by the Allies' decision to increase pressure against the Scandinavians in an intensification of economic warfare.

"Norway is to lose sovereignty over shipping in her own waters," the Allegemeine Zeitung said. "The Swedes may no longer sell ore or the Rumanians oil to Germany. One sees what it means. This island (England) demands cession of sovereignty and a decision between peace and war from the peoples of the continent."

Mr. REYNOLDS. I likewise clipped from the columns of the Public Forum of the Washington Post of today a letter from the pen of Mr. Gilbert Carter, dated Washington, March 29, 1940, under the heading "Mr. Welles' Secret." Mr. Carter says to the editor:

SIR: Why the secrecy? What is behind Sumner Welles' trip to Europe and his very, very secret conference with Roosevelt?

In other words, Mr. President, this gentleman is merely voicing the opinion of millions of others who are desirous of knowing the reasons for the mission, what was accomplished, what was said, and what was done.

I ask that the letter be printed in the RECORD as this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the Washington Post of April 2, 1940]

MR. WELLES' SECRET

To the EDITOR OF THE POST.

SIR: Why the secrecy? What is behind Sumner Welles' trip to Europe and his very, very secret conference with Roosevelt? All this shady business makes decent people wonder. The American people rightly suspect the war moves of the administration of "national unity"; that is, of the Rooseveltians, the Garnercrats, and the Republicans.

The President insists that all talk about the administration planning to involve the United States in war is "twaddle." Yet if peace were the motive behind Under Secretary Welles' visit to the warring powers, why in the world doesn't Mr. Roosevelt come right out and let the American people know what is going on? Doesn't he trust us? Can he be afraid of the fact that this "unhealthy" talk of peace might start getting around and subvert people's minds?

The American men and women don't want any part in the bloody mess that is developing "over there." We want to stay "over here." Why is the President ashamed to assure us in words and action that our boys will stay over here?

GILBERT CARTER.

WASHINGTON, *March 29.*

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. TYDINGS. Of course, the Senator appreciates that Mr. Welles is only an agent of the Government, and probably went abroad under orders and instructions from high administrative authority.

Mr. REYNOLDS. As a matter of fact, I mentioned that fact yesterday preliminarily in my remarks to this body.

Mr. TYDINGS. I do not know what Mr. Welles' disposition is in this matter, or whether he would like to talk or not. However, I am sure that if those under whom he worked were to ask him to talk he would do so, and if they asked him not to talk he would not do so. While the criticism might be proper in some respects, I do not think Mr. Welles ought to be criticized, because he is probably acting under instructions from others.

Mr. REYNOLDS. Mr. President, I am very happy, indeed, to have the Senator make the observations he has made, for I am certainly not desirous of being placed in the position of criticizing Mr. Welles. So far as I am concerned, I am extremely fond of Mr. Welles personally. I think he is an exceptionally fine man. He is a career diplomat in the Department of State; and I consider Mr. Welles not only an authority upon Latin American matters but an authority upon world affairs. I have implicit confidence in him. The only reason why I take occasion to mention his name is that I have received innumerable inquiries by way of letters and telegrams, not only from my constituents in North Carolina but from virtually every State in the Union, in which the people voice the request that Mr. Welles advise the American people as to his mission. They recognize that this is a critical time in world affairs, and they feel that they should be acquainted with what is going on in Europe, in order that they may at least endeavor to ascertain for themselves whether or not there is any probability of our becoming involved in the unfortunate affairs of Europe today.

Mr. TYDINGS. Mr. President, will the Senator again yield?

Mr. REYNOLDS. Certainly.

Mr. TYDINGS. I appreciate the very fair position the Senator is taking in reference to Mr. Welles. All of us must realize that Mr. Welles was simply acting under orders—perhaps "instructions" would be the better word—which he received from those who sent him; and that while Mr. Welles must necessarily be drawn into the argument because he was the emissary, what he did, or what he did not do, or what he should say or should not say, is not up to Mr. Welles. It is up to others.

I rise only for the purpose of pointing out that fact, because Mr. Welles is put in a rather unfair position. After all, he is not in charge of our foreign affairs. He is only a helper. Therefore he must be guided by the restrictions and instructions thrown around the particular work which he has been asked to perform.

Mr. REYNOLDS. I thank the Senator very much. I very thoroughly realize what the Senator says; and I am sure that after my explanation the senior Senator from Mary-

land will not for a moment construe my remarks as criticism of Mr. Welles. I like Mr. Welles very much. I have seen him on several occasions. As a matter of fact, I happened to be with him in Buenos Aires 2 or 3 years ago, when a peace conference was held there. I should not even employ the name of Mr. Welles but for the fact that in speaking of one whom we sent to Europe it is necessary for me to designate that individual by employing his name.

Mr. TYDINGS. Mr. President, will the Senator further yield?

Mr. REYNOLDS. Certainly.

Mr. TYDINGS. This is not the time nor the place for discussing the subject at length, but I am sure that all who know Mr. Welles look upon him as one of the most efficient men we have had in the State Department during our time. I repeat that I rise not to take issue with what the Senator is saying, for his viewpoint so far as Mr. Welles is concerned is the same as my own, but to point out that the critics of Mr. Welles are sometimes a little unfair to him, unintentionally, in singling him out. After all, he has done no more than he was instructed to do; and I am sure he has done it very well, whatever his instructions were.

Mr. REYNOLDS. He is a fine career diplomat in the State Department, who carried out his mission according to his instructions.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. CONNALLY. I am always entertained by the Senator from North Carolina in the field of international affairs.

Mr. REYNOLDS. I am very grateful to my friend for his compliment, which I am sure is undeserved.

Mr. CONNALLY. On account of his wide travel and his contacts with foreign countries, foreign dignitaries, and our Diplomatic Service abroad, I have a high respect for his opinions.

However, the Senator must realize that at this time, of all times since the World War began, the foreign relations of the United States are in a more or less delicate posture, charged with possibilities, dangers, threats, and ominious rumblings of war. The Senator from North Carolina must realize that under the Constitution the President of the United States is charged with the conduct of our foreign affairs, except in those particulars in which the Senate shares that responsibility. To me, Mr. Welles, Mr. Bullitt, and Mr. Kennedy are mere personalities. I know them, but I have no ties that bind me to their cause. They are merely individuals. They are only names.

Mr. REYNOLDS. Certainly.

Mr. CONNALLY. The important thing is that they are servants of the President of the United States.

Mr. REYNOLDS. Quite so; and representatives of the State Department.

Mr. CONNALLY. The President may dismiss them at his will. He appoints them, and he may dismiss them. To me they are just like a man's arm. They are supposed to do the bidding of the brain. They may talk too much—and if they talk at all, they probably talk too much. [Laughter.] Does not the Senator think that this is a matter which ought to be trusted to the discretion and wisdom of the President of the United States? If these men have done anything they should not have done, does not the President know how to discipline employees of the State Department and ambassadors, as well as any other employees in the Federal service? I think we ought to be very cautious about interjecting the Senate, or a committee, or anyone else into these activities at this time.

Secretary Hull, of course, is their chief, and over him is the President of the United States. I am willing to rely upon the patriotism, wisdom, and judgment of Secretary of State Hull and the President of the United States in this critical time when the slightest spark might ignite a train of dangers which would bring tragedy to the people of the United States. I know that the Senator's purpose is benevolent, and of the highest; but sometimes we acquire a warped aspect. When American citizens remain abroad too long—as some diplomats no doubt do—and when Senators go abroad and form so many contacts, form so much admiration for foreign countries and foreign institutions, and receive so much entertainment in embassies and foreign chancelleries, they sometimes lose their perspective as to the relationship of the United States to those countries. I would hoist before the mad charge of the Senator from North Carolina at least a yellow light—not necessarily a red light to stop him, but a caution light, to cause him to hesitate on the brink of what might be a very serious accident, a collision with some other force which might bring us trouble. I make this suggestion to the Senator in all kindness, and as a brother member of the Foreign Relations Committee.

Mr. REYNOLDS. I appreciate that immensely, and I am delighted to have had the observations of my distinguished friend the junior Senator from Texas, for whom I have the deepest affection and the greatest admiration. However, I must disagree with my friend that we are in a peculiarly delicate situation; but if we are in a peculiarly dangerous and delicate situation it is attributable to ourselves and to nobody else.

Mr. CONNALLY. Mr. President, will the Senator yield again? I do not want to trespass upon his time.

Mr. REYNOLDS. Certainly, I yield.

Mr. CONNALLY. The Senator says if we are in a delicate situation it is because of something we have done. Did the United States start the war in Europe? Did we unleash the engines of death and destruction? Did we drop any bombs?

Mr. REYNOLDS. That is the question propounded by the White Book.

Mr. CONNALLY. Oh, no. Have we dropped any bombs on civilian populations; have we submarined any ships at sea? Have we murdered any neutral citizens upon the high seas? Did the United States conspire and intrigue to wipe out nationalities and governments and overturn chancelleries?

I submit to the Senator—and I hold out the yellow light to him because I have esteem for him and consideration for him and great admiration for his public service now and I hope in the future——

Mr. REYNOLDS. I thank the Senator.

Mr. CONNALLY. That I do not think this is a boy's job. We cannot probe into the secrecies of international conversations around tea tables and in smoking rooms and in cocktail lounges. I do not want to go into places of that kind. [Laughter on the floor and in the galleries.]

The PRESIDING OFFICER. The Chair will admonish occupants of the galleries that demonstrations of any character are forbidden by the rules of the Senate.

Mr. CONNALLY. Mr. President, it seems to me that the President of the United States can be trusted. Whatever the President's motive in sending Mr. Welles to Europe—and I do not know the details; I do not know what Mr. Welles found out, if anything—undoubtedly the motive was a good one. The President thought that perhaps he might find an attitude of mind or facts or situations which might offer some hope for peace in the world, and if there can be in the breast of a statesman a holier and nobler impulse than to bring peace to a war-torn and bleeding world I do not know what it is. Let us let the President alone.

Mr. REYNOLDS. I thank the Senator very much. I am particularly grateful for his having suggested the yellow light, but what I want is a red light against war.

It is true that we have not dismembered any of the nations of the earth; it is true that we have not invaded any of the countries of Europe or Asia. It is likewise true that we have not dropped any bombs in Germany, or in old Poland, or in Czechoslovakia, or Austria; but the probabilities are that millions of our bombs will be dropped there, because we are the arsenal of the world, and we are manufacturing bombs and selling them to anybody who can come and get them.

It was alleged, I recall very distinctly and definitely, when we were discussing the proposed loan or an additional loan of ten or twenty million dollars to Finland that the Finns were protesting because the Russians, they said, were dropping bombs upon their civilian population, bombs that had been bought from the United States of America.

I mention the name of Mr. Welles because his name happens to be Welles, and I merely make reference to the matter because I happen to know that the American people are desirous of knowing with whom Mr. Welles talked, where he talked, what he said, and what was said to him. I rather feel the American people are entitled to know something about his conversations; in other words, to ascertain whether or not the situation for us involves any seriousness.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly; I am always happy to yield to our distinguished leader.

The PRESIDING OFFICER. The Chair is compelled to state that the time of the Senator from North Carolina, he having yielded so much of his own time, has expired.

Mr. REYNOLDS. I did not know the debate was limited.

The PRESIDING OFFICER. Under the unanimous-consent agreement, debate is limited to 20 minutes.

Mr. CONNALLY. The Senator has time on the bill, has he not?

The PRESIDING OFFICER. The Chair understands not, under the agreement.

Mr. REYNOLDS. Mr. President, I am sorry I have not more time, but surely I may have time to insert in the RECORD a portion of an article by Gen. Hugh Johnson from the columns of the Washington Daily News of yesterday.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

The matter referred to is as follows:

There is—but what's the use? It is all stale. Bill Bullitt has a little less dough and a little more sense, but he is not exactly qualified to steer us away from war as Ambassador to his beloved France. You can bet that the official repudiations of any such pro-war opinion are the unvarnished truth so far as Secretary Hull is concerned.

But some of the President's diplomatic glamour boys short-circuit Mr. Hull. He didn't know anything about the "quarantine the aggressors" in the President's famous Chicago outburst until it was spoken. Mr. Bullitt suggested that startling announcement of an unsuspected American international policy without consulting the Secretary.

Mr. Bullitt is an unpredictable, militant, skyrockety, and amateur statesman who likes to do astonishing things. If you don't believe that, you should read the Great American novel he once wrote—It's Not Done. It could still sell if it were advertised along with the rupture cures and the physical-culture courses in the pulp magazines under the title: "What a Young Bride Ought to Know." It blasted Philadelphia society in its time, but Bill had a lot of fun, like a boy squirting turpentine through the bars of a cage full of wildcats. He is still having a lot of fun, but it would be safer for this country if he were doing it in Philadelphia and not as Ambassador to France in a warring world.

Mr. REYNOLDS. Mr. President, I now send to the desk a resolution which, if adopted, will require the appearance of Mr. Welles and Mr. Bullitt before the Foreign Relations Committee, together with a copy of their speeches made since they have been in office. I particularly ask the State Department to hasten to send now a copy of the speech which Mr. Bullitt made at Bordeaux, France, last year, which I am desirous of reading to the Senate.

The PRESIDING OFFICER. Without objection, the resolution submitted by the Senator from North Carolina [Mr. REYNOLDS] will be received and referred to the Committee on Foreign Relations.

The resolution (S. Res. 252) was referred to the Committee on Foreign Relations, as follows:

Resolved, That the Secretary of State is hereby requested to transmit to the Committee on Foreign Relations of the Senate as soon as practicable full information with respect to the reasons for the recent visit to Europe of the Under Secretary of State, Mr. Welles, and to request Mr. Welles to present to such committee his views with respect to the purposes and accomplishments of such visit, if compatible with the public interest.

Resolved further, That the Secretary of State is also requested to transmit to such committee as soon as practicable full and complete information with respect to the so-called White Book recently published by the German Government, relating to alledged diplomatic correspondence between the Government of the United States and Poland, and copies of all speeches made by the Ambassador to France, Mr. Bullitt, the Ambassador to the Court of St. James, Mr. Kennedy, and the Minister to Canada, Mr. Cromwell, during their tenure in such offices.

Resolved further, That the Secretary of State is requested to inform such committee with respect to the circumstances surrounding the recent speech at Bordeaux, France, of the Ambassador to France, Mr. Bullitt, and to request Mr. Bullitt to present to such committee his views with respect to the so-called White Book published by the German Government.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky.

Mr. BARKLEY. I rise to discuss the pending amendment, but, before entering upon a discussion of the amendment, I wish to suggest to my friend from North Carolina what I had intended to say if he had had time to yield.

The President, in the selection of Mr. Welles to make a journey to Europe and ascertain facts, indicated at that time, and so did the Secretary of State, that he was carrying no proposal to Europe and it was not contemplated that he would bring back any proposal. I assumed—and the newspapers carried the assumption, I think, accurately—that he was to ascertain what information he could as to attitudes, situations, and reactions, so that it might be available to the President in the event it might appear that there was any hope for peace.

Mr. Welles is not the only man who has been sent abroad, and this is not the first time the President of the United States has ever sent abroad an agent as his personal representative to ascertain something about international conditions. When Mr. Welles departed it was stated by everyone in authority that he carried no proposals and that he was not expected to bring back any proposals. When he returned it was stated by him and by the President and by the Secretary of State, as I recall, that he brought back no proposals and took none with him.

I think we all must give full credit to the sincerity, integrity, and good faith of the President of the United States, the Secretary of State, and Mr. Welles, and I think that we must take what they have said about it at face value. Doing this, it seems to me it would be beyond the bounds of propriety or necessity for us to undertake to listen in by remote control or by any other method to the conversations which transpired between Mr. Welles and those with whom he had interviews, because the Senator knows how easy it is for parts of sentences or of suggestions which are uttered in the midst of a give-and-take conversation between men of importance to be misinterpreted and how readily somebody may hang a hat on a peg and give an interpretation for which there is no legitimate basis. Recognizing the good faith of the Senator, for whom, as he knows, I have an affectionate regard not only as a member of the Foreign Relations Committee but as a Member of the Senate and as my personal friend——

Mr. REYNOLDS. I am deeply grateful for the Senator's kind words.

Mr. BARKLEY. I believe that we will not serve our country or the cause of peace by undertaking to inject our ears and our eyes into these private conversations, however desirable we might think it, for our own information, to know everything that happened. We must trust some of these matters to our legal and diplomatic representatives. It seems to me that the best we can do now is to trust our own Government and those who are appointed to serve it.

Reference has been made here to the White Book which has been issued and which purports to represent some miraculous discoveries in the foreign office of the Polish Government. I happen to know Mr. Bullitt; I happen to know Mr. Kennedy. I have the greatest respect for them as citizens of the United States and for their disinterestedness in serving the Nation. It was my good fortune to converse with both these able diplomats before the war broke out in Europe. Long before the war broke out, even a year and a half ago or 2 years ago, everyone was on tiptoe, wondering whether, after all, there would be a war in Europe. These gentlemen, backed up by the Secretary of State, by the President of the United States, by the Ambassador accredited to the United States by Poland, have all categorically and unequivocally denied that the things purported to have been discovered in Warsaw have any basis or foundation whatever in truth.

I do not believe, and I am sure I am justified in my position, that the Senator from North Carolina, or any other

Senator, or the American people for that matter, would give as much credence to a so-called White Book, which may or may not be a very clever form of propaganda, as they would give and ought to give, to the Secretary of State, to our Ambassadors to the respective countries, and to the Ambassador of the destroyed Polish Government to the United States. I think the Senator and all of us ought to give full credence to our own representatives and not, even innocently or unintentionally or even to serve a good public purpose, try to put them in an embarrassing situation rather than to credit propaganda, if that is what it is—and there are many who believe that it is—issued by the German Government alleging certain discoveries supposed to have been made in the foreign office at Warsaw. I wonder if my friend does not agree with me upon that broad statement of our policy?

Mr. REYNOLDS. Mr. President, if I may be permitted, I should like to make a frank statement. The Senator has stated that the President, no doubt through the State Department, sent Mr. Welles to Europe to ascertain the definite situation and as to whether or not there was any chance of peace in which the President and all of us are entirely and deeply interested, because the whole world is desirous of peace. We all realize that if military operations in the European war become intensified, millions of men will be killed, and after the war is over there will simply be a repetition of what took place 25 years ago. It was laudable and commendable of the President of the United States to send to Europe our very excellent representative of the Department of State, Mr. Welles, because in him I have implicit confidence.

Mr. BARKLEY. In that connection, let me add what I intended to say originally—that President Wilson sent Colonel House abroad. Whether or not Colonel House rendered service is a matter about which men may disagree.

Mr. REYNOLDS. That is a matter for question.

Mr. BARKLEY. He was sent in the interest of peace. From time to time since then not only President Roosevelt but one or two of his predecessors sent Mr. Norman H. Davis—who was frequently referred to in the newspapers as "our roving ambassador"—to ascertain conditions in Europe, and report to the Government of the United States. I mention these men merely to illustrate the fact that, without regard to party or administration, men in whom the President had confidence have been dispatched abroad to bring back to him intimate information and a coordinated set of facts which probably no one person designated for a particular country would be able to bring to him.

Mr. REYNOLDS. As the Senator states, Colonel House was sent to Europe, and that was prior to our entrance into the World War on April 6, 1917. As the Senator knows, many persons allege and contend that as a matter of fact Colonel House's tour of and sojourn in Europe really contributed to a large extent to our eventual involvement in the war, and much criticism has been aimed in that direction.

Mr. BARKLEY. That is a matter about which differences of opinion exist.

Mr. REYNOLDS. I say now that if we are to send a Colonel House to Europe in the form of Mr. Welles, as I stated yesterday, that house should be a glass house. We should be able to look into it and see what is going on. I do not think this is any time for secret diplomacy, because the American people are desirous of ascertaining the truth of everything and knowing the true facts.

The Senator a moment ago mentioned the fact that our distinguished friend Mr. Welles was sent to Europe for the purpose of ascertaining the attitude of the Europeans; and that is one thing I should like to find out from Mr. Welles. For instance, we know that he talked with Mussolini; we know that he talked with Hitler; we know that he talked with the Minister of War of France, and that he talked with Mr. Chamberlain, the Prime Minister of Great Britain. Only yesterday I read in a newspaper or magazine an article to the effect that the British people were becoming terribly peeved with the American people; that they were getting "sore" because we had not gotten into this controversy. I do not think the British people have any right to get "sore" with us, because we are doing everything we possibly can for them short of war; short of sending men over there to handle the guns which we manufacture for them. I cannot for the life of me believe that any people upon the face of the earth would be so thoroughly ungrateful as to criticize the American people at this time for not sending our sons over there to die on their soil to save their Empire, at a time when we are doing everything in the world we can for them; and I, for one, should like to be privileged to direct an inquiry to Mr. Welles as to whether that is true or whether it is propaganda.

I cannot help believing that what I read in the newspaper yesterday, to the effect that the British were getting peeved with us and "sore" with us because we did not send men over there to handle the guns with which we provided them, is mere propaganda to make us mad with the British; and for one thing, of many, I should like to ask Mr. Welles whether or not it is true that the British are "sore" or peeved or angry with us because we have not done that.

Mr. BARKLEY. I doubt very much if Mr. Welles could answer a question of that sort.

Mr. REYNOLDS. I think he probably could.

Mr. BARKLEY. He was in London only a day or two, as I understand, and it would have been impossible for anybody in London or in England in a day or in a week to find out whether the British people were "sore" with us.

Mr. REYNOLDS. I do not know about that.

Mr. BARKLEY. Although I did not see the article referred to, I agree with the Senator that in all probability it is propaganda to arouse some friction between the English people and our people; but I am not prepared to believe, and I do not believe, that the English people or the French people are taking any umbrage against the United States or our people because we have not participated and do not propose to participate in the war.

While the Senator may not agree with me, I do not want to take up further time on this subject. I desire to discuss the pending amendment to the joint resolution. How much more time have I?

The PRESIDING OFFICER (Mr. HATCH in the chair). The present occupant of the chair is advised that the Senator from Kentucky has 7 minutes remaining.

Mr. BARKLEY. In view of the shortness of time, I am going to have to desist from this discussion.

Mr. REYNOLDS. Mr. President, I did not take my time on the joint resolution a moment ago, so I shall be glad to delegate that time to our distinguished leader——

Mr. BARKLEY. No.

Mr. REYNOLDS. Because I want to discuss this matter with him. He is interested, just as I am, in the preservation of the American people.

Mr. BARKLEY. No time on the joint resolution is available while the amendment is pending. Twenty minutes to each Senator is all that is available.

The PRESIDING OFFICER. The Chair has previously ruled that under the unanimous-consent agreement the discussion now is limited to 20 minutes to each Senator on the amendment. The Senator from Kentucky has the floor.

Mr. REYNOLDS. I ask unanimous consent that we be privileged to continue our discussion.

Mr. BARKLEY. I object.

Mr. McNARY. I object.

The PRESIDING OFFICER. The Senator from North Carolina asks unanimous consent that he and the Senator from Kentucky be privileged to continue their discussion.

Mr. BARKLEY. I myself object to that.

Mr. REYNOLDS. It looks as though I am overruled, Mr. President. [Laughter.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. BARKLEY. Mr. President, I had not intended to consume so much of my 20 minutes on the international situation, which, of course, we may debate from time to time

as long as the war lasts, but I did want to comment very briefly on the pending amendment.

I come from a coal-producing State. Kentucky is one of the outstanding producers of coal in the United States. It also is a great producer of oil. We produce in my State more cattle than are produced in many of the States throughout the West. I think Kentucky's production of cattle is greater than that of Wyoming or Idaho or Utah or Arizona or New Mexico or Colorado or Washington or Oregon. So I speak not only as in part a representative of coal and oil but likewise of cattle. We have great forests, and we also produce a large amount of lumber.

The amendment now offered by the Senator from Nevada [Mr. McCARRAN] proposes to freeze the so-called excise taxes on coal, oil, copper, and lumber. All of us who were here in 1932, when these taxes on coal and oil and lumber and copper were placed in the revenue bill, realize, as we did then, that they were in effect tariffs. They effected a tax upon foreign coal and copper and lumber and oil coming into the United States. Of course, the tax was levied after the product got into the United States, but it was not levied on domestic production, and it would not have been levied on these products if they had not come in as imports, so it was, in effect, a tariff on these commodities.

With respect to the question of oil, we have entered into a trade agreement with Venezuela by which the tariff or tax has been reduced from one-half cent a gallon to one-quarter cent a gallon. The amount of oil that comes in under that trade agreement is very small in relation to our own production, and that reduction from one-half to one-quarter of a cent applies only to that part of any importation which would amount to no more than 5 percent of the product of our domestic refiners, and if at any time the importation goes above 5 percent the one-half-cent tax applies, so the reduction in the tariff or tax on oil is applicable only to a small quantity of oil coming in.

The great bulk of the oil which comes in is used for fuel oil and for asphalt. It does not really compete with gasoline-bearing oils produced in the United States.

As the result of the agreement between the United States and Venezuela we have been given concessions on wheat flour, lard, and canned fruits and vegetables, which are, of course, agricultural, together with some agricultural implements which that country buys from us. So that, in return for a reduction of one-quarter of a cent a gallon on oil from Venezuela, we have been given concessions upon many of our agricultural products and the products of our factories.

As to coal, since the agreement with Canada was entered into we have increased our exports of coal to Canada by more than 38 percent. Nearly all the coal we export goes to Canada. A tax was levied by Canada of 3 percent, I believe, under a law of their own, and under our agreement with Canada they remitted that 3-percent tax on coal which we ship into Canada, with the result that under the trade agreement we have increased our exports of coal to Canada by more than 38 percent. That increase of 38 percent in the exportation of coal has certainly meant a better market for the coal producers of Kentucky, and West Virginia, and Pennsylvania, and other States. A large part of the exportation is made up of bituminous coal, but some of it consists of anthracite, which is produced almost altogether in Pennsylvania. So no one interested in the production of oil or coal need be afraid of the result of the agreements, and nothing has occurred under the agreements which has yet, or by any flight of the imagination could, injure the producers of coal or oil.

The PRESIDING OFFICER. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. Mr. President, I am sorry I cannot go into a discussion of lumber and copper, and I will confine myself to one sentence. In view of our present situation, it seems to me illogical and unwise to pick out four or five among thousands of articles upon the tariff list and ask that they be frozen so that they cannot even be dealt with by agreements. For these reasons, I hope the pending amendment will be defeated.

Mr. McNARY obtained the floor.

Mr. MURRAY. Mr. President——

Mr. McNARY. I shall be very happy to yield to the distinguished Senator from Montana.

Mr. MURRAY. Mr. President, I wish to speak briefly in support of the substitute amendment offered by the junior Senator from Nevada [Mr. McCARRAN].

I am opposed to any reciprocal-trade policy which purports to affect the excise tax on foreign-produced copper. The excise taxes which have been discussed were expressly enacted in 1932 to prevent the utter demoralization of the domestic copper industry through the flooding of our market with peon-produced foreign copper. To permit any substantial modification of these taxes in any proposed reciprocal trade agreement policy would certainly have disastrous effects on all western mining States.

Copper mining is one of the Nation's important industries, and fluctuations in the production of copper seriously affect the country's general welfare. Nearly a dozen States in the Union, including Montana, contain extensive and valuable deposits of this metal. The mining and smelting of copper constitutes one of our important western activities and is one of the main sources of the Nation's wealth and prosperity. All wealth, of course, comes from the ground, and for many years these western mining States have been pouring out the wealth from their mines and spreading it across the country, benefiting the whole Nation, not merely the States producing it.

The principal copper-producing States of the Union are Arizona, Utah, Montana, Nevada, Michigan, New Mexico, Alaska, Colorado, California, and Idaho. There are a few other States producing copper, but their output is not important. Periodic curtailment of production and consequent unemployment in these mining States causes much anxiety and distress. Like other industries in the country, we have been experiencing treacherous fluctuations in the market for copper ever since the onset of the depression.

During the last World War we enjoyed unusual prosperity in the copper industry. We had high prices for the metal and a constantly expanding market. Unfortunately, the high prices of copper during the last World War, and practically right up to 1930, excited the cupidity of capital and led to an international movement to discover and develop copper deposits in other sections of the world. As a result, large copper mines have been developed in Canada, South America, and South Africa.

For nearly 80 years prior to 1930 the United States dominated the world copper industry. During that period the United States had produced more than half the world's new copper. Since 1930, however, and coincident with the development of foreign copper production, we have witnessed a constantly decreasing proportion of production in the United States. As a result of this development we have lost our foreign markets for copper, because we could not compete with the low-cost production of foreign copper mines. In this country we have continued to maintain high wages and good working conditions. Certainly, in the State of Montana, it would be absolutely impossible to compete, because our mines are deeper than usual and, of course, more costly to operate.

American capital, to a large degree, is invested in these foreign properties, just as is the case in the sugar industry in Cuba. For example, American corporations control the large copper operations in Chile, and, as I pointed out yesterday, long before the depression we were importing copper into this country from Chile, where it could be produced and landed in New York at much less than the cost of production in this country. For the 11 years 1922–32 the Anaconda Co. obtained 50.3 percent of its production within the United States and 49.7 percent from abroad. During the 4 years 1929–32 this company mined only 44.7 percent of its total output in this country and imported from Chile and Mexico 55.3 percent. I understand that the Kennecott Copper Co. also brings into this country a large portion of its total output. Reports of the Kennecott's copper production for the

year 1932 disclosed that 44.5 percent of its total production was mined in Chile and 55.5 percent within this country.

As a result of these conditions, and in the absence of tariff protection, copper production in this country dropped seriously, and in the early part of the depression the price of copper went as low as 5 cents a pound. It will be seen, therefore, that the excise tax was absolutely necessary to prevent a complete demoralization of the American copper industry.

This industry represents an enormous investment, and makes a vital contribution to American industrial activity. The money expended by copper producers and fabricators for material and supplies affects practically every State in the Union. The greatest tonnage of copper production is in the far West, whereas the fabricating plants are in the Middle West and East. It will therefore be seen that railroad transportation is a tremendous beneficiary of this industry. In fact, copper is a very vital factor to American railroads. The production and fabrication of copper is also an important item in the labor market.

The following figures will show the effect of copper in our American economy:

For each ton of copper produced in 1937:

a. $96.50 was paid out in wages.

b. $79.57 was paid out in purchases from other industries.

c. $8.29 was paid out in Federal taxes.

d. $10.39 was paid out in State and local taxes.

e. $27.99 was paid out in freight.

The point I wish to make is that there is a serious danger that, through the repeal or substantial modification of these excise taxes, we may materially injure this great American industry, and bring on a serious condition of unemployment and business stagnation in the country. If these excise taxes are not protected in this legislation, and subsequent trade treaties should modify them and permit the flooding of the American market with foreign copper, many of the American mines will be compelled to suspend operations. Such a result would have serious consequences. In addition to the unemployment which would follow, the closed mines would probably be destroyed, because if they were allowed to fill with water, the underground workings would be so affected, and it would be so expensive to dewater them, that they would probably never be reopened.

Since 1935, as a result of the stimulation of business brought on by various governmental policies of the administration, the copper industry has enjoyed greatly improved conditions. Of course, there is no possibility of ever reaching our former position in the copper industry. We will never again occupy a dominant position in supplying copper to the world. Because of this loss of foreign markets, it is now necessary to curtail mining operations in this country in order to avoid overproduction. If, however, we should witness any substantial importation of copper into this country, it would be ruinous to the industry.

I think our reciprocal-trade policies should be devised so as not to threaten the destruction of any American industry. I am in favor of a trade-treaty system which will not create deserted villages, blighted areas, unemployment, and poverty in any section of the country. A trade-treaty system which would sacrifice American copper and close the great copper mines of Montana and other Western States, throwing thousands of workers out of employment and bankrupting communities, would seem to me to be a reckless and indefensible policy. There cannot be the slightest doubt that such a result would follow any interference with these excise taxes.

To show the dangers which may come from this situation, I wish to point out that the trade agreements which have been entered into with Great Britain, Belgium, and Canada contain no concessions affecting excise taxes. If we should now recognize the power in the Executive to reduce these taxes as a concession to some foreign copper-producing country like Chile, a similar reduction, through the most-favored-nation principle, will thereupon result to all the other large copper-producing nations with which we have been dealing. This would be a free gift to Great Britain, Canada, and Belgium and we would get nothing in return. Such a development would mean immediate reductions in wages, and eventually widespread unemployment and economic distress in the copper-producing States. We are not merely speculating that this would be the result—we know it from past experiences. As I have before pointed out, even in the year 1929, when this country was enjoying its highest degree of prosperity, the mines in the Western States were seriously affected. Many of them closed completely as a result of the flooding of this country with cheaply produced copper from South America. The excise tax saved the situation then and should now be preserved, if we desire to maintain prosperous conditions and employment in this country.

I think it would be a dangerous mistake to interfere with these taxes, and I therefore intend to vote for the amendment presented by the distinguished junior Senator from Nevada [Mr. McCARRAN].

Mr. McNARY. Mr. President, I have a few observations to make.

Mr. AUSTIN. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

Mr. McNARY. I appreciate the courtesy of the Senator from Vermont, but I should prefer not to have the Senator make that suggestion. It is my intention to speak very briefly.

If I correctly understood the amendment offered by the Senator from Nevada, and his modification thereof made this morning, the latter contemplates that trade agreements shall not in any way affect excise duties that may hereafter be placed upon commodities by Congress. That is a considerable expansion of the amendment proposed yesterday, with which I am in full accord.

Mr. President, I took quite an active interest in the debate a few years ago when the excise bill was before Congress and treated as a part of the revenue bill. At that time we incorporated coal, copper, oil, and lumber. I need not recite again, as I did yesterday, the assurance we had from the able chairman of the Finance Committee that these duties would not be disturbed, but unfortunately for that great industry which means so much to the northwestern section of the country these duties were disturbed.

Mr. President, in view of the statements and assurances of the chairman of the Finance Committee I am particularly interested in the pending amendment. The lumber industry has been badly injured by what has been done by the State Department in violating the excise duty which it enjoyed. That industry is out of the picture. But I do not want to see copper, oil, and coal suffer the same penalty and the same injury that was inflicted upon lumber. Therefore, in that sense, my interest is altruistic.

Mr. President, I like the modification of the amendment and its enlargement, as suggested by the able Senator from Nevada. It would permit Congress in the future to function according to the authority given it by the Constitution. If Congress should in the future place an excise duty on dairy products, or poultry products, or any other products of the United States the State Department could not destroy that protection. Congress would be permitted to operate without the interference of the trade agreements. I think that is the purpose of the amendment. In my opinion, it is very commendable and should receive the support of those Members of the Senate who today probably are not conscious of the fact that something may occur to them inside the next year or so.

Mr. President, I have received a number of telegrams—other Senators also, of course, have received many telegrams—in connection with this matter, and I want to read one for the purpose of presenting in a very brief way the question of the depreciation of foreign currency. I received a telegram from a very prominent feed firm in Portland, Oreg. It is typical of many which I have received, and I shall read it. I do not want to burden the RECORD by reading an unnecessary number of quotations from telegrams and newspaper articles.

The telegram is dated April 1, and is as follows:

PORTLAND, OREG.

Senator CHARLES L. MCNARY,
Senate Office Building, Washington, D. C.:

Would appreciate your support of McCarran amendment to the Trade Agreement Act. With the very rapid decline of world currencies, some protection is absolutely essential. Thanks for your support of Pittman amendment.

A. E. ENGBRETSON,
Engbretson Seed Co.

A number of telegrams of similar import, which I have received from the Northwest States, could be read.

Mr. President, it was in November of last year that I addressed a letter to the Secretary of State calling his attention to the depreciation in foreign currencies and the effect it was having upon the commerce of the United States and upon our domestic production. That letter was written on the 6th of November. It was placed in the RECORD by our distinguished Democratic leader, the able Senator from Kentucky. In that letter I had this to say, and I shall read only a portion of it in order to come within the limitation of time which now surrounds me:

The most immediate effect of the war is a depreciation of foreign currency in relation to the American dollar. It will be noted that from December 1, 1938, to December 1, 1939—exactly a year—the British pound declined 17 percent in relation to the dollar; the French franc declined 66 percent from May 1936 to December 1939, in relation to the dollar; while the Canadian dollar has declined practically 12 percent from December 1 of last year until the same date this year.

Later in that letter I called to the attention of the able Secretary of State that there is a provision contained in the Trade Agreements Act under which, if there is a substantial reduction in the ratio of currencies a remedy is provided whereby we can either cancel the agreement or cause a modification and correction thereof.

The Secretary of State answered my letter on December 6. His answer was also placed in the RECORD by the able Senator from Kentucky, and follows my letter to which reference has just been made. The Secretary of State said:

The central point of your argument relates to the effects upon our foreign trade of recent wartime currency depreciation in Canada, Great Britain, and France. * * *

Your sole evidence of injury is the citation of a theory—that when one country depreciates its currency unit, another country, whose currency remains at the old level, inevitably finds its exports to the depreciated-currency country retarded and its imports from that country stimulated.

That was the theory under which the Secretary said I was laboring. He dismissed the matter last December.

Mr. President, I do not want to refer to this in the sense that "I told you so," because that expression is not always a happy one. But this morning I observed in the Washington Times-Herald an article, which also appeared in the Washington Post, and I think in other metropolitan newspapers, headed:

United States to curb import flood from Britain—menace presented by depreciated pound.

In that article the depreciation is shown to be precisely in percentage the same as that to which I called the attention of the Secretary of State back in November. Then it was a theory, and there was nothing substantial about it. The article continues—and I think I shall take time to read from it, as follows:

The United States Government will shortly take steps to protect American industry and commerce against a flood of British goods stimulated by the depreciated pound sterling, it was learned last night.

Mr. President, I ask unanimous consent to have the entire article from the Times-Herald of April 2 printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Washington Times-Herald of April 2, 1940]

UNITED STATES TO CURB IMPORT FLOOD FROM BRITAIN—MENACE PRESENTED BY DEPRECIATED POUND

(By Sandor S. Klein)

The United States Government will shortly take steps to protect American industry and commerce against a flood of British goods stimulated by the depreciated pound sterling, it was learned last night.

The first step in all likelihood will be taken this week, perhaps within the next 24 hours, in the form of an order by the Treasury to customs collectors to recognize the official rate for the pound in assessing duty on British goods arriving in this country.

CONTRAST IN RATES

The official rate ranges between $4.02½ and $4.03½ as against the free market or unofficial rates which during the last week has ranged between $3.44¾ and $3.71¼. The $3.44¾ was the lowest level for the pound since April 15, 1933.

Although the official rate is quoted in New York, American importers have been availing themselves of the lower free market price.

The result of the dual rates is that British exports to the United States have been stimulated sharply.

OFFICIALS ALARMED

The Treasury's anticipated action is an outgrowth of discussions with State Department officials who have been concerned over the effects of the depreciated pound, particularly because currency depreciation practices are barred by the tripartite monetary agreement and the escape clause of the United States-United Kingdom reciprocal-trade agreement.

The order to customs collectors will require them to make so-called interim assessments. This means that British goods will be assessed at the official rate. Later, if the importer can show that he purchased pounds at the free-market rate to pay for the goods, he will receive a refund based on an assessment at the lower unofficial rate.

The effect of an official rate assessment is expected to be somewhat similar to that of the countervailing or penalty duties imposed against German imports a year ago.

Mr. MCNARY. The rate with respect to Canadian money is not given, but I will state that the depreciation of Canadian money is greater now than it was when I addressed the letter to the Secretary of State last November. Then, as I think my letter stated, it was 12 percent, and now it is about 16½ percent.

Mr. President, I have in my hand a page from the United States News, published in Washington, the issue of April 5, a date which will soon arrive, from which I read:

A British pound sterling could be bought during the past week for less than $3.50 in American money. Not many months ago, nearly five American dollars were needed to buy one British pound.

In this drop in the price of the "free" sterling is seen one of the early effects of the war and also a hint of trade troubles that may lie ahead for the United States. The last time something like this happened, there started a train of events—declining commodity prices, declining security prices, declining foreign trade—that led eventually to the New Deal and its attempt to reverse the tide of deflation.

Mr. President, those are precisely the words I might have employed, in my letter to the Secretary of State last November.

I ask unanimous consent that the article from which I have just quoted be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

[From the United States News of April 5, 1940]

THE THREAT OF "FREE" STERLING—BRITISH WAR MANEUVER THAT MAY CAUSE UNITED STATES TRADE TROUBLE—FALL IN PRICE OF THE POUND POINTS TO THE RESTRICTION OF MARKETS FOR AMERICA

A British pound sterling could be bought during the past week for less than $3.50 in American money. Not many months ago nearly five American dollars were needed to buy one British pound.

In this drop in the price of the "free" sterling is seen one of the early effects of the war and also a hint of trade troubles that may lie ahead for the United States. The last time something like this happened there started a train of events—declining commodity prices, declining security prices, declining foreign trade—that led eventually to the New Deal and its attempt to reverse the tide of deflation.

Does the new decline portend another cycle of currency wars and government controls?

Officials, closely watching the situation, hope not. They look at it in this way: The British, like the Germans, now have more than one kind of currency. They will release their official currency to pay for those American goods that the Government wants to buy. This currency is worth $4.02 to the pound. The "free" currency, because it will command fewer dollars, is going to make all other American goods extremely expensive to Britishers and will discourage their purchase. This means that the British are using their two kinds of money to discourage purchase in the United States of any but those goods the British Government wants for war purposes.

This is uncomfortable, but the point being watched most closely by Washington officials is the effect of the cheap "free" pound not on British purchases but on British sales of goods. This cheap pound can be used by foreigners to buy in Britain all but a limited list of British goods for which only foreign exchange can be used. The effect in this case is to enable many British products to compete more readily with American products in neutral markets.

Surface appearances suggest that the United States is caught in the middle—faced in Britain with the curtailment of markets for all but war goods and faced in foreign markets with competition of British goods made cheap by a cheap currency.

But the official attitude of this Government is wait and see. Not unless commodity prices in the United States fall more than they have fallen and not unless British competition for foreign markets is more intense than it has been will any steps in retaliation be taken. Yet here is an accepted sign that war is going to add to the problems of this country.

Mr. McNARY. Mr. President, probably later today or tomorrow, when we shall have no limitation of time, I intend to discuss my views of the general theory of the Reciprocal Trade Agreements Act. I shall not be able to do so at this time. I only insist, in view of the precedent established by the Department of State, that we should take no chance of permitting any further reduction in the excise duties which Congress passed by an overwhelming vote. Even though the product in which I am most greatly interested is out and has been destroyed by a want of good faith on behalf of the administration, and in direct violation of the assurances given me by the able Senator from Mississippi [Mr. HARRISON], I still want to see these commodities protected; and I commend my friend from Nevada [Mr. McCARRAN] for expanding and enlarging the scope of his amendment to include anticipated injuries which, in my opinion, will follow if we continue the Reciprocal Trade Agreements Act as a statute.

The PRESIDING OFFICER. The question is on agreeing to the substitute amendment offered by the Senator from Nevada [Mr. McCARRAN].

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Schwellenbach
Ashurst	Donahey	King	Sheppard
Austin	Ellender	La Follette	Shipstead
Bailey	Frazier	Lee	Smathers
Bankhead	George	Lucas	Smith
Barbour	Gerry	Lundeen	Stewart
Barkley	Gibson	McCarran	Taft
Bilbo	Gillette	McKellar	Thomas, Idaho
Bone	Glass	McNary	Thomas, Utah
Bridges	Green	Maloney	Tobey
Brown	Guffey	Mead	Townsend
Bulow	Gurney	Miller	Truman
Byrnes	Hale	Minton	Tydings
Capper	Harrison	Murray	Vandenberg
Caraway	Hatch	Neely	Van Nuys
Chandler	Herring	Overton	Wagner
Chavez	Hill	Pepper	Walsh
Clark, Idaho	Holman	Pittman	White
Clark, Mo.	Holt	Reed	Wiley
Connally	Hughes	Reynolds	
Danaher	Johnson, Calif.	Schwartz	

The PRESIDING OFFICER. Eighty-two Senators have answered to their names. A quorum is present. The question is on agreeing to the substitute amendment offered by the Senator from Nevada [Mr. McCARRAN].

Mr. HARRISON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LUCAS (when Mr. SLATTERY's name was called). My colleague [Mr. SLATTERY] is unavoidably detained on public business. He has a pair with the senior Senator from Oklahoma [Mr. THOMAS]. I am advised that if my colleague were present, he would vote "nay," and that if the senior Senator from Oklahoma were present and at liberty to vote he would vote "yea."

The roll call was concluded.

Mr. TYDINGS. On this question, my colleague [Mr. RADCLIFFE] has a pair with the junior Senator from North Dakota [Mr. NYE]. If my colleague were present he would vote "nay." If the Senator from North Dakota were present, he would vote "yea." These Senators are necessarily detained.

Mr. MINTON. I announce the following pairs on this question:

The Senator from Wyoming [Mr. O'MAHONEY], who would vote "yea," with the Senator from Nebraska [Mr. NORRIS], who would vote "nay"; and

The Senator from California [Mr. DOWNEY], who would vote "yea," with the Senator from Georgia [Mr. RUSSELL], who would vote "nay."

I also announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from California [Mr. DOWNEY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Georgia [Mr. RUSSELL] are detained on important public business.

The Senator from Virginia [Mr. BYRD] is attending the funeral of the late Lieutenant Governor of Virginia, and is therefore necessarily absent.

The Senator from Arizona [Mr. HAYDEN] and the Senator from Oklahoma [Mr. THOMAS] are attending conferences in Government departments on matters pertaining to their respective States.

The Senator from Nebraska [Mr. NORRIS] is unavoidably detained.

Mr. AUSTIN. I announce the following pair on this question:

The Senator from Massachusetts [Mr. LODGE] with the Senator from Virginia [Mr. BYRD]. If the Senator from Massachusetts were present, he would vote "yea." If the Senator from Virginia were present, he would vote "nay." The Senator from Massachusetts is necessarily detained.

Mr. CONNALLY. On this question I have a pair with the junior Senator from Arizona [Mr. HAYDEN]. In his absence I withhold my vote.

Mr. JOHNSON of Colorado. The senior Senator from Montana [Mr. WHEELER] is unavoidably absent. If he were present, we would vote "yea."

The result was announced—yeas 36, nays 45, as follows:

YEAS—36

Adams	Chavez	Johnson, Calif.	Reed
Ashurst	Clark, Idaho	Johnson, Colo.	Shipstead
Austin	Davis	King	Taft
Bailey	Frazier	La Follette	Thomas, Idaho
Barbour	Gibson	Lundeen	Tobey
Bone	Gurney	McCarran	Townsend
Bridges	Hale	McNary	Vandenberg
Bulow	Holman	Murray	White
Capper	Holt	Pittman	Wiley

NAYS—45

Bankhead	Gerry	McKellar	Smathers
Barkley	Gillette	Maloney	Smith
Bilbo	Glass	Mead	Stewart
Brown	Green	Miller	Thomas, Utah
Byrnes	Guffey	Minton	Truman
Caraway	Harrison	Neely	Tydings
Chandler	Hatch	Overton	Van Nuys
Clark, Mo.	Herring	Pepper	Wagner
Danaher	Hill	Reynolds	Walsh
Donahey	Hughes	Schwartz	
Ellender	Lee	Schwellenbach	
George	Lucas	Sheppard	

NOT VOTING—15

Andrews	Downey	Nye	Slattery
Burke	Hayden	O'Mahoney	Thomas, Okla.
Byrd	Lodge	Radcliffe	Wheeler
Connally	Norris	Russell	

So Mr. McCARRAN's substitute amendment was rejected.

The VICE PRESIDENT The Parliamentarian advises the Chair that the Senator from Nevada [Mr. McCARRAN] offered a substitute, and, therefore, it did not displace the original amendment. So the question recurs on the original amendment offered by the Senator from Nevada. [Putting the question.]

The amendment was rejected.

Mr. LA FOLLETTE. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to add the following:

SEC. 2. (a) The Congress hereby declares that by reason of the state of war existing in Europe, the absolute control exercised by belligerents and certain other countries over their export and import trade, and the growing tendency of said belligerents and other countries to so control such trade to the detriment of American export and import trade, it is necessary to establish an Export-Import Control Board in order (1) to maintain for American producers a fair share of the world markets for agricultural commodities and other articles and materials; (2) to avoid as far as possible any effect on our domestic prices for such commodities, articles, and materials by reason of international prices fixed for similar commodities, articles, and materials by said belligerents and other countries; (3) to protect American consumers against unduly high prices for such imported commodities, articles, and materials; and (4) to protect American producers against the dumping of certain commodities, articles, and materials in the United States by belligerents

or other nations seeking funds for the conduct of the war or for other purposes.

(b) There is hereby established an Export-Import Control Board (hereinafter referred to in this section as the "Board"), to be composed of the Secretaries of State, Treasury, Interior, Agriculture, and Commerce, one of whom shall be appointed chairman by the President. A vacancy in the membership of the Board shall not affect the power of the remaining members to execute the functions of the Board, and shall be filled in the same manner as the original appointment.

(c) Whenever the Board, after investigation, finds (1) that any foreign country is exercising such control over its export and import trade, by reason of the existence of a state of war or otherwise, as to discriminate against American trade or commerce, and (2) that it is advisable, in order to effectuate the policies described in clauses (1) to (4) of subsection (a), to regulate and control our exports to and imports from any such country, the Board shall require every person exporting any articles or materials to or importing any articles or materials from any such country to register with the Board his name, or business name, principal place of business, and places of business in the United States, and a list of the articles or materials he exports or imports.

(d) Every person required to register under the provisions of this section shall pay a registration fee of $5. Upon receipt of the required registration fee, the Board shall issue a registration certificate valid for 5 years, which shall be renewable for further periods of 5 years upon the payment for each renewal of a fee of $5.

(e) Licenses shall be issued by the Board to persons who have registered as herein provided, except in cases where the issuance of a license would, in the opinion of the Board, tend to defeat or nullify the policies described in clauses (1) to (4) of subsection (a), in which cases such licenses shall not be issued.

(f) It shall be unlawful for any person to export, or attempt to export, from the United States to any foreign country specified in clause (1) of subsection (c), or to import, or attempt to import, to the United States from any such country, any articles or materials, without first having submitted to the Board the name of the purchaser and the terms of the sale, and having obtained a license therefor.

(g) The Board shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The Board is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government. The members of the Board shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the exercise of the functions vested in the Board.

(h) The Board shall make a report of its activities to Congress on the first day of each regular session thereof, copies of which shall be distributed as are other reports transmitted to Congress.

(i) The Board, under the direction and with the approval of the President, may, from time to time, promulgate such rules and regulations as may be necessary to carry out the provisions of this section.

(j) Any person who violates any provision of this section or of any rule or regulation promulgated hereunder shall, upon conviction thereof, be fined not more than $10,000 or imprisoned not more than 2 years, or both. Should the violation be by a corporation, company, or association, each officer or director thereof participating in the violation shall be liable to the penalty herein prescribed.

(k) For the purposes of this section, the term "United States," when used in a geographical sense, includes the several States and Territories, the insular possessions of the United States (including the Philippine Islands), the Canal Zone, and the District of Columbia; and the term "person" includes a partnership, company, association, or corporation, as well as a natural person.

(l) There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this section.

(m) This section shall take effect upon the expiration of 60 days after the date of enactment of this act.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. Mr. President, at the time the Neutrality Act was under consideration at the special session of Congress I offered an amendment designed, as I believed, to prevent the further distortion of the domestic economy of this country as a result of the impact of war abroad. That amendment was much more comprehensive than this one. It was mandatory in its provisions, and would have required the fixing of export quotas for each of our various commodities with each of the various nations, based upon any 4-year average in a 12-year period prior to the issuance of the President's proclamation under the Neutrality Act.

Since I have been a Member of this body I have made some effort to study the complex problems with which the Nation has been confronted. For many years I have been convinced that most if not all the problems with which we are now wrestling, and with which we have been struggling for 10 years, were intensified by the effect of the World War upon the agricultural and industrial segments of our economy. Some of them, I believe, were produced as a result of the impact of the World War and our final participation in it. But be that as it may, Mr. President, I think no person seriously concerned with the affairs of this Nation can look with complacency upon the threat which the impact of war and its effect upon this country are bound to produce. Unless we are willing to take the necessary steps in order to prevent further distortion of our economy as the result of the impact of war upon it, we shall find when war is concluded that each and every one of the paramount problems with which we are concerned has been intensified, augmented, and made more difficult of solution.

The amendment now pending is designed to create an export-import control board in order to strengthen the position of the United States in dealing with present wartime-trade restrictions imposed by foreign nations, both belligerent and neutral.

As I view the matter, present circumstances have completely altered the basic considerations involved in the trade-agreements program. Foreign countries for the most part are playing the game of international trade according to new rules, while the United States is still endeavoring to play it according to the old rules. The new rules consist of trade bans, export-import licensing, quotas, commodity controls, shipping controls, Government monopoly buying and selling, restrictions on foreign exchange, manipulation of currency values, preferential treatment to political allies, and so forth.

These controls violate the spirit and intent of the trade-agreements program. I regard it as much too optimistic a view to say that they are only temporary, and that their effects are merely transitory.

Now let us consider briefly some of the examples.

The simple ban on imports and exports under British Board of Trade orders of September 4, 1939, and subsequently amended at later dates, prohibited the importation of numerous products, including the following: Fresh fruits, fruit juices, canned vegetables, honey, hops, poultry and game, meat extracts, dried vegetables, flowers, poultry and meat pastes, sausages, meat pies, canned and preserved crabs, lobsters and oysters, and confectionery of all kinds. This is a sample list of the type of ban on imports and exports to which I have referred as being one of the new rules of the game.

Also, there is import and export licensing—a type of control which may allow some flow, but frequently is synonymous with a simple ban on the trade. A partial list of products controlled by the British Government under import licenses is as follows: Tobacco, canned fruits, beef, veal, mutton, lamb, and pork products, paper, pulp, and paper products, wood and timber products, aluminum and aluminum products, eggs and egg products, raw hides and skins, flax, industrial and agricultural machinery.

Also, there are export-licensing controls, ostensibly to conserve domestic supply, but also resulting in enhancing the monopolistic position of the country employing them in the world market, affecting wool, grain, and flour, a wide range of industrial materials, half fabricates, and manufactured goods.

As an example of the commodity type of control, even in cases in which import permits are not required, the British Ministry of Food may control imports and make a Government profit. It may set import prices for commodities that either preclude imports from certain countries or result in depressing the prices thereof. Then, in the organization of distribution, the food supplies acquired may be resold at a profit at domestically fixed prices.

Also, we know that shipping controls are another factor in the situation; and by exercising control over shipping, belligerent governments can designate what commodities are to move, and how space is to be allotted.

The control of foreign exchange is another important factor influencing international trade today. Not only are all pay-

ments for exports and imports closely controlled but in the policy promulgated in South America by Great Britain exports and imports of third-party countries are directly affected, as witness the recent pronouncement that in dealing with South American countries Great Britain will require payment for British goods to be made in dollar exchange, which obviously means that an already limited supply of dollar exchange available for the purchase of American export products will be further reduced to the detriment of our export trade.

Also, there is the growing tendency toward Government monopoly in buying and selling commodities. We already know of the concerted action of the French and British Governments which has resulted in changing a free market into a monopoly market, creating immense bargaining powers against which at the present time we are pitted without adequate means to protect either our export trade or to prevent distortion of our domestic economy.

Finally, there is the wartime preferential treatment of various nations. We already know of the trilateral agreement of the United Kingdom, France, and Turkey. The United States commodity most seriously affected, of course, is tobacco. There are likewise the bilateral agreements of Great Britain with Sweden, Norway, Turkey, Greece, Spain, and Switzerland, and the bilateral agreements of France with Spain and Yugoslavia.

Import licenses are granted in some instances only to empire countries for numerous commodities which are important in world trade.

Mr. President, I wish briefly to cite some of the examples of the export trade we have already lost, and what it means in terms of dollars and cents. According to the information which one is able to obtain, it appears that as a result of the agreement with Turkey we are likely to lose $70,000,000 of tobacco exports, which will be purchased instead in Turkey, Greece, and Bulgaria. The United Kingdom market of $18,000,000 of fresh fruit and $17,000,000 of preserved fruit has been partially lost through the bans which have been already promulgated.

Raw cotton exports to the United Kingdom, averaging over $85,000,000 annually in recent years have been placed in jeopardy by the recent curtailment-of-cotton-imports policy, and the shifting of the purchases to other nations producing cotton of comparable quality.

There is in jeopardy also our normal $29,000,000 worth of exports to the United Kingdom of United States grains, flour, lard, hams, and pork as the result of the strict control which has already been established.

French import control over fruit affects our normal fruit exports of $8,000,000 annually. The French control over imports also curtails the importation of cash registers, spark plugs, fountain pens, dried prunes, insulating boards, typewriters, refrigerators, passenger cars, pharmaceutical supplies, and lubricating oil.

Mr. President, it is often advanced, as an answer to any concern expressed over what is happening to our export trade, that the total figures show a marked increase; but what concerns me is that there has been such a sharp and drastic change in the composition of that trade. Foodstuffs have normally constituted from 11 to 15 percent of our exports, yet in recent months they have amounted to only 5 to 8 percent. Compared with pre-war periods for comparable months, exports of foodstuffs have declined 20 to 30 percent, while manufactured and semimanufactured exports have increased more than 50 percent.

There have been conspicuous decreases in the exports of selected commodities, taking the 2-month period of January 1940 and December 1939, compared with a year ago. Unmanufactured tobacco has fallen off 55 percent; fruits and nuts, 51 percent; apples, 83 percent; oranges, 30 percent; grains and preparations, 38 percent. On the other hand, there have been very conspicuous increases in the exports of selected commodities. Aircraft exports have gone up 419 percent; iron and steel-mill products, 111 percent; copper manufactures, 132 percent; aluminum manufactures, 98 percent.

I think we should not overlook the matter called to the attention of the Senate by the Senator from Oregon [Mr. McNARY], namely, the effect of currency devaluation in the international trade situation and upon the competitive position of the United States.

Mr. President, in this connection I ask to have printed at the conclusion of my remarks a more detailed list, although only partial, of agricultural products affected by import prohibitions imposed by the British Board of Trade on September 4 and 5, 1939, and at later dates.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. LA FOLLETTE. Mr. President, I ask also to have printed in the RECORD data showing the average annual United States imports to the United Kingdom, to France, Belgium, the Netherlands, and Sweden.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 2.)

Mr. WHITE. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. WHITE. The Senator spoke of inhibitions on importations imposed by Britain. Are those restrictions directed against the exports of the United States alone, or are they general in character?

Mr. LA FOLLETTE. In some instances they are directed against the United States, and in some instances they are directed against several countries.

Mr. President, I am glad the Senator asked the question because I am not contending that we can claim discrimination in the accepted sense of that word. My only point is that we are confronted with a situation which threatens seriously and adversely to affect the economy of the United States, and, therefore, that we should be in such a position that we will be equally well armed and equipped in the economic sense to meet not only what has happened up to now but the eventualities of the immediate future.

Mr. WHITE. The Senator is not immediately concerned as to whether this result comes from discrimination or from the general application of import prohibitions?

Mr. LA FOLLETTE. I am not; and I recognize, I may say very frankly, that it is quite natural for Britain and France to curtail their purchases in this country and make purchases elsewhere, and thus to conserve their dollar exchange for the purchase of the commodities which they desire particularly to obtain from us. At the same time I do not think we should refuse to recognize the effect of their policy upon this country, in the first place, and, secondly, its potential threat to any return to a normal world-trade situation in the future, for it must be obvious that if the war has any duration in time at all, the canalizations of trade which are being set up, and the monopolies which are being created, will inevitably result in vested interests being established from the standpoint of nations or colonies; and that there will be undue expansion of productive capacity in the countries enjoying exclusive access to these important markets. I contend that, regardless of what one's position may be in relation to the pending joint resolution, and regardless of whether one has hope that in the future the policies embodied in the pending joint resolution may ultimately prevail in the world, unless we take action to prevent the canalization and the crystallization of trade under the impact of wartime controls and monopolistic practices upon the part of belligerent and other nations, we will be in danger of creating such a situation that it will be impossible to secure consideration of that point of view.

Mr. President, there is not only the effect of these bans upon our export trade, but there is likewise the situation created by the diversion of the purchase of these commodities, the export of which from this country is denied, and the purchase made in other countries.

Take the case of the ban which was placed on the importation of apples from the United States. We find that there was not a cutting off of importation of apples to the United

Kingdom, but, instead, the purchases were diverted to Canada and South Africa.

It has also been announced that the British Government has taken over the entire Australian surplus of canned and dried fruit.

So far as wheat is concerned, a policy has been established of selective buying of wheat which favors the cobelligerent countries of the Empire. Close cooperation between France and Britain carries with it the threat, too, that our wheat may be excluded from their markets unless conforming to the prices they establish.

I wish to call attention to an article appearing in the Washington Post of the 25th of March entitled "British Expect to Buy Less Cotton in United States." I ask unanimous consent that that article may be printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. LODGE in the chair). Without objection, it is so ordered.

(See exhibit 3.)

Mr. LA FOLLETTE. I also wish to call attention to an article entitled "Brazilian Cotton and Britain," published in the New York Times of March 30, 1940, which I ask to have printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 4.)

Mr. LA FOLLETTE. Mr. President, I wish to read briefly excerpts from the London Economist of February 24, 1940, as follows:

Page 326:

"It is estimated that France's food supply can now be covered from home and colonial sources, leaving exportable surpluses of rice, cocoa, tea, rum, palm dates, mahogany, nickel, graphite, and salt. French colonies share the general colonial disadvantage of producing very few of the raw materials of industry, but France reckons that her large colonial purchases, by saving foreign currency, will enable her to buy minerals and ores where they are available.

"Britain * * * has not turned to her colonial empire to any great extent. * * * One exception to the general policy is the Government's decision to buy up the crops in certain colonies. On November 14 the Gold Coast's entire cocoa crop was purchased, and this transaction was followed by bulk purchases elsewhere of tea, sugar, and sisal. Here, however, it is not so much a question of laying in war stocks as of safeguarding colonial producers against the vast maladjustments occasioned by the war."

Also a quotation from page 334 of the same issue:

Page 334 ("Argentina's Market for British Goods"):

"The River Plata markets, especially the Argentine, afford a unique opportunity to Great Britain for the expansion of her export trade. Britain's exceptional opportunity in the Argentine arises mainly from the fact that, in exchange for recent large purchases by Britain and France of Argentine meat, grain, wool, hides, and other products, the Argentine Government's policy is to maintain imports from the Allies at as high a level as possible; and at present relatively few Argentine import permits are granted except for goods of British Empire and French origin."

There is not only the grave danger of the distortion of our own export trade, but there is likewise a threat at least in the situation so far as the American consumer is concerned.

Strategic commodities, the domestic consumption of which is almost wholly from imports, and derived principally from the British and French Empires, are as follows:

Crude rubber, tin, cocoa beans, burlap, cashew nuts, nickel and alloy, diamonds, palm oil, mahogany logs, and chrome ore.

Although there are numerous other factors that affect the supply and price of these commodities, and the effect of any single control measure cannot be easily demonstrated, the set-up obviously has in it a threat to the best interests of the American consumer.

Price changes noted in the following commodities must be viewed in the light of a general 5 to 6 percent increase in the unit value of imports and the general wholesale price level since the beginning of the war. I wish to call attention to the fact that in regard to rubber, for example, it is generally recognized that even before the war the International Rubber Regulation Committee controlled 95 percent of the world's production of crude rubber. About one-half of the United States imports of crude rubber are carried in British vessels. Trade and insurance rates since the war have increased more than 20 percent. In passing it may be said, Mr. President, that recent dispatches indicate that Great Britain expects to make $150,000,000 annual profit in taking over the Nation's shipping and increasing rates as the result of Government control. The price of crude rubber was about 26 percent higher in the last 4 months of 1939 as compared with the previous 4 months.

The United States Tariff Commission report entitled "The European War and United States Imports," on page B-83, contains the following:

The British Government is in a position largely to control the amount of tin which nonproducing countries can obtain. Its need for dollar exchange will presumably be a factor in determining its exercise of this control over shipments to the United States.

The price of tin in the last 4 months of 1939 was about 12 percent higher than the price for the previous 4 months.

The same situation exists so far as cocoa beans are concerned. We are the largest importer of cocoa beans, and we depend not only on Brazil but also on the British and French possessions. In the last 4 months of 1939, as compared with the previous 4 months, prices rose about 28 percent.

British India is practically the only source of jute fiber, which has a wide variety of uses. Its price has increased approximately 13 percent.

In this connection, Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks a table adapted from the United States Tariff Commission report just referred to, entitled "Strategic United States Imports Supplied Largely by British and French Empires," showing the average annual value of imports and the percentage of domestic consumption supplied by such imports.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

(See exhibit 5.)

Mr. LA FOLLETTE. Mr. President, aside from the physical destruction of wealth, the economic curse of modern war is a maladjustment of a nation's productive system, the overexpansion of war industries, and the consequent distortion and unbalancing of the nonmilitary manufacturing and agricultural segments of its economy. Although it is clear that the American people do not want war, or any of the disastrous consequences involved in our participation in war, the present policy of the Federal Government is resulting in an expansion of war industries at the expense of the farmer and nonmilitary manufacturers. Unless we take effective measures to prevent our business structure from being pulled out of shape by the present abnormal demand for arms, munitions, and war materials, we are headed for another bitter and prolonged period of domestic readjustment after this war, greater than the one with which we have been struggling for the past 20 years. Already serious damage has been inflicted on certain American exporting groups, particularly agriculture. The domestic consumer is unprotected against concerted action to control the supply and price of strategic imports. Our export-import pattern, and our general economy, are being distorted by deliberate diversions of normal trade.

Most important of all, we are facing probable permanent loss of many world markets because of the establishment of new channels of world trade fostered by present circumstances. By a policy of control such as my amendment would make possible we could limit foreign purchases of war materials to such amounts as we could safely supply without developing a lopsided productive system. The amendment would establish an export-import control board, composed of the Secretaries of State, Treasury, Interior, Agriculture, and Commerce. The board would be empowered to investigate all discriminations against American trade, and authorized to control exports and imports to and from discriminating countries by means of registration and licensing of all importers and exporters affected.

The four objectives set forth in the amendment are—

First, to maintain for American producers a fair share of the world markets for agricultural commodities and other articles and materials.

Second, to avoid, as far as possible, any effect on our domestic prices for such commodities, articles, and materials

by reason of international prices fixed by belligerents and other nations for similar commodities, articles, and materials.

Third, to protect American consumers against unduly high prices for such imported commodities, articles, and materials.

Fourth, to protect American producers against the dumping of certain commodities, articles, and materials in the United States by belligerents or other nations seeking funds for the conduct of the war or for other purposes.

Mr. President, the establishment of such a board would place the United States in a bargaining position equal to that of belligerent countries. If necessary, the bold use of a market-basket technique of sales, requiring purchasers to maintain a somewhat normal composition of purchases under threat of withholding necessary and demanded commodities, could be a powerful weapon for our protection. But the mere presence of such power, not its actual use, might suffice. How the United States can go on in this situation without implementing the devices and the power which our Government can utilize to protect us in this very difficult situation is beyond my comprehension.

I know it may be said, as it has been said elsewhere, that the existence of trade agreements is a means whereby we can protect our interests in the international situation. The fact may be brought out that a quota was established to protect the fur industry, and that we have obtained a quota arrangement with Canada for the importation of pork. But, Mr. President, I contend that we cannot place reliance upon the existing trade agreements, or further extension of the power to negotiate them, as a means of protecting us in a world which is armed to the teeth, not only literally but from an economic standpoint—a world in which not only so-called totalitarian nations are utilizing totalitarian techniques, but a world in which all belligerents have resorted to totalitarian methods of control as a means of economic warfare.

Trade agreements are no adequate protection to the people of this country, for the simple reason that the only power which could be utilized under the trade agreements is a threat to abrogate and to set them aside. Let us be frank about it. With all due respect to the Secretary of State, everyone knows that the trade-agreements policy is the keystone in the arch of his administration. We know that he would be the last man to want to strike down one of these trade agreements. Therefore it is absolutely essential, not only in the light of what has already transpired, but more important still in the light of what we can expect in the immediate future, that we should empower the Executive arm of the Government with an instrumentality which it can utilize to meet and thus to protect our Nation and its people from the effect of economic warfare. Already, Mr. President, as I have briefly tried to show this afternoon, many of the actions so far taken have had an adverse effect upon our export trade and our domestic economy.

If the war in Europe becomes a total war, what has been done up to this time will seem like mere child's play compared with the situation which will confront us in the immediate future. It is because I believe that the mere establishment of the proposed board would go a long way toward strengthening the arm of this Government in its negotiations, and because I believe that the Congress would thus discharge its responsibility in endeavoring to protect the American producer and consumer, that I am urging the Senate to adopt this amendment.

Naturally, Mr. President, if the eventualities which I foresee do not materialize it will be unnecessary to invoke the power to license the imports and exports from particular nations abroad. But if we do not set up such an agency now and equip the Government with the power to deal with the situation, I think we may find, even before the Congress returns next January, that situations will have developed which will require a special session of Congress.

I appeal to the Senate to adopt this amendment and thus to discharge its responsibility. I hope that at the appropriate time I may secure a yea and nay vote on the amendment.

EXHIBIT 1

BRITISH TRADE CONTROLS

Partial list of agricultural products affected by importation prohibitions imposed by British Board of Trade on September 4 and 5, 1939, and later dates: Fresh fruits, fruit juices, canned vegetables (other than tomatoes), honey, hops, poultry and game, meat extracts, dried vegetables (other than peas, beans, and lentils), flowers, poultry and meat pastes, sausages, meat pies, canned and preserved crabs, lobsters and oysters, confectionery of all kinds.

Partial list of products requiring import licenses and date effective (foreign-exchange permits necessary for all other products not controlled by import licenses): Beef, veal, mutton, lamb, and pork products (February 9); tobacco (January 1); paper, pulp, and paper products (February 9); wood and timber products (December 27); aluminum and aluminum products (January 25); egg and egg products (December 11); raw hides and skins (October 20); industrial and agricultural machinery (October 24); flax (November 20); wicker furniture and basketware (November 20); canned fruits.

Export licensing controls have been applied to a wide range of industrial materials, half-fabricates, and manufactured goods, grain and flour, wool, etc. (ostensibly to conserve domestic supply, probably actually to enhance its world economic position also).

Example of centralized monopoly buying: All sales of cereals and cereal products for importation into the United Kingdom are made through the cereals advisory control board.

Example of price-fixing controls: British Government establishes maximum wholesale prices to be paid for meat; all imports are subject to the complete requisition (and resale thereof) by the Ministry of Food.

EXHIBIT 2

Average annual United States exports to United Kingdom

[1934–37, 4-year average in millions of dollars]

Raw cotton	84
Tobacco	70
Fresh fruit	18
Preserved fruit	17
Machine tools	17
Wood, sawn	17
Lubricating oil	14
Gasoline	12
Chemicals	11
Fur skins	10
Grains and flour	10
Lard	10
Hams and pork	9
Wearing apparel and leather footwear	7

TOTALS BY YEARS

1934	413
1935	429
1936	463
1937	564
1938	521
1939	505

Average annual United States exports to France

[1934–37, 4-year average in millions of dollars]

Cotton, raw and waste	45
Mineral oils	29
Machinery	19
Copper	8
Fruits and nuts	8
Automobiles	4
Tobacco	4
Chemicals	3

TOTALS BY YEARS

1934	143
1935	118
1936	151
1937	161
1938	133
1939	181

Average annual United States exports to Belgium

[1934–37, 4-year average in millions of dollars]

Raw cotton	10
Automobiles and parts	8
Oil	6
Grains	3
Linseed oil cake	3
Fruits	2

TOTALS BY YEARS

1934	46
1935	47
1936	49
1937	80
1938	77
1939	65

Average annual United States exports to the Netherlands

[1934–37, 4-year average in millions of dollars]

Raw cotton	6
Machinery	5
Grains	5
Fruits and nuts	3
Tobacco	3
Iron and steel	3
Automobiles	3
Gasoline	3
TOTALS BY YEARS	
1934	46
1935	43
1936	46
1937	75
1938	97
1939	97

Average annual United States exports to Sweden

[1934–37, 4-year average in millions of dollars]

Raw cotton	7
Nonferrous metals	5
Fruits and nuts	3
Iron and steel	3
Tobacco	3
Oil	3
Gasoline	2
TOTAL EXPORTS BY YEARS	
1934	39
1935	47
1936	54
1937	76
1938	64
1939	97

EXHIBIT 3

[From the Washington Post of April 25, 1940]

BRITISH EXPECT TO BUY LESS COTTON IN THE UNITED STATES—WILL PURCHASE STAPLE FROM SOUTH AMERICA IN BID FOR TRADE

British trade authorities have informed American officials that the United Kingdom expects to curtail purchases of American cotton in a further move to conserve foreign exchange.

Disclosing this yesterday, Agriculture Department officials forecast difficulties in disposing of 1940 cotton abroad and predicted that the Government would again be asked to advance large sums to growers in the form of loans on unmarketable surpluses.

The United Kingdom has been by far the largest recent importer of American cotton. It took 1,526,000 bales in the 7 months ended March 1, compared with only 320,000 bales in the same period a year previously.

BRITISH BID FOR LATIN TRADE

Increased imports in the last few months by France, Italy, Japan, and several other countries, as well as by the British, have put American cotton exports at the highest level in several years. The total for the marketing season ending July 31 is expected to be in excess of 6,000,000 bales, compared with 3,225,000 last season.

Officials said that Great Britain was preparing to buy more cotton in South America. By so doing it hopes to win a big share of export markets for industrial goods formerly supplied by Germany.

It was explained that British ships which transport cotton from the United States frequently come here empty.

One Agriculture Department cotton authority said that on the basis of present prospects, it was likely that 2,000,000 bales or more of 1940 cotton would have to be kept off the market by means of Government loans. His estimate was based upon a 12,000,000-bale crop.

This season cotton is being withdrawn from storage under loans to supply market needs. The 1939 crop of 11,500,000 bales will run about 2,000,000 bales short of demand.

Great Britain, as a war measure, already has restricted imports of American tobacco and canned fruits and has reduced sharply its imports of apples and several other agricultural products. These steps were taken to save foreign exchange in this country for war supplies.

EXHIBIT 4

[From the New York Times of March 30, 1940]

BRAZILIAN COTTON AND BRITAIN

In line with the British Government's policy of increasing purchases of cotton grown outside the United States, the Liverpool Cotton Association is said to be considering plans for establishing a new contract on which cotton from Brazil would be tendered. Early this week the British Government announced that, to conserve foreign exchange for the purchase of military necessities, in the future it would confine its purchases of cotton as much as possible to countries other than the United States. Brazil now is exporting about 1,250,000 bales of cotton annually, a large part of which compares favorably in quality with that produced in the United States. Since exports of cotton from the United States to Britain has been running at a high rate since August 1, the cessation of purchases will not seriously affect the distribution of last year's crop. However, so far as the coming crop is concerned, it may be a different story.

EXHIBIT 5

Strategic United States imports supplied largely by British and French Empires [1]

(Average annual value of imports and percentage of domestic consumption supplied by imports)

Commodity	Average value of imports, 1936–38	Percent imports to domestic consumption (estimate)	Principal sources
Foodstuffs, etc.:			
Cocoa beans	$35,200,000	100	Gold Coast, Brazil.
Cashew nuts	3,800,000	100	British India.
Sheep, lamb, and goat casings.	7,100,000	26	Australia, New Zealand.
Whisky	50,800,000	10	United Kingdom, Canada.
Sparkling wines	3,000,000	60	France.
Palm oil, nuts, kernels	16,400,000	100	United Kingdom, Netherlands Indies, French Central Africa.
Metals and minerals:			
Tin in bars, blocks, etc	74,900,000	99	British Malaya, United Kingdom.
Nickel and alloys	20,000,000	99	Canada.
Chrome ore	5,500,000	99	Rhodesia, Union of Soviet Socialist Republics.
Crude bauxite	3,200,000	55	British Guiana, Surinam.
Platinum	4,700,000	75	United Kingdom, Union of Soviet Socialist Republics.
Diamonds	12,000,000	100	Union of South Africa.
Calcium cyanamid	2,900,000	100	Canada.
Skins and hides:			
Rabbit skins	15,800,000	99	Australia, France.
Goat and kid skins	20,300,000	95	British India, Brazil.
Calf and kip	3,600,000	22	France, New Zealand.
Wood pulp and paper:			
Standard newsprint	106,900,000	70	Canada.
Spruce boards, planks	6,600,000	40	Do.
Mahogany logs	2,000,000	100	British Honduras.
Textile materials:			
Apparel wools	27,700,000	20	Argentina, New Zealand.
Wool noils	2,600,000	30	United Kingdom, Australia.
Rayon staple fiber	3,600,000	43	United Kingdom, Italy.
Jute, unmanufactured	6,700,000	100	British India.
Burlap and jute fabrics	34,900,000	100	Do.
Rubber: Crude rubber	171,600,000	100	British Malaya.

[1] Adapted from table 2, pp. A–1 to A–26, U. S. Tariff Commission report, The European War and United States Imports, Washington, 1939.

EXHIBIT 6

Composition of exports by major categories

1. LAST QUARTERS OF 1937, 1938, AND 1939 COMPARED

Type of exports	Millions of dollars			Percentage distribution		
	Last quarter, 1937	Last quarter, 1938	Last quarter, 1939	Last quarter, 1937	Last quarter, 1938	Last quarter, 1939
Total exports	1,250	1,034	1,251	100.0	100.0	100.0
Crude materials	330	241	267	26.4	23.3	21.3
Foodstuffs	133	122	114	10.7	11.7	9.1
Semimanufactures	225	175	263	18.0	16.9	21.0
Manufactures	562	496	607	44.9	48.1	48.6

2. DECEMBER OF 1937, 1938, 1939 COMPARED

Type of exports	Millions of dollars			Percentage distribution		
	December 1937	December 1938	December 1939	December 1937	December 1938	December 1939
Total exports	315	266	357	100.0	100.0	100.0
Crude materials	75	49	64	23.9	18.4	17.9
Foodstuffs	34	28	24	10.8	10.5	6.7
Semimanufactures	53	50	76	16.7	18.8	21.3
Manufactures	153	139	193	48.6	52.3	54.1

3. JANUARY OF 1938, 1939, 1940 COMPARED

Type of exports	Millions of dollars			Percentage distribution		
	January 1938	January 1939	January 1940	January 1938	January 1939	January 1940
Total exports	286	210	359	100.0	100.0	100.0
Crude materials	68	36	82	23.8	17.1	22.9
Foodstuffs	40	31	28	14.0	14.8	7.8
Semimanufactures	44	36	75	15.3	17.1	20.9
Manufactures	134	107	174	46.9	51.0	48.4

EXHIBIT 7

Recent changes in composition of exports

(Consideration of all exports of United States merchandise by 4 major categories)

NOTE.—The value of exports in the last 4 months of 1937 was practically equal to the value of exports in the same period (war period) in 1939. The distinct change in composition is apparent from the following table:

[Millions of dollars]

Type of exports	Pre-war—Last quarter, 1937	War—Last quarter, 1939	Percentage change—War to pre-war
All exports	1,250	1,251	
Crude materials	330	267	−19
Foodstuffs	133	114	−14
Semimanufactures	225	263	+17
Manufactures	562	607	+9

The real distortion of United States export trade, however, did not come until about December. Comparisons of the same four categories for the recent months of December and January with a year ago and 2 years ago show the same distortions much more exaggerated.

Type of exports	Percentage changes—Recent (December-January) period compared with—	
	1 year ago	2 years ago
All exports	51	+19
Crude materials	[1] 72	+2
Foodstuffs	−12	−30
Semimanufactures	56	+76
Manufactures	49	+28

[1] Exports abnormally low a year ago.

EXHIBIT 8

Apparent distortion of United States export-import pattern by present European war (war period December–January 1939–40, compared with pre-war comparable period of December–January 1938–39 [1]

CONSPICUOUS INCREASES IN PRINCIPAL EXPORTS

[Millions of dollars]

	Percent	Pre-war period		War period	
		December 1938	January 1939	December 1939	January 1940
Aircraft, including parts, etc	419	5.7	4.9	28.9	25.5
Cotton, unmanufactured	205	19.0	15.0	43.7	59.9
Cotton manufactures	63	5.0	4.0	7.8	6.9
Iron and steel mill products	111	16.3	13.5	33.8	34.4
Iron and steel advanced manufactures	48	4.0	3.1	5.6	4.9
Copper manufactures	132	8.8	5.4	16.4	16.6
Aluminum manufactures	98	1.7	.7	2.3	2.5
Paper and manufactures	98	2.2	1.9	3.9	4.2
Rubber and manufactures	66	2.5	2.2	4.3	3.5
Chemicals and related products	80	11.5	8.9	19.5	17.3
Packing-house products	34	4.6	4.6	5.1	7.2

[1] Adapted from official statistics of the Department of Commerce.

CONSPICUOUS DECREASES IN PRINCIPAL EXPORTS

Grains and preparations	38	8.3	14.4	6.7	7.5
Fruits and nuts	51	10.1	7.3	4.2	4.4
Tobacco, unmanufactured	55	16.3	8.5	5.0	6.1
Passenger cars	30	12.9	8.9	7.5	7.8
Furs, undressed	38	1.4	2.6	.5	2.0

CONSPICUOUS INCREASES IN PRINCIPAL IMPORTS

Crude rubber	110	13.1	12.9	27.0	27.7
Tin (blocks, bars, pigs)	177	3.5	3.9	12.2	8.3
Copper (ore and manufactures)	63	4.3	3.6	6.2	6.7
Wool and mohair (unmanufactured)	124	3.3	4.2	6.1	10.8
Cane sugar (from foreign countries)	518	1.7	3.2	12.9	7.4
Furs and manufactures	142	2.4	2.4	5.1	6.5
Tobacco, unmanufactured	16	2.2	2.8	2.6	3.2

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on March 28, 1940, the President had approved and signed the following acts:

S. 1398. An act to amend the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, as amended, to increase the penalties for peacetime violations of such act; and

S. 2739. An act to amend section 45 of the United States Criminal Code to make it applicable to the outlying possessions of the United States.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, informed the Senate that Hon. SAM RAYBURN, a Representative from the State of Texas, had been elected Speaker pro tempore during the absence of the Speaker.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes;

S. 2977. An act authorizing the construction and maintenance of a dike or dam across Stansbury Creek in Baltimore County, Md.;

S. 3209. An act granting the consent of Congress to the Mississippi State Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Carthage, in the State of Mississippi;

S. J. Res. 153. Joint resolution to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project; and

S. J. Res. 226. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. LUCAS obtained the floor.

Mr. JOHNSON of California. Mr. President, will the Senator yield that I may suggest the absence of a quorum?

Mr. LUCAS. I yield.

Mr. JOHNSON of California. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Schwartz
Ashurst	Donahey	King	Schwellenbach
Austin	Ellender	La Follette	Sheppard
Bailey	Frazier	Lee	Shipstead
Bankhead	George	Lodge	Smathers
Barbour	Gerry	Lucas	Smith
Barkley	Gibson	Lundeen	Stewart
Bilbo	Gillette	McCarran	Taft
Bone	Glass	McKellar	Thomas, Idaho
Bridges	Green	McNary	Thomas, Utah
Brown	Guffey	Maloney	Tobey
Bulow	Gurney	Mead	Townsend
Byrnes	Hale	Miller	Truman
Capper	Harrison	Minton	Tydings
Caraway	Hatch	Murray	Vandenberg
Chandler	Herring	Neely	Van Nuys
Chavez	Hill	Overton	Wagner
Clark, Idaho	Holman	Pepper	Walsh
Clark, Mo.	Holt	Pittman	White
Connally	Hughes	Reed	Wiley
Danaher	Johnson, Calif.	Reynolds	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. LUCAS. Mr. President, I rise in opposition to the amendment offered by the senior Senator from Wisconsin [Mr. LA FOLLETTE], which seeks to extend the authority of the President of the United States under section 350 of the Tariff Act of 1930, as amended.

I always regret to have to disagree with my very able friend the Senator from Wisconsin upon measures which come before the Senate of the United States, but in respect to the pending amendment I am constrained to disagree with the position taken by the Senator for a number of reasons. I do not disagree with the objective or the purpose which the amendment seeks to accomplish. After reading it carefully, it is my understanding that it is to provide for the absolute control of foreign trade, to prevent discrimination against United States commerce by foreign countries, and the dumping of foreign products into United States markets. No Senator can quarrel with that objective. No individual can disagree with that premise. And if I did not think at this moment that this was merely a duplication of existing law, or at least almost a duplication of existing law; and if there were not a delegation of authority to the executive branch of the Government which seems to me greater than perhaps any other delegation of power outside of wartime, I should not hesitate to support the amendment.

But, Mr. President, there are a number of existing laws which deal forcibly and thoroughly, it seems to me, with the subject matter at hand. In ascertaining just what these laws are it is necessary to do a considerable amount of research work to determine how these laws affect the subject matter of the amendment. If one could take all the various provisions dealing with foreign trade, and discriminations against the United States, dealing with the export and the import markets of this Nation; if all the various provisions which are now a part of the law of the land could be codified and brought in under one bill, after a most thorough study by the experts in the various departments as to what each and every one of these provisions actually means, and how far they go, I am sure it would be a very constructive and forward-looking proposition.

The objectives of this measure are doubtless laudable, but the machinery which it provides is an unnecessary duplication of what is already in existence.

As I listened to the Senator from Wisconsin it seemed to me that he made a most powerful argument for the continuation of the trade treaties. Even the argument made in behalf of his amendment is also an argument in behalf of the continuation of the Trade Treaties Act which is now before the Senate of the United States.

I agree with him that no one can look with complacency upon the impact of this war in Europe as it affects our national economy, and it strikes me that that is one of the basic reasons, one of the fundamental thoughts, that is back of the continuation of the trade-treaty program.

We know what totalitarian governments are doing with the canalization of trade. We know what they are doing with respect to monopolies. We know what they are doing with respect to discrimination. They are going to continue to do that so long as the war exists in Europe. The type of legislation which the Senate of the United States is considering at this moment, in my opinion, will do more to take away the shock from that impact when war is finally over than any one piece of legislation yet proposed. At least, Mr. President, we have a program under the reciprocal-trade agreements. I do not say that the reciprocal trade agreements program is perfect. No one will contend it is. But, as I look at the past, and attempt in my limited way to understand what has gone on in the Congress of the United States over a period of years with respect to the tariff-making power of the Congress, and what has and has not been accomplished, it seems to me that under no circumstances in this particular crisis should we fail to continue the one and only program for the protection of our foreign trade in existence in the United States at this time.

Mr. President, I am advised that when the last tariff act, the Smoot-Hawley Act, was written on the statute books of the United States the Congress took some 12 or 15 months before it finally completed the measure.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. That bill was begun in the House of Representatives in December 1928 and was finished in June 1930, which is the equivalent of 19 months expended by both Houses together in the writing of the tariff bill of 1930.

Mr. LUCAS. I thank the Senator from Kentucky. I want to be on the conservative side.

Mr. JOHNSON of California. Mr. President——

The PRESIDING OFFICER (Mr. BARBOUR in the chair). Does the Senator from Illinois yield to the Senator from California?

Mr. LUCAS. I yield.

Mr. JOHNSON of California. I call to the attention of the Senator from Kentucky that during his argument, powerful as it was, made 10 years ago on this subject, he read a statement in which he gave the amount of time occupied in considering tariff measures, and he was demonstrating then that the time occupied in considering tariff measures was not disproportionately great, and those bills had been considered in a reasonable length of time. Does the Senator recall that?

Mr. BARKLEY. I suppose the Senator from California refers to the debate had in the Senate on the flexible-tariff provisions of the act?

Mr. JOHNSON of California. No, I am referring to the time when the Senator from Kentucky made a statement with respect to the amount of time taken in the making of tariff laws.

Mr. BARKLEY. I do not recall exactly the different lengths of time consumed in the writing of previous tariff bills. I am speaking now of the present law, the Smoot-Hawley Tariff Act, the consideration of which consumed 19 months.

Mr. JOHNSON of California. Quite so.

Mr. BARKLEY. And a great deal of that time was consumed, I will say, in the effort of some of us here to prevent some of the monstrosities which later went into that law, the inclusion of which we were not altogether able to succeed in preventing.

Mr. JOHNSON of California. Quite so. But the Senator demonstrated how the other bills had taken but a brief period, and he was demonstrating that, in proving that the bills could be considered and passed by the Congress of the United States within a reasonable time.

Mr. BARKLEY. I do not want to take the time of the Senator from Illinois, although there is no limit upon debate now.

Mr. JOHNSON of California. I beg the Senator's pardon for taking so much of his time.

Mr. LUCAS. That is all right.

Mr. BARKLEY. It has been 10 years since I looked at those figures. One bill that I recall referring to was the Underwood tariff bill, consideration of which was begun in April 1913, and I think completed in September of that year.

Mr. JOHNSON of California. The Senator ran down the line and gave the time consumed in the consideration of the various tariff bills.

Mr. BARKLEY. That may be.

Mr. JOHNSON of California. I will bring the Senator the statement.

Mr. BARKLEY. That still does not controvert the statement that the one we are operating under now required 11 months for its consideration.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Pennsylvania.

Mr. DAVIS. I pointed out yesterday that the Senator from Kentucky [Mr. BARKLEY] did not tell us that during the 19 months he said elapsed between the inception and approval of that act, Congress in the same period, and in addition to the Tariff Act, passed 89 private acts, 109 public resolutions, and 378 public acts. Neither did he indicate the relatively small number of items in a trade agreement when placed in comparison with a major revision of the tariff, with its thousands of items and its highly controversial administrative features nor the 235 yea-and-nay votes in the Senate alone, all of which constitute a magnitude that no trade agreement could possibly attain.

The Trade Agreements Act was approved June 12, 1934, and it has taken nearly 6 years to negotiate and put into effect 22 agreements; and the total of items negotiated does not approach the number in the Tariff Act of 1930.

Mr. LUCAS. Mr. President, I appreciate the contributions made to this argument by various distinguished Senators. However, the fact remains, regardless of the number of laws that were passed, that 19 months were required before the Smoot-Hawley tariff was finally put through.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. It is true that a few bills were sandwiched in between various portions of the consideration of the Smoot-Hawley bill. I hold in my hand a pamphlet containing nothing but the roll calls in the United States Senate on the Smoot-Hawley tariff. There are 352 pages of roll calls alone. This pamphlet does not contain any of the arguments made for or against amendments, or the bill itself.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Pennsylvania.

Mr. DAVIS. I call the attention of the Senator to the fact that I pointed out that there were 235 roll calls.

Mr. LUCAS. On the Smoot-Hawley tariff alone?

Mr. DAVIS. That is correct.

Mr. LUCAS. The longer we debate the more convinced I become that the trade-agreement program is a proper one to continue. If any other Senator wishes me to yield, I shall be glad to do so, because Senators are making a splendid contribution to my argument.

Mr. DAVIS. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. DAVIS. As I cited from the RECORD, at the time of the debate on the Smoot-Hawley tariff 1,108 pages were consumed in that debate by the Democrats. The Republicans consumed 791½ pages, and the so-called insurgents consumed 799½ pages.

Mr. LUCAS. It is apparent that the Democrats were trying to stop the Smoot-Hawley tariff, because they talked more than did the Republicans, and I commend them for their efforts at that time. I think they were on the right track then, and I think we are on the right track now with respect to the tariff situation.

Mr. DAVIS. If the present division were about the same as it was during the time of the Smoot-Hawley debates, the pending measure would not have a Chinaman's chance to pass.

Mr. LUCAS. The Senator can draw his own conclusions on that question, but I say that every statement which has been made in the colloquy between the Senator from Pennsylvania [Mr. DAVIS], the Senator from Kentucky [Mr. BARKLEY], and the Senator from California [Mr. JOHNSON] merely corroborates and intensifies the point I made a moment ago, that some 15 months of almost constant hearings before committees of Congress were required before the Smoot-Hawley Tariff Act could be passed. No one would understand that the Senate was in continuous session during that time. I imagine that at that particular time the Senator from Pennsylvania was interested in certain articles, and that he required several weeks to obtain what he had to have for his constituents in Pennsylvania, and I congratulate him for it.

Mr. DAVIS. The Senator from Pennsylvania was not personally interested in the tariff act at that particular time.

Mr. LUCAS. The Senator is very much interested in the trade-agreements program now before us.

At any rate, Mr. President, getting back to the point I made, in the event we do not continue the trade-treaty program, what is the program of the Congress of the United States with respect to our foreign policy dealing with our commercial trade with foreign nations? Do we revert to the Smoot-Hawley Tariff Act? Do we remain in statu quo so far as the trade agreements are concerned? What door is open for the Secretary of State or the President of the United States or any other governmental agency to go through to take care of the United States, so far as her commercial trade is concerned, in a way that would be satisfactory to every Senator? It seems to me that there is absolutely no program left if we discard the trade-agreements program at this time.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Michigan, because I know he can tell me about the program.

Mr. VANDENBERG. Mr. President, I think there is an alternative. Entirely aside from political considerations, I think it would be very unfortunate if the alternative were not in mind. I completely agree with the Senator regarding the iniquity of a general tariff revision. The word "iniquity" is hardly a strong enough word to describe general tariff revisions. I think that if I were to confront another I should quit and go home rather than suffer the burdens of such a horrible experience.

Mr. LUCAS. I think that is a grand confession for the Senator to make.

Mr. VANDENBERG. I do not know that it needs to be labeled a confession, because that is a rather invidious word under the circumstances.

Mr. LUCAS. If it is invidious, I withdraw it.

Mr. VANDENBERG. I think there is an alternative. I think that the elastic provision of the tariff, if reduced to a practical basis, can keep our tariffs in relationship to American costs of production rather scientifically all the time, without the necessity of a general tariff revision. It is that sort of objective toward which I should like to labor.

Mr. LUCAS. What the Senator suggests may perhaps be ideal from his viewpoint; but how does he propose to do it in the event we discard the trade-treaty program? How can the Congress meet the situation which the Senator is now discussing? That is what I should like to know, and what I think the country would like to know.

Mr. VANDENBERG. I think it could be done through the creation of a foreign trade board.

Mr. LUCAS. How long would it take us to set up such machinery?

Mr. VANDENBERG. I think we could create it long before we shall have any opportunity effectively to negotiate additional trade agreements in this war period and in the period of post-war readjustment. I think it could be done before this session of Congress adjourns if there were any inclination to that end. But even though no new instrumentality were created, I revert to the fact that we already have an elastic tariff clause which can be administered through the Tariff Commission if the law is merely amended so as to change the cost-of-production rule to a basis of American costs rather than the difficult basis of comparing American and foreign costs, if the Senator follows me.

Mr. LUCAS. I follow the Senator, and for a long time have attempted to follow him upon the formula of the cost of production. I also followed the distinguished Senator from Georgia [Mr. GEORGE] the other day when he made a most penetrating and scientific speech on that very question. When I read the Senator's remarks upon that question, and read the remarks of the Senator from Georgia upon the formula of cost of production, and read what distinguished men in the Tariff Commission have said about that very thing, how uneffective, elusive, and shadowy it is, so far as forming any real base for the accomplishment of the objective desired by the distinguished Senator from Michigan is concerned, I am constrained to disagree with the Senator from Michigan. I say that what he suggests might be a factor, but it is a slight factor, and it is an unknown factor. As tariff men have said, cost of production abroad can never be computed in a way which is satisfactory so far as the making of tariff rates is concerned.

Mr. VANDENBERG. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield to the Senator from Michigan.

Mr. VANDENBERG. I think that all the comments to which the Senator refers deal with the difficulty of obtaining foreign costs and comparing American costs with them.

Mr. LUCAS. That is correct.

Mr. VANDENBERG. I am saying that that difficulty can be simplified by basing the computation upon the landed foreign cost in the United States. I agree that it is exceedingly difficult to obtain foreign costs; but I am not closing the door to the possibility that a far more tangible rule of costs can be produced within our own jurisdiction, where we can obtain the information with reasonable accuracy and conclusiveness.

Mr. LUCAS. Will the Senator elaborate on what he means by the landed foreign cost?

Mr. VANDENBERG. I mean the cost of a commodity landed in the United States, as compared with the cost of producing that commodity in the United States.

Mr. LUCAS. Does not that method necessarily mean that we must determine the cost abroad before we can determine the landed cost?

Mr. VANDENBERG. No; because we know what we are paying for the import.

Mr. LUCAS. That may be true.

Mr. VANDENBERG. I realize that the subject is still somewhat nebulous. I am undertaking to say to the Senator that, so far as I am concerned, when I turn my back on the reciprocal trade treaty formula of operating tariffs, I am not turning my face back to general tariff revision. I am seeking to find the middle ground on which it can be done through the Tariff Commission or a foreign trade board operating under definite cost-of-production criteria.

Mr. LUCAS. I appreciate the Senator's viewpoint and moderation. I do not altogether disagree with the viewpoint, but I cannot follow him as to how long it would be before we could obtain the necessary machinery to put into effect what he has in mind; and what would happen to our national economy in the meantime.

Mr. President, I do not believe that we shall have peace across the way for some time. Nevertheless, my opinion is only the opinion of one individual. I have discussed the question of the war across the way with others who can see an outcome different from the one I contemplate. I say that if there was ever a time of emergency in the United States insofar as our commercial relations with foreign governments are concerned, it is at this very moment. If the reciprocal trade agreement program was an emergency program 3 years ago, it is a triple-emergency program at this very moment.

I shudder to think what would happen to the United States of America in dealing with totalitarian governments across the pond in the event peace should come to the world within the next 3 or 4 or 6 months and we should have no program so far as our trade relations are concerned. I firmly believe that in the event the trade treaty agreements law is not extended for another 3 years, the Congress of the United States will be called upon to do something in the way of drafting a program. We cannot sit idly by and let the situation drift without knowing where we are going, without a definite policy on the most important economic question confronting the United States. No, Mr. President, we must have a program of some kind.

It is all very well to say that I have a program, and some other Senator has a program, and that we shall get together within a short time, and that the Congress of the United States will be able to agree upon a program of moderation which will meet all the contingencies in connection with this very, very important question. History refutes that argument. The 15 months of tariff logrolling in connection with the Smoot-Hawley bill, the last tariff bill passed by the Senate of the United States, is an effectual answer to the argument that we can agree in a short while upon an adequate program different from the one now before us for consideration.

Mr. President, the world is in turmoil, confusion, and chaos. Thank God, America stands at peace; and under the Neutrality Act we have laid down a policy which says that we will not send manpower across the seas to participate in the air, on the land, or on the sea. In my humble opinion, we have laid down a policy which says that America will never see another cemetery of American youth on foreign soil.

When the time comes across the sea for civilization to resume its march—and I say that there is a chance that civilization may be almost destroyed, or at least seriously crippled, as the result of the war in Europe—when the time comes when the warring nations must have peace—and that time will come, whether within 3 months, 6 years, or 30 years—this country, in my humble judgment, should be in a position to aid in binding up the wounds inflicted by the wrath and the destruction incident to cruel war. They will need us, yes, the world will need us more than it has ever needed the United States of America before, and this Nation must be in a position to help rectify the economic abnormalities created by war if we are ever to have peace on earth and good will toward men. That is one of the reasons I feel so strongly about the reciprocal-trade agreements and the reciprocal-trade program.

My State is affected by them. Blackstrap molasses is coming up the Illinois River, duty free, from the tropical country of Cuba, and competing with the corn farmer in the corn belt of Illinois. Zinc smelters in my State are complaining about the reciprocal-trade agreements. Sago and tapioca imported into this country are competing with the produce of those who make the fine corn sirup which is served upon the breakfast tables of Senators every morning. Mr. President, I sympathize with and appreciate the position of those people, and, as a United States Senator, I have tried to do something for them. But the principle of the Trade Agreements Act, affecting the national economy of this country, affecting the international economy of the world, so to speak, to me is so much more vital to the general welfare than individual problems that, so far as I am concerned, I am forced to look to the larger aspect of the problem, and I will have to take my chances and suffer the consequences of the displeasure of those who unfortunately are adversely affected by this program.

There was never legislation written by the Congress of the United States that did not affect unfavorably this industry or that, in one way or another. Has there ever been formulated a tariff program that was satisfactory to everyone? Was the Smoot-Hawley tariff program in keeping with the best interests of American industry, agriculture, and labor? Certainly not. Someone is always unfavorably affected, someone is always injured by practically every law that is passed, depending upon geography, climate, industry, population, and a great number of other factors which vary in particular sections of the country.

Mr. President, I have digressed from the subject matter of the amendment I was discussing, but to me the proposed extension of the trade-agreements program is legislation that looks far down the mountainside, it is legislation that is vital to the future of this great country of ours, and I shall stand for legislation of that type irrespective of what may happen to my political fortunes in Illinois. What may happen to me is not of great importance; individuals are only the means or instrumentalities through which Governments function, but insofar as I am concerned it does mean something to me to support a program in which I conscientiously believe and which will affect the future of this great country of ours. I may be wrong about it, and those who take the opposite view may be right. I question no one's motives or sincerity of purpose in the discussion of this tremendously important program. I do not claim that I know all about the program, either. I merely say that I have formed the best judgment about this legislation of which I am capable, after reading all I could read about it, and considering it from every angle, and I am convinced that it is a program designed to aid the greatest number in this great Republic.

Now I wish to return to a discussion of the amendment of the Senator from Wisconsin. As I said, I think it has a laudable purpose, but it seems to me that legislation has already been enacted covering what the Senator seeks to do.

For instance, in existing law provision is made for the imposition of countervailing duties on subsidized imports. That is found in section 303 of the Tariff Act. It is rather a lengthy section, and, in order to make the RECORD complete, in order to keep from taking more time of the Senate, I ask unanimous consent to insert in the RECORD at this point section 303 of the Tariff Act of 1930, which deals with countervailing duties, and which, as I see it, is applicable to the amendment before the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

COUNTERVAILING DUTIES

[U. S. C., title 19, sec. 1303 (sec. 303, Tariff Act of 1930)]

Whenever any country, dependency, colony, province, or other political subdivision of government, person, partnership, association, cartel, or corporation shall pay or bestow, directly or indirectly, any bounty or grant upon the manufacture or production or export of any article or merchandise manufactured or produced in such country, dependency, colony, province, or other political subdivision of government, and such article or merchandise is dutiable under the provisions of this chapter, then upon the importation of any such article or merchandise into the United States, whether the same shall be imported directly from the country of production or otherwise, and whether such article or merchandise is imported in the same condition as when exported from the country of production or has been changed in condition by remanufacture or otherwise, there shall be levied and paid, in all such cases, in addition to the duties otherwise imposed by this chapter, an additional duty equal to the net amount of such bounty or grant, however the same be paid or bestowed. The Secretary of the Treasury shall from time to time ascertain and determine, or estimate, the net amount of each such bounty or grant, and shall declare the net amount so determined or estimated. The Secretary of the Treasury shall make all regulations he may deem necessary for the identification of such articles and merchandise and for the assessment and collection of such additional duties.

Mr. LUCAS. Mr. President, there is in title II of the Emergency Tariff Act of 1921 a provision which also has a bearing on the subject, in that it imposes additional duties in case of dumping. As it is also somewhat lengthy, I ask unanimous consent that it be placed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

ANTIDUMPING LAW

[U. S. C., title 19, sec. 160 and sec. 161 (a) (Antidumping Act, 1921)]

160. (a) Whenever the Secretary of the Treasury (hereinafter called the Secretary), after such investigation as he deems necessary, finds that an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation into the United States of a class or kind of foreign merchandise, and that merchandise of such class or kind is being sold or is likely to be sold in the United States or elsewhere at less than its fair value, then he shall make such finding public to the extent he deems necessary, together with a description of the class or kind of merchandise to which it applies in such detail as may be necessary for the guidance of the appraising officers.

(b) Whenever, in the case of any imported merchandise of a class or kind as to which the Secretary has not so made public a finding, the appraiser or person acting as appraiser has reason to believe or suspect, from the invoice or other papers or from information presented to him, that the purchase price is less, or that the exporter's sales price is less or likely to be less, than the foreign market value (or, in the absence of such value, then the cost of production) he shall forthwith, under regulations prescribed by the Secretary, notify the Secretary of such fact and withhold his appraisement report to the collector as to such merchandise until the further order of the Secretary, or until the Secretary has made public a finding as provided in subdivision (a) in regard to such merchandise.

161. (a) In the case of all imported merchandise, whether dutiable or free of duty, of a class or kind as to which the Secretary of the Treasury has made public a finding as provided in section 160 of this title, and as to which the appraiser or person acting as appraiser has made no appraisement report to the collector before such finding has been so made public, if the purchase price or exporter's sales price is less than the foreign market value (or, in the absence of such value, than the cost of production) there shall be levied, collected, and paid, in addition to the duties imposed thereon by law, a special dumping duty in an amount equal to such difference.

Mr. LUCAS. Mr. President, there is a law now on the statute books which penalizes imports from countries discriminating against United States commerce by imposing penalty duties. I refer to section 338 of the Tariff Act, and I ask unanimous consent that that section be inserted in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

DISCRIMINATION AGAINST AMERICAN COMMERCE

[U. S. C., title 19, sec. 1338 (a), (b), (d), and (e) (sec. 338, Tariff Act of 1930)]

(a) Additional duties: The President, when he finds that the public interest will be served thereby, shall by proclamation specify and declare new or additional duties as hereinafter provided upon articles wholly or in part the growth or product of, or imported in a vessel of, any foreign country whenever he shall find as a fact that such country—

(1) Imposes, directly or indirectly, upon the disposition in or transportation in transit through or reexportation from such country of any article wholly or in part the growth or product of the United States any unreasonable charge, exaction, regulation, or limitation which is not equally enforced upon the like articles of every foreign country; or

(2) Discriminates in fact against the commerce of the United States, directly or indirectly, by law or administrative regulation or practice, by or in respect to any customs, tonnage, or port duty, fee, charge, exaction, classification, regulation, condition, restriction, or prohibition, in such manner as to place the commerce of the United States at a disadvantage compared with the commerce of any foreign country.

(b) Exclusion from importation: If at any time the President shall find it to be a fact that any foreign country has not only discriminated against the commerce of the United States, as aforesaid, but has, after the issuance of a proclamation as authorized in subdivision (a) of this section, maintained or increased its said discriminations against the commerce of the United States, the President is hereby authorized, if he deems it consistent with the interests of the United States, to issue a further proclamation directing that such products of said country or such articles imported in its vessels as he shall deem consistent with the public interests shall be excluded from importation into the United States.

* * * * * * *

(d) Duties to offset commercial disadvantages: Whenever the President shall find as a fact that any foreign country places any burden or disadvantage upon the commerce of the United States by any of the unequal impositions or discriminations aforesaid, he shall, when he finds that the public interest will be served thereby, by proclamation specify and declare such new or additional rate or rates of duty as he shall determine will offset such burden or disadvantage, not to exceed 50 percent ad valorem or its equivalent, on any products of, or on articles imported in a vessel of, such foreign country; and 30 days after the date of such proclamation there shall be levied, collected, and paid upon the articles enumerated in such proclamation when imported into the United States from such foreign country such new or additional rate or rates of duty; or, in case of articles declared subject to exclusion from importation into the United States under the provisions of subdivision (b) of this section, such articles shall be excluded from importation.

(e) Duties to offset benefits to third country: Whenever the President shall find as a fact that any foreign country imposes any unequal imposition or discrimination as aforesaid upon the commerce of the United States, or that any benefits accrue or are likely to accrue to any industry in any foreign country by reason of any such imposition or discrimination imposed by any foreign country other than the foreign country in which such industry is located, and whenever the President shall determine that any new or additional rate or rates of duty or any prohibition hereinbefore provided for do not effectively remove such imposition or discrimination, and that any benefits from any such imposition or discrimination accrue or are likely to accrue to any industry in any foreign country, he shall, when he finds that the public interest will be served thereby, by proclamation specify and declare such new or additional rate or rates of duty upon the articles wholly or in part the growth or product of any such industry as he shall determine will offset such benefits, not to exceed 50 percent ad valorem or its equivalent, upon importation from any foreign country into the United States of such articles; and on and after 30 days after the date of any such proclamation such new or additional rate or rates of duty so specified and declared in such proclamation shall be levied, collected, and paid upon such articles.

Mr. LUCAS. Mr. President, there is also an act prohibiting the importation of any article from a country which discriminates against the United States. I refer to section 804 of the revenue act. I ask unanimous consent that that section may be inserted in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

PEACETIME DISCRIMINATION AGAINST UNITED STATES PRODUCTS

[U. S. C., title 15, sec. 75 (sec. 804, Revenue Act of 1916)]

Whenever any country, dependency, or colony shall prohibit the importation of any article the product of the soil or industry of the

United States and not injurious to health or morals, the President shall have power to prohibit, during the period such prohibition is in force, the importation into the United States of similar articles, or in case the United States does not import similar articles from that country, then other articles, the products of such country, dependency, or colony. * * *

Mr. LUCAS. There is another section under which clearance of vessels may be withheld. I refer to section 806 of the revenue act, and then there is section 337 of the tariff act under which imported goods benefiting from unfair-trade practices may be penalized by exclusion from entry. I ask unanimous consent that both sections may be inserted in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

WARTIME DISCRIMINATION AGAINST AMERICAN COMMERCE—UNITED STATES NEUTRAL

[U. S. Code, title 15, sec. 77 (sec. 806, Revenue Act of 1916)]

Whenever, during the existence of a war in which the United States is not engaged, the President shall be satisfied that there is reasonable ground to believe that any vessel, American or foreign, is, on account of the laws, regulations, or practices of a belligerent government, making or giving any undue or unreasonable preference or advantage in any respect whatsoever to any particular person, company, firm, or corporation, or any particular description of traffic in the United States or its possessions, or to any citizens of the United States residing in neutral countries abroad, or is subjecting any particular person, company, firm, or corporation, or any particular description of traffic in the United States or its possessions, or any citizens of the United States residing in neutral countries abroad to any undue or unreasonable prejudice, disadvantage, injury, or discrimination in regard to accepting, receiving, transporting, or delivering, or refusing to accept, receive, transfer, or deliver any cargo, freight, or passengers, or in any other respect whatsoever, he is authorized and empowered to direct the detention of such vessels by withholding clearance or by formal notice forbidding departure, and to revoke, modify, or renew any such direction.

Whenever, during the existence of a war in which the United States is not engaged, the President shall be satisfied that there is reasonable ground to believe that under the laws, regulations, or practices of any belligerent country or government, American ships or American citizens are not accorded any of the facilities of commerce which the vessels or citizens of that belligerent country enjoy in the United States or its possessions, or are not accorded by such belligerent equal privileges or facilities of trade with vessels or citizens of any nationality other than that of such belligerent, the President is authorized and empowered to withhold clearance from one or more vessels of such belligerent country until such belligerent shall restore to such American vessels and American citizens reciprocal liberty of commerce and equal facilities of trade; or the President may direct that similar privileges and facilities, if any, enjoyed by vessels or citizens of such belligerent in the United States or its possessions be refused to vessels or citizens of such belligerent; and in such case he shall make proclamation of his direction, stating the facilities and privileges which shall be refused, and the belligerent to whose vessels or citizens they are to be refused, and thereafter the furnishing of such prohibited privileges and facilities to any vessel or citizen of the belligerent named in such proclamation shall be unlawful. * * *

UNFAIR PRACTICES IN IMPORT TRADE

[U. S. C., title 19, sec. 1337 (a) and (e) (sec. 337, Tariff Act of 1930)]

(a) Unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States, are hereby declared unlawful, and when found by the President to exist shall be dealt with, in addition to any other provisions of law, as hereinafter provided.

* * * * * * *

(e) Whenever the existence of any such unfair method or act shall be established to the satisfaction of the President he shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this chapter, shall be excluded from entry into the United States, and upon information of such action by the President, the Secretary of the Treasury shall, through the proper officers, refuse such entry. The decision of the President shall be conclusive.

Mr. LUCAS. I wish to refer also to section 22 of the Agricultural Adjustment Act. In that act the Congress of the United States, in order to meet and adjust the very situation which the Senator from Wisconsin has been discussing, provided that quotas may be imposed on imports should they interfere with the Government's agricultural program. I ask unanimous consent that the section to which I have referred may be incorporated in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

The matter referred to is as follows:

IMPORT SECTION OF AGRICULTURAL ADJUSTMENT ACT (OF 1933)

SEC. 22. (a) Whenever the President has reason to believe that any one or more articles are being or are practically certain to be imported into the United States under such conditions and in sufficient quantities as to render or tend to render ineffective or materially interfere with any program or operation undertaken, or to reduce substantially the amount of any product processed in the United States from any commodity subject to and with respect to which any program is in operation, under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, he shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice and opportunity for hearing to interested parties and shall be conducted subject to such regulations as the President shall specify.

(b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts, he shall by proclamation impose such fees on, or such limitations on the total quantities of, any article or articles which may be entered, or withdrawn from warehouse, for consumption as he finds and declares shown by such investigation to be necessary to prescribe in order that the entry of such article or articles will not render or tend to render ineffective or materially interfere with any program or operation undertaken, or will not reduce substantially the amount of any product processed in the United States from any commodity subject to and with respect to which any program is in operation, under this title or the Soil Conservation and Domestic Allotment Act, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended: *Provided*, That no limitation shall be imposed on the total quantity of any article which may be imported from any country which reduces such permissible total quantity to less than 50 percent of the average annual quantity of such article which was imported from such country during the period from January 1, 1929, to December 31, 1933, both dates inclusive.

(c) The fees and import restrictions proclaimed by the President under this section and any revocation, suspension, or modification thereof, shall become effective on such date as shall be specified in such proclamation, revocation, suspension, or modification, and such fees, which shall not be in excess of 50 percent ad valorem, shall be treated for the purposes of all provisions of law relating to customs revenue as duties imposed by the Tariff Act of 1930.

(d) Any decision of the President as to facts under this section shall be final.

(e) After investigation, report, finding, and declaration in the manner provided in the case of a proclamation issued pursuant to subsection (b) of this section, any proclamation or provision of such proclamation may be suspended by the President whenever he finds that the circumstances requiring the proclamation or provision thereof no longer exist, or may be modified by the President whenever he finds that changed circumstances require such modification to carry out the purposes of this section (49 Stat. 773, sec. 31; 49 Stat. 1152, sec. 5; 50 Stat. 246, sec. 1; Act of Jan. 25, 1940, H. R. 7171, 76th Cong.).

Mr. LUCAS. I also ask to have incorporated in the RECORD section 5 (b) of the Trading With the Enemy Act of October 6, 1917, as amended.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

FOREIGN EXCHANGE CONTROL

[U. S. C., title 12, sec. 95 (a) (sec. 5 (b), Trading With the Enemy Act of October 6, 1917, as amended)]

During time of war or during any other period of national emergency declared by the President, the President may, through any agency that he may designate, or otherwise, investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange, transfers of credit between or payments by banking institutions as defined by the President, and export, hoarding, melting, or earmarking of gold or silver coin or bullion or currency, by any person within the United States or any place subject to the jurisdiction thereof; * * *.

Mr. LUCAS. Mr. President, from this summary, after it is read and studied, it would appear that ample authority already exists to control imports and to penalize the trade of any country which may discriminate against products of the United States.

The provisions of the pending amendment would place heavy burdens on American businessmen engaged in for-

eign trade by compelling them to register with the board and to secure licenses for both imports and exports. In my opinion the power to grant or withhold licenses would constitute a greater delegation of authority to the executive branch of the Government than has ever been made except in time of war.

I am absolutely and unalterably opposed to it on that ground.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I should like to ask the Senator from Illinois if he can understand how any Senator or anybody else who is objecting to the main trade agreements joint resolution now sought to be continued, on the ground that it is an illegal and unconstitutional delegation of power, is willing to vote for a proposition such as this, which delegates to a committee of Cabinet officers set up the right to say to an American citizen who has 100 bales of cotton, or 1,000 bushels of wheat, or 20 hogs, that he cannot export them at all unless he goes down and pays $5 to this committee and obtains their permission to do it. It seems to me this is a so much greater delegation of power to this committee of Cabinet officers than the main trade-agreements resolution granted to the President of the United States there is no comparison whatever between them.

Mr. LUCAS. I thoroughly agree with the Senator from Missouri upon the question of delegation of power. After listening to the able arguments which were made by both sides on the Pittman amendment with respect to delegation of power, and then when I consider what this amendment does with respect to the delegation of legislative power over to the Executive, I am forced to agree with the Senator that there is more power delegated under this proposal than was complained of by those who argued in favor of the Pittman amendment. Mr. President, we may go back over the same arguments that have been made upon delegation of power, and we will find in the proposed delegation of power in the pending amendment no standards and no intelligible principle such as we have been discussing here from day to day—standards which are so necessary when power is delegated from one branch of the Government to the other.

Moreover, the Board, if established, would add appreciably to the cost of Government. It would be empowered "to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties." To exercise so complete a control over foreign trade, that staff would necessarily be large.

Furthermore, the plan as proposed is administratively impractical. A board composed of five members of the Cabinet, each fully occupied with the activities of his department, would find little time to devote to these new duties which would affect so intimately and vitally the economic life of the American people.

The President already has adequate powers to protect the commerce of the United States, and with the renewal of the Trade Agreements Act he will have adequate powers to promote and increase that commerce.

That is the distinction, Mr. President. Under the present statute we now have power to protect our commerce. What we need in this country is the means to promote that commerce; and, in my humble opinion, the promotion of our commerce can be accomplished during the next 10 or 12 or 15 months only through extending the Reciprocal Trade Agreements Act.

In the Tariff Commission, the State Department, and the Treasury the President has competent and trained personnel to advise and assist him in the exercise of these powers.

In conclusion, Mr. President, I am opposed to this amendment because I am opposed to unnecessary impositions of burdensome restrictions and regulations, to indefensible duplications of governmental functions and personnel, and to unwarranted additions to the expense of government, as well as unwarranted delegation of power from the legislative to the executive branch of the Government.

Mr. CLARK of Missouri. Mr. President, I desire to say only a very few words upon this amendment.

In the first place, I agree very fully indeed with the Senator from Wisconsin [Mr. LA FOLLETTE] in his picturization of some of the dangers which present themselves to the United States and to the trade of the United States in the present international situation. It is a situation which I recognized and pointed out during the debate on the Neutrality Act, when I pointed out that the people in some sections of the country were being misled by the hope of a tremendous war boom, with the idea that the warring powers in Europe would be anxious to purchase their wheat or their cotton or their cattle or something else. I pointed out then that Great Britain and other powers would desire to buy their cattle from Argentina and their airplanes and cartridges and guns from us.

If I correctly understand the object of the amendment of the Senator from Wisconsin, frankly it has a laudable purpose. It is to create some Government agency to say to these nations, "If you are not going to pursue your ordinary trade with us, if you are not going to buy the tobacco and the apples and the other things that you have ordinarily been purchasing from us, if you are going to make no allowance for them, we will not sell you the war planes and the bombs and the gun sights and the military and naval secrets of the United States which you do want."

Mr. President, I sympathize with that purpose on the part of the Senator from Wisconsin; but I think such a measure as that has no place upon the Reciprocal Trade Agreements Act, because it has nothing to do with it. It is inconsistent with it, and is on an entirely different subject.

Mr. SHIPSTEAD. Mr. President——

Mr. CLARK of Missouri. I will yield to the Senator from Minnesota in a moment.

Furthermore, as I said a moment ago, it is entirely inconceivable to me how anyone, who believed that the act itself which is now sought to be extended was an illegal and unconstitutional delegation of power, could possibly believe that such a proposition as that contained in the amendment of the Senator from Wisconsin is not very much more so, because the amendment delegates and turns over to a committee of Cabinet members—not even to the President of the United States, but to a committee of Cabinet members—power to say to a man who has a hundred bales of cotton, or a thousand bushels of wheat, or 10 cattle, or 10 sheep, that he shall not export them unless he pays $5 and receives the consent of the committee.

I am glad now to yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Mr. President, the repeal of the embargo on ammunition and implements of war had the same effect as if we had had a limited embargo on the exportation of other commodities from the United States, did it not?

Mr. CLARK of Missouri. I think there can be no question, Mr. President, that the net result of that repeal has been to throw the trade of the belligerents into countries in which they can negotiate purchases without cash payments, or with which they can make alliances which may possibly lead to their becoming allies in the actual hostilities, and greatly to exaggerate such trade as the war-plane and ammunition trade in the United States.

Mr. SHIPSTEAD. Mr. President——

Mr. CLARK of Missouri. I further yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Great Britain having made trade treaties with her dominions under which she is obligated to buy agricultural commodities from them, and the United States having repealed the embargo, she gets ammunition, airplanes, and implements of war here——

Mr. CLARK of Missouri. And probably military secrets.

Mr. SHIPSTEAD. But continues to buy agricultural products from other countries.

Mr. CLARK of Missouri. From Argentina or Turkey or anywhere else that may seem advantageous to her.

Mr. SHIPSTEAD. Yes.

Mr. CLARK of Missouri. Mr. President, I have said all I wish to say. Much as I sympathize with the viewpoint expressed by the Senator from Wisconsin when he very cogently pointed out the dangerous situation which has been created for many American commodities, I do not believe this is either the proper method of reaching it or the proper measure to which to attach such an amendment.

Mr. LA FOLLETTE. Mr. President, I desire to speak briefly in reply to the statements which have been made by the Senator from Illinois [Mr. LUCAS] and the Senator from Missouri [Mr. CLARK].

I am aware of the statutes which the Senator from Illinois has had incorporated in the RECORD as a part of his remarks, but the whole point of this amendment is missed if it is not clear that what it seeks to accomplish is to provide an instrumentality whereby we can protect the trade and the economy of the United States against the totalitarian devices of economic warfare which are being employed by all belligerents that are parties to the present conflict in Europe. Existing statutes, in my opinion, are not adequate for that purpose, nor do they enable the Government of the United States to carry out a program which will act effectively to accomplish the purposes which this amendment sets forth in section 2 (a) thereof.

Mr. President, it is always an effective device in debate to say that this is not the time or place to give consideration to a certain legislative proposal. I do think this amendment is entirely appropriate as an amendment to the pending joint resolution extending the Reciprocal Trade Agreements Act. It has been claimed in many quarters that the reciprocal-trade agreements are in and of themselves an effective means of coping with the totalitarian economic warfare which is being waged in the world today. I think any hope of trade agreements affording any such protection is doomed to tragic disappointment. As stated in my opening remarks, it is preposterous, it seems to me, to claim that the United States, which has initiated and promulgated this policy of reciprocal-trade agreements, will under any circumstances help to tear it down by denouncing the agreements and abrogating them.

To a large extent, so far as the duration of the war is concerned, this fight over the extension of the reciprocal-trade agreements is a sham battle. I do not believe there is any advocate of the reciprocal-trade agreements who would be so lacking in caution as to suggest that, in the economic situation which prevails in the world today in regard to the ever-changing wartime controls of trade and currency, and the depreciation of currency for international trade purposes, any substantial trade agreements are going to be negotiated while the war is in progress. If we are to act, we have to act now; we have to act before the canalization of trade as the result of these wartime controls has become crystallized.

Mr. President, I am not concerned about the delegation of power authorized in the amendment because the power could be exercised only when it was found that other countries were controlling their trade to the detriment of American export trade. Therefore the power to impose the provisions of import and export licenses could be utilized only in connection with a particular country which had acted through the use of control of trade, to the detriment of our own trade.

It is futile to make predictions, but, nevertheless, I make the prediction that if the war continues for any length of time the means to the end suggested in the amendment will seem to be mild in character. The problem of democratic nations today is to work out ways and means of devising democratic control of the necessary powers which will be required in order that we may protect the people of this country and the economy of this Nation in the world as it exists today.

Mr. President, I have no fear on the score that I shall ever have to regret the proposal for the creation of the power proposed to be created by the amendment. I have no doubt that the impact of war upon our economy will, before it is over, challenge the combined abilities of the American people in producing adequate measures under democratic control to protect the vital interests of the United States.

The PRESIDING OFFICER (Mr. BROWN in the chair). The question is on agreeing to the amendment offered by the senior Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HARRISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Holt	Reynolds
Austin	Donahey	Johnson, Colo.	Schwartz
Barbour	Ellender	King	Schwellenbach
Barkley	Frazier	La Follette	Sheppard
Bilbo	George	Lodge	Shipstead
Bone	Gerry	Lucas	Smathers
Brown	Gibson	Lundeen	Smith
Bulow	Gillette	McKellar	Stewart
Byrnes	Green	McNary	Taft
Capper	Guffey	Miller	Thomas, Idaho
Caraway	Gurney	Minton	Thomas, Utah
Chandler	Hale	Neely	Tydings
Chavez	Harrison	Overton	Vandenberg
Clark, Idaho	Hatch	Pepper	Walsh
Clark, Mo.	Hayden	Pittman	White
Connally	Herring	Radcliffe	Wiley
Danaher	Hill	Reed	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAVEZ (when his name was called). I have a pair with the Senator from Missouri [Mr. TRUMAN], who is absent. Not knowing how he would vote, if present, I withhold my vote.

Mr. RADCLIFFE (when his name was called). I have a pair with the junior Senator from North Dakota [Mr. NYE], and in his absence I withhold my vote. If free to vote, I should vote "nay." I am informed that if present and voting the Senator from North Dakota would vote "yea."

Mr. SMATHERS (when his name was called). On this vote I have a pair with the junior Senator from Oregon [Mr. HOLMAN], and in his absence I withhold my vote. If the Senator from Oregon were present and voting, he would vote "yea." If I were permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. JOHNSON of Colorado. The senior Senator from Montana [Mr. WHEELER] is unavoidably detained from the Senate.

Mr. THOMAS of Utah. I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES], which I transfer to the senior Senator from Alabama [Mr. BANKHEAD], and vote "nay."

Mr. LUCAS. My colleague the junior Senator from Illinois [Mr. SLATTERY] is unavoidably detained from the Senate. If he were present, he would vote "nay."

Mr. MCKELLAR (after having voted in the negative). Mr. President, I inquire if the Senator from Delaware [Mr. TOWNSEND] has voted?

The PRESIDING OFFICER. The Chair is informed that that Senator has not voted.

Mr. MCKELLAR. I have a pair with the Senator from Delaware, which I transfer to the senior Senator from New York [Mr. WAGNER], and allow my vote to stand.

Mr. MINTON. I announce that the Senator from Arizona [Mr. ASHURST], the Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Nebraska [Mr. BURKE], the Senator from California [Mr. DOWNEY], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Virginia [Mr. BYRD] is absent, attending the funeral of the late Lieutenant Governor of Virginia.

The Senator from Oklahoma [Mr. LEE], the Senators from New York [Mr. MEAD and Mr. WAGNER], the Senator from Montana [Mr. MURRAY], and the Senator from Indiana [Mr. VAN NUYS] are detained in various Government Departments.

The Senator from Virginia [Mr. GLASS] is unavoidably detained.

The Senator from California [Mr. DOWNEY] has a pair with the Senator from Georgia [Mr. RUSSELL]. I am advised that if present and voting, the Senator from California would vote "yea," and the Senator from Georgia would vote "nay."

Mr. SHIPSTEAD (after having voted in the affirmative). I have a pair with the senior Senator from Virginia [Mr. GLASS], who is not present. I am not informed how the Senator from Virgnia would vote if present, and, therefore, I withdraw my vote.

Mr. LODGE (after having voted in the affirmative). I have a pair with the junior Senator from Virginia [Mr. BYRD]. I am advised that if present he would vote "nay." I withdraw my vote.

The result was announced—yeas 14, nays 48, as follows:

YEAS—14

Bone	Frazier	Lundeen	Vandenberg
Capper	Holt	McNary	White
Clark, Idaho	Johnson, Colo.	Reed	
Davis	La Follette	Thomas, Idaho	

NAYS—48

Adams	Danaher	Hatch	Pittman
Austin	Donahey	Hayden	Reynolds
Barbour	Ellender	Herring	Schwartz
Barkley	George	Hill	Schwellenbach
Bilbo	Gerry	King	Sheppard
Brown	Gibson	Lucas	Smith
Bulow	Gillette	McKellar	Stewart
Byrnes	Green	Miller	Taft
Caraway	Guffey	Minton	Thomas, Utah
Chandler	Gurney	Neely	Tydings
Clark, Mo.	Hale	Overton	Walsh
Connally	Harrison	Pepper	Wiley

NOT VOTING—34

Andrews	Glass	Murray	Thomas, Okla.
Ashurst	Holman	Norris	Tobey
Bailey	Hughes	Nye	Townsend
Bankhead	Johnson, Calif.	O'Mahoney	Truman
Bridges	Lee	Radcliffe	Van Nuys
Burke	Lodge	Russell	Wagner
Byrd	McCarran	Shipstead	Wheeler
Chavez	Maloney	Slattery	
Downey	Mead	Smathers	

So Mr. LA FOLLETTE's amendment was rejected.

WHITE BOOK PUBLISHED BY GERMAN GOVERNMENT

Mr. BARKLEY. Mr. President, during last July Mr. H. J Haskell, managing editor of the Kansas City Star, together with other American newspapermen, visited Paris, and during that visit they called upon our Ambassador to France. In connection with the so-called German White Book, and the colloquies which have taken place in the Senate on that subject, I ask unanimous consent to have read from the desk a very brief editorial published in the Kansas City Star of March 30 with reference thereto.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read as follows:

BERLIN ISN'T IMPRESSIVE

As to those Polish documents published in Berlin, it may be observed in the first place that it is impossible to be sure they are authentic. If the Nazi Government felt anything was to be gained by doctoring the documents they would have been doctored—on the principles laid down in Mein Kampf—for the advantage of the fatherland.

If they are authentic they bear internal evidence of the inaccuracy of diplomatic reporting under the influence of wishful thinking. It is difficult to believe, for instance, that Ambassador Kennedy would have talked as foolishly as he is represented to have talked by the Polish commercial attaché in London.

On the report of the conversation of the Polish Ambassador in London with Ambassador Bullitt a direct bit of evidence may be offered. Mr. Bullitt is represented as saying that if war came the United States would not be in at the start, but would certainly help finish it.

Late last July a member of the Star's staff happened to be calling on the Ambassador in Paris with two other newspapermen. These two expressed the opinion that if there were war and it looked as if the Allies would lose, the United States probably would come to their rescue. Mr. Bullitt sharply disagreed. American sentiment, he said, was overwhelmingly for staying out of any war. He did not believe it would change. Further, he insisted that Americans who politely gave the French any such encouragement were doing France a disservice. He was constantly telling the French Foreign Office, he said, not to pay attention to such reports, for in his opinion American aid would not be forthcoming.

Of course the Star has no knowledge of what Mr. Bullitt may have said to the Polish Ambassador. But it seems exceedingly unlikely that he would have expressed views to the Pole so diametrically opposed to those he expressed to his American callers.

In view of such considerations as these, as well as the known attitude of the Government at Washington, we aren't impressed with the revelations in Berlin.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The PRESIDENT pro tempore. The joint resolution is before the Senate and open to amendment.

Mr. LA FOLLETTE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. —. Section 4 of such act of June 12, 1934, is amended to read as follows:

"SEC. 4. (a) Before any foreign-trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of this act, reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to a Board composed of the Secretaries of State, Agriculture, and Commerce, under such rules and regulations as the President may prescribe. The Board shall report to the President as soon as practicable its recommendations with respect to such agreement and such agreement shall not be concluded until such report is made. Before concluding such agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission and from such other sources as he may deem appropriate.

"(b) No such proposed agreement shall take effect until public hearings have been held by the Board with respect thereto and an opportunity afforded to all interested persons to present their views with respect to any matter contained therein, under such rules and regulations as the President may prescribe. Notice of such hearings shall be published in the Federal Register not less than 30 days before such hearings are to commence and such notice shall contain the complete text of such proposed agreement. The Board shall report to the President as soon as practicable its recommendations with respect to any change in such proposed agreement that the Board may deem advisable; but no such change shall be made after the conclusion of the public hearings provided for in this subsection unless all persons interested in the proposed change were afforded an opportunity to be heard at such hearings with respect to such proposed change."

Mr. LA FOLLETTE. Mr. President, a reading of the amendment is really all that is necessary, for it makes its own argument. The question is whether or not the Congress desires to afford those persons who believe themselves to be directly affected by any proposed trade agreement to have an opportunity to be heard before a board composed of the Secretaries of State, Commerce, and Agriculture upon the specific terms of the agreement.

There has been considerable time consumed in this debate by Senators indicating their dissatisfaction with the present method of conducting hearings, which, as we all know, are held prior to the time when any negotiations are undertaken, and the parties who are interested can appear and discuss the general situation affecting particular commodities.

This amendment would reverse that process and would make it possible for persons vitally affected by the trade agreements to be heard after knowing the terms the agreements are to contain with respect to the commodities in which they are interested. As I view it, the amendment does not in any respect curtail the power of the President, which the Senate has again and again refused to limit in any way; but if the amendment should become law it would afford

every citizen who feels that he has an interest in a proposed trade agreement the right to appear and discuss the provisions of the agreement, which would be known in advance.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. As I understand the amendment, it would prohibit the President from entering into any reciprocal-trade agreement unless the Secretaries of State, Agriculture, and Commerce, constituting the board under his amendment, should recommend that the agreement be entered into; and he would be prohibited from making such an agreement until they reported their recommendations to him. So probably two of these men could veto the entire power of the President to negotiate agreements at all.

Mr. LA FOLLETTE. It is true, Mr. President—if the Senator can conceive of any such situation—that two members of the President's Cabinet, after holding a hearing, might refuse to make a report and recommendation to the President; but I think it is a preposterous assumption, if the Senator will pardon me for so characterizing it. All that is attempted to be done—and everyone knows that all that will be done—is to give persons who are vitally interested in a proposed trade agreement an opportunity to be heard before it is finally negotiated, instead of being invited to come in and give testimony in a general way upon a general subject matter. I think every Senator knows the difference between the procedure now in vogue and the one proposed in the amendment which would afford an opportunity for interested citizens to give testimony bearing on the actual economic effect of a particular rate upon a particular commodity in a proposed trade agreement. I do not see how anyone who believes in the democratic process and who believes in the right of petition and hearing can vote against this amendment. The amendment would not curtail the power of the President one iota, despite the suggestion made by the Senator from Kentucky, because we all know that no member of the President's official family would refuse to discharge his duty and responsibility.

Mr. REED. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. REED. The Senator from Wisconsin very clearly covered the point I had in mind. I want to be certain that I correctly understand him. I do not understand that the President's powers would be curtailed in the slightest. All the amendment would do would be to call for hearings by the board and a report by the board to the President, after which the President could proceed.

Mr. LA FOLLETTE. The Senator is absolutely correct. The board could recommend against completion of the negotiations if it so desired. The President would not have to give any consideration to its recommendation. There would be no curtailment of his power under the amendment, but it would set up a procedure under which the citizens of the United States and others vitally concerned by the trade agreements would have an opportunity to present their cases upon specific terms, knowing exactly what is proposed to be done, whereas now they have the privilege of coming in and discussing in general terms the economic situation and the competitive situation so far as the particular commodity is concerned. I am not a lawyer, Mr. President, but I feel satisfied that every lawyer in this body will agree with me that it is one thing to argue a general question and quite another thing to be able to present evidence and arguments upon a specific proposal. That is all the amendment provides for. For the life of me I cannot see why there should be any objection to it, unless it be an objection based on fear that public opinion might be aroused.

Mr. President, I do not think that argument ought to have one feather's weight in the consideration by Senators of this amendment. If the trade agreements are defensible, and if the particular negotiations are sound, they can stand the light of day and test of argument before they are finally negotiated. We might just as well say that we would not have any public hearings on an important bill because public sentiment might be aroused about it.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Michigan.

Mr. VANDENBERG. The State Department has put great emphasis upon the approval it has received from the American Farm Bureau Federation in connection with the trade-treaty program. It has been very proud of the attitude of the American Farm Bureau Federation. However, my recollection is that the American Farm Bureau Federation's proposal was limited to a requirement for obtaining the agreement of three Cabinet officers before a trade agreement should become effective. I judge that the purpose of the American Farm Bureau Federation in asking for that check is precisely the objective which the Senator from Wisconsin is trying to reach.

Mr. LA FOLLETTE. The part of the amendment which sets up the board composed of the Secretaries of Commerce, Agriculture, and State is in complete harmony with the position taken by the representatives of the American Farm Bureau Federation and the position taken by Mr. Thatcher, representing the National Farmers Union. Their minimum demand, as I understood it, was the creation of a board which would have to make recommendations to the President, the board to be composed of the Secretaries of State, Agriculture, and Commerce. But, Mr. President, the amendment further provides—as Senators will observe if they will read paragraph (b) on page 2—an opportunity for a hearing before the board upon the specific terms of a proposed agreement.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. SHIPSTEAD. As I understand the amendment from reading it hurriedly, it seems to me that the officials of the State Deartment who are empowered to negotiate are not compelled to take into consideration the views of those who may be heard in protest, no matter how reasonable they may be.

Mr. LA FOLLETTE. Mr. President, I know of no way in the world in which by statute we can compel the consideration of evidence presented unless we provide for judicial review; but I think that a legislator must assume that there will be a reasonably sympathetic compliance with legislation which is enacted. If we do not make that assumption we might as well not pass any legislation at all. I think it follows logically that if such hearings are held, the Secretaries of State, Commerce, and Agriculture will give consideration to the testimony presented, and that if they are impressed with its validity they will in good faith recommend to the President that some further negotiation be had in respect to any item contained in the proposed agreement which the testimony has indicated was not properly worked out.

Mr. SHIPSTEAD. Mr. President, will the Senator again yield?

Mr. LA FOLLETTE. I yield.

Mr. SHIPSTEAD. If we can assume what the Senator says we can assume, then, there can be no objection to his amendment.

Mr. LA FOLLETTE. Mr. President, I cannot see how anybody could object to it, because in the present situation there is no opportunity for the citizens of Minnesota or any other State to give testimony and be heard after the terms of a proposed trade agreement are known. They are now heard upon general notice that certain commodities may be the subject of negotiation, but the greatest secrecy surrounds the whole proceeding from the time the hearing is concluded until the agreement is promulgated. All I seek to do is to give the people of this country who are interested in various commodities and vitally concerned with what is done about them, an opportunity for a decent, fair, American hearing.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Kentucky.

Mr. CHANDLER. Does the Senator's amendment presuppose that the authority heretofore delegated has not been exercised in such a way as to give the people of the country a real opportunity to be heard when their interests are affected?

Mr. LA FOLLETTE. I have explained over and over again what opportunity they now have. There is nothing implied in the amendment except that I seek to provide what I think is a better procedure.

The Senator knows, as everybody knows, that when they are going to negotiate a trade agreement with country A, they announce that in that negotiation certain commodities from A to M may be taken under consideration, and then persons interested may come before the Committee for Reciprocity Information and be given a hearing about the general situation which exists so far as a particular commodity in which the citizen is interested is concerned. What I propose to do is to reverse this program, let them proceed upon the basis of their present information to enter into the negotiations and, when they have arrived at a tentative agreement, to make it public in the Federal Register, and then let any interested party come before the board composed of the Secretaries of State, Agriculture, and Commerce, and present his testimony in relation to the specific items of the proposed agreement.

Mr. TYDINGS and Mr. CHANDLER addressed the Chair.

Mr. LA FOLLETTE. I now yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, in the Senator's amendment I notice that he provides that the Secretaries of State, Agriculture, and Commerce shall sit as a board for the purposes of these hearings. That would be all right. It seems to me, however, that this possible criticism might be directed to that sort of a board: All three of these men, I suppose, are pretty busy, and I was wondering whether the hearings might not be so long that it would be impracticable for these three men to sit as a board. My thought was that without changing the Senator's idea, in the event it was not feasible because the hearings would go on for months, if some way were provided in the amendment whereby a board in lieu of the board suggested, but to do what the Senator proposes to be done—namely, to sit and hear the testimony—could be provided as an alternative, it might make the amendment a little more workable, at least in my idea.

Mr. LA FOLLETTE. I say to the Senator from Maryland that I rather carefully considered that phase of the matter. I do not know whether or not the Senator is aware of it, but there has been considerable criticism that the present hearings are held before representatives on the Reciprocity Committee instead of before the men who are in charge of the various departments.

Mr. TYDINGS. That is true.

Mr. LA FOLLETTE. I also heard the Senator from Colorado say, in the course of his remarks on the matter, that he was given an opportunity to be heard before this Committee, and went away again. There has been some criticism, I may say.

Mr. TYDINGS. Mr. President, will the Senator yield at that point?

Mr. LA FOLLETTE. I yield.

Mr. TYDINGS. I think the Senator is directing his attention to one of the weaknesses in the present procedure; namely, that there is not an opportunity for a hearing. My only thought was that if the Secretaries of State and Commerce and Agriculture were compelled to sit every day for perhaps a month or 6 weeks, the plan might not be as feasible as it appears to be in the amendment.

I was wondering whether the Secretary of State, out of the personnel that assists him, could not set up such a board to hear complaints, both before the treaty is promulgated, perhaps, and afterward too, if it is deemed wise, with the sole thought in making this suggestion to the author of the amendment that in that way perhaps he would get a greater amount of facility in the hearings than he would get if these three Cabinet officers had to be assembled together. If the hearings should go on for 2 months, I am afraid perhaps the plan suggested would not be feasible.

I have not explored the matter, but that is an idea which I thought perhaps might be pertinent to this discussion.

Mr. LA FOLLETTE. I think it is pertinent to it; and I do not want the Senator from Maryland for a moment to think I did not give that matter consideration.

Mr. TYDINGS. I do not.

Mr. LA FOLLETTE. But one of the complaints and criticisms which prompted the offering of this amendment was that it was only before representatives of various heads of departments that persons were given an opportunity to be heard.

Mr. TYDINGS. If the Senator will further yield, of course I have not given the subject the study the Senator from Wisconsin has. I do not want to give hostages to fortune; but at this stage of the discussion, at least, I think I should look pretty favorably upon the amendment, unless some subsequent discussion shows that my position is unwise—I have not considered it at great length—if the Senator were to provide, in substance, that an interested person should have an opportunity to present his views to a board to be designated by the Secretary of State under such rules and regulations as he or the President may prescribe. It seems to me that such a board would become, over the period of a year, pretty much of a permanent institution, to which persons could complain, and it would be under the head of the very Department that is negotiating the treaties, and, in my judgment, would considerably conduce to smooth hearings and efficiency in the conduct thereof.

Mr. LA FOLLETTE. Mr. President, I understand from private advices I have received that the Senator from Kentucky [Mr. BARKLEY] is about ready to conclude the day's labors. I shall be very glad to have an opportunity to think this matter over, and perhaps to discuss it with the Senator; but I want once more to emphasize the fact that a very large body of opinion has been expressed to the effect that the heads of these other Departments ought to be brought into the consideration of these important matters which affect our entire economy.

Mr. TYDINGS. Mr. President, will the Senator further yield at that point?

Mr. LA FOLLETTE. I yield.

Mr. TYDINGS. I think a great deal may be said for the necessity of hearings. Without examining into the matter, it appeals to me as an offhand proposition. My only thought was that in place of these three Cabinet officers there might be a man from each of the three Departments, perhaps; but I still believe that if the matter is left up to three Cabinet officers there will be no hearings, because they will not be able to get together long enough to hold the hearings which are necessary.

Mr. LA FOLLETTE. I shall be very glad now to yield to the Senator from Kentucky.

REORGANIZATION PLAN NO. III—TREASURY AND OTHER DEPARTMENTS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 681)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper, referred to the Select Committee on Government Organization and ordered to be printed, as follows:

To the Congress of the United States:

When I submitted reorganization plans I and II at the last regular session of Congress I indicated that certain reorganizations of an intradepartmental character were necessary, but that detailed study would be required for the preparation of specific plans. Since that time the heads of the executive departments and my own office have continued to study the internal organization of the several agencies of the Government. I have considered recommendations made to me as a result of these studies and have found it possible to make a number of needed improvements of organization by administrative action. In other instances I can effect the necessary changes only under the procedure set up in the Reorganization Act of 1939.

I am transmitting herewith Reorganization Plan III, which I have prepared in accordance with the provisions of section 4 of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.), approved April 3, 1939; and I declare that with respect to each reorganization made in this plan I have found that such reorganization is necessary to accomplish one or more of the purposes of section 1 (a) of the act:

1. To reduce expenditures;
2. To increase efficiency;
3. To consolidate agencies according to major purposes;
4. To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary; and
5. To eliminate overlapping and duplication of effort.

Treasury Department: I am proposing two intradepartmental reorganizations relating to the Treasury Department.

The first reorganization consolidates in a Fiscal Service, under the direction of a permanent Fiscal Assistant Secretary, those functions of the Treasury Department pertaining to financing and fiscal activities. This Fiscal Service will bring together the Office of the Treasurer of the United States, the Office of Commissioner of Accounts and Deposits, and the Public Debt Service, including their various subdivisions, and certain other related functions.

Some adjustments are made in the assignment of functions of the units which will comprise the Fiscal Service and certain changes are made in titles. The net effect of these adjustments is to establish within the Fiscal Service the Office of Fiscal Assistant Secretary, the Office of the Treasurer of the United States, and a Bureau of Accounts under a Commissioner of Accounts, and a Bureau of Public Debt under the Commissioner of Public Debt. In addition to responsibility for the administration of these four segments of the Department's operations, the Fiscal Assistant Secretary is vested with the financing functions of the Under Secretary of the Treasury and of the Assistant Secretaries.

The functions brought together in the Fiscal Service are all closely interrelated and are essential parts of the general functions of financing and fiscal control. The internal organization of the Fiscal Service conforms to accepted principles of financial management and provides the framework for adequate internal controls. At the same time, under the proposed plan these functions can be coordinated more effectively, duplications eliminated, and a more efficient service provided. To assure continued effective management of this highly important and technical phase of the Treasury functions, I am placing the Fiscal Service under the supervision of a career official. The plan, therefore, provides that the Fiscal Assistant Secretary will be appointed by the Secretary of the Treasury in accordance with civil-service laws and will perform his duties under the general direction of the Secretary. This is in accord with the policy of this administration of bringing higher administrative positions within the career service. The creation of the office of Fiscal Assistant Secretary will not increase the number of Assistant Secretaries in the Treasury Department, since the plan expressly provides for the abolition of one of the three existing offices of Assistant Secretary.

The second reorganization affecting the Treasury Department vests in the Secretary of the Treasury full authority for the administration of the Federal Alcohol Administration Act. At present the Federal Alcohol Administration occupies an anomalous position. It is legally a part of the Treasury Department, but actually it is clothed with almost complete independence under existing statutory provisions. Under certain conditions the administration would by law become an independent agency, whereas the interests of improved management require its integration with allied activities in the Treasury Department.

I propose, therefore, that the functions of the Federal Alcohol Administration be correlated with the activities of the Bureau of Internal Revenue, particularly its Alcohol Tax Unit. The Bureau is already performing a large part of the field enforcement work of the Administration and could readily take over complete responsibility for its work. The Bureau is daily making, for other purposes, a majority of the contacts with units of the liquor industry which the Federal Alcohol Administration should but cannot make without the establishment of a large and duplicating field force. Under the provisions of this plan, it will be possible more effectively to utilize the far-flung organization of the Treasury Department, including its many laboratories, in discharging the functions of the Federal Alcohol Administration. Thus I find the proposed consolidation will remedy deficiencies in organization structure as well as afford a more effective service at materially reduced costs.

Department of the Interior: Reorganization Plan II transferred the Bureau of Fisheries of the Department of Commerce and the Bureau of Biological Survey of the Department of Agriculture to the Department of the Interior and thus concentrated in one department the two bureaus responsible for the conservation and utilization of the wildlife resources of the Nation. On the basis of experience gained since this transfer, I find it necessary and desirable to consolidate these units into a single bureau to be known as the Fish and Wildlife Service.

The Bureau of Biological Survey administers Federal laws relating to birds, land mammals, and amphibians whereas the Bureau of Fisheries deals with fishes, marine mammals, and other aquatic animals. The natural areas of operation of these two Bureaus frequently coincide, and their activities are interrelated and similar in character. Consolidation will eliminate duplication of work, facilitate coordination of programs, and improve service to the public.

Another provision relating to the Department of the Interior is the abolition of the statutory office of Recorder of the General Land Office. This office is a relic of the quill and sand-box period in the transcription of land records. Its duties can readily be absorbed by the regular civil-service personnel of the Land Office.

Department of Agriculture: I propose to consolidate the Division of Marketing and Marketing Agreements of the Agricultural Adjustment Administration and the Federal Surplus Commodities Corporation into a single agency to be known as the Surplus Marketing Administration. This consolidation will facilitate the work of the Department of Agriculture relating to the formulation and administration of marketing agreements and the disposition of agricultural surpluses.

Because the two programs require unified planning and direction, the Secretary of Agriculture has found it desirable to designate the same person as the head of both. In one capacity he reports directly to the Secretary of Agriculture, while in the other he is responsible by law to the Administrator of the Agricultural Adjustment Administration. Consolidation of the two units will assure unified management, eliminate confusion in administration, and make for more efficient operation. Furthermore, this reorganization will remove from the Agricultural Adjustment Administration the legal responsibility for functions which differ administratively from its major operations.

Department of Labor: I propose to abolish the offices of commissioner of immigration and the offices of district commissioner of immigration and naturalization. The former have been vacant since 1933; the latter impose an unnecessary level of supervision above that of district director of immigration and naturalization in certain of our ports and should be eliminated in the interests of economy and sound administration.

Civil Aeronautics Authority: I propose to clarify the relations of the Administrator of the Civil Aeronautics Authority and the five-member Board of the Civil Aeronautics Authority. The Administrator is made the Chief Administrative Officer of the Authority with respect to all functions other than those relating to economic regulation and certain other activities primarily of a rule-making and adjudicative character, which are entrusted to the Board. This will eliminate the confusion of responsibilities existing under the Civil Aeronautics Act and provide a more clear-cut and effective plan of organization for the agency.

Improvement and savings: The principal advantage of the reorganizations proposed in this plan will be increased effectiveness of operation of the agencies concerned. In addition to improved service, some economies may be expected. I estimate that immediate annual savings in administrative expense of approximately $150,000 will result. This comparatively small amount in no way measures the worth of the proposals. In fact, if they resulted in no administrative savings at all, I should still consider them worth while in view of the increased effectiveness of administration that will result.

Need for continuous study: The management problems of a department or agency are complex and dynamic and require much detailed analysis before findings can be made. These problems cannot be resolved by any one reorganization plan, nor at one time; their study must be a continuing process if our departmental machinery is to keep pace with the changing requirements placed on the Government. Accordingly, in conformity with the Budget and Accounting Act, I have instructed the Director of the Bureau of the Budget to continue studies in collaboration with the several departments and agencies, looking to further improvements in the Government's administrative structure.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 2, 1940.*

Reorganization Plan No. III, accompanying the President's message, was ordered to be printed in the RECORD, as follows:

REORGANIZATION PLAN NO. III

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 2, 1940, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939)

DEPARTMENT OF THE TREASURY

SECTION 1. Fiscal Service of the Treasury Department. (a) Establishment of Fiscal Service: (1) The office of the Commissioner of Accounts and Deposits, the Division of Bookkeeping and Warrants, the Division of Disbursement, the Division of Deposits, the Section of Surety Bonds, the office of the Commissioner of the Public Debt, the Division of Loans and Currency, the office of the Register of the Treasury, the Division of Public Debt Accounts and Audit, the Division of Savings Bonds, the Division of Paper Custody, and the Office of the Treasurer of the United States and their functions are consolidated into one agency of the Treasury Department to be known as the Fiscal Service, at the head of which there shall be an officer who shall be known as the Fiscal Assistant Secretary.

(2) The Fiscal Service shall consist of the Office of the Fiscal Assistant Secretary, the Office of the Treasurer of the United States, a Bureau of Accounts, and a Bureau of the Public Debt. Except as is otherwise specifically provided herein, the Secretary of the Treasury may establish such divisions and other constituent units within these agencies as he deems necessary.

(3) The Division of Bookkeeping and Warrants and its functions are transferred to the Bureau of Accounts, at the head of which shall be the Commissioner of Accounts and Deposits, who shall hereafter be known as the Commissioner of Accounts.

(4) The office of the Commissioner of the Public Debt, the Division of Loans and Currency, the office of the Register of the Treasury, the Division of Public Debt Accounts and Audit, the Division of Savings Bonds, and the Division of Paper Custody and their functions are consolidated into and shall be administered as the Bureau of the Public Debt, at the head of which shall be the Commissioner of the Public Debt.

(5) The functions of the Office of the Treasurer of the United States shall be administered by the Treasurer of the United States.

(6) Such functions as are consolidated into or transferred to the Fiscal Service and which are not allocated herein to particular agencies or offices of the Fiscal Service shall be administered through such units of the Service as may be designated by the Fiscal Assistant Secretary with the approval of the Secretary of the Treasury.

(7) The Fiscal Assistant Secretary shall be appointed by the Secretary of the Treasury in accordance with the civil-service laws and shall receive a salary at the rate of $10,000 per annum. He shall, under the direction of the Secretary of the Treasury, supervise the administration of and coordinate the functions and activities consolidated into or transferred to the Fiscal Service and shall perform such other duties as the Secretary of the Treasury shall direct. In the absence or disability of the Fiscal Assistant Secretary or in the event of a vacancy in that office, the Secretary of the Treasury may designate any other officer of the Treasury Department to act as Fiscal Assistant Secretary.

(b) Transfer of certain functions to Fiscal Service: All functions vested in the Under Secretary of the Treasury and any Assistant Secretary of the Treasury pertaining to (1) the administration of financing operations; (2) the supervision of the administration of the functions and activities of the Office of Commissioner of Accounts and Deposits, the office of the Commissioner of the Public Debt, and the office of the Treasurer of the United States; and (3) supervision of the administration of the accounting functions and activities in the Treasury Department and all its bureaus, divisions, and offices, are hereby transferred to and consolidated in the Fiscal Service, to be exercised by the Fiscal Assistant Secretary under the direction of the Secretary of the Treasury: *Provided,* That the functions included in item (3) shall be exercised through the Commissioner of Accounts.

(c) Transfer of functions relating to accounting: All functions vested in any other officer or employee of the Treasury Department, except those excluded by section 3 (b) of the Reorganization Act of 1939, of authorizing the installation, maintenance, revision, and elimination of accounting records, reports, and procedures are hereby transferred to and consolidated under the Fiscal Assistant Secretary, to be exercised by him through the Commissioner of Accounts.

(d) Abolition of an office of Assistant Secretary of the Treasury: That office of Assistant Secretary of the Treasury which is now vacant is hereby abolished; and all the functions, rights, powers, and duties of such abolished office are hereby transferred to and vested in the Fiscal Assistant Secretary, to be exercised by him under the direction of the Secretary of the Treasury.

SEC. 2. Federal Alcohol Administration: The Federal Alcohol Administration, the offices of the members thereof, and the office of the Administrator are abolished, and their functions shall be administered under the direction and supervision of the Secretary of the Treasury through the Bureau of Internal Revenue in the Department of the Treasury.

DEPARTMENT OF THE INTERIOR

SEC. 3. Fish and Wildlife Service: The Bureau of Fisheries and the Bureau of Biological Survey in the Department of the Interior, with their respective functions, are consolidated into one agency in the Department of the Interior to be known as the Fish and Wildlife Service. The functions of the consolidated agency shall be administered under the direction and supervision of the Secretary of the Interior by a Director and not more than two Assistant Directors, who shall be appointed by the Secretary and perform such duties as he shall prescribe. The offices of Commissioner and Deputy Commissioner of Fisheries and the offices of Chief and Associate Chief of the Bureau of Biological Survey are abolished and their functions transferred to the consolidated agency.

SEC. 4. Recorder of General Land Office: The office of Recorder of the General Land Office is abolished. The functions of the recorder shall be exercised under the direction and supervision of the Secretary of the Interior through such officers or employees of the General Land Office as he may designate.

DEPARTMENT OF AGRICULTURE

SEC. 5. Surplus Marketing Administration: The Division of Marketing and Marketing Agreements of the Agricultural Adjustment Administration of the Department of Agriculture and its functions and the Federal Surplus Commodities Corporation as an agency of the Department of Agriculture and its functions are consolidated into an agency in the Department of Agriculture to be known as the Surplus Marketing Administration. The Surplus Marketing Administration shall be headed by an Administrator, who shall be appointed by and subject to the direction and supervision of the Secretary of Agriculture.

DEPARTMENT OF LABOR

SEC. 6. Offices in the Immigration and Naturalization Service abolished: The offices of commissioner of immigration of the several ports and the offices of district commissioner of immigration and naturalization in the Department of Labor are abolished, and their functions shall be administered under the supervision of the Secretary of Labor by the Commissioner of Immigration and Naturalization through such district directors of immigration and naturalization as the Commissioner shall designate.

CIVIL AERONAUTICS AUTHORITY

SEC. 7. Functions of the Administrator transferred: The functions vested in the Civil Aeronautics Authority by the Civilian Pilot Training Act of 1939; the functions of aircraft registration and of safety regulation described in titles V and VI of the Civil Aeronautics Act of 1938, except the functions of prescribing safety standards, rules, and regulations, and of suspending and revoking certificates after hearing; the function provided for by section 1101 of the Civil Aeronautics Act of 1938; and the functions of appointing such officers and employees and of authorizing such expenditures and travel as may be necessary for the performance of all functions vested in the Administrator, are transferred from the Civil Aeronautics Authority to and shall be exercised by the Administrator, who shall hereafter be known as the Administrator of Civil Aeronautics.

GENERAL PROVISIONS

SEC. 8. Transfer of records, property, and personnel: All records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred or consolidated by this plan and all

the personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration and whose offices are not abolished) are transferred or consolidated, as the case may be, within the department or agency concerned, for use in the administration of the agencies and functions transferred or consolidated by this plan: *Provided*, That any personnel transferred or consolidated within any department or agency by this section found by the head of such department or agency to be in excess of the personnel necessary for the administration of the functions transferred or consolidated shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 9. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available (including funds available for the fiscal year ending June 30, 1941) for the use of any agency in the exercise of any function transferred or consolidated by this plan, or for the use of the head of any department or agency in the exercise of any function so transferred or consolidated, as the Director of the Bureau of the Budget, with the approval of the President, shall determine, shall be transferred within the department or agency concerned for use in connection with the exercise of the function so transferred or consolidated. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

Mr. HATCH. Mr. President, if it will not interfere with the pending business, and is agreeable to the leaders on both sides, I should like to ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of calendar number 1377, House bill 7079, to provide for the appointment of additional district and circuit judges.

Mr. BILBO. Mr. President, I should like to ask the Senator what the bill provides.

Mr. HATCH. It relates to the creation of certain additional judgeships. The bill has been pending for over a year. It was passed by the Senate over a year ago and went to the House, the House passed its own bill and sent it to the Senate, and the measure I am asking to have taken up is the House bill, which is practically identical with the bill the Senate passed more than a year ago.

Mr. REED. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. REED. I did not clearly understand the request of the Senator from New Mexico. There were so many Senators standing and talking that we on this side could neither see nor hear the Senator.

Mr. HATCH. I am asking to lay aside temporarily the pending business, and that the Senate proceed to the consideration of House bill 7079.

Mr. REED. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. HATCH. Will not the Senator withhold his objection? Does he understand the nature of the bill I am seeking to have taken up?

Mr. REED. If it is the judicial bill which we had under consideration at the last regular session, or its counterpart, as amended by the House, I think I understand it, because I occupied the floor of the Senate on that bill much of a day in the absence of the distinguished Senator from New Mexico.

Mr. HATCH. Mr. President, the Senator from Kansas is correct; this is a judicial bill, creating certain additional judgeships, but it is the same bill we passed last year.

Mr. REED. Mr. President, I make the objection.

The PRESIDENT pro tempore. Objection is heard.

Mr. HATCH. Mr. President, I serve notice that at the first opportunity I shall move that the Senate proceed to the consideration of Calendar No. 1377, House bill 7079, to provide for the appointment of additional district and circuit judges.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. HARRISON. Mr. President, I ask unanimous consent that the pending amendment go over until tomorrow, and that beginning after the approval of the Journal tomorrow no Senator shall speak on the amendment more than once nor longer than 15 minutes.

Mr. ADAMS. Mr. President, I understood that the senior Senator from Wyoming [Mr. O'MAHONEY] had an amendment to offer, which he might wish to explain at some length, and I was wondering whether the proposal of the Senator from Mississippi would interfere with that.

Mr. HARRISON. I have presented the request so that we can get through about 1 o'clock.

Mr. McNARY. Mr. President, there was so much confusion that I did not hear the request.

Mr. HARRISON. The request was that tomorrow, beginning after the approval of the Journal, no Senator shall speak more than once nor longer than 15 minutes on the pending amendment.

Mr. McNARY. Just on the amendment?

Mr. HARRISON. Just on the amendment.

Mr. PEPPER. Mr. President, did the Senator say that would relate only to the pending amendment?

Mr. HARRISON. Yes.

The PRESIDENT pro tempore. Let the Chair ask, Does that mean that there will be no debate on the bill?

Mr. HARRISON. There will be no debate on the bill itself.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered.

SENATOR VANDENBERG'S PROPOSAL FOR A FOREIGN-TRADE BOARD—ARTICLE BY WALTER LIPPMANN

Mr. VANDENBERG. Mr. President, during my temporary absence from the floor the junior Senator from Mississippi [Mr. BILBO] secured consent to publish in the RECORD a rather bitter attack on my foreign-trade views by Mr. Walter Lippmann. It is an article whose conclusions, in my judgment, are as completely unwarranted by the facts as anyone could hope to contrive, and it is ill-tempered and ill-founded. In my judgment, it scarcely deserves the dignity of a place in the CONGRESSIONAL RECORD, but even had I been present I should not have objected. I merely wish to have this statement appear in the RECORD in connection with the publication of the contribution by the distinguished junior Senator from Mississippi.

AMENDMENT OF EMPLOYEES' COMPENSATION ACT

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 607) to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, which was, on page 2, line 16, to strike out all after "Act." down to and including "hereof.", in line 20, and insert "Claim on account of disability or death of any person coming within the purview of the first section hereof, for benefits on account of injury incurred subsequent to July 28, 1935, may be filed under said act: *Provided*, That such claim be filed within 1 year after the approval hereof."

Mr. LA FOLLETTE. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States, submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE—JOHN RUSSELL YOUNG

Mr. KING, from the Committee on the District of Columbia, reported favorably the nomination of John Russell Young, of the District of Columbia, to be a Commissioner of the District of Columbia for a term of 3 years and until his successor is appointed and qualified, vice George E. Allen, resigned.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Matthew F. McGuire to be the Assistant to the Attorney General.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. BARKLEY. Mr. President, in view of the desire that this officer take the oath of office tomorrow and enter upon the performance of his duties, I ask that the President be immediately notified of the confirmation.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the President will be immediately notified.

Mr. REYNOLDS. Mr. President, the appointment by President Roosevelt of Matthew F. McGuire, of Massachusetts, to the post of the Assistant to the Attorney General marks another important step in the development of the merit system instituted by Attorney General Robert H. Jackson in the Department of Justice.

The recommendation for the promotion of Mr. McGuire by the Attorney General followed 6 years' continued wide and diversified experience in the Department. Mr. McGuire is thoroughly familiar with the personnel and workings of the Department, and for the past year has been serving in the capacity of Special Assistant Attorney General.

The duties of the latter office will be combined with duties of the new post, and will embrace appointments and legislation in which the Department is interested, and Mr. McGuire will act as liaison officer between the Attorney General and Congress and other agencies and departments of the Federal Government. In addition, he will handle confidential and special legal and administrative matters pertaining to the Washington office and to the offices of the United States attorneys and marshals elsewhere.

THE JUDICIARY

The legislative clerk read the nomination of William M. Lindsay to be United States marshal for the district of Kansas.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk read the nomination of James Earl Evans to be postmaster at Carrollton, Mo., which had been reported adversely.

Mr. McKELLAR. I ask unanimous consent that this nomination may go over for the day.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters reported favorably be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc. That concludes the executive calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 17 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, April 3, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 2 (legislative day of March 4), 1940

UNITED STATES DISTRICT JUDGE

Adrian J. Caillouet of Louisiana to be United States District Judge for the Eastern District of Louisiana, to fill a new position.

COAST GUARD OF THE UNITED STATES

The following-named lieutenant commanders to be commanders in the Coast Guard of the United States, to rank as such from the dates set opposite their names:

Arthur G. Hall, September 2, 1939.
Ephraim Zoole, January 1, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 1 (legislative day of March 4), 1940

DEPARTMENT OF JUSTICE

Matthew F. McGuire to be the Assistant to the Attorney General.

UNITED STATES MARSHAL

William M. Lindsay to be United States Marshal for the district of Kansas.

POSTMASTERS

KANSAS

George R. Willson, Cedar Vale.
George F. Heim, Jr., Ellinwood.
James Martin Miller, Fort Scott.
Raymond E. Stotts, Garden City.
James B. Doyle, Herington.
Anna H. Smith, Morland.
Anna M. Bryan, Mullinville.
Leo P. Gallagher, Osborne.
Rollie David, Russell Springs.

MISSOURI

James E. Sharp, Gideon.
Sterling H. Bagby, Huntsville.
Wayne Osborn, Macks Creek.
Harry E. Ball, Montgomery City.
Herbert J. Fallert, Ste. Genevieve.
Alethea S. Williams, Silex.
Max L. Kelley, Steele.
Clare Magee, Unionville.
John P. Cunningham, Wentzville.

NORTH CAROLINA

James Franklin Greene, Bakersville.
Talmadge S. Teague, Fairmont.
Pinckney R. Holman, Ridgecrest.

PENNSYLVANIA

George J. Hoke, East McKeesport.

TENNESSEE

Charles Oscar DuBois, Madison.

UTAH

Gerald Cazier, Nephi.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 2, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Christ of Galilee, we beseech Thee to hear us while we humbly wait at the altar of prayer; O spirit pure and holy, possess these hearts of ours. Hold to our lips the Holy Grail that from the blessed cup we may drink deep of the water of life. Instead of the vexing voice of regrets, fill our hearts with happy memories of the Bethels where our heavenly Father appeared and blessed us. In grateful recollection stay our minds in the great peace of them who love Thy

law and whom nothing shall offend. Remember those who are in weariness and in pain. Draw them closer to Thee and breathe Thy loving spirit into every troubled breast. Bless them upon whom lie the responsibilities of the social, the commercial, and the political life of the world. Summon their souls to fight the good fight with soldiery courage. O bridge the great gulfs of discord, wherein the clanging cymbals of hate and tyranny are in defiant swing. In the name of the Saviour of men. Amen.

The Journal of the proceedings of yesterday was read and approved.

APPOINTMENT OF SPEAKER PRO TEMPORE

The SPEAKER. The Chair desires to make a brief personal statement to the House.

I dislike very much to do so, but, unfortunately, a few weeks ago I contracted a very severe case of influenza which seems to be holding on to me with great tenacity. My physician has advised me to take a little rest, and I am sure the Members of the House will be pleased to accord me this privilege.

Mr. McCORMACK. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 451

Resolved, That Hon. SAM RAYBURN, a Representative from the State of Texas, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of Hon. SAM RAYBURN as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON AGRICULTURE

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent that for the remainder of this week the Committee on Agriculture may be permitted to sit during sessions of the House.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, and I am not going to object, I rise to say I noticed in the RECORD where the Committee on Military Affairs of the House or any subcommittee thereof has the right to sit for the remainder of this week during sessions of the House. I think it is a very grave mistake to have the legislative committee that handles legislation affecting the War Department in session in the afternoon at the time when we are going to consider the War Department appropriation bill. I hope the members of the Military Affairs Committee will recognize the necessity of being on the floor during the consideration of the War Department appropriation bill.

Mr. Speaker, I withdraw my reservation of objection.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, the chairman of the Committee on Military Affairs made the request referred to, but I am sure I am well within the truth when I say that a subcommittee is meeting only today and, perhaps, tomorrow, for the purpose of considering the T. V. A. tax legislation, and I am also quite sure there is no intention on the part of the members of that committee to be away from the floor when the War Department appropriation bill is being considered.

Mr. COCHRAN. I am pleased to hear that because I believe we are entitled to information the members of the committee may give us during the consideration of the appropriation bill.

Mr. THOMASON. I agree with the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. JONES]?

There was no objection.

WHERE THIS ADMINISTRATION GETS THE MONEY

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, Thomas Jefferson once said:

If the American people ever allow private banks to control the issue of their currency, first by inflation and then by deflation, the banks and the corporations that will grow up around them will deprive the people of all their property until their children will wake up homeless on the continent their fathers conquered.

These were prophetic words. While the private banks do not directly control the issue of our currency the Federal Government is cooperating with them to such an extent that we are now in the midst of a mild inflation that is reflected in disturbed business conditions.

Since February 28, 1939, to March 1, 1940, the Federal stock of money has increased $4,004,519,182 or $5.12 per capita. The total being $26,339,210,454. Money actually in circulation increased from $6,731,243,857 or $51.44 per capita to $7,455,097,341 or $56.56 per capita. The actual increase in circulation amounting to only $723,853,484.

Thus while the assets were increased over four billion only one-sixth was actually put into the channels of credit and trade. If the entire sum had been put in circulation the new money would have been greater than the money in circulation June 30, 1914.

Soon the printing-press money may be turned out as fast as it was in Germany in 1919. If so you know what will happen. A dictator after bankruptcy. Loss of our form of Government. A terrible price to pay for a New Deal. How about chasing the money changers out of the temple?

America, beware of unregulated inflation.

FLOODS IN PENNSYLVANIA

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of the RECORD.]

THE SPEAKER

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, it is with great regret we learn you have not entirely recovered from your recent attack of influenza. I am sure I speak not only for this side of the House but for the entire membership when I express the hope for a pleasant trip to your beloved Southland. May you, in the warmth of the South, soon be restored to health and come back to us in perfect vigor, ready for the strenuous balance of this session. [Applause.]

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in connection with the Americanization work being done by the David Wisted Post of the American Legion, of Duluth, Minn., including a short statement prepared by the post indicating the steps taken in that valuable work.

The SPEAKER. Is there objection?

There was no objection.

THE CENSUS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to speak for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, in keeping with the provisions of the Constitution, the Bureau of the Census of the Department of Commerce today has 130,000 enumerators calling on the citizens of this country, the purpose of which is to secure facts that will enable the Government to prepare

statistics relative to population, agriculture, housing, incomes, and so forth.

There came to my desk a few days ago a blank form that was sent to me by the supervisor of the district where I reside in the city of St. Louis. Although interrupted by a telephone call, within 5 minutes I had filled out the form and it was in the mail. No question was asked me that I would not have been willing for the information to be made public.

Although the census has been taken every 10 years since 1790, this is the first time, so far as I can learn, that a Member of either branch of Congress has advised the citizens of this country to refuse to give certain information to census enumerators.

I want to recite a little of my own experience in dealing with the Census Bureau which should convince anyone that the Government looks upon the information as confidential and no one other than the citizen can secure a statement relative to the answer given to the enumerator.

Everyone will admit there is no harm in the public knowing the age of a man, woman, or child, but still no Member of Congress can secure that information from the Census Bureau unless the party involved makes the request. Hundreds of applicants for old-age assistance in my city have been unable to submit proper evidence as to their age because vital statistics were not kept at the time they were born. The Social Security Commission of Missouri will accept the official record of the Census Bureau showing the age given in the enumeration 30, 40, or 50 years ago, but I cannot secure that information unless I have a request from the applicant.

I merely mention this to show that, no matter what information is given to the enumerator, it will not be made public.

As far as the enumerators in my congressional district are concerned, I do not know who they are. Twelve hundred residents of the district made application to take the examination for 250 positions, and everyone was given an opportunity to take the examination. Following that examination, the enumerators were selected, but, regardless of who those enumerators are, I feel they are law-abiding citizens of this country and will not divulge any of the information that any resident of the district might give them. Of course, the district supervisor informed them of the penalties provided by law, to which they are subject, if they divulge any of the information received.

Under the act of May 27, 1935 (49 Stat. 292), the Department of Commerce is authorized to make special statistical studies upon payment of the cost thereof. The law further provides that a report must be made to Congress concerning these special statistics studies, compilations, and so forth, and the amount charged for the service. That report is received annually. It is referred to the Committee on Expenditures of which I am chairman. Now, what does it contain? It lists the names of hundreds of businessmen, corporations, partnerships, societies, publishing companies, insurance companies that asked for certain statistics. Do the employees of the applicant review the records on file in the Census Bureau? No; the civil-service employee of the Government in the Census Bureau prepares the statistics and the charge is made in keeping with the length of time it takes to gather the statistics. What do they ask for? I cite some of the requests. How many grocery and combination stores in Indianapolis, number of drug stores in Columbus, Ohio, amount of sales of paint, varnish, and so forth, number of establishments producing chemicals by States, tabulation on storage batteries, value of polo or sport shirts manufactured, tabulation on the consumption of flour and bread and other bakery products, Japanese population in certain districts, statistics on the manufacture of paper and pulp, value of preserves, jams, jellies, and fruit butters, statistics on consumption of corn sirup, consumption of fuel oil, hundreds of requests in reference to imports of various articles in this country as well as exports, including everything from paris green to malt and distilled liquors. Is there anything wrong about that?

All information compiled by the Census Bureau, under the act of May 27, 1935, is statistics and paid for. Information required by citizens as to their age is given to the applicant without charge, to which, of course, no one would object.

I simply mention this to show how careful the Census Bureau is in keeping confidential the information that it has secured in the past and will secure during the taking of the present census.

The Director of the Census, Hon. William L. Austin, a career man with a civil-service status, has been connected with the Census Bureau for over 40 years and he tells me that not once can he recall where any employee of the Census Bureau was ever discharged or prosecuted for giving out information secured in the taking of the census.

Anyone who is familiar with the census certainly should not try and arouse the people or interfere with the duty of Government officials who are carrying out the provisions, not of an act of Congress, but of the Constitution of the United States. [Applause.]

EXTENSION OF REMARKS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a Washington Birthday address by Mr. Thomas W. McManus, of Bakersfield, Calif.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a brief resolution introduced by myself.

The SPEAKER. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement by Mr. Beverly Baxter, a member of the British Parliament.

The SPEAKER. Is there objection?

There was no objection.

WAR PROPAGANDA MUST BE FOUGHT

Mr. THILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. THILL. Mr. Speaker, I have introduced in the House of Representatives a resolution to appoint a special committee to investigate war propaganda in the United States. The resolution proposes an investigation of, first, the extent, character, and objects of war-propaganda activities in the United States; second, the dissemination, written or oral, from foreign countries or from within this country, of propaganda or news items, radio broadcasts, motion pictures, or other media which are calculated or intended to draw the United States into a foreign war or to create internal strife; third, any and all activities of belligerents, individuals, groups, organizations, or corporations which have for their purpose, direct or indirect, to involve this Nation in war; and, fourth, all other questions in relation to war propaganda that would aid Congress in any necessary remedial legislation to protect and preserve the neutrality of the United States and to keep this Nation at peace.

The seriousness of the situation resulting from the dissemination of war propaganda in the United States cannot be overemphasized. Much propaganda material appears in the newspapers; it is heard over the radio; it is mailed to the office and the home; it comes to the desks of Members of Congress every day. How much of this information is false cannot be gaged by the average person. Needless to say, much of this propaganda is a skillful misrepresentation of facts; some of it has an element of deceit in it; some of it is a deliberate statement of untruth, and most of it can be characterized as a vicious and vile fraud upon the American people. We, as Members of Congress, should take immediate steps to eradicate this evil.

The American citizens suffered severely during the last war, and the sick and ailing veterans show us, stronger than words, that we are still suffering from the effects of that war. One of the chief factors that led us into the World War was propaganda. Let us avoid a repetition of that mistake.

As Americans, we must vigorously oppose the war propagandists who will try, by fair means or foul, to induce this Nation to wage war. We want no part of war and its hateful consequences. We must fight with all our hearts to remain neutral, and at peace.

EXTENSION OF REMARKS

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Tulsa (Okla.) Tribune with reference to our old friend the anti-lynching bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. CLAYPOOL. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an article by the gentleman from Massachusetts, the Honorable JOHN MCCORMACK, on veterans' legislation.

The SPEAKER. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a quotation from the CONGRESSIONAL RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first bill on the Private Calendar.

SALLIE BARR

The Clerk called the first bill on the Private Calendar, H. R. 4615, for the relief of Sallie Barr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 to Sallie Barr, of Harrisburg, Pa. Such payment shall be in full settlement of all claims against the United States on account of injuries to her resulting from an accident at Boulder Dam on July 4, 1936.

With the following committee amendments:

Line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Line 5, strike out the sign and figures "$2,000" and insert in lieu thereof the sign and figures "$1,500."

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES F. MARTIN

The Clerk called the next bill, H. R. 4724, for the relief of Charles F. Martin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles F. Martin, of Boston, Mass., a minor, or to his duly appointed guardian, the sum of $3,055.25 upon either the making of an assignment of all rights under, or the filing of a discharge and satisfaction of, a judgment and execution for a like sum rendered in the Superior Court of the Commonwealth of Massachusetts for the county of Suffolk, on March 24, 1938, against William J. Owens, of Boston, Mass., the operator of a truck of the Civilian Conservation Corps, in favor of the said Charles F. Martin, for damages sustained as a result of personal injuries received May 7, 1935, in Boston, Mass., when he was struck by the said truck while it was being operated by the same William J. Owens in the regular course of his duties. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained as a result of such injuries.

With the following committee amendments:

Page 1, line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Page 1, line 5, after the word "to", insert "the legal guardian of."

Page 1, line 6, after the word "minor", strike out the language "or to his duly appointed guardian."

Page 1, line 7, strike out the sign and figures "$3,055.25" and insert in lieu thereof "$1,813.25."

Page 1, line 9, strike out the words "a like sum" and insert in lieu thereof "the sum of $3,055.25."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Charles F. Martin, a minor."

PRIEST LUMBER CO., INC.

The Clerk called the next bill, H. R. 5295, for the relief of the Priest Lumber Co., Inc.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

The SPEAKER pro tempore. Two objections are required. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $749.96 to the Priest Lumber Co., Inc., of Norfolk, Va. Such sum represents the remission of liquidated damages assessed against said Priest Lumber Co., Inc., by the Comptroller General of the United States, because of delay in delivery of lumber to the United States under United States purchase order No. 537–A, dated April 7, 1934. Said delay was due solely to the occurrence of unforeseen, torrential rains which completely flooded the place at which contractor's logging operations were being carried on, rendering it impossible for the contractor to secure logs for manufacture within the contract period. The contract between the Priest Lumber Co., Inc., and the United States specifically provided for contingencies due to acts of God, which provision was given no effect by the Comptroller General of the United States. Payment under this act shall be in full settlement of all claims against the United States under purchase order No. 537–A, dated April 7, 1934.

With the following committee amendments:

Page 1, line 6, strike out the period after the word "Virginia" and insert in lieu thereof a comma.

Page 1, lines 6 and 7, strike out the language "Such sum represents" and insert in lieu thereof "in full settlement of all claims against the United States for."

Page 2, beginning with the words "The contract between" in line 4, strike out the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE F. LEWIS

The Clerk called the next bill, H. R. 5459, for the relief of George F. Lewis, administrator of the estate of Margaret R. Lewis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George F. Lewis, administrator of the estate of Margaret R. Lewis, the sum of $6,000 in full settlement of his claim against the Government as a result of the death of Margaret R. Lewis when struck by a truck in the service of the United States Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of

services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby,".

Line 5, after the name "Lewis", insert "of Great Bend, N. Y., as."

Line 6, strike out the sign and figures "$6,000" and insert in lieu thereof "$3,500."

Line 7, strike out the words "his claim" and insert "all claims."

Line 7, strike out the word "Government" and insert "United States."

Line 8, after the word "of", insert "his daughter."

Line 9, strike out the colon after the word "Army", insert in lieu thereof a comma and the language "on June 1, 1938:".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARENCE WALDREP

The Clerk called the next bill, H. R. 6334, for the relief of the estate of Clarence Waldrep.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Clarence Waldrep the sum of $10,000. The payment of such sum shall be in full settlement of all claims against the United States on account of the death of said Clarence Waldrep on May 4, 1938, when struck by an automobile belonging to the United States Government, at the time being driven by Clarence P. Rossner, an investigator for the Bureau of Internal Revenue, United States Government, and who at the time was on duty and engaged in his regular duties as an employee of the United States Government: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person or persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, lines 5 and 6, strike out the language "the estate of Clarence Waldrep the sum of $10,000" and insert in lieu thereof "Pearl Waldrep Stubbs, mother of, and George Waldrep, father of, Clarence Waldrep, deceased, formerly of Chicago, Ill., the sums of $4,000 and $1,000, respectively."

Page 1, line 7, add an "s" to the word "sum."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Pearl Waldrep Stubbs and George Waldrep."

MRS. GOTTLIEB METZGER

The Clerk called the next bill, H. R. 6552, for the relief of Mrs. Gottlieb Metzger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Gottlieb Metzger, of Mount Vernon, S. Dak., the sum of $6,500. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained as the result of the accidental and negligent death of her husband, Gottlieb Metzger, while an official automobile passenger engaged upon authorized Federal activity for the Forest Service, United States Department of Agriculture: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$6,500" and insert in lieu thereof "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. NATHAN KAPLAN

The Clerk called the next bill, H. R. 6964, for the relief of Mr. and Mrs. Nathan Kaplan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nathan Kaplan and his wife, Ethel M. Kaplan, of New Bedford, Mass., the sum of $716.50, in full satisfaction of their claim for damages against the Government of the United States on account of personal injuries and property damage suffered by them on August 27, 1932, when the automobile in which they were riding was struck by an automobile belonging to the War Department and operated by an enlisted man of said Department on Allen Street in the city of New Bedford, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim.

With the following committee amendments:

Page 1, line 7, strike out the sign and figures "$716.50" and insert in lieu thereof "$200."

Page 1, lines 7 and 8, strike out the language "their claim for damages" and insert in lieu thereof "all claims."

Page 1, line 10, strike out the word "August" and insert in lieu thereof "October."

Page 1, lines 11 and 12, strike out the language "automobile belonging to the War Department and" and insert in lieu thereof "Army GMC truck."

Page 1, line 12, strike out the word "of."

Page 2, line 1, strike out the words "said Department."

Page 2, beginning with the word "*Provided*" in line 2 strike out the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN R. ELLIOTT

The Clerk called the next bill, H. R. 7306, for the relief of John R. Elliott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of John R. Elliott, former disbursing clerk, Division of Disbursement, Treasury Department, in the sum of $97, representing the amount disallowed in the accounts of the said John R. Elliott because of a payment made to Sheldon Gent, as guardian of Forest Gent, incompetent: *Provided*, That no part of the amount so credited shall be charged against any individual other than the payee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GALLUP MERCANTILE CO.

The Clerk called the next bill, H. R. 7853, for the relief of the Gallup Mercantile Co., of Gallup, N. Mex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $245.30 to the Gallup Mercantile Co., of Gallup, N. Mex., in full settlement of its claim for compensation for supplies furnished to certain Indians of the former Southern Navajo Agency and to the former Southern Navajo Agency prior to December 31, 1933, and used by the Indians and the agency for feed for animals or for other purposes: *Provided*, That no payment shall be made until certification by the Secretary of the Interior that the claimant has executed a satisfactory release of any and all claims it may have against any employees or former employees of the agency arising out of said transaction: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

O'BRIEN BROS., INC.

The Clerk called the next bill, H. R. 7857, for the relief of O'Brien Bros., Inc., New York City, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of O'Brien Bros., Inc., New York City, N. Y., for $3,510, representing the loss resulting from damage to its scow *Eastern Light* sustained on or about November 28, 1936, while being unloaded by employees of the War Department at the United States Military Academy, West Point, N. Y., and to allow in full and final settlement of the claim the sum of not to exceed $3,510. There is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $3,510, or so much thereof as may be necessary, for payment of the claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERMOSA-REDONDO HOSPITAL ET AL.

The Clerk called the next bill, H. R. 8317, for the relief of the Hermosa-Redondo Hospital, C. Max Anderson, Julian O. Wilke, Curtis A. Wherry, Hollie B. Murray, Ruth M. Laird, Sigrid I. Olsen, and Stella S. Guy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Hermosa-Redondo Hospital, Hermosa Beach, Calif., the sum of $865.24; to Dr. C. Max Anderson the sum of $203; to Dr. Julian O. Wilke the sum of $125; to Dr. Curtis A. Wherry the sum of $180; to Hollie B. Murray the sum of $30; to Ruth M. Laird the sum of $336; to Sigrid I. Olsen the sum of $77; and to Stella S. Guy the sum of $441; in all, $2,257.24. Such sums shall be in full settlement of all claims against the United States arising out of services rendered and supplies furnished by such hospital and persons to Knud Heinrick Mattson, seaman, first class, United States Navy, on account of injuries sustained by the said Knud Heinrick Mattson while on leave of absence from the U. S. S. *Nevada*, September 21, 1930: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, beginning with the syllable "Pro-" at the end of line 8, strike out the remaining language of the bill and insert in lieu thereof the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

W. B. TUCKER, ET AL

The Clerk called the next bill, S. 1372, for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to W. B. Tucker the sum of $3,511.05, to Helen W. Tucker the sum of $1,475.70, to Lonie Meadows the sum of $546.29, and to Susie Meadows the sum of $1,192.68, all residents of Louisburg, N. C., in full settlement of any and all claims for personal injuries, medical expenses, and property damage suffered by them as a result of an automobile accident which occurred on North Carolina State Highway 56 on June 9, 1936, when the automobile in which they were riding was struck by a truck owned by the United States Soil Conservation Service and operated by one John W. Prather, an employee of the Soil Conservation Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the sign and figures "$3,511.05" and insert in lieu thereof "$5,000."

Page 1, line 9, after the word "claims", insert the language "against the United States."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAX J. MOBLEY

The Clerk called the next bill, S. 1442, for the relief of Max J. Mobley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Max J. Mobley, of Morrilton, Ark., the sum of $2,565, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him arising out of a collision between his automobile and a Soil Conservation Service truck operated by an enrollee of the Civilian Conservation Corps on Highway No. 64 near Pottsville, Ark., on April 1, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE LANCELLOTTA

The Clerk called the next bill, S. 1856, conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment, as if the United States were suable in tort, upon the claim of George Lancellotta, of Providence, R. I., for damages resulting from personal injuries received by him on June 29, 1932, at Providence, R. I., by reason of being struck by an Army automobile while crossing Jackson Street at Westminster Street: *Provided*, That the judgment, if any, shall not exceed $3,000.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom, and payment of any judgments thereon shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARRIE HOWARD STEEDMAN ET AL.

The Clerk called the next bill, S. 1962, granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Court of Claims be, and it is hereby, vested with jurisdiction and dircted to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds against the United States, numbered E–563, decided February 28, 1927, and reported in volume 63, Court of Claims Reports, at page 226, upon the evidence heretofore submitted to the said court in

the said cause, giving due weight in such readjudication to any decision of the Supreme Court of the United States rendered since February 28, 1927, construing the relevant provisions of the applicable statutes, particularly the identical terms of section 402 of the Revenue Acts of 1918 and 1921, and if such Court of Claims in such readjudication shall find upon said evidence that, under the provisions of the Revenue Act of 1921, the plaintiffs are entitled to a judgment under the relevant statutes, as now construed by the Supreme Court of the United States, particularly the terms of section 402 of the Revenue Acts of 1918 and 1921, then the court shall enter its judgment in favor of the said Carrie Howard Steedman and Eugenia Howard Edmunds in said cause for such sums as said evidence will justify, not to exceed the amount claimed in the original petition in the Court of Claims, with interest as provided by law.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS SIMONS

The Clerk called the next bill, S. 2252, for the relief of Louis Simons.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louis Simons, of Hampton Beach, N. H., the sum of $599, in full satisfaction of his claim against the United States for damages for personal injuries and property damages sustained by him on March 4, 1937, as the result of certain blasting operations conducted on a Works Progress Administration project in Amesbury, Mass.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD J. GEBHART

The Clerk called the next bill, S. 2491, for the relief of Edward J. Gebhart.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended and supplemented, are hereby waived in the case of Edward J. Gebhart, of Orient, S. Dak.; and the United States Employeers' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of enactment of this act, by the said Edward J. Gebhart for compensation under the provisions of such act of September 7, 1916, as amended and supplemented, for disability alleged to have been due to injuries sustained by him on February 6, 1937, in the performance of his duties as a rural carrier at Orient, S. Dak.: *Provided*, That no benefits shall accrue prior to the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STANLEY FALK, HOWARD FRANKLIN, MRS. NATHAN FALK, AND ROSE WINTER

The Clerk called the next bill, S. 2531, for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Stanley Falk, of Little Rock, Ark., the sum of $120.09; to Howard Franklin, of Little Rock, Ark., the sum of $150; to Mrs. Nathan Falk, of Little Rock, Ark., the sum of $200; and to Rose Winter, of Little Rock, Ark., the sum of $250, in full satisfaction of all their claims against the United States for property damage and personal injuries sustained when the automobile in which they were riding was struck by a car driven by Charles L. Willis, an employee of the Public Works Administration, at Wooster, Ark., on July 2, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSEMENT OF CERTAIN PERSONNEL OF THE UNITED STATES MARINE CORPS

The Clerk called the next bill, S. 3068, to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938," approved June 19, 1939.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum not to exceed $129.75, as may be required by the Secretary of the Navy to reimburse Pvt. (first class) Earl S. Rogers, United States Marine Corps, after claimant shall have filed itemized statement showing actual damages sustained by proper appraisal, and under such regulations as he may prescribe pursuant to the provisions of Private Act No. 56, Seventy-sixth Congress, approved June 19, 1939, for losses of and damages to reasonable and necessary personal property resulting from the fire which occurred at the Marine Barracks, Quantico, Va., on June 19, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JESSE A. LOTT

The Clerk called the next bill, H. R. 5108, for the relief of Jesse A. Lott.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on War Claims.

PETER BAVISOTTO

The Clerk called the next bill, H. R. 5336, for the relief of Peter Bavisotto.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Peter Bavisotto, the sum of $690, representing the amount of premiums paid by him on an invalidated policy of war-risk insurance.

With the following committee amendment:

Page 1, line 6, strike out "$690" and insert "$495.80."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRIET T. JOHNSTON

The Clerk called the next bill, H. R. 7337, for the relief of Harriet T. Johnston.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims, notwithstanding the lapse of time or any provision of law to the contrary, to determine the amount of damages sustained by the property of Catalina Gunn de Llanes in Cuba during the Cuban War of Independence, and to render judgment for the amount so determined in favor of Harriet T. Johnston, sole heir of such property by reason of descent and inheritance. The amount of such judgment shall be paid by the Secretary of the Treasury upon the presentation of a duly authenticated copy of the judgment of the Court of Claims.

With the following committee amendments:

Page 1, line 5, after the word "determine", insert "the liability and."

Page 1, line 6, after the word "damages", insert "if any."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Page 1, line 11, after the word "judgment", insert between commas "if any."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTHER ROSS

The Clerk called the next bill, H. R. 7072, for the relief of Esther Ross.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Esther Ross, Brookline, Mass., the sum of $691.48. The payment of such sum shall be in full settlement of all claims against the United States by the said Esther Ross for reimbursement of all expenses incurred by her for the hospitalization of her daughter, Beatrice Ross, World War veteran (C-1006059), at the Westborough State Hospital, Westborough, Mass., during the period from January 16, 1934, to May 15, 1935. The said Beatrice Ross was erroneously dropped from the hospitalization rolls of the Veterans' Administration during such period and reimbursement for such hospitalization expense denied on the ground that such reimbursement was not authorized by law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERICH HECHT, GRETE J. L. HECHT, AND ERICH F. HECHT, JR.

The Clerk called the next bill, H. R. 8292, for the relief of Erich Hecht, Grete J. L. Hecht, and Erich F. Hecht, Jr.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor be, and is hereby, authorized and directed to record the lawful admittance for permanent residence of Erich Hecht, Grete J. L. Hecht, and Erich F. Hecht, Jr., subjects of the Netherlands, of German birth, upon the date of the enactment of this act, and that they shall, for all purposes under the immigration and naturalization laws, be deemed to have been lawfully admitted to the United States as immigrants for permanent residence.

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the German quota of the first year that the German quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. WILLIAM BOWIE (RETIRED)

The Clerk called the next business, House Joint Resolution 453, authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer of the Order of St. Sava.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That William Bowie, captain (retired), United States Coast and Geodetic Survey, Department of Commerce, be, and he hereby is, authorized to accept and wear the decoration of the Cross of Grand Officer of the Order of Saint Sava, conferred by the Government of Yugoslavia in recognition of his outstanding achievements in the interests of international science and geodesy. The Department of State is hereby authorized to deliver the said decoration to the aforementioned William Bowie.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALOMON GEORG KAUFMANN, DORIS KAUFMANN, AND MICHAEL PETER KAUFMANN

The Clerk called the next bill, H. R. 7563, for the relief of Salomon Georg Kaufmann, his wife Doris Kaufmann, nee Stern, and their child Michael Peter Kaufmann.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Salomon Georg Kaufmann, his wife Doris Kaufmann, nee Stern, formerly of Germany, and their child Michael Peter Kaufmann, a native of the Netherlands, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect.

With the following committee amendments:

Page 1, line 4, after "child", insert "John."

Page 1, after line 8, insert a new paragraph, as follows: "Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the German quota and one number from the quota of the Netherlands for the first year that the said German and Netherlands quotas are available."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Salomon Georg Kaufmann, his wife Doris Kaufmann, nee Stern, and their child John Michael Peter Kaufmann."

LEON FREDERICK RUGGLES

The Clerk called the next bill, H. R. 5742, for the relief of Leon Frederick Ruggles.

Mr. COSTELLO and Mr. HANCOCK objected and, under the rule, the bill was recommitted to the Committee on War Claims.

EBERHART STEEL PRODUCTS CO., INC.

The Clerk called the next bill, S. 1790, for the relief of the Eberhart Steel Products Co., Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Court of Claims, notwithstanding the lapse of time, or any statute of limitations, with instructions to hear and determine to judgment the claims of the Eberhart Steel Products Co., Inc., of Buffalo, N. Y., against the United States growing out of 43 certain contracts dated on and between January 28, 1920, and September 24, 1920, for the manufacture and delivery by said company to the War Department of certain material and parts for class B military trucks, notwithstanding any failure or error of any Government official to give proper written orders for changes made in any of said contracts, or fix the value thereof, or any previous decisions or decrees rendered with reference thereto, or any alleged settlement or adjustment heretofore made, or termination agreement, except only for proper credits to be given for any and all payments heretofore made: *Provided*, That no judgment rendered on this claim shall exceed the amount heretofore found by the Court of Claims as the fair cost of manufacture of supplies left on claimant's hands, manufactured in accordance with the terms of the foregoing original contracts and changes thereunder.

SEC. 2. Jurisdiction is further hereby conferred upon the United States Court of Claims with instructions to hear and determine to judgment notwithstanding the lapse of time, or any statute of limitations, the claims of said company against the United States for losses and damages suffered on dies, tools, plant, material, and equipment procured for making class B military-truck parts pursuant to agreement of officers of the War Department to give additional orders to said company for these parts, notwithstanding any lack of authority of said officers or that said agreement was not properly executed or in the form required by law: *Provided*, That suits shall be commenced within 4 months after this act becomes effective.

With the following committee amendments:

Page 1, line 6, strike out "to judgment" and insert in lieu thereof "and render judgment upon."

Page 2, line 19, after "for", insert "alleged."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUDOLFO KAUFMANN AND HIS WIFE, ELLINOR T. KAUFMANN

The Clerk called the next bill, H. R. 7562, for the relief of Rudolfo Kaufmann and his wife, Ellinor T. Kaufmann.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Rudolfo Kaufmann and his wife, Ellinor T. Kaufmann, formerly of Germany, now citizens of Costa Rica, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect.

With the following committee amendment:

Page 1, after line 7, add a new paragraph, as follows:

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the German quota when the same becomes available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEO NEUMANN AND ALICE NEUMANN

The Clerk called the next bill, H. R. 8295, for the relief of Leo Neumann and his wife, Alice Neumann.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Leo Neumann and his wife, Alice Neumann, formerly of Germany, now temporarily in this country, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigrations laws of the United States now in effect.

With the following committee amendment:

Page 1, after line 7, add a new paragraph, as follows:

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the German quota for the first year that the said German quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNEST UNGER

The Clerk called the next bill, H. R. 7626, for the relief of Ernest Unger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Ernest Unger, of Budapest, Hungary, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert in lieu thereof the following:

"That Ernest Ungar, of Budapest, Hungary, shall be admitted to the United States of America for permanent residence here, notwithstanding any provision of the immigration laws of the United States now in effect.

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Hungarian quota of the first year that the Hungarian quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Ernest Ungar."

ESTHER COTTINGHAM GRAB

The Clerk called the next bill, H. R. 8530, for the relief of Esther Cottingham Grab.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Esther Cottingham Grab, widow of Frederic Daniel Grab, late American commercial attaché at Caracas, Venezuela, the sum of $5,000, such sum representing 1 year's salary of her deceased husband, who died May 2, 1937, in an airplane crash, while in the Foreign Service of the United States of America.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID MORGENSTERN

The Clerk called the next bill, H. R. 8226, for the relief of David Morgenstern.

Mr. HANCOCK and Mr. MOTT objected and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

MEDALS, ORDERS, AND DECORATIONS TENDERED CERTAIN OFFICERS BY FOREIGN GOVERNMENTS

The Clerk called the next bill, H. R. 8077, to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following-named officers of the Army are hereby authorized to accept such medals, orders, and decorations as have been tendered them by foreign governments:

Gen. George C. Marshall; Maj. Gen. David L. Stone; Maj. Gen. Emory S. Adams; Maj. Gen. Delos C. Emmons; Brig. Gen. Jay L. Benedict; Brig. Gen. James E. Chaney; Brig. Gen. James A. Ulio; Col. George E. Adamson; Col. Horace H. Fuller; Col. Thruston Hughes; Col. Bernard R. Peyton; Lt. Col. William C. Crane; Lt. Col. William F. Freehoff; Lt. Col. Samuel A. Gibson; Lt. Col. Arthur R. Harris; Lt. Col. Samuel J. Heidner; Lt. Col. Lehman W. Miller; Lt. Col. Robert Olds; Lt. Col. Charles W. Ryder; Lt. Col. Eugene Villaret; Lt. Col. Sumner Waite; Lt. Col. Victor W. B. Wales; Maj. Louis J. Compton; Maj. Mark A. Divine, Jr.; Maj. Harold L. George; Maj. Matthew B. Ridgeway; Capt. Joseph A. Baird; Capt. William W. Bessell, Jr.; Capt. Charles H. Caldwell; Capt. Alva L. Harvey; Capt. Woodson F. Hocker; Capt. Robert B. Hutchins; Capt. Donald R. Lyon; Capt. Carl B. McDaniel; Capt. William A. Matheny; Capt. Thomas L. Mosley; Capt. Thomas North; Capt. William D. Old; Capt. Irving R. Selby; Capt. Robert F. Tate; Capt. Robert B. Williams; Capt. Franklin C. Wolfe; First Lt. Carlos J. Cochrane, Air Corps Reserve; First Lt. Curtis E. LeMay; First Lt. James H. Rothrock, Air Corps Reserve; First Lt. James H. Walsh; First Lt. Torgils G. Wold; Second Lt. Joseph R. Ambrose, Air Corps Reserve; Second Lt. Wilson H. Banks, Air Corps Reserve; Second Lt. Charlie R. Bond, Jr., Air Corps Reserve; Second Lt. Alan D. Clark; Second Lt. Keith K. Compton; Second Lt. Henry C. Godman; Second Lt. Andrew J. Goodpaster, Jr.; Second Lt. Bela A. Harcos; Second Lt. Clarence K. Longacre; Second Lt. Glenn C. Nye; Second Lt. Robert A. Ping; Second Lt. William P. Ragsdale, Jr., and Second Lt. Hiette S. Williams, Jr.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN T. O'HEARN

The Clerk called the next bill, H. R. 774, for the relief of John T. O'Hearn.

Mr. MOTT and Mr. HANCOCK objected, and under the rule, the bill was recommitted to the Committee on Military Affairs.

FRANK CASEY

The Clerk called the next bill, S. 2433, for the relief of Frank Casey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army Frank Casey (claim No. 904781) shall be held and considered to have been honorably discharged on November 18, 1889, as a sergeant, Company B, Fifth Regiment United States Infantry: *Provided*, That no pension, pay, bounty, or other benefit shall be held to have accrued by reason of this act prior to its passage.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILSON A. KRAMER

The Clerk called the next bill, H. R. 6823, for the relief of Wilson A. Kramer.

There being no objection, the Clerk read the bill, as follows

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Wilson A. Kramer, who was a member of Company G, Twelfth Regiment Pennsylvania Volunteer Infantry, shall hereafter be held to have been mustered in service on May 7, 1898, and shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 29th day of October 1898, notwithstanding any provision to the contrary of this act relating to pensions approved April 26, 1898, as amended by the act approved May 11, 1908: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK W. SEIFERT

The Clerk called House Joint Resolution 275, to authorize the President to present the Distinguished Flying Cross to Frank W. Seifert.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That the President is authorized to present the Distinguished Flying Cross to Frank W. Seifert, former Army Air Corps Reserve officer, in recognition of his great courage and extraordinary achievements while participating in aerial flights in connection with the first successful experiment in refueling an airplane in the air.

With the following committee amendments:

In line 5, strike out the word "Reserve."

In line 5, after the word "officer", insert the following language: "and Lt. V. Hine, deceased."

In line 5, after the word "of", strike out the word "his" and insert the word "their."

Amend the title.

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "Joint resolution to authorize the President to present the Distinguished Flying Cross to Frank W. Seifert and Lt. V. Hine, deceased."

IZAAK SZAJA LICHT

The Clerk called the next bill, H. R. 8379, for the relief of Izaak Szaja Licht.

Mr. HANCOCK, Mr. MOTT, and Mr. CLEVENGER objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

KURT WESSELY

The Clerk called the next bill, S. 2598, for the relief of Kurt Wessely.

Mr. COSTELLO and Mr. HALLECK objected and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

NICOLA MORDEGLIA

The Clerk called the next bill, H. R. 2856, for the relief of Nicola Mordeglia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Nicola Mordeglia. Hereafter, for the purpose of the immigration and naturalization laws, such alien shall be deemed to have been lawfully admitted to the United States for permanent residence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISAAC SURMANY

The Clerk called the next bill, H. R. 5417, for the relief of Isaac Surmany.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That notwithstanding the provisions of section 14 of the act approved May 26, 1924 (43 Stat. 162; U. S. C., title 8, sec. 214), to the contrary, the Secretary of Labor is hereby authorized and directed to cancel the order of, and warrant of arrest for, deportation heretofore issued against Isaac Surmany: *Provided*, That upon the approval of this act said Isaac Surmany shall be deemed to have been admitted to the United States for permanent residence: *And provided further*, That no benefits shall be deemed to have accrued to said Isaac Surmany by reason of this act prior to the approval hereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RICHARD PAUL REHN

The Clerk called the bill (H. R. 5640) to admit Richard Paul Rehn permanently to the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That not withstanding the provisions of the immigration laws, the Secretary of Labor is authorized and directed to admit to the United States for permanent residence Richard Paul Rehn, a German, born in Germany.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALVATORE TARAS

The Clerk called the bill (H. R. 6946) for the relief of Salvatore Taras.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Salvatore Taras, and that the alien shall not hereafter become subject to deportation for the cause contained in the present warrant. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current quota year.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUGENE GRUEN AND WIFE

The Clerk called the bill (H. R. 7595) for the relief of Eugene Gruen and his wife, Kate.

Mr. HANCOCK and Mr. HALLECK objected, and the bill was recommitted to the Committee on Immigration and Naturalization.

FRANK WALKER AND SARAH ANN WALKER

The Clerk called the bill (H. R. 7800) for the relief of Frank Walker and his mother, Sarah Ann Walker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the order of deportation and warrant of arrest of Frank Walker and his mother, Sarah Ann Walker, be canceled and that their entry at Buffalo in July 1934 be a legal entry.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS D. FRIEDMAN

The Clerk called the bill (H. R. 7179) authorizing the naturalization of Louis D. Friedman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, Louis D. Friedman, a native-born citizen of the United States, who lost his citizenship by reason of his naturalization as a citizen of Canada shall become a naturalized citizen of the United States upon taking the oath of allegiance in the manner prescribed in the naturalization laws before any court having jurisdiction of the naturalization of aliens.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEVE ZEGURA, JR., AND B. DRAGOMIR ZEGURA

The Clerk called the bill (H. R. 8830) to amend the records at the Port of New York to show the admission of Steve Zegura, Jr., and B. Dragomir Zegura, as aliens admitted for permanent residence.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the records at the port of New York showing arrival on December 6, 1929, on the steamship *Leviathan*, of Steve Zegura, Jr., and B. Dragomir Zegura, be, and they are hereby, amended to establish the arrival of the persons herein named as aliens for permanent residence instead of citizens of the United

States as now recorded. From and after the date of approval of this act, the persons herein named shall be deemed to have been admitted to the United States on December 6, 1929, as aliens for permanent residence in compliance with law, any provision of the immigration and naturalization statutes notwithstanding.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

UMBERTO TEDESCHI

The Clerk called the bill (H. R. 2036) for the relief of Umberto Tedeschi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Umberto Tedeschi heretofore issued on the grounds that admission to the United States had been fraudulently gained and that he shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at Brooklyn, N. Y.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMMA KNUTSON

The Clerk called the bill (H. R. 2684) for the relief of Emma Knutson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel deportation proceedings in the case of Emma Knutson, any provision of existing law to the contrary notwithstanding.

From and after the date of the approval of this act Emma Knutson shall not again be subject to deportation by reason of the same facts upon which the outstanding proceeding rests, and she shall be deemed to have been lawfully admitted at Blaine, Wash., November 18, 1924, as an immigrant for permanent residence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

MARIA SCHREYER

The Clerk called the bill (H. R. 7046) for the relief of Maria Schreyer.

Mr. HANCOCK and Mr. HALLECK objected and the bill was recommitted to the Committee on Immigration and Naturalization.

JOSEPH B. RUPINSKI AND MARIA ZOFIA RUPINSKI

The Clerk called the bill (H. R. 7515) for the relief of Joseph B. Rupinski and Maria Zofia Rupinski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Joseph B. Rupinski and Maria Zofia Rupinski, his wife, heretofore issued on the ground that admission to the United States had been fraudulently gained, and that they shall hereafter be deemed to have been lawfully admitted to the United States as of April 2, 1925, for permanent residence and naturalization.

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the preference category of the quota during the current year.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GERALD HENRY SIMPSON

The Clerk called the bill (H. R. 7814) for the relief of Gerald Henry Simpson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws the alien Gerald Henry Simpson, now a member of the United States Army, shall be considered to have been, at Detroit, Mich., on February 9, 1937, lawfully admitted to the United States for permanent residence, and if found otherwise admissible to citizenship may be naturalized under this act upon compliance with all the requirements of the naturalization laws, except that—

(a) No certificate of arrival and no declaration of intention shall be required;

(b) No period of residence within the United States or within the county where the petition is filed shall be required; and

(c) The petition for citizenship shall be filed with any court having naturalization jurisdiction prior to the expiration of 4 months immediately following the date of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHANN RUDOLF HUENEBERG

The Clerk called the next bill, H. R. 5641, to admit Johann Rudolf Hueneberg permanently to the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of the immigration laws, the Secretary of Labor is authorized and directed to admit to the United States for permanent residence Johann Rudolf Hueneberg, a German, born in Germany.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAL KALISZKIEWICZ

The Clerk called the next bill, H. R. 6302, for the relief of Michal Kaliszkiewicz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel the outstanding warrant and order of deportation in the case of Michal Kaliszkiewicz, any provision of the existing law to the contrary notwithstanding. From and after the approval of this act, Michal Kaliszkiewicz shall not again be subject to deportation by reason of the same fact upon which the outstanding proceedings rest.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BARTOLOMEO ANSELMO

The Clerk called the next bill, H. R. 2033, for the relief of Bartolomeo Anselmo.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MOTT and Mr. HANCOCK objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

GEORGE LOUIS ARTICK

The Clerk called the next bill, S. 1510, for the relief of George Louis Artick.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws George Louis Artick, sometimes known as George Attick, of Danbury, Conn., shall be held and considered to have been legally admitted to the United States for permanent residence during July 1925.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of said George Louis Artick, sometimes known as George Attick, upon the ground of unlawful residence in the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES ROBERT HARMAN

The Clerk called the next bill, H. R. 6782, for the relief of James Robert Harman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers James Robert Harman, who was a member of the Sixty-fifth Service Squadron, Air Corps, shall be held and considered to have been honorably discharged from the military service of the United States on May 15, 1931: *Provided*, That no back pay or pension shall be held to have accrued prior to the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNEST S. FRAZIER

The Clerk called the next bill, S. 454, for the relief of Ernest S. Frazier.

There being no objection, the Clerk read the bill, as follows:

Whereas the War Department has itself eliminated from the discharge certificate of Ernest S. Frazier, late of the Texas National Guard in Federal service, the word "undesirable": Therefore

Be it enacted, etc., That the War Department is hereby authorized and directed to eliminate the words "illiterate" and "degenerate" from the record of said Ernest S. Frazier wherever the said words occur in such records.

SEC. 2. That the Veterans' Administration is also hereby authorized and directed to eliminate the words "illiterate" and "degenerate" from the record of Ernest S. Frazier whenever said words occur in such records.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALABAMA LEWIS POOLE

The Clerk called the next bill, S. 2201, for the relief of Alabama Lewis Poole.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the proceedings and findings of the board of medical officers which investigated the circumstances and facts surrounding the death of First Lt. John K. Poole, and the confirmation thereof by the War Department, the War Department is hereby authorized and directed to pay to Alabama Lewis Poole, widow of First Lt. John K. Poole, a sum equal to 6 months' pay which her husband was receiving as provided by law because the facts reported by the board of medical officers shows, on its face, that First Lieutenant Poole was in line of duty at the time of his death, and that his death was not the result of his own misconduct.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATHAN KAPLAN

The Clerk called the next bill, S. 166, for the relief of Nathan Kaplan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Nathan Kaplan, of Minneapolis, Minn., shall be held and considered to have been legally admitted to the United States for permanent residence on December 1, 1929.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of said Nathan Kaplan upon the ground of unlawful residence in the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JANET HENDEL, NEE JUDITH SHAPIRO

The Clerk called the next bill, S. 1326, for the relief of Janet Hendel, nee Judith Shapiro.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO and Mr. BARDEN objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

LENA HENDEL, NEE LENA GOLDBERG

The Clerk called the next bill, S. 1328, for the relief of Lena Hendel, nee Lena Goldberg.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO, Mr. HANCOCK, and Mr. BARDEN objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

HAIM GENISHIER, ALIAS HAIM SATYR

The Clerk called the next bill, S. 1478, for the relief of Haim Genishier alias Haim Satyr.

The SPEAKER pro tempore. Is there objection?

Mr. CLEVENGER and Mr. HANCOCK objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

DIONIS MOLDOWAN

The Clerk called the next bill, S. 1870, for the relief of Dionis Moldowan.

The SPEAKER pro tempore. Is there objection?

Mr. MOTT and Mr. HANCOCK objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

MIRA FRIEDBERG (MIRA DWORECKA)

The Clerk called the next bill, S. 2030, for the relief of Mira Friedberg (Mira Dworecka).

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO and Mr. HANCOCK objected, and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

DANE GOICH

The Clerk called the next bill, S. 2492, for the relief of Dane Goich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Dane Goich shall be held and considered to have been legally admitted to the United States for permanent residence on June 15, 1925.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of the said Dane Goich upon the ground of unlawful residence in the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY NOUHAN

The Clerk called the next bill, S. 2527, for the relief of Mary Nouhan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, Mary Nouhan, of Paterson, N. J., shall be held and considered to have been legally admitted to the United States for permanent residence on April 17, 1925.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued in the case of the said Mary Nouhan upon the ground of unlawful entry into the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS ROSENSTONE

The Clerk called the next bill, H. R. 7955, for the relief of Louis Rosenstone.

Mr. HANCOCK and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

Mr. COSTELLO. Mr. Speaker, I move to dispense with further proceedings under the call of the Private Calendar.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. DIES. Mr. Speaker, by direction of the Special Committee to Investigate Un-American Activities I present a privileged report and ask that the Clerk read it.

The Clerk read as follows:

[H. Rept. No. 1904]

The Special Committee to Investigate Un-American Activities authorized by the House of Representatives by House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, caused to be issued a subpena directing one George Powers to appear before the said Special Committee to Investigate Un-American Activities and to produce all records regarding Communist Party and activities, the subpena being set forth in words and figures, as follows:

By authority of the House of Representatives of the Congress of the United States of America, to the Sergeant at Arms, or his special messenger, you are hereby commanded to summon manager and/or custodian of office of Communist Party of west Pennsylvania, room 406, McCance Building, Pittsburgh, Pa., to be and appear before the Special Committee on Un-American Activities of the House of Representatives of the United States, of which the Honorable MARTIN DIES is chairman, and to bring with you all records, documents, and files pertaining to the Communist Party which are in your possession and under your control in their chamber in the city of Washington, on forthwith, at the hour of forthwith, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons. Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 25th day of March 1940. W. B. BANKHEAD, Speaker. Attest: South Trimble, Clerk.

Said subpena was on March 26, 1940, served upon the said George Powers by George F. Hurley, an employee of the said Special Committee to Investigate Un-American Activities and duly authorized to serve the said subpena, the return of a service by the said George F. Hurley being endorsed thereon which is set forth in words and figures, as follows:

Subpena for George Powers, manager and custodian of office of Communist Party of west Pennsylvania, room 406, McCance Build-

ing Pittsburgh, Pa., before the Special Committee on Un-American Activities. Served by George F. Hurley, investigator, March 26, 1940. Sergeant at Arms, House of Representatives.

Said George Powers, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony and to produce such records as required under and by virtue of House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress.

Said George Powers, after being duly sworn by the chairman, gave testimony before the said committee on the 28th day of March 1940 concerning certain matters and things, but refused to give testimony and to answer certain questions propounded to him on the following matters and things:

"The CHAIRMAN. I will frame the question this way: Are your brothers likewise members of the Communist Party of the United States?

"Mr. COHN. May I say to the court that that objection similarly covers the personal question of the chairman.

"The CHAIRMAN. Then, on advice of your counsel you decline to state whether or not your two brothers are members of the Communist Party of the United States?

"Mr. COHN. He so declines.

"Mr. LYNCH. Wait a minute. Let the witness do the declining.

"Mr. POWERS. I decline.

"Mr. LYNCH. Then I ask the Chair to direct him to answer.

"Mr. COHN. You have it on record. He said he declines.

"Mr. LYNCH. Wait a minute. I ask the chairman to direct him to answer the question.

"The CHAIRMAN. That is a formality. The witness is instructed to answer to the question as to whether or not his two brothers are now members of the Communist Party of the United States.

"Mr. LYNCH. Repeat your answer.

"Mr. POWERS. I decline to answer the question." (March 28, 1940, record, pp. 17–18.)

"The CHAIRMAN. Now, in connection with the Communist Party——

"Mr. LYNCH. Excuse me. Will the record show there is a quorum of the committee present when this question was asked?

"The CHAIRMAN. When the Chair began the deliberations this morning, a subcommittee was appointed because we did not have a quorum present, but at the time this question was asked a full quorum is present—Mr. VOORHIS, Mr. DEMPSEY, the chairman, Mr. THOMAS, and Mr. MASON.

"You likewise decline to answer the question as to whether or not your brothers are now in the United States? I want the record to be complete on that. Is that true?

"Mr. POWERS. I decline to give any information about anyone except myself." (March 28, 1940, record, p. 18.)

"The CHAIRMAN. I am asking you a question. State the name of the person under you in the organization whom you testified was in charge of the record of the payment of dues. Now answer that question.

"Mr. POWERS. You see——

"The CHAIRMAN. No; answer the question; the name of the person.

"Mr. POWERS. I will not give you any names of any people, because you are trying to build up a blacklist.

"The CHAIRMAN. All right. You are directed to answer——

"Mr. POWERS. Because you are blacklisting. I will prove it by MARTIN DIES' statement.

"The CHAIRMAN. Let the record show that the witness has declined to answer the question asked by the chairman.

"Mr. POWERS. Due to the fact that Mr. DIES is trying to blacklist our people in industry. That is why we are not going to supply ammunition for him, or Tom Girdler, either." (March 29, 1940, record, pp. 34–35.)

"The CHAIRMAN. Will you state to the committee the names of the members, or as many members as you can, of the district committee?

"Mr. POWERS. For fear of the blacklist, I will not state any.

"The CHAIRMAN. You are directed by the Chair to do so, and you decline to do so; is that correct?

"Mr. POWERS. I consider your question answered." (March 28, 1940, record, pp. 37–38.)

"The CHAIRMAN. Will you state to the committee the names of the secretaries of the branches that you know?

"Mr. POWERS. Most of our secretaries work in mills and mines, and I will not turn over any names to such a committee as this.

"The CHAIRMAN. The Chair directs you to state the names of the secretaries of those branches, and you decline to do so?

"Mr. POWERS. I decline to do so for the statement I made a minute ago. I decline to do so for reasons——" (March 28, 1940, record, p. 40.)

"Mr. LYNCH. I want to put the question specifically. Give us the name of the man who would be in charge of issuing membership books in the Communist Party in your area.

"Mr. POWERS. I told you that I wouldn't give you any names of any people.

"Mr. LYNCH. You refuse to give that name?

"Mr. POWERS. Because of the——

"Mr. LYNCH. Wait a minute. Do you refuse to give that name?

"Mr. POWERS. I refuse to give any name for the purpose of——

"The CHAIRMAN. That is enough.

"Mr. LYNCH. Do you refuse to give that name?

"Mr. POWERS. What name?

"Mr. LYNCH. The name I just asked you, of the man who issues the membership card book.

"Mr. POWERS. What membership card book?

"Mr. LYNCH. Such as the one just shown you; membership in the Communist Party.

"Mr. POWERS. I tell you——

"Mr. LYNCH. I am asking you if you will give us the name of the man who issues the membership card books.

"Mr. POWERS. I certainly will not." (March 28, 1940, record, pp. 54–55.)

"Mr. LYNCH. Mr. Powers, were you old enough to remember your father before he left Russia?

"Mr. POWERS. I consider that to be a personal question, and I will not answer any personal questions.

"Mr. LYNCH. You refuse to answer it?

"Mr. POWERS. I refuse to answer any personal questions.

"Mr. LYNCH. Do you refuse to answer that question?

"Mr. POWERS. This committee has no right to go into any personal questions.

"Mr. LYNCH. I ask, Mr. Chairman, that he be directed to answer it.

"The CHAIRMAN. You refuse to answer the question; is that correct?

"Mr. POWERS. I do. I don't see that this committee has any right to go into personal questions." (March 28, 1940, record, p. 65.)

"Mr. LYNCH. What name did you use before you arrived in this country?

"Mr. POWERS. That is immaterial.

"Mr. LYNCH. I submit it is very material.

"The CHAIRMAN. The Chair directs you to answer that question. Do you decline to do so?

"Mr. POWERS. I consider that immaterial to this committee.

"The CHAIRMAN. Do you decline to answer the question?

"Mr. POWERS. Yes." (March 28, 1940, record, p. 66.)

"Mr. LYNCH. Did your two brothers accompany you when you entered this country?

"Mr. POWERS. That is a personal question. I will not answer it.

"Mr. LYNCH. I will ask the Chair to direct him to answer it.

"The CHAIRMAN. You are directed to answer. Do you refuse to do so?

"Mr. POWERS. On the same ground." (March 28, 1940, record, p. 66.)

Because of the foregoing, the said Committee to Investigate Un-American Activities has been deprived of the testimony of said George Powers relative to the subject matter which, under House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, said Special Committee to Investigate Un-American Activities was instructed to investigate; and the willful and deliberate refusal of the witness to testify further, as hereinbefore set forth, is a violation of the subpena under which the witness had previously appeared and testified; and his willful refusal to testify further without having been first excused as a witness deprives the said Committee to Investigate Un-American Activities of necessary and pertinent testimony, and places the said witness in contempt of the House of Representatives of the United States.

Mr. DIES. Mr. Speaker, I offer a resolution.

The Clerk read as follows:

House Resolution 452

Resolved, That the Speaker of the House of Representatives certify the report of the House of Representatives Committee to Investigate Un-American Activities as to the willful and deliberate refusal of George Powers to testify before the said Committee to Investigate Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia to the end that the said George Powers may be proceeded against in the manner and form provided by law.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HAWKS. Mr. Speaker, I have introduced today a bill to amend the National Labor Relations Act. The bill is as follows:

Be it enacted, etc., That section 14 of the National Labor Relations Act is amended by adding at the end thereof the following: "Nothing in this act shall be construed so as to interfere with, impede, or diminish in any way the right of the several States to regulate employer-employee relations, and this act shall not be applicable in any State in which State legislation is in effect which provides for the enforcement of the right of self-organization and collective bargaining and the regulation of the conduct of parties in relation to self-organization and collective bargaining."

Throughout the country there is an increased demand for some changes either in the personnel of the National Labor Relations Board, or amendments to the act, or both.

My bill is simple, easily understood, and hits straight to one of the most vital and certainly fundamental parts of this entire labor controversy, namely, the question of States' rights.

That Congress has the power to enact such legislation is established in the case of *Cooley* v. *Board of Wardens of Port of Philadelphia* (12 How. (U. S.) 299, 13 L. Ed. 996). For precedents see act of Congress of August 8, 1890 (Wilson Act), and act of Congress of June 3, 1864, as amended February 10, 1868 (local taxation of national banks).

There is no question, and authorities have agreed that this is a field in which the Congress of the United States and the States have concurrent jurisdiction, and that State legislation is valid except as the Congress by legislation has clearly evidenced in its intent to occupy the same part of the field. No one will argue, of course, that in the latter event laws that are passed down here—in other words, Federal law—is paramount.

And it is agreed and has been demonstrated that in the case of administrative conflict the local law must give way, and consequently States' rights again subjected to the authority of the Federal Government. This occurs regardless of how much better adapted may be local administration to Federal administration.

The point I want to make right here is that only by congressional action is the power of the States in this particular field of labor relations restricted, and my amendment would merely restore to the States the concurrent power which they had before the Wagner Act became law.

I am not arguing the constitutionality of the Wagner Act, because that has already been established. The fact remains, however, that employer-employee relationship is essentially local in every important aspect; and if we ever expect to again have a normal relationship between employer and employee under the law, we should, where possible, return authority to local government. Where local authorities have been indifferent to this tremendous problem, there certainly is some justification for congressional action.

However, since such States as Massachusetts, Minnesota, New York, Pennsylvania, Utah, and Wisconsin have disposed of this problem in a manner satisfactory to their people, why should Congress presume to interfere? Why is it not proper and sensible to give full effect to the local legislation? Certainly in this particular instance those who are directly involved have a greater interest in the problem than the country at large. Again I say to you, Mr. Speaker, and to the Members of the House, that it is simply the old question of States' rights.

It has been argued by those interested in building up a tremendous bureaucracy here in Washington that the several State laws are inferior to the Wagner Act. Even though this be true, no significance should attach to that statement unless we intend to absolutely abolish State jurisdiction in all fields and substitute a single body of Federal law.

Certainly the proof that Federal jurisdiction is so far superior rests with those who make these broad claims for the Wagner Act. And to prove my point I refer you to the disclosures of the Smith committee and their recommendations for amendments of the Federal law. No man who has studied the report of the Smith committee can justify any claim that the National Labor Relations Board has done a better job than the local boards in the States I have before mentioned.

There is not only a duplication of administrative expense, which is unnecessary and unfortunate, but the National Board, relieved of much of its burden, would have time to clean out its own house and substitute desirable employees for those undesirables which are now on its pay roll.

Thus, with a smaller, more competent force, working on a simpler problem, the National Labor Relations Board would have a chance to fight its way back to respectability. It would have an opportunity to come to Congress with a smaller budget, because the adoption of my amendment would do away with duplication of administrative expenses, which are unnecessary and unfortunate.

There is nothing in my amendment of a partisan nature, and certainly no argument that will hold water, if true recognition of the rights of the several States is given to this particular problem. I do not intend to go into a long discourse on States' rights at this time, although I am convinced that it is high time Members of Congress got back to fundamentals in government. We all know that our National Government could not exist except that it is the creature of the several States. This usurpation of power and this concentration of government has got to stop sometime, if we are to maintain a republican form of government. And I believe that the adoption of my amendment would be one of the first steps back to the kind of government we all respected and under which we all profited.

It can be argued, of course, that State law cannot take care of the great national companies operating in several States. This argument, however, assumes that the entire national company is a proper bargaining unit. I cannot agree that this is the case. My answer to that argument is just this: That recognizing such a large national unit disfranchises the employees in a small plant who may be in complete disagreement with the company's employees elsewhere.

Suppose a company has six plants, the three largest of which have C. I. O. minded employees. Why should employees in a plant in another State a thousand miles away be denied their choice of affiliation with the A. F. of L. or to have an independent union of their own, simply because these other employees in far-distant cities whom they have never seen and with whom they have absolutely no contact, want the C. I. O.?

Again, we reach one of the most fundamental issues in the entire labor field; that is, that employees should have whatever kind of labor organization they want, small or large, and they should be absolutely free to make their own choice. A State board can afford and does afford them this opportunity. If they voluntarily choose, these employees in the smaller plants, to cooperate with the employees in the larger plants in other States, administration by a State board could not prevent it. And there is nothing in the several State laws that does prevent it or even attempts to prevent it.

It has been definitely proven that the only ones opposed to an amendment such as I have just introduced are those who want to impose the will of the Federal Government, through the National Labor Relations Board, on employers, employees, and other people everywhere, regardless of how well a State may be attending to its own problems and regardless of how satisfactory the relationship among all the people in that State might be.

It is not, in my opinion, the will of the employer or the will of the employee that is going to eventually correct this situation, but it is going to be the combined force of public opinion that is going to take us back to a recognition of States' rights and take us back again to local self-government and break up this terrible bureaucracy here in Washington.

Public opinion is showing itself today, and politicians all over the country are beginning to realize that following the will of pressure groups has been the wrong thing to do, and they are again listening to the voice of the public, that voice of all of the people.

The American public has given Federal bureaucracy a fair trial, they have permitted during the past 12 years this centralization because a number of years ago politicians sold them on the idea that it might work. This centralization was not started by the New Deal, and the Republican Party cannot disavow any responsibility for its growth; and for that reason this is not a partisan issue. This is an issue of States' rights, of fundamental American government, and I hope it will be recognized as such by this Congress.

Mr. Speaker, I hope that the committee which will receive this amendment for consideration will give it their most serious attention.

EXTENSION OF REMARKS

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include

therein quotations from the Washington Post, from the Herald, and from a book entitled "Propaganda For War."

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain tables.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an editorial concerning the Wheeler-Lea railroad bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the special order of the House the gentleman from Illinois [Mr. CHURCH] is recognized for 45 minutes.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a memorandum copy prepared by me of records of the General Accounting Office showing certain trips and some investigations of the travel of seven certain officials and employees of the Federal Home Loan Bank Board, Home Owners' Loan Corporation, and Federal Savings and Loan Corporation.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CHURCH. Mr. Speaker, at the outset of my remarks this afternoon let me emphasize the fact that we are giving altogether too much attention to foreign affairs and all too little attention to our problems right here at home. It is quite apparent that the present administration has seized upon the unsettled world affairs and the unfortunate wars abroad to divert the people's attention from the unsettled economic conditions in our own country and the complete failure of the administration to solve our most fundamental economic and social problems.

There are something like 10,000,000 unemployed in the United States. It seems to me that if we wish to make a real contribution to the cause of democracy, we will first set ourselves to the task of providing jobs for these unemployed. It can be done by lifting the heavy hand of government bureaucracy and taxes that are today restraining our economic machinery from going forward.

Our entire tax structure needs revision. But there is not the slightest prospect that this will be done at this session. Both the American Federation of Labor and business have pointed out the need for early revision of the National Labor Relations Act. That remains to be done. The House Judiciary Committee has pointed out the need for enacting legislation that the "governors may be governed and the regulators regulated" and reported the Walter-Logan bill. It has yet to be called up by the majority leaders. It would not be inaccurate to say that practically the only thing the administration has asked Congress to pass at this session so far are appropriation bills. The most that can be said for the administration program at this session is this: Spend money and talk about foreign wars.

Let us give some consideration to the problems and needs here at home. I desire to call your attention to a matter that needs immediate consideration and action by this House. This is only one of many such matters.

Mr. Speaker, I have addressed this House on three previous occasions with regard to the activities of the Federal Home Loan Bank Board, the Home Owners' Loan Corporation, and the Federal Savings and Loan Insurance Corporation. I have spoken of the need for a complete investigation of the activities of the officials of these agencies and a complete independent audit of their accounts.

On August 2, 1939, I introduced a resolution, House Resolution 292, to authorize the Speaker to appoint a special committee of this House to conduct such an investigation and audit. It is still pending wtih the Committee on Rules, in spite of the fact that I have already presented abundant evidence of irregularities, waste, illegal actions, and gross mismanagement on the part of the officials of these agencies. At the time I introduced the resolution I explained to the House how politics and mismanagement in the New York area of the H. O. L. C. itself will result in a loss of millions of dollars.

At a subsequent date I intend to present additional evidence of faulty management and irregularities in connection with the H. O. L. C. loans and foreclosures. For the present, in order that we may not become lost in a confusion of details, I wish to direct attention to only one item of administrative expense.

I do not believe the Members of this House realize that the people we represent, whose money we appropriate, are paying for fishing trips, summer vacations, visits to relatives and friends, and expenses to football games for officials of these three agencies. I do not believe the Members of this House realize that our people are paying for sun baths in Florida and California, attendance at Rose Bowl football games, week-end boat trips, and cross-country sightseeing, tours for officials of the Federal Home Loan Bank Board, the Home Owners' Loan Corporation, and the Federal Savings and Loan Insurance Corporation. Our people are even paying transportation expenses of the officials of these agencies in order that they may devote time at home on purely personal business matters, notwithstanding the fact that the law requires Government officials to devote all their time to the work of the office to which they are appointed.

Let us look at the facts. Mr. Speaker, I am not relying upon rumor, hearsay, or conjecture. I am relying upon official records. I am relying upon the best evidence obtainable—the record of the Committee on Appropriations in its hearings on the independent offices appropriation bill for 1941 and the official records of the General Accounting Office.

If you will turn to page 1148, in part 2, of the committee hearings, you will note that in 1939 the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation spent $13,726 in travel. It is the largest single item, with the exception of salaries, in the ordinary administrative expense. They even asked for an increase in 1941 to $20,000 for travel.

If you will now turn to page 1164, in part 2, of the same hearings, you will note that in 1939 the Home Owners' Loan Corporation spent $1,478,562 for travel. With the exception of salaries and personal services, this was the largest single item in the entire administrative budget.

In other words, Mr. Speaker, these three agencies annually spend something like $1,500,000 for travel alone. Nor can we be certain that it is not twice or three times that sum. They have a very neat way of keeping the Congress and the people from knowing how and where they spend money, simply by shifting expenditures which should be in the "administrative expense" category to the "nonadministrative expense" category.

In that connection let me call your attention to a paragraph of a letter addressed to me under date of May 29, 1939, by Comptroller General Fred H. Brown, in response to my inquiry concerning the expenditures of these three agencies. You will find the entire letter on pages 7510–7511, of the CONGRESSIONAL RECORD of June 19, 1939, volume 84, part 7, Seventy-sixth Congress, first session. Comptroller Brown said in part:

> Using as an example an agency to which the provisions, supra, apply, in many instances there is very little distinction between "administrative expenditures" and "nonadministrative expenditures," with the result that, if the agency so desires, expenditures may be switched from the administrative to the nonadministrative category, either to prevent audit by this Office or to conserve funds limited in amount for administrative purposes, and this Office would be without means of detecting the practice without having access to expenditures under both classes.

The Comptroller General has endeavored to make such an examination of the accounts of the Federal Home Loan Bank

Board, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation, but the officials of these agencies have opposed it. And so we do not really know to what extent nonadministrative funds have been used for administrative purposes. But we do know, as a fact, that these three agencies at least report an annual expenditure of around $1,500,000 for transportation purposes alone. That figure in itself indicates that the officials of these agencies are under the impression that they are presiding over a "travel bureau" and conducting a "see America first campaign."

The point I wish to emphasize, Mr. Speaker, is that the high officials of the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation are having the Government pay for pleasure and personal business trips. As I stated at the outset of my remarks, we are allowing these officials to take sun baths in Florida and California, and attend football games, at the expense of the people you and I represent.

Let us again look at the facts. I have here an exact copy of the official records to be found in the General Accounting Office concerning the week-end, holiday, pleasure, and personal business trips charged to the Government. I might say that I wrote the General Accounting Office no less than three times in an effort to get this information, but without success. The only way I got this information is by having a copy of the records made myself. I understand that as long ago as February 8, the Comptroller General submitted this same information to both the Administrator of the Federal Loan Agency and the Attorney General. It appears that he has asked them for a report, but, insofar as I have been able to determine, the Comptroller General has not received it. Apparently Mr. Jesse Jones, Administrator of the Federal Loan Agency, was startled when he received the results of the Comptroller General's investigation—so startled that he does not quite know how to reply. Prior to the reorganization, he had no jurisdiction over the Federal Home Loan Bank Board and these two corporations.

On June 19, 1939, I brought to your attention the illegal travel of Mr. Nugent Fallon, general manager of the Federal Savings and Loan Insurance Corporation. At that time I presented conclusive evidence to show that he was using Government funds to travel to and from his home for his own personal pleasure and personal business. I stated at the time that he did the same thing when he was with the Home Owners' Loan Corporation. I now present to you all the facts, in addition to what I have already presented.

The records of the General Accounting Office show that Mr. Nugent Fallon, as deputy general manager of the Home Owners' Loan Corporation prior to December 1, 1935, at a salary of $10,000 per year, illegally spent $1,510.50 for week-end trips and holiday trips to his home in New York City and his summer home at Swampscott, Mass., a suburb of Boston.

The records also show that he spent $1,881.68 for the same purpose as general manager of the Federal Savings and Loan Insurance Corporation. In other words, Mr. Nugent Fallon has charged the Government $3,392.18 for transportation and per diem allowance in order that he could run back and forth over week ends to New York and Boston.

When I pointed out some of these facts on the floor last June, Mr. Fallon offered the explanation that the contact work of the Federal Savings and Loan Insurance Corporation necessitated week-end trips to the New York and Boston area, in order to give encouragement to the Government's insurance program. Now, I wonder what explanation Mr. Fallon has to offer for the week-end trips to the same cities before he became general manager of the Insurance Corporation and was associated with the Home Owners' Loan Corporation.

Frankly, Mr. Speaker, I weigh my words when I say that Mr. Fallon has been conducting a deliberate fraud on this Congress and on the people we represent. We not only should stop paying for his week-end visits home, but indeed we should stop paying his $10,000 a year salary. Any man who would attempt to deceive the Congress and the people in the matter of transportation expense is certainly not the type of man to be trusted with the millions of dollars handled by the Federal Savings and Loan Insurance Corporation.

Mr. Speaker, I have asked and obtained unanimous consent to insert in the RECORD at this point the exact copy of the records at the General Accounting Office showing the week-end trips of Mr. Fallon and the findings of that Office in its investigation.

SCHEDULE A

Nugent Fallon, deputy general manager: Legal residence, State of New York; former residence, New York City; present residence, Washington, D. C.

Travel, subsistence, and other, at the expense of—

HOME OWNERS' LOAN CORPORATION

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
04526	Dec. 22-26, 1933	New York	$22.55	$12.81	$35.36	Week end and Christmas holiday.
07211	Jan. 6-8, 1934	New York and New Haven, Conn	11.35	10.11	30.46	Week end.
04483	Jan. 13-15, 1934	New York	13.60	13.96	27.56	Do.
07206	Jan. 25-29, 1934	New York and Providence, R. I	20.55	38.31	58.86	Do.
11486	Feb. 3-4, 1934	New York	8.40	13.96	22.36	Do.
12391	Feb. 9-15, 1934	Boston and New York	38.50	50.75	89.25	Do.
21053	Feb. 21-27, 1934	do	34.25	48.05	82.30	Week end and legal holiday.
31926	Mar. 4-6, 1934	New York	19.15	23.79	42.94	Sunday to Tuesday.
33011	Mar. 18-22, 1934	Boston and New York	26.60	46.69	73.29	Sunday to Thursday.
33010	Mar. 24-26, 1934	Atlantic City, N. J	8.90	12.15	21.05	Week end.
48153	Apr. 6-16, 1934	New York, Massachusetts, and Maine	97.75	33.92	131.67	Week end in New York City; week end in New England States.
53523	Apr. 21-22, 1934	Atlantic City, N. J	8.70	12.15	20.85	Week end.
66992	May 2-11, 1934	New York, Massachusetts, and Maine	53.25	39.09	92.34	Week end in New York City.
74889	May 16-21, 1934	New York	26.80	21.91	48.71	Week end.
89761	June 6-11, 1934	Boston and New York	25.85	43.88	69.53	Do.
109803	June 29-July 3, 1934	New York and Boston	19.75	34.43	54.18	Do.
122821	July 21-22, 1934	New York	9.00	13.96	22.96	Do.
137353	Aug. 9-13, 1934	do	27.10	38.78	65.88	Week end in New York City.
151492	Aug. 21-22, 1934	do	7.95	23.78	31.73	
153360	Aug. 31-Sept. 5, 1934	Boston, Mass	11.25	43.03	54.28	Week end and legal holiday.
188486	Oct. 12-19, 1934	New York and Boston	78.95	20.52	99.47	Week end in New York City; see note 1.
221706	Nov. 28-Dec. 2, 1934	do	22.25	29.92	52.17	Week end.
235863	Dec. 29, 1934-Jan. 1, 1935	New York	5.40	14.66	20.06	Week end and New Year's Day.
262122	Feb. 21-25, 1935	do	5.40	14.66	20.06	Legal holiday; week end and 2 days' leave.
286615	Mar. 30-31, 1935	Atlantic City, N. J	12.01	(1)	12.01	Week end.
298105	Apr. 17-21, 1935	New York	21.65	20.04	41.69	Do.
367821	June 25-July 8, 1935	Swampscott, Mass	51.64	22.93	74.57	See note 2.
408496	Sept. 14-16, 1935	New York	10.85	16.53	27.38	Week end.
417537	Sept. 26-29, 1935	Boston, Mass	31.72	22.93	54.65	See note 3.
427131	Oct. 12-15, 1935	New York	16.35	16.53	32.88	Week end.
	Total, Home Owners' Loan Corporation.		747.47	763.03	1,510.50	

Travel, subsistence, and other, at the expense of—Continued

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
324	Dec. 11–15, 1935	Asbury Park, N. J., and New York City.	$34.60	$20.04	$54.64	Week end; see note 4.[2]
340	Dec. 22–25, 1935	New York City	14.40	14.66	29.06	Chrismas holiday; see note 5.[2]
359	Jan. 15–16, 1936	New York	11.85	20.04	31.89	See note 6.[2]
373	Jan. 21–26, 1936	Miami, Fla., and various places	39.34	38.49	78.03	See note 7.[2]
525	June 17–29, 1936	Boston, Mass	103.45	18.35	121.80	2 week ends in Boston; see note 8.[2]
653	Nov. 11–13, 1936	New York	16.00	16.85	32.85	See note 9.[2]
942	Aug. 6–23, 1937	Boston, Mass	55.30	121.50	176.80	See note 10.[2]
1025	Sept. 29–Oct. 16, 1937	Los Angeles and various places	92.25	176.70	288.95	See note 11.[2]
1247	Feb. 27–Mar. 8, 1938	Apalachicola, Fla	102.30	(3)	102.30	See J. Aldrich Hall account for this; see note 12.[2]
1266	Apr. 7–12, 1938	New York City	28.65	13.95	42.60	Week end in New York City; see note 13.[2]
1297	Apr. 13–18, 1938	Norfolk, Va	10.25	11.50	21.75	Week end; see note 14.[2]
1356	May 15–27, 1938	Santa Barbara and San Francisco, Calif.	63.05	174.65	237.70	California Building & Loan League, 19–20–21, at Santa Barbara, Calif.
1515	Sept. 16–26, 1938	Boston, Mass	68.90	26.50	115.40	2 week ends in and around Boston, Mass.
1632	Oct. 6–8, 1938	do	30.20	36.21	66.41	Brought his car from Boston to New York.
1680	Nov. 4, 1938	Philadelphia, Pa	5.25	8.60	12.85	
1696	Nov. 15–19, 1938	Chicago, Ill	21.30	57.90	79.20	United States Building & Loan League, held in Chicago, Nov. 16–17–18, 1938.
1633	Dec. 3–10, 1938	New York	13.90	18.70	32.60	New York State League Conference, held Dec. 8–9, 1938; see note 15.
1670	Jan. 9–11, 1939	Boston and New York	12.40	44.05	56.45	
1773	Mar. 19–21, 1939	Buffalo, N. Y	9.35	32.40	41.75	
1785	Mar. 29–29, 1939	New York	5.80	17.40	23.20	
1806	Apr. 11–13, 1939	Chicago, Ill	11.15	57.90	69.05	
1869	May 8–8, 1939	New York	6.00	18.40	24.40	
1862	May 10–16, 1939	Boston and Swampscott, Mass., and various places.	103.00	(3)	103.00	Week end in and around Boston, and Swampscott, Mass.; New England League of Federal Savings and Loan Association held in Swampscott, May 13, 1939.
1877	May 24, 1939	New York	7.35	16.05	23.40	
1902	June 12–13, 1939	Wheeling, W. Va	35.60	(3)	35.60	
	Total, Federal Savings and Loan Insurance Corporation.		910.84	961.84	1,881.68	
	Total, Home Owners' Loan Corporation and Federal Savings and Loan Insurance Corporation.		1,667.31	1,724.87	3,392.18	

[1] Paid in cash. [2] These vouchers have been previously reported. Reported again to show the lack of justification of the so-called official business. [3] Auto.

Note 1. Voucher No. 188486, October 12–19, 1934

This was first apparently a week-end trip to New York. From New York Mr. Fallon proceeded to Boston, Mass., where he secured his car and returned to Washington. Mr. Fallon has a summer home at Swampscott, Mass., a short distance from Boston, and it appears that the trip was the means whereby his car was brought to Washington for use through the winter.

Note 2. Voucher No. 367821, June 25–July 8, 1935

Mr. Fallon left Washington, D. C., at 4:50 a. m., June 25, in his personally owned automobile and arrived at 11:30 p. m. of the same day in Swampscott, Mass., and the voucher indicates that he was on duty June 26. Mr. Fallon failed to show the date and time of departure from Swampscott, but does show that he arrived in Boston at 8:30 a. m., June 27, and left there at 3 p. m. of the same day, destination, date, and time of arrival not stated. Mr. Fallon shows himself as being on annual leave June 28 to July 3, inclusive, and on duty in Boston July 5 to 7, inclusive, which latter period was a week end. He left Boston at 8 p. m., July 7, and arrived in Washington July 8, 1935. Mr. Fallon's trip appears to have been not only for the purpose of a vacation in and around Boston but also for the purpose of getting his car to Swampscott for use at his summer home. Mr. Tilton, assistant to Mr. Fallon, accompanied him on this trip, both returning to Washington by train.

Note 3. Voucher No. 417557, September 26–29, 1935

This trip appears to have been for the personal convenience of Mr. Fallon. (Attention is invited to voucher No. 367821, dated June 25 to July 8, 1935, wherein it is stated that Mr. Fallon drove his personally owned automobile to Swampscott, apparently for family use during the summer.) Upon arrival in Swampscott, Mr. Fallon took annual leave from midnight September 27 to midnight September 28. He left Boston for Washington, D. C., at 4:40 a. m., September 29, in his car, together with Mr. Tilton, who accompanied him north in the spring. This also happened to be a week-end trip, and there follows a summary of the cost thereof, including the cost of transporting the car to Washington, D. C.:

	Salary	Travel	Per diem	Total
Mr. Fallon, 4 days	$93.36	$20.47	$11.25	$125.08
Mr. Tilton, 4 days	88.88	21.78	16.25	126.91
Total	182.24	42.25	27.50	251.99

Note 4. Voucher No. 324, December 11–15, 1935

This was a week-end trip to New York and Asbury Park, N. J.

Note 5. Voucher No. 340, December 22–25, 1935

This trip to New York extended from Sunday until Christmas, and was made apparently to take advantage of the holidays.

Note 6. Voucher No. 359, January 15–16, 1936

This was a 2-day trip to New York apparently in connection with savings and loan association matters.

Note 7. Voucher No. 373, January 21–26, 1936

This trip from Washington, D. C., to Miami, Fla., and return, began at 7:30 a. m., January 21, 1936. Part of the trip was by automobile, part by train, and part by airplane, and while no attempt is made to list the various stop-overs on this trip, Dr. Emery Woodall, Associate General Counsel of the Federal Home Loan Bank Board, commented thereon as follows:

"NOTE.—To Miami, Fla., January 21, 1936, to January 26, 1936, via Richmond, Va.; Durham, N. C.; Winston-Salem, N. C.; Charlotte, N. C.; Columbia, S. C.; Jacksonville, Fla.; Miami, Fla.; Savannah, Ga.; Columbia, S. C.; Raleigh, N. C.; Washington, D. C.

"* * * Mr. Horace Russell, General Counsel, instructed me to travel with Mr. Fallon to Miami, Fla. At Mr. Fallon's request, I drove my car as far south as Columbia, S. C. I was not informed by the General Counsel what my duties would be other than to assist Mr. Fallon as he might request in any conferences he might have. It was Mr. Fallon's first trip to Miami. On the way to Miami and on the return trip only the following official business was transacted:

"1. A 15-minute conversation with Mr. M. H. Bristow, commissioner of insurance and banking, at his office in Richmond. I transacted no official business in Miami. We did, however, see Miami from Hialeah Park to Miami Beach bathing. The weather was cold, however, so that our stay was short. I had previously known Mr. Bristow in connection with the reorganization resulting in the establishment of the Norfolk Federal Savings and Loan Association. I introduced Mr. Fallon to Mr. Bristow. The conference had no particular purpose.

"At Durham, N. C., we drove through the grounds of Duke University and admired the beauty of the new buildings of that university.

"2. We spent one night and the next morning in Winston-Salem, N. C., and visited with the president and some of the officers of the Federal Home Loan Bank of Winston-Salem. It constituted a getting-acquainted conference for Mr. Fallon.

"Our route carried us through Charlotte, N. C. I don't believe we even stopped to say 'hello' to the officers of a Federal association, although Mr. Fallon suggested that we might do that. He had inquired from Mr. LaRoque the name of some of the associations and their officers whom he might drop in on.

"3. A short conference with Mr. Thomas H. Daniel, chief examiner of the banking department of South Carolina. The conference occurred late in the evening in the lobby of one of the hotels in Columbia, S. C. Our schedule permitted only a few hours there, most of which was consumed in a leisurely dinner. Mr. Daniel joined us after dinner. Upon arrival at Jacksonville, Fla., a field representative of the Board, Mr. Robert K. Bruhn, met us with his car and drove us to Miami. This was the first illustration I had seen of using a field representative as chauffeur and the Government mileage compensation to provide a private car for cross-country touring. Mr. Bruhn had come from Alabama so as to provide his car with himself as driver. We transacted no official business in Jacksonville other than meeting Mr. Bruhn and getting into his car.

"4. While in Miami, Mr. Fallon and Mr. Bruhn called on one of the Federal savings and loan associations, spending only a short time at their office. Mr. Bruhn informed me that the conversation was general—regarding building conditions in Miami. Mr. Fallon had only recently taken his position; he had had no previous knowledge of or experience in building and loan affairs; he was not in charge of any supervisory activities. Supervision of insured institutions is handled by the Governor's office. The call upon the association had no bona fide objective. He did not permit me to accompany him on such visit to the association lest, he said, they be frightened by the appearance of a lawyer.

"The plane which we used from Miami landed us in Savannah, Ga., after midnight. We transacted no official business in Savannah other than to board a Pullman for Columbia, S. C. We transacted no official business in Columbia, S. C., on the return trip other than to get my car which I had left in the care of a boyhood friend who lived there.

"5. By long-distance telephone Mr. O. K. LaRoque, president of the Federal Home Loan Bank of Winston-Salem, N. C., was requested to meet us in Raleigh, N. C., at lunch on the Sunday following our departure from Miami by airplane Saturday night. Mr. Fallon had determined to be back in the office Monday morning. He stated that we should contact for record purposes at least one other State building and loan supervisor. He had requested Mr. LaRoque to arrange for the insurance commissioner of North Carolina, Mr. Dan C. Boney, to meet Mr. Fallon at the Sir Walter Raleigh Hotel in Raleigh for a short conference on Sunday afternoon. Mr. LaRoque had worked under Mr. Boney as supervisor of building and loan associations immediately preceding his becoming president of the Federal Home Loan Bank of Winston-Salem. The conference was very general.

"Upon our return I was quite disgusted with the junket, because I was bound to conclude that I had been forced to be a party to a private trip at public expense. I reported my conclusions to the general counsel, Mr. Horace Russell."

Below is a copy of a telegram Mr. Fallon sent to his secretary:

MIAMI BEACH, FLA., *January 23, 1936.*

MISS HARRIET ROACH,
Room 7520, New Post Office Building, Washington, D. C.:

Working here Friday. Two bad situations. Leaving Bruhn here. Saturday at Raleigh with LaRoque. Send message through him. Post me if anything important.

NUGENT FALLON,
General Manager.

In the above telegram Mr. Fallon referred to two bad situations in Miami, but Dr. Woodall mentioned in his remarks that they visited only one institution, and that for only a few minutes, and that Mr. Bruhn intimated to him that the conversation was general in regard to building conditions in and around Miami. Mr. Fallon also mentioned leaving Mr. Bruhn in Miami. However, Mr. Bruhn's territory was in the vicinity of Alabama, and there would appear to be no necessity for him to accompany Mr. Fallon back to Washington, D. C. Mr. Fallon's statement of travel shows that he arrived in Washington, D. C., at 1 a. m. Sunday, January 26, 1936, but the telegram indicated that he would be in Raleigh, N. C., on Saturday, January 25, and Dr. Woodall's statement shows that he, Mr. Fallon, and Mr. LaRoque, the commissioner of banking in North Carolina, had a luncheon engagement in Raleigh on Sunday, January 26, followed by a short general conversation in the afternoon, arriving in Washington apparently on Monday morning, January 27, 1936, which indicates a discrepancy between the statement on the voucher and that made by Dr. Woodall.

Note 8. Voucher No. 525, June 17–29, 1936

Dr. Woodall made the following statement in connection with this trip:

"On June 16 Mr. Russell, general counsel, requested me to prepare to go to Harrisburg, Pa., with Mr. Fallon the next day. I immediately contacted Mr. Fallon, and he informed me that he was driving to Boston so as to take his car to Swampscott for the summer, where his family was located for the summer. Chairman Fahey also has a summer home in Swampscott. He said he had arranged to call on the building and loan supervisor in Harrisburg, Pa., en route to Plattsburg, N. Y., where he planned to make a speech. He stated he was leaving very early the next morning. He suggested that perhaps Mrs. Woodall would like to ride with us to Harrisburg and spend the day with me there.

"We left Washington quite early in the morning and had a conference with Mr. Eshbach, building and loan supervisor of Pennsylvania, regarding possible methods of reorganization by Pennsylvania building and loan associations for the purpose of obtaining insurance of their accounts by the Federal Savings and Loan Insurance Corporation. Mr. Fallon had requested that Mr. Robert A. Cunningham, counsel for the Federal Home Loan Bank of Pittsburgh, meet us in Harrisburg. I discussed with Mr. Cunningham the case of our Home Building and Loan Association of Philadelphia, Pa. This discussion occurred after Mr. Fallon had proceeded by automobile northward. I also discussed with Mr. Cunningham revisions of the illustrative forms of shares to be issued by insured institutions in Pennsylvania. Mr. Fallon sat in on the conference with Mr. Eshbach, which was very brief, and proceeded to Plattsburg. The matters being discussed were matters of reorganization law. Mr. Fallon made no contribution to the discussion."

Note 9. Voucher No. 653, November 11–13, 1936

Dr. Woodall made the following comment in connection with this trip:

"In his justification to the Board, page 9 of his memorandum dated July 19, 1939, Mr. Fallon refers to a meeting with the deputy commissioner of banking of New Jersey and with others at Newark, N. J. He mentions that I was present at that meeting. Although there had been several weeks of conferences between Mr. Bliss, president of the Federal Home Loan Bank of New York, and the New Jersey authorities, the conference that day in Newark was the first meeting for some time. My travel voucher covering my trip to Newark and return on November 12 shows that the only official conference that was held was between 2:30 p. m. and 10 p. m. I arrived via Eastern Airlines in Newark at 2:20 p. m. and left Newark via Eastern Airlines at 10 p. m.

"* * * It is true that various building and loan associations were visited; the visits were pleasant, more social than official."

Note 10. Voucher No. 942, August 6–23, 1937

Below is the statement of Dr. Woodall on this trip:

"I arrived in Boston on August 9 at 7 a. m. I left Boston at 3:30 p. m. the next day. Mr. Fallon, on page 15 of his memorandum of justification to the members of the Board dated July 19, 1939, states that 'our records indicate that I was accompanied in Boston on the 6th and 7th by Associate General Counsel Woodall for the purpose of working out a legal plan for insuring State-chartered cooperative banks without the conversion of such banks to Federal charters. Under the law of Massachusetts, as then existing, a State-chartered cooperative bank could not obtain Federal insurance without conversion. Discussions were held with the authorities on prospective Massachusetts and Rhode Island legislation.'

"I was not in Boston on the 6th or the 7th. Mr. Fallon had requested me to accompany him to Boston, but I had official business which compelled me to be in Norfolk on August 7. After conference with Mr. Fallon before he left for Boston, therefore, it was arranged that I would go to Norfolk by taking the Boston boat from Baltimore, spend Saturday in Norfolk and attend to the official business which I had relating to the pending litigation against the Norfolk Federal by the receiver of the Definite Contract Building and Loan Association and arrive in Boston on Monday morning, August 9, on the Merchants and Miners' boat.

"Mr. Fallon was called to Chicago and left Boston on August 9. I discussed with the president and counsel of the Boston bank the problems affecting insurance program in Boston. Mr. Fallon's statement is inaccurate when he states that under the law of Massachusetts State-chartered cooperative banks could not obtain Federal insurance without conversion. The reason there were difficulties was that under the mutual insurance fund which the State of Massachusetts had set up by statute, State-chartered cooperative banks had unlimited liability for the losses which might be sustained by any of the other banks in the mutual insurance fund. For that reason, the board of trustees of the Federal Savings and Loan Insurance Corporation refused as a matter of policy (not as a matter of law) to insure cooperative banks in Massachusetts unless they terminated their relationship with the mutual State insurance fund of Massachusetts by converting into a Federal savings and loan association. There was nothing new in the situation at the time I went to Boston. The matter was not at that time critical. As he stated, I had some conferences about the matter. Conferences regarding legislation were very general. The fact is, I wondered why I had been asked by Mr. Fallon to come to Boston. He had made certain engagements for me. I saw him only about 10 minutes on August 9. So far as I could learn he was not engaged in official business but was visiting relatives. I wound up the appointments on August 10 as early as possible and got out of town by airplane. I had sat around the Boston bank almost all day on the 9th wondering why I had been asked to come to Boston. Mr. Fallon's memorandum to me, dated August 6, 1937, requested me to meet him in the Boston bank about 9 a. m. Monday morning. A copy of that memorandum is attached. As I looked back on this trip it seemed to me that I was supposed to be in Boston for a cover for an extended stay by Mr. Fallon in that city. He was quite disappointed that he had to go to Chicago. The trip to Chicago was bona fide, but it should be noted it was only a 2-day trip."

Below is a copy of the memorandum from Mr. Fallon to Dr. Woodall mentioned in Dr. Woodall's statement above:

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION,
August 6, 1937.

MEMO

To Dr. WOODALL.
From NUGENT FALLON.

In accordance with our plan and to handle legal phases of the tax situation in Massachusetts, which is proving troublesome to converted Federals, and the legal details of insurance of nonconverted cooperative banks in Massachusetts and prospective legislation, I will very much appreciate meeting you in the Boston Bank about 9 a. m. Monday, August 9, with Mr. Neaves, who is looking for us.

N. FALLON, N. F.

Note 11. Voucher No. 1025, September 29–October 18, 1937

This trip to the Pacific coast is also referred to in note 14 in connection with travel of Mr. Webb.

Note 12. Voucher No. 1247, February 27–March 8, 1938

This appears to have been an extended trip through the South with stops at various points in connection with which it is reported substantially as follows:

Mr. Fallon traveled in his privately owned automobile from Washington to Aiken, S. C., apparently accompanied by his wife. At Aiken they were met by Mr. J. Aldrich Hall, who had driven his private automobile from Washington to Aiken (Mr. Hall's former home) and the trip was apparently continued to Apalachicola, Fla., and other points and return to Aiken in Mr. Hall's automobile, driven by Mr. Hall. Upon return to Aiken Mr. Fallon apparently obtained his automobile and completed the return trip to Washington accompanied by his wife.

Note 13. Voucher No. 1296, April 7–12, 1938

This was a trip to Asbury Park, Atlantic City, and to New York over the week end.

Note 14. Voucher No. 1297, April 15–18, 1938

This was a week-end trip during the Easter holiday. Mr. Fallon made notation on his expense voucher for this trip as follows:

"Termination of official business would have permitted traveler to leave Norfolk, Va., at 5:45 p. m., April 16, 1938, and arriving in Washington, D. C., 7 a. m., April 17, 1938; therefore per diem is claimed for that period only."

Dr. Woodall made statement in connection with this trip as follows:

"In his memorandum of justification, page 19, Mr. Fallon stated: 'This was a planned trip to determine the cause of our slow progress and to scrutinize the situation in a building and loan association which we had reorganized in cooperation with the State banking commission over a year before. Our records indicate that a merger was accomplished of the association in question. I met Dr. Woodall in Norfolk.'

"By this statement a situation is implied which it was designed would deceive the casual reader. The only possible associations to which Mr. Fallon could have had reference was either the Norfolk Federal Savings and Loan Association or the State Building Association. Both were reorganized in cooperation with the State banking commissioner; one as a Federal association, the other as a State-chartered association. Since that time the small, weak, reorganized State-chartered association has been absorbed by the Norfolk Federal Savings and Loan Association by merger. The merger was engineered by Mr. A. G. Bailey without the assistance from the Washington office, and no one in the Washington office had ever considered the matter prior to the time Mr. Bailey arranged the matter locally and put it through. In April 1938 the merger had never been dreamed of as feasible or possible and no proposition had ever been made to that effect. It is doubtful that Mr. Fallon even called on the State Building and Loan Association. He stated that he had not found the secretary in when he telephoned. Mr. Fallon did meet me in Norfolk (by accident). His statement, however, taken in connection with other statements as to occasions upon which I had accompanied him, would lead the unsuspecting person to imagine that by prearrangement I had met him in Norfolk to handle official business. In fact, I was in Norfolk over the Easter week end on annual leave with my wife, visiting Mr. and Mrs. A. G. Bailey. Mr. Bailey was, and still is, president of the Norfolk Federal Savings and Loan Association, an association organized to salvage a substantial part of the assets of the Definite Contract Building and Loan Association, which has been placed in receivership. My stay in Norfolk was wholly personal. When on Saturday Mr. Bailey received a message from Mr. Fallon that he wished to call upon him at the office of the Norfolk Federal Savings and Loan Association, I accompanied Mr. Bailey to the office. Mr. Bailey had also taken leave from business, but accommodated Mr. Fallon by meeting him at his office. Mr. Fallon turned up at Mr. Bailey's office some time after 11 o'clock in the morning. He was somewhat surprised to find me there but doubtless thought no more of it when it was explained that Mrs. Woodall and I were visiting the Baileys. I had in the past caused Mr. Fallon to be entertained by the Baileys. I was present during the conference between Mr. Fallon and Mr. Bailey. The conference was short. It consisted of certain random questions with regard to the general financial condition of various other building and loan associations in the Norfolk area, a list of which Mr. Fallon had on a sheet of paper on which appeared the names of certain building and loan associations, and a few facts about each, such as could be obtained from the annual report of the State banking department by Mr. Pfeiffer who prepared the memorandum for Mr. Fallon. Mr. Bailey had no more intimate knowledge of the financial conditions of these other associations; they did not publish their annual statements. No particular additional information was sought; the discussion was very general and centered around the hope that additional institutions would become insured. Mr. Fallon then inquired from Mr. Bailey how he could best get his bags to the Cavalier Hotel at Virginia Beach, whereupon Mr. Bailey offered to drive him down to Virginia Beach. Both Mrs. Bailey and Mrs. Woodall accompanied us and we made a pleasant trip to the beach out of the change of plan required to take Mr. Fallon to the Cavalier Hotel, where he spent the Easter week end. There was no other official business conducted so far as I was able to learn. Mr. Fallon informed me that as his family was away for the Easter vacation and it was too far to go to them, he would spend the Easter holiday at Virginia Beach.

"It was on the same day that Mr. Fallon asked Mr. Bailey to find for him a yacht which he could rent during the next summer. Mr. Bailey found such a yacht, which Mr. Fallon chartered. I understand that he dismissed the yacht at Gloucester, Mass., and has been sued by the charter party."

An article appeared in the Washington Evening Star April 18, 1939, as follows:

"YACHTING BILL PRESENTED—NUGENT FALLON VIA COURT

"Nugent Fallon of the Army-Navy Club was named defendant in a district court action late yesterday when two Suffolk, Va., businessmen presented him with a bill for $5,050, with interest at 6 percent, as the aftermath of hiring a yacht, which they contend he made unseaworthy when he turned on some valves without consulting the captain of the craft.

"District court was advised that Benjamin B. Elliott and Milton T. Elliott, of Suffolk, entered into a contract with Mr. Fallon, under which he hired the yacht *Romar* for $2,000. The action was filed by Attorney F. H. Marshall, of the law firm of Whiteford, Marshall, Hart & Carmody, and declared the yacht was hired from May to September of last year, but that Mr. Fallon paid $1,500 of the $2,000.

"But, they claim, because he violated the terms of the contract in which he agreed to replace or make good any damage to the craft, and tampered with some valves, he ruined the engine and made the yacht unnavigable.

"They asked district court to get their money for them and presented a bill which includes $500 due still on the charter party; traveling expenses, food, and lodging in endeavoring to repair the *Romar* and install new engine, $289; $614 as a marine railway charge; $50 to tow the vessel to New Bedford, Mass.; $1,500 as the cost of a new engine; $625 to install this engine; and $250 as expenses for the return of the yacht to Virginia waters—a total of $4,050, plus interest at 6 percent."

Note 15. Voucher No. 1633, December 8–10, 1938

This trip to New York was for the purpose of attending the midwinter conferences of the New York State League, which were held December 8 and 9. Below is a memorandum to Mr. Fallon found with the vouchers:

"Please destroy the certified copies of resolution adopted by the board of trustees, December 6, concerning your travel and attendance of the New York State League of Savings and Loan Associations meeting and use in lieu of the destroyed copies the attached."

A copy of the original resolution of December 6, 1938, could not be found. There appears to have been passed the following resolution to evade the direct reason of attending the meeting stated above.

"*Be it resolved,* That the board of trustees having determined that it is in the best interests and in furtherance of the official business of the corporation, Nugent Fallon, general manager, is authorized to travel to New York, N. Y., on official business to include attendance at the midwinter conference of the New York State League of Savings and Loan Associations and travel expenses incurred pursuant to this resolution are hereby authorized without regard to the provisions of Thirty-seventh Statutes at Large 854 (5 U. S. C. 83).

"I hereby certify that the above is a true and correct copy of resolution adopted by the board of trustees, Federal Savings and Loan Insurance Corporation, on December 6, 1938.

"H. CAULSON,
Assistant Secretary."

There was also found in Mr. Fallon's voucher for this trip the following memorandum:

"MEMORANDUM TO ALL DEPARTMENT AND DIVISION HEADS—HOME OWNERS' LOAN CORPORATION, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

"The question of clearing travel vouchers with the General Accounting Office, where employees while traveling on official business attend any meeting or convention of a society, association, league, or other organization, was considered by the board yesterday and I was directed to inform you that it will hereafter be necessary, prior to such travel and attendance, for the employee to secure the approval of the board of directors or board of trustees, as the case may be, in the form of a resolution authorizing such travel, and attendance. Application for such resolution should be made to the secretary in memorandum form giving all the essential facts

pertaining to the meeting or convention, such as the name of the organization holding the meeting or convention, the dates, the place where it is to be held, and whether the travel expense is to be charged to the H. O. L. C. or Insurance Corporation.

"Please inform the members of your staff accordingly.

"R. L. NAGLE,
Secretary to the Board."

Now let us turn to the case of Mr. John H. Fahey, Chairman of the Federal Home Loan Bank Board. The records of the General Accounting Office show that he charged the Board itself $741.31 for transportation and the Home Owners' Loan Corporation $6,900.21, or a total of $7,641.52, for week-end trips to Boston, Mass., where he has his home, and to New York, where he has his business interests. In addition to being a trustee of the Edward A. Filene estate, Mr. Fahey is also president of the Twentieth Century Fund, with headquarters in New York City.

If you will just examine this list of trips of Mr. Fahey to New York and Boston you will legitimately conclude that he is hardly ever to be found in Washington. Any number of people having business with the Home Loan Bank Board have complained to me that they can rarely locate Mr. Fahey in Washington. It is quite understandable why millions of dollars of the people's money will be lost through faulty and irregular practices when the Chairman of the Board himself is devoting a large part of his time taking care of personal affairs, which time he should be devoting to his Government, which pays him a salary of $10,000 per year.

Mr. Fahey has been deliberately ignoring chapter 522, section 17, of the act of July 22, 1932, which reads as follows:

Each member shall devote his entire time to the business of the Board. Before entering upon his duties each of the members shall take an oath faithfully to discharge the duties of his office.

Mr. Speaker, I have asked and obtained unanimous consent to insert in the RECORD at this point the copy of the records of the General Accounting Office and the findings in its investigation of the travel of Mr. Fahey at the expense of the Government.

SCHEDULE B

John H. Fahey, chairman: Legal residence, State of Massachusetts; former residence, Boston, Mass.; present residence, Washington, D. C.
Travel, subsistence, and other, at the expense of—

FEDERAL HOME LOAN BANK BOARD

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
5	June 16–20, 1933	Boston, Mass	$65.89	(1)	$65.89	Week end.
84	June 22–26, 1933	do	19.15	$39.91	59.06	Do.
85–86	June 30–July 10, 1933	do	49.15	39.91	89.06	2 week ends.
87	July 12–19, 1933	do	34.15	39.91	74.06	Week end.
94	July 21–25, 1933	do	19.15	40.91	60.06	Do.
121	July 29–Aug. 9, 1933	New York and Boston	54.15	57.83	111.98	2 week ends.
123	Aug. 18–23, 1933	do	28.20	37.66	65.86	Week end.
124	Aug. 11–16, 1933	Boston, Mass	24.15	39.91	64.06	Do.
2007	May 14–17, 1934	New York	16.65	20.04	36.69	
2006	June 8–12, 1934	Boston, Mass	15.52	34.76	50.28	Week end; see note 1.
2905	Aug. 23–Sept. 4, 1934	do	15.40	48.91	64.31	Vacation purpose, annual leave, Aug. 24–Sept. 3, 1934.
	Total, Federal Home Loan Bank Board.		341.56	399.75	741.31	

HOME OWNERS' LOAN CORPORATION

137	Aug. 25–30, 1933	Boston, Mass	$24.15	$39.91	$64.06	Week end.
138	Aug. 31–Sept. 5, 1933	Boston and New York	50.80	39.63	70.43	Week end and Labor Day.
221	Sept. 8–12, 1933	Boston, Mass	19.15	34.76	55.91	Week end; all telephone calls appear to have been made from Swampscott.
292	Sept. 14–19, 1933	do	24.75	39.91	64.66	Week end.
293	Sept. 28–Oct. 3, 1933	do	25.40	35.41	60.81	Do.
00438	Oct. 12–17, 1933	New York and Boston, Mass	28.65	40.99	69.64	Do.
915	Oct. 20–23, 1933	Boston, Mass	14.15	34.76	48.91	Do.
710	Oct. 25–27, 1933	New York and Boston, Mass	11.65	45.01	56.66	
24368	Jan. 10–12, 1934	New York	16.65	20.04	36.69	
21028	Jan. 23–27, 1934	New York and Boston, Mass	20.50	43.06	63.86	
23918	Feb. 21–25, 1934	New York	22.50	20.04	42.54	Wednesday to Sunday, legal holiday included.
132350	June 22–26, 1934	Boston, Mass	28.35	43.76	72.11	Week end.
132349	June 28–July 8, 1934	do	58.65	43.91	102.56	10 days in Boston.
181072	July 20–Aug. 7, 1934	do	89.15	48.91	138.06	17¾ days in Boston.
181071	Aug. 16–21, 1934	do	26.65	42.16	68.81	Week end.
329191	Sept. 6–18, 1934	Boston, Mass., and other places	59.15	82.41	141.56	2 week ends.
181073	Sept. 19–26, 1934	Boston, Mass	34.15	48.91	63.06	7 days in Boston; see note 2.
329193	Oct. 22–Nov. 1, 1934	New Orleans, La	52.60	89.70	142.30	9 days in New Orleans.
329195	Nov. 21–24, 1934	Boston, Mass	14.15	62.01	76.16	
329199	Dec. 12–19, 1934	New York and Boston, Mass	42.75	52.89	95.64	Week end.
329198	Jan. 3–7, 1935	do	23.80	35.08	58.88	Do.
343723	Feb. 1–4, 1935	New York	19.10	14.66	33.76	Do.
314001	May 7–10, 1935	Hot Springs, Va	15.30	23.13	38.43	
343724	May 28–June 2, 1935	Boston, Mass	27.25	42.16	69.41	Legal holiday and Saturday and Sunday in Boston.
361956	June 12–18, 1935	New York and Boston, Mass	42.00	48.76	90.76	Week end.
361957	June 21–25, 1935	Boston, Mass	26.25	42.21	60.46	Do.
369185	June 28–July 1, 1935	do	24.35	55.66	80.01	Do.
381266	July 2–8, 1935	New York and Boston, Mass	44.20	44.46	88.66	Holiday July 4, and week end in Boston.
381265	July 12–15, 1935	Boston, Mass	31.05	55.66	86.71	Week end.
381263	July 19–22, 1935	do	24.05	42.16	66.21	Do.
381264	July 25–30, 1935	do	34.65	48.91	83.56	Week end, drawing rooms both ways.
426492	Aug. 2–29, 1935	do	46.10	48.91	95.01	Week end and 21 days annual leave in Boston.
426493	Aug. 29–Sept. 5, 1935	do	47.65	48.91	96.76	Week end and legal holiday (Labor Day).
426494	Sept. 12–17, 1935	do	33.25	48.91	86.16	Week end.
426496	Sept. 27–Oct. 2, 1935	do	33.25	48.91	82.16	Do.
426495	Sept. 23–24, 1935	New York	11.50	27.54	59.04	
431754	Oct. 7–10, 1935	do	25.60	27.54	53.34	
437410	Oct. 15–17, 1935	do	20.30	20.04	40.34	None of these trips were over the week end; listed for purpose of showing the number of trips.
472682	Nov. 19–22, 1935	do	25.00	26.04	51.04	
472681	Dec. 10–14, 1935	do	38.90	27.54	66.44	
483225	Dec. 22–23, 1935	do	13.15	14.66	27.81	
486190	Dec. 26–30, 1935	do	33.70	22.16	55.86	
488101	Jan. 10–15, 1936	Boston, Mass	57.50	58.89	96.19	Week end.
526142	Feb. 7–11, 1936	do	34.20	58.64	72.84	Do.
504906	Jan. 22–24, 1936	New York	22.50	35.04	57.34	
504905	Feb. 3–6, 1936	do	25.70	26.79	52.49	
551503	Mar. 18–21, 1936	do	29.20	20.04	40.24	None of these trips were over the week end; listed for purpose of showing the number of trips.
551385	Apr. 1–3, 1936	do	26.15	20.04	46.19	
551384	Apr. 8–10, 1936	do	21.55	20.04	41.39	
551382	May 6–8, 1936	do	23.30	20.04	43.34	

[1] Paid in cash.

Travel, subsistence, and other, at the expense of—Continued

THE HOME OWNERS' LOAN CORPORATION—continued

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
561191	May 12–15, 1936	Atlantic City, N. J.	$24.50	$8.82	$33.52	Used personal automobile and chauffeur. See J. H. Murphy, assistant.
28103	May 22–June 2, 1936	Boston, Mass.	79.10	33.78	117.88	2 week ends, legal holiday 30th of May, 11 days in all.
26102	July 2–7, 1936	do	36.45	37.65	74.10	Week end and 4th of July, legal holiday.
20104	July 8–14, 1936	do	45.60	34.67	80.27	Week end.
23105	July 17–22, 1936	do	35.40	12.15	80.55	Do.
43776	July 31–Sept. 29, 1936	do	145.25	77.65	220.90	See note 3.
46019	Oct. 13–16, 1936	New York	29.20	21.10	30.30	
59239	Oct. 19–25, 1936	New York, Boston, and Philadelphia, Pa.	29.85	35.70	60.55	Week end in Philadelphia, Pa. (No per diem charged.)
59238	Nov. 15–13, 1936	New York	29.78	21.10	50.80	
59240	Dec. 2–4, 1936	do	21.90	16.10	38.00	
69568	Dec. 15–19, 1936	do	37.95	18.60	56.55	
69567	Jan. 5–9, 1937	do	37.55	16.10	53.65	
87385	Jan. 13–16, 1937	do	29.65	21.10	50.75	
87384	Jan. 28–Feb. 4, 1937	New York and Boston	61.45	35.30	96.75	Week end in Boston, Mass.
87383	Feb. 16–20, 1937	New York	38.25	21.10	99.35	
95094	Feb. 23–Mar. 2, 1937	New York and Boston	42.55	51.95	94.50	Do.
95093	Mar. 10–12, 1937	New York	24.05	21.10	45.15	
97082	Mar. 16–20, 1937	New York and Boston	37.25	42.70	79.95	
108827	Mar. 22–28, 1937	do	58.60	29.68	88.28	6 days in all.
107132	Mar. 31–Apr. 3, 1937	do	27.10	42.95	70.05	
107133	Apr. 6–10, 1937	New York	40.45	19.85	60.30	
107135	Apr. 13–17, 1937	Boston, Mass.	35.35	65.10	100.45	
107134	Apr. 20–25, 1937	New York	43.20	21.35	64.55	
120421	Apr. 26–May 1, 1937	Boston, Mass.	43.05	37.20	80.25	
120420	May 5–9, 1937	do	47.80	38.20	86.00	
120419	May 11–13, 1937	New York	22.05	16.10	38.15	
129453	June 1–6, 1937	New York and Atlantic City	25.80	17.35	43.15	Trip from Philadelphia to Atlantic City at Mr. Fahey's own expense.
127188	June 17–23, 1937	New York and Boston, Mass.	45.45	39.25	84.70	Week end in Boston.
127189	June 25–30, 1937	Atlanta, Ga., and New Orleans, La.	39.75	96.80	136.55	
4064	July 2–6, 1937	Boston, Mass.	23.10	33.15	36.25	Week end and legal holiday.
14593	July 15–20, 1937	New York and Boston	24.10	36.75	60.85	Week end.
14892	July 28–Aug. 3, 1937	do	28.20	37.95	66.15	Do.
14495	Aug. 6–17, 1937	do	38.80	93.15	91.95	2 week ends in Boston and 3 days' annual leave in Boston.
65330	Aug. 19–Sept. 13, 1937	Boston, Mass.	20.60	33.60	54.20	2 week ends in Boston and 21 days' annual leave in Boston.
65334	Sept. 22–23, 1937	New York	9.20	15.90	25.10	
65338	Sept. 27–30, 1937	do	15.35	20.90	36.25	
87204	Oct. 14–Nov. 14, 1937	Pacific coast, up and down	115.80	229.45	345.25	See note 4.
87205	Nov. 30–Dec. 3, 1937	Chicago, Ill.	8.80	66.10	74.90	
87206	Dec. 9–16, 1937	New York and Boston	40.20	34.90	75.10	Week end in Boston.
65331	Jan. 11–12, 1938	New York	9.20	15.90	25.10	
65333	Jan. 6–8, 1938	do	13.05	15.90	28.95	
65335	Jan. 26–28, 1938	do	14.10	15.90	30.00	
65336	Feb. 9–11, 1938	do	15.30	15.90	31.20	
65357	Feb. 23–25, 1938	do	11.50	20.90	32.40	
67655	Mar. 9–11, 1938	do	14.90	15.90	30.80	
86962	Mar. 24–Apr. 1, 1938	New York and Boston, Mass.	45.30	34.80	80.10	Week end in Boston.
86963	Apr. 13–15, 1938	New York	14.10	15.90	30.00	
86964	May 4–6, 1938	do	14.80	15.90	30.70	
58491	Jan. 23–26, 1939	Winston-Salem, N. C.	13.75	21.00	34.75	See note 5.
	Total, Home Owners' Loan Corporation		3,210.15	3,690.06	6,900.21	
	Total for bank board and Home Owners' Loan Corporation		3,551.71	4,089.81	7,641.52	

Note 1. Voucher 2006, June 8–12, 1934

The voucher shows Mr. Fahey to have been in Boston on official business. However, your attention is invited to the copies of two telegrams quoted below:

WASHINGTON, D. C., *June 8, 1934.*

ALBERT M. CREIGHTON,
50 Congress Street, Boston, Mass.:

Unless some urgent development this afternoon prevents, I hope to reach Littles Point tomorrow forenoon and will be glad to join you in the afternoon.

JOHN H. FAHEY.

WASHINGTON, D. C., *June 11, 1934.*

Hon. JOHN H. FAHEY,
Littles Point, Swampscott, Mass.:

No meeting of emergency council tomorrow. Mr. Russell knows of no calls from committees of Congress necessitating your presence.

ELIZABETH D. GLOVER.

The telegrams indicate that Mr. Fahey spent the week end at his summer home in Swampscott, Mass., instead of being in Boston on official business.

Note 2. Voucher No. 181073, September 19–26, 1934

Mr. Fahey returned from Boston on September 18 and left the next day for Boston, where he was on duty from September 20 to September 25. Attention is invited to the following statement showing the number of trips to Boston and days away from his headquarters from June to September:

	Days
June 8 to June 12	3
June 28 to July 10	10¾
July 20 to Aug. 7	17¾
Aug. 16 to Aug. 21	5¾
Aug. 23 to Sept. 4	12
Sept. 6 to Sept. 18	11¾
Sept. 19 to Sept. 26	6¾

This indicates that Mr. Fahey was away from his headquarters in Washington approximately 68 days during the period, of which 10 days represent annual leave taken. It is understood that Mr. Fahey is trustee of an estate in Boston and that he has a summer home at Swampscott, Mass.

Note 3. Voucher No. 43776, July 31–September 29, 1936

Mr. Fahey left Washington on the week end for Boston, where he remained from August 1 to August 5 on official business. He made a trip to New York on official business August 6 and 7, returning to Boston August 7. He took annual leave from August 8 to September 14, returning to official duty in Boston on September 15, and made another trip to New York for the period September 16, 17, and 18, leaving New York September 18 and arriving in Boston the same day, where he remained until September 25. Mr. Fahey was on annual leave September 26 to 28, inclusive, and returned to duty in Boston September 29, returning to Washington the same day. In addition to being a trustee of the estate of the late Edward A. Filene, Mr. Fahey is also president of the Twentieth Century Fund, headquarters, New York City, which was founded in 1919 and endowed by the late Edward A. Filene.

Note 4. Voucher No. 87204, October 14–November 14, 1937

This trip to the Pacific coast extended over a period of 32 days, of which Mr. Fahey spent 14 days in Los Angeles (at which time Mr. Webb was also in Los Angeles), 5 days in San Francisco, 3 days in Portland, Oreg., 3 days in Seattle, Wash., and 3 days in Chicago. The records of the Pullman Co. show that two people occupied Mr. Fahey's compartment from Seattle to Chicago.

To summarize, the records indicate that Mr. Fahey was absent from his office 181¾ days (approximately 6 months) during the year 1937, and during that year received the following amounts:

Traveling expense	$1,195.08
Subsistence	1,023.50
Salary	10,000.00
Total	12,218.58

Note 5. Voucher No. 58491, January 23–26, 1939

Mr. Fahey was accompanied on this trip by Mr. Hancock, a member of the Board. Mr. Fahey submitted a bill for per diem of $13.75; however, the records of the home loan bank at Winston-Salem, N. C., a Government-controlled corporation, show an expense item of $7.90 paid to the Robert E. Lee Hotel for a room occupied by Mr. John Fahey while in Winston-Salem. It thus appears that Mr. Fahey was reimbursed from two different sources, resulting in travel allowances contrary to law.

Now, let us turn to the trips at Government expense of Mr. T. D. Webb, Vice Chairman of the Board, whose home is in Nashville, Tenn. He has a son, T. D. Webb, Jr., located in Cincinnati, Ohio, an employee of the Board. It is an interesting fact, indeed, that whereas Mr. Fahey travels to New York and Boston, allegedly on Government business, Mr. Webb travels to Nashville, Tenn., and Cincinnati, Ohio, allegedly on Government business.

The records of the General Accounting Office show, Mr. Speaker, that Mr. T. D. Webb spend $3,404.29 on such trips as week ends in Nashville, Cincinnati, and to Atlantic City, N. J. In fact, the records show that Mr. Webb was a frequent visitor to Atlantic City.

SCHEDULE D

T. D. Webb, Vice Chairman of the Board: Legal residence, Tennessee; former residence, Nashville, Tenn.; present residence Washington, D. C.

Travel, subsistence, and other, at the expense of—

THE FEDERAL HOME LOAN BANK BOARD

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
83.90	June 30–July 6, 1933	Cincinnati, Ohio, Nashville, Tenn., and various places.	$29.65	$69.36	$99.01	See note 1.
77	Aug. 14–15, 1933	Pittsburgh, Pa	9.10	29.30	38.40	
126	Aug. 29–30, 1933	Philadelphia, Pa	6.20	14.43	20.63	One night in Philadelphia, Pa.
125	Sept. 1–7, 1933	Nashville, Tenn., and Cincinnati, Ohio.	21.45	71.83	93.28	See note 2.
603	Jan. 11–12, 1934	New York	9.20	23.78	32.98	
85	Feb. 10–12, 1934	Cincinnati, Ohio	10.15	33.48	43.63	Week end.
664	Apr. 7–8, 1934	Pittsburgh, Pa	8.80	19.28	28.08	Do.
4528	Aug. 2–6, 1934	Boston, Mass	22.45	37.66	60.11	Do.
	Total, Federal Home Loan Bank Board.		117.00	299.12	416.12	

THE HOME OWNERS' LOAN CORPORATION

260	Oct. 5–10, 1933	Nashville, Tenn., and various places	$29.20	$68.18	$97.38	Week end in Nashville, Tenn.
412	Oct. 28–29, 1933	Atlantic City, N. J	7.50	Auto	7.50	Week end to Atlantic City by personally owned auto.
00728	Nov. 9–14, 1933	Nashville, Tenn., and various places	41.59	25.78	67.37	Week end in Nashville, Tenn.; note 3.
122827	June 30–July 9, 1934	Nashville, Tenn., and Cincinnati, Ohio	16.20	60.03	76.23	Vacation July 1–7, 1934; note 4.
122829	July 14–16, 1934	Atlantic City, N. J	22.15	Auto	22.15	Week end to Atlantic City by personally owned auto.
145804	Aug. 17–21, 1934	Nashville, Tenn	11.20	61.91	75.11	Week end in Nashville, Tenn.
158486	Aug. 25–26, 1934	Atlantic City, N. J	8.40	11.90	20.30	Week end in Atlantic City.
158487	Aug. 31–Sept. 4, 1934	Nashville, Tenn., and Ashland, Ky	15.90	60.44	76.34	Week end in Nashville, Tenn.
227372	Nov. 14–19, 1934	Nashville, Tenn. and Louisville, Ky	20.30	61.98	82.28	Week end in Nashville, Tenn.; note 5.
5712	Feb. 1–4, 1935	Nashville, Tenn	16.50	64.41	80.91	Week end to Nashville, Tenn.
292424	Apr. 5–8, 1935	Evansville, Ind	11.70	52.52	64.22	Week end in Evansville, Ind.
397187	Aug. 16–20, 1935	Boston, Mass	27.85	39.91	67.76	Week-end trip to Boston; see telegram attached; note 6.
10191	Nov. 3–5, 1935	New York, N. Y., and Boston, Mass	20.40	34.08	54.48	Week-end trip.
484693	Dec. 20–30, 1935	Nashville, Tenn., and various places	54.65	89.58	144.23	Week end to Louisville, Ky.; Christmas in Nashville; week end in Evansville, Ind.
537512	Apr. 7–9, 1936	Winston-Salem, N. C	13.85	17.55	31.40	
537511	Apr. 10–12, 1936	Pittsburgh, Pa	13.65	20.18	33.83	Week end to Pittsburgh, Pa.
5709	May 2–3, 1936	Atlantic City, N. J	10.65	12.15	22.80	Week end to Atlantic City; note 7.
5711	May 7–11, 1936	Cincinnati, Ohio	27.76	51.56	79.32	Week end to Cincinnati, Ohio.
5713	May 20–25, 1936	Chicago and Nashville	38.45	118.84	157.29	Week end to Nashville; note 8.
40932	June 11–13, 1936	New York	5.55	34.20	39.75	See note 9.
10190	July 3–6, 1936	do	24.65	17.35	42.00	Week end and legal holiday; see note 10.
37591	Aug. 7–9, 1936	Philadelphia and Atlantic City	6.45	23.90	30.35	Week end to Philadelphia; see note 11.
37592	Aug. 27–31, 1936	Indianapolis and Terre Haute, Ind	27.85	57.29	85.14	Week end trip.
47593	Oct. 16–19, 1936	New York and Springfield, Ohio	25.05	53.50	78.55	Do.
91446	Oct. 29–Nov. 10, 1936	Philadelphia, Atlantic City, and New York.	92.20	23.35	115.55	2 week ends in Atlantic City, N. J.; see note 12.
91448	Dec. 21, 1936–Jan. 4, 1937	Chattanooga, Tenn	22.30	43.55	65.85	Annual leave Dec. 22 to Jan. 2; Christmas and New Year.
91445	Feb. 26–Mar. 1, 1937	Indianapolis and Terre Haute, Ind	22.70	69.22	82.92	Week-end trip.
99979	Mar. 25–30, 1937	Nashville, Tenn., and Atlanta Ga	37.80	40.10	77.90	Week end at Nashville, Tenn.
103272	Apr. 7–20, 1937	Nashville, Chattanooga, Tenn., and Dallas, Tex.	94.55	80.05	174.60	6 days in Nashville and 5 days in Chattanooga, Tenn.
106028	May 11, 1937	Harrisburg, Pa	18.40	Auto	18.40	See note 13.
128510	May 28–31, 1937	Atlantic City, N. J	25.45	12.65	38.10	Week end and legal holiday at Atlantic City.
128509	June 17–22, 1937	Norfolk, Va	34.25	9.35	43.60	Week-end trip; see note 14.
8021	July 8–13, 1937	Nashville, Tenn	27.10	41.10	68.20	Week-end trip.
8020	Aug. 20–22, 1937	Wilmington, Del	9.85	7.70	17.55	Do.
41156	Sept. 3–7, 1937	Chattanooga, Tenn	21.20	33.80	55.00	Week end and legal holiday.
41155	Sept. 16–20, 1937	Nashville, Tenn	21.65	70.05	91.70	Week-end trip.
41153	Oct. 7–Nov. 9, 1937	Los Angeles and up the coast	162.70	174.20	336.90	See note 15.
68251	Mar. 3–7, 1938	Cincinnati, Ohio	15.35	41.10	56.45	Week-end trip; no per diem charged for Mar. 5, 1938.
94153	Apr. 28–May 2, 1938	Chattanooga, Tenn	12.45	51.10	63.55	Week end to Chattanooga; 1¾ personal business; no per diem charged.
94154	May 19–24, 1938	Nashville, Tenn	30.60	38.81	69.41	Week end to Nashville, Tenn.
86626	June 9–June 12, 1939	Chicago, Ill., and Milwaukee, Wis	16.80	61.00	77.80	Week-end trip; see note 16.
	Total Home Owners' Loan Corporation.		1,162.80	1,825.37	2,988.17	
	Total Federal Home Loan Bank Board and Home Owners' Loan Corporation.		1,278.80	2,124.49	3,404.29	

Note 1. Vouchers Nos. 83 and 90, June 30–July 6

Mr. Webb's home was originally in Nashville, Tenn., and this trip was made over the week end and July 4, the holiday.

Note 2. Voucher 125, September 1–7, 1933

This trip to Nashville, Tenn, by way of Cincinnati, Ohio, was made over the week end and Labor Day.

Note 3. Voucher No. 00728, November 9–14, 1933

On this trip to Nashville, Tenn., Springfield, and Cincinnati, Ohio, Mr. Webb arranged to be in Nashville, his former home, over the week end. The voucher shows that Mr. Webb left Nashville in his privately owned automobile on November 14, but date and time of arrival in Washington, D. C., are not shown nor was there any charge after the 14th for travel expense or transportation

Note 4. Voucher No. 122827, June 30–July 9, 1934

Mr. Webb left Washington, D. C., June 30, and arrived in Nashville, Tenn., July 1, where he was on annual leave from July 1 to July 6, inclusive. He left Nashville July 7 for Washington by way of Cincinnati, Ohio, where he stopped over 1 day and arrived in Washington July 9. It would appear that this was a vacation trip made by Mr. Webb as it will be noted that he went on annual leave immediately upon his arrival in Nashville, his former home.

Note 5. Voucher No. 227372, November 14–19, 1934

On this week-end trip, Mr. Webb was accompanied by his wife and daughter, from Nashville, Tenn., to Washington. The voucher shows Mr. Webb on duty in Nashville November 16 and 17 (Friday and Saturday), leaving Nashville Sunday, November 18. On the return trip Mrs. Webb could not locate the Pullman tickets, whereupon Mr. Webb issued two Government-transportation requests for berths for his wife and daughter, which procedure was not only contrary to law but also contrary to the penalty provision appearing on the face of all Government-transportation requests.

Note 6. Voucher No. 397187, August 16–20, 1935

This was a week-end trip to Boston and Swampscott, Mass., at which time Mr. Webb, accompanied by Mrs. Webb, visited the home of Mr. Fahey at Swampscott, and the following telegrams were located in the files relating to the trip.

WASHINGTON, D. C., *August 14, 1935.*

Mr. and Mrs. JOHN H. FAHEY,
Littles Point, Swampscott, Mass.:

Have decided if entirely agreeable to you to leave here Friday night and Mrs. Webb will be with me provided this is convenient to Mrs. Fahey.

T. D. WEBB.

WASHINGTON, D. C., *August 16, 1935.*

Mr. and Mrs. JOHN H. FAHEY,
Littles Point, Swampscott, Mass.:

Mrs. Webb arriving here from Nashville 11:30 this morning. We are leaving tonight on the Federal for Boston. Will see you Saturday morning Copley-Plaza.

T. D. WEBB.

Note 7. Voucher No. 5709, May 2–3, 1936

This was a week-end trip to Atlantic City and it appears that Mr. Webb had someone with him as he issued a transportation request for the person, the amount of which was later reimbursed by Mr. Webb.

Note 8. Voucher No. 5713, May 20–25, 1936

This was a week-end trip to Nashville, Tenn., and Cincinnati, Ohio, Mr. Webb being accompanied by another person on the trip from Nashville to Cincinnati, and from Cincinnati to Washington, D. C., Government transportation requests being issued for travel of the other person, the cost of which was later reimbursed by Mr. Webb.

Note 9. Voucher No. 40932, June 11–13, 1936

Mr. Webb was apparently accompanied by another person on this trip as he issued transportation requests and later deducted the amounts thereof from his expense voucher.

Note 10. Voucher No. 10190, July 3–6, 1936

This trip was over the week end and July 4. On the return from New York Mr. Webb issued transportation requests for two Pullman seats and later sent his personal check in reimbursement therefor.

Note 11. Voucher No. 37591, August 7–9, 1936

This was a week-end trip to Philadelphia, Pa. From Philadelphia Mr. Webb motored to Atlantic City, N. J., and return. Transportation requests were issued by Mr. Webb for the use of a person traveling with him, the cost thereof later being deducted from the expense voucher of Mr. Webb.

Note 12. Voucher No. 91446, October 29 to November 10, 1936

Mr. Webb was accompanied by another person on this trip to Atlantic City, for whom he issued transportation requests. Two week ends were spent in Atlantic City, October 29 to 31, inclusive, and November 7 and 8. Mr. Webb went to Philadelphia where he remained November 3 and 4, returning to Atlantic City from November 5 to 8, inclusive. From Atlantic City he went to New York where he remained one day and returned to Washington, D. C., on November 10. It appears that the second person remained with Mr. Webb on this entire trip, as he reimbursed the Government for one-half of cost of transportation.

Note 13. Voucher No. 106028, May 11, 1937

This was a round trip to Harrisburg, Pa., by way of Frederick, Md., and the battlefields of Gettysburg and return to Washington, D. C., on same date in a privately owned automobile.

Note 14. Voucher No. 128509, June 17–22, 1937

This was a week-end trip with Mrs. Webb to Norfolk, Va., and return by boat. Only one stateroom was used which was covered by Government transportation request.

Note 15. Voucher No. 41153, October 7–November 9, 1937

This was a trip to Los Angeles, Calif., up the coast to Vancouver, British Columbia, and return to Washington, D. C., by the northern route. Mr. Webb took 1 day's annual leave upon his arrival in Los Angeles and then reported on duty from October 12 to 24, inclusive. He then left for San Francisco in the private automobile of Mr. Twohy.

Attention is invited to Mr. Fahey's trip to the coast October 14 to November 14 (schedule B, voucher No. 87204, note 4), and it will be noted that he and Mr. Webb were in Los Angeles at the same time. Mr. Webb was on duty from October 12 to 24, and Mr. Fahey from October 17 to 29. Mr. James Twohy, regional manager of the Home Owners' Loan Corporation at San Francisco, Calif., left San Francisco in his own automobile October 22, and arrived in Los Angeles October 23, left Los Angeles at 8 a. m. October 25, arriving in Monterey at 8:30 p. m. of the same day, and spent the next day, October 26, in and around Monterey. Mr. Twohy and Mr. Webb left Monterey October 27 at 8 a. m. and arrived in San Francisco at 5 p. m. of the same day, as to which the following notation appears on Mr. Twohy's voucher:

"This trip was made by personally owned automobile to meet Mr. T. D. Webb, Vice Chairman, Federal Home Loan Bank Board, and drive him back to this [San Francisco] regional office, stopping en route to give him an opportunity to acquaint himself with this coast line and the conditions under which the Corporation operates here."

There follows a statement showing the cost of this trip to the Government.

	Salary	Per diem	Travel	Total
Mr. Webb, 3 days	$81.00	$15	----------	$96.00
Mr. Twohy, 6 days	124.80	30	$47.24	202.04
Total	205.80	45	47.24	298.04

Mr. Webb was on duty in Seattle, Wash., from October 31 to November 3, when he left for Vancouver, British Columbia, arriving there the same day, where he remained only 40 minutes and then left for Washington, D. C., arriving November 9. In addition to Mr. Fahey and Mr. Webb, Mr. Fallon was also on the coast at this time shown by his expense accounts for the period. (See schedule A, voucher No. 1025.)

Note 16. Voucher No. 86626, June 9–12, 1939

The files of the Chief Bank Examiner for the Federal Home Loan Bank Board show that Mr. Webb had his hotel expenses paid by the Federal Home Loan Bank of Chicago while there and in Milwaukee on this trip. Mr. Webb also received reimbursement for his travel expenses from the Home Owners' Loan Corporation. There appears on the books of the bank, a statement substantially as follows:

The Federal Home Loan Bank, Chicago, expense account under voucher No. 7747, dated July 6, 1939, in the amount of $19.99 payable to the Hotel Schrader, Milwaukee, Wis., included the following expenses of Mr. Webb incurred June 10: Valet, $1; postage, 9 cents; room, $12; telephone, 60 cents; total, $13.69. The foregoing amount was charged on the bank's books to "other travel," the difference between $13.69 and $19.99, namely, $6.30, represented the expenses incurred by Mr. Gardner, president of the bank, on the same date. Voucher No. 7698, dated June 13, 1939, in the amount of $3.10, payable to the Blackstone Hotel, Chicago, covers the following expenses incurred by Mr. Webb on June 10, 1939: Room, $3; telephone, 10 cents. The foregoing was charged to "other travel."

The chief examiner's files contain a copy of letter from Mr. Webb to Mr. Gardner, president of the Chicago bank, dated August 8, 1939, expressing a desire to reimburse the bank for the expenses incurred. Mr. Gardner's reply, dated August 10, 1939, expressed

the desire to let the matter stand unless some governmental budgetary rule was violated, inasmuch as the rooms were used for conference purposes as well as being occupied by Mr. Webb.

I now direct attention to the travel expenditures of Mr. Fred W. Catlett, another Member of the Board. His home is in Seattle, Wash., and the records of the General Accounting Office show that he charged the taxpayers no less than $5,524.69 for his pleasure excursions. It appears that "official business" took him to the Rose Bowl football game in California. When you look over his travel schedule, you will find that he transacted "Government business" on the west coast.

SCHEDULE F

Fred W. Catlett, member of the Board: Legal residence, State of Washington; former residence, Seattle, Wash.; present residence, Washington, D. C.

Travel, subsistence, and other, at the expense of—

THE FEDERAL HOME LOAN BANK BOARD

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
1352	Apr. 14–18, 1934	Washington, D. C.	$18.75	$116.87	$134.62	See note 1.
3712	Aug. 3–19, 1934	Seattle, Wash., and various places	77.70	115.87	193.57	See note 2.
2958	Sept. 19–21, 1934	Pittsburgh, Pa., and various places	11.65	29.30	40.95	
3055	Oct. 19–20, 1934	Philadelphia, Pa	5.40	9.81	15.21	
3103	Oct. 24–29, 1934	New Orleans, La	27.35	89.70	117.05	Week end; compartment used was disallowed by General Accounting Office.
3199	Nov. 9–9, 1934	Wilmington, Del	3.40	7.10	10.00	2-hour stay in Wilmington, Del., at night.
3680	Dec. 13–16, 1934	New York	16.65	20.04	36.69	Week end.
3679	Dec. 28–Jan. 2, 1934–35	Los Angeles, Calif	32.90	213.80	246.70	See note 3.
3681	Jan. 4–6, 1935	Boston, Mass	9.15	38.46	44.01	Short workday in Boston (Saturday).
4579	Feb. 22–25, 1935	Newark, N. J., and Chicago, Ill	20.05	89.31	100.56	Week end to these places by air and return to District of Columbia by train.
6016	Mar. 22–25, 1935	Des Moines, Iowa	15.40	98.54	113.94	Week end to Des Moines, Iowa, by air and return to District of Columbia by train.
5017	Mar. 28–Apr. 4, 1935	Miami, Fla., and various places	35.75	56.58	92.33	See note 4.
5769	Apr. 26–29, 1935	New York	17.90	14.66	32.66	Week end.
5778	May 9–13, 1935	Hot Springs and Little Rock, Ark	20.40	67.06	107.46	Do.
381705	Dec. 9–17, 1937	Miami, Fla	41.20	68.50	109.70	See note 5.
382998	Apr. 23–24, 1938	Wilkes-Barre, Pa	7.70	18.25	25.95	Saturday night in Wilkes-Barre, Pa.
591700	Jan. 26–30, 1939	Chicago, Ill., and Des Moines, Iowa	23.20	79.25	102.45	Week end.
	Total, Federal Home Loan Bank Board		384.55	1,149.10	1,533.65	

THE HOME OWNERS' LOAN CORPORATION

305670	Aug. 20–Sept. 4, 1934	Washington, D. C. and various places	$108.87	$171.62	$280.49	See note 6.
408796	June 10–July 24, 1935	Seattle, Wash., and various places	190.60	334.16	524.76	See note 7.
587197	Mar. 19–Apr. 12, 1936	do	176.15	204.50	380.65	See note 8.
20865	Aug. 11–18, 1936	Seattle, Wash., and Portland, Oreg	56.45	142.95	199.40	
33915	Sept. 10–13, 1936	Chicago, Ill., and Detroit, Mich	23.60	61.95	85.55	Week end.
33102	Sept. 16–22, 1936	Boston, Mass	32.90	36.05	68.95	Week end and 2 days' annual leave.
60516	Dec. 2–14, 1936	San Francisco and the Southwest	90.35	248.96	339.31	
110769	May 8–23, 1937	San Francisco and the Northwest	108.60	179.93	288.53	
8748	July 29–Sept. 8, 1937	Seattle, Wash., and various places	264.25	122.56	386.80	See note 9.
61292	Feb. 21, 1938	Baltimore, Md		2.00	2.00	This was a night trip to Baltimore, Md.
86032	May 18–25, 1938	San Francisco and Los Angeles, Calif	39.60	111.20	150.80	
	Total, Home Owners' Loan Corporation		1,091.37	1,615.87	2,707.24	

THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

696	Dec. 18–20, 1936	New York and Asbury Park, N. J	$14.70	$16.50	$31.20	Week end.
747	Feb. 16–18, 1937	Cincinnati, Ohio	13.20	41.10	54.30	
866	June 17–20, 1937	Atlanta, Ga	19.95	35.55	55.50	Do.
1016	Oct. 2–10, 1937	Los Angeles and Seattle, Wash	46.90	263.98	310.83	Saturday in Seattle.
1234	Mar. 3–7, 1938	St. Petersburg, Fla	19.45	61.80	81.25	Week end.
1265	Mar. 16–26, 1938	Houston, Tex	41.95	90.15	132.10	
1366	June 10–18, 1938	Salt Lake City	43.60	135.30	176.90	
1507	Sept. 14–20, 1938	Seattle, Wash	32.26	237.65	269.90	Week end in Seattle, Wash.
1772	Mar. 17–21, 1939	Dallas and San Antonio, Tex	24.65	145.15	169.80	Week end at San Antonio, Tex.
	Total Federal Savings and Loan Insurance Corporation		250.65	1,027.15	1,283.80	
	Total for Federal Bank Board—Home Owners' Loan Corporation and Insurance Corporation		1,732.57	3,792.12	5,524.69	

Note 1. Voucher No. 1352, April 14–18, 1934

Mr. Catlett took the oath of office April 5, 1934, at Seattle, Wash., and remained there until April 14 when he left for Washington, D. C. He arrived in Washington, the place of his duties and headquarters as a member of the Federal Home Loan Bank Board, on April 18, 1934. He was reimbursed for his travel expense in addition to the payment of transportation costs from funds of the Federal Home Loan Bank Board for the trip from Seattle to Washington, D. C.

Note 2. Voucher No. 3712, August 3–19, 1934

This was a trip to Seattle, Wash., where Mr. Catlett remained for 13 days, for 1 day of which he did not claim per diem, and the cost thereof was paid from funds of the Federal Home Loan Bank Board. The cost of the return trip was paid from funds of the Home Owners' Loan Corporation.

Note 3. Voucher No. 3679, December 26, 1934–January 2, 1935

This was a trip by air to Los Angeles, on which Mr. Catlett was accompanied by Mr. Horace Russell, the general counsel of the Bank Board. Since the records of the Federal home-loan bank at Los Angeles show that the said bank paid for football tickets used by Mr. Catlett and Mr. Russell, it is assumed that the purpose of the trip was to attend the Rose Bowl football game.

Note 4. Voucher No. 5017, March 28–April 4, 1935

This was a trip to Jacksonville, Orlando, and Miami, Fla., during which Mr. Catlett spent 2 days in Orlando and 3 days in Miami. His voucher shows no charge for automobile transportation from Jacksonville to Orlando and Miami; however, the cost of the transportation by automobile appears to have been included in the voucher of some other official or employee.

Note 5. Voucher No. 381705, December 9–17, 1937

This was a trip to Miami, Fla., and Key West, Fla. Mr. Catlett left Miami 8:30 a. m. December 12, arrived at Key West at 10 a. m. and left Key West at 1 p. m. the same day, arriving back at Miami at 3 p. m., but no charge was made for air transportation. Mr. Catlett was in Miami 7 days.

Note 6. Voucher No. 305670, August 20–September 4, 1934

This voucher covers the return trip from Seattle, Wash., at the expense of the Home Owners' Loan Corporation, by personally owned automobile to Cheyenne, Wyo., with stop-offs at Spokane, Wash., Polson, Great Falls, Livingston, Mont., and Casper, Wyo. (For trip to Seattle see F. H. L. B. voucher 3712.) At Cheyenne Mr. Catlett left his automobile and continued to Washington by train. He made notation on his voucher that no charge was made for per diem for the trip from Polson, Mont., to Great Falls, Mont., August 28; however, mileage was charged for the use of the automobile.

Note 7. Voucher No. 408796, June 10–July 24, 1935

Mr. Catlett left Washington, D. C., on June 10 and arrived in Portland, Oreg., June 13. He remained in Portland through the 15th, at which time the Pacific Northwestern Savings and Loan conferences were in session. He then left Portland by private automobile, for which there were no transportation charges, for a trip to Los Angeles, Calif., where he arrived June 20. He left June 21 for San Francisco, where he stopped 1 day; then proceeded to Seattle, Wash., and was there from June 24 to July 19, inclusive. He left Seattle July 20 and arrived in Washington, D. C., July 24. It appears that Mr. Catlett took 6 days' leave, as no charge was made for per diem from July 14 to July 19, inclusive. Attention is invited to the fact that Mr. Catlett spent 27 days in all in Seattle, Wash., his former home. Mr. Roundtree, general manager of the Federal Savings and Loan Division, was with Mr. Catlett at the conferences that were held in Coronado, Calif., and it appears that Mr. Catlett was accompanied by another person since one of his travel requests for a Pullman showed that there were two persons in the compartment from Seattle to Washington, D. C.

Note 8. Voucher No. 537197, March 19–April 12, 1936

On this trip Mr. Catlett took the southern route to Los Angeles where he remained from March 23 to March 25, inclusive, after which he left for San Francisco and Seattle, Wash. He went to Spokane for 1 day and returned to Seattle where he remained from April 1 to April 6, inclusive, then left Seattle on April 6. His expense account shows him as leaving Los Angeles April 8 for Washington, D. C., where he arrived April 12, 1936. However, attention is invited to the copies of the following telegrams:

GERBER, CALIF., *April 7, 1936.*

Hon. JOHN H. FAHEY,
Chairman, Federal Home Loan Bank Board,
New Post Office Building, Washington, D. C.

Call me tomorrow Federal Home Loan Bank, Los Angeles, 4:30 your time.

FRED W. CATLETT.

SAN FRANCISCO, CALIF., *April 8, 1936.*

Hon. JOHN H. FAHEY,
Chairman, Federal Home Loan Bank Board,
New Post Office Building, Washington, D. C.

Am compelled to change plans and leave train at Ventura for conference with Drapeau. Will proceed by automobile to Los Angeles. Better call me Hotel Biltmore, 5 o'clock, your time.

FRED W. CATLETT,
Member of the Board.

From the above two telegrams it appears there is a variance between Mr. Catlett's dates and locations on this trip. The telegram sent from San Francisco shows him as being there on April 8, while his expense voucher shows that he arrived in Los Angeles at 9 a. m. April 8, while Gerber, Calif., is not mentioned at all in his expense account.

Note 9. Voucher No. 8748, July 29–September 8, 1937

Mr. Catlett's expense voucher shows him as having arrived in Seattle, Wash., August 3, 1937, and being on official duty until August 13. No mileage was charged for a trip to Bellingham, Wash., and return to Seattle on the same day. Mr. Catlett continued on active duty through August 18, visiting Spokane for 1 day, and returning to Seattle for the period August 20 to September 1. He left Seattle in his private automobile for Washington, D. C., where he arrived September 8, 1937, after having been away from his duties at Washington for more than 40 days. He had his automobile transported to Washington at Government expense and was paid per diem for the 8 days' travel making the return trip.

Mr. Ormond E. Loomis, assistant to the Chairman of the Board, whose home is Massachusetts, on the other hand, discovered that "official business" required him to go to New York City and Boston on week ends and holidays. He charged the Government $1,542.53 for his travel and per diem allowance. There is evidence to show that he made a trip to Florida, at Government expense, for no other purpose than to recover his health.

SCHEDULE G

Ormond E. Loomis, assistant to the Chairman of the Board: Legal residence, State of Massachusetts; former residence, Belmont, Mass.; present residence, Washington, D. C.

Travel, subsistence, and other, at the expense of—

THE HOME OWNERS' LOAN CORPORATION

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
00543	Oct. 5–9, 1933	Boston, Mass	$15.15	$43.14	$58.29	Week end.
00942	Dec. 22–26, 1933	do	23.30	33.96	57.26	Week end and Christmas in Boston.
19692	Feb. 24–26, 1934	New York	12.15	17.21	29.36	Week end.
31926	Mar. 10–14, 1934	Boston, Mass	20.25	34.76	55.01	Do.
96026	June 14–18, 1934	do	20.05	39.91	59.96	Do.
116139	July 7–9, 1934	New York	14.00	15.85	29.83	Do.
187252	Aug. 29–Sept. 15, 1934	Boston	16.75	45.86	62.61	Labor Day and annual leave, Sept. 1–13, 1934.
216949	Nov. 24–26, 1934	New York	11.40	16.53	27.93	Week end.
273615	Mar. 9–11, 1935	Bronxville, N. Y	11.80	17.28	29.08	Week end at Mr. Hager's home; see Hager voucher No. 283067, same period.
396202	Aug. 16–19, 1935	New York	15.80	16.53	32.33	Week end.
414202	Aug. 29–Sept. 17, 1935	Boston, Mass	19.95	38.78	58.73	Week end, Labor Day and annual leave; see trip previous year same period.
472809	Dec. 13–15, 1935	New York	12.65	23.78	36.43	Week end.
15219	July 31–Aug. 2, 1936	do	10.90	18.60	29.50	Do.
24370	Aug. 21–23, 1936	Boston, Mass	12.55	36.75	49.30	Do.
25368	Aug. 28–30, 1936	New York	18.15	18.60	36.75	Do.
56887	Nov. 29–Dec. 9, 1936	Birmingham, Ala	31.25	43.70	74.95	Annual leave taken at Birmingham, Ala.
107401	May 1–13, 1937	Birmingham, Ala., and Nashville, Tenn.	64.50	71.35	135.85	6 days in Birmingham, Ala.
120050	June 28–30, 1937	New York	15.30	16.10	31.40	This was an official trip for Mr. Webb. *
4892	Aug. 11–12, 1937	do	12.10	15.90	28.00	See note 1.
8892	Sept. 4–19, 1937	Swampscott, Mass., and Brunswick, Maine.	49.20	22.30	71.50	Annual leave in Brunswick, Maine, Sept. 9–17, 1937.
47025	Jan. 14–16, 1938	New York	16.70	17.15	33.85	Week end.
80001	Apr. 15–27, 1938	Birmingham, Ala., and New Orleans, La.	71.49	68.80	140.29	Mr. Loomis made a speech at New Orleans, La., on this trip.
91147	June 11–13, 1938	New York	18.05	17.15	35.20	Week end.
21537	Sept. 29–Oct. 2, 1938	do	20.00	18.22	38.22	Do.
47165	Dec. 15, 1938–Jan. 4, 1939	Atlanta, Ga., to St. Petersburg and Miami, Fla.	55.55	74.60	130.15	See note 2.
	Total, Home Owners' Loan Corporation		588.99	782.79	1,371.78	

Travel, subsistence, and other, at the expense of—Continued

THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
1509	Aug. 31-Sept. 13, 1938	Washington, Maine, and various places in Maine.	$124.85	$45.90	$170.75	See note 3.
	Total, Federal Savings & Loan Insurance Corporation.		124.85	45.90	170.75	
	Total, for Home Owners' Loan Corporation and Federal Savings and Loan Insurance Corporation.		713.84	828.69	1,542.53	

Note 1. Voucher No. 4892, August 11–12, 1937

In the expense account of this trip the item for taxicab fare was disallowed by the auditors, and in reclaiming it Mr. Loomis wrote:

"It was raining hard and he (Mr. Loomis) had to take Mr. Hurford, president of the Los Angeles Bank, and his three heavy bags from the Vanderbilt Hotel to the Pennsylvania Hotel, where Mr. Fahey was staying."

Note 2. Voucher 47165, December 15, 1938–January 4, 1939

Mr. Loomis went to Atlanta, Ga., and upon arriving there took annual leave for 3 days, after which he left for St. Petersburg, Fla., and was on duty for 1 day and on annual leave 4 days, which included Christmas, December 25 and 26, both days being holidays. Mr. Loomis was on duty the 27th of December and left St. Petersburg for Miami, Fla., where he was on duty 2 days and annual leave 1 day. From Miami Mr. Loomis returned to Atlanta, where he again took annual leave over the New Year holidays. A statement from one of his office associates relating to the trip is as follows:

"I know of my personal knowledge that one of the assistants to the Chairman, Mr. Ormond L. Loomis, with the approval of the Chairman, made an extended trip at Government expense to Florida during the past winter for the actual purpose of recovering his health. As a justification for charging the trip to the Government, he filed a report on Federal Savings and Loan Association in Florida. I know of my own personal knowledge that such report was actually prepared in Washington, practically wholly from sources already in our files. I know that Mr. Loomis was unable, because of a serious asthmatic condition, to continue to do his work in the office at that time. He was a seriously sick person. From the things which he himself has told me I know that he did practically nothing of an official nature during his stay in Florida; that he was engaged in sun bathing and fishing. That he visited certain Federal Savings and Loan Associations there is no doubt; but he had no supervisory function to perform in connection with Federal Savings and Loan Associations; that was not the type of work in which he was engaged for the Chairman. Such work is conducted by the chief supervisor in the Governor's office. His report was not a normal activity for him. He has never made any other such report except, I believe, one in connection with Federal Savings and Loan Associations in Maine in connection with a trip to Maine, where he has a summer home. I have been informed that the General Accounting Office has also questioned the bona fide character of such a trip to Maine.

"It was common knowledge throughout the office here that the above-mentioned trip to Florida was only fictitiously public in character. More recently he went to Florida at his own expense, and there was general twittering among the senior officers here that he was not traveling this time at public expense for the ostensible purpose of writing a report on Federal Savings and Loan Associations. Even Mr. Fallon made such quips."

Note 3. Voucher No. 1509, August 31–September 13, 1938

Following is a list of building and loan associations in Maine which Mr. Loomis purports to have visited during the course of this trip:

1. Auburn: Auburn Loan & Building Association.
2. Augusta: Augusta Loan Building Association.
3. Bath: First Federal Savings & Loan Association of Bath.
4. Brunswick: Brunswick Loan & Building Association.
5. Calais: Calais Federal Savings & Loan Association.
6. Caribou: Aroostook County Federal Savings & Loan Association.
7. Ellsworth: Ellsworth Loan Building Association.
8. Lewiston: First Federal Savings & Loan Association of Lewiston.
9. Portland: Casco Loan Building Association.
10. Portland: Cumberland Loan Building Association.
11. Portland: Deering Loan & Building Association.
12. Portland: Falmouth Loan Building Association.
13. Portland: Federal Loan Building Association.
14. Portland: Homestead Loan Building Association.
15. Portland: Maine Loan Building Association.
16. Rockland: Rockland Loan Building Association.
17. Waterville: Kennebec Federal Savings & Loan Association of Waterville.
18. Waterville: Waterville Loan Building Association.
19. Waldoboro: Waldoboro Loan & Building Association.

The following itinerary should be kept in mind when studying the accompanying map. Starting from Rockland, Maine, where Mr. Loomis left the train and continued the trip in his personally owned automobile, it can readily be seen how many times his path doubles in and out of Washington, Maine, Mr. Loomis' summer home.

Left Washington, D. C., 8 p. m., August 31, 1938, arrived Boston, Mass., 7 a. m., September 1; left Boston, Mass., 11 a. m., September 1, arrived Portland, Maine, 12:50 p. m., September 1; left Portland, Maine, 11 a. m., September 2, arrived Rockland, Maine, 4:15 p. m., September 2, by train.

Left Rockland, Maine, 4:15 p. m., September 2, arrived Washington, Maine, 5 p. m., September 2; left Washington, Maine, 9 a. m., September 3, arrived Waldeboro, Maine, 9:35 a. m., September 3; left Waldeboro, Maine, 12:45 p. m., September 3, arrived Washington, Maine, 1:30 p. m., September 3. This portion of the trip was in Mr. Loomis' own automobile.

September 4 and 5, 1938, Labor Day week end, were spent in Washington, Maine, Mr. Loomis' summer home.

Left Washington, Maine, 8:30 a. m., September 6, arrived Waterville, Maine, 10:20 a. m., September 6; left Waterville, Maine, 4:15 p. m., September 6, arrived Washington, Maine, 6 p. m., September 6 (via Augusta); left Washington, Maine, 6:45 a. m., September 7, arrived Augusta, Maine, 7:30 p. m., September 7; left Augusta, Maine, 9 a. m., September 7, arrived Lewiston, Maine, 10 a. m., September 7; left Lewiston, Maine, 12 noon, September 7, arrived Portland, Maine, 1 p. m., September 7; left Portland, Maine, 3:30 p. m., September 7, arrived Brunswick, Maine, 4:15 p. m., September 7; left Brunswick, Maine, 4:45 p. m., September 7, arrived Bath, Maine, 5:15 p. m., September 7; left Bath, Maine, 5:30 p. m., September 7, arrived Brunswick, Maine, 6 p. m., September 7; left Brunswick, Maine, 6:10 p. m., September 7, arrived Washington, Maine, 7:30 p. m., September 7; left Washington, Maine, 7 a. m., September 8, arrived Bangor, Maine, 9:30 a. m., September 8; left Bangor, Maine, 10:30 a. m., September 8, arrived Ellsworth, Maine, 11:15 a. m., September 8; left Ellsworth, Maine, 11:45 a. m., September 8, arrived Bangor, Maine, 1:15 p. m., September 8; left Bangor, Maine, 2:30 p. m., September 8, arrived Houlton, Maine, 6:15 p. m., September 8; left Houlton, Maine, 8:30 a. m., September 9, arrived Caribou, Maine, 12:15 p. m.. September 9; left Caribou, Maine, 1:30 p. m., September 9, arrived Calais, Maine, 12:50 p. m., September 10; left Calais, Maine, 3:30 p. m., September 10, arrived Ellsworth, Maine, 8:45 p. m., September 10; left Ellsworth, Maine, 9:20 p. m., September 10, arrived Washington, Maine, 12:15 a. m., September 11; left Washington, Maine, 3 p. m., September 11, arrived Gardiner, Maine, 3:45 p. m., September 11.

Left Gardiner, Maine, 3:54 p. m., September 11, arrived Boston, Mass., 8:38 p. m., September 11; left Boston, Mass., 11 p. m., September 12, arrived New York City, 5:45 a. m., September 13; left New York City, 3 p. m., September 13, arrived Washington, D. C., 7:10 p. m., September 13. Mr. Loomis took the train at Gardiner, Maine, for his return to Washington, D. C.

Many of the places Mr. Loomis visited have been insured since 1936, and their financial condition can be readily ascertained at any time from information in the office in Washington, D. C. The records do not disclose any application on file for insurance of any of the institutions not insured.

In connection with the list of 19 institutions which Mr. Loomis purports to have visited, representatives of this office report substantially as follows:

The Auburn Loan and Building Association at Auburn is not shown as having been visited. The Augusta Building and Loan Association at Augusta had made no application for insurance, but Mr. Loomis spent one hour and a half there. A quarter of an hour was spent at the First Federal Savings and Loan Association of Bath, which was insured in 1936 and is in good condition. There was no application on file for insurance of the Brunswick Loan and Building Association at Brunswick, but Mr. Loomis spent one-half hour there. The Calais Federal Savings and Loan Association at Calais was insured in 1936 and is in good condition. Mr. Loomis spent 3 hours there, part of which was lunch time. The Aroostook County Federal Savings and Loan Association at Caribou was insured in 1936 and is in good condition, yet one hour and a quarter was spent there, and it, too, was lunch time. The Ellsworth Building and Loan Association at Ellsworth had no application on file for insurance, and the half hour Mr. Loomis spent there was almost in the middle of the night. Two hours were spent with the First Federal Savings and Loan Association of Lewiston, which was in-

sured in 1936 and is in good condition. Mr. Loomis was in Portland, Maine, from 1 p. m., September 1, until 11 a. m., September 2, and again from 1 p. m. to 3:30 p. m. on September 7. In that time he visited and talked business to seven building and loan associations. None of the associations visited were insured at the time, nor were there applications for insurance from any of them on file. The Rockland Loan and Building Association at Rockland had no application on file for insurance, and as Mr. Loomis arrived there by train at 4:15 p. m., September 2, and left at once in his own car, he did not have time to visit the above-listed association; nor does he show having returned to Rockland on this trip. There are two building and loan associations in Waterville, one of which was insured in 1936, and it is in good condition. The other did not have an application for insurance on file, yet Mr. Loomis spent 6 hours in Waterville. Waldoboro Loan and Building Association at Waldoboro had no application on file for insurance, yet 3 hours were passed there.

Some of the institutions visited by Mr. Loomis are not listed on his travel schedule, and some places listed on his travel schedule are not on the list of institutions visited. Examples of this are Washington, his summer home, where a great deal of time was spent, and Bangor, Houlton, and Gardiner, Maine.

Reflection on the above schedule of purported visits, with particular attention being given to the time at which the visits were made, will show that very little business of an official nature could have been transacted.

Now we come to Mr. Charles E. Tilton, Assistant General Manager of the Federal Savings and Loan Insurance Corporation. His home is in Manchester, N. H. It cost the Government $6,718.40 to finance his trips to New York, Boston, and New Hampshire. When you look over his travel schedule, which I am placing in the RECORD, you will naturally be inclined to believe that he spends more time going from Washington to his home and back to Washington than in carrying on any actual business.

SCHEDULE H

Charles E. Tilton, Assistant General Manager; Legal residence, New Hampshire; former residence, Manchester, N. H.; present residence, Washington, D. C.

Travel, subsistence, and other, at the expense of—

THE HOME OWNERS' LOAN CORPORATION

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
157583	Sept. 1–8, 1934	Boston, Mass., and Tilton, N. H.	$34.00	$46.03	$80.03	Week end and Labor Day.
165306	Sept. 14–18, 1934	do	13.35	37.51	50.86	Week end (no charge for per diem in Tilton, his home town).
174120	Oct. 1–4, 1934	Boston, Mass.	18.20	69.02	87.22	
182302	Oct. 7–15, 1934	Boston, Mass., and Waterville, Maine.	40.30	54.91	95.21	Week end in Waterville, Maine.
205137	Nov. 10–14, 1934	New York and Boston	21.65	43.48	67.13	Week end, Manchester, N. H. (no charge for per diem in Manchester).
209597	Nov. 28–21, 1934	Boston and New York	19.16	43.89	63.05	
213356	Nov. 25–28, 1934	New York, Boston, and Portland, Maine.	19.75	50.57	70.32	
221016	Dec. 7–11, 1934	New York and Boston	27.74	39.68	67.42	Week end.
227373	Dec. 13–20, 1934	New York, Boston, Mass., and Portland, Maine.	35.95	61.39	97.34	Week end to Portland, Maine.
234038	Dec. 21, 1934	New York	5.85	16.53	22.38	
234521	Jan. 2–5, 1935	New York, Boston, and Portland, Maine.	20.35	55.01	75.36	
238684	Jan. 8–9, 1935	New York	8.70	16.53	25.23	
245968	Jan. 10–12, 1935	New York and Boston	14.60	42.46	57.06	
244955	Jan. 15–16, 1935	New York	8.65	23.03	31.68	
249287	Jan. 23–26, 1935	New York and Boston, Mass	15.40	43.88	59.28	
256631	Feb. 3–7, 1935	do	25.51	50.44	75.95	
261244	Feb. 20–21, 1935	New York	8.80	23.78	32.58	
266404	Feb. 24–28, 1935	New York and Boston	20.20	41.63	61.83	
269296	Mar. 1, 1935	New York	6.20	23.78	29.98	
278508	Mar. 11–15, 1935	New York, Boston, and Manchester, N. H.	25.35	48.63	73.98	Listed for the purpose of showing the number of trips and the short space of time in between them.
291564	Apr. 9–11, 1935	New York	13.30	23.78	37.08	
300883	Apr. 23–26, 1935	New York and Boston	20.40	46.83	67.23	
306608	May 1–3, 1935	New York	11.15	23.78	34.93	
308381	May 8–9, 1935	do	8.60	23.78	32.38	
316403	May 15–18, 1935	New York and Boston	15.25	41.98	57.23	
328701	May 28–29, 1935	New York	9.90	23.78	33.68	
340190	June 3–7, 1935	New York, Boston, and Portland, Maine.	22.65	50.10	72.75	
357477	June 18–22, 1935	New York, Newark, N. J., and New Haven.	24.24	27.63	51.87	
360962	June 25–29, 1935	Boston, Swampscott, and New York	22.25	23.90	46.15	See exhibit No. 1.
369707	July 10–12, 1935	New York	13.65	23.78	37.43	
375681	July 15–19, 1935	New York, Boston, and Manchester, N. H.	19.85	46.83	66.68	
382443	Aug. 1–3, 1935	New York and Boston, Mass	14.55	39.98	54.53	
384156	Aug. 5–7, 1935	New York and Newark, N. J	11.85	23.03	34.88	
392115	Aug. 16–17, 1935	New York	20.93	11.89	32.82	To New York City by train, return by personally owned car.
408800	Sept. 10–17, 1935	New York, Boston, and Manchester, N. H.	34.00	54.08	88.08	Week end in Manchester, N. H. (former residence)
419126	Sept. 26–29, 1935	Boston, Mass.	16.75	24.28	41.03	See exhibit No. 2.
419794	Oct. 3–4, 1935	New York	8.70	23.78	32.48	
429133	Oct. 17–18, 1935	do	8.70	23.78	32.48	
438315	Oct. 23–29, 1935	New York, Boston, and Portland, Maine.	30.75	51.56	82.31	Week end in Boston.
447851	Nov. 7–8, 1935	New York	8.75	23.78	32.53	
454851	Nov. 19–26, 1935	New York, Boston, and Portland, Maine.	40.05	50.81	90.86	Week end in and around Boston.
463677	Dec. 6–7, 1935	New York	10.05	21.91	31.96	
466670	Dec. 11–15, 1935	New York, Boston and Portland, Maine.	25.85	48.81	74.66	
471035	Dec. 17–21, 1935	Boston	25.68	37.51	63.19	
473009	Dec. 23–24, 1935	New York	6.40	16.53	22.93	
478567	Jan. 2–3, 1936	do	8.50	80.04	28.54	
483124	Jan. 9–13, 1936	New York, Boston, and New Haven, Conn.	24.16	41.71	65.87	Week end in Boston.
486189	Jan. 17–18, 1936	New York	8.40	23.78	32.18	
492232	Jan. 22–26, 1936	Boston, Mass.	20.05	43.14	63.19	
501880	Feb. 3–7, 1936	New York and Boston	23.50	41.86	65.36	
504269	Feb. 12–14, 1936	New York	13.75	23.78	37.53	
507485	Feb. 17–21, 1936	Boston, Providence, and New York	21.07	45.86	66.93	
516123	Mar. 6–6, 1936	New York	5.85	21.91	27.76	
521681	Mar. 10–14, 1936	New York, Boston	24.00	42.18	66.18	
528960	Mar. 24–28, 1936	New York, Boston, and New Haven, Conn.	23.97	43.36	67.33	
530936	Apr. 1–2, 1936	New York	8.40	23.78	32.18	
539301	Apr. 15–23, 1936	New York, Boston, and Rutland, Vt.	41.20	55.89	97.09	Do.
542874	Apr. 29–30, 1936	New York	8.50	23.78	32.28	
553661	May 18–23, 1936	New York and Boston	24.80	39.78	64.58	
558687	June 3–5, 1936	New York and New Haven	11.46	22.95	34.41	

Travel, subsistence, and other, at the expense of—Continued

THE HOME OWNERS' LOAN CORPORATION—continued

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
7158	July 1-14, 1936	Boston, Mass	$27.30	$36.50	$63.80	See exhibit No. 3.
7627	July 16-17, 1936	New York	8.40	18.60	27.00	
11120	July 19-24, 1936	Boston	25.15	35.75	60.90	
18199	Aug. 6-12, 1936	New York, Boston, and New Haven, Conn.	34.92	34.75	69.67	Week end trip.
20587	Aug. 18-19, 1936	New York	9.10	17.85	26.95	
22376	Aug. 19-22, 1936	New York and Boston	12.85	35.25	48.10	
29578	Sept. 2-15, 1936	do	28.68	35.75	64.43	See exhibit No. 4.
31271	Sept. 17-19, 1936	New York	11.00	17.35	26.35	
35603	Oct. 1-2, 1936	do	8.80	18.60	27.40	
38229	Oct. 6-10, 1936	New York and Boston	20.25	37.05	57.30	
41106	Oct. 14-17, 1936	Buffalo, N. Y	15.45	39.25	54.70	
42773	Oct. 21-24, 1936	New York and Boston	20.00	38.30	58.30	
46233	Nov. 1-7, 1936	Boston and Manchester, N. H	22.55	35.80	58.35	2 days annual leave at Manchester, former residence.
48024	Nov. 12-13, 1936	New York	7.90	18.60	26.50	
49958	Nov. 18-21, 1936	New York and Boston	19.00	36.55	55.55	
53854	Nov. 28-30, 1936	do	18.95	35.55	54.50	Week end trip.
57338	Dec. 3-6, 1936	do	13.75	37.95	51.70	
57168	Dec. 10-11, 1936	New York	8.35	18.60	26.95	
60878	Dec. 16-19, 1936	New York and Boston	15.15	36.55	51.70	
65571	Jan. 6-8, 1937	New York	8.30	18.60	26.90	
67943	Jan. 10-14, 1937	New York and Boston	18.10	34.80	52.90	
74612	Jan. 26-27, 1937	New York	8.45	21.80	30.25	
72185	Jan. 28-30, 1937	New York and Boston	12.80	36.70	49.50	
75439	Feb. 4-6, 1937	New York	13.35	18.60	31.95	
81666	Feb. 17-20, 1937	New York and Boston	16.10	34.10	50.20	Mr. Zimmerman and Mr. Cotter, fellow employees, were on this trip with Mr. Tilton.
95036	Mar. 1-3, 1937	do	13.95	37.05	51.00	
85949	Mar. 4-6, 1937	do	13.90	36.55	50.45	
88407	Mar. 11-14, 1937	do	14.00	37.05	51.05	
101765	Apr. 20-24, 1937	do	19.05	38.75	57.80	
102855	Apr. 29-30, 1937	do	8.35	18.60	26.95	
104426	May 2-6, 1937	New York and Boston	20.15	36.30	56.45	
106324	May 12-13, 1937	New York	8.70	18.60	27.30	
108838	May 18-22, 1937	New York and Boston	20.75	36.50	57.25	
111757	June 3-4, 1937	New York	8.45	18.60	27.05	
114287	June 10-12, 1937	New York and Boston	14.00	36.50	50.50	
116433	June 16-19, 1937	New York	15.25	36.50	51.75	
373	July 1-15, 1937	New York and Boston	25.35	37.75	63.10	Annual leave in Boston, July 3 to 11, inclusive, 1937 The auditors took exception to this case but the Board overruled them.
672	July 24, 1937	New York	6.30	17.45	23.75	
671	July 26-29, 1937	do	15.20	36.50	51.70	
3396	Aug. 12-16, 1937	Boston, Mass	18.90	35.75	54.65	Week end.
4493	Aug. 23-24, 1937	New York	8.40	18.40	26.80	
6582	Sept. 1-2, 1937	do	8.80	18.40	27.20	
6366	Sept. 2-7, 1937	Boston	14.35	36.15	50.50	Labor Day and week end (did not charge per diem for 5 and 6 personal business).
10298	Sept. 20-22, 1937	New York	11.00	18.40	29.40	
11952	Sept. 26-28, 1937	New York and Boston	12.90	34.00	46.90	
16351	Oct. 7-13, 1937	do	32.35	35.55	67.90	Week end in Boston.
20915	Oct. 20-22, 1937	do	17.55	37.05	54.60	
23399	Oct. 26-27, 1937	New York	8.40	17.90	26.30	
26285	Nov. 2-6, 1937	New York, Boston	20.10	35.55	55.65	
28255	Nov. 12-13, 1937	New York	8.40	18.40	26.60	
31871	Nov. 18-23, 1937	New York and Boston	29.92	37.20	67.12	Do.
37252	Dec. 7-10, 1937	do	22.45	40.55	63.00	
43842	Dec. 28-29, 1937	New York	8.40	18.40	26.80	
44930	Jan. 5-7, 1938	New York, Albany, and Rutland, Vt	17.25	35.15	52.40	See exhibit No. 5.
45812	Jan. 9-13, 1938	New York and Boston	20.30	37.45	57.75	
46946	Jan. 14-16, 1938	Boston	9.55	36.70	46.25	
47902	Jan. 21-22, 1938	New York	8.85	18.40	27.25	
53251	Jan. 27-Feb. 2, 1938	New York and Boston	30.30	36.30	66.60	Week end in Boston.
55276	Feb. 9-10, 1938	New York	8.45	13.40	21.85	
56808	Feb. 10-13, 1938	Boston, Mass	14.35	36.70	51.05	
68418	Mar. 22-25, 1938	New York and Boston	24.05	36.55	60.60	
70926	Apr. 1-2, 1938	New York	8.05	18.40	26.45	
72381	Apr. 7-9, 1938	New York and Boston	14.75	37.05	51.80	
76850	Apr. 19-23, 1938	do	23.55	37.05	60.60	
77853	Apr. 28-29, 1938	New York	8.05	18.40	26.45	
82100	May 10-13, 1938	New York and Boston	18.90	37.05	55.95	
84308	May 20-21, 1938	New York	7.90	18.90	26.80	
86698	May 25-28, 1938	Boston, Mass	14.25	36.70	50.95	
87296	June 1-2, 1938	New York	8.10	18.40	26.50	
90275	June 9-12, 1938	New York and Boston	22.10	35.35	57.45	Do.
91997	June 17-18, 1938	New York	8.10	18.40	26.50	
	Total, Home Owner's Loan Corporation		2,198.39	4,275.83	6,474.22	

THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

1485	Aug. 19-31, 1938	New York	$50.00	$5.57	$55.57	See exhibit No. 6.
1498	Sept. 1-15, 1938	New York City to Boston and Swampscott, Mass.	75.73	19.10	94.83	
1504	Sept. 16-20, 1938	New York City, Washington, D. C	23.35	9.35	32.70	
1514	Sept. 20-28, 1938	New York and Boston	27.45	33.63	61.08	
	Total, Federal Savings and Loan Insurance Corporation.		176.53	67.65	244.18	
	Total, for Home Owners' Loan Corporation, and Federal Savings and Loan.		2,374.92	4,343.48	6,718.40	

Note 1. Voucher No. 360962, June 25–29, 1935

It appears from Mr. Tilton's expense voucher that this trip to Boston and Swampscott, Mass., was for the purpose of accompanying Mr. Fallon, assistant general manager of the Home Owners' Loan Corporation, in an automobile to his summer home at Swampscott. Attention is invited to further remarks on this trip in Mr. Fallon's voucher of the same date.

Note 2. Voucher No. 419126, September 26–29, 1935

This appears to have been a trip for the convenience of Mr. Fallon. Attention is invited to Mr. Fallon's expense account No. 417557.

Note 3. Voucher No. 7158, July 1–14, 1936

It appears that this trip to Boston was primarily for a vacation, as Mr. Tilton took leave from July 3 to July 13 which consumed practically his whole stay in that locality.

Note 4. Voucher No. 29578, September 2–15, 1936

This was a trip to New York for 1 day, then on to Boston where Mr. Tilton started his vacation on September 4 and remained there on leave until September 14, when he returned to Washington, arriving there September 15.

Note 5. Voucher No. 44930, January 5–7, 1938

This trip took Mr. Tilton to Rutland, Vt., via New York City and Albany, and return the same way. This trip took 3 days, 1 day being spent each way in New York.

Note 6

It appears from vouchers Nos. 1485, 1498, and 1504, that Mr. Tilton was on duty in New York and Boston continuously from August 19 to September 20, 1938. On voucher No. 1514 Mr. Tilton shows that he left Washington again for Boston on the same day of his arrival from that vicinity and took annual leave on September 23 and 24.

Between Mr. Fahey, Mr. Fallon, and Mr. Tilton one would certainly think the New York-Boston area was well taken care of by these officials. Are we to be so naive as to conclude that they made these week-end and frequent trips to the Atlantic coast to conduct official business and it is just a matter of coincidence that their homes and business interests are located on the Atlantic seaboard? Are we to be so naive as to conclude that it was purely a matter of coincidence that Mr. Catlett's home was in Seattle, Wash., and official business took him frequently to the State of Washington and the State of California?

Mr. James Roundtree, assistant to the Vice Chairman of the Board, has his home in Nashville, Tenn. He, of course, found reasons why he should go to Nashville frequently. On one occasion at least, as shown by the General Accounting Office records, he returned from a trip to Tulsa, Okla., via Nashville, in order that he could be home for the Thanksgiving holidays. His pleasure excursions cost the Government $2,349.10.

SCHEDULE B

James Roundtree, assistant to Vice Chairman of the Board: Legal residence, Tennessee; former residence, Nashville, Tenn.; present residence, Washington, D. C.

Travel, subsistence, and other, at the expense of—

THE FEDERAL HOME LOAN BANK BOARD

Voucher No.	Period	Destination	Subsistence and other	Transportation	Total	Remarks
483	Nov. 10–29, 1933	Tulsa, Okla., Nashville, Tenn., and various places.	$48.95	$122.65	$171.60	See note 1.
38	Jan. 27–29, 1934	Cincinnati, Ohio	13.75	33.68	47.43	Week end (Mr. Roundtree formerly worked here).
956	Feb. 21–26, 1934	Chicago, Ill.	28.20	72.06	96.26	Legal holiday and week end in Chicago, Ill.
1271	Apr. 2–5, 1934	New Orleans, Nashville, Tenn., and various places.	29.80	103.43	183.23	See note 2.
1681	May 19–20, 1934	New York	9.40	23.78	53.18	Sunday and Sunday night in New York City.
1723	May 21–24, 1934	Cincinnati and various places	26.40	55.71	82.11	See note 3.
1993	June 6–7, 1934	New York City	9.87	23.78	33.65	Attending convention at Mineola, Long Island.
1994	June 12–18, 1934	Elizabeth City, N. C., and Norfolk, Va.	29.95	9.65	39.60	See note 4.
2283	July 15–18, 1934	Cincinnati, Ohio	15.95	51.56	67.51	Formerly employed in this town.
2793	Sept. 19–25, 1934	Boston and New York	21.95	39.63	61.48	
3398	Nov. 20–Dec. 1, 1934	New York	9.00	16.63	25.53	
3627	Dec. 4–11, 1934	Oklahoma City, Okla., Nashville, Tenn., and various places.	36.10	105.25	141.35	See note 5.
3681	Dec. 14–16, 1934	New York City	7.45	16.53	23.98	Short working day (it being Saturday).
3750	Jan. 10–11, 1935	do	7.65	23.78	31.33	
4933	Mar. 28–Apr. 9, 1935	Miami, Fla., Nashville, Tenn., and various places.	64.30	81.68	145.98	Week end at Nashville, Tenn.; see note 6.
6263	June 9–27, 1935	Pacific coast, up and down	180.70	272.64	488.34	See note 7.
1139	Oct. 4–7, 1935	New York and Boston	19.90	35.08	54.98	Week end.
1257	Oct. 21–28, 1935	Chicago, Nashville, Tenn., and various places.	53.10	96.51	148.61	Week end in Nashville, Tenn.
2544	Apr. 7–10, 1937	Nashville, Tenn., and various places	62.35	78.55	140.90	2 week ends in Nashville, Tenn.; see note 8.
380581	Sept. 18–19, 1937	Nashville, Tenn	35.10	41.35	78.45	5 days in Nashville (former home).
363629	June 14–19, 1938	Saranac Lake, N. Y	27.90	42.55	70.45	Attending convention 15–16–17, 1938.
390209	Aug. 8–14, 1938	New York, Philadelphia, and New Haven, Conn.	28.30	(1)	28.50	See note 9.
	Total, Federal Home Loan Bank Board.		713.97	1,345.28	2,059.26	

THE HOME OWNERS' LOAN CORPORATION

84625	Nov. 18–27, 1936	Nashville and Memphis, Tenn	$46.40	$52.90	$99.30	Week end at Nashville, Tenn.
112549	May 18–21, 1937	Chattanooga, Tenn	15.70	33.80	49.50	
21950	Aug. 21–22, 1937	Atlantic City, N. J	14.60	15.15	29.75	Week end.
	Total, Home Owners' Loan Corporation.		76.70	101.85	178.55	

THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

1320	Apr. 14–26, 1938	Nashville, Tenn	$111.30	(1)	$111.30	See note 10.
	Total, Federal Savings and Loan Insurance Corporation.		111.30	(1)	111.30	
	Total for Bank Board, Home Owners' Loan Corporation, and Federal Savings and Loan Corporation.		901.97	$1,447.13	2,349.10	

[1] Auto.

Note 1. Voucher No. 483, November 18–29, 1933

This was a trip to Tulsa, Okla., and return via Memphis and Nashville, Tenn., and it apparently afforded Mr. Roundtree a means of spending the Thanksgiving holidays, November 23, 24, 25, and 26, in Nashville, Tenn., his former home.

Note 2. Voucher No. 1271, April 2–8, 1934

This was a trip to New Orleans via Cincinnati, Nashville, and Baton Rouge, returning via Vicksburg, Miss. Mr. Roundtree does not show on his expense account that he was in Vicksburg, but the transportation requests show that he procured a ticket to Vicksburg at Government expense.

Note 3. Voucher No. 1723, May 21–24, 1934

This was a trip to Cincinnati, Ohio, by train, then by a privately owned car to Louisville, Ky., where a convention was held, then by train to Charlottesville, Va., where another convention was held.

Note 4. Voucher No. 1994, June 12–18, 1934

This was a trip to Elizabeth City, N. C., by way of Norfolk, Va., and return via Norfolk with a stop over the week end at Virginia Beach, a seashore resort. Mr. Roundtree had with him on this trip his wife and daughter, who occupied the same stateroom on board the vessel from Washington to Norfolk, according to the records of the transportation company.

Note 5. Voucher No. 3527, December 4–11, 1934

This was a trip to Oklahoma City and return via Memphis and Nashville, Tenn. Mr. Roundtree spent the week end in Nashville, Tenn., his former home.

Note 6. Voucher No. 4933, March 28–April 9, 1935

This was a trip to Jacksonville, Orlando, Miami, and Tampa, Fla., returning via Memphis and Nashville, Tenn., and Mr. Roundtree spent the week end at Nashville, Tenn., his former home.

Note 7. Voucher No. 6253, June 9–27, 1935

This was a trip to Portland, Oreg.; San Francisco, Los Angeles, and San Diego, Calif.; and return from San Francisco by airplane. The expense voucher of Mr. Roundtree does not show that he attended a convention at Coronado Beach, Calif., nor does it show that he was in Santa Monica, Calif.; however, the voucher of Mr. C. E. Berry, an employee of the Federal Home Loan Bank of Los Angeles, shows that he was accompanied in his automobile by Mr. Roundtree, Mr. Catlett, and Mr. Catlett's sister, Mrs. Shaw, from Los Angeles to Santa Monica to attend a dinner given by Mr. Hurford, president of the Los Angeles Bank, in honor of Mr. Catlett and Mr. Roundtree. Although the voucher of Mr. Roundtree shows that he traveled by privately owned automobile from Los Angeles to San Francisco, Mr. Berry's voucher shows that he left Beverly Hills at 8 a. m., accompanied by Mr. Roundtree, and arrived in San Francisco at 9 p. m., the same day.

Note 8. Voucher No. 2544, April 7–19, 1937

Mr. Roundtree arrived at Nashville, Tenn., his former home, April 8, and remained there until April 13. The voucher does not show why he was there; however, he was reimbursed for his expenses for the period. Mr. Roundtree left Nashville for Memphis and Dallas, Tex., then back to Nashville for the week end, making two week ends in Nashville in succession during this period of travel.

Note 9. Voucher No. 390209, August 8–14, 1938

This was more or less a week-end trip to New York, Philadelphia, and New Haven, Conn., apparently for the purpose of a vacation at some given point, since Mr. Roundtree reports being on vacation at New Haven, Conn., commencing at 5:30 p. m. August 10, 1938, at which point he arrived at 11:15 a. m. same date. Mr. Roundtree used his privately owned car for this trip.

Note 10. Voucher No. 1320, April 14–26, 1938

The object of this trip was apparently to visit Nashville, Tenn., the former home of Mr. Roundtree. He and his family left Washington, D. C., in his private automobile at 5: 30 a. m. April 14 and arrived in Nashville at 6: 45 p. m. the following day. Mr. Roundtree was on duty April 16 to April 20, inclusive, in Nashville, and from noon April 20 to 6:00 a. m. April 25 he was on annual leave, at the expiration of which he left Nashville and arrived in Washington, D. C., at 5 p. m. April 26. The expenses of this trip were paid by the Insurance Corporation although there are only two associations in Nashville which were insured in 1935 and 1937. Both were apparently in good condition and there were no applications on file for insurance from any other associations in Nashville.

This House will be interested to know that Mr. F. W. Hancock, member of the Board, is apparently the only official who remains in Washington and attends to his duties. He is one of the few supervisory officials of the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the Home Owners' Loan Corporation who does not charge the Government for week-end excursions, vacations, football games, sun baths, fishing, and bathing. And I want to emphasize the fact that Mr. Hancock was formerly a Member of this House. He came to Washington as a representative of the people and has carried over into his present office a high sense of respect for the people he serves.

Mr. Speaker, from the evidence I have presented here today it is perfectly clear that this House should make a complete and thorough investigation of these three agencies of the Government. A great deal has been said about bureaucracy. Here is bureaucracy at its very worst. Here are appointive officials, occupying high positions of power and influence, receiving salaries of $10,000 and $8,500 per year. But they have the nerve to charge the Government for trips to their homes and for vacation tours. They have the nerve to charge our people the expense of carrying on their personal business ventures, when at the same time they are employed by the Government to devote their full time to serving the people. They are defrauding the Government, the Congress, and the people.

It is, indeed, a pathetic picture. Thousands of our people are losing their homes through foreclosures. Thousands of our people are paying interest on loans on their homes. Yet we find these officials literally enjoying themselves at Government expense and at the same time receiving a high salary from the people.

Mr. Speaker, I have introduced a resolution for a complete investigation. It is necessary that we have this investigation in order that we may know the full story, and I guarantee some startling disclosures will result. I cannot begin to explain the manner in which accounts are juggled, "administrative costs" shifted to "nonadministrative," and how these bureaucrats are lining their own pockets with money that should not be theirs.

There is not a Member of this House, on either side of the aisle, who, if he would only look into the facts, would not agree with me that the Federal Home Loan Bank Board, the Home Owners' Loan Corporation, and the Federal Savings and Loan Insurance Corporation need a real investigation. All this I have discussed today is petty thievery. If men occupying places of responsibility where they handle millions and millions of dollars would stoop to petty thievery, I can well imagine the kind of thing we will discover once we investigate the activities of these officials and make our own accounting of their use of funds in the nonadministrative category.

I have taken only one item in the administrative expense category, and I have shown conclusively, from the findings of the General Accounting Office, that thousands and thousands of dollars are being spent by these officials for personal pleasure and personal business. What will we find if we ever investigate the use made of nonadministrative funds? It is our duty to conduct such an investigation.

Mr. GIFFORD. The chairman of the Expenditures Committee is in front of the gentleman and he looks shocked.

Mr. COCHRAN. Will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Missouri.

Mr. COCHRAN. Does the gentleman make the statement that the General Accounting Office advised him that this money was spent for personal pleasure rather than official business?

Mr. CHURCH. I made the statement that I copied the records of the General Accounting Office in its investigation which it sent to the Attorney General and to Jesse Jones. Its conclusions are in that report just as I have stated them here. These are exact copies of that report and investigation.

Mr. COCHRAN. I understood there were some people discharged from the Home Owners' Loan Corporation who threatened to furnish certain records to Members of Congress unless they were reinstated. I did not know the gentleman had discussed this matter with those people until he just mentioned it.

Mr. CHURCH. I have not discussed it with those people who have been fired. This has the dignity of the contents of a report sent by the General Accounting Office to the Administrator of the Federal Loan Agency, as I stated. They are official records. Furthermore, I have asked for

them for weeks, and I was never furnished the information until I went over there as a Member of Congress and made a copy of the record myself.

Mr. COCHRAN. The gentleman will recall when he made his speech last July I insisted that a report be made to the Congress through the Committee on Expenditures concerning the charges the gentleman made against Mr. Fallon, and I placed that report in the RECORD.

Mr. CHURCH. I appreciate the gentleman's cooperation at that time.

Mr. COCHRAN. It will be found in the RECORD of July 22, 1939.

I do not think any Member of this House will condone the illegal expenditure of Government funds; but until I have the facts I do not propose to pass judgment on such a serious charge that a public official is guilty of misusing such funds.

May I ask the gentleman if he has talked to Mr. Fahey or any of the others he accuses of spending this money illegally and requested an explanation?

Mr. CHURCH. I have written Mr. Fred W. Brown, the Comptroller General. I have made my statement here today based solely upon the General Accounting Office records and the hearings of the Committee on Appropriations. If you will read the RECORD tomorrow, you will see what the investigators have to say.

Mr. COCHRAN. I certainly propose to read the RECORD. Much data has been inserted of which I have no knowledge; only by reading the RECORD can I get it. I know, as I said before, there were some men who threatened the members of these organizations if they were discharged or were not reinstated who said they were going to give out some facts which they had secured from the records. The gentleman states, however, that he did not discuss this matter with them or secure the information from them, that he got it from the General Accounting Office?

Mr. CHURCH. Yes.

Mr. COCHRAN. As I understood the gentleman, he said in his opinion these trips were not justified?

Mr. CHURCH. The Comptroller General himself questions the justification for these trips. That is why he submitted this information to the Administrator of the Federal Loan Agency for comment.

Mr. COCHRAN. I take it it will be up to those accused to justify the expenditures, not a Member of Congress.

Does not the gentleman feel that the General Accounting Office will recover that money from the individuals if it is shown beyond question the money was spent for personal rather than official business?

Mr. CHURCH. I understand so.

Mr. COCHRAN. Of course, I had no knowledge of what the gentleman was going to say today and I know nothing about any of the charges he has made and the trips to which he has referred, other than as to Mr. Fallon; but I may say that as far as Mr. Fallon is concerned, based upon the statement the gentleman made last July, I thought Mr. Fallon's explanation was fair and honest and that it was a proper defense in reference to the expenditures the gentleman then charged him with making. Mr. Fallon not only explained in detail the business of the organization he attended to, but he also went into detail in reference to his personal business, to his family, in order to show that he was not, as charged at that time, visiting a certain home which he was alleged to have owned, because, as I recall it, he showed that he did not own the home.

Mr. CHURCH. Mr. Fallon attempted to make an explanation, but made a very flimsy explanation of that situation at that time. The General Accounting Office is handicapped in not being able to investigate the nonadministrative funds as well as the administrative. It cannot therefore get all the facts. The Board is able to shift the expenditures from one fund to the other to prevent a complete audit.

Mr. COCHRAN. I have here the RECORD containing the letter that was sent me by Mr. Fahey, together with the memorandum Mr. Fallon submitted. The explanation did not appear to me to be flimsy, and I do not believe it will appear to anybody else who will read it to be flimsy. It is a statement of facts. Unless someone can assail those facts, I repeat, he has made a fair and honest explanation.

Mr. CHURCH. The gentleman would not criticize the report of the Comptroller General and his request that these expenditures be explained? This request was made as far back as February, and the Board members have not done anything about it. I have written several letters to the General Accounting Office and could not get the information. I am claiming no more than is in the official record of an office, directly responsible to Congress, in checking expenditures.

Mr. COCHRAN. That is something the gentleman heretofore did not submit. Of course, we know nothing about that and will not know anything about it until we read it in the RECORD tomorrow. I cannot speak of something I have not read. I have the greatest respect for the Comptroller General.

Mr. CHURCH. When I spoke on this subject before, I was just scratching the surface. I have been trying to get this information ever since last year. I have written several letters, and I have finally gotten it.

I am glad the gentleman from Missouri [Mr. COCHRAN] is here today. He is one of the most valuable Members of this House. I do hope that the gentleman and other members of his committee will now insist that these reports be brought in, and assist me in getting the Committee on Rules to demand an investigation. If the gentleman's committee will do this, that would satisfy me. I have no personal grievance against any one of these men, but I have an utter contempt for any petty thievery that takes the taxpayers' money at any time and takes from the poor H. O. L. C. borrowers.

I prefer to give the gentleman from Missouri [Mr. COCHRAN] the chance at this session to go into this question. I hope the gentleman will give me every support and get this investigation. That is all I am asking.

Mr. COCHRAN. I wish to assure the gentleman that his remarks made here today, and what he is placing in the RECORD, will not go unnoticed.

Mr. CHURCH. I appreciate that, and I believe the House appreciates it.

Mr. COCHRAN. As far as I am concerned, no statement has ever gone unnoticed that has been made on the floor accusing an official of illegal activities. I do feel that before any investigation is ordered some opportunity should be given the other side to reply to these very serious charges the gentleman has made on his responsibility as a Member of this House. I cannot conceive that anybody would be expected to overlook such statements. Therefore, I again assure the gentleman that the matter is going to be called to the attention of the proper officials for an explanation. I think they should welcome an opportunity to reply.

Mr. CHURCH. I have been trying ever since last year to get all the facts.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Texas.

Mr. PATMAN. I wonder if the gentleman's remarks were prompted by the statement appearing in the RECORD this morning on the good work the Federal Home Loan Bank Board has been doing in recent years? It appears in the Appendix of the CONGRESSIONAL RECORD beginning at page 1799. I placed it in the RECORD yesterday. Did these remarks prompt the gentleman's charges?

Mr. CHURCH. I recognize that the H. O. L. C. has done a great deal of good, but that does not justify petty thievery by supervisory officials.

Mr. PATMAN. Will the gentleman just enumerate what the thievery is, just one, two, three, four?

Mr. CHURCH. I have carefully and formally stated them in the RECORD. I am making very serious charges. They are in the RECORD. They are backed up by the records of the General Accounting Office, and they are right here in the RECORD.

Mr. PATMAN. Name one and state just what it is——

Mr. CHURCH. I have given the details of all of them, and I recited a number of week-end trips at Government expense.

Mr. PATMAN. Does the gentleman presume that a week-end trip is pleasure? Do not some of these officials take advantage of week-end trips to work?

Mr. CHURCH. The General Accounting Office has not presumed it.

Mr. PATMAN. You are basing your presumption upon what some official has done.

Miss SUMNER of Illinois rose.

Mr. CHURCH. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman has stated that they were all-powerful. I think that is probably an overestimation, and I hope the gentleman will draw the attention of the House to the fact that they have now a bill, upon which a rule has been granted, which is to come before this House granting them greatly increased power and burdening the Government with much greater responsibility for their activities.

Mr. CHURCH. I want to thank the gentlewoman from Illinois for her contribution, and if there is no one else who desires to make any inquiries, I yield back the balance of my time.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to include in an extension of the remarks I made today a statement made before the Military Affairs Committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend in the RECORD the remarks I made today in the delivery of a gavel to the Speaker of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

THE PRIVATE CALENDAR

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that the bills (H. R. 8226 and H. R. 8370) and Private Calendar Nos. 619 and 625, which were by inadvertence objected to, be restored to the Private Calendar so that they may be considered on the next Private Calendar day.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, I do not think the gentleman should take advantage of the official objectors who are absent.

Mr. DICKSTEIN. I have talked with one of them.

Mr. COCHRAN. Has the gentleman talked to all of the official objectors?

Mr. DICKSTEIN. I have talked to one of them. The other one I could not find. They can object next week as well as they could object today.

Mr. COCHRAN. If we are going to begin such a policy now, after the calendar has been called and the objectors have gone, everybody will be getting up here and asking unanimous consent to go back to their bills.

Mr. DICKSTEIN. I am not trying to do that. I have talked to the objector.

Mr. COCHRAN. It is a bad procedure to follow. If the gentleman can state that he has talked to all the objectors, I am not going to object.

Mr. CARTER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman whether the objectors on the minority side have agreed to this, and if they have not I am going to object, in view of the fact they are not here at the moment.

Mr. DICKSTEIN. Mr. Speaker, I will withdraw my request for the present.

PERMISSION TO ADDRESS THE HOUSE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Speaker, I dislike to inject myself into this matter. It seems appropriate as a member of the Committee on Expenditures in the Executive Departments. We in the minority plead for these investigations entirely in vain. I have offered many resolutions during the past few years seeking to get investigations. One was about the joy ride of Jacob Baker and others to Europe on relief money. The General Accounting Office found that they spent the money improperly and ordered them to pay it back, but they will not pay it back. The Attorney General will never do anything about it.

When it comes to investigations relating to expense accounts, we immediately must say that all joy rides of all new dealers must not be questioned. The New Deal has been a joy ride from the beginning. We cannot stop it. Even our Committee on Expenditures in the Executive Departments cannot do anything. Those in control here will not let any investigating be done.

I seldom if ever engage in attacks on personalities. Even when I speak of the President of the United States, I speak of him usually as the "White House." But I have a duty to object and consider improper expenditures. Appreciative as I am of Mr. Fahey, of Massachusetts, it is very strange that it is so convenient, because he is on the Home Loan Bank Board, that he should have business every week end in Boston. He could probably make it convenient. Congressmen are nearly all a distance from their homes, and we might like to go home week ends, but the small amount we are allowed for travel will not let us go more than once or twice, not every week end. We could easily assign business relating to our work.

There may not be petty thievery involved here, and of course I do not claim that, but every man here knows and feels that we are perfectly well aware of the tremendous advantages taken of the funds used by the bureaucratic new dealers.

Again, I rose to my feet to say that it is no use to expect anything of the Committee on Expenditures, of which I am a member. It is no use to expect anything from any other committee, in the way of investigation. Matters are referred to the committees; the chairman writes the party for explanation; with only an evasive and brief explanation the matter is laid on the table within the 10 days. You can do nothing about it. Let them have their joy rides! It is to be expected these days. [Applause.]

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, let me allude for a moment to the observation made by my good friend the gentleman from Alabama [Mr. PATRICK] about assailing an agency by assailing an individual. This Congress could appropriate all the money in kingdom come and set up all the agencies that are necessary, but until human personality is addressed to those agencies to make them function, they mean exactly nothing. You can give the Home Owners' Loan Corporation $3,000,000,000 and authorize them to make a million loans and give them plenary power, but until some personality addresses himself or herself to the task and gives the direction, it is just an abortive attempt. So we have to start with the personality that shapes the policy of an agency and determines the thing that is going to be done. Consequently, it is only fair and proper when we undertake to reproach and criticize governmental agencies to criticize the head of the

agency, because that is where responsibility lies. That is No. 1.

No. 2: It occurs to me that the Congress has been terribly derelict in its duty in being so careless in drafting legislation similar to that under which the Home Owners' Loan Corporation operates today. I will give you an example. When they came before the Committee on Appropriations last year we asked them for a justification for having earmarked $40,000 to set up the group hospitalization plan in the Home Owners' Loan Corporation. The General Counsel sat before the committee, and there, in broad language, he undertook to justify that expenditure. No reasonable person making a common-sense interpretation of that language could have arrived at so strained a conclusion; and yet they took the language that was in the law and arrived at that conclusion and expended $40,000 on the theory that the Congress had given them a job to do and that, within the confines of that job, it became necessary to keep everybody in the organization healthy and free from tonsillitis and appendicitis and all the other ills to which human flesh is heir.

This is going pretty far. I assume that, perhaps, they think they can find justification for making week-end trips to Boston and to Nashville and to New York City, yet it seems to me the offices in distant cities are closed on Saturday afternoons and on week ends. If they go out of Washington on Saturday morning they would find a closed office at noon when they got up there. They could go to church on Sunday morning and then catch a train late in the afternoon and arrive back in Washington for duty on Monday morning. Offhand, I would say it would be pretty difficult to justify that kind of a recurring week-end expenditure when everybody knows that the county and the State and the Federal offices are closed at that time, and as far as the remarks of my good friend from Texas about a concentration of the building and loan activities in New England are concerned, must I refresh your recollection that there are 12 of these home-loan banks in the country and that we have some out in our country. They are not all up in New England by any means.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. And is it not rather strange that none of these trips was made out to Chicago, none was made to St. Louis, none was recorded for Omaha, none was recorded for St. Louis, none was recorded for Dallas and none for Atlanta. Why were they all into the same area? Do you not have building and loan activities in Texas? Do they not have building and loan activities in Oregon and Washington and Illinois? It seems rather singular that all week-end trips were along one piece of electric track running from Washington to New York and from New York up to Boston. There is something very singular about that and I think it would merit the investigation of the Congress.

Mr. PATMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. DIRKSEN. Let me continue, as I have only 5 minutes.

Mr. PATMAN. It would not be unusual for the other members of the Board to take charge of other sections of the country. Does not the Federal Reserve Board do that very thing?

Mr. DIRKSEN. I am speaking of those mentioned in the discussion this afternoon. How strange it is that it took them to Boston and not into some of the other sections of the country. But now alluding for a moment to the fact that the interest rates have been reduced. Oh, my dear friend from Texas, do you forget that the Home Owners' Loan Corporation has foreclosed on about 81,000 properties?

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 5 more minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. They came and testified that they took over and then foreclosed 81,000 properties. Not the hard-hearted, grasping bankers. That is Uncle Sam doing it, and then they testified that they own 78,000 more pieces of property, properties of the citizens of this country; and when you refer to the Hoover days so often and talk about the terrible things that were done to the citizenry when the bankers and the building and loan associations were reaching out and through the spectral processes of foreclosures were taking away the homes of the citizens, bear in mind it is your Government that is doing it today under your tutelage and under your direction. Under the New Deal philosophy you are doing it today. What accounting have you for that, I ask you?

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. With pleasure I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. I know the gentleman from Illinois would not want to leave the impression that he disapproves of the Home Owners' Loan Corporation——

Mr. DIRKSEN. Definitely not.

Mr. WOODRUM of Virginia. If the gentleman will permit me to continue—foreclosing property when, as a matter of last resort, it has developed that the person who has made the loan cannot ultimately pay the loan, because, after all, they are loans and not gifts.

Mr. DIRKSEN. My good friend from Virginia has put his finger right on it, and I ask the gentleman now to give attention for a moment with regard to this observation: Take the building and loan associations of 1930 to 1932. Those folks were administering the money of other people—not their own money. Would you have them desist from foreclosure when the property was being depreciated and the installments had not been paid? They were doing the thing that they were mandated to do under the laws of every State in the Nation covering building and loans and banking systems. No, indeed. I think Mr. Fahey is doing the right thing to recapture for the Treasury and the taxpayers of the country those delinquent properties when all other efforts have failed, for otherwise they probably would represent a dead loss. But must you come and put the tarred stick on us because in the days of 1930 to 1932 those who were acting as stewards of other people's money were doing the same thing?

Now, to get around to the interest rates for just a moment—these lower interest rates. You are paying for gold $35 an ounce, and every ounce of gold must be reflected in the excess reserves, and it must be reflected in the deposits in the country, and here today you have a great empire of stagnant capital; and the result is what? It is to freeze a static unemployment level that has been on the doorstep of this Congress since we came here in 1933 for that memorable 100-day session, and it is here now. A few billions were expended before 1932, but what has been expended since that time? I share with you a great solicitude and anxiety to find the remedy, but do not put the tarred stick over on us because we have given you four times as much money for this purpose as was used from 1929 to 1932, and, according to the report the unemployment level is almost as large today as it was in October 1932, after we had started turning the corner. The other day I surveyed all the bills that have gone on the books of the Seventy-third Congress, the Seventy-fourth Congress, the Seventy-fifth Congress, the Seventy-sixth Congress, dealing with what? Inadequate farm prices, jobs, hoping to keep this country on a peaceful keel, and, finally, to find a little profit for some of the idle dollars that are reposing in the storm cellars of the country today.

That was in 1933. Here we are gathered on the 2d of April of 1940, in this same Chamber, and what are the problems today? Jobs for our unemployed, inadequate farm prices, stagnant capital for which there is no profit. All this through 11 sessions of Congress, with a national debt going up to the statutory ceiling, and the same problems are reposing here on the threshold of the Nation. If you must make accounting, if you must tell us that there has been effective work, where is the answer for all the money that

has been expended? Where is the answer, now that the people of the country are becoming keenly anxious about the national debt, with its annual interest charge of over $1,050,000,000? Where is the answer, my good friend from Texas?

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

EXTENSION OF REMARKS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXPENDITURE OF PUBLIC MONEY

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes and to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from Texas, the author of the chain-store legislation, made a very reasonable request. He asked us to cite instances where money had been misused. I am not talking about petty stealing now. I am talking about the misuse of public funds. I will give you two instances and I will cite you to the record and I will cite you to the statute that should have prevented that misuse of public funds.

The first one is found in the National Labor Relations Act itself, where provision is made that no funds appropriated for the use of that agency shall be used to collect certain sorts of information which can be obtained from the Labor Department. The provision to which reference is made is found in section 4, subdivision (a), of the N. L. R. A. and it provides that—

> Nothing in this act shall be construed to authorize the Board to appoint individuals for the purpose of conciliation or mediation (or for statistical work), where such service may be obtained from the Department of Labor.

There is no question as to what that language means.

If you will take the hearings before the Smith committee, you will find from the records of the Board itself, from the testimony of Madden, from the testimony of Dr.—not "Judge"—Saposs, as he was designated, that he has been collecting and has been paid for collecting the very kind of information that that statute says shall not be collected and paid for through the use of funds given to the Board.

If you will refer to page 374 of the preliminary report of the special House committee—the Smith committee—under date of March 30, you will find this statement:

B. DIVISION OF ECONOMIC RESEARCH

> Carrying on certain nonlegal investigations is the division of economic research under the direction of David J. Saposs. The Division's work consists in (5):
>
> 1. The preparation of statistical data for the use of the Board in its annual reports. Congressional investigations (6), etc.; and
> 2. Supplying economic material for use in the development of Board cases.

The foregoing statement is founded upon the testimony of Saposs given before the committee.

Now, there is another instance. If you will refer to section 201, title XVIII, of the United States Code, you will find a statute which provides that—

> Use of appropriations to pay for personal service to influence Members of Congress to favor or oppose legislation. No part of the money appropriated by any act shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device intended or designed to influence in any manner a Member of Congress to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriations; but this shall not prevent officers and employees of the United States from communicating to Members of Congress, on the request of any Member of Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

Then it provides:

> Any officer or employee of the United States who, after notice and hearing by the superior officer vested with the power of removing him, is found to have violated or attempted to violate this section, shall be removed by such superior officer from office or employment. Any officer or employee of the United States who violates or attempts to violate this section shall also be guilty of a misdemeanor and on conviction thereof shall be punished by a fine of not more than $500 or by imprisonment for not more than 1 year, or both.

Now for the proof that the N. L. R. B. has failed to remember the statute and to obey its provisions, permit me to again call your attention to the hearings of the special House committee investigating the Labor Board and the Wagner Act, the testimony to which reference is made comes not from those who are prejudiced against either the act or the Board, but from the members of the Board, its staff, and its records. From page 381 of the report of the Smith committee, let me quote:

> The field offices took an active part in the lobbying done by the Board. One regional director reported that all persons whom he had interviewed with respect to testifying before the Senate Committee on Education and Labor had amendments in mind, and therefore he did not think they would be useful.
>
> A former Board secretary, Benedict Wolf, after leaving the services of the Board wrote identical letters to all regional directors, except one, asking them to stimulate sentiment in local American Federation of Labor unions against amendments proposed by the executive council of the American Federation of Labor. The one regional director was carefully omitted because Wolf feared the A. F. of L. friends of that individual.
>
> Another regional director replied:
>
> "Am wholeheartedly in agreement with what you say, and for the past month have been following a somewhat similar campaign with the union in my vicinity."

This report is substantiated by the testimony referred to in the report, and you have but to read the record to have the facts before you. So to the distinguished gentleman from Texas [Mr. PATMAN], who asked for specific charges and the evidence on which they were founded, I offer the foregoing. There you have your specific charges and the record of a committee of this Congress as proof of the charge. It is a matter of common knowledge that the Attorney General of the United States was asked to take action on this latter charge, and that up to this time he has failed to bring any action whatever against either Madden or any of the Board attorneys or employees who lobbied in violation of that statute, if the statute covers such activities.

My understanding is that the Attorney General refused to express an opinion when asked to do so by the Smith committee or by its chairman, this on the ground that it was not his duty to do so. However, it is his duty to prosecute violations of the Federal statutes when the facts are laid before him, and if there is any reason why he should not institute proceedings other than that the facts do not constitute a violation of the statute, doubtless Congress would be glad to have those reasons.

So what is the use of Republicans presenting to your committees and to your departments evidence of the misuse of public funds, of the diversion of public funds? Once more I want to refer to that statement of CARTER GLASS, the senior Senator from Virginia, made on the floor of the Senate on the 24th of June 1937, when he said:

> The last election was carried by people who were getting favors from the Government, people who were subsidized by the Government, people who were on relief rolls.

This last statement is not of course borne out by any evidence that I have cited. It is nevertheless a statement made on the floor of the United States Senate by one of the greatest Senators who has ever sat in that distinguished body. It is the opinion of a great Senator from the State of Virginia. To you, I have offered two instances where Federal statutes, according to good opinion, have been violated; where the proof is at hand, yet no effort is made to end the improper practice.

So do not expect us always to back up everything we say by citing the record, because we get nowhere when we do. If you will take care of a few of the violations we have pointed out to you, if you will get some action, where the

funds of the Federal Government have been misused, then we will go on down the list and give you plenty more. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an article that appeared in the Birmingham Age-Herald of April 2, 1940, on the relief problem.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXPENDITURE OF PUBLIC MONEY

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PATRICK. Mr. Speaker, in the few minutes I will use, I will discuss one little matter that I referred to slightly in questioning the gentleman from Texas [Mr. PATMAN], and to which the gentleman from Illinois [Mr. DIRKSEN], replied.

I am very fond of the gentleman from Illinois [Mr. DIRKSEN]. He and I have gone out over the country together a little in debate. He is a cultured, refined, scholarly gentleman, genteel and charming.

I do want to take time, however, to cross swords with him—not that I am able to, but I am willing—on one measure that arises here, and which I think is serious enough when it comes to legislation; that is, that the human element, the individual case, does not rise to the dignity of station given it here when, in attempts at legislation involving thousands of dollars and thousands of people, in fact, millions of dollars, we assail the individual that happens to be at the head of this or that agency or group at the time.

I am not up here with a brief for the Honorable John H. Fahey. I do not know the intimate details of the situation in regard to the home-loan bank. It is but natural, however, that in a board of the size of the Federal Home Loan Bank Board, someone in control or direction of the business affairs pursuing the natural course of things must of necessity travel.

I think we too easily fall out and quibble over minutia, leaving the major thing untouched. We do this so frequently, especially when we feel that there is another party on the other side and we are entirely on this side of the fence. Only last week we had up measures involving the affairs of this country, involving the wholesome, national moral health of our people, involving N. Y. A., but it seemed that most of the attacks were directed, not against the legislation or its merits, but against men. Instead of directing our attention to whole nature of the legislation before this body we found attacks being made on Aubrey Williams in N. Y. A.; Colonel Fleming in C. C. C., although he has been at the head of that organization only a few months, much less than a year; Dr. Saposs in the matter of the wage and hour legislation and the Labor Board. Instead of attacking the wage and hour legislation fundamentally, and on its merits, they attacked Saposs, a man, a mere human who may die any time.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PATRICK. Now, the gentleman has shed so much lack of light on so many subjects that I am afraid the time would not be worth it.

Mr. HOFFMAN. I merely want to make a correction. I was talking about the National Labor Relations Act.

Mr. PATRICK. I would like to yield but I am afraid to risk it.

The facts are, seriously, that as we approach matters of legislation, if there is opposition to any measure, instead of going before the people of the United States and saying that the measure is either good or bad, that it should be enacted or should not, the man standing at the head of the bureau that is charged to administer the law is attacked and assailed.

[Here the gavel fell.]

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. PATRICK. A human being may die tomorrow. No matter how powerful a man may stand as a bureaucrat, or whether or not one may personally like him or his politics, or how well he may or may not execute his position of trust, he may retire, he may be kicked out, or he may die; but the laws we enact here, if they are sound, should stand for a long time. But how can we hope to pass strong, healthy, invigorating legislation to take care of the needs of the Nation by the petty method of attacking men who happen to be at any given time in a position of power? It is strange that laws passed under such arguments stand as long as they do. Such arguments should not be heard in this Chamber, this forum of debate, at the Nation's head.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield?

Mr. PATRICK. I yield.

Mr. DIRKSEN. The practice is growing up in some quarters to consider a law to mean what an administrative group says it means. No less a person than the gentleman from Pennsylvania [Mr. WALTER] has introduced in the House the so-called Logan-Walter bill in the hope that the things that an administrative group read into the law may be reviewed in the courts of the land. That is why there is so much discussion about one man, two men, three men—why it is so important in interpreting the laws of the country today. That is why the individual becomes so important in connection with every piece of legislation.

Mr. PATRICK. Any law is only that which the human beings that administer it can carry out. But their actions are always subject to review and can be carried only as far as boards of control permit, or even the Supreme Court of the United States can be appealed to if necessary. Any law, of course, has to be administered by human beings. It is passed in the first instance by human beings, and all law has been subject to the frailties of human beings since time immemorial. But that does not mean that we should scale a law up or down according to our feeling for the man who may temporarily be in the position of its administrator.

[Here the gavel fell.]

Mr. PATRICK. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. PATRICK]?

There was no objection.

Mr. HOFFMAN. Will the gentleman yield?

Mr. PATRICK. I yield to the gentleman from Michigan.

Mr. HOFFMAN. I understood the gentleman to say that we should not make attacks on individuals, that we should change the law. Under that theory, and according to the gentleman's logic, we would not do anything to a man who stole. We would simply attack the law.

Mr. PATRICK. The gentleman is hearing so little when so much has been said.

Mr. HOFFMAN. There is so little to what has been said that sometimes it does not take me long to understand it.

Mr. PATRICK. That may be true, but I would rather have it weighed on heavier scales. Is that all the gentleman has to say? I am quite disappointed.

Mr. HOFFMAN. Yes.

[Here the gavel fell.]

DEFICIENCY BILL CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I present a conference report and statement on the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, for printing under the rule.

PEYOTISM AS AN EMERGENT INDIAN CULTURE

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

There was no objection.

Mr. NICHOLS. Mr. Speaker, I was afraid that I might get inflamed about what I am going to speak, so I wrote it down. I do not think anyone in the House can remember my having read my remarks heretofore. They are very brief.

Mr. Speaker, I want to call the attention of the House to a very remarkable article appearing in a Government publication this month.

The title of the article is "Peyotism as an Emergent Indian Culture," and it appears in a little magazine known as Indians at Work, which is issued by the Bureau of Indian Affairs. The article is by Vincenzo Petrullo, who is a Ph. D.

Lots of my colleagues will not know what "peyotism" is. For your information, it is a so-called religion invented by Indians or Mexicans, centering around the eating of "peyote," which is a drug made out of some sort of Mexican plant which induces a lengthy stupor, during which the subject has weird dreams and delusions of grandeur, similar to that brought about by the use of opium and other drugs.

It seems to me that the publication of this article in a Government publication at least implies that the use of this drug, peyote, is condoned, if not actually recommended, by our Bureau of Indian Affairs.

Dr. Petrullo, the author, says in one place:

> In peyotism there is fused much of the ancient religious experiences of the Indians and some phases of Christianity. In a sense, then, the Indian has become modern or universal in spirit. He recognizes the existence of systems other than his own, and by fusing the two together he builds something original and perhaps richer, for his own needs, at least, than either his own ancient system or the Christian. For peyotism is not only a religion but a way of life, a life that accommodates itself to the present and hopes for the future.

In the name of common sense and decency, I want to protest against the publication of this article and this seeming effort of our Bureau of Indian Affairs to promote drug addiction among our Indians.

I do not know Dr. Petrullo. I do not know from what source he got his idea that peyotism is a richer religion for the Indians than the Christianity which our churches have been trying to teach them, and with great success, for hundreds of years.

Dr. Petrullo says further in his article that the peyote eaters have organized the Native American Church, and may seek converts among the white people who live near Indian settlements.

I am not concerned with the possibility of their success. I feel that our basis of religion will stand. I do not think that any Mexican drug will be sufficiently strong to induce our people to quit the religions of their fathers.

But in the name of our mothers, who taught us at their knees to pray, I do protest this condonement of any such infusion of fantastic new religious ideas among our Indians. It seems to me that, instead of running articles in the publication that is sent out to all Indian agencies and to selected officials of the Bureau and Indian leaders, praising peyotism as a richer religion than Christianity, that the Indian Bureau had better be engaged in stamping out the traffic in this dangerous drug and the spread of this damnable doctrine.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

There was no objection.

Mr. NICHOLS. Mr. Speaker, before I came to the floor and after I had written these few short remarks directed at this great work of Dr. Petrullo, I called the Bureau of Indian Affairs and asked to speak to the editor of Indians at Work. I got the gentleman on the phone. I fussed at him a little, about permitting such an article as this to appear in a Government publication, and the editor said, "Well, of course, I am not trying to dodge responsibility for this, but you know I did not edit this issue. This was a special issue." I said, "Will you be so kind as to tell me who edited this issue?" The gentleman was very sorry but he could not inform me. He said it was a special issue, on special subjects, and given special attention by somebody especially, he knew not who.

Then I talked to another fellow down there. He said, "Why, Congressman, you should not expose, you should not condemn, the high purposes of this learned scholar who has a Ph. D. from the Pennsylvania University at one time or another because something has got to be done about this thing. We have either got to accept peyotism or condemn it, and this is a learned discussion of the whole subject. It is not propaganda at all."

I talked to one other gentleman in the Office of the Commissioner of Indian Affairs and he is sending some hearings that have been had some place in the Congress on this subject in order to convince me that they are justified in running that tripe in Government publications. I will read it of course. One of these fellows said to me, "Peyotism is religion and its advocacy has been going on for a long time."

Well, that reminds me of a story. An Irishman was walking down the street one day and he saw a Jew standing in front of a shop. The Irishman walked up and jumped on the Jew and like to beat him to death. When he got through and let him up, the Jew said, "Now, why did you do that? Why did you jump on me? I never saw you before." The Irishman said, "Faith and bejazes, and you fellows killed Christ." The Jew says, "But that was my forefathers 2,000 years or more ago." The Irishman said, "It don't make a bit of difference to me; I just heard about it yesterday." [Laughter.]

I do not care how long the advocacy of peyotism as a religion to replace the good, old-fashioned religion of my forefathers has been going on, I just heard about it today, and I am going to try to do something about it.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. The gentleman has made an interesting and informative address. He has explained how the peyotl bean is being shipped or bootlegged in here from Mexico, and how the poor Indians, while under the influence of peyotl, have dreams and hallucinations. The gentleman, of course, is familiar with the fact that peyotl is used on special occasions by many good Indians of various tribes in Oklahoma, many of whom have no money, land, or income, and that this peyotl bean is said to make them feel very rich and carefree. Has my able and distinguished colleague from Oklahoma given any thought to the suggestion that we might import more peyotl beans for some of our other distressed people in order to make them feel rich and carefree during these trying times?

Mr. NICHOLS. Of course, I do not think that the state of mind justifies the strong medicine necessary to produce this false feeling of affluence.

[Here the gavel fell.]

Mr. NICHOLS. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. NICHOLS]?

There was no objection.

Mr. KEEFE. Will the gentleman yield?

Mr. NICHOLS. I yield to the gentleman from Wisconsin.

Mr. KEEFE. This is the first time I heard anything about this peyotl bean. But I am wondering, in view of the fact it is claimed that it leads to delusions of grandeur on the part of those who partake of this bean, if perhaps the infusion of peyotl beans has not reached some of our high places here in Washington.

Mr. NICHOLS. Of course, I know to what the gentleman refers. I have been a Member of Congress for almost 6 years now, a very short time, and I have taken part in voting for and fighting for some of the legislation that I presume the gentleman refers to. During that time some of my very beloved friends on the Republican side of the House have stood side by side with me in voting for much of this same kind of legis-

lation; and being hesitant about hurting anybody's feelings, I simply will not attempt to comment further upon whether or not any party in a high place has been eating peyotl beans. I do not know.

Mr. KEEFE. I may say to the gentleman that I did not intend to reflect on the passage of legislation, but I did have in mind perhaps that maybe in some of the departmental activities where bureaucracy has grown to the extent that it has attracted the attention of not only the Congress but the entire country, some of these bureaucrats that have been put in charge of the laudable activities and purposes of some of this fine legislation may be possessed of delusions of grandeur.

Mr. NICHOLS. I am not one of those who are willing to go out and jump on the bureaucrats for the things that they do as long as I am a Member of this body. This body can kick its own pants if there is anything wrong with the bureaucrats in Government. We control them, we run them, we give them the money, and we tell them what they can do and what they cannot do. I am not ready to condemn them. I am ready, if there is anything wrong with them, to condemn the actions of this body. If my party need take the responsibility, then I am ready that my party should brag about the good things they have done instead of fussing about bureaucrats. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today and include therein certain excerpts and explanations thereof.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

IMPORTS OF RUSSIAN ANTHRACITE COAL

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, the majority of the Members of this House are conversant with the fact that the district I represent is located in the heart of the great coal fields of Pennsylvania. In other words, the Twenty-third District of Pennsylvania is one of the largest coal districts in the United States.

Many times have I drawn a word picture of the desolation faced by former prosperous communities now reduced to veritable "ghost towns" because of the many ills which have beset the coal industry.

You are all familiar with the many substitute fuels which are in part responsible for the conditions facing the industry today.

Since becoming a Member of Congress I have discussed a number of times the injurious effects to the coal industry by the T. V. A., importation of foreign oil, unregulated natural gas, pipe lines, and so forth.

Today I want to discuss the importation of Russian anthracite coal and its devastating effect upon the entire coal industry. Under an agreement between Soviet Russia and the United States negotiated in 1934 and since renewed annually, Russia has shipped into the United States the following amount of anthracite coal:

	Net tons
1935	395,413
1936	451,576
1937	266,441
1938	200,480
1939	219,901

Under the present agreement, expiring in August 1940, Russia can ship to the United States 400,000 tons.

The output of Russian coal has been increasing very rapidly. For example, in 1930 the total output of Russian coal mines, including bituminous, was 48,227,474 tons. This increased to 124,561,828 tons in 1938. About 75 percent of this tonnage was produced in European Russia.

The United States Tariff Commission reports that in 1928 and 1929 the cost of producing a ton of coal by the Russian Donetz coal trust was $2.20—11 rubles Russian money—per ton. Fifty-one percent of the cost of production was absorbed by salaries and it develops that the Russian miner received slightly in excess of $1 for each ton mined.

According to the United States Tariff Commission, the average monthly salary of all employees of the Russian Donetz coal trust was $48.60, or 243 rubles Russian money.

It is interesting to note the Russian miner in 1927 and 1928 produced on an average of 12.4 tons per month as compared with the Pennsylvania miner, who in 1929 produced on an average of 33 tons per month.

The difference in production between the Russian and American miner is charged to the decreased efficiency of coal-cutting machines and the disorganization of Russian labor.

The average declared value per ton f. o. b. Russian ports in 1937 was $4.81 and the ocean freight rate to New England ports at that time probably averaged $3, or a total of $7.81 per ton, upon arrival at Boston. Ten percent of the coal used in Boston is imported and the average consumer pays $15.25 per ton, slightly higher than the domestic anthracite price.

The principal objection to the importation of Russian coal is the displacement of American anthracite coal, which results in the loss of jobs to our own American coal miners.

From 1935 to 1939 Russia shipped an average of 306,763 tons to the United States. The American anthracite miner digs 2.79 tons per day, and his average working days for a year are 171; thus, he digs approximately 478 tons of coal annually.

By dividing Russia's annual average shipment of 306,763 tons by the American coal miner's annual production of 478 tons, we find that 642 coal miners lose their jobs through the importation of this amount of Russian coal.

The loss of the jobs of 642 coal miners annually may represent an insignificant number at first glance, but when we recall that T. V. A. destroys 21,000 jobs annually followed by Venezuelian oil taking a toll of 20,000 additional jobs annually and unregulated natural gas claiming another 60,000 jobs annually, you will readily understand why it behooves each and every one of us to guard against not only the importation of Russian coal with its constant threat to American jobs but the suppression of every effort aimed at importing any substitute that will take the jobs of many other American workmen.

In my opening remarks I pointed out that the coal industry was suffering from many ills, and I trust that my explanation of the importation of Russian coal will further enlighten every Member of this House that Government-subsidized and encouraged substitutes should have our earnest attention if we are concerned with the rehabilitation of the American coal industry and the American coal miner. [Applause.]

EXTENSION OF REMARKS

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts from resolutions heretofore passed, and I make a second request to the same effect.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REPAYMENT OF HOG-PROCESSING TAXES

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, during the major portion of the last hour we have listened to a rather startling succession of charges concerning petty theft and misappropriations of funds on the part of bureaucrats and board officials as they have erroneously, incorrectly, and perhaps dishonestly used money of the Government for private welfare, amusement,

and pleasure. I believe it is a sorry situation that Government has sunk to such a condition in America that we have to hear that type of charge be made and listen to rejoinders that vary from outright admissions to weak denials of the facts.

However, I do not want to talk about that now. I do wish to discuss another aspect of the same type of outgrowth in this country, the same situation in which Government has become top-heavy, in which we have arrived at something pretty close to the same type of statism which we condemn so cordially when we find it running rampant in Europe or in Asia. Instead of discussing what has been described here this afternoon in an outline and an enumeration of bureaucrats and officials who have been misappropriating money from the Government, I want to discuss the Government's misappropriation of money taken from the individual, quite the opposite trend of misappropriation but an exact manifestation of the same type of overgrown "big bully" type of Government.

I refer to the failure of the Federal Government to repay to the hog raisers of America the processing taxes taken from them at the time the processing tax was in effect in America. That processing tax took from the hog raisers, the farmers of this country, illegally, in direct conflict with constitutional provisions, many millions of dollars which the New Deal authorities have thus far steadfastly refused to repay. The United States Supreme Court has declared that the tax was unfairly, unjustly, and illegally paid by the farmer. The United States Treasury has said:

> We have been unjustly enriched. The farmer should not have paid the tax.

The Bureau of Economics in the Department of Agriculture has said the same thing, although the Secretary of that Department does not favor having the farmer get back these tax refunds. The farmer paid the tax, and he paid it in conflict with the law. Still, our Government, your Government and mine, has failed to repay to these farmers the money illegally taken from them.

On Monday of this week I caused to be sent to every Member of Congress a letter which I am going to ask to include as part of my remarks here this afternoon, as I am very eager that every Member of the House read this letter, reviewing the situation confronting us, explaining the case for the farmer, and asking all fair-minded ladies and gentlemen of the House to sign discharge petition No. 25, which I have placed on the Speaker's rostrum, in an effort to bring from the House Committee on Agriculture Senate Joint Resolution 66, which passed the Senate, which a subcommittee of the House Committee on Agriculture has considered and reported back favorably, to bring that before us for action, so that the farmers of America can be given that degree of justice.

This afternoon I want to make an especial appeal to the gentlemen and the ladies representing the cities of this country, the industrial areas; those who sometimes erroneously assume that they pay all the taxes simply because the postmark on so many tax-payment-conveying envelopes are mailed out from the large cities of the East; forgetful of the fact that out where I live, where the farmers live, we are the big consumers of America and pay our taxes indirectly by buying the products of industrial areas, so that those industries can profit sufficiently to pay the income tax from the profits drained from the agricultural regions of America.

[Here the gavel fell.]

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes more.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. And I want to call the attention of those people whose constitutents may include no hog raisers especially to the last paragraph of my letter, because in that I set forth this proposition: I think it would be a tremendously hazardous thing in America if this country, by failure to repay these taxes illegally collected, should establish the precedent that the Federal Government will not rebate taxes which are unwisely or unnecessarily or unfairly paid, because the taxpayers of the big cities and the industries of America almost every year make mistakes in making income-tax returns. If, instead of continuing the fair practice this Government has always followed of rebating to industry and rebating to capitalists the taxes which they have unfairly paid, we are now going to fail to maintain the Government's honor with the taxpayers on the farms in this instance, then the Government soon enough may say to the taxpayer in the city, "Unfortunately, you paid $1,000,000 too much in taxes, but we will not rebate it, we will not disallow it, we will not refund it, we will not give you credit on next year's tax payment, because we succeeded in chiseling the American farmer out of his hog-processing tax some years ago." I appeal to you as a matter of simple honesty, in self-protection of the integrity and honor of this Government in its relations with honest taxpayers, to sign discharge petition No. 25 and to rebate to the American farmer the hog-processing tax illegally exacted from him. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from South Dakota has expired.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include the letter referred to as a part of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The letter referred to follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C., April 1, 1940.

DEAR COLLEAGUE: Have you signed discharge petition No. 25?

If you are among those who have not yet signed this discharge petition, will you give me 2 minutes of your time to suggest reasons why, in justice to the farmers of your own district, and to the taxpayers generally, you should sign this particular petition?

Petition No. 25 simply would bring Senate Joint Resolution 66, which passed the Senate last August, before the House for a vote. Senate Joint Resolution 66 provides for a refund to American hog producers of the processing taxes which they illegally paid before the Supreme Court declared this tax unconstitutional. An appropriation of $58,000,000 was subsequently paid to refund taxes illegally collected, and of this amount $31,000,000 still remains available and appropriated for repayment of hog processing taxes. Senate Joint Resolution 66 simply provides a method for our hog producers to establish their claims for this refund which both the Supreme Court and the United States Treasury have stated were unjustly and illegally paid by the American hog producers.

It has always been a cardinal principle of American taxation that taxes illegally collected shall be refunded to those who pay them. Income taxes are refunded when they are overpaid; the taxes paid by the hog processors were refunded from the above appropriation when the tax was declared void; taxes collected under the Bankhead Cotton Act of 1934, the Kerr Tobacco Act, and the Potato Act of 1935 were also refunded. It now remains for this Government to keep faith with American hog producers by refunding taxes illegally collected from the producers themselves.

America cannot afford to establish the dangerous precedent at this late date of refusing to refund taxes illegally collected. Such a despotic stand would be a long step backward from our traditional policy of fair dealing with all types of honest taxpayers. More important than the money involved and the refunds due the farmers is the importance of maintaining this Government's honor in dealing with taxpayers. To deny justice in this case would place a blot on our national honor that in future years might spread to equal injustices to those who erroneously or unjustly overpay income taxes or other levies. Your signature to petition No. 25 will help Uncle Sam keep faith with John Taxpayer.

Cordially yours,

KARL MUNDT, M. C.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House, by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On March 18:

H. R. 7863. An act to amend section 602 (e) of the Communications Act of 1934, as amended, relating to a study of radio requirements for ships navigating the Great Lakes and inland waters of the United States.

On March 25:

H. R. 8068. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1941, and for other purposes.

On March 29:

H. R. 4868. An act to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—GOVERNMENT REORGANIZATION (H. DOC. NO. 681)

The SPEAKER pro tempore laid before the House the following message from the President of the United States which was read, and with the accompanying papers, referred to the Select Committee on Government Organization and ordered printed:

To the Congress of the United States:

When I submitted Reorganization Plans I and II at the last regular session of Congress I indicated that certain reorganizations of an intradepartmental character were necessary, but that detailed study would be required for the preparation of specific plans. Since that time the heads of the executive departments and my own office have continued to study the internal organization of the several agencies of the Government. I have considered recommendations made to me as a result of these studies and have found it possible to make a number of needed improvements of organization by administrative action. In other instances I can effect the necessary changes only under the procedure set up in the Reorganization Act of 1939.

I am transmitting herewith Reorganization Plan III, which I have prepared in accordance with the provisions of section 4 of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.), approved April 3, 1939; and I declare that with respect to each reorganization made in this plan I have found that such reorganization is necessary to accomplish one or more of the purposes of section 1 (a) of the act:

1. To reduce expenditures;
2. To increase efficiency;
3. To consolidate agencies according to major purposes;
4. To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary; and
5. To eliminate overlapping and duplication of effort.

Treasury Department: I am proposing two intradepartmental reorganizations relating to the Treasury Department.

The first reorganization consolidates in a Fiscal Service, under the direction of a permanent Fiscal Assistant Secretary, those functions of the Treasury Department pertaining to financing and fiscal activities. This Fiscal Service will bring together the Office of the Treasurer of the United States, the Office of Commissioner of Accounts and Deposits, and the Public Debt Service, including their various subdivisions and certain other related functions.

Some adjustments are made in the assignment of functions of the units which will comprise the Fiscal Service, and certain changes are made in titles. The net effect of these adjustments is to establish within the Fiscal Service the office of Fiscal Assistant Secretary, the office of the Treasurer of the United States, and a Bureau of Accounts under a Commission of Accounts, and a Bureau of Public Debt under the Commissioner of Public Debt. In addition to responsibility for the administration of these four segments of the Department's operations, the Fiscal Assistant Secretary is vested with the financing functions of the Under Secretary of the Treasury and of the Assistant Secretaries.

The functions brought together in the Fiscal Service are all closely interrelated and are essential parts of the general functions of financing and fiscal control. The internal organization of the Fiscal Service conforms to accepted principles of financial management and provides the framework for adequate internal controls. At the same time, under the proposed plan these functions can be coordinated more effectively, duplications eliminated, and a more efficient service provided. To assure continued effective management of this highly important and technical phase of the Treasury functions, I am placing the Fiscal Service under the supervision of a career official. The plan, therefore, provides that the Fiscal Assistant Secretary will be appointed by the Secretary of the Treasury in accordance with civil-service laws and will perform his duties under the general direction of the Secretary. This is in accord with the policy of this administration of bringing higher administrative positions within the career service. The creation of the office of Fiscal Assistant Secretary will not increase the number of Assistant Secretaries in the Treasury Department since the plan expressly provides for the abolition of one of the three existing offices of Assistant Secretary.

The second reorganization affecting the Treasury Department vests in the Secretary of the Treasury full authority for the administration of the Federal Alcohol Administration Act. At present the Federal Alcohol Administration occupies an anomalous position. It is legally a part of the Treasury Department, but actually it is clothed with almost complete independence under existing statutory provisions. Under certain conditions the administration would by law become an independent agency, whereas the interests of improved management require its integration with allied activities in the Treasury Department.

I propose, therefore, that the functions of the Federal Alcohol Administration be correlated with the activities of the Bureau of Internal Revenue, particularly its Alcohol Tax Unit. The Bureau is already performing a large part of the field enforcement work of the administration and could readily take over complete responsibility for its work. The Bureau is daily making, for other purposes, a majority of the contacts with units of the liquor industry which the Federal Alcohol Administration should but cannot make without the establishment of a large and duplicating field force. Under the provisions of this plan, it will be possible more effectively to utilize the far-flung organization of the Treasury Department, including its many laboratories, in discharging the functions of the Federal Alcohol Administration. Thus, I find the proposed consolidation will remedy deficiencies in organization structure as well as afford a more effective service at materially reduced costs.

Department of the Interior: Reorganization Plan II transferred the Bureau of Fisheries of the Department of Commerce and the Bureau of Biological Survey of the Department of Agriculture to the Department of the Interior and thus concentrated in one department the two bureaus responsible for the conservation and utilization of the wildlife resources of the Nation. On the basis of experience gained since this transfer, I find it necessary and desirable to consolidate these units into a single bureau to be known as the Fish and Wildlife Service.

The Bureau of Biological Survey administers Federal laws relating to birds, land mammals, and amphibians, whereas the Bureau of Fisheries deals with fishes, marine mammals, and other aquatic animals. The natural areas of operation of these two Bureaus frequently coincide, and their activities are interrelated and similar in character. Consolidation will eliminate duplication of work, facilitate coordination of programs, and improve service to the public.

Another provision relating to the Department of the Interior is the abolition of the statutory office of Recorder of the General Land Office. This office is a relic of the quill and sand-box period in the transcription of land records. Its duties can readily be absorbed by the regular civil-service personnel of the Land Office.

Department of Agriculture: I propose to consolidate the Division of Marketing and Marketing Agreements of the Agricultural Adjustment Administration and the Federal Surplus Commodities Corporation into a single agency to be known as the Surplus Marketing Administration. This consolidation will facilitate the work of the Department of Agriculture relating to the formulation and administration of marketing agreements and the disposition of agricultural surpluses.

Because the two programs require unified planning and direction, the Secretary of Agriculture has found it desirable

to designate the same person as the head of both. In one capacity he reports directly to the Secretary of Agriculture while in the other he is responsible by law to the Administrator of the Agricultural Adjustment Administration. Consolidation of the two units will assure unified management, eliminate confusion in administration, and make for more efficient operation. Furthermore, this reorganization will remove from the Agricultural Adjustment Administration the legal responsibility for functions which differ administratively from its major operations.

Department of Labor: I propose to abolish the offices of Commissioner of Immigration and the offices of District Commissioner of Immigration and Naturalization. The former have been vacant since 1933; the latter impose an unnecessary level of supervision above that of District Director of Immigration and Naturalization in certain of our ports and should be eliminated in the interests of economy and sound administration.

Civil Aeronautics Authority: I propose to clarify the relations of the Administrator of the Civil Aeronautics Authority and the five-member Board of the Civil Aeronautics Authority. The Administrator is made the chief administrative officer of the Authority with respect to all functions other than those relating to economic regulation and certain other activities primarily of a rule-making and adjudicative character which are entrusted to the Board. This will eliminate the confusion of responsibilities existing under the Civil Aeronautics Act and provide a more clear-cut and effective plan of organization for the agency.

Improvements and savings: The principal advantage of the reorganizations proposed in this plan will be increased effectiveness of operation of the agencies concerned. In addition to improved service some economies may be expected. I estimate that immediate annual savings in administrative expense of approximately $150,000 will result. This comparatively small amount in no way measures the worth of the proposals. In fact, if they resulted in no administrative savings at all, I should still consider them worth while in view of the increased effectiveness of administration that will result.

Need for continuous study: The management problems of a department or agency are complex and dynamic and require much detailed analysis before findings can be made. These problems cannot be resolved by any one reorganization plan, nor at one time; their study must be a continuing process if our departmental machinery is to keep pace with the changing requirements placed on the Government. Accordingly, in conformity with the Budget and Accounting Act, I have instructed the Director of the Bureau of the Budget to continue studies in collaboration with the several departments and agencies, looking to further improvements in the Government's administrative structure.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 2, 1940.*

REORGANIZATION PLAN NO. III

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 2, 1940, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939)

DEPARTMENT OF THE TREASURY

SECTION 1. Fiscal Service of the Treasury Department. (a) Establishment of Fiscal Service: (1) The office of the Commissioner of Accounts and Deposits, the Division of Bookkeeping and Warrants, the Division of Disbursements, the Division of Deposits, the Section of Surety Bonds, the office of the Commissioner of the Public Debt, the Division of Loans and Currency, the office of the Register of the Treasury, the Division of Public Debt Accounts and Audit, the Division of Savings Bonds, the Division of Paper Custody, and the Office of the Treasurer of the United States and their functions are consolidated into one agency of the Treasury Department to be known as the Fiscal Service, at the head of which there shall be an officer who shall be known as the Fiscal Assistant Secretary.

(2) The Fiscal Service shall consist of the office of the Fiscal Assistant Secretary, the office of the Treasurer of the United States, a Bureau of Accounts, and a Bureau of the Public Debt. Except as is otherwise specifically provided herein, the Secretary of the Treasury may establish such divisions and other constituent units within these agencies as he deems necessary.

(3) The Division of Bookkeeping and Warrants and its functions are transferred to the Bureau of Accounts, at the head of which shall be the Commissioner of Accounts and Deposits, who shall hereafter be known as the Commissioner of Accounts.

(4) The office of the Commissioner of the Public Debt, the Division of Loans and Currency, the office of the Register of the Treasury, the Division of Public Debt Accounts and Audit, the Division of Savings Bonds, and the Division of Paper Custody and their functions are consolidated into and shall be administered as the Bureau of the Public Debt, at the head of which shall be the Commissioner of the Public Debt.

(5) The functions of the Office of the Treasurer of the United States shall be administered by the Treasurer of the United States.

(6) Such functions as are consolidated into or transferred to the Fiscal Service and which are not allocated herein to particular agencies or offices of the Fiscal Service shall be administered through such units of the Service as may be designated by the Fiscal Assistant Secretary with the approval of the Secretary of the Treasury.

(7) The Fiscal Assistant Secretary shall be appointed by the Secretary of the Treasury in accordance with the civil-service laws and shall receive a salary at the rate of $10,000 per annum. He shall, under the direction of the Secretary of the Treasury, supervise the administration of and coordinate the functions and activities consolidated into or transferred to the Fiscal Service and shall perform such other duties as the Secretary of the Treasury shall direct. In the absence or disability of the Fiscal Assistant Secretary, or in the event of a vacancy in that office, the Secretary of the Treasury may designate any other officer of the Treasury Department to act as Fiscal Assistant Secretary.

(b) Transfer of certain functions to Fiscal Service: All functions vested in the Under Secretary of the Treasury and any Assistant Secretary of the Treasury pertaining to (1) the administration of financing operations; (2) the supervision of the administration of the functions and activities of the office of Commissioner of Accounts and Deposits, the office of the Commissioner of the Public Debt, and the office of the Treasurer of the United States; and (3) supervision of the administration of the accounting functions and activities in the Treasury Department and all its bureaus, divisions, and offices, are hereby transferred to and consolidated in the Fiscal Service, to be exercised by the Fiscal Assistant Secretary under the direction of the Secretary of the Treasury: *Provided*, That the functions included in item (3) shall be exercised through the Commissioner of Accounts.

(c) Transfer of functions relating to accounting: All functions vested in any other officer or employee of the Treasury Department, except those excluded by section 3 (b) of the Reorganization Act of 1939, of authorizing the installation, maintenance, revision, and elimination of accounting records, reports, and procedures are hereby transferred to and consolidated under the Fiscal Assistant Secretary, to be exercised by him through the Commissioner of Accounts.

(d) Abolition of an office of Assistant Secretary of the Treasury: That office of Assistant Secretary of the Treasury which is now vacant is hereby abolished; and all the functions, rights, powers, and duties of such abolished office are hereby transferred to and vested in the Fiscal Assistant Secretary, to be exercised by him under the direction of the Secretary of the Treasury.

SEC. 2. Federal Alcohol Administration: The Federal Alcohol Administration, the offices of the members thereof, and the office of the Administrator are abolished, and their functions shall be administered under the direction and supervision of the Secretary of the Treasury through the Bureau of Internal Revenue in the Department of the Treasury.

DEPARTMENT OF THE INTERIOR

SEC. 3. Fish and Wildlife Service: The Bureau of Fisheries and the Bureau of Biological Survey in the Department of the Interior with their respective functions are consolidated into one agency in the Department of the Interior to be known as the Fish and Wildlife Service. The functions of the consolidated agency shall be administered under the direction and supervision of the Secretary of the Interior by a Director and not more than two Assistant Directors, who shall be appointed by the Secretary and perform such duties as he shall prescribe. The offices of Commissioner and Deputy Commissioner of Fisheries and the offices of Chief and Associate Chief of the Bureau of Biological Survey are abolished and their functions transferred to the consolidated agency.

SEC. 4. Recorder of General Land Office: The office of Recorder of the General Land Office is abolished. The functions of the Recorder shall be exercised under the direction and supervision of the Secretary of the Interior through such officers or employees of the General Land Office as he may designate.

DEPARTMENT OF AGRICULTURE

SEC. 5. Surplus Marketing Administration: The Division of Marketing and Marketing Agreements of the Agricultural Adjustment Administration of the Department of Agriculture and its functions and the Federal Surplus Commodities Corporation as an agency of the Department of Agriculture and its functions are consolidated into an agency in the Department of Agriculture to be known as the Surplus Marketing Administration. The Surplus Marketing Administration shall be headed by an Administrator, who shall be appointed by and subject to the direction and supervision of the Secretary of Agriculture.

DEPARTMENT OF LABOR

SEC. 6. Offices in the Immigration and Naturalization Service abolished: The offices of Commissioner of Immigration of the several ports and the offices of District Commissioner of Immigration and Naturalization in the Department of Labor are abolished, and their functions shall be administered under the supervision of the Secretary of Labor by the Commissioner of Immigration and Naturalization through such District Directors of Immigration and Naturalization as the Commissioner shall designate.

CIVIL AERONAUTICS AUTHORITY

SEC. 7. Functions of the Administrator transferred: The functions vested in the Civil Aeronautics Authority by the Civilian Pilot Training Act of 1939, the functions of aircraft registration and of safety regulation described in titles V and VI of the Civil Aeronautics Act of 1938, except the functions of prescribing safety standards, rules, and regulations and of suspending and revoking certificates after hearing, the function provided for by section 1101 of the Civil Aeronautics Act of 1938, and the functions of appointing such officers and employees and of authorizing such expenditures and travel as may be necessary for the performance of all functions vested in the Adminstrator are transferred from the Civil Aeronautics Authority to and shall be exercised by the Administrator, who shall hereafter be known as the Administrator of Civil Aeronautics.

GENERAL PROVISIONS

SEC. 8. Transfer of records, property, and personnel: All records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred or consolidated by this plan and all the personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration and whose offices are not abolished) are transferred or consolidated, as the case may be, within the department or agency concerned, for use in the administration of the agencies and functions transferred or consolidated by this plan: *Provided*, That any personnel transferred or consolidated within any department or agency by this section found by the head of such department or agency to be in excess of the personnel necessary for the administration of the functions transferred or consolidated shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 9. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available (including funds available for the fiscal year ending June 30, 1941) for the use of any agency in the exercise of any function transferred or consolidated by this plan, or for the use of the head of any department or agency in the exercise of any function so transferred or consolidated, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred within the department or agency concerned for use in connection with the exercise of the function so transferred or consolidated. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

SENATE ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes;

S. 2977. An act authorizing the construction and maintenance of a dike or dam across Stansbury Creek in Baltimore County, Md.;

S. 3209. An act granting the consent of Congress to the Mississippi State Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Carthage, in the State of Mississippi;

S. J. Res. 153. Joint resolution to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project; and

S. J. Res. 226. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

ADJOURNMENT

Mr. PATMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 18 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 3, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 3, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 3, 1940, at 10:30 a. m. for the consideration of H. R. 3047, H. R. 3048, H. R. 5674, and H. R. 5918.

COMMITTEE ON THE JUDICIARY

On April 3, 1940, at 10:30 a. m., there will be continued before Subcommittee No. 4 of the Committee on the Judiciary a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building, and will be continued on the following dates; April 9 and April 10, at 10:30 a. m.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1515. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Noyo River, Calif., including harbor at the mouth thereof, authorized by the River and Harbor Act approved August 26, 1937 (H. Doc. No. 682); to the Committee on Rivers and Harbors, and ordered to be printed, with an illustration.

1516. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and an illustration, on reexamination of Norfolk Harbor, Va., with a view to determining if it is advisable to modify the existing project by providing additional anchorage area adjacent to, and south of the so-called Lamberts Point or Craney Island anchorage, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted March 2, 1939 (H. Doc. No. 683); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1517. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Umpqua River and tributaries, Oregon, authorized by the Flood Control Act approved June 22, 1936, and by act of Congress approved June 11, 1935 (H. Doc. No. 684); to the Committee on Flood Control and ordered to be printed, with an illustration.

1518. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 21, 1940, submitting a report, together with accompanying papers and illustrations, on reexamination of Sabine-Neches Waterway, Tex., to determine whether the existing project should be modified by extending the project channel upstream from the upper end of the Beaumont turning basin extension to the Pennsylvania Shipyards, requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted September 15, 1939 (H. Doc. No. 685); to the Committee on Rivers and Harbors and ordered to be printed with two illustrations.

1519. A letter from the Chairman of the Veterans' Administration, transmitting a draft of a proposed bill to amend H. R. 7850 of the Seventy-fifth Congress, April 1, 1940; to the Committee on Claims.

1520. A letter from the Administrator, Federal Works Agency, transmitting a draft of a proposed bill to amend the act entitled "An act to provide for the construction of certain public buildings and for other purposes," approved May 25, 1926 (44 Stat. 630), as amended January 13, 1928 (45 Stat. 51); February 24, 1928 (45 Stat. 137); March 31, 1930 (46 Stat. 136); February 16, 1931 (46 Stat. 1164); March 31, 1938 (52 Stat. 149); to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DIES: Special Committee to Investigate Un-American Activities. House Resolution 452. Resolution to certify report of the House of Representatives Committee to Investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against George Powers for contempt (Rep. No. 1904). Referred to the Committee of the Whole House on the state of the Union.

Mr. TAYLOR: Committee of conference. H. R. 8641. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year (Rept. No. 1905). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATRICK: Committee on Interstate and Foreign Commerce. H. R. 7615. A bill authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a bridge across Sarasota Pass where Manatee Avenue, Bradenton, if extended, would cross Sarasota Pass, county of Manatee, State of Florida; with amendment (Rept. No. 1906). Referred to the House Calendar.

Mr. McGRANERY: Committee on Interstate and Foreign Commerce. H. R. 8452. A bill to declare Frankford Creek, Pa., to be a nonnavigable stream; without amendment (Rept. No. 1907). Referred to House Calendar.

Mr. WOLFENDEN of Pennsylvania: Committee on Interstate and Foreign Commerce. H. R. 8471. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at a point near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania; with amendment (Rept. No. 1908). Referred to the House Calendar.

Mr. YOUNGDAHL: Committee on Interstate and Foreign Commerce. H. R. 8583. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Little Falls, Minn.; without amendment (Rept. No. 1909). Referred to the House Calendar.

Mr. PATRICK: Committee on Interstate and Foreign Commerce: H. R. 8650. A bill granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Great Pee Dee River, at or near Cashua Ferry, S. C.; with amendment (Rept. No. 1910). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. PATRICK: Committee on Interstate and Foreign Commerce. S. 2735. An act authorizing the issuance to Orville Wright of honorary aircraft pilot's certificate No. 1; without amendment (Rept. No. 1911). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9166) granting a pension to Sarah C. Freeland, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KING:

H. R. 9185. A bill to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended; to the Committee on the Territories.

H. R. 9186. A bill to amend the Hawaiian Organic Act so as to provide for reapportionment of the membership of the House of Representatives of the Legislature of the Territory of Hawaii and to create districts from which said representatives shall be elected, and to provide for reapportionment within each county of the membership of the senate of said legislature and to create districts from which said senators shall be elected; to the Committee on the Territories.

H. R. 9187. A bill to amend the Hawaiian Organic Act so as to provide for reapportionment of the membership of the House of Representatives of the Legislature of the Territory of Hawaii and to create districts from which said representatives shall be elected, and to provide for reapportionment within each county of the membership of the senate of said legislature and to create districts from which said senators shall be elected; to the Committee on the Territories.

H. R. 9188. A bill to amend the Hawaiian Organic Act so as to provide for reapportionment of the membership of the House of Representatives of the Legislature of the Territory of Hawaii and authorizing the legislature to alter senatorial districts; to the Committee on the Territories.

H. R. 9189. A bill to provide for fixing the number of members and reapportionment of membership in the Legislature of the Territory of Hawaii by the legislature; to the Committee on the Territories.

By Mr. ANGELL:

H. R. 9190. A bill making an appropriation for the construction of a diversion dam on the Sandy River, Oreg.; to the Committee on Appropriations.

By Mr. HAWKS:

H. R. 9191. A bill making the National Labor Relations Act inapplicable in States which by State legislation have provided for the enforcement of the right of self-organization and collective bargaining; to the Committee on Labor.

By Mr. FERNANDEZ:

H. R. 9192. A bill to authorize the Secretary of War to grant permission for pipe lines; to the Committee on Military Affairs.

By Mr. JOHNSON of Indiana:

H. R. 9193. A bill to permit the filing of certain claims for disability benefits under Government insurance policies; to the Committee on World War Veterans' Legislation.

By Mr. IZAC:

H. R. 9194. A bill to repeal the act entitled "An act to provide for the selection of certain lands in the State of California for the use of the California park system," approved June 29, 1936; to the Committee on the Public Lands.

By Mrs. NORTON:

H. R. 9195. A bill to amend the National Labor Relations Act; to the Committee on Labor.

By Mr. PATRICK:

H. R. 9196. A bill to grant retirement benefits to employees of railroad carriers who were forced out of service due to unfair labor practices of their employers; to the Committee on Interstate and Foreign Commerce.

H. R. 9197. A bill making appropriations for continuation of functions and personnel in the Federal Traffic Section of the Procurement Division of the Treasury Department; to the Committee on Appropriations.

By Mr. MAGNUSON:

H. R. 9198. A bill to amend the act approved April 29, 1902, entitled "An act to facilitate the procurement of statistics of trade between the United States and its noncontiguous territory" (32 Stat. 172), as amended; to the Committee on Ways and Means.

By Mr. KRAMER:

H. R. 9199. A bill to amend the act entitled "An act to provide additional protection for owners of patents of the United States, and for other purposes," approved June 25, 1910 (36 Stat. 851), as amended (40 Stat. 705; 35 U. S. C. 68), so as to protect the United States in certain patent-infringement suits; to the Committee on Patents.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LELAND M. FORD:

H. R. 9200. A bill granting a pension to Clarinda Mason Smith Raymond; to the Committee on Invalid Pensions.

By Mr. FERGUSON:

H. R. 9201. A bill for the relief of Thomas O. Munger; to the Committee on Claims.

By Mr. GROSS:

H. R. 9202. A bill authorizing the President to present, in the name of Congress, a Medal of Honor to Dr. E. Holtzapple; to the Committee on the Library.

By Mr. HARTER of New York:

H. R. 9203. A bill to correct the discharge from the Army of John Edward Wendt; to the Committee on Military Affairs.

By Mr. PATRICK:

H. R. 9204. A bill for the relief of W. O. Bonham; to the Committee on Claims.

By Mr. RUTHERFORD:

H. R. 9205. A bill granting an increase of pension to Mary Wendling; to the Committee on Invalid Pensions.

H. R. 9206. A bill granting a pension to Harriet M. Matteson; to the Committee on Invalid Pensions.

By Mr. SMITH of Washington:

H. R. 9207. A bill granting a pension to William A. Miles; to the Committee on World War Veterans' Legislation.

By Mr. REECE of Tennessee:

H. R. 9208. A bill for the relief of Lee McQueen, David J. Jenkins, Samuel Smith, and Maples L. Carriger; to the Committee on World War Veterans' Legislation.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7288. By Mr. JOHNSON of Illinois: Petition of 103 signers of my district, urging the passage of House bill 7813; to the Committee on Agriculture.

7289. By Mr. RANKIN: Petition of the Legislature of Mississippi, regarding old-age pensions; to the Committee on Ways and Means.

7290. By Mr. REED of Illinois: Petition of Charles J. Rohe, and 29 others, of Crete, Ill., requesting enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

7291. Also, petition of Edgar M. Seldon, of Lombard, Ill., and 150 residents of Du Page County, requesting passage of House bill 7813, to safeguard homing pigeons; to the Committee on Agriculture.

7292. By the SPEAKER: Resolution of the stone masons' union, Columbus, Ohio, supporting Senate bill 591; to the Committee on Banking and Currency.

7293. By Mr. SUTPHIN: Petition of New Brunswick Farmers Market, Inc., New Brunswick, N. J., to raise the income of farm families to a parity with industry, establish a national minimum wage in agricultural production and processing, nationally regulate migratory farm labor to eliminate deplorable rural social conditions and competition unfair to self-supporting communities, and State regulation of migratory farm labor; to the Committee on Agriculture.

7294. By the SPEAKER: Resolution of the Kern County Pomona Grange, No. 26, Buttonwillow, Calif., regarding the labor problems brought about, affecting agriculture in California, by migration; to the Committee on Labor.

SENATE

WEDNESDAY, APRIL 3, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O God, the fountain of wisdom, whose statutes are good and gracious and whose law is truth, we beseech Thee so to guide and bless the Members of this Senate that they may ordain for our governance only such things as please Thee, to the glory of Thy name and the welfare of Thy people; through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, April 2, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Johnson, Colo.	Radcliffe
Ashurst	Downey	King	Reed
Austin	Ellender	La Follette	Reynolds
Bailey	Frazier	Lee	Schwartz
Bankhead	George	Lodge	Schwellenbach
Barkley	Gerry	Lucas	Sheppard
Bilbo	Gibson	Lundeen	Shipstead
Bone	Gillette	McCarran	Smathers
Bridges	Glass	McKellar	Smith
Brown	Green	McNary	Stewart
Bulow	Guffey	Maloney	Thomas, Idaho
Byrd	Gurney	Mead	Thomas, Okla.
Byrnes	Hale	Miller	Thomas, Utah
Capper	Harrison	Minton	Tobey
Caraway	Hatch	Murray	Tydings
Chandler	Hayden	Neely	Vandenberg
Chavez	Herring	Norris	Van Nuys
Clark, Idaho	Hill	Nye	Wagner
Clark, Mo.	Holman	O'Mahoney	Walsh
Connally	Holt	Overton	White
Danaher	Hughes	Pepper	Wiley
Davis	Johnson, Calif.	Pittman	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from Georgia [Mr. RUSSELL], the Senator from Illinois [Mr. SLATTERY], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is absent because of illness, and the Senator from Ohio [Mr. TAFT] is necessarily absent.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

SUPPLEMENTAL ESTIMATES, NAVAL SHIPBUILDING FACILITIES (S. DOC. NO. 175)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for shipbuilding facilities under the Navy Department, for navy yards and departmental bureaus, totaling $8,839,000, as supplemental, and in addition to amounts contained in the Budget for the fiscal year 1941, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a memorial from Edwin Marshall, chairman of the Moapa Soil Conservation Service, Moapa, Nev., remonstrating against the transfer of any functions of the Forest Service to the Department of the Interior, which was referred to the Select Committee on Government Organization.

Mr. WALSH presented resolutions of Bridgewater Post, No. 203, of Bridgewater; Milton Post, No. 114, of Milton; and Quincy Post, No. 95, of Quincy, all of the American Legion, in the State of Massachusetts, favoring the location of a general hospital and diagnostic center in Boston, Mass., or in the vicinity thereof, which were referred to the Committee on Finance.

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the imposition of an embargo on the shipment of war materials to Japan, which was referred to the Committee on Foreign Relations.

He also presented resolutions of the Women's Traffic and Transportation Club, Baltimore Chapter, No. 55; Women of the Moose; the Old Town Merchants and Manufacturers Association; the Board of Management of the Sharp Street Community House; and the Joint Board, International Ladies' Garment Workers Union, all of Baltimore, Md., protesting against the entry of tropically refined sugar into the United States, and also a reduction of the quantity of cane sugar refined in this country, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. BAILEY, from the Committee on Commerce, to which was recommitted the bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, reported it with amendments and submitted a report (No. 1365) thereon.

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (H. R. 2358) for the relief of Alfred Joseph Wright, reported it with an amendment and submitted a report (No. 1366) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (H. R. 4436) for the relief of Robert Faughnan, a minor, reported it without amendment and submitted a report (No. 1367) thereon.

Mr. SMATHERS, from the Committee on Claims, to which was referred the bill (S. 2800) for the relief of Edward J. Ross, reported it with amendments and submitted a report (No. 1368) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3304. A bill for the relief of J. Frank Kuner, private, uniformed force, United States Secret Service (Rept. No. 1369); and

S. 3337. A bill for the relief of the Lewis State Bank of Tallahassee, Fla. (Rept. No. 1370).

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred the following bills and joint resolutions, reported them severally without amendment and submitted reports thereon:

S. 3528. A bill authorizing the adoption for the Foreign Service of an accounting procedure in the matter of disbursement of funds appropriated for the Department of State (Rept. No. 1374);

H. R. 9016. A bill to amend the joint resolution creating the Niagara Falls Bridge Commission (Rept. No. 1371);

S. J. Res. 213. Joint resolution authorizing the acceptance of the invitation of the Government of Italy to participate in the Rome Universal Exhibition to be held at Rome, Italy, in 1942 (Rept. No. 1376); and

S. J. Res. 228. Joint resolution providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that committee (Rept. No. 1375).

He also, from the same committee, to which was referred the joint resolution (S. J. Res. 217) to authorize the appropriation of an additional sum of $425,000 for Federal participation in the New York World's Fair, 1940, reported it with amendments and submitted a report (No. 1372) thereon.

Mr. GEORGE, from the Committee on Foreign Relations, to which was referred the bill (H. R. 8446) to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended, reported it without amendment and submitted a report (No. 1373) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HAYDEN:

S. 3710. A bill for the relief of James H. Hearon; to the Committee on Claims.

By Mr. GUFFEY:

S. 3711. A bill to make unlawful the shipment in interstate commerce of certain milk or milk products for the evasion

of State laws regulating the milk industry; to the Committee on Interstate Commerce.

By Mr. SHEPPARD:

S. 3712. A bill to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes; to the Committee on Military Affairs.

By Mr. WALSH:

S. 3713. A bill relating to the status of retired officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, and to amend section 113 of the Criminal Code; to the Committee on Military Affairs.

S. 3714. A bill for the relief of Albert L. Sliney; to the Committee on Naval Affairs.

(Mr. DAVIS introduced Senate bill 3715, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

By Mr. SCHWELLENBACH:

S. 3716. A bill for the relief of Jack Bloomfield; to the Committee on Immigration.

CONGRESSIONAL BUDGET SERVICE

Mr. DAVIS. Mr. President, I ask unanimous consent to introduce a bill for appropriate reference. The purpose of the bill is to establish, under the direction of a joint committee composed of Members of the House and Senate Committees on Appropriations, a congressional Budget service.

I ask unanimous consent that the bill, together with a statement explaining its purposes, may be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none. The bill will be received, referred to the Committee on Expenditures in the Executive Departments, and printed in the RECORD, together with the statement referred to by the Senator from Pennsylvania.

The bill (S. 3715) to establish the congressional Budget service in the legislative branch of the Government, and for other purposes, was read twice by its title, referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, in order to provide for a free and comprehensive review by the legislative branch of the Government of Budget plans and Budget proposals, there is hereby established in the legislative branch of the Government an agency of the Congress to be known as the Congressional Budget Service, which shall be solely and directly responsible to Congress.

SEC. 2. (a) At the head of the Service there shall be a Director, who shall receive a salary at the rate of $10,000 a year. The Director shall have general supervision of the Service and shall perform such other duties as may be imposed upon him by law.

(b) There shall be in the Service an Assistant Director, who shall receive a salary at the rate of $9,000 a year. In case of a vacancy in the office of Director, or of his absence or disability, the functions of that office shall be exercised by the Assistant Director until a successor to the Director is appointed, or until the Director returns to his duties or the disability is removed, as the case may be. The Assistant Director shall perform such other duties as may be required of him by the Director.

(c) The Director and the Assistant Director shall be appointed, without regard to political affiliations and solely on the grounds of fitness to perform the duties of their offices, by the chairman of the Committee on Appropriations of the Senate and the chairman of the Committee on Appropriations of the House of Representatives, jointly; and they may be removed by such chairman, jointly, for inefficiency, neglect of duty, or malfeasance in office.

(d) The Director shall appoint, without regard to other laws applicable to the employment and compensation of officers or employees of the United States and without regard to political affiliation, but solely on the grounds of their fitness to perform the duties of their offices, consultants who are experts on matters relating to each of the following: (1) National defense, (2) fiscal affairs, (3) agriculture, and (4) relief and public works. The Director shall appoint (in the manner prescribed by the civil-service laws) and fix the compensation (in the manner prescribed by the Classification Act of 1923, as amended) of such other officers and employees as may be necessary for carrying out the work of the Congressional Budget Service.

SEC. 3. (a) For the purpose of determining a comprehensive work program for the Congressional Budget Service and also to authorize and direct the work of the Congressional Budget Service as herein stated, there is hereby established a Joint Committee on Appropriations, which shall be composed of five members of the House Appropriations Committee (three from the majority party and two from the minority) and five members of the Senate Appropriations Committee, similarly appointed. The chairmen of the House and Senate Appropriations Committees shall be members of this joint committee and shall appoint the remaining members from their respective appropriations committees. The chairmanship of the joint committee shall be a joint responsibility between the chairmen of the House and Senate Appropriations Committees. Under the direction of the joint committee, or either of the House or Senate Appropriations Committees, the Congressional Budget Service shall—

(1) act in a liaison capacity between the House and Senate Appropriation Committees and the executive branch of the Government to furnish and coordinate such aid and information as such committees may request;

(2) work closely with, and have the complete cooperation of, the Bureau of the Budget, the Treasury Department, the General Accounting Office, and all other departments and establishments of the Government. The records and resources of all such departments and establishments shall be made available for inspection by the Congressional Budget Service upon request by the Director, Assistant Director, or other duly authorized officer or employee thereof, and such departments and establishments shall submit to the Congressional Budget Service such reports as are deemed necessary by the Director thereof for consideration by any of such committees. The Director and the Assistant Director, or any other duly authorized officer or employee of the Congressional Budget Service, shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of any such department or establishment;

(3) act in the capacity of an investigatory staff which shall assist the House and Senate Appropriations Committees in their scrutiny of the Budget when submitted by the President;

(4) conduct such investigations as may be necessary in order to determine the propriety of Budget requests for specific agencies and activities;

(5) prepare, or cause to have prepared under its direction, brief outline summaries of Budget data in popular form for broad dissemination among the public;

(6) prepare, in consultation with the Bureau of the Budget, general and detailed plans of reduction of Budget proposals when so directed by Congress to bring appropriations nearer to revenues; and

(7) scrutinize the various reports, financial or otherwise, issued by the various departments and establishments and report to the above-mentioned committees their usefulness, relative accuracy, and effectiveness.

(b) The Congressional Budget Service, when directed by the Joint Committee on Appropriations or by the Committee on Appropriations of the Senate or by the Committee on Appropriations of the House of Representatives, shall make a detailed study of any department or establishment for the purpose of enabling the Congress to determine what changes (with a view of securing greater economy and efficiency in the conduct of the public service) should be made in (1) the existing organization, activities, and methods of business of such department or establishment; (2) the appropriations therefor; and (3) the assignment of particular activities to particular services or the regrouping of services.

(c) The Congressional Budget Service, upon the request of the Joint Committee on Appropriations or the House or Senate Appropriations Committee, shall present all reasonable grounds for the reduction or elimination of any expenditure by any department or establishment. With a view toward the effective accomplishment of the purposes of this act, the director shall employ in the Congressional Budget Service experts whose duties shall be so arranged that one or more of them (1) shall be thoroughly familiar with operations of each department and establishment, and (2) shall be charged with the duty of presenting information to such committees with respect to such departments and establishments.

SEC. 4. (a) The Director may make such expenditures for rent, personal services, printing, binding, telegrams, telephone service, lawbooks, books of reference, periodicals, stationery, furniture, office equipment, supplies, and other purposes, as may be necessary for carrying out the work of the Congressional Budget Service.

(b) Quarters and space sufficient for the functioning of the Congressional Budget Service and its staff shall be provided in the Senate or House Office Buildings or the Capitol Building. Quarters shall also be provided, whenever necessary, in the Bureau of the Budget and the departments and establishments.

SEC. 5. There is hereby authorized to be appropriated annually such sums as may be necessary for the proper execution of this act.

The explanatory statement presented by Mr. DAVIS is as follows:

It is the studied opinion of many specialists in the field of Government fiscal affairs that Congress must obtain more complete information as to the Budget and the needs of the spending agencies than the means heretofore available have made possible. For this purpose I am introducing today a bill to establish under the direction of a joint committee on appropriations and the House and Senate Committees on Appropriations a congressional Budget service to act as a liaison unit between the legislative and executive branches of the Government in order to provide some means whereby the Congress can obtain more complete information as to the Budget and the needs of the spending agencies.

We can all agree that the determination of policy is the primary objective of the great bulk of legislation passed by Congress and is fundamental to the governing process in a constitutional government. Yet the majority of students of government today are not so deeply concerned with problems of legislation as with problems of administration. Obviously this is not because the work which

Congress has to do is growing simpler. On the contrary, the problems with which Congress has to deal grow more complicated at every session. Nowhere is this fact more apparent than in the field of financial legislation. Nowhere is the ability of Congress to make wise determinations of greater concern to the public. But in spite of the increasing complexity of legislative business and in spite of the inherent difficulties to be overcome in the conduct of business by legislative assemblies, surprisingly little thought has been given to the problem of equipping Congress to discharge its growing responsibilities. I do not wish to belittle the efforts of those whose primary interest is the improvement of administrative techniques. I wish merely to point out that an increase of administrative efficiency will not of itself make the legislative process more effective. For efficient handling of legislative business all agencies of the Government which participate in the legislative process must be equipped to perform effectively their respective functions. The purpose of this bill is to provide some means by which the Federal financial policy can be rendered more effective.

According to the American way of thinking, public borrowing is an expedient adopted to overcome a temporary failure of revenues to meet expenditures. Public policy relating to borrowing has therefore been a byproduct of revenue policy and no distinct method has been evolved by Congress for its determination. The Secretary of the Treasury has usually been given authority within limits adjusted from time to time to borrow all amounts necessary to meet Treasury requirements and to plan all necessary arrangements for both temporary and long-term financing in cooperation with the Board of Governors of the Federal Reserve System. Thus present-day financial policy, to the extent that it receives detailed consideration by the legislature, is concerned almost exclusively with issues relating to internal taxes and expenditures.

The means by which policies are determined are different under different forms of government. Under an authoritarian form of government they are determined by means not disclosed to the public and are announced by decree. Under a democratic constitution, policies are determined through open discussion in a representative assembly and become known to the public as they are evolved. Thus the progressive development of a democratic society hangs on the efficacy of its legislative system, both to insure free exercise of democratic rights and to enable the people clearly to identify the problems to be dealt with and to understand the policies evolved by their chosen representatives.

Our Government is becoming more immense every day. It is growing by leaps and bounds. The force of its power seems irresistible. In the executive branch of the Government alone there are 936,000 employees. The Government has entered new fields of activity. More and more demands are being made. No one but those in Congress can appreciate the pressure from all sides to perpetuate this huge machine. The time has come when Congress must know the facts unadulterated by pressure groups and special interests. In the melee of the tremendous burden that has gravitated to Congress, careful consideration of all legislative bills is difficult. In the executive branch of the Government the Chief Executive is provided with an administrative aid in the form of the Bureau of the Budget. It is the purpose of this bill to provide an administrative aid to the Congress. Extravagant public spending needs wise and rigid control. Otherwise waste or inflation may result. Efficiency in government requires an effective and economical administration of the Budget. Democracy in government also requires legislative grip on the public purse strings.

Notwithstanding its dependence on executive officers for the initial formulation, if not continuing guidance in financial legislation, Congress continues to bear full responsibility for the measures enacted into law. As Congress is intended to function as a representative body, enacting only such policies as are understood and approved by the people, it follows that the lack of suitable congressional machinery for obtaining information by which (1) to weigh the various proposals both from within and without the body of Congress and (2) to develop guiding principles intelligible to the public must be regarded as a serious weakness of our legislative process. There is a growing conviction that if Congress is to be as well equipped as the President to discharge its constitutional responsibilities to the people, it must develop an independent method of getting information on which to base its determination of financial policy. By creating an independent congressional agency, we can provide for this necessity. There must be free and comprehensive review in the lawmaking body. At present Congress is not supplied with full and dependable data to make this review. Only a congressional agency can or will supply it. It seems vital that Congress should have its own independent source of fiscal information.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—AMENDMENT

Mr. HOLMAN submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, which was ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO TWO APPROPRIATION BILLS

Mr. McCARRAN submitted the following notice in writing:

In accordance with the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8438) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes, the following amendment, viz: On page 68, line 12, after the word "America", insert a colon and the following: *"Provided, however,* That this section shall not apply to citizens of the Republic of Panama who were employed in the Canal Zone by any branch of the United States Government prior to March 20, 1940, if such persons were in such employment on that date."

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 8438, the naval appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

Mr. McCARRAN also submitted the following notice in writing:

In accordance with the provisions of rule XL of the Standing Rules of the Senate I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, viz: On page 15, at the end of line 22, after the words "United States", insert a colon and the following: *"Provided, however,* That this section shall not apply to citizens of the Republic of Panama who were employed on the Canal Zone by any branch of the United States Government prior to March 20, 1940, if such persons were in such employment on that date."

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

ADDRESS BY SENATOR REYNOLDS ON ADEQUATE NATIONAL DEFENSE

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address delivered by him at Raleigh, N. C., on the subject of adequate national defense, which appears in the Appendix.]

ADDRESS BY HON. ROBERT H. JACKSON ON THE FEDERAL PROSECUTOR

[Mr. ASHURST asked and obtained leave to have printed in the RECORD an address on the subject The Federal Prosecutor, delivered by Hon. Robert H. Jackson, Attorney General of the United States, at the second annual conference of United States attorneys, held at Washington, D. C., April 1, 1940, which appears in the Appendix.]

MEETING OF STOCKHOLDERS OF SOUTHEAST COLORADO POWER ASSOCIATION

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article from the Lamar (Colo.) Sparks of February 15, 1940, entitled "Stockholders of R. E. A. To Meet Here March 5", which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 166. An act for the relief of Nathan Kaplan;

S. 454. An act for the relief of Ernest S. Frazier;

S. 1442. An act for the relief of Max J. Mobley;

S. 1510. An act for the relief of George Louis Artick;

S. 1856. An act conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta;

S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds;

S. 2201. An act for the relief of Alabama Lewis Poole;

S. 2252. An act for the relief of Louis Simons;

S. 2433. An act for the relief of Frank Casey;

S. 2491. An act for the relief of Edward J. Gebhart;

S. 2492. An act for the relief of Dane Goich;

S. 2527. An act for the relief of Mary Nouhan;

S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter; and

S. 3068. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938," approved June 19, 1939.

The message also announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1372. An act for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows; and

S. 1790. An act for the relief of the Eberhart Steel Products Co., Inc.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 2036. An act for the relief of Umberto Tedeschi;

H. R. 2684. An act for the relief of Emma Knutson;

H. R. 2856. An act for the relief of Nicola Mordeglia;

H. R. 4615. An act for the relief of Sallie Barr;

H. R. 4724. An act for the relief of Charles F. Martin, a minor;

H. R. 5295. An act for the relief of the Priest Lumber Co., Inc.;

H. R. 5336. An act for the relief of Peter Bavisotto;

H. R. 5417. An act for the relief of Isaac Surmany;

H. R. 5459. An act for the relief of George F. Lewis, administrator of the estate of Margaret R. Lewis;

H. R. 5640. An act to admit Richard Paul Rehn permanently to the United States;

H. R. 5641. An act to admit Johann Rudolf Hueneberg permanently to the United States;

H. R. 6302. An act for the relief of Michal Kaliszkiewicz;

H. R. 6334. An act for the relief of Pearl Waldrep Stubbs and George Waldrep;

H. R. 6552. An act for the relief of Mrs. Gottlieb Metzger;

H. R. 6782. An act for the relief of James Robert Harman;

H. R. 6823. An act for the relief of Wilson A. Kramer;

H. R. 6946. An act for the relief of Salvatore Taras;

H. R. 6964. An act for the relief of Mr. and Mrs. Nathan Kaplan;

H. R. 7072. An act for the relief of Esther Ross;

H. R. 7179. An act authorizing the naturalization of Louis D. Friedman;

H. R. 7306. An act for the relief of John R. Elliott;

H. R. 7337. An act for the relief of Harriet T. Johnston;

H. R. 7515. An act for the relief of Joseph B. Rupinski and Maria Zofia Rupinski;

H. R. 7562. An act for the relief of Rudolfo Kaufmann and his wife, Ellinor T. Kaufmann;

H. R. 7563. An act for the relief of Salomon Georg Kaufmann; his wife, Doris Kaufmann, nee Stern; and their child, John Michael Peter Kaufmann;

H. R. 7626. An act for the relief of Ernest Ungar;

H. R. 7800. An act for the relief of Frank Walker and his mother, Sarah Ann Walker;

H. R. 7814. An act for the relief of Gerald Henry Simpson;

H. R. 7853. An act for the relief of the Gallup Mercantile Co., of Gallup, N. Mex.;

H. R. 7857. An act for the relief of O'Brien Bros., Inc., New York City, N. Y.;

H. R. 8077. An act to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments;

H. R. 8292. An act for the relief of Erich Hecht, Grete J. L. Hecht, and Erich F. Hecht, Jr.;

H. R. 8295. An act for the relief of Leo Neumann and his wife, Alice Neumann;

H. R. 8317. An act for the relief of the Hermosa-Redondo Hospital, C. Max Anderson, Julian O. Wilke, Curtis A. Wherry, Hollie B. Murray, Ruth M. Laird, Sigrid I. Olsen, and Stella S. Guy;

H. R. 8530. An act for the relief of Esther Cottingham Grab;

H. R. 8830. An act to amend the records at the port of New York to show the admission of Steve Zegura, Jr., and B. Dragomir Zegura as aliens admitted for permanent residence;

H. J. Res. 275. Joint resolution to authorize the President to present the Distinguished Flying Cross to Frank W. Seifert and Lt. V. Hine, deceased; and

H. J. Res. 453. Joint resolution authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer of the Order of St. Sava.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 5459. An act for the relief of George F. Lewis, administrator of the estate of Margaret R. Lewis;

H. R. 6334. An act for the relief of Pearl Waldrep Stubbs and George Waldrep;

H. R. 6552. An act for the relief of Mrs. Gottlieb Metzger;

H. R. 6964. An act for the relief of Mr. and Mrs. Nathan Kaplan;

H. R. 7072. An act for the relief of Esther Ross;

H. R. 7306. An act for the relief of John R. Elliott;

H. R. 7337. An act for the relief of Harriet T. Johnston; and

H. R. 8317. An act for the relief of the Hermosa-Redondo Hospital, C. Max Anderson, Julian O. Wilke, Curtis A. Wherry, Hollie B. Murray, Ruth M. Laird, Sigrid I. Olsen, and Stella S. Guy; to the Committee on Claims.

H. R. 2036. An act for the relief of Umberto Tedeschi;

H. R. 2684. An act for the relief of Emma Knutson;

H. R. 2856. An act for the relief of Nicola Mordeglia;

H. R. 5417. An act for the relief of Isaac Surmany;

H. R. 5640. An act to admit Richard Paul Rehn permanently to the United States;

H. R. 5641. An act to admit Johann Rudolf Hueneberg permanently to the United States;

H. R. 6302. An act for the relief of Michal Kaliszkiewicz;

H. R. 6946. An act for the relief of Salvatore Taras;

H. R. 7179. An act authorizing the naturalization of Louis D. Friedman;

H. R. 7515. An act for the relief of Joseph B. Rupinski and Maria Zofia Rupinski;

H. R. 7562. An act for the relief of Rudolfo Kaufmann and his wife, Ellinor T. Kaufmann;

H. R. 7563. An act for the relief of Salomon Georg Kaufmann; his wife Doris Kaufmann, nee Stern, and their child, John Michael Peter Kaufmann;

H. R. 7626. An act for the relief of Ernest Ungar;

H. R. 7800. An act for the relief of Frank Walker and his mother, Sarah Ann Walker;

H. R. 7814. An act for the relief of Gerald Henry Simpson;

H. R. 8292. An act for the relief of Erich Hecht, Grete J. L. Hecht, and Erich F. Hecht, Jr.;

H. R. 8295. An act for the relief of Leo Neumann and his wife, Alice Neumann; and

H. R. 8830. An act to amend the records at the port of New York to show the admission of Steve Zegura, Jr., and B. Dragomir Zegura as aliens admitted for permanent residence; to the Committeee on Immigration.

H. R. 6782. An act for the relief of James Robert Harman;

H. R. 6823. An act for the relief of Wilson A. Kramer;

H. R. 8077. An act to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments; and

H. J. Res. 275. Joint resolution to authorize the President to present the Distinguished Flying Cross to Frank W. Seifert and Lt. V. Hine, deceased; to the Committee on Military Affairs.

H. R. 7853. An act for the relief of the Gallup Mercantile Co., of Gallup, N. Mex.; to the Committee on Indian Affairs.

H. R. 8530. An act for the relief of Esther Cottingham Grab; to the Committee on Foreign Relations.

H. R. 5295. An act for the relief of the Priest Lumber Co., Inc.;

H. R. 7857. An act for the relief of O'Brien Bros., Inc., New York City, N. Y.; and

H. J. Res. 453. Joint resolution authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer of the Order of St. Sava; to the calendar.

EXTENSION OF RECIPROCAL TRADE ARGEEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The VICE PRESIDENT. When the Senate took a recess yesterday, what is known as the La Follette amendment was the pending question. The Senate entered into a unanimous-consent agreement to limit debate on that amendment. The agreement said nothing about the bill, but the Chair has heretofore considered such agreements to apply to the amendment, and not to the bill. There was no agreement as to limitation of debate on amendments to the amendment or on substitutes for the amendment. The Chair wanted that to be understood, so that the Senate would know the parliamentary situation.

Mr. HARRISON. Mr. President, I ask unanimous consent that the 15-minute limitation apply to the amendment of the Senator from Wisconsin and also to any amendment to or substitute for it.

The VICE PRESIDENT. Is there objection?

Mr. JOHNSON of California. Mr. President, I did not hear what was said by the Senator from Mississippi.

Mr. HARRISON. I think it was the intention of everyone yesterday when the debate ended and the Senate adjourned that the 15-minute limitation should be restricted to the amendment now pending, offered by the Senator from Wisconsin [Mr. LA FOLLETTE], and any amendment to it or substitute for it, the same as in the other case; but the agreement does not restrict debate on the joint resolution itself.

Mr. JOHNSON of California. It does not relate to anything except this amendment?

Mr. HARRISON. To no amendment except this particular amendment or a substitute therefor.

The VICE PRESIDENT. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. PITTMAN. Mr. President, I rise to support the La Follette amendment. I think there should be two amendments to it, however. In the first place, I believe that in line 1, on page 2, where the amendment constitutes the Secretary of State, the Secretary of Agriculture, and the Secretary of Commerce a fact-finding board, there should be inserted, after that clause, the words "or such representatives as they appoint." It was suggested yesterday, in a colloquy between the Senator from Maryland [Mr. TYDINGS] and the Senator from Wisconsin, that it probably would be impossible for the Secretaries named to sit for a month as a fact-finding board; they would have to have the right to appoint representatives.

I think, also, there should be stricken out the last clause, beginning in line 22, to the bottom of the page. As the amendment stands, that clause would make the treaties illegal if it should be found that everyone entitled to a hearing did not have a hearing. The other portions of the amendment provides for granting a hearing to all interested parties; and therefore I think the last five lines of the amendment, stating that the treaties shall be illegal unless all interested parties were given hearings, might make the matter too uncertain. It might raise a question as to the legality of a treaty after it was entered into.

With those suggested changes, I really cannot see why the proponents of the legislation should object to having a fact-finding commission composed of the Secretary of State, the Secretary of Agriculture, and the Secretary of Commerce. It is necessary to have a fact-finding commission. The only difference is that under the present law the fact-finding commission consists of persons appointed by the Secretary of State.

We do not know who are the persons whom the Secretary appoints. They may be very able men, or they may be merely ordinary men such as are sometimes found in a department. In any event, if we are to have a fact-finding commission—and the law provides for a fact-finding commission—we ought to have the best fact-finding commission it is possible to obtain. We know who the Secretary of Agriculture is; we know who the Secretary of Commerce is; and we would trust that kind of fact-finding commission. It must be recognized that the fact-finding commission is one of the most important institutions in connection with this whole matter.

I do not think anyone can assume that the Secretary of State, who has so much business to attend to, such a vast amount of diplomatic correspondence and other matters of great importance, can give his personal attention to finding the facts upon which these agreements are to be based. It is impossible. However, even if there were a temporary fact-finding commission made up as it is now, it would be far more satisfactory to the country if the findings of fact could be reviewed by a regular board consisting of the Secretary of State, the Secretary of Commerce, and the Secretary of Agriculture.

As a matter of fact, the Secretary of Commerce was supposed to know something about commerce until the present act was passed. Now, apparently there is only one person in the Government service who knows anything about foreign commerce. The Secretary of Agriculture is supposed to know something about foreign commerce. A great and important part of his functions is looking for foreign markets for agricultural products. He is authorized to do some very extraordinary things in aid of the export of our agricultural products. Is it not reasonable and practical, when we are dealing with foreign commerce, to have the Agricultural Department and the Department of Commerce represented in the fact-finding body? Of course it is. I do not think anyone here would hesitate to admit that but for the fact that argument now is a waste of the time of the proponents of this legislation. I realize that. The taste of blood by all animals makes them vicious beyond reason. It is perfectly natural.

The greatest complaint that has been made with regard to the procedure under the Trade Agreements Act has been that no reasonable hearing before the present advisory board is provided for. We know that. I do not have to argue that. There is not a Member of this body who has had any representations to make to the present fact-finding commission with regard to his constituents who does not realize that he had no hearing.

I assume that all of us have had to present some matter to the present fact-finding body on behalf of some of our constituents. We never knew whether or not the present body heard it. We never knew, if they heard it, whether or not they understood it. We never knew whether they agreed with us or disagreed with us. That kind of a trial would be very unsatisfactory to most lawyers in this body; yet this measure is so perfect that there cannot be a change in an "i" or a "t" in it. Why should there be a change in it? We are looking for expedition in this country. We do not want to wait a year or two to decide what the taxes of the people shall be—not at all. We want it done in a month. Expedition is the thing now. To have a board composed of the heads or representatives of different departments of the Government who also have an interest in foreign trade would possibly delay the consideration of very important items of tariff; and it is far more important that we be hasty in the matter than that we be right. That is the whole theory of this legislation.

I often wonder why the framers of our Constitution made the terrible mistake of having revenue legislation originate in the House of Representatives. They must have known that the consideration of such legislation by a large body of that kind would require long delay. Why could not the framers of the Constitution even then have turned over that function

to the President of the United States, and said, "Write out a tariff bill. Write out a tariff bill of 3,000 items. You can dictate it in 1 month." That is all right. That is the proper way to do these things. But since haste is so popular in this body, since haste is succeeding so well in this body, why yield to anything? No. "We have them licked; tear them to pieces. This is no time to reason or think. This is the time to act. Let us be expeditious."

This is a plain little proposition to have the other two departments of the Government which have imposed on them duties and functions with regard to our exports made a part of the board to determine the facts bearing on these treaties. I know, however, there is no use in saying any more. That is all I have to say.

Mr. HARRISON. Mr. President, I do not think it is fair to say that the sole object of the proposed legislation is haste. Some gentlemen who are very much disappointed may think that is the only object, but it is not. The object is to carry out a very wise program, to which it seems most of the gentlemen on the other side of the aisle object. They think they have a better plan. We will see. Perhaps in the course of 20 years or so, if the fortunes of politics change, they will present their plan. The history of the Republican Party shows what their plan is and what their plan has been as evidenced by the last tariff bill proposed by them, and which, as I stated in my opening remarks, played a very influential part in bringing on the economic debacle in this country.

We are merely trying to go along in an orderly way, with full opportunity for argument and for the presentation of amendments, and because no one is flushed with victory, we hope that this legislation will not be destroyed, and that we can hold our lines. But we are working against very great obstacles, because the Republican Party is pretty much buoyed and has been holding its lines pretty well, and I suppose will continue to do so; and there seem to be some gentlemen on this side who are playing the game with them.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from Mississippi yield to the Senator from Nevada?

Mr. HARRISON. I yield.

Mr. PITTMAN. I never charged the leadership on this side with playing with the Republican side during the consideration of the Hatch bill. I do not make that kind of insinuations.

Mr. HATCH. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. I yield.

Mr. HATCH. The Senator from Nevada may not have made the statement, but it was made quite frequently on this side of the aisle.

Mr. PITTMAN. The Senator from Nevada protects his own reputation.

Mr. HARRISON. Mr. President, getting back to the subject before us, we are proceeding along in an orderly way, trying to extend legislation which has been and I hope will continue to be of benefit to the country. Some of us think conscientiously that the program we have presented is the best one to follow; others on this side, and those on the other side, I assume, conscientiously believe that it is wiser to follow some other procedure. But we have very high authority, even from Republicans, that, under this program, the Committee on Reciprocity Information and the Interdepartmental Committee, in negotiating agreements, have been very fair. They have given opportunity to people to be heard. I admit, and I stated in the hearings, even to the Secretary of State, as I recall in 1937, that there might be improvement in the matter of public hearing by the gentlemen who are negotiating agreements. I am delighted at the progress made in that respect.

What is it we are called on to decide now? We are called on by the La Follette amendment to change the present method of procedure, and to create a board. I think the criticism of the Senator from Nevada that there should be provision for some substitute if a Cabinet member cannot sit on the board, so far as it goes, is a very just criticism, because no one can expect the Secretary of Agriculture, the Secretary of State, and the Secretary of Commerce, to sit all the time as a board to hear the various witnesses. Many matters might arise which would preclude them from being in attendance. But the existing plan is a very good one.

It was stated by the Senator from Georgia [Mr. GEORGE] in his opening argument that of course when we get ready to negotiate with a country there are some preliminary conversations. Of course, experts have to study what should be the subject matter of the negotiations and what concessions can be considered mutually in order to be beneficial to each side. So preliminary conversations take place. Following that, an announcement is made of the intention to negotiate an agreement with a certain country and the list of items or commodities to be considered for concessions is made public for the information of all interested parties. An opportunity is afforded all interested persons to testify or to submit briefs to the Committee for Reciprocity Information.

Mr. CONNALLY. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. I yield.

Mr. CONNALLY. I notice that by section 4 of the proposed amendment the board is to be composed of the Secretary of State, the Secretary of Agriculture, and the Secretary of Commerce. Would that not be wholly unavailing, in practice, at least, because all these Secretaries are members of the President's Cabinet, and the power that is given by the bill is to the President? If the President wanted a certain thing, is it to be supposed that his Secretary of Agriculture and his Secretary of Commerce would take issue with his findings, as made up by the Secretary of State? Would not this amendment merely introduce confusion rather than orderly procedure?

Mr. LA FOLLETTE. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. I yield.

Mr. LA FOLLETTE. I should like to point out that the amendment would not prevent the same procedure being followed in the future that has been followed in the past with regard to testimony on general information and topics which have been listed for consideration in the negotiations. The principal point of the amendment is to give interested citizens an opportunity to be heard after they know what the specific terms of the agreement are, what it contains, prior to the time when it is finally put into effect.

Mr. CONNALLY. Mr. President, will the Senator from Mississippi yield further?

Mr. HARRISON. I yield; but I have only 15 minutes.

Mr. CONNALLY. The Senator from Wisconsin misapprehends the point to which the Senator from Texas alluded. I am alluding to the inclusion of the Secretary of Commerce and the Secretary of Agriculture. If I were President of the United States—which, of course I will never be—and one of my Cabinet who was a member of a board should take action contrary to my views and advice, he would not be in the Cabinet more than a minute and a half. I would kick him out, as the Senator from Wisconsin would. So what is the use putting three Cabinet members on the board when one will do? Three and one—three for the price of one. [Laughter.] I thank the Senator from Mississippi for yielding.

Mr. LA FOLLETTE. I do not care to take any further time of the Senator from Mississippi, but representatives of these Departments are now on the Committee on Reciprocity Information.

Mr. HARRISON. Mr. President, I thought that the amendment offered by the Senator was one which was carrying out the suggestions of the Farm Bureau Federation, namely, that the Secretary of State, the Secretary of Agriculture, and the Secretary of Commerce should approve all the agreements made. But this is quite a different question from that. This is a question of changing the whole procedure with reference to public hearings. The Senator provides that these gentlemen must conduct the hearings. The witnesses could return after they had formulated an agreement, and the Senator provides, too, that if there has been failure to give notice to anyone, the question may be reopened, and so on.

As has been pointed out by the Senator himself, the Department of Agriculture is now represented on the Committee for Reciprocity Information, as well as the Interdepartmental Trade Agreements Committee, and the same gentlemen carry on the negotiations. I do not suppose there is a detail about which the Secretary of Agriculture is not advised by his representatives, because no doubt he chooses the very best man he can find. The Tariff Commission is certainly in a strong position to know what a particular rate should be, and on what articles concessions might be made, and to study the questions involved from a highly technical point of view, and that Commission is represented upon the Committee for Reciprocity Information and the Interdepartmental Trade Agreements Committee.

The criticism at first made has been met, as has been evidenced by Mr. Monro, the president of the American Tariff League, and one of the most influential among those opposed to this whole program. I quoted a few days ago from his statement before the committee. He said in his annual report for 1938:

> I will also stress the fact that in carrying out the trade-agreements policy by Mr. Hull great credit should be given to the fact that there has been no suspicion of political influence regarding the reduction of duties on any of the articles placed on the reciprocal-trade list. I believe that everyone who has had occasion to contact the staff that makes up the schedules must admit that, regardless of whether we approve of the policy or not, the agreements were prepared solely with a viewpoint of endeavoring to increase foreign trade with the least injury to domestic production.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. LA FOLLETTE. I have not charged, and I do not hold in my mind any charge, that there has been any political manipulation; but the Senator cannot get away from the fact that under the present procedure all that an interested person has an opportunity to do is to testify after he has been notified that certain commodities may be the subject of negotiation. My amendment—and this is its main point—provides an opportunity to interested persons to be heard after they know what the proposed changes in tariff rates are to be.

Mr. HARRISON. Yes; after the closest and most minute study, and after the two sides have been able to agree, through an exchange of conversations, and to get together on some rates, then they would be published to the whole world, and the pressure of selfish and interested groups would be here holding the agreements up as far as possible, and engaging in the kind of propaganda, I might call it, we have seen so rampant during the writing of every tariff bill. If this amendment should prevail it would result in a continual harassing of the negotiation of any reciprocal-trade agreement. I think the present procedure is entirely proper and satisfactory, and I hope the amendment will be defeated.

Mr. BARKLEY. Mr. President, I wish to reiterate, and, if I can, emphasize what the Senator from Mississippi has said about the amendment. What does the amendment provide? It provides, first, that before any trade agreement shall be concluded with any foreign country, reasonable public notice of the intention to negotiate an agreement with such government shall be given. That is the first step under the amendment. As soon as the State Department or the President decides to negotiate one of these agreements with any country, under the terms of the amendment the President must give notice that he is contemplating an agreement with some country.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. That is the language of section 4 of the existing law.

Mr. BARKLEY. I realize that, and I am coming to the further language in the Senator's amendment. The President must give notice. That is provided for by the present law. Notice shall be given in order that any interested person may have an opportunity to present his views to a board composed of the three Secretaries named. Before any negotiations have been entered into, but immediately upon notice being given by the President that he plans to negotiate with some country concerning an agreement, everyone who thinks he has an interest in the terms of the agreement has a right to come before the board composed of the three Secretaries.

Mr. SCHWARTZ. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. SCHWARTZ. That notice, as I understand, contains a specification of the particular items which will be subject to negotiation.

Mr. BARKLEY. The way it is done now, when notice is given to the public of the contemplation of negotiating a treaty, a list is given of all the possible items that might be considered. All those items may not enter into the agreement, but a list of items which possibly may enter into the agreement is given, so that everyone interested in those items may have notice with respect to them.

As has been stated here, it would be physically impossible for the three Secretaries to devote themselves as a board to sitting and listening to the witnesses. The result would be that some subordinate somewhere down the line would be designated from the three Departments to hold the hearings.

The President is prohibited by the language of the amendment from entering into any negotiations with any government until the Board has reported its recommendation. In other words, the President must sit idly by until three subordinates—and no one knows how far down the line they might be—hold a hearing and make a recommendation to the President, through their superior officer, the member of the Cabinet.

If we can assume that all three of these men would agree, and that the three Cabinet members would also agree on what their subordinates had found and recommended, then they would recommend to the President of the United States what should be done with respect to all these items concerning which notice had been given that they might be considered.

Up to that time there have been no negotiations, but there would be public hearings, and the recommendation, if it had any influence on the President, would absolutely take away from him any negotiating power, because every country with which he proposes to negotiate an agreement would know in advance what the recommendation of the subordinate committee had been or would be, and if it had any influence over him or any moral obligation upon him, he would be limited in his negotiations to the recommendations of the Board.

After the Board has made its recommendations to the President, under the provisions of the amendment, if the President concluded to undertake an agreement based upon its recommendation, then the matter must go before the Board again, and a further notice must be given, with the text of the proposed agreement set out in the notice, so that everyone who objects to it may again go before the Board and make protest against the recommendations of the Board previously made. So there we have two hearings at least before the same Board.

Then the amendment provides that after the agreement has been tentatively entered into there cannot be any change in any of the items or any of its terms if anyone contends that he has not been given an opportunity to appear before the Board and be heard.

I realize the good faith of the Senator from Wisconsin; he knows how greatly I appreciate his good faith and sincerity in anything he does here; and I am sure he has not offered the amendment for the purpose of hamstringing the President; but the effect of it is to do so, because it would always make necessary at least two hearings before the Board—one preliminary, and then one after the agreement had been entered into tentatively between the two governments, and then another hearing before the same Board to give anyone a chance to protest again against provisions of the agreement.

Mr. LA FOLLETTE. Mr. President, will the Senator yield? I know his time is limited.

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. Does not the Senator realize that there is a very great difference between an opportunity to be

heard on a general subject which may be taken into a negotiation and giving general testimony concerning what effects the rate changes may have upon a commodity, and having an opportunity to be heard upon a proposed specific change in a rate?

Mr. President, it would be just like the Finance Committee, when it had a tariff bill under consideration, announcing to the country that the entire tariff was open to revision, but that the committee would refuse to reveal the terms of the bill; that interested citizens could come in and be heard, but that after the testimony was concluded they were never to know what the terms of the bill were or what rates were provided until after it became law.

Mr. BARKLEY. Of course, I realize the difference between a general hearing and a hearing on some specific items. But under the preliminary notice given under the Senator's amendment that a conference is going to be had with some country about an agreement——

Mr. LA FOLLETTE. That provision is in the existing law. I have not tried to change it.

Mr. BARKLEY. I realize that. I am not contending that the Senator is trying to change it. It is my contention that the present treaty is adequate and affords to all persons in the United States all the opportunity they have any reasonable right to demand in order that their wishes may be presented to the Department before a final negotiation has been consummated. But the point I am making is that all persons are invited to come before the Board, constituted of subordinates in the three Departments—and that is what it will be—to make general objection.

Someone who is interested in some item may say to that Board, "We object to any reduction of tariff on this item." That objection will be considered. Then the recommendation is made to the President as to whether there shall be a reduction. Then the President goes ahead and negotiates an agreement.

Suppose the tariff is reduced on some item against which there has already been a protest in the preliminary hearing. Those who object have a right, under the Senator's amendment, to go before the Board again and protest against the reduction or change in the tariff on that item against which they have already protested. In the meantime everything is held up by these two hearings. There might be even more hearings, because if someone should claim that he had not had an opportunity to be heard the President would still be unable to go forward and act until there had been another hearing to give someone else an opportunity to protest.

Mr. LA FOLLETTE. Mr. President, will the Senator again yield?

Mr. BARKLEY. I yield. However, my time is limited.

Mr. LA FOLLETTE. All I wish to point out, Mr. President, is the right of any person to be heard, as now provided in section 4, and there has been no difficulty in limiting the hearings to a reasonable compass any more than there is before a committee.

Mr. BARKLEY. I realize that, and I agree that they have the right to be heard now, and they are being heard now. They are all heard, as the Senator from Mississippi [Mr. HARRISON] has said, more adequately probably than they were heard at the beginning. The Senator's amendment proposes a hearing by subordinates. But the point I make is that there is no way to avoid at least two hearings, one before the treaty is made and one after it has been agreed to, before it can take effect, during which time the President is absolutely helpless to do anything except to wait until there is a second report made to him by the same board which the Senator's amendment sets up.

In view of the confusion and the delay and the unnecessary complication involved in that sort of a process, it seems to me unwise to adopt the Senator's amendment. I believe the State Department has tried in all good conscience to work out a plan by which everyone is given a fair and free opportunity to be heard. As the Senator from Texas a moment ago suggested, if these Cabinet members are going to do what the President wants them to do, then it is useless to go through the process or the farce of holding a hearing. If they are not going to do what the President wants them to do, then there is a controversy between three Cabinet members, growing out of the investigations of their subordinates, and the President has to do what should be done with respect to these agreements. From any of these standpoints it seems to me unwise to complicate the situation by adopting the amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. Mr. President, I wish to make a brief statement. In the first place, I modify my amendment on page 2, line 1, after the word "Commerce", to insert "or their duly authorized representatives."

Mr. President, under the existing law it is provided in section 4, as follows:

SEC. 4. Before any foreign-trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of this act, reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to the President—

Down to that point my amendment is precisely in conformity with section 4 of the existing law—

or to such agency as the President may designate, under such rules and regulations as the President may prescribe; and before concluding such agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate.

Mr. President, my amendment would not interfere with the procedure in the existing law, except that it specifically designates the persons, or their duly authorized representatives, who are to hold the hearings. In every other respect it is precisely the same as the existing law.

In the second place, the amendment, as I view it, would not in anywise curtail the ultimate power of the Executive to enter into trade agreements, but it would do what it seems to me we should provide in the law, and that is to give interested citizens an opportunity to be heard upon the specific terms of an agreement before the negotiated agreement goes into effect.

It is all well and good for Senators to rise and say that interested persons are notified of the projected negotiation of a trade treaty; that they are notified of subjects or commodities which may be taken into consideration in the negotiations; and that they may come before such a body as the President may designate and present their views upon the advisability of a particular commodity or group of commodities being included in the negotiations; but once that hearing is over interested citizens have no opportunity to know what specific changes in rates are proposed in a trade agreement until the agreement has become the law of the land. I say, Mr. President, that that is not a democratic procedure. I say that we ought to provide, as we do in connection with a piece of proposed legislation, that interested persons shall have an opportunity to come forward and give specific and definite testimony upon a specific and definite proposed legislative change.

As suggested a few moments ago, what would be the reaction in this country if the Ways and Means Committee of the House or the Finance Committee of the Senate should decline to reveal any proposed legislative changes in a tariff measure and should afford to interested citizens and parties only the opportunity to appear and discuss whether or not any changes should be considered by the committee? Such a policy would be denounced as a star-chamber proceeding. I think every person realizes the difference between an individual or representative of a corporation being confronted with such a situation that he can discuss only in general terms whether there should be a reduction or an increase of the duty on an item or commodity in which he is interested and being given an opportunity to give testimony and present arguments upon specific proposed changes.

Mr. President, it has been said that this amendment would cause some delay. I do not believe there is any ground for

fear that the hearing would be unnecessarily and purposely prolonged, because such a condition has not been evidenced in any of the hearings which have been held up to the present time.

The provisions with regard to the second hearing which I am urging would be the same as those which prevail concerning the hearings which are now held. There has been no effort to bring unnecessary witnesses before the Committee for Reciprocity Information, or to develop a filibuster by bringing on witness after witness to give repetitious testimony; and there will be no such situation if the amendment is enacted into law. We are confronted with the same problem in every hearing before every committee of Congress. We must regulate and govern the conduct of hearings. Such power is inherent in the amendment.

Mr. President, I really do not see how any Senator could vote against the amendment, regardless of his attitude upon this important question, because, as previously stated, all the amendment seeks to do is to give the people of the country an opportunity to be heard upon proposed legislative changes which are to be incorporated in a reciprocal-trade agreement. I think every Senator who is familiar with the situation recognizes that it is important to afford such an opportunity. The proposal is so simple that it speaks for itself. The issue is simply this: When a reciprocal-trade agreement is to be negotiated in the future, are citizens who are vitally interested in the proposed changes to be contained in such an agreement to have an opportunity to be heard upon the specific terms of the agreement before the agreement is promulgated and the statute law of the land amended?

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. GILLETTE. I have difficulty in understanding the import of the last paragraph of the Senator's amendment.

Mr. LA FOLLETTE. Mr. President, I can explain it very briefly to the Senator. All that provision proposes to do is to provide that if, after the hearing has been held upon a proposed trade agreement, with its terms known to the interested parties who appear before the tribunal, any specific charge is to be made in it, they shall subsequently be given an opportunity to be heard upon the proposed change.

Mr. GILLETTE. Mr. President, will the Senator yield further for a question?

Mr. LA FOLLETTE. Gladly.

Mr. GILLETTE. As I understand that provision, after the hearing is had, as provided in subsection (b), the board will report to the President recommending certain changes. The final language in the paragraph provides that such changes shall not be made unless every person interested shall have had an opportunity to be heard. My question is, Does that language go further and provide that there shall be no affirmation of the preceding rates and provisions unless interested parties shall have an opportunity to be heard?

Mr. LA FOLLETTE. No. I think the language is clear in that respect. I discussed that matter; but if the Senator has any doubt on the question, I am willing to modify the amendment by striking out that language. As I said in response to the Senator's inquiry, all it proposes to do is to provide, for example, that after a particular proposed trade agreement has been made public, hearings have been held upon it, and interested parties have been given an opportunity to be heard, if there is to be a change in the proposed agreement prior to the time it is finally entered into, interested parties shall be given a like opportunity to be heard upon the proposed change. However, if the Senator feels any doubt about the wisdom of that provision, so far as I am concerned, I am willing to modify the amendment by eliminating it. The principal thing with which I am concerned is to give citizens who are vitally interested in the trade agreements an opportunity to be heard upon specific proposed changes which are to be incorporated in such agreements.

Under the circumstances, Mr. President, I further modify my amendment by inserting a period after the word "advisable," in line 22, on page 2, and striking out the remainder of the page.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. HARRISON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATCH in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	King	Pittman
Ashurst	Frazier	La Follette	Reed
Austin	George	Lee	Reynolds
Bailey	Gerry	Lodge	Schwartz
Bankhead	Gibson	Lucas	Schwellenbach
Barkley	Gillette	Lundeen	Sheppard
Bone	Glass	McCarran	Shipstead
Bridges	Green	McKellar	Smathers
Brown	Gurney	McNary	Smith
Bulow	Hale	Maloney	Stewart
Byrd	Harrison	Mead	Thomas, Idaho
Byrnes	Hatch	Miller	Thomas, Okla.
Capper	Hayden	Minton	Tobey
Caraway	Herring	Murray	Tydings
Chandler	Hill	Neely	Vandenberg
Clark, Mo.	Holman	Norris	Van Nuys
Connally	Holt	Nye	Walsh
Danaher	Hughes	O'Mahoney	White
Davis	Johnson, Calif.	Overton	Wiley
Donahey	Johnson, Colo.	Pepper	

The PRESIDING OFFICER. Seventy-nine Senators have answered to their names. A quorum is present.

The question recurs on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE] as modified. On that question the yeas and nays have been ordered. In view of the fact that the amendment has not been stated since the last modification, the Chair thinks it should be reported for the information of the Senate.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. —. Section 4 of such act of June 12, 1934, as amended to read as follows:

"SEC. 4. (a) Before any foreign-trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of this act, reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to a Board composed of the Secretaries of State, Agriculture, and Commerce, or their duly authorized representatives, under such rules and regulations as the President may prescribe. The Board shall report to the President as soon as practicable its recommendations with respect to such agreement and such agreement shall not be concluded until such report is made. Before concluding such agreement the President shall seek information and advice with respect thereto from the United States Tariff Commission and from such other sources as he may deem appropriate.

"(b) No such proposed agreement shall take effect until public hearings have been held by the Board with respect thereto and an opportunity afforded to all interested persons to present their views with respect to any matter contained therein, under such rules and regulations as the President may prescribe. Notice of such hearings shall be published in the Federal Register not less than 30 days before such hearings are to commence and such notice shall contain the complete text of such proposed agreement. The Board shall report to the President as soon as practicable its recommendations with respect to any change in such proposed agreement that the Board may deem advisable."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE], as modified, which has just been read. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GIBSON (when his name was called). On this vote I have a pair with the junior Senator from Pennsylvania [Mr. GUFFEY]. If he were present and voting, he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. LUCAS (when Mr. SLATTERY's name was called). My colleague, the junior Senator from Illinois [Mr. SLATTERY], is unavoidably detained from the Chamber on public business. It is my understanding that he has a pair with the Senator from New Jersey [Mr. BARBOUR]. If the Senator from Illinois were present and permitted to vote, he would vote "nay"; and the Senator from New Jersey, if present and permitted to vote, would vote "yea."

The roll call was concluded.

Mr. BRIDGES. On this vote I have a pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Ohio [Mr. TAFT]. If the Senator from Ohio were present and permitted to vote, he would vote "yea"; and the Senator from Utah, if present, would vote "nay." I vote "yea."

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness. He is paired with the Senator from Illinois [Mr. SLATTERY], as already announced by the Senator from Illinois [Mr. LUCAS].

The Senator from Delaware [Mr. TOWNSEND] and the Senator from Ohio [Mr. TAFT] are necessarily absent.

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. RUSSELL], the Senator from Illinois [Mr. SLATTERY], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Mississippi [Mr. BILBO] is detained in a conference at the White House.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], and the Senator from New York [Mr. WAGNER] are detained in various Government departments.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL], and the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]. I am advised that if present and voting the Senator from California and the Senator from New Mexico would vote "yea" and that the Senator from Georgia and the Senator from Missouri would vote "nay."

Mr. KING. Upon this vote I have a pair with the junior Senator from Mississippi [Mr. BILBO]. Not knowing how he would vote, I withhold my vote.

Mr. McKELLAR (after having voted in the negative). I have a pair with the Senator from Delaware [Mr. TOWNSEND]. I transfer that pair to the Senator from Maryland [Mr. RADCLIFFE], who is detained on public business, and permit my vote to stand.

The result was announced—yeas 35; nays, 42, as follows:

YEAS—35

Adams	Frazier	La Follette	Pittman
Ashurst	Gerry	Lodge	Reed
Austin	Gillette	Lundeen	Shipstead
Bone	Gurney	McCarran	Thomas, Idaho
Bridges	Hale	McNary	Vandenberg
Bulow	Holman	Maloney	Walsh
Capper	Holt	Murray	White
Danaher	Johnson, Calif.	Nye	Wiley
Davis	Johnson, Colo.	O'Mahoney	

NAYS—42

Bailey	Ellender	Lucas	Schwellenbach
Bankhead	George	McKellar	Sheppard
Barkley	Glass	Mead	Smathers
Brown	Green	Miller	Smith
Byrd	Harrison	Minton	Stewart
Byrnes	Hatch	Neely	Thomas, Okla.
Caraway	Hayden	Norris	Tobey
Chandler	Herring	Overton	Tydings
Clark, Mo.	Hill	Pepper	Van Nuys
Connally	Hughes	Reynolds	
Donahey	Lee	Schwartz	

NOT VOTING—19

Andrews	Clark, Idaho	Radcliffe	Townsend
Barbour	Downey	Russell	Truman
Bilbo	Gibson	Slattery	Wagner
Burke	Guffey	Taft	Wheeler
Chavez	King	Thomas, Utah	

So Mr. LA FOLLETTE'S amendment, as modified, was rejected.

Mr. JOHNSON of Colorado. Mr. President, yesterday I submitted an amendment containing a reference to agricultural products. My amendment defined agricultural products as being any article which on the date of enactment of House Joint Resolution 407 is classified as an agricultural import in the schedule of the Bureau of Foreign and Domestic Commerce in the Department of Commerce, designated as "Schedule A, Statistical Classification of Imports Into the United States."

I present herewith, for the guidance of the Senate, a list of commodities, items, and articles which are classified by schedule A as agricultural products. I ask to have this list printed in the RECORD as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Horses, cattle, sheep, goats, hogs, poultry—all classes (except for breeding).

All edible meat products, including fresh, chilled, or frozen beef, veal, pork, mutton, lamb, goat meat, reindeer meat, venison, birds (including poultry), canned beef (including corned beef), pickled meat, lard, oleo oil, oleo stearin, tallow, oleomargarine, milk and cream, butter, cheese, cheddar, eggs, gelatin, hides and skins (except furs), sheep and lamb skins, animal and fish oils, fats and grease, hoofs and horns, bones, feathers, animal wax, tankage.

Grains and preparations made from grain.

Vegetables and preparations made from vegetables (including beer and malt).

Fruits and preparations made from fruits (including wines and juices).

Nuts and preparations made from nuts.

Edible oils and fats.

Cocoa, coffee, tea, spices.

Sugar and sugar products.

Rubber.

Drugs, herbs, leaves, roots, seeds (including oil seeds).

Nursery and greenhouse stock.

Tobacco and manufactures.

Broomcorn, cut flowers, straw.

Raw cotton, flax, other vegetable fibers, wool of all kinds (including processed, but unmanufactured).

Animal hair, unmanufactured.

Silk (unmanufactured), cocoons.

Lemon, lime, orange, and other citrous fruit and juices from these fruits.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, and that the House receded from its disagreement to the amendment of the Senate No. 9 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. O'MAHONEY. Mr. President, I call up the amendment, which is on the desk, and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be read.

The LEGISLATIVE CLERK. It is proposed to insert, at the end of the joint resolution, the following new section:

SEC. 2. No foreign-trade agreement hereafter entered into under the authority delegated to the President by such section 350, as amended, no amendatory or supplementary agreement hereafter entered into under such section, and no duties and other import restrictions specified in a proclamation issued by the President to carry out any such foreign-trade agreement or any such amendatory or supplementary agreement, shall take effect until the Congress by law has specifically approved such agreement and the duties and other import restrictions so specified to carry out such agreement.

Mr. O'MAHONEY. Mr. President, first I desire to express my appreciation of the generous manner in which the Senator from Mississippi [Mr. HARRISON], the chairman of the Finance Committee, and the Senator from Kentucky [Mr. BARKLEY], the majority leader, have endeavored to conduct this debate. Their consideration of those of us who have offered amendments, and who still desire to offer amendments, and who wish to have those amendments fully discussed, must be obvious to all; and I express my gratitude for that consideration.

Let me say that I should not now offer the amendment which has just been read from the desk if it were not for a profound conviction that it embodies the principle which the Government of the United States should adopt. That this country and the whole world are at a crossroads, that we are in one of those periods of deep-seated readjustment which occur perhaps every 500 years in the history of civilization, it seems to me must be obvious to anyone who looks about him in the world.

There has been considerable confusion of thought upon the issue which is presented here. I do not intend today to traverse again the road which has already been traveled in the constitutional argument; but I do desire to illuminate if I can, to the best of my ability, the issues which are here presented.

TWO GENERAL ISSUES PRESENTED

This question divides itself into two general propositions. The first of these has to do with the desirability of reciprocity as a means of developing world trade. The second issue has to do with the degree of participation which shall be allowed to the Congress in drafting and approving the treaties or agreements embodying reciprocity arrangements, whatever they may be called.

When the amendment of the senior Senator from Nevada [Mr. PITTMAN] was offered, providing for Senate ratification, upon the theory that the agreements are in fact treaties and should under the Constitution be ratified by the Senate, one phase of the constitutional argument was disposed of. By a very narrow vote the Senate decided that it did not want to consider the agreements as treaties. That vote, however, did not dispose of the question of the degree to which congressional participation in the approval of the agreements shall be allowed. It was, as I understand, merely a declaration of opinion by a small majority of the Senate that one more than one-third of the Members of the Senate should not be permitted to prevent the accomplishment of reciprocity in any particular agreement.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Colorado.

Mr. ADAMS. The Senator made a comment as to the consequences of the rejection of the Pittman amendment. I am wondering if he has not overstated the consequences. My own idea is that if the agreements are treaties, nothing that Congress can do can obviate the necessity of their ratification by the Senate under the Constitution; and the fact that the Senate might be unwilling to undertake the duty of ratification would not validate the treaties without the two-thirds vote.

Mr. O'MAHONEY. Mr. President, the Senator from Colorado is quite correct. If, by anything I said, I gave the impression that I believed the Senate, by its vote against the amendment of the Senator from Nevada, had decided in any valid and effective way that these agreements are not treaties, I certainly hasten to correct that impression now, and I express my gratitude to the Senator for calling attention to the misunderstanding.

Mr. ADAMS. If they are treaties, there is not a single valid reciprocity agreement in existence.

Mr. O'MAHONEY. I want it understood that I am not abandoning the arguments made by the Senators from Nevada [Mr. PITTMAN and Mr. MCCARRAN], by the Senator from Colorado [Mr. ADAMS], and by myself in the consideration of the Pittman amendment. To my mind, those arguments still remain completely unanswered. I am merely saying that the Senate, by its vote against the amendment of the Senator from Nevada, had decided that it did not want to permit one more than one-third of the Senate to block reciprocal-trade agreements which might be made by the Secretary of State from becoming effective.

DIFFERENT FROM PITTMAN AMENDMENT

The amendment which I now offer is not open to the principal objection which was made against the Pittman amendment by those who are supporting this program. This amendment calls for affirmative action by both Houses of Congress to approve every trade agreement. It requires that the agreements, before they can become effective, shall be submitted to Congress and shall be approved by Congress.

I want it clearly understood that this amendment is altogether different from the Pittman amendment. The Pittman amendment would have required a two-thirds vote of the Senate to approve a trade agreement. This amendment requires merely a majority vote in both Houses of Congress.

Mr. SMATHERS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from New Jersey?

Mr. O'MAHONEY. I yield to the Senator.

Mr. SMATHERS. Does the distinguished Senator from Wyoming really believe that the House and the Senate would ever get around to the job of actually ratifying these agreements?

Mr. O'MAHONEY. I will say to the Senator from New Jersey that ratification is no longer a question as a matter of reality, but I do believe that the intelligence and the good sense of the people's representatives assembled in Congress is such that if a reciprocity agreement is for the benefit of the people of the United States we need not fear the action of Congress upon such an agreement. I think a Congress which is willing to give away its power to pass upon these agreements in order that the head of an executive department may carry them out and make them effective would not be unwilling, when the same official came before the Congress and demonstrated that he had made a good agreement, to approve it.

Mr. SMATHERS. Will the Senator yield for one other question?

Mr. O'MAHONEY. I yield.

Mr. SMATHERS. Does the Senator know that President McKinley negotiated eight reciprocal trade agreements which are still awaiting Senate ratification?

Mr. O'MAHONEY. I wonder whether the Senator is correct about that. The Senator obviously has not understood my argument. He is talking about treaties. That argument was settled a few days ago when the Pittman amendment was voted down. It might be that there were the Kasson treaties and other treaties which required a two-thirds vote which were not ratified. The Senator is talking about a battle that was fought and, for his side, won almost a week ago. I am talking about another issue. I am talking about the power of the people's representatives, in Congress assembled, to act upon a revenue-raising measure, to act upon a measure which fixes customs duties to be paid by consumers who live in the State of New Jersey, in the State of Colorado, in the State of Michigan, in every State of the Union. The Senator from New Jersey is willing to give away his power to review the duties and tariffs which must be paid by his people, but I, speaking for the citizens of Wyoming, am not willing to surrender what I conceive to be my constitutional duty.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SMATHERS. The Senator from Wyoming was still talking about the Pittman amendment, because he was contending—and that prompted my question—that the arguments which were advanced for the Pittman amendment still held good.

Mr. O'MAHONEY. Of course I contend that the arguments still hold good. As the Senator from Colorado has well said, a majority vote of the Senate of the United States does not make a treaty something else. I believe that the vote a few days ago was a mistaken vote, but I am trying to say to the Senate that I am not here today discussing the Pittman amendment, or the question of ratification. I am today discussing an issue which, it seems to me, is much more important, because it has to do, not only with the right, the responsibility, and the duty of the elected representatives of the people to know in advance what tariffs are to be paid by the citizens, the consumers in the United States of America, but also with the fundamentals of democratic government.

As I was saying, it is not my purpose to review the constitutional argument. Let me mention only the fact that when we contended that these agreements were treaties the

answer by the distinguished Senator from Georgia [Mr. GEORGE] was that they are not treaties but are laws. My own opinion always was that when in an agreement the provisions of a treaty are changed, the agreement necessarily becomes a treaty, and that because they change customs duties they are also laws. But let us now regard them as laws only, and see what confronts us when we consider our responsibility in that field.

TWO-YEAR TERM OF REPRESENTATION

The framers of the Constitution of the United States were very careful to provide that Members of the House of Representatives should be elected every 2 years. They were also careful to provide that to the House of Representatives should be committed the duty of originating revenue bills. The purpose of fixing the 2-year term of Members of the House of Representatives and the reason for providing that revenue measures should originate in the House was that the founders of this Republic held a conviction that the most numerous branch of the legislature should be close to the people, that it should be frequently chosen by the people, in order that it might be completely responsive to their will, and the reason for the 2-year term for Members of the House of Representatives was that the founders of this Government believed so profoundly in the doctrine of popular sovereignty, of popular government, of free institutions, and they did not want to allow the taxing power in any of its forms to pass out of the hands of those representatives of the people who were closest to the people. So I say that in considering the amendment now before the Senate we are discussing an altogether different proposition from that which was presented under the amendment of the Senator from Nevada.

It is not my intention to go over the constitutional argument again. We all know that issue lies in the degree of delegation of legislative authority which is granted. We all know that the question constitutionally is whether or not a sufficient standard, a sufficiently intelligible principle to guide the discretion of the Executive, is laid down in the measure before us. I presume that it will now be impossible to change any minds or any votes upon that phase of the argument, so it will not be my intention to pursue the subject. However, I wish to discuss two primary phases of this subject, and I hope I can do so without unduly trespassing on the Senate's time.

Let me say, first of all, that I believe from the very bottom of my heart that our most precious possession in the United States of America is the democratic principle, that is to say, the principle of popular government. It seems to me that every Member of the Senate and of the House of Representatives who has taken an oath to support and defend the Constitution of the United States must agree that our greatest duty is to maintain and defend the democratic principle, certainly at a time when it seems to be under attack all over the world. Our most difficult task is undoubtedly to know how to preserve and defend the democratic principle in a world which is almost upon the verge of chaos.

We see democracy almost vanishing from the face of the earth, and mark my words, Senators, we are today determining how we shall maintain democracy. This is the last citadel in the world for the effective defense of the democratic principle. We are confronted with the problem of how to defend it in a world which apparently is about to be involved in another completely enveloping world war.

RECIPROCITY IN A WORLD AT WAR

Mr. President, let me for a moment discuss the first issue, the desirability of reciprocity. I fear that many Members of the Congress and many other citizens have been misled in this debate by their belief that world trade is a good thing, and that, somehow or other, those of us who have been urging the necessity of some form of congressional approval of these agreements are against world trade. Let me say that I desire to dissociate myself completely from that point of view. I recognize, and I think that every sane person who has studied the development of civilization must know, that much of human progress has been largely the result of international commerce. The New World was discovered by a navigator who was seeking out a new route for world trade. All of those who sailed the Atlantic Ocean in the fifteenth century were seeking new trade routes and new commodities. But can we say that there has not been a great change in the modern world?

This we all know, that the foreign commerce of the United States does not amount to more than 10 percent of our total. Not even those who support the reciprocal-trade program, without regard to constitutional limitations or inhibitions, claim that the foreign commerce of the United States amounts to more than 10 percent of our whole trade. But there is another phase of this question which certainly must be dawning on us now. By reason of technological improvements, by reason of the development of science, the world is no longer seeking new commodities; the world is now endeavoring to discover how to distribute the commodities which have already been discovered or produced, or which we are capable of producing.

Until the last quarter of a century the whole aspect of world commerce was the search for commodities in other lands which the country carrying on the search did not possess of itself. We have been sitting here in the Senate and in the House considering the unemployment problem, considering the depression, considering every phase of the economic problem, and if we know anything at all about the significance of the events since 1929 we must realize that our task is how to distribute too much cotton, how to get rid of too much wheat, how to sell too much oil, and how to dispose of all the innumerable and unimagined resources of the world among our own people, so that the producers may operate at a profit.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Wyoming yield to the Senator from Michigan?

Mr. O'MAHONEY. I yield.

Mr. BROWN. I think the Senator's statements are absolutely true. I look at the problem in a little different way than the Senator does. I think the problem is to increase the consumptive power, the ability of people to buy.

Mr. O'MAHONEY. I was just about to say that, Mr. President. That is true.

Mr. BROWN. I am sorry I interfered with the Senator's chain of thought. I think that is the real problem.

Mr. O'MAHONEY. The Senator did not interfere with my train of thought at all. He simply collaborated with me in bringing it out. Of course the problem is just as the Senator said, to increase the consuming power of the masses of the people of America.

Mr. BROWN. Then, we can get some good out of this productive power to which the Senator is addressing himself.

Mr. O'MAHONEY. Absolutely. So I ask the Senator, since he and I agree upon that diagnosis of our economic ills, can it be said that it is altogether wise, when our own people are unable to buy the commodities which we produce in abundance, that we shall delegate to an executive arm of the Government our complete power, to try to bring in some of the commodities from the Old World, as though we were still living in the era out of which we have come?

NEW ASPECTS OF WORLD TRADE

Mr. President, I do not propose at this moment to render my judgment, and I am not ready to render my judgment upon that profound question. But I say that Senators who vote against retaining for the Congress the power to pass upon these trade agreements when they are made are rendering their judgment. They are saying that they are willing to commit to appointive officers of the Government, the complete power to swap the commodities of the New World for commodities in the Old World which we may not need.

Mr. President, I was very grateful to the Secretary of State when he broke off the negotiations with Argentina. My concern about the proposed agreement with Argentina was not because, as was said so sarcastically, that a few cans of meat might come in. Not at all. My concern about the agreement proposed with Argentina was this: the commodities of Argentina are exactly the same as the commodities of the great

West. We were not entering into negotiations to exchange things which we had for things which we did not have. The proposal there was to cut down our own market and to admit the competitive commodities of another nation, which is almost identical in its agricultural aspects, with our own.

It is to the credit of the Secretary of State that he declined to accept the terms which were required by the Government of Argentina.

But the situation presented there clearly defines the issue of world trade at large. When we vote to give complete authority to the Department of State we are entrusting the commercial and economic life of our own people to the decision, not of elective, but of appointive officers. True, that discretion was exercised correctly and well by the Secretary of State in the case of Argentina.

Mr. President, that is not the question. Who will be the Secretary of State 6 months from now? Who will sit there in the Department of State with this power which we today are surrendering? Bear in mind that the Constitution of the United States says that Members of the House shall be elected every 2 years, and that by this joint resolution we propose to grant a 3-year authority to an unknown Secretary of State, surrounded by unknown appointive officers, and we are saying by our votes, "Mr. Unknown Secretary of State, you shall have the power to bind the Government of this country morally for 3 years. You shall have the power to foreclose the constitutional right of those who are elected to the House of Representatives next November to pass upon the customs duties which are to be put into effect by the Department of State."

Mr. President, is that not a situation which must give us pause? In a world in which the democratic principle is at stake are we to believe that it is wise to strip the Congress, the elective body, of this power? Let no one say that I seek to invoke embargoes or economic isolation. That also might be unwise, Mr. President. That also might wreck every effort at recovery. But the power to place an embargo upon the commodities of the United States is contained in the joint resolution, because the rates may be jacked up as well as cut down. We are surrendering complete power within that limitation of 50 percent to change the rates either up or down.

Perhaps the world should never adopt a program of economic isolation. But, Mr. President, shall we blind our eyes to the conditions in Europe? The war between the Allies and Germany has been going on now for many months. The Germans are sitting quietly behind the Siegfried Line, and are constantly boasting to the world that they can continue to sit there. They tell us that they are independent of the economic blockade. They tell us that they can sit there behind that line and wait for the Allies to throw manpower away in a devastating and bloody assault, because, by reason of their development of economic self-sufficiency, they can sit and wait.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER (Mr. LEE in the chair). Does the Senator from Wyoming yield to the Senator from Michigan?

Mr. O'MAHONEY. I yield.

Mr. BROWN. I wanted to make an observation upon a subject which the Senator was discussing a moment ago before he referred to the situation abroad. I think the Senator from Wyoming makes an excellent point when he calls attention to the possibility that in another 6 months or in another year we may have a different Secretary of State. I think perhaps, fundamentally, the Senator from Wyoming and I differ.

Mr. O'MAHONEY. Mr. President, I hope that fundamentally we do not differ. In the little colloquy we had a moment ago it was perfectly apparent that we were in complete agreement.

Mr. BROWN. That is very true, but I am strongly in favor of the Hull program. I wish to point out that with a different Secretary of State a year from now—possibly a Republican Secretary of State—every one of the treaties or agreements which has been entered into by Secretary Hull may be abrogated.

Mr. O'MAHONEY. Mr. President, if the Senator makes that argument, he is again in complete agreement with me; and he has just now uttered a sentiment which it seems to me is a perfectly compelling argument in favor of the amendment which I have proposed, because if the Congress to be elected in November 1940 is to be able to overthrow or reject any agreement, how can it do so—unless my amendment shall be adopted—except by passing a bill which would require a two-thirds vote to be passed over the veto of the President?

So now, Mr. President, the Senator from Michigan places himself upon the other horn of the dilemma. He was one of those who voted against the Pittman amendment because, forsooth, it would require two-thirds of the Senate to ratify a treaty; and he now offers me the consolation that two-thirds of the Senate and the House can repeal a trade agreement over the President's veto.

Mr. BROWN. I shall not take the time of the Senate, or of the Senator——

Mr. O'MAHONEY. Mr. President, I have all the time there is. Let the Senator continue.

Mr. BROWN. I do not wish to discuss my opposition to the Pittman amendment. I very firmly believe that trade agreements are not treaties; but I should be much better disposed toward the Senator's amendment if it were a complete amendment. I think it goes to only one side of this controversy; that is, the matter of congressional approval of the making of a treaty. If we are to adopt that principle I think there should also be congressional approval of the abrogation of a treaty. I think that stability in tariff rates is almost as important as justice in tariff rates.

Mr. O'MAHONEY. Mr. President, again I find myself in agreement with the Senator.

Mr. BROWN. I told the Senator when he was before the Finance Committee that his amendment would certainly receive much more favorable consideration from me if it should provide that no treaty should be abrogated without the consent of the House and Senate by a majority vote.

Mr. O'MAHONEY. Mr. President, I shall rewrite the amendment to do just that thing if by so doing I can induce the Senator from Michigan to vote for the principle which he so eloquently announces.

Mr. BROWN. I thank the Senator for that statement, and I certainly should be very much inclined to go along with the Senator if that principle were contained in his amendment.

Mr. O'MAHONEY. Mr. President, if I can make my voice heard, I now call upon the Legislative Drafting Service—and I ask that my message be conveyed to them by telephone—to come in and help us to add to this amendment a perfecting change which will adopt the principle announced by the Senator from Michigan, because I am ready to accept it.

Mr. BROWN. I thank the Senator.

Mr. O'MAHONEY. The Senator will recall that when I appeared before the Finance Committee and the Senator raised this question, I said that I hoped the Senator would see fit to make that perfection in the committee.

Mr. BROWN. I thank the Senator for his acceptance of my suggestion. I shall not now pledge myself necessarily to be with him, but I am listening very carefully to what the Senator from Wyoming is saying. My mind is not entirely made up on the subject. I think the Secretary of State is very short-sighted when he does not come before an appropriate committee of the Congress and favor a proposal by which his trade treaties could be made at least semipermanent. In my judgment, the situation which faces American industry is a precarious one when we have a tariff policy which can be utterly and entirely changed by the say-so of one man, be he the President of the United States or the Secretary of State.

I think there should be some stability to our tariff policy. If the Republican Party should be successful in the approaching election—of course, that is a remote possibility, but it is a possibility—then I say that every tariff rate we have, or at least all those contained in the agreements with various foreign countries, may be utterly and entirely changed. As

the Senator from Wyoming pointed out a few moments ago, rates may be increased 50 percent. We have not repealed the Smoot-Hawley Act. We have not laid down in the Reciprocal Trade Agreements Act any direction whatsoever as to policy. We have not told the Secretary to lower rates, as I should like to tell him. The result is that we have a tariff policy which is temporary and which has no permanency whatever about it; and by July 1, 1941 17 of the treaties may be entirely wiped off the books and every rate in them changed. I do not want to see such a condition arise.

LEGISLATIVE POWER OF REVIEW

Mr. O'MAHONEY. Mr. President, I am very happy that the Senator from Michigan has made that statement, because it certainly helps to clear the atmosphere and clarify the issue before us. Let no one imagine for a moment that I am standing for this amendment for the purpose of harassing the Secretary of State. I served with that eminent and able gentleman as a member of the subcommittee which drafted the Democratic platform in 1932. I know his high-mindedness. I know his fundamentally sound character. I know his unimpeachable integrity. I know his desire to serve his country. But, as the Senator from Michigan has so well said, the program which is now presented to us is altogether unstable and uncertain, and depends upon the very negation of the democratic principle, because it deprives the elected representatives of the people of the United States of the power of review in a matter which is preeminently legislative in character.

Mr. BROWN. Mr. President, on that very point will the Senator permit me to read the words of the man whom I consider the greatest authority in the country on the tariff? I refer to Professor Taussig, whose excellent work on the tariff I studied many years ago and have since followed. Will the Senator permit me to read a brief paragraph?

Mr. O'MAHONEY. I shall be very happy to have the Senator do so.

Mr. BROWN. Professor Taussig said:

> The country can adjust itself to extreme protection or high protection or moderate protection or even to free trade, and can go on prosperously under any one of them. But constant vacillations are a great evil. They are not an intolerable evil, for the simple reason that the influence of the protective system on our industrial system, whether for good or ill, is not so far reaching as most people think. But an influence it has, and that influence is particularly bad insofar as it is inconstant and uncalculable. Much of the wiser course, if a protective system must be accepted as part of the settled order of things, would be to shape it in such form that it would endure for a considerable stretch of time; to eliminate the extreme and vulnerable features and make a serious and honest endeavor to establish a regime with which the community might remain content.

I think that is about as fine a statement as can be made of the proposition which the Senator and I are now discussing.

Mr. O'MAHONEY. Mr. President, again I am grateful to the Senator for his contribution to the development of my argument.

I was remarking on the self-sufficiency of Germany and the boasts of the German Government that it is independent of the Allied blockade. Certainly the action of the German war machine tends to bear out that contention. What the facts may be I do not know, but, having read the dispatches from London this morning, I know that the British Government has found that to date the blockade has been ineffective, and that somehow or other the Germans have been able to continue the construction and production of war equipment and war materials. So now Great Britain and France are undertaking to establish an even tighter economic blockade. Whatever the facts may be in that respect—and I do not attempt to judge—I do know that whatever degree of self-sufficiency the German Reich possesses has been due to the progress of technology and chemistry, the achievements of science and invention, and the substitution of what are called synthetic commodities for natural products, in the search for which foreign trade through all the centuries was built up.

SELF-SUFFICIENCY IN THE UNITED STATES

Mr. President, if there is one characteristic of the United States of America in its economic life it is that, from the very beginning, it has been devoted to the theory of self-sufficiency, and there has been no distinction between Republicans and Democrats upon this fundamental problem, except occasionally when temporary political expediency seemed to dictate abandonment of the principle. It was Alexander Hamilton who brought in the Report on Manufactures, which still remains a textbook. It was Alexander Hamilton who declared that the economic policy of this Government should be such as to develop American industries in order that the American people might not be dependent upon foreign sources of supply. Hamilton and Jefferson did not agree on many subjects, but, Mr. President, if you read the second annual message of Thomas Jefferson to the Congress of the United States you will see that he, too, saw the virtue and value of protecting and conserving the resources of the Nation and helping to develop them; and if you read the first Democratic platform, the platform that was written for James Madison, the successor of Thomas Jefferson, and one whom we on the Democratic side like to revere as one of the founders of the Democratic Party, you will find that he, too, preached the same doctrine of the development of our own industries.

Mr. President, there is not a single Member of the House of Representatives or of the Senate, I am sure, who, at one time or another, has not cast his vote for the development of American industries. I see before me the distinguished junior Senator from New York [Mr. MEAD]. He has contributed mightily to the development of our thought upon this question since he became a Member of this body; he has been leading the battle for the encouragement of little business in the United States. What is "little business" in the United States if it is not the development of our own resources, the encouragement of the creation of new industries, and the production of new commodities? I could go down the line from committee to committee and call the roll of bill after bill the purpose of which was to develop our own industries.

Mr. President, let me call attention now to one of the great contributions of Woodrow Wilson. Woodrow Wilson, a great Democratic President, made the United States of America chemically free. He believed that we should no longer be dependent upon Germany for the development of our chemical industry, and he seized the opportunity which was presented by the World War to take over the German patents on dyestuffs and other chemicals, by which our entire chemical industry had been chained, as it were, to the chemical industry of Germany. He established the Chemical Foundation, and he called to his aid a great Democrat, a great citizen of the State of New York, the Honorable Francis P. Garvan, who devoted 20 years of his life, without compensation of any kind, contributing out of his own fortune, to the development of the chemical industry in the United States, in order that the people of this country might be chemically free of Europe. The result of that development has been, without question, the complete liberation of America from control by the chemical cartels of Europe. As a result, today America leads the world in chemistry, and probably the greatest progress being made in business today is being made in this field. Why? Because our Government, under the leadership of a Democratic President, endeavored to cut away and succeeded in cutting away the chains which made us dependent upon Germany.

SHALL WE BE ECONOMICALLY INDEPENDENT

Who will say that that was unwise or wrong? Who can deny, in the face of this record of more than 150 years, that the development of our industries is the most important single task the Government of the United States can undertake? Who, then, Mr. President, is willing to say, with all this record behind us, that we should supinely turn this customs-fixing, this duty-fixing, this revenue-making power over to appointive officials, the identity of whom no man upon this floor knows? That, Mr. President, is the reason why I say that the democratic principle is at stake. I do not mean the principles of the Democratic Party; I mean the principle of responsiveness to the people.

There has never been a single great leader in this democracy, from the time it was founded down to this hour, who has

not been devoted to the belief that this is a people's government, not the government of bureaus, not the government of some little group of experts who may be gathered we know not how. I do not speak in disparagement of these gentlemen, because I am convinced that they have made an honest effort, in most instances, to do the right thing by the people of the United States, although there was called to my attention only the other day by a representative of the American Federation of Labor a statement, which I have not had the opportunity as yet to verify but which I am having investigated, that in one agreement a quota upon the importation into this country of shoes manufactured in Europe and coming in competition with shoes made in the United States was fixed so far above the normal export of that nation to the United States that the quota was merely a delusion; it was not a limitation at all upon the importation of shoes; it was an invitation to the foreign country to send in more than it had ever sent before. Is it not possible therefore to understand why the American Federation of Labor at its last convention raised its voice in criticism of this program? The American Federation of Labor is concerned only with the creation of jobs in the United States through the development of American industry.

So I say to you, Mr. President, that the problem of world trade is one of the most difficult and far reaching that can be imagined. There are two sides to it. I am quite willing to say that we should do everything we can to encourage world trade in those commodities which we cannot ourselves develop, but in a world in which we know that the problem is not one of production but one of distribution, in which we know that the solution of our economic ills is to be provided not by bringing in new commodities from Europe but by enabling our own people to purchase the commodities which we ourselves can make, it seems to me that it is an extraordinary thing for the Senate and the House of Representatives to surrender the only protection which the people of America have, namely, the confidence that their elected representatives will on the floor of this body and of the other House and in the committee rooms of the Senate and the House to protect their rights.

You are giving it up; you may go before the Committee on Reciprocity Information and make a plea for cotton; you may make a plea for wheat or for sugar or for manufactured shoes; but under the bill you cannot vote on the question. The people of America sent you here to vote.

THE PERMANENCE OF PARLIAMENTARY GOVERNMENT

Mr. President, how long will parliamentary government in America endure if the elected representatives of the people willingly surrender the right and the duty to vote upon the questions which affect the interests of their constituents?

In my opinion, never was a greater and more fundamental issue presented to the Senate of the United States than the one which is being presented in this debate. We know that parliamentary government throughout the world has tottered. What destroyed it in Germany? What destroyed it in Italy? What made it impossible to grow in Russia? What is it now that undermines it in France and in England? What is it but the reluctance of the elected representatives of the people to exercise the responsibility that was placed upon them, the responsibility they sought when they asked their constituents to elect them to office?

Mr. President, there is now going on a great war. It may be a world war tomorrow, a war in which the economic weapon has become one of the most important, if not the most important. We have seen the Government of Great Britain take advantage of the escape clause in the reciprocal-trade agreement, which was negotiated under the present act. What have we done? Where now is our reciprocity with Great Britain? What advantage have we now, when Great Britain has taken advantage of the escape clause? What is the market for our commodities now? Let the Senator from North Carolina [Mr. REYNOLDS] read the morning's newspaper, with the speech of the British Premier, with the announcement of new and extended trade pacts in Europe for the purposes of war, and tell me that the Senators of the United States and the Members of the House of Representatives should forego their responsibility in this matter and turn it over to an executive bureau. How can we call ourselves Democrats, how can we call ourselves Americans and do this thing?

Bear in mind, Mr. President, that I am not making any attack upon the distinguished gentleman who sits at the head of the State Department. I honor him, as every Member of this body honors him. I know his good faith; but there is a principle at stake, and great democratic doctrines are most easily undermined when we surrender power into the hands of a man whom we can trust, not knowing when he will be succeeded, or by whom, and whether or not his successor will be equally worthy of our trust and confidence.

Mr. President, we legislate not for men; we legislate to establish principles. We on this floor cannot afford to say, "Cordell Hull is a great and good man"—I say it—"and, because he is a great and good man, we must vote for a proposal which he asks"; certainly not, Mr. President, at a time when democracy is under attack all through the world, and when we know that the great challenge in America, the great opportunity in America, is to defend, to preserve, and to maintain the democratic principle.

But how about this world trade of which so much is said? Automobile manufacturers, yes; industrial executives in New York, yes; great manufacturers, yes; they say they want reciprocity. But what are we getting? Are we getting the substance of world trade, or are we getting only an illusion?

GOLD AND SILVER PURCHASES

Here on my desk is the daily statement of the United States Treasury. It is placed here every morning so that we may have no excuse for not knowing its contents. The daily statement of the Treasury of the United States, under "Assets of the United States," shows gold, 526,650,660 ounces, having a valuation of $18,432,773,101.19.

Where did that gold come from? Did it come to us from world trade? Mr. President, to ask the question is to answer it. We bought the gold.

How did we buy it? We bought it by increasing the debt of the United States.

Who is going to pay that debt? The taxpayers of the United States.

Is not that gold balance the explanation of practically all of our world trade?

When the foreign silver-purchasing program is under attack, the defenders of this program will rise upon this floor and say, "We cannot stop the purchases of foreign silver with money that we borrow from the people of America, because to do it would ruin our foreign trade." What do we mean about foreign trade and reciprocity?

And then we have the Export-Import Bank. How many hundreds of millions have we given to the Export-Import Bank, and for what purpose? To build up foreign trade; to loan to foreign governments and to foreign exporters and to foreign producers the tax money of the people of the United States, in order that those foreign countries may purchase our commodities. Is that foreign trade desirable? It may be, Mr. President. I am not passing any judgment upon that, even now. I am merely pointing out to you, Senators, that this is a complex, a difficult problem, and certainly that it is one which we should not willingly and lightly turn over to an executive arm of the Government, without retaining for ourselves the power of review.

What is going to happen when the war is over? Who will rise on this floor and tell me that? When will the war end—during this 3-year period of extension? Next week? Next month? When will it end? And when it does end, what will be the capacity of Europe to buy the commodities of the United States? Of what value to us then will be this 10-percent of world trade? Is it not our concern rather to devote our attention to building up the market right here at home? We know we have it. We know that there are millions of

persons in the United States whose incomes are less than $500 a year. The figures were presented to the Appropriations Committee within the past 2 weeks. More than 4,000,000 families in America are dependent upon an annual income of $500 or less. Eight million additional families are dependent upon an income of less than $1,200, I think the figure was. Twelve million families in this country are unable to purchase the commodities of which we have such an abundance.

There, Mr. President, is the market for the industries of America. There is where our attention should be. But, regardless of that fact, certainly it presents a challenge to our minds when we consider whether or not we should deprive the Congress of the United States which, in part, is to be elected next November, of its constitutional power, without impediments of any kind, to review this question of world trade in the light of the conditions which exist at the time its Members come into office.

Mr. President, Senators may surrender this power for themselves if they are willing to, they may say that they will not take the time or devote the industry to study the needs of their people, they may say that they are willing to commit this responsibility to appointed officials. But let us not say it for the men who may succeed us. Let us not say it for those who in November 1940 will be selected to come to these seats, and to the body at the other end of the Capitol, to pass upon the economic issues which confront America. O, Mr. President, how can we do this thing?

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SHIPSTEAD. Does the Senator understand that the agreements reached under these treaties are to stand without change for 3 years?

Mr. O'MAHONEY. An agreement made under the law as it now stands, and as it is proposed to be extended, will be beyond the corrective power of Congress, unless Congress can muster a two-thirds vote to override a possible veto by the President.

Mr. SHIPSTEAD. The Senator is undoubtedly aware of the fact that the first casualty in a world at war is the truth, and the second casualty is currencies; that is, the value of money. It is already beginning to tumble. And as currencies are destroyed, tariffs and economic and political agreements are entirely upset. I should like to have the distinguished Senator elucidate as to the possibilities of the chaos which may ensue from a tariff agreement, to extend for a fixed period of time, during which other economic forces may be turned loose like a cyclone in summer.

Mr. O'MAHONEY. Mr. President, we behold the world entering upon a condition of chaos. We almost see the very foundations of civilization in Europe shake, and the Congress is asked to bind its eyes and look not upon the facts.

Mr. SHIPSTEAD. If I may interject another statement, does it not look as though we are acting as if we expect no change to occur in world affairs in the next 3 years?

Mr. O'MAHONEY. Mr. President, we are not only acting as though we expected no change to occur, but we are acting as though the conditions which exist are the same as the conditions which existed 30 years ago.

Mr. SHIPSTEAD. Or 3 years ago.

Mr. O'MAHONEY. I never saw a more unrealistic approach to any fundamental problem than the approach to the one with which we are now dealing. Because we all admire and respect a great leader, because we know that the President of the United States, the present occupant of the White House, has stemmed the tide of disaster for 7 years, that he has been a leader in the march of progress, we are proposing to surrender our own responsibility.

THE CRASH OF CURRENCIES

Mr. President, it seems to me clear that we cannot do that and still think that we are defending democracy. The Senator from Minnesota referred to the crash of currencies. Let me read to him an article which appeared in the Scripps-Howard papers yesterday. I shall read from the Washington Daily News of April 2 an article written by a very eminent and sound economist, a man who looks at things realistically, John T. Flynn, a man who is a liberal, who is a progressive, who wants to see trade developed, who wants not only that, but who wants to see the purchasing power of the masses of the people of America increased so that business and prosperity may be more general. Let me read what Mr. Flynn said:

> Here is a side light on the Hull trade pacts which Congress has been struggling with:
>
> The object of these pacts is to break down the barriers to trade between this country and others because of tariffs. That is a good thing. But you would suppose that those who are so vocal about this would take a really serious look at the whole picture.
>
> At present one of the things that operates as a powerful barrier against international trade is the Government's gold-buying policy. Here is the way it works:
>
> The cheaper our dollar is the easier it is in theory for other countries to buy here. If I have an English pound in London and can buy four American dollars with that pound, I can use the dollars to buy $4 worth of anything in the United States. But if dollars get cheaper, and I can buy $5 with my English pound, then I can buy $5 worth here. It has the effect of making things cheaper here to the Englishman.
>
> But it has also the very opposite effect on our buying abroad. If it takes five of my dollars to buy a pound then I cannot buy as much in England with those $5 as I could if I could buy a pound with $4.

That is A B C, is it not? That is 2 plus 2 equals 4.

> While in theory it seems to stimulate foreign buying here, it cuts off our buying abroad. And there must be buying both ways in order to have international trade.
>
> But it also has the effect of draining away from foreign countries all of their gold.

There are $18,000,000,000 plus now in the Treasury of the United States, eighteen billions of gold. And how much silver? That also appears upon the daily statement of the Treasury.

Silver in ounces and silver in dollars, $1,827,989,505.40.

Can people eat gold? Can they eat silver? What are we doing with the gold and the silver which we buy in order to promote foreign trade while we have a reciprocal-trade program? We bring in the gold and bury it at Fort Knox. That may be right; I do not attempt to decide. But I point out again that we are dealing with fundamental issues, and that we are lightly saying to the Department of State, "Here, you take our responsibility, you take our duty. You do it." And we are what Thomas J. Walsh said we might become—too "indolent" to discharge our functions.

Let me proceed with the article of John T. Flynn:

> There must be buying both ways in order to have international trade.
>
> But it also has the effect of draining away from foreign countries all of their gold. The only way foreign countries can trade with us is by paying for what they buy with gold or with goods. But the more we drain away their gold the more impossible it becomes for them to use gold to buy. Their reserves become so depleted that they simply dare not let any more go save for the most imperative reasons. They are reduced, therefore, to the absolute necessity of buying only those things they can pay for with goods of their own.
>
> It is this, more than anything else, which has driven so many countries to barter. They cannot buy goods from us and pay us with their goods unless we buy from them. And the gold-purchase plan, with its high price for gold, makes it more difficult and expensive for us to buy from them, so we buy less.
>
> And thus this strange policy has the effect, at once and for different reasons, of cutting down our purchasing power abroad and cutting down the purchasing power of foreign countries here.

All this I cite for the purpose of emphasizing the fact that at the most critical period in world trade, in international relations, we are being called on to surrender the power which the people gave to us.

Mr. President, it may be that the Hull program is the way to world peace; it may be that the Hull program is the way to develop international trade and to restore prosperity, but no one has proved it yet, and the contention I make is that when the Department of State enters into a foreign agreement it should bring that agreement to the representatives of the people and say to them, "Here, gentlemen of the House and gentlemen of the Senate, is an agreement we have made dealing with the most intimate concerns of the economic welfare of you people. We recommend it to you." Then the Senator from Illinois, or the Senator from Michigan, or the

Senator from Missouri, or the Senator from Georgia, or the Senator from Minnesota, or the Senator from any State in the Union can rise in his constitutional dignity as a legislative representative of the people of the United States and can ask the question, "How does it affect this, how does it affect that, how does it accomplish its purpose?"

Mr. SHIPSTEAD. Mr. President, will the Senator again yield?

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Wyoming yield to the Senator from Minnesota?

Mr. O'MAHONEY. I yield.

Mr. SHIPSTEAD. I should like to have the Senator's opinion on this matter. It seems to me we are putting our international trade in a strait jacket and locking the strait jacket for a period of several years. At the same time, it seems to me we have a right to anticipate terrific changes in international trade, which will find us in a strait jacket. We must be able to meet emergencies as they arise, but we will be helpless, because we will be bound to defend ourselves by measures which would counteract forces that will affect us, and over which we will have no control. We will not even have control of our own destiny, our own affairs, to meet the economic attacks which will be made upon us. Does the Senator think there is some reason to hold that point of view?

Mr. O'MAHONEY. I quite agree with what the Senator has said, and I am glad he interrupted me to make the observation, because it clearly illustrates the great danger which we invite not only for ourselves and our country but for the whole world when we deprive ourselves of the right to pass upon trade agreements before they go into effect.

Mr. SHIPSTEAD. Mr. President, it seems to me I can picture us possibly finding ourselves in such a position that we may have to go to governments with whom we have made trade agreements and beg for mercy to be relieved of the agreements we have made in order to save our own commerce.

Mr. O'MAHONEY. Mr. President, we not only made an agreement with Great Britain, as I already pointed out, which Great Britain has already avoided—necessarily so, I grant—but we made an agreement with Czechoslovakia, and Czechoslovakia is now a nonexistent country.

Where now is the reciprocal-trade agreement with Czechoslovakia? Europe is upon the verge of a cataclysm, and no man is wise enough to foresee what the result will be to these countries with which we are dealing. How, then, can we safely, in the interest of our own people, deprive ourselves of our constitutional responsibility?

Mr. President, it is altogether impossible for me to see how any Senator can bring himself to that point of view. Perhaps I should not have said that, but I am merely expressing my own opinion. I grant that other Senators, of course, are motivated by the highest ideals, but it seems to me clear that in a world full of alarms, full of uncertainty, full of disaster, the last thing we should do is to give up our constitutional duty to say what the customs rates shall be.

Mr. President, there is another aspect of this matter which I think has been altogether overlooked.

Mr. LUCAS. Mr. President, will the Senator yield before he goes on to the next question?

Mr. O'MAHONEY. I am very glad to yield.

Mr. LUCAS. Am I correct in my understanding that there have been over a thousand international pacts or trade agreements made between the United States and other countries?

Mr. O'MAHONEY. No; about 22 pacts. A thousand commodities were affected by the 22 pacts.

Mr. LUCAS. It has been said on the floor, whether rightly or wrongly, that the thousand trade pacts——

Mr. O'MAHONEY. No; 22 pacts, affecting a thousand items.

Mr. LUCAS. Pacts affecting a thousand items. How many trade pacts which are similar to the ones we are now discussing have been made and entered into between the United States and other nations without the adoption of a concurrent resolution by Congress?

Mr. O'MAHONEY. All 22 trade agreements have been so entered into.

Mr. LUCAS. How do the trade agreements we are now considering differ from the 22 trade agreements which were entered into without the adoption of concurrent resolutions?

Mr. O'MAHONEY. Mr. President, they do not differ in any degree whatsoever.

Mr. LUCAS. The Senator is now making the argument that, regardless of what has transpired in the past with respect to the 22 agreements, he feels now that Congress should act by concurrent resolution upon future agreements before they become effective?

Mr. O'MAHONEY. Mr. President, in 1934, when the original Trade Agreements Act was proposed, I offered an amendment upon the floor of the Senate to require that before such agreements should be made effective they should be submitted to Congress. In 1937, when the act was extended, I offered the same amendment. And when it was defeated, as it was defeated before in 1934, I voted against the extension, because of the conviction which I am here expressing, that it is an extremely dangerous thing for us to surrender this legislative power, and I have cited two instances already of pacts which have been made, namely, that with Great Britain, and that with Czechoslovakia, which are now under totally different circumstances and conditions.

My whole point is that this is a legislative power, that the elective, legislative body should at least do itself the justice of passing upon the question.

Mr. LUCAS. Mr. President, will the Senator yield further for one other question?

Mr. O'MAHONEY. Certainly.

Mr. LUCAS. Can the Senator advise me as to what length of time has been consumed in making the 22 pacts which are in nowise different from the pacts which we are now considering?

Mr. O'MAHONEY. The time varied. I am now asking the clerk of the Committee on Finance to ascertain if there is not something in the hearings which answers that question directly. I am advised that there is no definite information on that point.

Mr. LUCAS. May I ask one further question? When was the first pact of this kind made between the United States and a foreign country?

Mr. O'MAHONEY. The list of pacts appears in the hearing. Immediately after the act was approved, in June 1934, the State Department began to negotiate trade agreements. The first one on the list is that with Belgium, which became effective on May 1, 1935. The next is with Brazil, which became effective January 1, 1936. The next is with Canada, effective January 1, 1936. The next is a supplemental agreement with Canada, effective January 1, 1936. Another supplemental agreement with Canada, effective January 1, 1940. One with Colombia, effective May 20, 1936.

I may say, with reference to the Canadian agreements, that I pointed out the other day that those three changes were made without new hearings, all upon the basis of the original hearing, thus indicating that they were made to carry out a predetermined policy.

Mr. LUCAS. Mr. President, will the Senator again yield?

Mr. O'MAHONEY. Shall I read the remainder of the pacts on the list?

Mr. LUCAS. I do not care to have the other pacts on the list read.

Mr. O'MAHONEY. Mr. President, since the Senator asked the question, I ask that the list may be printed in the RECORD at this point in my remarks. It appears at page 491 of the hearings on the Extension of Reciprocal Trade Agreements Act before the Committee on Ways and Means of the House of Representatives, the hearings being had in January of this year.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

Trade agreements concluded under the Trade Agreements Act of 1934 in effect Jan. 1, 1940

Country	Effective date	Treasury decisions
Belgium	May 1, 1935	47600
Brazil	Jan. 1, 1936	48034
Canada [1]	do	48033
Canada	Jan. 1, 1939	49752
Supplemental Canadian agreement	Jan. 1, 1940	50056
Colombia	May 20, 1936	48258
Costa Rica	Aug. 2, 1937	49072
Cuba	Sept. 3, 1934	47232
Supplemental Cuban agreement	Dec. 23, 1939	50050
Czechoslovakia [2]	Apr. 16, 1938	49458
El Salvador	May 31, 1937	48947
Ecuador	Oct. 23, 1938	49710
Finland	Nov. 2, 1936	48554
France and its colonies, dependencies, and protectorates other than Morocco	June 15, 1936	48316
Guatemala	do	48317
Haiti	June 3, 1935	47667
Honduras	Mar. 2, 1936	48131
Netherlands, including Netherland India, Netherland Guiana, and Netherland West Indian Islands	Feb. 1, 1936	48075
Nicaragua [3]	Oct. 1, 1936	48511
Sweden	Aug. 5, 1935	47785
Switzerland	Feb. 15, 1936	48093
Turkey	May 5, 1939	49838
United Kingdom	Jan. 1, 1939	49753
Venezuela	Dec. 16, 1939	50015

[1] Superseded.
[2] Duty concessions terminated on Apr. 22, 1939.
[3] Duty concessions terminated on Mar. 10, 1938.

Mr. LUCAS. Mr. President, if I understand the Senator correctly, the 22 pacts he is now discussing, concerning which I requested information a moment ago, are pacts which have been completed since the trade-agreements program went into effect back in 1934.

Mr. O'MAHONEY. Mr. President, will the Senator repeat his question?

Mr. LUCAS. The 22 pacts or agreements, a list of which the Senator has just placed in the RECORD, are agreements that have been made and entered into under the authority of the Trade Agreements Act of 1934?

Mr. O'MAHONEY. Yes.

Mr. LUCAS. What the Senator from Illinois is primarily interested in is previous pacts entered into between the United States and other countries prior to the time we had any reciprocal trade agreements program.

Mr. O'MAHONEY. Before we had a program at all?

Mr. LUCAS. Yes. Before we had a trade-agreements program did we ever enter into any pacts similar to those we are discussing which were not ratified by the method which the Senator seeks?

Mr. O'MAHONEY. No, Mr. President, we never did.

Mr. LUCAS. That is the point upon which I was not clear, because I was under the impression that over a long period of time—practically from the beginning of the country—the proper governmental agency has entered into international pacts from time to time, which have never come back to Congress for joint action by the two Houses of Congress by way of adopting a concurrent resolution.

Mr. O'MAHONEY. Mr. President, I am aware that that impression is abroad.

Mr. LUCAS. It is important.

Mr. O'MAHONEY. It is utterly without foundation. Because the Senator asked the question, I must go back a little to the argument which was presented the other day. The impression arises from the fact that in supporting this program the Department of State has argued that trade agreements are not treaties, and has pointed out that in the past—indeed, from the very beginning of our Government—the Executive has entered into executive agreements, which are not treaties. But those executive agreements to which the State Department alluded were not reciprocal-trade agreements. They were purely executive agreements. The whole burden of the argument of those of us who were supporting the Pittman amendment was that a reciprocal-trade agreement, which calls for bargaining, which calls for mutual obligations, which covers a period of years, and which affects the public welfare, is more than an executive agreement. An executive agreement is the type of executive administrative action which the Executive must necessarily take, and which it is not necessary to submit for ratification, because it is not a treaty.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Let me complete my answer to the question of the Senator from Illinois.

Mr. BROWN. On this point——

Mr. O'MAHONEY. The Senator can ask his question after the Senator from Illinois has pursued his point.

Mr. LUCAS. Assuming that certain Senators take a different position from that of the Senator from Wyoming with respect to the very point he is discussing, and assuming that certain Senators are——

Mr. O'MAHONEY. Mr. President, no Senator has expressed a different opinion on that point.

Mr. LUCAS. It has been my understanding that a number of Senators believe that these trade agreements are international pacts in the true sense of the word, and not treaties, which are now being discussed by the Senator from Wyoming; and that, as international pacts, they are no different from those the State Department has entered into many times in the past.

Mr. O'MAHONEY. Oh, no. I think the issue was cleared up very admirably by the Senator from Georgia [Mr. GEORGE] during his discussion of this question. I asked the Senator from Georgia whether or not he believed that an international pact which is not a treaty can modify a treaty. He said no, but that a law can. His contention was—and it is a perfectly appropriate contention—that because of the delegation of power which we are granting we are enabling the Secretary of State and the President to make a law; and a law, of course, can abrogate a treaty. So, according to the argument of those who support them, the trade agreements are not treaties. They are laws, because they are based upon the execution—within allegedly proper standards—of legislative authority delegated by the Congress to the Executive.

Mr. LUCAS. In reply to the able Senator, I followed the argument of the Senator from Georgia very closely, and I did not reach the some conclusion with respect to the necessity for the House of Representatives and the Senate, by majority vote——

Mr. O'MAHONEY. No; please do not misunderstand me. The Senator from Georgia did not take that position.

Mr. LUCAS. I did not think he did. I misunderstood the Senator.

Mr. O'MAHONEY. No. He took the position that there was an adequate and satisfactory delegation of power. In my argument today I am waiving that argument altogether. I do not want to pursue the constitutional argument. I am calling to the attention of the Senate the imperious necessity of our not delegating the power, and of reviewing the acts of our agents.

Mr. LUCAS. I thank the Senator.

Mr. O'MAHONEY. I now yield to the Senator from Michigan.

Mr. BROWN. Mr. President, I misapprehended the question of the Senator from Illinois. I thought he had asked whether or not we have heretofore entered into a reciprocal arrangement with any other country; but as I think it over, I presume he was referring to reciprocal agreements which were not treaties. Of course, in 1854 we entered into a reciprocal-trade agreement with Canada by which considerable trade was effected. However, that arrangement was a treaty and not an agreement.

Mr. O'MAHONEY. It was a treaty.

Mr. BROWN. Which required ratification by the Senate.

Mr. O'MAHONEY. That is correct.

ECONOMIC AND POLITICAL CENTRALISM

Mr. President, I now desire to pursue only briefly what seems to me to be perhaps the most important phase of the whole argument. How does it come that democratic bodies, popular bodies, representative parliamentary institutions,

such as our Congress, have been surrendering their power? Obviously the world is suffering from the economic disease—if it may be so called—of centralism. We are turning back the clock of history. Members of the Senate stand in this body because the men whose busts ornament this Chamber believed—as their predecessors for a thousand years believed—that the safest and best government is a government of the people, and that power should be taken away from central authority and distributed as widely as possible among the masses.

The whole history of our institutions, from the drafting of the Magna Carta down to the Declaration of Independence and the writing of the Constitution of the United States, has been the history of free people taking power away from central authority and giving it to the masses. So we established what some of our predecessors have proudly called "an indestructible Union of indestructible States." But the same conditions which have destroyed parliamentary government in Europe and brought about the establishment of strong central government have been operating in the United States for 50 years. Year after year, out of the imperious necessity of the occasion, we have been creating new and greater and more powerful bureaus in Washington to carry on the affairs of this free Government. It makes no difference what party has been in power. We find the same story of the creation of new Government agencies to control our business development and our industry.

We began in 1887 with the creation of the Interstate Commerce Commission. Because the railroads had grown so great that they were no longer susceptible to regulation in the public interest by the States, the people turned to Washington and set up the Interstate Commerce Commission, and delegated certain powers to that Commission. A Democratic House of Representatives passed the first of such bills. A Republican Congress passed an amendatory act. Democrats and Republicans alike created these new institutions.

I could take the time of the Senate to go through the list of 15 or 20 different acts which have been passed from time to time, and point out the trend toward centralism and the breaking down of State authority and local self-government. During the administration of Warren G. Harding the Packers and Stockyards Act was passed. Every progressive and liberal leader in the country was for it. It had to be passed. It was a proper thing to be passed. There was no doubt about it. But it was another step in the steady growth of centralism.

All this centralism of government has been the direct result of the progressive centralism of our economic existence. As the means of transportation and communication improved, as men became able to transmit the spoken or written word from one end of the country to the other by means of the telephone, the telegraph, or the radio, and to pass from one end of the country to the other by steam train, by automobile over good roads, and by airplane, there was a steady centralization of the economic life of the country which has proceeded at a pace that few of us have taken the time to comprehend.

I have brought here, so that Senators may see it, a chart which presents in graphic form some of the evidence that was brought out before the Temporary National Economic Committee. Early in the present administration Congress passed a law which compelled the divorcement of banks and security companies. It was a wise and salutary law, because one of the factors which had contributed to the crash of 1929 was that in some instances the officers of banks were more interested in selling the securities of their affiliates for a profit than they were in handling their depositors' money. It is not necessary for me to go into that story, but bear in mind that, as a result of that law passed during this administration, the firm of J. P. Morgan & Co. found itself obliged to choose between the banking business and the security business. J. P. Morgan & Co. decided to remain in the banking business, and the firm of Morgan, Stanley & Co. was created to handle the security business.

The undisputed testimony which was brought out at that hearing is represented upon this chart. I had the chart made because it is so illuminating. Beginning with September 16, 1935, down to shortly before the hearings were held the security firm of Morgan, Stanley & Co. sold 73 original issues, every single one of which was sold under this administration. The 73 issues represented the securities of about 43 of the largest industrial companies in the United States. The firm of Morgan, Stanley & Co. made a gross profit of something over $2,000,000 in the transactions. I did not ask for the net profit, because I was not interested in that, nor were the other members of the committee. To me the significant point brought out at the hearing was the centralism of our economic life. So, in order to make it clear, I had this chart prepared, with lines drawn from the central office of each one of these 43 companies through the States which are affected by the business carried on by those companies. From New York city a mass of black lines extend all through the United States.

Most of these corporations are of great assistance to our national economy. All of them, doubtless, are well managed. They all contribute to our economic welfare. There is no criticism of the existence of these corporations, and I utter no criticism of Morgan, Stanley & Co. I am merely pointing out the fact that during this administration they sold some 73 security issues of 43 national companies; and this chart represents the centralism of our economic life.

Mr. President, let me show the effect upon the States. The chart I now have before me is made on smooth, soft paper, so that it will be difficult to exhibit it, but I had it prepared for the purpose of illustrating to Members of the Senate the comparative financial strength of 30 of the great corporations of the United States and of the sovereign States of the Federal Union.

There are 30 great American corporations each with assets of more than a billion dollars. There are 22 States, sovereign States, in the Union the entire assessed value of whose real estate is less than a billion dollars each.

There are 16 States in the Federal Union the total assessed value of all the property of which, both real and personal, is less than a billion dollars each.

This chart shows that the largest of these 30 great corporations are the Metropolitan Life Insurance Co. and the American Telephone & Telegraph Co., both of them great institutions, both of them most helpful institutions, but each one of them having assets of more than $4,000,000,000. Only the States of Wisconsin, Indiana, Illinois, New Jersey, Michigan, Massachusetts, California, Ohio, Pennsylvania, and New York are financially stronger than those two institutions.

Do you wonder, Mr. President, why political centralism has developed? Our economic life is necessarily centralized because of the development and improvement of technology, and, as it has developed, the people have turned more and more to Washington for governance, for aid, for relief, for all manner of contributions. Why? Because the States are no longer sufficiently wealthy and powerful to cope with the economic problem.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I get the impression from viewing the first chart of the Senator and from his remarks that, as a result of the centralization, these tubes stretching out across even to the outer States of the Union are a kind of economic milking machine; the States are being milked of the product of their toil and their wealth, and it is being centralized in the East. So people come to Washington and use the powers of the Federal Government to get some of it back to feed the hungry and the unemployed.

Mr. O'MAHONEY. Mr. President, I would not want today to make any invidious aspersion on the management of these corporations.

Mr. SHIPSTEAD. I, myself, did not intend to make any aspersion.

Mr. O'MAHONEY. I understand that, but I want to make it clear, because I wish to say to the Members of the Senate

that, as a result of almost 2 years of study of this economic problem, what has impressed me more than anything else, is the desire of the great majority of the people of America, whether they are in business or in the Government, to maintain the democratic principle.

Mr. President, my thought in bringing these charts before the Senate has been merely to illustrate what I believe to be the connection between the growing power of the Government and the decline of democracy and the economic situation. Not from choice do the people of the States give up local self-government and turn to Washington. It is because there is no other power speaking for the people save the Government at Washington which is capable of protecting them.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SHIPSTEAD. Does the Senator think there is a relationship between this centralization of power in our political life and the centralization of economic power?

Mr. O'MAHONEY. Absolutely. The two things are indissolubly bound together. It was when the economic centralization began to develop that the creation of the Interstate Commerce Commission was needed first, and then the passage of the Sherman antitrust law. When trusts came into existence to extend commercial and economic power beyond State lines, it became necessary for the Federal Government to intervene; and the diffifficulty has been—though I am not discussing that subject this afternoon—that in the creation of new Federal authority we have perhaps gone further than we needed to go because we did not follow another and more clearly defined road.

The late Senator John Sharp Williams, a distinguished Member of this body, in 1911 introduced a bill which, if enacted, in my opinion would have made unnecessary a great deal of the expansion of the bureau power, and probably would have prevented the crash of 1929, when he asked for the exercise of the congressional power over the regulation of commerce to establish a licensing system for national corporations. That, however, is a question which it would take another day to discuss, and I do not want to enter upon it now, except to say that when William Howard Taft was President he sent to this body a national charter bill which was drafted by his Attorney General, George W. Wickersham; but the Congresses in those days were unwilling to adopt that solution, because they felt that it would create too much Federal power. They chose, instead, the system of building up new and greater and better and bigger bureaus than ever. Had they chosen the other path, I think that local authority would have been more successfully defended.

Mr. SHIPSTEAD. Mr. President, may I ask the Senator another question?

Mr. O'MAHONEY. I yield.

Mr. Shipstead. If I correctly understand the Senator, he thinks this constant centralization of political power comes directly or indirectly as a result of the prior concentration of economic power?

Mr. O'MAHONEY. Directly.

Mr. SHIPSTEAD. And that economic power is centered in corporations.

Mr. O'MAHONEY. That is correct.

Mr. SHIPSTEAD. Corporations are creatures of States.

Mr. O'MAHONEY. The Senator is quite right.

Mr. SHIPSTEAD. And as creatures of governments they are now becoming so powerful that they threaten the very life of their creators.

Mr. O'MAHONEY. The Senator is quite right.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Vermont.

Mr. AUSTIN. I have been greatly interested in this symposium and agreement between the Senators who apparently have been glorifying the trend of the present administration toward centralization of power.

Mr. O'MAHONEY. O Mr. President——

Mr. AUSTIN. Just a moment.

Mr. O'MAHONEY. I do not want the Senator to put words in my mouth. I am not glorifying the trend toward centralization. I am deprecating it.

Mr. AUSTIN. Mr. President, if that is the conclusion that should be drawn from the discussion to which I have recently listened, I ask the Senator from Wyoming whether he has discovered in the course of his chairmanship of the T. N. E. C. that four-fifths of all the money appropriated for the use of that committee is being used to promote centralization of authority in Washington and to remove from the several States their traditional control over production and manufacturing and mining and intrastate commerce?

I should like to have that question answered.

Mr. O'MAHONEY. Mr. President, I am very glad to answer it. The answer is in the negative. The Senator is quite wrong. No part of the money that has been appropriated for the T. N. E. C. has been used for any such purpose. I am aware that there are those who seek to disseminate that point of view, but I wish to assure the Senator that the committee's study has continued to be what I said at the outset it would be—namely, an objective study of our economic affairs—and no recommendations have been made save those that were contained in the preliminary report of the committee; and certainly nobody can properly say that there has been any expenditure for the purpose of concentrating in Washington power and authority which should have been distributed among the States.

I hope the Senator will not lead me away from the point under discussion, which is simply that economic centralism, which is clear to be seen by anybody who takes the time to look at the condition, has been the cause of political centralism; and I am now proposing to Senators and to Members of the House that, heeding this development of centralism, they shall not now surrender to an executive bureau another element of Congressional legislative authority and power.

Mr. AUSTIN. Mr. President, will the Senator yield for another question?

Mr. O'MAHONEY. I yield.

Mr. AUSTIN. I ask the Senator whether he does not now appreciate that it would have been wiser from all points of view to distribute the control of the half-million dollars appropriated to the committee for its studies, in such a way that the legislative part of the committee could have had at least equally as good a chance to prepare for examination of the witnesses who came before the committee, as did those who represented the executive branch of the committee.

Mr. O'MAHONEY. Mr. President, I very much fear that the Senator from Vermont is now exercising his prerogative as a partisan Republican, and making a campaign talk.

Mr. AUSTIN. Mr. President——

Mr. O'MAHONEY. I may say to the Senator in all sincerity, that his remark is not warranted. No legislative member of the committee has at any time lacked the complete cooperation of all the other members of the committee and of the bureaus. I can assure the Senator of that fact.

Mr. AUSTIN. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. Certainly.

Mr. AUSTIN. In view of the comment regarding the motive behind my question, I call attention——

Mr. O'MAHONEY. Mr. President, I withdraw the comment.

Mr. AUSTIN. Very well. It has been said. Mr. President, allow me to say that the RECORD speaks as eloquently as anything ever can speak of the sincerity of my position, because it will show to all who desire to read it that when the appropriation was made I understood that there would be such an allocation of the fund that the part of the committee representing the legislative branch of the Government would have at least an equal opportunity with the part of the committee representing the executive branch; and when the matter came out of the committee and on the floor, and I here discovered that something had happened to change that plan, I then announced that I withdrew my support from that which I would have gladly supported before, in view of the change made after the provision left the Committee on the Judiciary. That was my position

then, and now I feel that events have proved that my views regarding the matter were somewhat justified.

Mr. O'MAHONEY. Mr. President, I ought to say, of course, that there is no Member of this body for whose sincerity of purpose and ability I have greater respect than for the sincerity and ability of the Senator from Vermont. That, however, is a question which can await another day. The point I am emphasizing here is a very simple one, namely, that the progress of economic centralism has brought with it the development of political centralism; and in a country which was devoted to the theory that the greatest possible measure of local self-government should be maintained, we have seen power and authority diverted from the States and concentrated here in Washington, just as we have seen government power concentrated in the great capitals of Europe. The cities of America and the States of America turn to Washington for aid in this, and for aid in that. We come here seeking appropriations to build projects out through the States. We come here seeking appropriations to make work for the unemployed, and necessarily so. We must do it, because of the conditions which have developed; but what I am calling to the attention of the Senate is that the elected representatives of the people in Washington are to be found only here in the Senate Chamber, over in the House of Representatives, and in the President and Vice President of the United States.

THE POWER OF APPOINTIVE OFFICERS

All the other Government employees in Washington, all of the Government agents to whom we have delegated legislative power, with protection of one kind or another, according to this standard, or according to that standard, all of this power which we have necessarily delegated, has been vested in appointive officers. So we have seen the development of a thousand years of decentralization of government turned back upon itself, and now, instead of decentralized government we are seeing the whole world develop a greater and greater degree of centralized government. That is the primary reason why I stand here today asking the Senate of the United States to give its support to the amendment I have offered, the sole purpose of which is to retain in the Senate and the House, in the elected representatives of the people, some degree of their own constitutional power, so that the trade agreements, which are to deal with our underlying economic life, shall be approved and made effective, not by the act of appointive officials reporting to the President but by the approval of the elected Members of the House and Members of the Senate.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WALSH. I regret that I have been absent during most of the Senator's able speech, and therefore I may be making an inquiry in a field he has already covered. I presume he is discussing his amendment which would require concurrent action by the Congress in approval of any agreements made by the Executive. Am I correct?

Mr. O'MAHONEY. I am discussing the amendment which would require congressional approval.

Mr. WALSH. I should like to ask the Senator what person will be the Chief Executive after January 1 to make these agreements? Does anyone know?

Mr. O'MAHONEY. No person in this Chamber, no person in this country can tell. That question cannot be answered by any human being.

Mr. WALSH. We know what President Roosevelt has done and how he has handled this problem; we know how Secretary Hull has handled it. Who will deal with this difficult problem after January 1 no living being knows, and a vote on the joint resolution without the amendment for concurrent action by the Congress is a vote for the unknown and the uncertain and for administration of a grave responsibility by those of whose political views on tariff legislation we have no knowledge.

Mr. O'MAHONEY. I am grateful to the Senate for the attention it has given me. Let me now ask whether there has been transmitted to the clerk the modification of the amendment which I desire to propose.

The PRESIDING OFFICER. The clerk advises the Chair that he has no modification of the amendment on his desk.

Mr. O'MAHONEY. Mr. President, during the course of the discussion the Senator from Michigan [Mr. BROWN] interrupted me to say that the amendment would be strengthened if it were modified to include a provision that no agreement should be abrogated without the approval of the Senate and the House. I called for the legislative counsel in order that there might be drafted a modification of my amendment which would be satisfactory to the Senator from Michigan. Apparently it has not been handed to the clerk. I shall offer it a little later.

Mr. KING. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KING. Would the proposed amendment embodied in the suggestion of the Senator from Michigan apply in future only, or would it apply to treaties or agreements which are now in existence?

Mr. O'MAHONEY. It would apply to any future abrogation.

Mr. KING. Not to agreements which have heretofore been entered into?

Mr. O'MAHONEY. I have not seen the modification of the amendment yet.

Mr. CLARK of Missouri. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Johnson, Colo.	Radcliffe
Ashurst	Downey	King	Reed
Austin	Ellender	La Follette	Reynolds
Bailey	Frazier	Lee	Schwartz
Bankhead	George	Lodge	Schwellenbach
Barkley	Gerry	Lucas	Sheppard
Bilbo	Gibson	Lundeen	Shipstead
Bone	Gillette	McCarran	Smathers
Bridges	Glass	McKellar	Smith
Brown	Green	McNary	Stewart
Bulow	Guffey	Maloney	Thomas, Idaho
Byrd	Gurney	Mead	Thomas, Okla.
Byrnes	Hale	Miller	Thomas, Utah
Capper	Harrison	Minton	Tobey
Caraway	Hatch	Murray	Tydings
Chandler	Hayden	Neely	Vandenberg
Chavez	Herring	Norris	Van Nuys
Clark, Idaho	Hill	Nye	Wagner
Clark, Mo.	Holman	O'Mahoney	Walsh
Connally	Holt	Overton	White
Danaher	Hughes	Pepper	Wiley
Davis	Johnson, Calif.	Pittman	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. AUSTIN. Mr. President, I intend to vote for the amendment proposed by the Senator from Wyoming [Mr. O'MAHONEY] primarily because if we are obliged to assume that these undertakings are agreements between nations, and are not treaties, still I should want to have that part of the transaction which constitutes legislating performed by the Congress in the usual way. So I treat this amendment as meaning that no duties or import restrictions specified in a proclamation issued by the President to carry out any foreign trade agreement hereafter entered into under the authority delegated to the President by section 350 as amended, and no amendatory or supplementary agreement hereafter entered into under such section shall take effect or may be modified in future until the Congress has specifically approved the duties and other import restrictions so specified to carry out such agreement.

I believe it will be necessary to treat this amendment as if it means that if I am to remain consistent with my theory that for the negotiation of agreements we must leave the executive department untrammeled and ungoverned by the Congress of the United States and that we must confine our activities to purely legislative conduct.

I make this explanation so that I may not be confronted at some time in the future with the charge that by voting for

the pending amendment I confused my own thought as to what these undertakings are, as to whether they are treaties or agreements.

Mr. KING. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. KING. I did not have the privilege of hearing all the statement made by the distinguished Senator, and perhaps I may be covering ground which he has covered, but I ask for my own information whether or not he construes the amendment offered by the Senator from Wyoming as impinging in any way upon the prerogatives of the Executive in negotiating treaties of any character?

Mr. AUSTIN. I do not, as I understand it. I understand it, as I have heretofore stated. I think it is possible for a skillful analyst to take this amendment and criticize it from the point of view to which the Senator from Utah refers; that is, wherein it has for its principal purpose the passing upon foreign trade agreements by Congress, I would not so write it myself, but I shall not be finicky about the wording. I shall support it on the theory that it is substantive legislation necessary to make the agreements effective, namely, the creation or modification of duties and import restrictions and regulations.

Mr. KING. Mr. President, I do not wish to detain the Senate; but I may say that the interpretation placed by the distinguished Senator from Vermont [Mr. AUSTIN] upon the amendment is such as I, after a very hurried reading, have also placed upon it. If I believe that it in any way interferes with the prerogatives of the Chief Executive or interferes with the duties and responsibilities which rest upon him under the Constitution, I shall vote against it. But if I shall construe it to mean merely a legislative affirmation of our views in regard to a matter of which the Congress of the United States has cognizance, then I believe there can be no objection to it on the ground that it is an interference with or an impingement upon the powers and authority of the President of the United States.

FIRST DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 6, 7, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"TEMPORARY NATIONAL ECONOMIC COMMITTEE

"To complete carrying out the purposes of the joint resolution creating the Temporary National Economic Committee, approved June 16, 1938, to be available only for allocation to the departments and agencies represented on the Committee for the necessary expenses thereof, including the objects specified under this head in the Second Deficiency Appropriation Act, fiscal year 1938, $60,000, fiscal year 1940, to remain available until the expiration of the Seventy-sixth Congress."

And the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,500,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$850,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$41,387"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$306,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 9.

ALVA B. ADAMS,
CARTER GLASS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND, JR.
Managers on the part of the Senate.

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
GEO. W. JOHNSON,
Managers on the part of the House.

Mr. ADAMS. Mr. President, I wish to call the attention of the Senate to the contents of the conference report. The report is on the first deficiency bill, which includes the item providing for the eradication of grasshoppers, Mormon crickets, and other pests. It will be recalled that the House originally appropriated $2,000,000 for the purpose. The Senate increased the amount to $3,000,000. The Senate conferees, in the course of the first conference, acceded to the House contention. When the first conference report came to the Senate it was rejected by the Senate. The conferees, after some delay in action by the House, have had a further conference, and we now report a compromise with the House conferees, which represents a split of the difference, so that the appropriation is two and a half million dollars instead of $2,000,000.

I think those Members of the Senate who objected to the conference report have demonstrated that the conferees on the part of the Senate originally were wrong in thinking that they could not obtain an increase in the amount.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. LA FOLLETTE. I stated at the time the report was first submitted, and I wish to state again, that the position which I took should not be interpreted in any way as an indication that I thought the conferees had not done as well as they thought they could for the Senate position in the original conference. It was only my opinion that if the conference report was rejected, and a yea-and-nay vote was taken, it might strengthen the arm of the Senate conferees in conference.

If the Senator from Colorado will yield further, I should like to say that, while I regret that the full amount could not be obtained, I realize that in a situation of this kind there must be compromise. So far as I am concerned, I think all that those of us who are interested in this item can do is to accept the compromise, and I personally should like to express my appreciation to the Senator from Colorado and his colleagues on the conference committee for the able manner in which they have put up a fight for the Senate's position.

Mr. KING. Mr. President, was that the only matter in controversy?

Mr. ADAMS. There was one lesser item which the Senator may recall. There was an item of $8,000 in reference to a Pan American Indian conference. The House struck it out. We placed that item in the bill. The House receded to the extent that they were willing to leave provision for the conference in the report provided the amount were reduced from $8,000 to $2,000, which was in accordance with the desire of the Department. The Department was very much concerned with continuing the recognition of the Indian conference. Officials of the Department said that the United States having begun the conference, they felt they would be humiliated and embarrassed if it was not included in the measure. That is the only other item in dispute.

Mr. KING. As I understand the conference report, the Senate, by refusing to approve the conference report in the beginning, has gained an addition of $500,000?

Mr. ADAMS. That is correct.

Mr. KING. Because of the fact that I know something of this harmful pest, and the devastation and ruin which it has occasioned in many of the Western States, I regret that the full amount provided by the Senate was not included in the measure. As did my friend, the Senator from Wisconsin, I congratulate my friend, the Senator from Colorado, on being able to secure the addition of $500,000.

Mr. ADAMS. We did the best we could.

Mr. MURRAY. Mr. President, representing one of the States vitally interested in the problem of insect-pest control, I wish to say that I have great confidence in the ability and the effort made by the distinguished Senator from Colorado, and I wish to express my appreciation for the result of his efforts in this matter.

Still I do not believe that the amount now provided under the compromise will be entirely adequate to carry out the control program, but I am sure that if the time comes when it may appear that it is necessary to have additional funds, we shall have the assistance of the able Senator from Colorado in obtaining more funds for this purpose.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. ADAMS. Mr. President, I ask the Chair to lay before the Senate the House message on Senate amendment No. 9.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on Senate amendment No. 9 to House bill 8641, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,
April 3, 1940.

Resolved, That the House recede from its disagreement to the amendment of the Senate No. 9 to the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert "$2,000."

Mr. ADAMS. I move the Senate concur in the House amendment to Senate amendment No. 9.

The motion was agreed to.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. Mr. President, I desire now to present the modification of the amendment, which was drafted as the result of a colloquy between me and the junior Senator from Michigan. It is by way of an addition to the amendment which has already been read.

The PRESIDING OFFICER. The clerk will read the modification of the amendment of the Senator from Wyoming.

The LEGISLATIVE CLERK. At the end of Mr. O'MAHONEY'S amendment it is proposed to add the following:

and no notice of termination under section 2 (b) of such act of June 12, 1934, shall take effect with respect to any foreign trade agreement, or any amendatory or supplementary agreement, hereafter entered into under such section 350, until the Congress by law has specifically approved such notice of termination.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming, as modified.

Mr. HARRISON. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HARRISON. I make the point of no quorum.

Mr. BARKLEY. Let us have a vote.

Mr. HARRISON. Very well. I withdraw my suggestion of no quorum.

Mr. WALSH. Mr. President, before the roll is called I wish to state very briefly my position with respect to the pending amendment.

Mr. President, I am not persuaded that the present reciprocal trade agreements program, with its delegation of authority to the Executive, should be made a permanent policy of our Government. I supported the Reciprocal Trade Agreements Act when it first came before the Congress in 1934 on the basis that it was a temporary expedient to deal with the then disordered state of international trade and the desirability of expanding, if posible, foreign markets for United States products, while preserving such tariffs as experience had demonstrated were repuired for the protection of American workers.

We were then in the midst of a desperate economic crisis, which was truly an emergency, and we were attempting to deal with it constructively, but on an emergency basis. Though the administration had sought the passage of the act without any time limitation, the Committee on Finance, of which I was a member, conditioned its approval of the proposal upon the basis of a 3-year limitation. The Congress enacted the measure on that basis.

The benefits which it would be possible to achieve through the proposed reciprocal trade agreement mechanism was a debatable question—it was an experiment, and still is. It seemed to me then that the delegation to the Executive of the authority and responsibility which rested with the Congress could be justified only upon this assumption that it was a temporary expedient of limited duration to cope with extraordinary conditions. It was on that account that I supported the resolution in 1934.

I voted for the joint resolution in 1937, which postponed until June of this year the expiration of the original Reciprocal Trade Agreements Act because it was plain that the upset state of world trade was still acute; because it was evident that the 3-year term originally specified had been insufficient to carry out the contemplated program; because in 1937, as in 1934, the question was not approval of a permanent arrangement, but simply a temporary grant of authority in an emergency.

Mr. President, the question is now again before the Congress upon request of the Executive, for a further 3-year postponement of the expiration date of the trade agreement making authority. Two questions now confront us in the consideration of this problem. The first is whether on the basis of the record this program has been a success or a failure, whether it has been beneficial or harmful. The second is what benefit may accrue from a continuation of this effort to negotiate reciprocal-trade agreements, what can we expect to gain in the face of world conditions today, with Europe in the flames of war?

SUCCESS OR FAILURE

Has the present arrangement been a success or failure? It seems to me that the claims made in behalf of the reciprocal trade agreement program have been somewhat exaggerated.

Keeping closely in view the objective of the reciprocal trade agreements, the correction of excessive tariff rates is only an incidental feature of this program. The removal of tariff barriers was not to be an end, but the means to an end—the end sought being the development and expansion of American foreign trade—the opening of foreign markets to American goods. It seems to me that is the test or measure we must apply in attempting to appraise the worth and value of this program.

We must recognize the reality that we cannot sell in the world markets if we do not buy. Therefore, the problem which confronted those to whom we delegated this authority was how to adjust rates and exchange concessions which would open world markets for American goods, and on the other hand not permit the inflow into this country of foreign goods to impair the domestic markets for our domestic producers.

Tariffs are not the only restrictions to the flow of trade. Although a larger proportion of the world's trade is now subject to tariff duties than a decade ago, there are other forms of restrictive devices such as import licenses, exchange controls, import controls, and clearing agreements. And it must be remembered that these trade barriers not only serve as deterrents to trade but also tend to divert, by arbitrary and discriminatory means, what trade remains into uneconomic channels. The mere modification of foreign tariff rates would not accomplish the purpose of the act, as, for example, in the case of Netherlands which has low tariff rates; the main purpose of negotiating a trade agreement in that case was to obtain mitigation of other forms of restric-

tive devices practiced against foreign trade. This function clearly could not be performed by the Congress for it has no machinery of its own to negotiate trade questions with foreign governments.

Also the increasing use of quotas in concessions granted by the United States in these agreements is evidence of the attention given to the possibilities of the need to control the increase in the flow of trade that might occur following reductions in rates under trade agreements. It is only fair to say that in these important aspects of the matter there have been commendable results.

We are now met with a vast amount of statistical data concerning our foreign trade with contradictory claims as to what it shows and what it proves. But my own conclusion, on the basis of the record, is that the benefits and advantages which are claimed, by the proponents, to flow from the trade agreements already negotiated are still hopes rather than realities. This may be due to the fact that international markets have been completely disrupted and, of course, our inability to evaluate the amount of foreign trade that has resulted solely from these agreements.

The second part of this question relates to the damage which opponents of the program contend has resulted from the tariff reductions already effectuated. The hurt to certain groups in certain particulars, by reason of concessions contained in some of the reciprocal-trade agreements must be recognized and ought to be corrected, but are not, in my judgment, so grievous as is contended.

We come now to my second question, namely, What can we expect to gain by continuing this temporary authority for another 3 years? Dislocation of international trade in consequence of the war is beyond dispute. The administration predicates its request for a continuation of this authority upon the plea that it may prove an important adjunct in post-war trade adjustments and in removing economic and trade barriers in which so often, as history has shown, lie the seeds of war. Certainly if this program can contribute in the slightest degree to the promotion or to the maintenance of peace, that is impelling reason for its continuance. No man may venture to say how long the war will continue nor what conditions will confront the United States and the world when the war ends. For myself I feel there is considerable force in the argument that under existing conditions it is unwise to terminate this authority at this juncture in world affairs.

A LEGISLATIVE FUNCTION

I repeat, feeling as I do that tariff making is essentially a legislative function, that I am unwilling to suspend any longer than necessary the return to the constitutional plan of legislative approval of tariff rates. This is said with full realization of the imperfections of congressional tariff making.

Mr. President, we are now asked to extend the authority for 3 years more, not to President Roosevelt, not to Secretary Hull, but to some unknown person, whose political philosophy or tariff views no one knows. No one knows whether he will be an extreme tariff protectionist or a free-trader. We are asked to delegate that authority for 3 years to an unknown person whom no living man can name. Will he be a Democrat or a Republican? Will he be a protectionist or a free-trader? Who knows?

Personally I feel very strongly that there ought to be an agency in this Government to negotiate with foreign countries to see how best we can serve each other's interests by satisfactory trade relations. I wish to preserve and maintain such an agency. I think it is highly desirable. I think it would be helpful to the Congress even if we should return to the old method of action only by Congress. Therefore I should regret to see this law defeated by reason of failure upon the part of Congress to grant the extension. However, I feel that the worst of the emergency is over, and that the conditions which existed 3 years ago or 6 years ago no longer exist. For that reason I do not propose by my vote to give to a stand-pat tariff protectionist of the extreme type, or a free-trader, the authority solely and alone to boost or to cut rates with a stroke of the pen.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CLARK of Missouri. Does the Senator think there is any reasonable human probability that any nation would seek to bargain with us to raise our tariff rates against that nation, no matter who is President?

Mr. WALSH. The President has such power.

Mr. CLARK of Missouri. Only if he bargains with some foreign nation to that effect.

Mr. WALSH. It is conceivable.

Mr. CLARK of Missouri. Does the Senator think there is any probability of a foreign nation deliberately bargaining with us to raise our tariff rates against them?

Mr. WALSH. One of the weaknesses of the system is that we have been knocking at the chancellery doors of every country in Europe, asking them to have trade relations with us. I never knew of anyone going around and begging for an agreement who did not have to surrender or sacrifice something. I never knew of a person begging and beseeching agreements for trade relations who was not first asked the question, "What are you willing to surrender?" I favor the effort, but I insist it must be without a surrender of American interests.

I make the prediction that after 3 years we shall never again have a reciprocal-trade agreements bill before Congress. I suppose Senators think I am a little severe when I make that prediction, in view of the fact that I have said much in favor of the agreements. I shall vote for the joint resolution if the pending amendment shall be adopted. However, I think anyone is blind who has not seen the growing opposition in this country to reciprocal-trade agreements. No Member of Congress can go up and down the country saying that 1,000 tariff duties have been cut without being immediately placed on the defensive. He is asked, "Why have you cut them?"

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Colorado.

Mr. ADAMS. Does not the suggestion of the Senator from Missouri [Mr. CLARK] a moment ago indicate that the trade agreements, by cutting tariffs, are in the interest of the foreign governments rather than in our own interest? We are told that no foreign government would in any way seek to have the rates increased.

Mr. WALSH. The Senator is correct.

Mr. CLARK of Missouri. Mr. President, I do not wish to interrupt the Senator's trend of thought, but if he will yield to me for just a moment——

Mr. WALSH. I yield.

Mr. CLARK of Missouri. The whole theory of the reciprocal-trade agreements is mutual concession. Certainly no nation would ask for a concession against itself.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Nebraska for a question.

Mr. NORRIS. The Senator has nearly given the answer to my question; but it seems to me that he has not fairly answered the question of the Senator from Missouri, which to me seems almost fundamental.

Mr. WALSH. That no country would ask us to raise our rates?

Mr. NORRIS. The Senator himself expressed the fear that a high protectionist might be President, or a free trader might be President. I concede that either of those contingencies might happen. The Senator is correct in that respect. However, it seems to me, as suggested by the question of the Senator from Missouri [Mr. CLARK], that a high protectionist would find it impossible ever to negotiate an agreement with any country by which he could put his high protection ideas into force.

Mr. WALSH. He would not find it impossible to refuse to reduce a rate when he ought to do so. That is correct, is it not?

Mr. NORRIS. He would not find it impossible to do what?

Mr. WALSH. He would not find it impossible to refuse to reduce a rate when he ought to do so in order to obtain an agreement.

Mr. NORRIS. The Senator's own theory is that such a President would increase rates; and I do not see how that result would come about.

Mr. WALSH. My theory is that there may have been too much cutting of rates in the past. Of course, there ought to be some cutting of rates. I do not agree that a President should maintain all the high rates which exist in the present tariff laws. So it is entirely a question of the political philosophy of the individual—the President or the Secretary of State.

I wish to repeat what I previously said—and I am merely giving my observation. I should be sorry to see this law completely wiped off the statute books. I want some department of the Government to keep open relations with foreign countries and to make recommendations to Congress, to see in what particulars we can build up and maintain our foreign trade. However, in my opinion the opposition in this country to reciprocal-trade agreements has been steadily growing. Every vote which has been taken in this Chamber on the question shows it. The very fact that the Republican Members have united as completely as never before on this issue, which has been before the Congress for years, shows that they sense and understand that they have a political advantage in opposing these agreements.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Nevada.

Mr. PITTMAN. I ask the Senator whether or not he interprets the act as I do. It provides that the President shall have authority—

(2) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder.

I construe that——

Mr. WALSH. As an embargo?

Mr. PITTMAN. It means that he has a right to place an embargo.

Mr. WALSH. I agree with the Senator. The present President—or the next President, if the present President shall leave the White House—has authority and power to declare an embargo if he sees fit.

Mr. PITTMAN. Or to place in effect any other restriction which he sees fit.

Mr. WALSH. Yes.

Mr. PITTMAN. He may do so without any agreement with any other government.

Mr. WALSH. Yes.

Mr. PITTMAN. Therefore it is not essential to have an agreement to place an embargo.

Mr. WALSH. That is correct.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. BARKLEY. The whole theory of the law is that there must be a mutuality of interest between our country and any other country with which we negotiate an agreement. I think it will be conceded that the President could issue an embargo under existing law, but not under a mutual trade agreement, because it would be inconceivable that we could offer any country an advantage which would offset an absolute prohibition against the importation of its goods into the United States and thus induce it to enter into a mutual agreement. Does not the Senator feel that that statement is correct?

Mr. WALSH. I do.

Mr. BARKLEY. What inducement could we offer any nation to persuade it to enter into an agreement granting us some concession if we should embargo something which it wants to sell us? How could we hope, or how could any President hope, to negotiate an agreement with any country making it still more difficult for that country to send its goods into the United States in order to make it easier for us to send our goods into that country?

Mr. WALSH. I think the Senator is correct; but what I am suggesting is that in the zeal, in the enthusiasm, in the burning desire to increase our exports, we are likely, in some instances, to sacrifice our own interests.

Mr. BARKLEY. It may be possible, as the Senator has stated, that there have been mistakes made here and there; no government is perfect; no head of a government is perfect; and it would be a miracle if in all the agreements which might be entered into no American would have any basis for feeling that his particular interest had not been in some respects impinged upon. But I support this program, as I think the Senator from Massachusetts supports it, because on the whole it has been very helpful.

Mr. WALSH. I agree with the Senator.

Mr. BARKLEY. It seems to me that it is our duty as legislators to consider the effect of what we do on the Nation as a whole, although we cannot, of course, lose sight of our own individual interests closer at home. Does the Senator agree with me?

Mr. WALSH. I certainly do.

Mr. BARKLEY. That being true, we defeated the other day the amendment offered by my devoted friend, my great friend, the Senator from Nevada [Mr. PITTMAN] requiring senatorial ratification by a two-thirds vote. If there was any large group of men in this body who desired to prevent a vote on the question of congressional approval, would it not be just as feasible and as easy for them to prevent a vote on a resolution of approval requiring a mere majority as it would upon a ratification resolution requiring a two-thirds vote?

Mr. WALSH. I intend to discuss that later, if the Senator will permit me, and to give the reasons why I voted against the proposal of the Senator from Nevada, and why I favor the pending proposal.

I should like to say, however, at this juncture that, in my opinion, there is one principle in tariff making that is practically unanimously supported by the American people. The American people desire, first and foremost, the domestic market to be preserved and maintained for, and a free, unrestrained opportunity given to, the domestic producer to trade therein without destructive foreign competition. I do not believe there is any serious opposition anywhere in any party to that principle.

The difficulty, as I see it—and that is why I predict what is going to happen—is that unless the agency making these agreements militantly, enthusiastically, and courageously says, "Do not impair our domestic market; this domestic market must be saved and secured for the domestic producer; what the foreign nation can sell us over and above that, the luxuries and necessities they can sell us which we do not produce, we are glad to have."

If that is the state of mind of the present President, and the present Secretary of State, will the state of mind of the next President, and the next Secretary of State be that the domestic market shall not be impaired for the domestic producer? That is fundamental, and I am not going to give that authority to anybody unless I am convinced that that is his attitude.

Now let me come to the question raised by the Senator from Kentucky. I voted reluctantly against the proposal of the able Senator from Nevada. I thought a very powerful argument could be made on either side of that question. What finally convinced me to vote against it was that I thought there was, as has been pointed out by the Senator from Kentucky, so much good in these agreements that ought to be retained that I did not want to be in the position of voting for an amendment which provided for treating them as if they were treaties, for I felt that it would be possible at any time for a partisan group to get together in this Chamber and obtain a third of the votes and prevent any action at all. In other words, I thought it would be nullification.

I am free to confess that when I reached that conclusion perhaps I did not look into the question solely and alone

from the legalisic and constitutional standpoint; but I am confronted now with the question, as is every other Senator here, has the operation of these agreements been such as to lead me to vote in favor of a continuance of the policy for 3 years or has the time come when we ought to go back to what we surrendered only temporarily, to what we surrendered only because there was an emergency, to what we surrendered only because of chaotic world conditions. Is it time to come back to what is the fundamental law, to what is the constitutional requirement that the levying of taxes—and no one questions the fact that tariffs are taxes—is a function of the Congress. So I have reached the conclusion that if an agreement is beneficial to the best interests of our country unless it contains some errors or some mistakes or some injuries, or some harm that is conspicuous, it will be possible always to get a majority vote in the Congress.

We had this same fight in connection with the reorganization bill. It was then sought to give to the President the power to reorganize governmental agencies without requiring that any action he might take should come back to the Congress for approval or disapproval. In my opinion, any recommendation made by the present President of the United States for the reorganization of any department or any group of departments would get a majority vote at any time in both branches and, in my opinion, any trade agreements negotiated by him will get a majority vote in both branches.

Mr. BARKLEY. Mr. President, the Senator said a moment ago—I think it was a slip of the tongue—that it would be as easy to get a majority.

Mr. WALSH. As I recall, I said that the requirement for a two-thirds vote would amount practically to nullification.

Mr. BARKLEY. I understood the Senator to say that if a vote was obtained it would be easier to obtain a majority than a two-thirds, but if a vote were never obtained it would make very little difference whether if a vote could have been obtained it could have been carried by two-thirds or by a mere majority. The effect would be the same if a vote could never be obtained; and any minority that might prevent a vote or even prevent ratification if a two-thirds vote were required, might prevent a vote even where a majority was required.

Mr. WALSH. I am willing to limit the time when action must be taken by the House and by the Senate, as was done in the case of the reorganization bill, as the Senator from Michigan [Mr. BROWN] reminds me.

Think of the position we are in. Nineteen of the twenty-two countries which have entered into trade agreements with us had action by their parliaments before the agreements became effective. Yet we boast of a great democracy.

Mr. GEORGE. Mr. President, may I ask the Senator if it is not true that most of the agreements ratified by other countries took effect immediately when they were signed, and that the ratification was subsequent?

Mr. WALSH. I think that is true, but the agreements had to be ratified.

Mr. GEORGE. They were subsequently ratified, but those countries have a different parliamentary system. The agreements became effective, I think, in most instances when actually executed.

Mr. WALSH. We could provide that after an agreement has become effective it shall be submitted to Congress to be ratified, and that if not ratified it shall cease to be effective.

Mr. GEORGE. This amendment, the Senator must know, if it should be adopted, would make every trade agreement a tariff bill, subject to amendment, subject to bringing in any other article or item that was desired to be brought in, and consequently there would be no possible chance to negotiate trade agreements.

Mr. WALSH. I agree with the Senator that that is unfortunate, but this is the only opportunity I may have, unless I myself offer an amendment—and being a member of the committee I did not choose to do that—it is the only opportunity I may have to say I want concurring action by the Congress on these agreements.

Mr. GEORGE. Now let me ask the Senator from Massachusetts, if Congress in the first instance authorizes the negotiation of an agreement and lays down the legislative principles upon which it must be negotiated—that is, if it, in the first instance, authorizes executive agreements and lays down the principles upon which they must be negotiated—why bring it back to Congress to act on it? What use is there in creating additional machinery except for the purpose of having the question studied? Of course I grant that, but that could be done anyway by executive action without any predetermination by the Congress. So we are in the attitude, as I think the Senator must admit, of saying that we have laid down an intelligible legislative declaration of policy and authorized the Executive to negotiate a treaty, but we want to look at the instrument after it is negotiated. Why pass on it twice?

I realize that there are specific things that we would not know are in the agreement; but it seemed to me that if we are going to proceed as now suggested, by bringing the agreement back to the Congress and letting the Congress pass upon the whole thing over again, it is entirely useless, in the first place, to continue the Trade Agreements Act.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. WALSH. Just a minute.

I appreciate having the views of the Senator from Georgia. Let me say, in part reply to him, that I never voted for the measures authorizing these trade agreements with the intention of permanently surrendering the power of the Congress to negotiate tariff bills.

Mr. GEORGE. Oh, no, Mr. President.

Mr. WALSH. Wait a moment; I have not finished.

Mr. GEORGE. They are all limited in time, absolutely.

Mr. WALSH. I voted for them, as every other person did, as temporary matters. I remember that when the first bill came back to the Senate from the Committee on Finance there was not a 3-year limitation in it, and we put in the 3-year limitation in order to make it an emergency and a temporary policy. That is why it was done; and nobody here at that time ever voted or thought he was voting to take away from Congress for all time the power and the duty and the responsibility of tariff making.

I now yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Mr. President, in regard to the statement made by the Senator from Georgia [Mr. GEORGE] that the treaties agreed to by foreign governments were put into immediate effect and later ratified by the parliaments, I desire to say that that is true; but that is an entirely different situation. The negotiators for foreign governments are agents of the parliaments. In a parliamentary form of government the parliament controls the executive. The executive department is merely the agent of the parliament. So the negotiations were at all times within the control of the parliament, the legislative body, and, being such, in distinction to our form of government, the ratification was simply a pro forma matter.

Mr. WALSH. I thank the Senator.

Mr. PITTMAN. Mr. President, may I also interrupt the Senator from Massachusetts?

Mr. WALSH. I shall be glad to have the Senator do so.

Mr. PITTMAN. I think the Senator from Georgia, who is usually so accurate, was not entirely accurate when he stated, as I understood him, that these treaties immediately go into provisional effect. For instance, I call his attention to the fact—and I read from a statement by the State Department, which I placed in my speech—that the agreements in one category did not become effective until they had received legislative approval in the foreign country. Such approval has been given by all of the countries, namely, Brazil, Colombia, Costa Rica, El Salvador, Finland, Guatemala, Haiti, Honduras, Nicaragua, and Sweden. The countries in the case of which the agreements did not require legislative ratification were only Belgium, Cuba, and Ecuador. Those in the case of which the agreements became provisionally effective immediately, subject to eventual legislative action, were Canada, Czechoslovakia, France, the Netherlands, Switzerland, Turkey, the United Kingdom, and Venezuela.

Mr. GEORGE. Mr. President, I did not mean that all of them went into effect immediately; but the principal countries, as the Senator has just read, entered into agreements

which were immediately effective, but subject to subsequent ratification.

Mr. PITTMAN. That is true.

Mr. WALSH. Mr. President, I come now to another aspect of this question. I have participated in the committee work of drafting tariff bills and in the Senate's consideration of three major tariff laws. I think I perceive as clearly as anyone the difficulties which attend tariff making by the Congress. Certainly I hold no brief or make no defense of many tariff rates that have been voted through logrolling and the pressure of private, greedy interests and special groups.

No one can be unmindful of the long and bitter fights in the Congress during the three tariff bills enacted since 1920, especially the struggles between the producers of so-called raw materials and the processors of these materials; between the farmers' claims for protection against industrial tariffs, and the industrials' demands for protection against the cheap wages paid by European competitors; between both the agricultural and industrial producers' demands in disregard of the rights of the unorganized consumers.

But the fact remains that under our form of government the levying of taxes—and a tariff is nothing but a tax—is the function of the Congress.

OPPOSITION TO CONGRESSIONAL METHOD

The history of tariff making demonstrates that there has been an increasing opposition to the methods used and the results obtained by the Congress in tariff revisions. This dissatisfaction became so marked that a Republican President sought, through the flexible provisions of recent tariff laws, to greatly lessen the influence and power of the Congress. The very urging and adoption of the elastic provisions in tariff bills reflected the sentiment of the public throughout the country in opposition to the logrolling, unscientific congressional methods. And under the present administration the same opposition that Republican Presidents expressed, has led to a further lessening of the power and influence of Congress on this subject of advocacy of the reciprocal trade agreement program.

If the Congress of the United States is incompetent, because of diversity of interests, to make tariffs and to pass on reciprocal-trade agreements, let us face the issue and let us submit it to the American people in the form of an amendment to the Constitution, to take this authority and responsibility out of the hands of the Congress and transfer it to the executive branch of the Government. But I am not prepared to take that position or to advocate that course. By the same token I do not propose to attempt to reach the same result by a subterfuge to circumvent the Constitution by indirection.

Mr. NORRIS. Mr. President——

Mr. WALSH. Pardon me. After I finish this statement I shall be glad to yield.

If the issue, therefore, is better economic results to our country by temporarily transferring the tariff-making function to the Executive, we may justify that course now as we did 6 years ago; but I submit that it must rest upon the basis of serious emergency, and for a limited time; it must be a temporary expedient, and not an abandonment of all legislative powers and duties and rights in the levying of taxes.

One remedy for tariff-making inequalities by the Congress would be to empower the President to veto separate items in an omnibus tariff bill which Congress may present to him for his approval. I have long advocated such a change, to accomplish which, of course, would necessitate an amendment to the Constitution. Similarly, the President ought to have power to veto separate items in appropriation bills; and I venture to predict that we shall not make any progress whatever toward real economy in this country under any President until he has such power.

Mr. President, I voted against the amendment of the very able and distinguished Senator from Nevada [Mr. PITTMAN], and I will give my reasons. All opponents of the delegation of any authority to the Executive naturally contended for the requirement of Senate ratification by a two-thirds vote, because frankly they see in such a requirement the nullification of the program as a practical matter because of the certainty that under the impulse of partisanship a minority group could block any proposed agreement.

From a strictly legalistic standpoint the question of whether these reciprocal-trade agreements are treaties, within the meaning of the Constitution, is debatable, with precedents to support either position. I have already expressed my own conclusion that it would be unwise, taking all factors into account, to refuse an extension to the Executive of this temporary authority and so feeling, I do not propose to nullify it by a condition which it seems to me would amount to nullification, and therefore not prepared to accept the claim that these are treaties.

CONCURRENCE OF CONGRESS

There is, however, an alternative which, in my judgment, fully meets the needs of the situation and for which there is ample precedent—an excellent Democratic precedent. I refer to a provision in the Underwood tariff law of 1914, which was written by a Democratic majority in the House and in the Senate and is contained in subsection (a) of section 4:

> That for the purpose of readjusting the present duties on importations into the United States and at the same time to encourage the export trade of this country, the President of the United States is authorized and empowered to negotiate trade agreements with foreign nations wherein mutual concessions are made looking toward freer trade relations and further reciprocal expansion of trade and commerce: *Provided, however,* That said trade agreements before becoming operative shall be submitted to the Congress of the United States for ratification or rejection.

Mr. President, if that was good law and a good policy in 1914, why is it not good today? There is only one answer—that the present President of the United States is such a high-minded man, is so deeply concerned and so sincerely interested in this question and the confidence of the people in him is such that he can be trusted, and therefore we ought to surrender legislative approval on that ground and on that basis. Certainly with a Republican President here next January, and with the question before him of not submitting the trade agreements to Congress, I should like to see the roll call on this side of the Chamber, and see what the result would be.

Mr. NORRIS. Mr. President——

Mr. WALSH. If the Senator will permit me, I shall be happy to yield to him in just a moment.

Mr. President, I intend to support an amendment to the pending resolution in line with the foregoing Underwood tariff doctrine. This provision—namely, requiring action by the Congress before these trade agreements would become operative—would assure protection to all American interests because the majority of either branch of the Congress would prevent any harmful action under these agreements. Such a provision would fully preserve to the Congress its essential rights and authority, and it would certainly guard against any misuse of the authority which we are delegating to the Executive. At the same time it would not interpose any insurmountable barrier to the taking effect of a reciprocal-trade agreement if it were, in truth and in fact, a desirable one. It would preserve the constitutional right of the legislative branch to deal with tariff duties and would permit the executive branch of the Government to negotiate with other countries through its Department of State, a function which the Congress clearly is not equipped to undertake.

Such a provision, it seems to me, ought to fully satisfy those who are jealous of the prerogatives of Congress and at the same time not to bar the useful services of the Department of State in initiating negotiations for these agreements with foreign countries.

Nineteen of the existing trade agreements which the United States has entered into with other countries have been ratified by the parliaments of these other nations, yet the United States—boasting it is the greatest democracy in the world—under this program has waived its right of review of the Executive's actions. The power to tax is the most important and fundamental of all congressional powers. Without this power there could be no justification for the existence of the

Congress. Not to exercise it is a confession that the Congress cannot perform functions that the parliaments of other countries have done satisfactorily.

No emergency, however great, can justify the complete surrender of the taxing powers reposed by the people in their representatives in the Congress. Nor is it justified when an indolent or subservient Congress is willing to surrender its constitutional functions, nor does abuse of this power justify such action. While not prepared to go back to the old system in toto, I am not willing to flout the Constitution.

The requirement for the submission of future agreements to both branches of the Congress, for majority approval, not only meets in a substantial and practical way the objections of those who raise the constitutional question, but also provides a safeguard against the dangers which are inherent in delegating to the Executive unlimited and unrestricted authority to make trade agreements with foreign nations. It is an authority easily open to abuse. If there be no provision for congressional review and approval, it permits the Executive by a stroke of the pen to confer or to withhold trade advantages. It affords a weapon for applying pressures that far transcend any question of trade and commerce.

Furthermore, we must not lose sight of the fact that no man in this Chamber can know today who may be President after the expiration of Mr. Roosevelt's present term. We know how Mr. Roosevelt and Secretary Hull have exercised this authority and how it will continue to be exercised were it to remain in their hands, but we are legislating here for a 3-year extension. These considerations, in my judgment, are an added reason for attaching to the present extension a requirement for the submission to and approval by both Houses of the Congress.

I am glad now to yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I am always interested in any argument made by the Senator from Massachusetts, because he is always logical and consistent, and I should like to submit a question to him. I agree that the theory he has just advocated is beautiful, a theory which he has attempted to sustain by reading from the Underwood tariff law. But, as a practical matter, it does not seem to me that the provision in the Underwood tariff law was workable, or that the pending amendment would be workable.

Mr. WALSH. Mr. President, will the Senator permit me to ask him a question in the most friendly manner?

Mr. NORRIS. Certainly.

Mr. WALSH. Does the Senator believe in Congress permanently surrendering the tariff-making power?

Mr. NORRIS. No.

Mr. WALSH. When does the Senator want the power to come back to the Congress?

Mr. NORRIS. I am satisfied with the 3-year period. I do not wish to be technical; if it were 2 years or 4 years, I would feel the same way about it. The pending measure provides for a 3-year term. I do not contend that the 3-year provision is sacred.

Mr. WALSH. I understand the Senator's position.

Mr. NORRIS. It is temporary. The Senator will admit that.

Mr. WALSH. The Senator agrees with me that we never would vote to permanently give this authority to the Executive?

Mr. NORRIS. Of course, we would not. The Constitution gives Congress the right to make tariffs, and if my theory is correct, we are not going to give up that jurisdiction by the pending joint resolution. We are still legislating, and we are providing for some instrumentality to carry out our will.

What I wanted particularly to ask the Senator was this question: Notwithstanding what he has read from the Underwood tariff law, notwithstanding the theory under which Congress should be given a vote on the proposal—and I think the amendment is perfectly constitutional, I am not finding fault with it——

Mr. WALSH. I wish the amendment were more restricted in form.

Mr. NORRIS. The thing about it that is detrimental, and which I think will kill the program entirely, and make it unworkable, is that every time an agreement was made there would be thrown into Congress a fight over another tariff bill, amendments might be offered, and the debate might last all summer. If the President made many agreements, Congress would do nothing else but devote all its time to passing on them, and we would thrash out a tariff bill every time an agreement was made.

Mr. WALSH. I had exactly the belief the Senator now entertains, and that was what controlled me, largely, in my vote against the amendment of the able Senator from Nevada. I had the same thoughts that it would be impossible to get action. I do not entertain such thoughts in connection with the pending amendment. I cannot bring myself to feel that this amendment would be destructive. I see myself on sound ground in supporting a move for concurrent action.

The President sends us messages. We approve bills by a majority vote, and they go back for the President's approval. The President will prepare agreements, showing how we can carry on business relations satisfactorily with foreign countries, and he will submit the agreements to us for our approval, just as he sends messages to us. I personally feel that there is no serious objection to getting a majority-vote approval of any agreement which may be submitted that is not generally objectionable.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. BARKLEY. I do not wish to prolong the discussion——

Mr. WALSH. Nor do I, because I must go to a meeting at half past 4.

Mr. BARKLEY. In view of what happened in connection with the 10 Kasson agreements which have been discussed during the whole debate, none of them having come out of the committee, none of them having ever been allowed to get to the floor in either House, they being held in committee, and hearings being held upon them, and all sorts of amendments proposed to each one of them, does the Senator really feel that we would fare any better now with any of the trade agreements going before the committees, with indefinite hearings, allowing everyone who objects to come in and be heard, and then jockeying around as to whether there should be a report from a committee? I am wondering whether we would fare any better now than those supporting the Kasson treaties back in the nineties fared.

Mr. WALSH. Having witnessed recently how cleverly the leader on this side has been able to stop action, I should like to see him seeking to get action. I think he would do it just as cleverly.

Mr. BARKLEY. It is sometimes easier to stop action than to get action.

Mr. WALSH. That is true.

Mr. PITTMAN. Mr. President, will the Senator from Massachusetts yield?

Mr. WALSH. I yield.

Mr. PITTMAN. I think the leader on our side should recognize the difference between conditions in 1897 and the present. In 1897, Congress was overwhelmingly Republican, and the Foreign Relations Committee was two-thirds Republican at that time. Not only that, but around that period of time there were very high-protectionist Republicans here, if I remember history correctly. I do not think the Senate desired at that time to have any agreements made lowering the tariff. Certainly the conditions now are different. The Democrats in the Senate have a majority of nearly two to one, and apparently we are afraid to trust ourselves in these matters.

With the majority we have in the Committee on Foreign Relations, to which the agreements would be referred, if we had had before us an agreement like that with Chile, three-fourths of the committee would have been for it. The Chile treaty has never been objected to by anyone except when there was a proposal to include copper. Copper was not included, as a result of the protests made. If copper had been included, the matter would have gone to the Committee on Foreign Relations, and the distinguished Senator from Kentucky would have urged a report notwithstanding the fact that the agreement included copper.

Mr. BARKLEY. Could I have been assured of the support of the distinguished Senator from Nevada if that situation had arisen?

Mr. PITTMAN. No; the Senator would have had the opposition of the Senator from Nevada, and possibly of one other Senator on the committee, but we would have been run over just as a rabbit in the road is run over. There is no question as to what would have happened to us. The matter would have been brought to the floor of the Senate, and in the Senate there would have been seven or eight who would have contended that the duty was not a good one.

Mr. BARKLEY. If the Senator from Nevada is as agile of foot as is the ordinary rabbit, he would have found methods of escape that would have prevented his being run over.

Mr. PITTMAN. I have seen dead rabbits in the road, and also in this body. [Laughter.] I am quite familiar with such things. I know that such a treaty, including copper, would have been reported by the Senate committee by an overwhelming vote. There might have been 2 against it, and in the Senate there would have been 8 or 10 against it, possibly, but it would have been carried just the same.

I call this to the attention of the Senate merely because we have heard so much about the Kasson treaties not being brought up. They were not brought up because the overwhelming majority of the committee and the overwhelming majority of the Senate never intended that they should be ratified.

Mr. CLARK of Missouri. Mr. President——

Mr. PITTMAN. I have not quite concluded, if the Senator from Massachusetts will yield further.

Mr. WALSH. I have yielded the floor.

Mr. PITTMAN. I will take a few minutes in my own right.

I have already stated what I believe with regard to the treaty question. The Senator from Massachusetts very frankly admitted that he was more interested in the question of ratification of treaties, either by Congress or the Senate, than in the legal question involved.

While it seems clear to me that these agreements are treaties, I realize, from the very able arguments made by those opposed, that one might very readily take either view of the matter.

Two legal questions have been before the Senate at all times, and they were two separate questions. One of them was the charge that this was an illegal delegation of legislative authority. The other was that these agreements were contracts with foreign governments, with a definite obligation, and therefore treaties which must be ratified by the Senate.

The other side contended that by reason of the delegation of authority to make agreements they were purely executive in their character. In the beginning I contended, although I did not argue the question, that, in my opinion, it was an illegal delegation of authority. I made no extensive argument on that point. I devoted my consideration almost exclusively to the question that these agreements are treaties.

Very briefly I now desire to say what I think about the proposed amendment. In my opinion, it would not make the act constitutional, and whether it is adopted or not, I shall vote against the joint resolution. I think the amendment is entirely legal, and I think no one doubts its legality. No one doubts that the Congress, in delegating authority to an agent, can place such restrictions upon the agent as it sees fit.

Mr. CLARK of Missouri. Mr. President, will the Senator permit me to interrupt him at that point?

Mr. PITTMAN. Yes.

Mr. CLARK of Missouri. Does the Senator conceive that the measure, with the O'Mahoney amendment in it, would grant any authority whatever or delegate any power whatever to the President of the United States? There is nothing on earth now to prevent him from entering into any sort of agreement, without restriction, and raising the tariff duties 100 percent or 200 percent, or wiping them out entirely, and submitting a recommendation to Congress that it pass an act to that effect. It seems to me that the act, with the O'Mahoney amendment in it, would be a limitation, rather than a delegation of power.

Mr. PITTMAN. I do not think it has anything to do with the question of making treaties. I admit that. I do not think that Congress by any act could change the Constitution of the United States with regard to treaties. But if these agreements are in fact treaties, no matter what they may be called, nothing that Congress could say or do would change that situation. I agree with the Senator from Missouri also that the President could negotiate, without any authority of Congress whatever, every tariff agreement that he is expected to negotiate under this act. The only thing is that if he did make these agreements without the authority of Congress he would not question that they were treaties, and he would send them to the Senate for ratification.

Mr. CLARK of Missouri. Yes; but with this amendment in the act the legislation would only amount to a recommendation by the President that the Congress enact a certain tariff act. He can do that without any restriction, 50 percent up or 50 percent down. The President can negotiate a reciprocal-trade agreement with a foreign power, and if the Congress then chooses to pass an act which is a tariff act it can do so without this act being on the books at all.

Mr. PITTMAN. That is exactly the paradoxical position in which Senators place themselves. They say if there was no act at all the President could negotiate these agreements, and if he negotiated them without any act they would have to be ratified by the Senate.

Mr. CLARK of Missouri. No; I did not make myself clear. I said that if the President could negotiate, and then if Congress chose to enact a tariff act putting such an agreement into effect, why of course it would become the law. That is true whether this measure is in effect or not.

Mr. PITTMAN. There is still a peculiar thing about it. Of course, it is admitted that the President has a right to make any agreements with foreign countries he wants to without Congress or anyone else saying a word about it, and if he makes such agreements with foreign countries, they do not become law until they come before the Senate and are ratified by a two-thirds vote of the Senate. By virtue of the fact that Congress enacts a law, therefore, it is not necessary to ratify by a two-thirds vote of the Senate. And yet it is admitted that we cannot make any law affecting treaties. It is a paradoxical position.

Mr. President, I am not debating that question now. That has been settled. There is no doubt that it is perfectly legal for Congress in delegating authority to place any limitations upon the use of that authority it sees fit, just as was done in the measure which bears the name of the late Representative Oscar Underwood. We admit it is perfectly legal. Such limitations might make legal the delegation of authority in this act today, the legality of which is questioned by some. After the very able argument by the Senator from Georgia I can admit that a person must be quite arbitrary to say that there is no question as to the legality of such delegation. But, nevertheless, the Supreme Court has said that Congress cannot delegate legislative authority. The Supreme Court has also held that when sufficient standards are laid down it is not a delegation at all of a legislative authority, but simply an authority to carry out certain legislation as an agent of Congress.

The Senator from Georgia, and I think the majority on this side, believe that it is a legal delegation of authority to carry out the wishes of Congress. I disagree with them. Nevertheless I think it will be admitted—if not, I should like to have someone challenge it—that if the matter did come back to Congress for approval or rejection, then there would be no question of unconstitutional delegation of legislative authority.

So the question comes down to the determination of law and policy. I will admit now, as I admitted to the Senator from Georgia, that this amendment will not cure the defects that my amendment sought to cure. It will not cure the unconstitutional act of the President in making a treaty without

ratification by the Senate. The proposed amendment will not satisfy me. I shall vote against the joint resolution because of the defeat of the amendment which I thought was essential to its constitutionality. In view of the very grave doubt with regard to the delegation of this authority to the President, I believe it will be quite wise to adopt an amendment that would cure that unconstitutional delegation of authority, if it is unconstitutional, by providing that the matter shall come back to Congress. I will therefore vote for the amendment.

Mr. CLARK of Missouri. Mr. President, it seems to me that the Senators who state they are in favor of the principle of the reciprocal-trade agreements and in favor of the principle of the trade-agreements law as a general proposition, but are in favor of the O'Mahoney amendment, are attempting to accomplish the feat heretofore considered impossible, of successfully riding two horses going in opposite directions at the same time. The Senator from Massachusetts [Mr. WALSH] a few moments ago said that he was in favor of the principle of the act, but also in favor of the O'Mahoney amendment.

Mr. President, with the O'Mahoney amendment in the act, the act in my opinion will not be worth the paper it is printed on, because it does not give the President any authority whatever; it takes no step whatever toward the accomplishment of the purposes originally set out in the Reciprocal Trade Agreements Act.

If the President desires to make a recommendation for a tariff bill, or for specific items in a tariff bill, he possesses that authority at the present time under the Constitution of the United States.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. Let me finish my sentence, and then I shall be glad to yield.

Mr. O'MAHONEY. The Senator was not so considerate of me when I was speaking.

Mr. CLARK of Missouri. I certainly never interrupted the Senator in the middle of a sentence, either now or at any other time, and if the Senator makes such an assertion I challenge his assertion here and now. I shall be glad to yield to the Senator when I have finished the sentence.

Under the Constitution of the United States the President has the authority to make a recommendation for any change in any tariff schedule that he may see fit to make, or for a general revision of the tariff, with the one limitation as to 50 percent up or 50 percent down. He may make any such recommendation he sees fit, and Congress may enact it into law, and it thus becomes the law of the land.

What the O'Mahoney amendment amounts to is that Congress first sets up a procedure for a change in the tariff structure. The President then goes to work and carries it out, and it again has to come back to Congress for final action.

I now am glad to yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, does the Senator see any difference between an original recommendation by the President to Congress for a new tariff and a recommendation, if it may be so called, in the form of an agreement which he has made with a foreign government as a result of the invitation which is contained, as it were, in this act?

Mr. CLARK of Missouri. I see no difference whatever from the constitutional standpoint.

Mr. O'MAHONEY. I am not talking about the constitutional point of view. I am talking about the realistic point of view.

Mr. CLARK of Missouri. I do not see any practical difference whatever.

Mr. O'MAHONEY. Will the Senator yield further?

Mr. CLARK of Missouri. I am glad to yield.

Mr. O'MAHONEY. Let me say that upon this matter I have exactly the point of view which was expressed a few moments ago by the senior Senator from Massachusetts. I believe that if the President were to send to the Congress an agreement with Great Britain, or with France, or with Italy, or with any other country on the face of the globe, and were to say to the Congress, "This agreement has been negotiated as the result of your invitation; we have gone into the matter of the trade of the two countries fully and in detail," and if then the President said, "We desire your approval of this agreement," the chances are that there would be just as much unanimity of action, as it were, as there is regarding the reorganization plans.

In the present state of world opinion and world affairs I doubt very much whether there would be any serious danger of Congress placing an impediment in the way of approval of such an agreement; but whether or not such an impediment should exist, the fact remains that in the present condition of world commerce and world affairs generally it seems to me impossible to expect that Congress would close its eyes to what is going on in the world, and, as the Senator from Massachusetts [Mr. WALSH] so eloquently said "buy a pig in a poke."

Mr. CLARK of Missouri. No one has suggested that Congress should close its eyes to conditions in the world. As a matter of fact, the whole machinery set up by the act is for the purpose, so far as may be, of enabling the United States to deal with the situation as it exists in the world. I agree with what was said by the chairman of the committee, Mr. HARRISON, in his opening address, that this machinery is a very vital necessity, and may be a very necessary machinery for the maintenance of commercial and economic relations not only during the present period of strife but after the war shall have ended.

I gather the opinion of the Senator from Wyoming from his remarks the other day and again today. Suffice it to say that I do not agree with him. I think we have had enough illustration in the consideration of this very measure to negative the roseate hopes expressed by the Senator from Massachusetts [Mr. WALSH] and the Senator from Wyoming [Mr. O'MAHONEY]. On this very question, in the consideration of the pending measure in a general way, proposals have been advanced in the Senate, and very vigorously supported—by none more enthusiastically than by the Senator from Wyoming—which would single out of the general operation of the act four particular commodities.

Mr. President, if one of these agreements were to come to Congress and start through the mill in the House of Representatives, and then come before the Senate, who can doubt that it would degenerate into a general tariff discussion and a general tariff bill, with all the old methods of logrolling in connection with the Hawley-Smoot Act, the Fordney-McCumber Act, the Dingley Act, and all the other general tariff acts which have been before the Congress? If the President should send one of the agreements to Congress for approval, having to do with numerous items, as it would, who can say that any Senator would feel himself restrained from offering amendments dealing with other commodities, or proposing to raise duties on other commodities?

Mr. President, it seems to me that the proposal to include the O'Mahoney amendment in this measure is simply a proposal to send the measure to the President stripped of all the powers given him for the purposes set forth in the original act. As I said the other day, in connection with the Pittman amendment, it seems to me it would be no more efficacious, although perhaps more candid, to move to strike out the enacting clause of the joint resolution and have it over at once, because I think one method would be as effective as the other in killing the measure.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Let me ask the Senator from Missouri if he apprehends any degree of danger in the event that there should be a change of administration, and in the event the new Secretary of State, who would have to administer this law after January 1941, should be wholly in harmony with the point of view of those who were responsible for the logrolling of which he speaks in connection with the Smoot-Hawley Act. Does the Senator think there is any danger in that situation?

Mr. CLARK of Missouri. Mr. President, I make the same reply to the Senator from Wyoming that was involved in the question which I asked the Senator from Massachusetts [Mr. WALSH]. I have no such fear and do not regard it as within

the realm of anything like reasonable possibility that any foreign power will deliberately seek to negotiate with us to raise tariff barriers against the entry of its goods.

Mr. O'MAHONEY. Mr. President, may I again interrupt the Senator?

Mr. CLARK of Missouri. Certainly.

Mr. O'MAHONEY. I am not alluding so much to that question as to the possibility that we might have in the Department of State an official and subordinate appointees who might abuse this power. The whole argument of the Senator from Massachusetts was that we have delegated this power to President Roosevelt and to Cordell Hull, because we have known those men, and have had confidence in them that the power would not be abused; but the Senator from Missouri has seen the occasion when Cabinet power in this Government was abused, and not so long ago.

Mr. CLARK of Missouri. Yes, Mr. President; and I have seen the occasion, during the very last revision of the tariff by the Congress of the United States, when the measure was under consideration in this very body, when the assistant secretary of the Connecticut Chamber of Commerce was introduced into the Finance Committee of the Senate as one of its confidential agents and clerks, there to participate in all the secret and confidential discussions which took place with reference to fixing rates. I do not believe there is likely to be a more flagrant or more outrageous exhibition under the system authorized by this measure than there has been in connection with the manipulation of tariff bills and their passage through the Congress in the past.

Mr. O'MAHONEY. Mr. President, will the Senator again yield?

Mr. CLARK of Missouri. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Let me cite to the Senator the history of the Underwood Tariff Act.

Mr. CLARK of Missouri. I am very familiar with it.

Mr. O'MAHONEY. Will the Senator say there was no logrolling in the passage of that tariff measure? Will the Senator say there was no abuse of the legislative process in that instance?

Mr. CLARK of Missouri. Undoubtedly there was logrolling in the passage of the Underwood Tariff Act; and I think every Senator who was a Member of Congress at that time will bear me out. I do not mean to say that there was any abuse of legislative power; but any one who has ever observed the passage of a general tariff bill through the Congress knows that there has been logrolling in connection with every one of them.

Mr. O'MAHONEY. The Senator was discussing the abuse of legislative power.

Mr. CLARK of Missouri. I was taking up the phrase used by the Senator from Wyoming and applying it to a particular situation which existed in the Congress.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Tennessee.

Mr. McKELLAR. I happened to be a Member of the House of Representatives when the Underwood tariff bill was debated and voted upon, and even when it was prepared. I can say that logrolling ran rife in the House at that time. It became a stench in the nostrils of all those who were really in favor of reducing the tariff at that time. The Underwood Tariff Act was a distinct disappointment to those of us who believed in an honest reduction of the tariff.

Mr. CLARK of Missouri. Mr. President, I remember it very well. I was not a Member of the House, but I was Parliamentarian of the House, and I had the opportunity to observe that logrolling went on to the fullest extent.

Mr. McKELLAR. One further thought: However dangerous it might be for us to have a Republican administration, and however dangerous might be its use of the powers incident to the authority to make trade agreements, does not the Senator agree with me that it would be tenfold more dangerous to undergo the logrolling incident to another tariff bill?

Mr. CLARK of Missouri. Mr. President, I have not the faintest doubt about it. It is for that reason that I voted for the Reciprocal Trade Agreements Act when it was originally passed in 1934. I voted for its extension in 1937, and I intend to vote for its extension tomorrow, I hope, because I think no one in this Chamber who is familiar with my record in even the slightest degree will charge me with ever having been unduly willing to delegate legislative power to anybody at any time. I voted against the N. R. A. I voted against the first A. A. A. I voted against a great many other measures because I felt that they were unconstitutional delegations of power. However, under the precedents laid down by the laws of this country, I felt that this was a constitutional delegation of power, and I thought it was the only way in which we could escape from the old, vicious, venal, disgraceful logrolling days of general tariff bills.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Connecticut?

Mr. DANAHER. If the Senator will bear with me, I have not been able to study this question as much as I had hoped. I was not a Member of Congress when the Smoot-Hawley tariff bill was enacted, but I have heard references to it on the floor during the past week and again from the Senator this afternoon. Has the Hawley-Smoot Tariff Act ever been repealed?

Mr. CLARK of Missouri. It has not, except insofar as it has been affected by reciprocal-trade agreements.

Mr. DANAHER. The thought that is going through my mind is that if it has been such an iniquity as it has been represented to be, it seems to me that the opportunity to repeal it has existed almost daily for the past 9 or 10 years, during which time the administration has had overwhelming control of both Senate and House.

Mr. CLARK of Missouri. Mr. President, I am very glad, indeed, that the Senator from Connecticut asked that question, because it involves the reason for the procedure set out in the Reciprocal Trade Agreements Act.

The Hawley-Smoot Tariff Act was merely the successor and capsheaf of a series of iniquitous tariff measures; but it was that particular measure more than any other which culminated in the policy of retaliation, which led practically every other nation in the world to enact retaliatory legislation against our laws, to paralyze our foreign trade, and to shut American goods out of its markets.

Mr. DANAHER. Mr. President——

Mr. CLARK of Missouri. I shall be very glad to yield to the Senator if he will permit me to conclude what I am about to say. Having by our bad example—particularly in the Hawley-Smoot tariff law—created the system of retaliatory tariffs throughout the world, and having driven Great Britain off her free-trade policy and caused her to impose tariffs against our raw products and our goods, we had no assurance that the other nations were likely to follow the good example which we set when we started to reduce tariffs and correct some of the iniquities created by the Hawley-Smoot Tariff Act. That result could only be the product of agreement. We had created the situation, but we had created a situation which we could not correct by ourselves. Therefore negotiation was necessary; and since congresses or parliaments cannot directly conduct negotiations, this method was the only method that seemed feasible for dealing with the situation created by the Hawley-Smoot Tariff Act.

Mr. DANAHER. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from Connecticut.

Mr. DANAHER. Am I justified, then, in drawing the conclusion that the real purpose of the reciprocal trade agreements program, and the real purpose sought to be achieved by extending it for another 3 years, is to repudiate, by implication at least, the Hawley-Smoot Tariff Act?

Mr. CLARK of Missouri. Mr. President, the real purpose is precisely the purpose set forth and repeatedly stated in the act itself—to increase the foreign trade of the United States, to increase domestic prosperity in the United States by in-

creasing our commerce with other nations, and by correcting, as far as may be, the situation which has been created not only by our bad example but by the nations which followed our bad example in the retaliatory tariff program.

Mr. DANAHER. Mr. President, will the Senator further yield?

Mr. CLARK of Missouri. I yield to the Senator.

Mr. DANAHER. Would not a much simpler way to achieve that purpose have been simply to repeal the Hawley-Smoot Tariff Act?

Mr. CLARK of Missouri. It would not, for the reason that other nations had passed prohibitive tariff laws against us; and unless we negotiated with them in advance, we had no assurance whatever that when we modified our laws they would modify theirs.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Colorado.

Mr. ADAMS. From the Senator's discussion of the Smoot-Hawley Tariff Act I gather that the real thing which was highly objectionable was the fact that too many reciprocal-trade agreements were made in the Halls of Congress rather than, as now, in the halls of the State Department.

Mr. CLARK of Missouri. Some of them, I think, were made outside the Halls of Congress. There were numerous notorious lobbies here. The Senator from Connecticut rather took exception to my reference to the presence of the representative of the Connecticut Manufacturers' Association in the Finance Committee. I simply call his attention to the fact that the Senate of the United States censured a Senator from Connecticut for introducing that lobbyist into the Finance Committee.

Mr. DANAHER. Mr. President——

Mr. ADAMS. Mr. President, will the Senator yield to me for an observation?

Mr. CLARK of Missouri. I yield to the Senator from Colorado.

Mr. ADAMS. As I gathered from reading the amendment of the Senator from Wyoming [Mr. O'MAHONEY], it provides that each reciprocal-trade agreement as a whole shall be submitted to the Congress to vote "yes" or "no" on the agreement, just as if it were a treaty; that it would not be open to amendment. That is my understanding of the Senator's amendment. In other words, it would not open the way for logrolling.

Mr. CLARK of Missouri. In the first place, as I read the amendment, it does not say what the Senator from Colorado says it does. In the second place, under the Constitution of the United States, each House may make whatever rules it pleases to govern its proceedings; and the question whether or not the agreement is open to amendment is a matter to be judged by each House under its own rules.

Mr. ADAMS. Yes; but I say to the Senator that here is an agreement which has been signed by the Secretary of State under the authority of Congress, and has been signed by the representatives of the foreign government. It comes here, as I see it, under that authority, with the question, Shall this agreement which has been entered into be approved or not? We could not by amendment change the agreement. That is, the agreement would have to be resubmitted to the other party to it.

Mr. CLARK of Missouri. We do that with treaties. We frequently put reservations in treaties.

Mr. ADAMS. A reservation is a very different thing. We could not amend the treaty itself without its going back for the approval of the other party.

Mr. CLARK of Missouri. Mr. President, I did not for a moment suggest that we could bind the other party; but I entirely disagree with the Senator from Colorado that the agreement would have to be voted up or voted down, that we should have to vote "yes" or vote "no" on the agreement, because I do not think that is true under the rules of either body; and while the Senate would have a right to adopt such a rule, I do not think it would be valid under the Constitution of the United States, or binding on either House, if such a rule were adopted.

Mr. ADAMS. If my recollection is correct, the Senator and I both voted for the Wheeler amendment to the Reorganization Act.

Mr. CLARK of Missouri. I voted for it.

Mr. ADAMS. Would it be possible to frame an amendment of that kind which would specifically limit the action of Congress to a vote for or against the reciprocal-trade agreement, providing, as the Wheeler amendment did, that it should be voted upon within a particular time, so that there could be no filibuster against it?

Mr. CLARK of Missouri. The Senator will have to apply his own ingenuity to that problem. I also voted against the Reorganization Act.

Mr. ADAMS. The Senator would have no objection to that type of amendment; would he?

Mr. CLARK of Missouri. Yes; I would have objection to it, because I am in favor of the joint resolution.

Mr. ADAMS. I am surprised.

Mr. SCHWELLENBACH. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. Is it not true that in the consideration of the Wheeler amendment it was conceded by every one—as I recollect, I asked the question of the Senator from Colorado—that one Congress could not bind the next Congress, and that, while the Wheeler amendment might have in it some provision of that kind, if the next Congress wanted to make its rules in such a way as to provide for amendments to reorganization recommendations the next Congress could do it?

Mr. CLARK of Missouri. I do not understand that there was the slightest dispute between any parties to the discussion of the Wheeler amendment as to the soundness of the proposition just stated by the Senator from Washington.

Mr. ADAMS. Mr. President, the Wheeler amendment attached a condition to the going into effect of a reorganization. Of course a subsequent Congress could provide for another reorganization, but this Congress could provide a condition which must be complied with before a reorganization plan submitted to it should become effective. We can attach a condition to the going into effect of a reciprocal trade agreement, not a condition involving the operation of definite legislative procedure. We could provide, if we saw fit, that it should not go into effect unless approved by the Comptroller of the Currency. We can attach any condition; and it seems to me the O'Mahoney amendment is of that character.

Mr. CLARK of Missouri. Mr. President, in short I may say that; in my opinion, the O'Mahoney amendment, like the Pittman amendment, and like the amendment of the Senator from Colorado—which is the most ingenious of any of them—is simply a measure designed to kill the joint resolution, or at least its adoption would have the effect of killing the joint resolution. The amendment of the Senator from Colorado, which I assume will be next considered, is, as I say, the most ingenious of any of them, because the Senator's amendment provides for a delegation of power to one branch of the Congress instead of to the whole Congress; and that is a proposition on which the House of Representatives would not even go to conference.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY], as modified.

Mr. BROWN obtained the floor.

Mr. HARRISON. Mr. President, will the Senator from Michigan yield to me?

Mr. BROWN. Yes; I yield.

Mr. HARRISON. Several Senators have spoken to some of us on this side on the subject of an agreement to vote. Is it possible to obtain a unanimous-consent agreement to vote on this amendment tonight?

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan has the floor. Does he yield to the Senator from Wyoming?

Mr. BROWN. I yield.

Mr. O'MAHONEY. Numerous statements have been made to me that several Senators desire to speak upon this amendment; and I have also learned that some pairs which were made upon the Pittman amendment to protect absent Senators do not apply to the present amendment. In view of the circumstances, therefore, the Senator will realize that there is a slight obstacle to an immediate agreement.

I have not been able to get all the information I should like to have to determine what would be the advisable thing to do. I should very much like to see that Senators who are unavoidably detained and who support this amendment will be protected in their votes as they desire. I am doing my best to make inquiry into that matter, but until I get my answers I shall not be in position to agree to a vote tonight. I think it might be possible to work out an agreement for a vote at some time tomorrow, because I rather imagine that these doubts will have cleared away by that time.

Mr. HARRISON. Mr. President, if the Senator from Michigan will further yield, I may say that the Senator from Wyoming appreciates that every courtesy has been extended in this matter.

Mr. O'MAHONEY. I do, indeed, and I am very grateful.

Mr. HARRISON. The Senator from Oregon [Mr. McNARY] and the Senator from Nevada [Mr. PITTMAN] will appreciate, I think, that when certain Senators telegraphed here with reference to pairs, and they could be obtained, we obtained them for them; and it was expressly stated that the pairs were on the Pittman amendment.

Mr. O'MAHONEY. That is correct.

Mr. HARRISON. I dislike very much to see this matter just go along, with all the opportunity that has been available for Senators who wanted pairs to arrange the pairs before this time.

My thought is not to have Senators inconvenienced by continuing the session indefinitely tonight, and then, as I have seen so often, some Senator, about 8 o'clock, moving to adjourn and the Senate adjourning. I was wondering whether we could get a vote tonight.

Mr. O'MAHONEY. Mr. President, I could not grant my consent to taking a vote tonight until I have obtained the information which I am seeking to obtain now with respect to the absent Senators to whom I have referred.

Mr. HARRISON. Does the Senator want us to provide him with pairs for Senators who are not here?

Mr. O'MAHONEY. I should like very much to see that protection is granted them.

Mr. HARRISON. A few days ago, when the result was somewhat uncertain on a very close vote, that privilege was not accorded to us.

Mr. O'MAHONEY. I had nothing to do with that.

Mr. HARRISON. No; the Senator had no more to do with it than anyone else, except that he just happened to be on the other side. [Laughter.]

Mr. O'MAHONEY. I was not aware of what happened in that regard.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Oregon?

Mr. BROWN. I yield.

Mr. McNARY. Could we not enter into an agreement to vote tomorrow, with a limitation on debate?

Mr. HARRISON. That was my object in making the inquiry. I am perfectly willing, if we cannot get a vote tonight, to ask for a limitation of debate tomorrow.

Mr. McNARY. To have speeches limited to 15 minutes, commencing at 12 o'clock, or something like that.

Mr. HARRISON. If it is satisfactory to the leader on this side, it is satisfactory to me.

Mr. BARKLEY. Mr. President, in view of the uncertainty of getting a vote tonight, I think that is probably the best arrangement we can make.

Mr. HARRISON. Could the Senate meet a little earlier tomorrow morning?

Mr. McNARY. I think not, because there are important matters before the Committee on Appropriations. Frankly, I must be there.

Mr. HARRISON. Will the Senator from Michigan permit me to submit a request?

Mr. BROWN. I yield.

Mr. HARRISON. I ask unanimous consent that beginning tomorrow, immediately following the approval of the Journal of today, on the amendment now pending, or any substitute therefor or amendment offered to it, and not including the joint resolution itself, debate shall be limited to one speech to a Senator, and that no Senator shall speak longer than 15 minutes.

The PRESIDING OFFICER. The Chair would like to know whether the Senator intends to include the joint resolution and amendments for the period of the pendency of the pending amendment, or any substitute. In other words, so that it may be understood, does the unanimous-consent agreement provide for a limitation of 15 minutes to each Senator while the pending amendment or any substitute is pending, regardless of whether he speaks on the amendment or on the joint resolution?

Mr. HARRISON. I thought that was the way I submitted the unanimous-consent request.

The PRESIDING OFFICER. Is there objection?

Mr. BROWN. Mr. President, I know that if this unanimous-consent agreement is entered into the Chamber will immediately empty. I wanted to make a few observations upon the pending amendment and to get what assistance I could from various Senators who I suppose may interrupt me, because my mind is not fully made up on the question. I am open-minded on the O'Mahoney amendment. I should be willing to agree to the proposed unanimous-consent arrangement, if I might have a matter of 30 minutes tomorrow morning.

Mr. HARRISON. Mr. President, I amend the request I have submitted so that it will provide that after the Senator from Michigan has been recognized the first thing tomorrow, following the approval of the Journal, he may be given 30 minutes, and that following that, on the pending amendment or any substitute or amendment to it, each speech shall be limited to 15 minutes, and that no Senator shall be permitted to speak more than once.

The PRESIDING OFFICER. Is there objection to the request submitted by the Senator from Mississippi?

Mr. JOHNSON of California. Mr. President, as I understand, the Senator from Michigan, who now has the floor, will be allowed 30 minutes in the morning.

Mr. HARRISON. Yes.

Mr. JOHNSON of California. Then let everyone else have 30 minutes.

Mr. HARRISON. The only reason for making the exception was that the Senator from Michigan has the floor and had desired to speak tonight.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSON of California. I object.

Mr. HARRISON. I withdraw the request, and ask that the Senate remain in session tonight. Let us proceed.

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. BROWN. Mr. President, I am very sorry the unanimous-consent arrangement could not be made, because I would have liked to address myself to the Senate at a time when the vote was about to be taken. But inasmuch as we are unable to enter into the agreement, I will proceed this evening with the few remarks I have to make.

I wish first to address myself to the answer made by the senior Senator from Missouri [Mr. CLARK] to an assertion by the senior Senator from Massachusetts [Mr. WALSH]. The Senator from Massachusetts stated that in the event there were in office a Secretary of State or a President unfavorably disposed to the reciprocal-trade agreements, in all likelihood our tariff rates would be increased. The Senator from Missouri replied to that by stating that such a condition could

not become effective unless the Secretary of State or the President were able to get the other countries parties to the agreements to consent to higher tariff duties with respect to them.

Mr. President, I think that the statement made by the Senator from Missouri was entirely erroneous. I believe it can be demonstrated that if we had a President or a Secretary of State who was unfavorably disposed toward the trade treaties, 17 of the 20 effective treaties could be immediately abrogated and 3 others could be abrogated by July 1, 1941. Why do I make that assertion? Because 17 of the treaties have already run the 3-year period, or the 2-year period, as provided in some cases. Upon the happening of that event, the 50-percent increase which is permitted by the Smoot-Hawley Act, which, of course, is still in effect, could be placed in effect by the action of the Executive.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. I ask unanimous consent that beginning at 12:30 p. m. tomorrow no Senator shall speak more than once, or longer than 15 minutes on the pending amendment, or, during the pendency of the amendment, on any amendment thereto or substitute therefor.

The PRESIDING OFFICER. Is there objection to the request?

Mr. McNARY. It is understood the agreement does not apply to the joint resolution?

Mr. BARKLEY. Yes.

Mr. BROWN. I did not hear the statement of the Senator from Oregon.

Mr. BARKLEY. It was that the proposed unanimous-consent agreement should not apply to the joint resolution.

Mr. BROWN. I take it that upon the conclusion of the ordinary preliminaries tomorrow I will be recognized to speak until 12:45.

Mr. BARKLEY. Until 12:30.

Mr. BROWN. And I will have 15 minutes of my own time after 12:30?

Mr. BARKLEY. Yes.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Kentucky? The Chair hears none, and it is so ordered.

MICHIGAN CIVIL-SERVICE LAW AND THE HATCH ACT

Mr. BROWN. Mr. President, I wish to change the subject rather rapidly and make an observation or two in regard to the Hatch Act.

The most distinguished political scientist of the State of Michigan is Prof. James K. Pollock, who is one of the ranking members of the faculty of the University of Michigan, the department of political science. On March 28 he wrote me a letter which I should like to read after a brief introductory statement.

Professor Pollock was chosen by ex-Governor Fitzgerald of Michigan to head the commission which drafted the first Michigan Civil Service Act. Governor Fitzgerald was defeated in 1936, and was succeeded by Frank Murphy, now Associate Justice of the Supreme Court of the United States.

Professor Pollock was continued in his position by Governor Murphy, and presented to the legislature controlled by the Democratic Party a Civil Service Act which affected 17,000 employees of the State of Michigan.

In the campaign of 1938 that Civil Service Act was the subject of considerable controversy. Governor Fitzgerald pledged to the people of Michigan that he would not materially change the Democratic civil-service law. Unfortunately for the State, Governor Fitzgerald died in March following his induction into office on January 1, 1939. Immediately those who were interested in sabotaging the Michigan Civil Service Act went to work on the legislature, and upon the Lieutenant Governor who succeeded Governor Fitzgerald, and the result was the complete emasculation of the Civil Service Act which was held up throughout the United States as a model of its kind.

I think that is somewhat prophetic as to what may happen to the Hatch Act which is already law, and to the somewhat similar measure which is now pending in the House of Representatives if it should be passed. If the Republicans obtain control of the Congress of the United States, and if they adopt the same attitude that was adopted by the Republicans in the State of Michigan, there will not be any Hatch Pure Politics act, so called.

Professor Pollock, and many members of the faculty of the University of Michigan, which is a very large institution, and which has contributed more Members to the Senate and to the House than any other institution of learning in the United States, interested themselves in an attempt to defeat the sabotage of the so-called Civil Service Act. They were unsuccessful.

We talk about the school man in politics in connection with the Hatch Act. It is interesting to note that after the legislature had sabotaged the Michigan civil-service law, one Melville B. McPherson, a prominent politician in the State of Michigan, went before the faculty of Michigan State College, an institution of 6,000 students, about half the size of our State university, and told the faculty members that because Professor Pollock and his colleagues in the Department of Political Science in the University of Michigan had interested themselves in an attempt to stop the repeal of the Civil Service Act, the University of Michigan had been penalized by taking $1,000,000 of its appropriation away from it.

Mr. President, there is an example of a school man in politics. Was it right, or was it wrong for this citizen to respond to the request of the Governor, the Republican Governor, and the Democratic Governor of my State, to assist in the establishment of a civil-service law? Was it proper for him to attempt to defeat the politicians who tried, and who succeeded in killing the Michigan public-service law? Of course, it was. These politicians penalized him by taking $1,000,000 from the appropriation granted the University of Michigan, and then went before the faculties of other great institutions and threatened them by saying, "You acted all right. You kept out of this controversy." But because these three men in the political science department of the University followed the request of the two Governors and attempted to bring about the enactment of a good law, the university with which they are connected, our great State university, was penalized $1,000,000.

Let me read to the Senate what a distinguished newspaperman editorially said respecting it:

[Royal Oak Tribune]

THE PROFESSORS WARNED

If there are any Republicans who are still wondering why we have had a New Deal in Washington for the last 7 years, they have only to read the words of Melville B. McPherson, Republican member of the State board of agriculture, when he spoke to the faculty club at Michigan State College recently.

Mr. McPherson told Michigan State College professors not to "get out on thin ice" as those at the University of Michigan had. The crime committed by the latter was "taking part in debatable public questions."

The boss of the State supervisors' organization (for he is that as well as chairman of the State tax commission and member of the State board of agriculture) got right down to cases. He told the teachers what they could and could not do if they wanted to avoid irking the politicians.

He declared that the legislature had cut the university's requested appropriations $1,000,000, primarily because of the legislature's antagonism to a few members of the university's staff "who were supporting measures to which 90 percent of the legislature were opposed."

It seems to me that the average resident of Michigan would like to have its college professors, or any other men with training and expert knowledge, use their ability to improve our governmental system. But Mr. McPherson is of the old school which thinks otherwise.

These highfalutin professors can keep their noses out of such practical matters as what kind of government we have—or else. The "or else" is very plainly insinuated by the boss supervisor.

If the professors do not consent to be gagged by the politicians, they will find the work of their universities sadly handicapped because the politicians will not vote the necessary funds.

This sounds more like a ukase from Hitler or Stalin. It does not have the ring of democracy. It is thoroughly disgusting to those

who had hoped that the Republican Party had learned something by being put over the bumps.

When politicians dominate American education and educators, we will be in a very bad way.

Mr. President, Professor Pollock was called by the distinguished senior Senator from North Dakota to come here and advise his committee on means and methods of cleaning up elections. He says in his letter:

I must say that as a close student of the whole problem of money in elections, in my opinion this partisan patchwork known as the Hatch Act is a very inadequate and unsatisfactory method of dealing with a great national problem.

Mr. President, at this point as a part of my remarks I ask unanimous consent that the letter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

UNIVERSITY OF MICHIGAN,
Ann Arbor, March 28, 1940.

The Honorable PRENTISS M. BROWN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have followed very closely the debates in the Senate on the so-called Hatch Act and I have been exceedingly gratified to note particularly on pages 2618–2622 of the CONGRESSIONAL RECORD, the part of your remarks which dealt with educational institutions. I am writing to thank you personally for this comment of yours, and for later being able to amend the act in such a way as to cut out the objectionable provisions. I know the importance of your amendment and I am very happy that the Senator from my State responded so sympathetically on such an important matter.

I am enclosing a clipping which you may or may not have seen, which deals with the same kind of attempted intimidation and violation of academic freedom as indulged in by one of our State politicians. I find the danger to academic freedom to be very real and I therefore especially appreciate your recognition of the importance of protecting it. I hope the House will not change the provision.

I must say that as a close student of the whole problem of money in elections, in my opinion this partisan patchwork known as the Hatch Act is a very inadequate and unsatisfactory method of dealing with a great national problem. What we need is a thoroughgoing Election Expenditures Act similar to the one I prepared for the Nye committee years ago known as S. 366, Seventy-fifth Congress, first session. And if the Congress wants to eliminate political activity by Government officials, why don't they put them in the classified service by passing the Ramspeck bill? Then such employees are automatically prohibited from political activity.

With kindest regards.

Sincerely,

JAMES K. POLLOCK.

Mr. BROWN. I also ask to have inserted in the RECORD that part of the statement contained in the Detroit News of February 9, 1940, made by Mr. W. K. Kelsey, relating to this subject matter; and the editorial in the same newspaper, entitled "He Served the Public."

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Detroit News of February 9, 1940]

THE COMMENTATOR

(By W. K. Kelsey)

Maybe Melville B. McPherson wasn't talking about Dr. James K. Pollock when he told the Michigan State College Faculty Club that the legislature cut the University of Michigan's appropriation $1,000,000 "primarily because of the legislature's antagonism to a few members of the University's staff who were supporting measures to which 90 percent of the legislators were opposed." But it makes little difference whether he was or not, for his remarks were just plain silly.

Dr. Pollock was drafted by Governor Fitzgerald to head a committee to study civil-service methods and draft a civil-service bill for Michigan. The Governor chose him for the simple reason that Dr. Pollock probably knew more about the operation of civil-service laws than any other man in Michigan. The committee drafted a bill, which was passed by the legislature during Governor Murphy's administration. Two years later the present legislature gutted that law, Governor Dickinson consenting. Naturally, Dr. Pollock defended the act of which he was the principal author. If the legislature, as Mr. McPherson perhaps suggests, penalized the University on that score, the people of Michigan may count it as just one of the dirty, incompetent acts of a reactionary body, in which the majority lifted its own selfishness and desire for spoliation above the interests of the people they misrepresented.

When legislation is proposed, what is more natural than to call in, to prepare it, men who know something about it? What is more natural than that such men be found in the colleges, where there are specialists in such matters? The State is paying the salaries of such men; must it be debarred from making use of their knowledge? Yes; says Mr. McPherson. Such men should be cloistered; they should teach theory, but never engage in practice, for fear they will bring their institutions into disrepute. With whom? The legislature. Well, to be in disrepute with this legislature is to have received an accolade.

[From Detroit (Mich.) News of February 9, 1940]

HE SERVED THE PUBLIC

Melville B. McPherson's criticism of the University of Michigan for permitting its professors to take part in "debatable public questions" was a shrewd bit of intimidation.

McPherson recently was named a member of the State Board of Agriculture. He addressed his remarks to the faculty of Michigan State College, expressing the hope that they would not fall into the grievous errors afflicting the Ann Arbor institution. The legislature of late, he said, has been more than ever impressed with the merits of the State College and, he intimated, has allowed its favor to be reflected in the appropriations for education.

The implication plainly was conveyed that both institutions will best serve their financial welfare by conforming their ideas to McPherson's. Nor would this be taken as an idle threat, for the Kent County politician has devoted himself to maintaining a State machine quite capable on occasion of influencing legislation. His activity in opposing legislation to guard relief against political manipulation was the most recent manifestation of his role in that connection.

Those who heard McPherson's speech to the State College faculty gained the impression his disapproval of the university centered largely on Prof. James K. Pollock. Dr. Pollock was chairman of the late Governor Fitzgerald's Civil Service Study Commission, which reported realistically on the evils of spoils politics in the State and later drafted the first model civil-service bill. Still later he cooperated with the Michigan Merit System Association in advocating enactment of this bill and in opposing the "ripper law" which eventually supplanted it.

Dr. Pollock's distinguished service of the State earned him the enmity of its coterie of machine politicians in both parties. It is hoped no ill will come to him through McPherson, whose services have been of an entirely different order.

Mr. HATCH rose.

Mr. BROWN. Mr. President, before I yield to the Senator from New Mexico I simply wish to state that I place these matters in the RECORD and make this statement because I think it shows what can happen and what will happen to an act such as the one which bears his name and which I know was conceived by the Senator from New Mexico, by the Senator from Georgia, and others, with the best intention, but which gains its main support from an opposition party whose purpose is to circumscribe the particular party that happens to be in political power at the time, and which is most injured by the measure.

I also placed these matters in the RECORD, Mr. President, because I hope they will be read by the members of the Judiciary Committee of the House, who are considering this matter now, with especial reference to their determination of the educational amendment which I offered, and which was adopted by the Senate when the Hatch Act was passed.

I now yield to the Senator from New Mexico.

Mr. HATCH. Mr. President, I merely wish to say to the Senator from Michigan that the incidents he relates with respect to the repeal of the civil-service act in Michigan and the attempted intimidation of professors in institutions of learning in his State are exactly the things against which we are fighting with this type of legislation.

Mr. BROWN. I know the Senator has that thought in mind.

Mr. HATCH. Referring to the letter from Professor Pollock, I am quite familiar with his writings. At this moment I have on my desk excerpts from some of his writings on the Corrupt Practices Act, dealing with the subject of campaign expenditures, on which subject the professor has written rather extensively. I have always found his ideas very interesting. His statement that the legislation referred to is inadequate is no different from the statement I have made many times. I have said it is not a complete job, but at least it goes part of the way. I want to go all the way; and I hope that the Judiciary Committee of the House will consider these remarks as well, and report the bill, as I understand it is about to do rather shortly.

Mr. BROWN. Incidently, in that connection I hope the Senator from New Mexico will follow the usual custom of the Senate, and when he goes into conference will fight just as hard for the educational amendment—which was adopted by a large majority in the Senate—as he does for the other provisions in the bill.

Mr. HATCH. Mr. President, will the Senator yield a moment further?

Mr. BROWN. Yes.

Mr. HATCH. I shall try to uphold the bill passed by the Senate. I shall consider that my purpose.

I wish to say further, that, from the editorial which the Senator has read, and from what he has said as to the action of the Republican Party in the State of Michigan, I think it is very likely that the people of the State of Michigan will have an opportunity to express their disapproval of that sort of conduct.

Mr. BROWN. I join the Senator in that hope.

Mr. HATCH. If the Republican Party should obtain control of national affairs and repeal this legislation, as the Senator suggests, I am inclined to think that, at the first opportunity, the people would express their disapproval of such action.

Mr. BROWN. I hope they will not have the opportunity.

Mr. HATCH. I join the Senator in that hope.

AMBASSADOR BULLITT'S SPEECH AT BORDEAUX, FRANCE

Mr. REYNOLDS. Mr. President, yesterday I made some observations in reference to Mr. Welles and Mr. Bullitt, our Ambassador to France. During the course of those remarks I stated that I was desirous of obtaining a copy of an address which was delivered by Ambassador Bullitt on September 3, 1938, at Bordeaux, France, at a convention of wine merchants, I believe. I stated at that time that I would read the address of Mr. Bullitt on the floor of the Senate. As the result of my desire so to do, I requested the State Department to send me a copy of his address, and was advised at that time that his remarks were purely extemporaneous, but that the Department could provide me with the closing remarks of the address, which the Department very kindly sent me.

In all fairness to Mr. Bullitt, our Ambassador to France, I desire to have published in the RECORD at this juncture a letter which I have received from the State Department, signed by Mr. M. J. McDermott, of whom I made the request. This letter provides me with the closing remarks of Mr. Bullitt in his extemporaneous address at Bordeaux on September 3, 1938.

Without objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, April 2, 1940.

The Honorable ROBERT R. REYNOLDS,
United States Senate.

MY DEAR SENATOR REYNOLDS: In compliance with your request over the telephone, I am glad to give you the following information concerning Ambassador Bullitt's speech at Bordeaux on September 3, 1938.

The Department of State has the text of the pertinent remarks of the Ambassador upon that occasion which he made reading from a manuscript, copies of which were given to journalists who were present at the banquet. His remarks were as follows:

"It is no secret that the people of the United States today feel for the people of France the most profound sympathy. We are united by our devotion to liberty, democracy, and peace. We are united by our old friendship, by the aid that each has brought to the other in an hour of need. Today we are working together to preserve peace. May we be as successful in that task as we have been in the past when we have marched together under the flags of war."

Upon that occasion the Associated Press carried a misquotation of Ambassador Bullitt's remarks, which they subsequently corrected in the afternoon newspapers of September 12, as follows:

"Interpretations of United States Ambassador William C. Bullitt's speech at Bordeaux, France, September 3, attributing to him the statement that France and the United States were 'indefectively united in war as in peace' were withdrawn yesterday by newspapermen who reported them.

"Among these was the Bordeaux correspondent, who dictated the phrase to the Paris bureau of the Associated Press and later insisted upon the accuracy of his report. The correspondent said there had been a misinterpretation of the words the Ambassador actually pronounced.

"The passage that led to the correspondent's confusion was: 'Today we are working together to preserve peace. May we be as successful in that task as we have been in the past when we marched together under the flags of war.'"

Sincerely yours,

M. J. MCDERMOTT.

Mr. REYNOLDS. In view of the fact that the Ambassador employed the word "war" in his address, I ask that at this juncture in my remarks there be published in the CONGRESSIONAL RECORD the observations made by the Honorable Claud Kitchin, of North Carolina, on April 5, 1917. Let me add, Mr. President, that day after tomorrow, April 5, 23 years will have expired since the United States of America entered the World War.

The PRESIDING OFFICER. Without objection, the remarks of Representative Kitchin will be printed in the RECORD.

The remarks are as follows:

Mr. KITCHIN. Mr. Chairman, in view of the many assumptions of loyalty and patriotism on the part of some of those who favor the resolution, and insinuations by them of cowardice and disloyalty on the part of those who oppose it—offshoots, doubtless, of a passionate moment—let me at once remind the House that it takes neither moral nor physical courage to declare a war for others to fight. [Applause.] It is evidence of neither loyalty nor patriotism for one to urge others to get into a war when he knows that he himself is going to keep out.

The depth of my sorrow, the intensity of my distress in contemplating the measureless step proposed, God only knows. The right and necessity of this momentous resolution are addressed to the individual judgment of the Members of the House. Too grave is the responsibility for anyone to permit another to stand sponsor for his conscience.

Profoundly impressed with the gravity of the situation, appreciating to the fullest the penalties which a war-mad moment will impose, my conscience and judgment, after mature thought and fervent prayer for rightful guidance, have marked out clearly the path of my duty, and I have made up my mind to walk it, if I go barefooted and alone. [Applause.] I have come to the undoubting conclusion that I should vote against this resolution. [Applause.] If I had a single doubt, I would with profoundest pleasure resolve it in favor of the view of the administration and of a large majority of my colleagues, who have so recently honored me with their confidence. I know that I shall never criticize any Member for advocating this resolution. I concede—I feel—that he casts his vote in accordance with sincere conviction. I know, too, that for my vote I shall be not only criticized but denounced from one end of the country to the other. The whole yelping pack of defamers and revilers in the Nation will at once be set upon my heels.

My friends, I cannot leave my children lands and riches—I cannot leave them fame—but I can leave them the name of an ancestor, who, mattering not the consequences to himself, never dared to hesitate to do his duty as God gave him to see it. [Applause.]

Half the civilized world is now a slaughterhouse for human beings. This Nation is the last hope of peace on earth, good will toward men. I am unwilling for my country by statutory command to pull up the last anchor of peace in the world and extinguish during the long night of a world-wide war the only remaining star of hope for Christendom. I am unwilling by my vote today for this Nation to throw away the only remaining compass to which the world can look for guidance in the paths of right and truth, of justice and humanity, and to leave only force and blood to chart hereafter the path of mankind to tread.

By passage of this resolution we enter the war, and the universe becomes one vast drama of horrors and blood—one boundless stage upon which will play all the evil spirits of earth and hell. All the demons of inhumanity will be let loose for a rampage throughout the world. Whatever be the future, whatever be the rewards or penalties of this Nation's step, I shall always believe that we could and ought to have kept out of this war.

Great Britain every day, every hour, for 2 years has violated American rights on the seas. We have persistently protested. She has denied us not only entrance into the ports of the Central Powers but has closed to us by force the ports of neutrals. She has unlawfully seized our ships and our cargoes. She has rifled our mails. She has declared a war zone sufficiently large to cover all the ports of her enemy. She made the entire North Sea a military area—strewed it with hidden mines and told the neutral nations of the world to stay out or be blown up. We protested. No American ship was sunk, no American life was destroyed, because we submitted and did not go in. We kept out of war. We sacrificed no honor. We surrendered permanently no essential rights. We knew that these acts of Great Britain, though in plain violation of international law and of our rights on the seas, were not aimed at us. They were directed at her enemy. They were inspired by military necessity. Rather than plunge this country into war, we were willing to forego for the time our rights. I approved that course then; I approve it now.

Germany declares a war zone sufficiently large to cover the ports of her enemy. She infests it with submarines and warns the neutral world to stay out, though in plain violation of our rights and of international law. We know that these acts are aimed not directly at us but intended to injure and cripple her enemy, with which she is in a death struggle.

We refuse to yield; we refuse to forego our rights for the time. We insist upon going in.

In my judgment, we could keep out of the war with Germany as we kept out of the war with Great Britain, by keeping our ships and our citizens out of the war zone of Germany as we did out of the war zone of Great Britain. And we would sacrifice no more honor, surrender no more rights in the one case than in the other. Or we could resort to armed neutrality, which the President recently urged and for which I voted on March 1.

But we are told that Germany has destroyed American lives while Great Britain destroyed only property. Great Britain destroyed no American lives, because this Nation kept her ships and her citizens out of her war zone which she sowed with hidden mines.

But we are quite sure that the real reason for war with Germany is the destruction of lives as distinguished from property, that to avenge the killing of innocent Americans and to protect American lives war becomes a duty.

Mexican bandits raided American towns, shot to death sleeping men, women, and children in their own homes. We did not go to war to avenge these deaths. We sent an armed expedition into Mexico to hunt down and punish the bandits. Away out from the American border the soldiers of Carranza, of the Mexican Government, which we had recognized, met our soldiers, shot the American flag from the hands of an American soldier, shot down to the death our soldiers, and Carranza, instead of disavowing the dastardly act, defiantly approved and ratified it. Yet we did not go to war to avenge the destruction of American lives and the insult and assault on the American flag. We were willing to forego our rights rather than plunge this country into war while half the world was in conflagration. I approved that course then; I approve it now.

Why can we not, why should we not, forego for the time being the violation of our rights by Germany, and do as we did with Great Britain, do as we did with Mexico, and thus save the universe from being wrapped in the flames of war?

I have hoped and prayed that God would forbid our country going into war with another for doing that which perhaps under the same circumstances we ourselves would do.

Are we quite sure that in a war with Germany or Japan, if our fleet was bottled up, helpless, and our ships of commerce had been swept from the seas, all our ports closed by the enemy's fleet, imports of fuel and food and clothing for our people and ammunition for our soldiers were denied, with our very life trembling in the balance, we would not, in the last struggle for existence, strike our enemy with the only weapon of the sea remaining, though in violation of international law? Would one contend that under the circumstances our submarine commanders should permit the landing at the ports of the enemy arms and ammunition with which to shoot down our brave American boys when they had it in their power to prevent it? Would we demand of our submarine commanders that they give the benefit of the doubt to questions of international law rather than to the safety of our country and the lives of our soldiers?

War upon the part of a nation is sometimes necessary and imperative. But here no invasion is threatened. Not a foot of our territory is demanded or coveted. No essential honor is required to be sacrificed. No fundamental right is asked to be permanently yielded or suspended. No national policy is contested. No part of our sovereignty is questioned. Here the overt act, ruthless and brutal though it be, is not aimed directly at us. The purpose of the proposed enemy is not our injury, either in property or life. The whole aim and purpose and effort are directed at a powerful enemy with which she is in a life and death struggle.

The causes for which we are now asked to declare war could have been given with equal—yea, greater—force 30 days or 10 days after the first step taken by the German Army in its march toward Paris. They existed then.

The House and the country should thoroughly understand that we are asked to declare war not to protect alone American lives and American rights on the high seas. We are to make the cause of Great Britain, France, and Russia, right or wrong, our cause. We are to make their quarrel, right or wrong, our quarrel. We are to help fight out, with all the resources in men, money, and credit of the Government and its people, a difference between the belligerents of Europe to which we were and are utter strangers. Nothing in that cause, nothing in that quarrel, has or does involve a moral or equitable or material interest in or obligation of our Government or our people.

To this program every impulse of patriotism, every sense of right, every feeling of humanity, every sentiment of loyalty, every obligation of duty within me combine in forbidding my consent until the Government and its people, through its rightful and constitutional voice—the Congress of the United States—have clearly spoken, in the passage of such a resolution as is now before the House. Then and then only will it become the patriotic duty of each Member of the House and Senate to merge his individual judgment and conviction into those so declared of his country, as it will become the duty of every American in and out of Congress, to make the judgment and conviction of his country thus written into statute his judgment and conviction. [Applause.] The voice of law will command, and a patriotic duty will demand, loyal and earnest and active submission and obedience. Until then each should have and does have the inherent right, and it is his bounden duty to himself and to truth to vote his conviction.

I can conceive of a brave, loyal, devoted son of a father who contemplates a personal difficulty with another begging and persuading him to refrain, even condemning, and protesting in vain against his proposed step, but when the final word is spoken and blows are about to be given, taking off his coat and struggling with all of his soul and might in defense of that father.

When this Nation, as it doubtless will today, speaks the final word through the Congress, I trust I will be found in relation with my Government and my country emulating the example of that son. [Applause.]

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nominations of sundry citizens for appointment, and officers for promotion, in the Diplomatic and Foreign Service.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). If there be no further reports of committees, the Clerk will state the nominations on the Executive Calendar.

COMMISSIONER, DISTRICT OF COLUMBIA

The legislative clerk read the nomination of John Russell Young to be Commissioner of the District of Columbia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BARKLEY. I ask that the President be notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, the President will be notified.

That concludes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 4, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate April 3 (legislative day of March 4), 1940

COMMISSIONER OF THE DISTRICT OF COLUMBIA

John Russell Young to be a Commissioner of the District of Columbia.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 3, 1940

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. RAYBURN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty and most merciful Father, holy, holy is Thy name; heaven and earth are full of Thy glory. We pray Thee to extend our vision to cover the adventures of thought and action in seeking to perform our whole duty. We pray that nations may cease to reckon their wealth in possessions rather than in Christian ideals. Blessed Lord, as life today is a tremendous challenge to our faith, inspire us to catch a vision of Thy righteous purpose for all humanity, and then may we give ourselves unfalteringly to do Thy will. O save us from the guilty sin of indifference and stir our hearts with a passion for men. Almighty God, our help in ages past, as envy and hate are writing lines of blood and fire across the world, stay the mighty tides of fear which are being hurled against the promises of our holy faith. We pray that our

country may ever stand with open arms of peace and brotherhood where cross the crowded paths of life. Through Christ our blessed Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

SWEARING IN OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. RAYBURN). The present occupant of the chair requests the gentleman from Massachusetts [Mr. McCORMACK] to administer the oath of office as Speaker pro tempore.

Mr. McCORMACK appeared at the Well of the House and administered the oath of office to Mr. RAYBURN as Speaker pro tempore. [Applause.]

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 607. An act to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Interior.
4. Department of Justice.
5. Department of War.
6. Post Office Department.
7. Federal Works Agency.
8. United States District Court for the Northern District of California.
9. Veterans' Administration.

COMMITTEE ON THE JUDICIARY

Mr. WALTER. Mr. Speaker, I ask unanimous consent that Subcommittee No. 4 of the Committee on the Judiciary be permitted to sit this afternoon during the session of the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to extend the remarks I expect to make today on the Big Bend National Park by including therein a statement by Rev. Milton F. Hill appearing in the El Paso Times.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE PONY EXPRESS

Mr. NELSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. NELSON. Mr. Speaker, 80 years ago today, April 3, 1860, the pony express from St. Joseph, Mo., to Sacramento, Calif., was started in spectacular fashion. Measured in far-reaching results, the event was of more importance than Lindbergh's later lone flight over the Atlantic in a plane which bore the name of another Missouri city—the *Spirit of St. Louis*.

Missouri, daughter of Virginia and Kentucky and other of the older States to the east, and mother of practically all States to the west, has been the base for many movements, the scene of many starts. From the heart of Missouri, and in what is now a part of the Second Congressional District, which I have the privilege to represent, Kit Carson came. Here met the Old Trails Road and the Santa Fe Trail, the latter stretching away 700 miles to the southwest, "like a phantom finger pointing to a land of promise." In western Missouri the Mormon migration paused, then pressed on to establish its beautiful central city, Salt Lake City. Near what is now Kansas City was to be seen a signboard reading, "Oregon, 1,900 miles," and pointing the way to the far Northwest. It was in Missouri, too, that General Doniphan assembled his troops, described as "rough, ready, and ragged," and successfully led them into Mexico, completing an all-time long-distance march.

So it is not surprising that the pony express should have had its beginning in Missouri. On the trial run, over mountains, plains, and desert places, and in constant peril from Indians, men—they were mostly mere boys—mounted on horses selected for speed and stamina, covered the almost 2,000 miles in 1 hour less than 10 days, the time fixed. There was no radio beam to guide them through the night, no telephone, no telegraph, "no nothing." The one thought that these riders—as good as ever sat in a saddle—kept in mind was, "The mail must go through." It did. It does today.

The mail goes through due to the faithfulness and efficiency of thousands of men and women in post offices, on trains, on city and rural routes, and who, as parts of a great department, afford the public the finest postal service in all the world and at the lowest cost.

The life of the pony express, the agency through which the half million men "on the other side of the mighty mountains" were afforded limited touch with others, was not long. In its 16 months of service, though, it contributed to the retention in the Union of a rich commonwealth, hurried the building of a telegraph line to the Pacific coast, and stimulated interest in the construction of a railroad to the far West.

The pony express line comprised 190 stations, 400 stationmen, about 420 horses, and 80 regular riders, the number of horses and riders varying from time to time.

Although called the pony express, it was mail—letters at $5 for each half ounce, postage being later reduced—that the riders carried. There was also what was known as heavy mail, which went through in wagons drawn by Missouri mules.

The best record made by the pony express was in getting President Lincoln's first inaugural address across the continent in March 1861. From St. Joseph the run was made in 7 days and 16 hours, at an average speed of 10.6 miles per hour.

The pony express, which ceased to operate with the completion of a through telegraph line, sustained a loss of $200,000; but as the promoters lost, the public profited and continues to profit.

While it is not always possible to closely connect cause and effect, it is not too farfetched to think of the pony express as the first step in rural mail delivery, although it was 36 years later that the service, as we know it, was started.

On October 1, 1896, the first experimental Rural Delivery Service was established from Charles Town, Uvilla, and Halltown, W. Va. The first complete county rural mail service was established December 20, 1899, in Carroll County, Md. Today there are 32,839 rural mail routes, embracing 1,392,657 miles and affording service to approximately 7,708,000 families and 28,650,000 individuals.

In the time which has elapsed since the first rural route was established, forty-odd years ago, changes in length of routes, in roads, in weight and bulk of load, in equipment of carriers, in salaries paid, and, in fact, in practically everything, have taken place. In one notable respect, though, there has been no change since the pony express carried the first mail 80 years ago today. The slogan then was, "The mail must go through." That is the slogan still. It stands for service, service unexcelled.

Two of the earliest experimental mail routes were established at Cairo, Mo., October 15, 1896. Today there are 1,550

rural routes in operation in Missouri, 232 in the Second Congressional District.

Knowing that the weather since Christmas had been about the worst ever experienced in Missouri, and being deeply interested in the Rural Delivery Service, which means so much to farm families, I recently wrote each of the carriers in our congressional district. The many replies constitute the most interesting correspondence I have ever received from any source. I wish it were possible to make complete use of all these letters, to have you—yes, to have all connected with the Post Office Department in Washington, and especially in the office of the Second Assistant Postmaster General, who has to do with rural mail service—read what these carriers have written.

The reading of letters from rural carriers results in renewed respect and admiration for Uncle Sam's peacetime army, whose line of march, covered each weekday, measures more than one and one-third million miles.

In all the correspondence there are few complaints. Instead, there are scores of expressions of appreciation. "I am truly thankful for my job and glad to have such fine folks on my route" is a characteristic comment. Scattering suggestions are: "Some more modern mail boxes," "fewer loose coins instead of stamps when weather is cold and fingers numb," "paths opened to mail boxes when snow is deep," and—this from practically all who comment in any way—"more all-weather roads."

Bad roads are the "Indians," and severe weather and deep snows the "outlaws," causing worry to the rural carrier of 1940. Let it be understood, though, that the typical rural carrier is no "softie." Instead, as I read what many have written, it seems that carriers, meeting the challenge and with dogged determination, enjoyed battling snow, walking long distances through byroads and fields, or shoveling out of deep drifts, just, in true Missouri fashion, to "show" Old Man Winter that, as in the days of the pony express, "the mail must go through."

Because of snow and the almost bottomless mud which came with spring, thaws on roads not yet improved, or where there were unpaved parts on roads otherwise hard-surfaced, in many cases carriers hired one or more men as helpers. So over most of the mileage, even when conditions were worst, regular mail deliveries were made. How? Here follow some answers:

Farmers, in one case as many as 20, came with scoops and shovels and opened the road through a long snow-filled cut.

Patrons met me and carried mail to neighbors.

Got my car pulled out three times on one trip, and the owners of teams did not charge a cent.

In making my route one day I had, at different times, four teams, a truck, and two tractors hitched onto the old car.

In my 32 years of service the past 3 months have surpassed anything I have experienced. I have personally paid out over $200 for help, but my patrons repay in their appreciation of the best service I can possibly give.

Part of the time when roads were worst I either walked or rode a horse loaned me by patrons. Often they would meet me at the mail box with hot coffee, soup, or sandwiches, which tasted mighty good during those subzero days.

From February 16 to March 16 I hired two helpers every day, still driving 70 to 75 miles each day, and my helpers walking 6 to 8 miles. In the 2 months from January to March I drove approximately 1,000 miles extra.

One carrier, where the soil is deep, and with 14 miles of dirt roads remaining on his route, writes:

On bad roads I used a model A Ford with high fenders and clearance and equipped with a special dual gear for more power. With this car I was able to make every foot of my route every day in the entire year 1939. However, I was not able to maintain this record during the present winter because of snowdrifts from 3 to 5 feet deep, and later, because of deep-rolling mud, impassable even for low-wheeled wagons. At different times I employed three farmers on horseback to deliver part of my mail. On several days my expenses were more than double my pay for the day. Twice I pulled the back end (differential) out of my Ford; one day I had three "flats," within a distance of less than 3 miles, on rough, frozen roads, resulting in two ruined tires; and on this same day my battery hit a frozen chunk and dropped from my car to the ground, where it was broken. I still have acid burns on my fingers to show for this experience.

Referring to changes in his 32 years on the same route, one carrier comments:

When I started carrying the mail a horse could easily carry a man and what mail I had. However, the mail has increased in volume to the extent that a pick-up truck is as much overloaded as a horse was at any time in the early days.

Then I would have you note the philosophy of one who writes as follows:

After all, Mr. NELSON, there is a great deal more to being a rural carrier than just drawing your pay check twice a month. I hardly think there is any individual who has closer contact with the rural population of this country. I feel that every rural carrier has two strong incentives which make him expend every effort to see that the mail goes through. One is his pride in the service and the other the interest he has in his patrons. I have been on the route for nearly 21 years. I have seen the newly married couple settle down on their little farm. Soon a little youngster is toddling down to the mail box to get the mail. I have seen them grow to men and women, have carried their letters to the folks at home when they were away at school. During past years of drought and depression I have seen them lose their farms they had worked so hard to save. At last I have seen them carried to their final resting places. That, Mr. NELSON, is the life of a rural carrier, whose daily contacts with humanity so few have the privilege to experience.

Many unusual happenings are recounted, a few being as follows:

Twenty years ago, when there were still many unbridged streams, I was caught, during a severe storm, between two creeks and spent the night, having two hounds as company, in a hay mow in a large barn, the farm family having smallpox.

At one time when the creek was running over the road my horse went through a culvert. We both went under the water, but floundered out and completed the route. There is a sort of unwritten law among rural carriers that the mail must go through regardless of obstacles such as snow, mud, or high water.

I recall one winter when rabbits were high in price on the city markets and it seemed that every fellow and his boy started to hunt and ship to market by parcel post. It was in the old days and I was using a team and buggy. For the last 3 or 4 miles the load was so heavy that I had to walk and let the rabbits ride. The boys at the office got to calling my rig the "rabbit special."

I have had some unusual experiences. In making delivery one winter day to the home where a feeble old lady lived with her son, who was digging coal at the time, I could hear groans from within the house. Not being able to get a response to my knocking, I took courage and opened the door. To my astonishment I found that the aged lady had fallen on the floor and was unable to get to her bed. I helped her to her day bed, built up the fire, and left her mail. Then I hurried down the road to the next neighbor, who called the doctor and her children by phone.

This morning a lady left her alarm clock in the mail box. With it was a note saying that she had forgotten to wind it and it had stopped. She wanted me to set it so she would know what time it was. I did.

Many and impressive are the words of appreciation as voiced by carriers. Thanks are expressed for "a good job," "for the finest patrons anybody could hope to have," "for the great amount of money"—and in common with them I wish that more emergency money might be so spent—"that has been provided for better rural roads," "for the privilege of watching the changing seasons, noting the coming and going of birds, the planting and harvesting of crops, and knowing real folks."

One woman carrier, then on a different route, tells of the time when she paid out over $100 per month for help, besides driving as much as 100 miles a day in order to serve all the boxes. Concluding, she says:

My present roads have received many miles of gravel, and while I still have some very bad dirt roads, my work is much easier than when I started twenty-odd years ago.

Proof that a willing carrier has good patrons is shown by the following letter:

At the beginning of a "national clean-up week" on old mail boxes I found I had 43 patrons with old type, open-top boxes. I asked each in a friendly way to erect new ones, and all 43 did so willingly. I feel that this is a fine record for mail-box improvement. It shows what good cooperation I have from my patrons and postmaster.

Genuine gratefulness finds expression in the following:

We had a tough winter, but please believe me when I tell you there has been no complaint on my part and will be none. I am so glad to have the work.

The past winter was one of the worst I have experienced in 28 years, but it is all over now. The sun is shining again, and we live in the good old U. S. A. So why worry?

It has been my good fortune to have the very finest and most appreciative patrons, which, of course, has made it easier to smile when the going is tough.

I digress here to say that consolidation of rural routes should, with but few exceptions, be delayed. Not many roads are ready. Furthermore, now is a poor time to add to unemployment. I have opposed transfers of carriers to fill vacancies at other offices, feeling that open competitive examinations should be held, preliminary to the appointment of some local man or woman.

Close cooperation between postmasters and carriers seems to be the rule, as many who write speak of this. One carrier says:

After fighting snow drifts all day, we returned at 9 o'clock in the evening to find the postmaster waiting for us with a warm fire, when it was 17 below zero outside.

Another writes:

We have wonderful cooperation through our post office.

Still another adds:

Our postmaster is pure gold.

While a third comments:

Our postmaster is "tops."

My long experience with the Post Office Department here in Washington, where up-to-the-minute efficiency and unfailing courtesy on the part of every individual, from the Postmaster General to the lowest paid employee, is the rule, convinces me, as, in addition, I read the letters from carriers, and as I recall the best-of-all postmasters in my own district, that no department of the Government excels that which sees to it that the mail goes through, goes through even as it did on the pony express, which started 80 years ago today from St. Joseph, Mo.

Conditions, citizens, countries change. Nowhere have changes come more swiftly, speed characterizing the movement of Americans, than here, and especially in that broad expanse west of the Mississippi. The "prairie schooner of the grassy seas" is at rest "in the dim haven of lost ships." Travel is by automobile and air-conditioned trains. In the memory of men now living, herds of buffalo—more even than are shown in modern movies—slowed the wagon trains of the pioneer and interfered with the progress of the pony express. Today, in some of the same States, cattle—"Whitefaces," and "Reds, Whites and Roans"—graze contentedly, taking no note of airplanes as they swiftly carry the mail across a continent.

Changes, many! But the spirit that spurred the youthful riders of the pony express is unchanged. Uncle Sam's Postal Service—speedy, sure, safe—proves that the words, "The mail must go through," represented more than a slogan. The mail does go through. [Applause.]

EXTENSION OF REMARKS

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include an article by George Rothwell Brown in the New York American, entitled "The Spending Program Is Resumed."

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a short editorial.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXPENSE ACCOUNTS OF GOVERNMENT OFFICIALS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, yesterday the gentleman from Illinois [Mr. CHURCH] in a lengthy speech made certain allegations concerning the operations of the Federal Home Loan Bank Board and the Home Owners' Loan Corporation. He charged that the members of this Board and its principal executives were wasting vast sums of money in travel for their personal pleasure and advantage and to attend to their personal affairs. The gentleman from Illinois did not at the time specifically give the House information relative to all the trips that the principal executives are alleged to have made, covering the ground in a general way, but inserted them in the RECORD. For instance, at the time those of us who listened to his remarks did not know that the travel vouchers to which he referred extended over the period from 1933 to 1939, inclusive.

I have known for some time that because of the antagonism of a few employees who are no longer connected with the organization and who have had it in for their former superiors because they are now out a statement of this kind was being prepared. References to this proposed statement were published in the newspapers all over the country weeks ago. I have made it my business to know something about the work of the Federal Home Loan Bank Board and the Home Owners' Loan Corporation and its expenses, and there are some things about the statements of the Member from Illinois which ought to be brought to the attention of this House and the country at this time.

I want to make it perfectly clear that I am not in possession of information at this time that would warrant me in assailing the contentions of the gentleman from Illinois that these executives did travel at Government expense in connection with trips for their personal pleasure.

It so happened there was a meeting of the Committee on Expenditures, of which I am chairman, this morning, and the speech of the gentleman from Illinois was discussed. I explained to the committee that the Comptroller General's office went to work on these travel lists of names, picked out and supplied to them, last August and they worked on them until the 8th of February, when they submitted the material to Hon. Jesse Jones, the Federal Loan Administrator. Mr. Jones examined this statement and immediately asked for a complete report. Had the gentleman from Illinois called the office of Mr. Jones, the Federal Loan Administrator, he would have been so advised.

As I said before, the travel vouchers for Board members of the Home Owners' Loan Corporation and some of their principal executives go back to 1933.

The material submitted by the Comptroller General's office, I am informed, covers about 85 typewritten pages. Anyone must admit that it would be impossible to examine the records and check all this material in a few days, when it took the General Accounting Office 5 months to put it together. It seems to me it is only fair to Members of this House and the public to know what these gentlemen whom the gentleman from Illinois [Mr. CHURCH] attacked have to say before passing judgment. I know I will await their explanation before agreeing to an investigation, which the gentleman from Illinois [Mr. CHURCH] demands.

For example, the gentleman from Illinois [Mr. CHURCH] said that last year the Home Owners' Loan Corporation spent $1,478,562 for travel, and he sought in his address to convey to this House the idea that a considerable amount of this travel money was spent by Board members and managers of the Corporation. The facts are that this travel cost is almost entirely for a large number of field men at work in every State in the country whose duty it is to call regularly on

borrowers who fall behind on their accounts, in order to assist them in every possible way to save their homes and prevent foreclosure, men who look after properties owned, delinquent taxes, insurance, repairs, and so forth.

Right now these men are engaged on over 200,000 cases of families which are asking for extensions of their loans under the terms of the Mead-Barry amendment which we passed last year. The work of these men has to be supervised and approved by higher officials and the Board, but as the work of the Corporation has contracted and reorganization and consolidation of offices has gone ahead, the travel of Board members and executives has declined steadily.

For last year the total travel expenses of Board members on Home Owners' Loan Corporation business was less than a thousand dollars out of the $1,400,000 quoted by the gentleman from Illinois. In 1938 it was but $1,918.28 out of a total necessary travel expenditure in the field of $1,565,786.08. For the 6½ years from its organization in 1933 to the end of 1939, the total amount spent for travel by the members of the Board of the Home Owners' Loan Corporation was but the insignificant sum of $19,019.53. These facts were not brought out in the speech of the gentleman from Illinois.

This Board and its executives are managing the largest home-mortgage company ever set up anywhere in the world. It has handled nearly 2,000,000 applications for loans amounting to over $6,000,000,000. It has managed hundreds of offices and had nearly 22,000 employees. This number has now been reduced more than half. It made over a million loans and disbursed over $3,000,000,000. In every year since it has been operating under congressional appropriations it has carried on its work well below these appropriations.

Surely no one would suggest that any such vast enterprise as the Home Owners' Loan Corporation could be run properly if the members of its Board, as well as its executives, did not keep posted personally as to how the work was being done in every part of the country. Naturally, Board members and managers were assigned to overlook and when necessary travel to those sections of the country about which they knew the most, although all of them responsible for management had to be familiar with the problems which came up in the States and areas where the greatest mortgage troubles had developed.

As the chief executive of the Corporation under the law, the Chairman of the Board was called upon to travel more than any other member of the Board and to devote more of his personal attention to the northeastern part of the country, where the greatest mortgage trouble existed. The New York and Boston regions of the Corporation had to deal with more than double the volume of business of any other regions in the country. The mortgage smash-up in New York, New Jersey, Massachusetts, Connecticut, and the other New England States was the worst which has ever occurred anywhere in the world, and that section has not yet recovered from it.

Of course, the Board and its managers should have, as they did, put into that situation every bit of effort they could and every hour they could spare away from Washington.

The gentleman from Illinois talked about these men going out over week ends where the troubles were thickest and insinuates they went for pleasure. The truth is the record shows they rarely could get away from Washington for work out in the field, except at week ends, because of continuous Board meetings for which managers had to be at hand as well as the Board members. This Board serves three separate corporations, and during the years the gentleman from Illinois [Mr. CHURCH] talks about they held over 4,000 Board meetings.

I am informed it has seldom been practicable for Board members to be absent from these meetings during the middle of the week. In part these Board members and the executives of the Corporation feel they are being criticized because they gave up their Sundays and holidays in order to speed up the work and without regard for themselves or their families. Anyone who knows about the work of this Home Owners' Loan Corporation knows that this kind of work has been true not only of the managers but of the employees all the way down the line. They have given thousands of hours to the service of these home owners who were in trouble on nights and Sundays outside of their regular hours without a cent of additional pay. I am told that only within the last few months in handling the applications for the changing over of accounts under the new provisions of the law, a total of over 200,000 hours of overtime has been worked by the rank and file, in addition to the time that has also been given by those who oversee their work.

In many Government departments and independent agencies like the Reconstruction Finance Corporation, the Federal Housing Administration, the Works Progress Administration, the United States Housing Authority, to mention only a few, the people in the ranks, and those in the management have worked without thought of themselves and continue to do so in fighting the effects of the collapse caused by the 1929 panic.

I am not well enough informed to answer in detail what the gentleman from Illinois has charged concerning the travel of all the members of the Board and various individuals whose names he called in his talk yesterday. These men are perfectly able to speak for themselves; they have a right to be heard; and when the report which the Federal Loan Administrator will return to the Comptroller General is available, all the facts should be known to the Members of this House. I will see to it that this report is submitted to the Committee on Expenditures and carefully examined.

The gentleman from Illinois [Mr. CHURCH] again referred to the travel vouchers of Nugent Fallon, deputy general manager. Last June the gentleman from Illinois spoke on this very subject. I secured an explanation from the Chairman of the Board, Mr. Fahey, and, in my opinion, Mr. Fallon covered every trip he had made in detail, naming those he contacted and the nature of his business. The gentleman from Illinois [Mr. CHURCH] stated the reply of Mr. Fallon was flimsy. Anyone who reads the explanation will, I feel, agree it was in no way flimsy. Mr. Fallon not only spoke of his official business but even referred to his personal affairs in order to justify his trips.

As I said yesterday, I do not condone, nor never will, the illegal expenditures of public funds, nor would I in any way attempt to protect one who is guilty of using public funds for pleasure trips or for any purpose other than official business.

In conclusion, let me say the gentleman from Illinois [Mr. CHURCH] made the statement on the floor that the Comptroller General had tried to examine the Home Owners' Loan Corporation's accounts and its officials opposed it. That is not the fact. The fact is that from the very beginning of the Corporation's operations in 1933 and 1934 the General Accounting Office was invited to help set up the Corporation's accounts and books, and cooperated in setting up these accounts. Never on any occasion has the Board or any of its officials denied them access to its records. Not only that, but when they sent their representatives on the travel matter every convenience and facility was placed at their disposal.

I might also add that the Comptroller General did not send to the Attorney General a copy of the report that it sent to Mr. Jones until it was asked to do so. One who listened to the gentleman from Illinois [Mr. CHURCH] yesterday would have come to the conclusion that the Comptroller General had voluntarily submitted such a report to the Department of Justice. I take it that the matter was probably called to the attention of the Attorney General and that is the reason he asked for a copy of the report.

When the answer of the officials who were attacked by the gentleman from Illinois yesterday is available, with the permission of the House I will place it in the RECORD. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks on the accomplishments of the W. P. A.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Speaker, I wish to make two unanimous-consent requests: One, to extend my remarks and include a resolution adopted by the National Rivers and Harbors Congress, and also to include another article from the Portland Journal.

The SPEAKER pro tempore. Without objection, the requests of the gentleman from Oregon will be agreed to.

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a communication.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief editorial appearing in the Shelbyville Republican.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks and include a resolution adopted by the Kansas Live Stock Association at a convention held in Wichita, Kans.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks and include a criticism of Congress by Mr. See, and my answer thereto.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article written by Paul V. McNutt.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks on a concurrent resolution which I placed in the hopper this morning reemphasizing the strict and impartial neutrality injunction of the President on September 4.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a brief editorial on the death of Mr. L. M. Simons, dean of the South Dakota Senate.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an article called "Today's Trends Toward Yesterday's Techniques," by the Honorable CARL MUNDT.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WILLIAMS of Delaware. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two short editorials from the Journal-Every Evening, of Wilmington, Del.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a letter received by myself from the Honorable Cordell Hull, Secretary of State, in relation to the bituminous-coal industry as affected by the trade-agreements program.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE NATIONAL DEBT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, I would like to ask Mr. Morgenthau where he is going to get the money, because in looking over the Treasury statement of June 30, 1939, I find that the gross public debt of the United States amounted to $40,439,500,000, an increase of $3,274,800,000 over the figures of June 30, 1938. On March 30, 1940, the gross public debt amounted to $42,540,000,000, an increase over the figures of June 30, 1939, of $2,100,500,000. During the same 9-month period the Federal expenditure exceeded income by $2,718,391,000, and gives a difference in those figures of $617,891,000.

I cannot understand how Mr. Morgenthau gets those figures, nor can I understand how he can juggle his statement so that we deduct $617,000,000. There is something wrong in Denmark some place. We want and must have enlightening Government statements, true accounts of our financial standing.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THORKELSON asked and was given permission to extend his own remarks.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by Mr. Mock, published in the Pittsburgh Press of Sunday, March 24, 1940.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter addressed to Secretary Hull and his answer thereto.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1941

Mr. SNYDER, from the Committee on Appropriations, reported the bill (H. R. 9209) making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 1912), which was read a first and second time and, with the accompanying papers referred to the Union Calendar and ordered to be printed.

Mr. POWERS reserved all points of order against the bill.

DEFICIENCY BILL—CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes,

having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 6, 7, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, and 35, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"TEMPORARY NATIONAL ECONOMIC COMMITTEE

"To complete carrying out the purposes of the joint resolution creating the Temporary National Economic Committee, approved June 16, 1938, to be available only for allocation to the departments and agencies represented on the Committee for the necessary expenses thereof, including the objects specified under this head in the Second Deficiency Appropriation Act, fiscal year 1938, $60,000, fiscal year 1940, to remain available until the expiration of the Seventy-sixth Congress."

And the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,500,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert: "$850,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$41,387"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$306,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 9.

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
GEO. W. JOHNSON,
Managers on the part of the House.

ALVA B. ADAMS,
CARTER GLASS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On Nos. 6, 7, 11, 12, and 13 to 35, inclusive, relating to judgments and authorized claims: Appropriates for the payment of judgments against the United States and for the payment of authorized and audited claims certified to Congress after the bill had passed the House; the additional amount added by the Senate pursuant to these certified obligations is $453,382.41.

On No. 1: Appropriates $2,500, as proposed by the Senate, for a portrait of former President Hoover to be placed in the White House.

On No. 2: Appropriates $60,000, instead of $90,000, as proposed by the Senate, for the Temporary National Economic Committee in the language, proposed by the Senate, modified to specify that the appropriation shall be in "completion" of the work of the committee.

On No. 3: Appropriates $2,500,000, instead of $2,000,000, as proposed by the House and $3,000,000 as proposed by the Senate, for control of incipient and emergency outbreaks of insect pests.

On No. 4: Appropriates $850,000 from the reclamation fund, instead of $1,000,000, as proposed by the Senate, for continuation of construction of the Colorado-Big Thompson reclamation project.

On No. 5: Appropriates $70,000, as proposed by the Senate, instead of $40,000, as proposed by the House, for fees and expenses of conciliation commissioners, United States courts.

On No. 8: Appropriates $41,387 instead of $47,000, as proposed by the Senate, and $23,000, as proposed by the House, for salaries, Department of State.

On No. 10: Appropriates $306,000 instead of $256,000, as proposed by the House, and $356,000, as proposed by the Senate, for salaries and expenses of mints and assay offices.

The committee of conference report in disagreement Senate amendment No. 9 appropriating $8,000 for expenses of sending delegates to the First Inter-American Congress on Indian Life.

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
EMMET O'NEAL,
GEO. W. JOHNSON,
Managers on the part of the House.

Mr. WOODRUM of Virginia. Mr. Speaker, I ask recognition on the conference report.

The SPEAKER pro tempore. The gentleman from Virginia is recognized.

Mr. WOODRUM of Virginia. Mr. Speaker, so far as I know, there is very little controversy in the conference report. I might say in passing—I hope it is of interest—if the conference report is adopted, the bill will be $3,670,317 less than the Budget estimates. I do not know of anything in the bill about which there is any controversy, and I am not going to consume any time at the moment on the conference report.

I believe this is the first occasion in 17 or 18 years' service in the House of Representatives when I have commented on a newspaper article in a current paper. Mr. Speaker, I do not make it a habit of taking the floor every time something appears in a paper that I do not like or that does not express my views. But an article appeared in the Washington Post this morning which I believe should be commented upon. The article in question was written by a very estimable young gentleman who writes for the Washington Post, John B. Oakes, whom I admire very much. I regret very much personally to have to take the floor of the House to correct one of his articles. It is headed, "Probers tell subcommittee high W. P. A. official is 'venal.'" And the venal is in quotations. Continuing, it reads:

A confidential report described as showing a high Washington official of W. P. A. to be "personally venal"—

And the words "personally venal" are quoted—

was presented yesterday to the House appropriations subcommittee handling relief.

The report and related documents, summarizing an extensive investigation of the W. P. A. carried on since the last regular session of Congress, was also said by the Post's informant to disclose some cases of "inefficiency and dishonesty" on W. P. A. projects in the States.

Then the article goes ahead to give an account of an executive session of the Deficiency Subcommitee on Appropriations, and so forth. The remainder of the article is substantially accurate.

Mr. Speaker, there is absolutely no foundation under the blue vault of heaven for such an article as that. I know no member of the committee gave Mr. Oakes such information. I have not asked the young gentleman—because we understand that reporters do not disclose where they secure their information—but I am perfectly confident that no member of the subcommittee gave him any such information as that. The word "venal" did not appear in the whole conference that we had, nor was there anything suggesting any question upon the personal character or integrity of any high W. P. A. official in Washington. We have summoned before our committee tomorrow Colonel Harrington, Director of the W. P. A., to give information relative to the 1941 relief estimate. This blanket charge is a manifestly unfair procedure. It is very unfair to any Government official to have to appear before a congressional committee with such a charge as that hanging over him, and that charge hangs over every W. P. A. official.

I believe the RECORD will bear out the statement that I have not hesitated to criticize W. P. A. and the officials of the W. P. A. in the past, and I shall do so in the future I am confident.

The specific question was asked in our conference yesterday—and inasmuch as this press statement is very unfair to the person I will state this much—as to whether or not the personal integrity or character of the high W. P. A. officials was involved and the answer was in the negative.

We met in executive session and went over rather hastily the reports of our investigators. We had a report from our attorney in connection with investigations in a great many States covering a great many transactions, some of which in due course of events will undoubtedly be criticized upon the floor of the House. But I want to say, and I think it is only fair to say this, and I would like to be corrected if I overstate it, that nothing was stated in that conference which in any way reflected in the slightest degree on the character or integrity of Colonel Harrington of the W. P. A. I have disagreed with Colonel Harrington in his official acts in the past and I am confident I shall do so in the future with reference to some things that I understand are coming on for consideration by the committee of the House, but I think it is very unfair when articles of this kind appear, and I hope this young gentleman in the future will be more careful where he gets his information, especially when there is carried with it the import that this article carries. The W. P. A. committee has a mass of evidence, some of which will come in for criticism by the committee and by the House. There has been no whitewashing, there has been no suppression, and there will be none, but the committee is going to proceed in an orderly way. It is interested in trying to improve this relief program; it is interested in seeing to it that the funds which the Congress appropriates for destitute people will go to those people and it will do whatever it can to bring that about.

It is not interested, I believe—and certainly, speaking for myself, I am not interested—in any public performance or in any scandal or in any unnecessary airing of things of that sort. Everything the committee has received will be open for the consideration and the use of the members of the committee, as well as Members of the House, in due time. The gentleman from New York [Mr. TABER] and other gentlemen who are on the floor now were present at that committee meeting. If I have overstated the situation, or if I have understated it, I stand ready to be corrected, but I feel confident every member of the committee will concur in what I have said.

Mr. O'CONNOR. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Montana.

Mr. O'CONNOR. As I listened to the report of the conferees, I gathered that the sum for insect control was increased $500,000 by the conferees.

Mr. WOODRUM of Virginia. The gentleman from Montana has been most diligent in working for this appropriation. The Budget estimate for insect control was $3,000,000. The House appropriated $2,000,000. The Senate put it back to $3,000,000, and the conferees split the difference and made it $2,500,000. There is an unexpended balance of $400,000, which gives that Department $2,900,000 for their insect-control campaign during this year, and I think that will be ample.

Mr. O'CONNOR. May I say to the gentleman that we are very grateful for the additional amount allowed by the conferees. I still maintain, however, that we should have the original amount recommended by the Budget, namely $3,000,000.

These grasshoppers and insects do not give much notice when they are coming to destroy and eat up a field of grain. About the first warning we get is when we see the heavens clouded with them. The next move is they swoop down and eat everything in their path in the way of vegetation. Therefore we must have the means at hand to control them. The control program has been very effective under the Bureau of Entomology. I wish to say further that we can trust this Bureau with the money. It will not be used unless needed. The best evidence in support of this statement is the fact that it now has an unexpired balance of $400,000. I want to say again, however, that personally I appreciate very much what the gentleman has done toward increasing the amount heretofore allowed by the House.

Mr. EATON. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from New Jersey.

Mr. EATON. May I ask if the conferees did their duty on the question of the Dutch elm disease?

Mr. WOODRUM of Virginia. I do not think that is in this bill.

Mr. EATON. The insects are in it.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. May I inquire with reference to an item which I think is in this bill, concerning an appropriation for soil-conservation payments to farmers? Is there such an item?

Mr. WOODRUM of Virginia. There is such an item in this bill.

Mr. LUTHER A. JOHNSON. What is the amount?

Mr. WOODRUM of Virginia. It is $60,000,000, and that amount has been taken out of the regular agricultural bill.

Mr. LUTHER A. JOHNSON. I have had a great many letters from cotton farmers in my district who have received letters from the Department stating that those payments cannot be made until this appropriation goes through.

Mr. WOODRUM of Virginia. Mr. Speaker, I reserve the balance of my time; and I now yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the first we heard from the Senate of the United States this year was a great hullabaloo spread all over the newspapers concerning the adoption of Senate Resolution No. 33, known as the Harrison resolution, providing for a joint committee of 12, 6 from the House and 6 from the Senate, to study the fiscal situation of the Government, its expenditures, its Budget, its appropriations, its revenues, and the needs of the various departments, with the idea of saving money. Almost every bill, however, that has been sent to the Senate has come back with increases of large amounts. Would to God that that body could practice what it preaches. [Applause.]

Mr. POWERS. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. POWERS. Has the Senate sent any appropriation bill back this year which carried a reduction under the House figure?

Mr. TABER. I think the first appropriation bill sent over there came back with a reduction, to which the House very readily and very quickly agreed.

Mr. POWERS. That was such an unusual thing I imagine the House could very readily agree.

Mr. TABER. But the Senate very quickly forgot its good resolution and began to amend these appropriation bills upward. I wish that the Senate could have some regard for the taxpayers and the credit of the United States.

In this particular bill it considered increased Budget estimates of $1,554,000 and the bill finally as it came from the conference is increased above the House bill by nearly $2,000,000. This means that the House receded on $1,966,000 and the Senate receded on only $741,000. Frankly, I was disappointed that we receded on so much, because we receded on nearly three times as much as the Senate did in that conference.

I shall not ask for a division or a roll call on the conference report. This is a minor report insofar as dollars go. However, there are now pending in conference between the Houses bills in which the Senate has increased the appropriations made by the House by upwards of $300,000,000. I am hopeful that in these future conferences the position of the House can more nearly be adhered to and that the Senate will pay some attention to Senate Concurrent Resolution No. 33, the first piece of business the Senate really did in this session, and that they will be prepared to yield to the House conferees in very large measure on the increases the Senate has added to these bills. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: On page 18, after line 5, insert the following:

"FIRST INTER-AMERICAN CONGRESS ON INDIAN LIFE

"For the expenses of participation by the United States in the first Inter-American Congress on Indian Life, to be held at Patzcuaro, Mexico, in 1940, including personal services in the District of Columbia or elsewhere; stenographic reporting, translating, and other services by contract if deemed necessary; rent; travel expense; local transportation; transportation of things; purchase of necessary books, documents, newspapers, and periodicals; stationery; equipment; official cards; printing and binding; official entertainment; costs of assembling, installing, packing, transporting, safekeeping, demonstration, and renovating a suitable exhibit, and the purchase of supplies incident thereto; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, fiscal year 1940, to remain available until June 30, 1941 (convention on the Pan American Union, adopted at Havana, Cuba, February 1928, ratified by the President March 6, 1931; resolution XCIII, adopted at Montevideo, December 24, 1933; resolution XIII, adopted at Lima, Peru, December 31, 1938), $8,000."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

"In lieu of the sum named in such amendment insert '$2,000.'"

The motion was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address I delivered yesterday evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1941

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9209) making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes; and pending that motion, Mr. Speaker, may I ask the gentleman from New Jersey [Mr. POWERS], the ranking Member on the other side, if he has any suggestion with regard to a limitation on general debate?

Mr. POWERS. Mr. Speaker, already 17 of my colleagues on this side of the House have requested time. I would suggest to the gentleman from Pennsylvania that general debate run through the day, and tomorrow if necessary.

Mr. SNYDER. Suppose we let general debate run through today, and tomorrow at noon the gentleman and I can get together and see if we can fix a time for closing general debate later that afternoon. Will that be satisfactory to the gentleman?

Mr. POWERS. With general debate running through the entire day today and no agreement as to when the bill will be read tomorrow, and then if I have further requests for time or the gentleman from Pennsylvania has further requests for time, we will agree that general debate will run on until all gentlemen have been accommodated; is that the gentleman's thought?

Mr. SNYDER. That will be satisfactory. I think tomorrow will take care of itself.

Mr. POWERS. Then it will be satisfactory to me to let general debate run for the balance of the day.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by the gentleman from New Jersey [Mr. POWERS] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, H. R. 9209, the Military Establishment appropriation bill, 1941, with Mr. WARREN in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. SNYDER. Mr. Chairman, the House added to the labor-Federal security bill the other day $67,591,000. I assure you it is purely a coincidence that this bill wipes out all of that increase save $233,340.

The closeness of the two amounts looks very suspicious, but the fact is we had reached our decisions well before the other bill was amended.

Now, in a serious vein, I want to say that we approached our task with this bill with an entirely open mind; with absolutely no notion of cutting to any predetermined extent. A defense measure, especially, should not be considered in any other way.

Of course, like all of the other subcommittees, we started out hunting for nonessentials; for projects of an unusual character, and projects for which former allocations had been well advanced, any of which did not seem to be justifiable upon the ground of immediate necessity or necessity at all, because, while all of us on the subcommittee are sympathetic toward defense needs, we also are in complete sympathy with the policy of retrenchment to the utmost extent practicable consistent with the public interests as we individually interpret them.

Before going further, I should like to say that the gentleman from South Dakota [Mr. CASE] sat with us this year for the first time. A former soldier, he was not a stranger to our problems, and we have been delighted with his counsel and help.

As our report shows, we have cut the Budget estimates for this bill $67,357,660. Besides that, we have reduced the amount sought by way of contractual authority by $42,840,500. In new availability, therefore, we have effected a reduction of $110,198,160.

While I feel confident our proposals, if sustained, will do no harm, I am afraid harm would ensue if we should cut any deeper, except, of course, a small amount here and there.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield for a question?

Mr. SNYDER. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman speaks about reductions. Is any account taken of the money appropriated for relief purposes that has been allocated to the Army in the last two sessions of Congress?

Mr. SNYDER. Yes.

Mr. WHITE of Idaho. Does it appear in the hearings?

Mr. SNYDER. A table appears on page 49 of our hearings.

Mr. WHITE of Idaho. A very large amount of the money that was appropriated for relief purposes was allocated to the Army.

Mr. SNYDER. I should not say a large amount for the current fiscal year; it is a considerable amount. May I say in that connection that I do not believe there is any agency in the United States that handles relief funds, such as W. P. A. funds, that gets more for the dollar out of the money allocated than does the Army.

Mr. WHITE of Idaho. I may state for the gentleman's information that I had occasion to go to the Munitions Building and saw down there the organization set up by the Army to prepare applications and get dockets and get them over to the Relief Administration to get Army allocations, and there were plenty of them.

Mr. SNYDER. Mr. Chairman, I ask that I be not further interrupted until I have finished my statement.

The Budget estimate calls for $853,356,754. Included in that amount, however, is $153,466,988 for the satisfaction of maturing contracts heretofore authorized. That amount is out of reach. It represents commitments already made.

Therefore the amount left for us to consider was, roundly, $700,000,000.

Of course, that is a lot of money. The 1938 bill, which was the last one not affected by disturbed world conditions, carried $415,263,154. Now, why should there be that difference? Let me state a few facts.

The bill we present calls for $785,999,094. If we eliminate the amount therein on account of prior year contractual authority, there is left $632,532,106. That is an excess of $217,258,952 over the 1938 bill. Now, as to that excess, it will be recalled that during the present fiscal year the enlisted strength of the Army has been increased from 165,000 to 220,969, and the strength of the National Guard has increased from 205,000 officers and men to around 253,000 officers and men. The pay, subsistence, transportation, clothing, housing, and extra training for the National Guard of those expanded forces will account for well over half of that $217,258,952 difference. The remainder may be laid at the door of mechanization and motorization and more and improved munitions of sundry types; in other words, toward completely and modernly equipping the peacetime establishment as now constituted.

It seems to me, therefore, that it should be clear that unless the man strength is to be cut down, and unless we are not going to provide for the implementation of that man strength—not for any paper strength or strength that we do not actually have, then any further retrenchment than we are proposing would have to be at the expense of normal operating requirements on the 1938 basis, and I am sure no one here would advocate that.

The reduction, and, in fact, all money changes we are proposing, are set out in rather complete detail in the table commencing on page 4 of our report.

The principal contributing factors are these, and I shall use round figures:

Procurement planning and industrial mobilization	$11,500,000
New airplanes	23,300,000
Military-post construction	6,870,000
National Guard	8,300,000
Defer funds on account of 1940 contractual authority, military-post construction	5,000,000

With respect to procurement planning and industrial mobilization, I cannot get very enthusiastic over a good deal of the program at this particular time. In my judgment, the first need is to place guns in the hands of the men you have, and when you have done that, then do something about providing the means to produce more guns more quickly in the event of need. That is the theory which actuated us on the educational order part of the program.

The amount in this bill, as it came to us from the Budget, would leave a shortage of essential equipment costing $37,000,000, needed right now to equip the present forces, Regular Army and National Guard. Instead of allowing $16,250,000 for educating plants to produce material of the type embraced by such shortage, we are proposing to devote $2,000,000 to education, and the balance toward making up the shortage.

Of course, from the money angle, we make nothing on that arrangement. We take off of one place and add to another. Genuine defense preparation, however, profits to a very considerable extent.

Other phases of the program consist of production studies, rehabilitation and rounding out of our arsenals, special machinery—gages, dies, and so forth, and the usual run of so-called procurement planning activities, upon which we have been engaged since the World War.

These all call for $20,983,910, and we have allowed $9,414,746 of that amount, of which $6,131,681 is for arsenal rehabilitation, $2,494,500 for special machinery, and the remainder of $787,295 for procurement planning.

We have elaborated upon this matter at some length in our report.

The need for procurement planning and other means for making industry ready for possible large munition orders has been quite appreciably lessened as a result of our greatly expanded buying program, lately reinforced by foreign orders of no mean proportions. There is no doubt about the value of this kind of education—the kind that comes from actually producing articles. We feel that the amount that we have provided is adequate unless it be that we are looking beyond purely defense preparation.

With respect to airplanes, we met with an estimate of $55,438,588 for the procurement of 496 airplanes, all said to be required to replace losses expected to occur because of obsolescence or irreparable damage during the fiscal year 1942; replacement planes, in other words, because provision already has been made for the acquisition of the entire program of 5,500 serviceable airplanes.

It turns out that we are not going to get 2,200 of those 5,500 planes until foreign orders have been taken care of. The plan is to yield delivery priority to foreign governments over and above the number required for an operating force of our own of 3,300 planes. By so doing our production facilities are stepped up at the expense of foreign governments, and when we are ready for our delayed deliveries we shall get a later and improved product.

If we are willing to forego for the present the 2,200 planes, the committee felt that procurement of practically all of the 496 planes might be deferred also just as well. Therefore, we are providing for 57 planes—14 amphibians, 6 transports, and 37 advanced training. The amphibians, while replacements, are needed for use in the Puerto Rico area, and the Department wishes to get them under order as soon as possible.

The course we suggest will save $23,308,954 of cash and will permit of the elimination of the entire amount of $25,780,500 in the original estimate of contractual authority.

We had another problem in connection with airplanes. It develops that the Department underestimated by something like $30,000,000 the cost of the airplanes for which provision was made at the last regular session of Congress. Instead of waiting, however, for that additional amount to be made available in the regular way, contracts were entered into and the excess charged against funds provided for other purposes. That means that other funds, to the extent of $30,000,000, have been frozen, and some of them unquestionably must be freed.

The Budget includes $10,000,000 in cash partly to relieve the situation, and a supplemental estimate has been presented for the other $20,000,000 in the form of contractual authority.

This arrangement about letting foreign governments have delivery priority was only concluded a few days ago, and it would seem that, while the planes affected would be reserve planes, their nondelivery would lessen the need for release of all of the frozen amount. For that reason we are proposing to allow one-half of the supplemental estimate of $20,000,000 of contractual authority. If we have cut too much, they can go to the Senate Committee on Appropriations with their case.

Turning to military construction, the Budget estimate is $41,461,748. In that amount is $24,000,000 on account of prior-year contracts, leaving in cash for new undertakings $17,461,748, on account of which $12,000,000, in addition, is asked by way of contractual authority, or $29,461,748 altogether for new projects.

We have reduced that amount by $14,871,385, making available $10,590,363, in cash, and $4,000,000 in contractual authority.

We have deducted another $5,000,000 from the $24,000,000 requested on account of prior-year contracts. The Department finds that it will not need that $5,000,000 prior to July 1, 1941.

In that connection, I may say that we have taken off another $5,000,000 in somewhat the same way. The Ordnance people told us that they would not need until the fiscal year 1942 $5,000,000 of the amount in the Budget for 1941 procurements.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Has the gentleman given any thought to a special air unit for the National Guard?

Mr. SNYDER. I may say there are 8 squadrons to be established under the provisions of this bill, making 29 air squadrons for the National Guard.

Mr. JOHNSON of Oklahoma. I thank the gentleman.

Mr. SNYDER. Turning to the National Guard, the estimate for this component is in the staggering amount of $96,800,240. Possibly that should not be surprising, however, in view of the increase in the size of the guard from 205,000 to 253,000 officers and men.

With reference to this estimate and our action, I shall read from our report—page 22:

The original appropriation for the current fiscal year was $45,578,305. That amount subsequently was increased by $7,642,340 in the Supplementary Military Appropriations Act approved July 1, 1939, and later to the total of $71,402,977 by the Emergency Supplemental Appropriation Act, 1940, approved last February 12, in consequence of the President's order raising the strength of the National Guard from 210,000 officers and men to around 253,500 officers and men.

The further increase of $25,397,263 (net) now proposed occurs principally under the following heads:

Compensation of caretakers	$1,233,617
Camps of instruction	5,753,447
Armory drill pay	2,542,838
Arms, uniforms, equipment, etc	15,186,472

Mr. SMITH of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield.

Mr. SMITH of Connecticut. Is it the gentleman's opinion that the Federal Government should eventually take over the maintenance costs of the National Guard, including not only the camps for which additional appropriations are made here beyond the Budget, but also armory construction?

Mr. SNYDER. No; it is not my thought that that should be done.

Mr. SMITH of Connecticut. Would not that follow from the gentleman's statement that the guard has become, to a much greater extent, a Federal rather than a State force?

Mr. SNYDER. Not altogether; no. I do not think we ought to take away from the States any of their rights or powers with respect to the National Guard. The Federal Government merely should help where the necessity seems to justify such course, and here we have provided mostly for construction. Instead of having one rule to govern our course, I think we should leave it to the Congress from time to time to meet situations as they arise, as has been done in the past.

Mr. SMITH of Connecticut. Are we not getting into a program which may have enormous implications in the future Federal expenditure program in extending the assistance of the Federal Government to the States in the guard camps which are not also Federal camps?

Mr. SNYDER. I may say to the gentleman that that is a problem with which undoubtedly we shall be called upon to deal.

The Budget provides for 60 armory drills and 27 days of field training. Compliance with the latter could not be general because a great many persons identified with the guard would find it almost impossible to spare that much time from their regular civilian pursuits.

The large increase in the fourth of the foregoing-listed projects, which is a net amount, is attributable principally to increase for ordnance equipment ($5,442,669) and motor equipment ($14,389,955).

These very naturally follow the guard's personnel expansion. It must be motorized and implemented as the principal component of the protective mobilization plan.

Attention should be drawn to the fact that the guard has outgrown the needs of the several States as a militia. It has become more and more a part of the Regular Army, and now exceeds the Regular Army numerically. The storage and care of the great amount of equipment, which its potential Federal employment makes necessary, has become a Federal matter, and it is reasonable to expect that the States will look to the Government to provide the necessary housing and maintenance personnel and supplies. In the accompanying bill the committee is providing an additional amount for caretakers and construction at National Guard camps, the latter very largely for the accommodation of the growing quantity of equipment. This has been done at the insistent demand of the National Guard Association and the Adjutants General Association.

The money changes effected by the committee in the National Guard budget are enumerated in the table on page 7 hereof. They have the endorsement of the National Guard Association. Difficulty has been experienced in conducting 60 drills, and to hold that number successfully would require an amendment of the law permitting certain of the extra drills to be taken concurrently with regular drills.

In lieu of 6 extra days of field training beyond the 6 extra days (21 in all) for which the Budget and accompanying bill make provision for summer-camp training, the committee has provided for 6 voluntary, without pay, week-end drills in the vicinity of home stations, with a ration allowance of 75 cents per diem and also an allowance for gasoline and oil. This is more or less an experiment. It is advocated, in principle, by the National Guard Association. The committee feels that it should be given a trial.

I should say that I have covered the principal items. We have continued the policy adopted as to all other bills of eliminating all increases for administrative promotions. They amount to $448,668. Also, we have endeavored to segregate all extra classified help employed during the expansion period and have denominated it as temporary.

There is a minor matter so far as the amount of money involved is concerned, to which I should possibly call attention. It has to do primarily with flying doctors or flight surgeons. We let the bars down last year and permitted the number to be increased to 86, but we limited the flying pay to $720 per annum. Other nonflying officers were limited to $1,440. These are officers identified with branches other than the Air Corps, who are required to fly from time to time to observe the operation of equipment, such as ordnance installations, Signal Corps installations, and Chemical Warfare installations. The doctors complain that the $720 rate is inadequate and also that we are discriminating. They are no doubt right on the discrimination score. Instead of raising the flying pay of the doctors, however, we have brought the other chaps down. This action affects the Navy, too, because the naval appropriation bill expressly subjects such class of flying personnel to the rates prescribed for the Army.

As to the Army men, I may say this: We are providing that they do not have to go up into the air and be flown around simply for the purpose of entitling them to flight pay. There is an Executive order based upon an old law which requires all persons drawing flying pay to fly a certain number of times and a certain number of hours within certain periods of time. It seems perfectly asinine to require a doctor to do this sort of thing. He may have to perform one or a dozen missions, but this business of burning gas and oil and taking the time of an officer aviator to fly him about to make up the difference between time in the air on legitimate missions and an arbitrarily fixed number of flying hours for flight-pay qualification just does not make sense to the committee.

Before concluding I wish to acknowledge the splendid support I have had from my colleagues on the subcommittee. They have all worked diligently and hard, and I am deeply indebted to each of them. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. I often take the floor, but recently only for a very few minutes at a time; and as I was asked to take some time today, I wish to enjoy myself in some comments of which you may perhaps approve. I hope to be sufficiently entertaining so that you will listen to me.

A colored preacher took for his text the Status Quo. "Brother Jones, what is the status quo?" "That is the Latin for 'the mess we is in.'" [Laughter.] So, if I may be privileged to do so, I think I might entitle my remarks "The Mess We Are In."

I intended to make these remarks chiefly for the consideration of the gentleman from California [Mr. VOORHIS]. I told him yesterday I was to speak today. I sent word to him some 20 minutes ago, and shall regret it exceedingly if he cannot be present. However, there are many Democrats here, I am sure, who will come to his rescue, and I shall gladly yield for any interruptions.

I often read the prolific remarks of the gentleman from California [Mr. VOORHIS]. I think very highly of him. I cannot imagine a more conscientious person. I cannot conceive of anyone giving more of himself to an effort for the benefit of mankind than he, and I often reread some of those original speeches of his. I have watched him, particularly

of late, gradually mellowing, so to speak. I think he is suffering from what I often call "the weariness of futility." He delivered a speech the day before yesterday which, I am sure, was really affecting to all who listened to him. He closed that speech with these words:

America has never lost a battle yet. She is not going to lose this one now. There will arise, I firmly believe, a new consecration among us, a new devotion to duty and to our country and to every last person in it. The difference between right and wrong will become more clear, and here and there throughout the land will arise men of vision who will begin to say with conviction, "This way is the will of God for America."

Of course, that is a very affecting statement, and while we all want to follow the will of God for America, yet we must not strain ourselves too hard to try to offset His inexorable natural laws. I endorse the more recent religious philosophy of the times. However, I realize that it is the will of God that the big fish eat up the little fish, and the only way they can escape is to keep well in shallow water. I realize that big animals prey upon little animals. I realize that He brings the droughts, the floods, and the dust storms, and instead of trying to refute the will of God, I recommend to the gentleman from California that he do his very best to work in harmony with it. He probably does. We must suffer at times when it seems to be the will of God that we should suffer, and we must endure it as our forefathers have always done heretofore. The gentleman says that he is searching for fundamentals, and that that group of 70 Congressmen recently organized must be augmented in order to discover these fundamentals. If I can, I wish to help him find some fundamentals and shall make a few suggestions. Always and constantly he has advocated more money to increase the purchasing power of the people, and up to this very moment he seems to have been able to find no remedy except to borrow money and give it away, either in pensions, pump priming, or other largesses. That may be God's way up to a certain point. But philanthropy is not always "giving away." Philanthropy now, especially as it concerns our young people, who are being saddled with this huge debt, may be in taking back. We must find some way whereby we will not further tap the Treasury. The gentleman from California says, and he agrees with me, that business conditions are growing worse. I said the other day "that the index of business is going down like a rocket's useless stick." He argues that we must not do as we did in 1937 when it was going up. The administration then required increased "bank reserves" to prevent possible inflation.

He now says, "Do not do that, but let us spend more public money right now. Let us have $80,000,000 immediately for W. P. A., so that no one will be laid off before July 1." He says we have plenty of money; that we should take that silver bullion worth 34 cents an ounce, put a public stamp upon it, and call an ounce $1.29, and we will in that way have a billion and a half. We have the $3,000,000,000 worth of free gold, and let us spend that. Let us take what we have on hand in the Treasury and use it. This is his philosophy. Then he says we will not have to increase the public debt. He argues that we should take that which we have in assets—which we will need so badly and so soon—and spend it now, because, and he in effect throws up his hands and admits, "I see no other way." He states that we do not seem to arrive at any fundamental decision in the way of expansion of the currency. Expansion of the currency! As the gentleman from Massachusetts [Mr. LUCE] pointed out recently in a very able article "The quantitative theory of money" has been fully exploded and should never again be argued. Indeed, its efficacy has been completely disproved. Thus, according to the gentleman from California, we must keep on spending money, borrowed money, and if we have any on hand, use it for largesses. I might indulge in a bit of pleasantry. The husband said to his wife, "My check has come back from the bank." "Oh," she says, "good. What we can spend it for?" To make his arguments perfectly clear, we find ourselves in this position: That for the last 7 years we have done nothing—nothing to find any solution of a fundamental character for agriculture or anything else. That is a humiliating confession to make after 7 years of every possible experimentation and the expenditure of more than $25,000,000,000 of borrowed money, in addition to receipts, in haphazard and unfortunate experiments. It is indeed humiliating for a new dealer to have to make such a statement. Then the gentleman attempts comparisons of the present with the era of 1920–29.

He claims the situation now is nothing like what it was in that period. There are now so many inventions. We do not have to employ so many people. The machines do it.

We had inventions of machinery in the twenties, probably more than we have had recently. It has been clearly disproved that machines bring unemployment or curb employment, except for very brief periods. They frequently cause conditions that make for more employment. This argument is an insufficient answer.

Mr. DIRKSEN. Mr. Chairman, would the gentleman care to yield at this time?

Mr. GIFFORD. Indeed.

Mr. DIRKSEN. I think it is very interesting that in 1873, as I remember it, Congress employed an expert by the name of Dr. Carroll Wright to make a survey of what they called technological displacement at that time. If I remember correctly, the report was submitted, and he said, "All is dismal despair ahead of us. Machinery is displacing manpower. We are just about at the end of the rope." That was when Grant was President of the United States.

Mr. GIFFORD. That theory is exploded. Heaven help the day when inventive genius does not come to our rescue to find labor-saving devices and new things, such as the Du Ponts continually produce, which mean the employment of thousands of people in new industries.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I have been waiting for the gentleman.

Mr. THOMAS F. FORD. The gentleman made the observation that there was probably some lag between men thrown out of a job and being taken in again. Some studies say it runs a considerable period. Of course, it is very hard to convince a man who loses his job because of a machine that machines are a good thing. That does not mean in the end that the machine is not good, but it is hard to convince a man who has lost his job on account of it. As Kipling said:

> The toad beneath the harrow knows
> Exactly where each tooth point goes;
> The butterfly from beside the road
> Preaches contentment to the toad.

Is it your idea to preach contentment to that poor fellow who is thrown out of a job because of a machine?

Mr. GIFFORD. I am not preaching. Happiness and contentment! Ignorance is bliss, but do not take an overdose of it, because you may die of too much rapture. Why plead ignorance of the real causes of unemployment and always take this defeatist attitude? I do not want to keep going further into debt, as the gentleman from California [Mr. VOORHIS] seems willing to do. There must certainly be a day of reckoning.

But the idea has an allure. An old man went into a clothing store and said, "My boy has owed you $20 for a suit of clothes for 3 years?" "Yes. Have you come in to pay for it?" "No," he says, "I want one on the same terms." [Laughter.]

That is what you want now. You want to keep going on in the same course; spend money borrowed from the people. The gentleman from Mississippi [Mr. RANKIN] said on Monday, "We are borrowing money from the rich and giving it to the poor, for the rest of the American people to give back with compound interest." Why, the gentleman from California has discovered something, has he not? I was glad to hear of that discovery, but he argues later in his speech, "Let us borrow a lot more money and loan it to communities at 1 percent to build more and more and more public buildings and improvements." Only the wealthy communities will and can take it, just as they did before with all those P. W. A. funds. It is only the wealthy communities that can afford to borrow for such things. The poor cannot afford even the upkeep of them. The money has not been distributed where it should have been. Showered for vote-getting purposes, without doubt.

Mr. BATES of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. BATES of Massachusetts. Is it not true today that many communities throughout the Nation can borrow money for 1 or 1½ percent over a long period of years for heavy construction? If they can, why do they not do it instead of depending upon the National Government?

Mr. GIFFORD. Oh, the gentleman knows our New England system of town meetings. He has watched them. All of our town meetings are refusing to spend money. They have generally lowered taxes. They at least have the spirit of economy. But the minute you put out a billion and a half more P. W. A. money, our wealthy communities will say, "We want our share. We are forced to contribute." And, blind as they are, those wealthy communities will take it, knowing they will pay back in the end many times the amount they received. For example, when they dedicate a schoolhouse in my district, it is always a Democratic rally. They announce, "We want you to thank President Roosevelt for this schoolhouse." They will pay back enough to build five schoolhouses. Cannot they recognize it? They probably do, but realize someone else would get it, and they might as well grab off their share. The people should be repeatedly reminded of what certain States are receiving from the Government every year, and of the amounts other States will have to repay, which will be many times greater than what they received. They should know where the burden, in the final analysis, will be placed.

I want to say to the gentleman from California [Mr. VOORHIS] that there are some fundamentals that even new dealers should be able to recognize. A clipping from the Cleveland Plain Dealer came into my office this morning. I have a voluminous file relating to the Securities and Exchange Commission. When their appropriation bill was being considered here I took the floor for a few minutes. Why are we not all interested in the activities of this Commission? Capital and business are being strangled and made afraid by it. Certainly the Cleveland Plain Dealer is recognized as most favorable to the New Deal, yet I quote from it regarding that Commission:

[From the Cleveland Plain Dealer of March 23, 1940]

We still feel the act is passably good, but its administration by the S. E. C. has been putrid. There is evidence in abundance to support the thesis that the Commission, in the exercise of its broad and largely undefined administrative powers, has gone much further than it was necessary to go to secure information for the public's protection. There is unfortunately not a little evidence pointing to a desire on the part of this agency to impede and to deter private financing to the end that the field for Government financing be extended and expanded, so that the alleged failure of private capital to seek productive employment could be used as excuse for unbalanced budgets, for pump-priming expenditures, for the encroachment of the Federal Government on private enterprise, as in the public-utility field, and as argument for the substitution, which already had gone too far, of a Government-managed economy for one of private enterprise.

Quickly drawn as it was and based on incomplete information with respect to the functioning of the stock exchanges and the business of security underwriting, the act was obviously imperfect. In some respects it was faulty in a high degree, but in the hands of a commission having "prudence, caution, and resolution" the act could have been made to provide the intended protection to investors without damming up completely the flow of new capital into productive enterprise.

That is from a newspaper which has been creating sentiment in favor of New Deal policies. It now seems to have become wiser. I wish the present occupant of the White House would say once in a while "I have made a mistake. I probably was wrong." All he would be saying to me would be "at last I have become wiser." He would not even have to apologize for it. But no, no mistakes have been acknowledged—failures go merrily on.

The first week of this year I prepared a resolution calling for an investigation of the Securities and Exchange Commission. I realized that a Republican had little chance of recognition, for we get none in such matters. I had fondly hoped that some such resolution would be introduced by a Democrat. Finally a Republican did offer that resolution of his own volition and also at my request. I would like to take my folder of complaints against the Securities and Exchange Commission which I have built up during the past few months and appear before the Rules Committee on behalf of that resolution. I think that there is very good reason for such an investigation. This bureaucratic monster is the greatest deterrent to business that can possibly be imagined. The gentleman from California would be doing something fundamental if he would demand that it be investigated.

I read in another paper:

The Securities and Exchange Commission men know full well what legislators can do to an agency through gruelling investigations like the National Labor Relations Board inquiry. As a result, the Securities and Exchange Commission will probably try to keep out of trouble and they will change things enough and say: "For the present, it is all right."

It is asserted that many investment trusts have been crooked. Some of them probably have been. Some Government officials have been crooked, too. In proportion to the men involved, would you dare to say to me that businessmen on the whole are more crooked than the politicians who run the various governments? Would you dare say to me that men appointed for political reasons could possibly know how to run business better than businessmen themselves? We do acknowledge that there has been crookedness; that there ought to be deterrents. But when you get enthusiastic reformers unwilling to proceed cautiously the results are often disastrous.

They should proceed with great caution so as not to disrupt everything and everybody. Such bureaucratic control has almost stopped the wheels of industry. The N. L. R. B. has awakened us to this fact, to the great distress of the new dealers. The gentleman from California further says, "It is just too bad that we will pile up a billion dollars more than we need this year for social security, taking it away from business." It is too bad, indeed. But is not his Townsend method even worse?

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GIFFORD. I wish it were possible for me to have more time. I was talking about "the mess we are in," and I was just beginning to get down to fundamentals for the benefit of the gentleman from California. However, I suggest to him that he study the disastrous effect on the Nation's business of the activities of the Securities and Exchange Commission, the N. L. R. B., excessive taxation, and the constant and unrelenting hounding of business by this administration. Is more funds for W. P. A. the only remedy to be provided in order to take care of unemployment? I regret that my time has been almost exhausted. Again, let us be mindful of the will of God. I repeat the plea that we try to work in harmony with it. Let us endeavor to adjust ourselves to the laws of supply and demand, recognize the inevitable, and stop extravagant expenditure of borrowed money in experiments already completely discredited.

Mr. Chairman, there is so much more to be said regarding which I have made notations. However, for the present it is for the Democrats to continue to try to solve these problems. In the fall the people themselves will have something to decide. I think I know what their decision will be. If the New Deal continues after 1940 I shall have but one explanation to give—"that man is the only known animal that can be skinned more than once." [Applause and laughter.]

Mr. Chairman, I yield back the balance of my time unless somebody on the other side would like to question me.

The CHAIRMAN. The gentleman yields back 2 minutes.

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. EDWIN A. HALL].

Mr. EDWIN A. HALL. Mr. Chairman, I wish to thank the members of the committee for allotting me time in this debate to discuss the subject I am about to take up.

In 1935 and 1936, the Chenango and Susquehanna Rivers—whose headwaters rise in my district—overflowed, and there resulted the most serious floods in the Nation's history. Last week that identical thing was repeated. Those headwaters again surged downward through and over the valleys of the

Susquehanna and the Chenango and on down through the State of Pennsylvania, wreaking death and destruction as they coursed their vicious and relentless way to the bay. This is an old story in my district. Many men, women, and children had suffered as the result of these precipitous floods. When the flood came this year they were, therefore, thoroughly imbued with the experiences of the past.

In 1935 and 1936, due to an intelligent press campaign in my locality, careful investigations were conducted, not only in my district, but all up and down the southern tier of counties in New York State, and in the up-State region as well. Attention was focused upon the need for a definite flood-control authority and for decisive steps to be taken to prevent any repetition of what happened in those years.

I take this opportunity to pay my respects and voice not only my gratitude but the gratitude of the vast majority of the people of my district to the congressional committee which, at that time, made a special trip to the flood areas of the State. As a result of that investigation and their observations there has since been conducted a positive and definite program for flood control. Over the past 4 or 5 years a great deal of good has been done. I need not point out that had there not been this flood-control work in my district the result of last week's floods would have been far more serious.

I am not advocating a large increase in any sense of the word of the present flood-control funds which will be allocated by the committee for next year's flood-control work. For the sake of my own locality I am, however, voicing what I believe is absolutely necessary, and that is a program such as that planned by the Army engineers to be carried out over the next few years in my district. The city of Binghamton, which is now bailing out after last week's flood, has not suffered any appreciable damage, but families have been evacuated from their homes, and there has been some trouble up that way. Another region I am going to describe is in and around Endicott, N. Y., which is comparatively near Binghamton, and at which point many houses were destroyed and persons driven from their homes by the swollen waters of the Susequehannna River.

It is the consensus of the people thereabout that funds could be properly expended by the Army engineers for dredging and for development of the river banks. I am not an engineer, and therefore I am not in a position to describe exactly what may be needed there, but from reading editorials and from statements of newspapermen and people living in Endicott, it occurs to me that there is a definite need for something more to be done there.

I have mentioned the constructive program that has been brought about in reference to flood control, and I want to pay tribute at this time to the splendid work accomplished by the Army engineers. Last fall it was my privilege to make an extended trip of observation throughout New York State with the Flood Control Commission. Many things were pointed out to me among which was the Whitney Point Dam, now being built in my locality, as well as developments in other regions of the State. I came home very enthusiastic after the observations of that trip, and I commend to the favorable consideration of the House the idea of extensive flood-control work in my locality. The people up there are really grateful; and after what has happened in the counties which I have the honor to represent, may I say that the work which has been carried on during the past 5 years has been of great value.

Mr. Chairman, lately I have several times discussed drought, and I have come to the conclusion that drought is disastrous in every sense of the word; but after observing what happened and the extent of the flood damage in my district, I will observe that if the water table at this particular time had been normal in my district, there would have been a serious flood. I suppose from that standpoint I should not be too critical of the results of the drought up my way. [Laughter.]

It is certain that if the program outlined by the Army engineers, to which I subscribed and for which I appeared before a subcommittee in February, is continued sooner or later in my locality, there will be an end to repetition of the floods from which we have suffered. There was some division of opinion earlier in the year as to what action should be taken in certain sections with reference to this flood-control work. Several people approached me stating it was their opinion it was really unnecessary to continue the work which is being pressed at the present time, because floods were usually predicated on the basis of occurring every 20 years, and since there was a flood in 1935 and 1936 there would not be another one for 20 years from that time. However, I believe that those people would be the first now to come to me and admit that there is a real need for flood-control work and they would state further that the very activities which they advocated being cut out and not included in the program should be included by all means.

Mr. Chairman, I want to say just one more word about the constructive program that has been going on in my region. When I was a member of the city council of Binghamton, it was my honor and privilege to represent the south side of that city, which has always been hardest hit at the time of any serious flood. The waters of the Susquehanna not only back up into the Chenango River, where those two rivers come together, but also flood the entire south side of the city of Binghamton. At present there is before the committee a suggestion to continue the work which has been started and to erect a substantial flood wall along the south side of the Susquehanna River. If this is done, the possibility of any future annoyance or damage will be absolutely eliminated and the south side of the city will be protected.

May I say an additional word about the village of Endicott and the town of Vestal, also located on the Susquehanna River. It has been the target for some of the most vicious floods which have surged down that river. The people of that neighborhood at this time are pretty well aroused and they are willing at any time to appear before a committee and ask that this work be continued. I do not wish to overemphasize the need in my locality for adequate protection and the intelligent use of funds in any program, because after all there are sections in Pennsylvania which are also affected, and in which, according to Associated Press dispatches, the people have suffered greatly as a result of these floods. But at the headwaters of a river is the proper place to correct the trouble. The upper stretches of the Susquehanna and Chenango Rivers are the real cause for the major floods down below in various localities of Pennsylvania, a fact of which the citizens of those parts must by this time be well aware.

Mr. Chairman, I urge at this time that the committee give my statement serious consideration so that the situation may be corrected as soon as possible.

[Here the gavel fell.]

Mr. CASE of Scuth Dakota. I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr TABER. Mr. Chairman, there are some things which I feel should be called to the attention of the committee. On pages 783 and 784, Maj. Gen. M. A. Reckord, Adjutant General of Maryland, Commanding General, 29th Division, National Guard, and Executive Vice President, National Rifle Association, was being examined by the committee with reference to the Garand rifle.

General Reckord said:

> Last year, for instance, we had 200 of the new M–1 rifles—the Garand rifle—in the school.
>
> Everyone who had taken the course in the secondary school and had moved up to the primary school was compelled to take instruction in the operation and the firing of the new rifle.
>
> * * * * * * *
>
> Mr. SNYDER. Then you have used some of these new rifles?
>
> General RECKORD. Two hundred of them were made available last year.
>
> Mr. SNYDER. How did you find them as to their efficiency and effectiveness?
>
> General RECKORD. They are not as accurate as the Springfield; they do not compare favorably with the Springfield as to accuracy.
>
> Mr. SNYDER. At the same range?
>
> General RECKORD. I would say at any given range the Springfield is perhaps more accurate, and at the longer ranges the Springfield is definitely more accurate.
>
> * * * * * * *

Mr. POWERS. To what reason do you attribute the new semi-automatic not being as accurate as the Springfield?

General RECKORD. There are a number of contributing factors: The front sight is crude, the gas cylinder cap on the end of the muzzle, the design of the receiver, and the manner by which the gas chamber is attached to the barrel, all probably contribute.

Then I wish to call attention to an article from the American Rifleman that appears on page 614 of the hearings, having been inserted in the RECORD by the gentleman from Mississippi [Mr. COLLINS]. I shall not read from this editorial, but I wish to call attention to it.

I also wish to call attention to pages 609 and 610 of the hearings, where General Wesson, Chief of Ordnance, was being examined by the gentleman from Pennsylvania [Mr. SNYDER], the chairman of the subcommittee. A number of questions were read, and General Wesson said in part:

In combat firing, targets are fleeting and as indistinct as the enemy can make them. The terrain and light conditions are variable and usually unfavorable. The ranges are unknown, and the time available for estimating them is practically nil. There is no time for setting sights. Another important fact, of course, is that the enemy is usually returning the fire.

Mr. POWERS. Are you reading that statement?

General WESSON. Yes, sir.

Mr. POWERS. You have a prepared answer?

Mr. SNYDER. I asked the general to be prepared to answer this and two other questions I intended to ask. After General Reckord made his statement the other day, I told General Wesson that we must have him back at some future date.

Mr. POWERS. And you have prepared answers to the questions?

General WESSON. Yes, sir.

There follows a long dissertation on these rifles. This new automatic rifle is perhaps one of the most contentious problems that face the Army. Large funds are being provided here to increase the number of them. We have now upward of 100,000 of these rifles and have under contract a very, very large number of them. It seems to me that the very thing we ought not to do in this kind of a hearing, a hearing upon an appropriation bill to provide for the national defense, is to inform the generals of the Army of the questions that are to be asked with reference to such a matter. We should go just as far as we can to get at the truth of these situations. We should in some way or another get at the things that will enable us best to prepare our national defense. We should not permit bureaucrats to be provided in advance an opportunity to make up their minds as to just what they are going to say to explain the recommendations they have suggested the committee follow. I hope that as the Congress approaches this problem it will inform itself on this subject and will very carefully and very sincerely study the question of what should be done with reference to this new Garand rifle. [Applause.]

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Chairman, for the last 20 years we Americans have been deluged with a constant stream of propaganda designed to disparage the motives which inspired our entry into the last World War, to lower our national pride, and to destroy our national self-confidence. Since the situation in Europe has become acute, this deluge of propaganda has been much intensified. Those engaged in spreading this propaganda proceed on the principle that if a statement is made often enough and kept in constant circulation it will be accepted by the gullible as the truth, regardless of whether or not it is so. Therefore, they keep in constant circulation such stories as those claiming our entrance into the World War was due to the desire of our Wall Street bankers and our munition manufacturers to profit through the sale of munitions. They depict us as a helpless and, indeed, as an almost imbecilic nation handed over, body and soul, to the wily intrigues of the Old World diplomats by the so-called merchants of death.

This propaganda was so effective that it instigated an official investigation of the munitions industry. Nothing was developed to substantiate the often-repeated charges which instigated the investigation, much to the bitter disappointment of the pro-German, the pacifist, and the communistic elements in the United States. The investigation did, however, produce much in the form of insinuation and innuendo. It did also result, as do so many official investigations, in creating a lucrative demand for at least one of the principles on the lecture platform. It certainly did not make the task of providing for the common defense any easier for the Congress. There are those, of course, who regard this duty which is imposed upon the Congress by the Constitution as one of its very minor duties. They doubtless have reasons for this belief.

Among those who have united to decry the part we played in the last World War has been that strange union of Christian pacifists and Communists. With a basic philosophy, in each case, as far apart as the poles, they united to preach disarmament and to lift their hands in horror at the "crime of Versailles." Strange bedfellows, indeed. The Christian pacifist desired disarmament because he believed that making war impossible would permit the nobler nature of man to assert itself and hasten the millennium. The Communist preached peace at any price and disarmament in order to render all nations impotent and pave the way for the imposition of communism. I would think these strange allies of the Communists would hang their heads in shame at the mere thought of their former association.

As a matter of fact, the campaign to discredit the motives which caused our entry into the first World War began with the battle to defeat the League of Nations and to elect President Harding. It started as a mere political matter. It was then eagerly seized upon by the pro-German influences in this Nation, which were looking 20 years ahead to a Mein Kampf. The Communists and pacifists recognized it as a made-to-order sounding board for their irresponsible ravings. It was then used as a subterfuge to salve the conscience of all the draft dodgers and malingerers, who had managed by devious wiles to escape the discharge of one of the duties of a citizen. It was timely and took the Nation by storm because it was never opposed.

We entered the war in 1917, as we said, to make the world safe for democracy. That was our reason as nearly as anyone could state it. We had faith in certain ideals which had come to us mainly from France and England. They did not come from Russia or Prussia. They were part of our heritage. They came with our common law, our religion, our art, our literature, and our institutions of government. All of our social, economic, political, and religious philosophy had been builded around Magna Carta, Adam Smith, Shakespeare, Thomas Paine, Voltaire, Lafayette, and the King James Bible.

We had observed that Germany, not France or England, had invaded Belgium. The war was being fought on French soil and by no stretch of the imagination could France be classed as the aggressor. Great Britain did not announce a campaign of unrestricted sea warfare and proceed to sink merchant ships regardless of the innocent passengers. There was no instance where either England or France endeavored to stir up trouble between us and Mexico. We could see that Germany made little effort to conceal her plans to make France pay the cost of the war and thus to crush her permanently. The treaty of peace following the Franco-Prussian War was recent enough to be remembered by many of us. It was the German boast that she intended to demand the surrender of the British Fleet and thus bring England humbly to her knees.

We made up our minds that we would much prefer to live in a world which was not dominated by the philosophy of Potsdam. Such an event would have altered life in the United States too radically. We did not believe we could continue to exist as a free nation if the Allies lost the war. When this belief became common to the press, the pulpit, and the public there was an almost universal demand upon our officials that we enter the war. We did so and in no small measure contributed toward the defeat of the Central Powers.

When it came to making peace, Woodrow Wilson endeavored to provide for a lasting one. Such an achievement would indeed have been heartily welcomed by a war-weary world. Whether or not his plan was too idealistic we do not

know. Our former Allies were willing to give it a trial. They all accepted it, as did nearly every other nation in the world. We did not. Partisan politics stood in the way. The American people seemed to believe more strongly in the efficacy of prayer than of work. They prayed for a world of peace brought about by the labor of others. The cry of pulling England's chestnuts out of the fire was heard. We broke away from our former Allies and attempted to dictate the peace. We made a separate peace and then presumed to criticize the terms desired by France—terms designed to preserve the peace of that section of Europe. Have not recent events shown us our mistakes? If not, then indeed are we either blind or superstubborn.

Of course, in remaking the map of central Europe mistakes were made. Since mankind is prone to err, perfection was too much to be expected. It was an era of budding idealism. In setting up nations too much importance was given to religious and not enough to economic considerations. To satisfy the popular demand industrialism was sacrificed in order to advance democracy. Western Europe essayed to force their political institutions upon central Europe before the people were ready for them. The inability of the League of Nations to maintain the 1919 map of Europe was quite likely due to the absence of the guiding hand of the nation which furnished the inspiration responsible for its establishment. The belief that we have no concern in the affairs of Europe will disappear in direct ratio to the narrowing of the Atlantic Ocean by modern mechanical progress.

Although the peace following the World War did fail to extend democracy, the winning of the war by the Allies, to which we contributed in no small measure, did prevent democracy from perishing. We accomplished our primary objective, which was to protect this Nation from the disastrous consequences of an allied defeat. The manner in which the nations, which have unfortunately fallen under the iron heel of Germany during the past 2 years, have been dealt with, is proof enough of how the Allies would have fared if they had lost in 1918.

Now, in regard to the Treaty of Versailles, which Hitler has so often called the crime of Versailles. Get it and read it. Judge for yourselves. It is printed in Senate Document No. 49, first session, Sixty-sixth Congress. Then read the terms of the Treaty of Brest-Litovsk, one of the most ruthless treaties of history. Compare them as to their harshness. If Germany had won, have we any reason to believe that she would have been any more lenient with Great Britain, which nation she hated; or France, which nation she feared; than she was with Russia? Does anyone maintain our future would have been more secure in that case?

Oh, yes; in the Treaty of Versailles, Germany was to reimburse Belgium and France for damages due to the war, much of which was wanton in character. Was there anything wrong with that? After all, Germany was the aggressor. When it was decided that the terms were too severe, they were scaled down several times. Germany begged off from being forced to make restitution for just claims for damages, but at the same time found the money necessary to build one of the most powerful military machines in history. Has she thereby contributed toward the peace of the world or the advance of democracy?

European boundaries were established, and Austria, Poland, and Czechoslovakia were established as nations. By the terms of the treaty, Germany agreed to recognize the complete independence of those nations. In order to further provide for the safety of these nations, Germany was disarmed to the point where she could not again become an aggressor. In violation of this treaty she rearmed and proceeded to acquire this very territory by force of arms. Is this not sufficient proof of the justice of this part of the treaty?

In order that France might be free of the threat of a repetition of the holocaust of 1914–18, which laid one-seventh of that nation in ruins, the Rhineland was demilitarized. That provision of the treaty was as openly violated as was all of its other provisions. Would not the security of France be more assured today if the Rhine River was a part of the Maginot Line?

Alsace and Lorraine were restored to France. Could any reasonable person object to that? Read the provisions in the Treaty of Versailles dealing with the treatment of the inhabitants of German extraction or of German property in the Saar, Schleswig, Danzig, and other territory with which the treaty is concerned. Compare the terms stated there with the treatment of minorities and property in the nations recently raped by Hitler. See if there is any comparison in that respect.

It is true that Germany lost colonies, ships, money, territory, prestige, and many other more or less valuable assets by the terms of this treaty. It is also true that she lost the war. If she had won the war, she would have conducted herself in the manner of a victor. She most certainly assumed the attitude of the victor in 1871. After all, since she began the war, could she reasonably have expected to escape unscathed? This much is true: Her own territory proper was practically untouched by the war. She suffered the least by the war of any nation engaged in it.

Most of the propaganda since the war has been anti-British in form but pro-German in reality. It has been said that we fought to pull England's chestnuts out of the fire. We did not do so, and have never done so. The assertion has repeatedly been made that England will always fight to the last Frenchman. At the end of the last World War the British general reserve consisted of eight divisions of troops, the men of which were less than 18 years of age. This was certainly fighting to the last Britisher. No soldier who has ever fought the British ever accused them of lack of valor. Dispensers of propaganda, however, are not soldiers. Now we hear amateur strategists tell how England failed Ethiopia, China, Czechoslovakia, and Finland. Give any of them a map, and ask him to show you how England could have come to their assistance. England, it must be remembered, is a democracy, and not an autocracy. She can only function as a democracy, even when confronted by a world crisis. Oh, now I hear the remark—what about the democracy of British India? I would like to hear any intelligent person dispute the fact that British rule has brought incalculable benefits in health, hygiene, political freedom, food, housing, and education to India. Where is the informed person who would maintain that India, with her many castes, religions, and races, could function as a democracy, or maintain her independence, if she were a free nation?

Now I believe it is time that we as Americans should begin to have a pride in our national achievements. I believe it is time we should think for ourselves in regard to our foreign affairs. We have listened too long to our pseudo-intellectuals, parlor pinks, and professional isolationists who wish to fasten upon us a policy of self-abasement, and brand us as diplomatic morons. In their egotistic ignorance, they say we always lost our peace conferences and diplomatic dealings. Let us analyze this statement, and no longer close our eyes to the facts. Did we lose the peace conference following the Revolutionary War? Or the War of 1812? Or the Mexican War? Or the Spanish-American War? If so, let these moronic intellectuals state what we lost. Have we anything to be ashamed of in our dealings with the Barbary pirates? What about the Louisiana Purchase, and the Purchase of Alaska? Were we suckers there? Who believes we lost our shirt when we acquired Florida or Texas? Can these transactions be compared to taking "wooden nickels"? Not on our part, at least. Just how severely did we get skinned in the dispute with Great Britain over the boundary of Maine, or the boundary of Oregon, or the Alabama Claims?

What about the question of Maximilian in Mexico? The Alaskan fisheries controversy? Or the Venezuelan crisis in 1895? What about our acquisition of the Hawaiian Islands? All those incidents in our history are indisputable facts to which every red-blooded American can point with pride. They are not myths, but are as real and as substantial as our glorious achievements in every war in which we have ever engaged. As a matter of fact, the only real national skinning

we ever received was a result of the demands of those who were responsible for the unsound pacifist program following the World War. For once, we listened to those evil spirits, and the Disarmament Conference which they directed was a disaster without parallel in the history of the world.

Let us hold up our heads with pride when we think of our part in the last World War. Let us stop talking this nonsense about being "bamboozled" by wily foreign diplomats. We entered the war with the purest of motives. Our conduct in the war was in every way above reproach. We fought to preserve to the world those ideals which we believe make life worth while; because we believed that a world in which these ideals were safe was the only safe world for ourselves and our posterity. To say that we were fooled or duped into the war, or that our conduct was other than that of which the Nation could or should be proud, is a libel to our national traditions, an affront to the national intelligence, integrity, and statesmanship of that epoch in our history, and an insult to the self-sacrifice and patriotism of the men who served in the armed forces of the Nation at that time. [Applause.] Let us throw off this repentant spirit of self-abasement, which has been forced upon us, and think once more of America with a pride in our achievements of the past; and a confidence in our own ability to do our own thinking about our foreign affairs, and to provide for our future as ably as we have provided for our past. [Applause.]

Mr. HOFFMAN. Mr. Chairman, the gentleman from Pennsylvania [Mr. FADDIS], who just spoke, suggested that in foreign affairs we should do our own thinking. It would be well if we did our own thinking in connection with our domestic affairs. It would be well if we not only thought but if we formed and passed upon our own conclusions, instead of listening to some of the fine-sounding but impracticable plans advanced.

All too often people are swayed by a play for a certain objective and lose sight of the practical difficulties in the way of the achievement of their objective and endeavor to take short cuts which they think will bring prosperity and happiness. All too often these short cuts produce more harm than good. Time and again I have listened to those who said that our great need was for an increased purchasing power so that the goods of the producers and manufacturers might be purchased at a profit and consumed with benefit to all. No doubt about the desirability of that, but the taking from one group of the purchasing power which they have and giving it to another does not increase the purchasing power of the whole, and all too often the purchasing power stripped from the one group and given to another group has been taken from a group which was creating and giving employment and placed in the hands of those who merely spent and consumed.

The Members of this House are wholly in sympathy with labor. Spurred on by the demands of labor organizations and of so-called labor leaders, we have enacted legislation, the purpose of which was to aid labor, to better its conditions, to give it more of the good things of life. Too frequently the laws placed upon the books for the purpose of aiding labor have injured it; sometimes such legislation, while freeing the workingman from the control of the employer, has placed him at the mercy of the labor boss who has assessed him and used him for political and financial advancement.

Little real progress is made by denying to a Knudsen the privilege or right to operate General Motors, and placing the control of production in the hands of a Lewis. Knudsen's corporation, at least, furnishes a job and pays wages. Lewis' corporation, while ostensibly acting for the benefit of the individual employee, sometimes gets him out of a job and deprives him of his pay check. Lewis' organization charges him for the privilege of working, telling him when he can work and when he must strike. Lewis' organization assesses him for payments to aid in organizing other industries, to pay strikers and pickets, and to maintain a highly paid organization, where the offices are held, not by workers but by professional, political labor leaders who draw good salaries, have a big expense account, and live in luxury, just as do the Knudsens. There is this difference, however, that the Knudsens and their kind, as stated above, furnish jobs and pay wages; they do something constructive. The Lewises, at best, must live out of and upon the wage checks of the workers.

I have found it extremely difficult to know very much about some of the legislation which comes before the House; this is because there are so many bills, and the scope of the various bills is so great that one man cannot possibly, by personal investigation, learn the merits or demerits of each proposed act. Hence, it has come about that many of us rely upon our colleagues for information.

During the past 2 years, it has been my purpose to become familiar with the decisions of the N. L. R. B. and of the courts, also. From the reports printed in the papers, and from conversations carried on with individuals, including employees, employers, businessmen generally, farmers, and those who are trying to live upon the savings of a lifetime, much information has been gotten.

More recently, the hearings before the Smith committee and, within the last few days, the report of the committee, have thrown a great deal of light not only upon the operation of the N. L. R. A. but upon the activities of the Board itself. That committee has performed a difficult task in a highly efficient and unbiased manner. The report is worthy of the careful, painstaking perusal of every Member of the House. [Applause.]

It is my hope that when the proposed amendments to the N. L. R. A. come before this House, every Member will have read that report. Of late, from the floor of the House, we have heard a great deal of talk about unemployment. Both the President of the A. F. of L. and the C. I. O. have charged in no unmistakable terms that the present administration has taken no intelligent, effective steps to solve the problem of unemployment.

Just before coming upon the floor, I picked up the noon issue of one of the local dailies, and from it I quote this editorial:

UNEMPLOYED DOLLARS

The Chase National Bank of New York reports that its deposits on March 30 were $3,060,768,704—a new world's record for a commercial bank.

It is not, unfortunately, a record to be viewed with satisfaction. The reports from banks in many cities, showing deposits at higher levels than ever before, are more exact than the estimates of men unemployed, but hardly less disturbing. For a large proportion of these dollars are unemployed dollars.

The Chase, for instance, had a "cash position" of $1,522,549,671, indicating a situation common to all large banks—that deposits are increasing much more rapidly than they can be lent and put to work. It had nearly another billion in Government, State, and local securities. But it had out, in loans and discounts, only a little more than one-fifth of its total deposits. That is superliquidity, making for great safety but not for business activity.

The unemployment of men and the unemployment of dollars are twin problems, and every needless obstacle to the employment of dollars is an obstacle to the employment of men.

The point I want to make now is that this vast sum in the Chase National Bank of New York and other large sums in other banks lie idle and unemployed, as sterile as the billions of dollars' worth of gold buried in the Kentucky hills. These funds are in the banks because the men who would operate factories and give employment, who would create and carry on business enterprises, are afraid to make the venture. They are afraid because the Government and the Government agents, snooping, witch-hunting, persecuting them, are after them from morning until night.

The President it was who said—and he referred to businessmen generally, he indicted the whole class—I quote:

I should like to have it said of my first administration that, in it, the forces of selfishness and of lust for power met their match. I should like to have it said of my second administration that, in it, these forces met their master.

That has been the attitude of the President and his advisers from the first year of his administration down to the present moment. Hopkins, Tugwell, and the rest of the wrecking crew have each contributed their bit toward forcing the unemployment question to be always with us.

Here is a news item which concerns the owners of loft buildings in the city of New York. Stated briefly, the situa-

tion appears to be this: The owners of these buildings had made an agreement with their service employees, that is, with janitors, elevator operators, and the like, as to wages and hours of employment. Under this agreement, the employees were guaranteed a minimum of $29 a week, providing they worked 48 hours. But along came the Wage Administrator and the first thing he did was to hold that the employees of the owner of the building, that is, these janitors and elevator men, were engaged in interstate commerce—a tortured definition which doubtless no Member of Congress ever intended to write into the law.

Then, having found that the employees were engaged in interstate commerce or in work which affected interstate commerce, he now holds that each and every one is entitled now to receive compensation at time and a half for all of the overtime he has put in in excess of the 42 hours fixed by law; this notwithstanding the fact that the men had agreed in consideration of higher wages to work the longer time. The result of that sort of a rule will be this, that the employer, rather than pay this man wages of $29 a week will employ more men but for shorter hours. He will employ two shifts, and none will make more than a bare living.

A good thing, you say, to spread the employment. Something may be said for that argument but it is an argument which prevents the accumulation of the funds to purchase a home or to invest in some other business, to give employment to others through the accumulation and savings of wages. It means that you force the employer, because he cannot pay time and a half at the highest rate to which his employees have agreed to as just stated, to put on two shifts, or the other alternative is to add the cost of increase in wages to the cost of the goods and start the increase on nothing more nor less than a circle of increase, so that, when it comes back to the place from which it started, no one has benefited. So much for the interpretation of the wage-hour law. It is just an illustration from which you can derive a thought if you choose.

Now, in the other branch of the Labor Department activities is this National Labor Relations Board and the act itself. It is almost impossible to get the Members of the House to consider the proposed amendments. It is customary for so many of those who oppose these amendments to say that everyone offering an amendment is a foe of labor or proposes to destroy the act.

The House Committee on Labor today voted to report out H. R. 9195 by a vote of 7 to 11. At least three attempts were made in the committee to adopt an amendment abolishing the Board but we were unsuccessful, so that question will come before the House. Abolishing the Board, in my judgment, is not an emasculating procedure though the attitude of some of the committee, as just stated, seems to be that anyone who proposes an amendment is ipso facto an enemy of labor.

This attitude perhaps is expressed as well as it can be by the statement of the chairman of the Labor Committee, the Representative from New Jersey [MARY T. NORTON], through a notation which I find in the same issue of the local paper to which I just made reference. She is there quoted as saying:

> The House has the choice of accepting our amendments or considering others that could destroy the effect and operations of the law.

She has no reason for the broad general statement that amendments other than those adopted by her committee will "destroy the effect and the operation of the law." Her assumption and the assumption of those who agree with her seem to be that the law is perfect. Even the Constitution, which has been characterized as a masterpiece, the peak of intellectual achievement of man, has been found to be in need of amending, and certainly experience has demonstrated that the N. L. R. A. is anything but perfect.

The committee today, by a vote of 7 to 11, voted down a motion to abolish the Board and give the President authority to appoint by and with the consent of the Senate a new five-man Board.

On the 26th of last month I wrote the president of the American Federation of Labor asking him to state his position as to the abolition of the present Board. That letter read as follows:

MARCH 26, 1940.

Hon. WILLIAM GREEN,
President, the American Federation of Labor,
Washington, D. C.

DEAR MR. GREEN: In the New York Times of March 25, 1939, you are quoted as saying, that the N. L. R. B.—

"Through decisions clearly in favor of the C. I. O. and against the American Federation of Labor, is working out the destruction of the American Federation of Labor."

The Baltimore Sun of May 8, 1939, quotes Padway as advocating before the Senate Committee on Education and Labor three amendments that would accomplish the following purposes:

"That coercion and restraint of employees and employers be forbidden.

"That mere expressions of opinion by employers or employees shall not be outlawed but that expressions of opinions by employers must not be accompanied by threats or discrimination."

The United Press on June 13, 1939, quoted you as charging that the Labor Board was establishing precedents which perverted the meaning of the law and "unless Congress meets the public demand for constructive changes, there is grave danger that the pendulum now swinging altogether too far to the right may manifest itself in the next Congress and result in destruction of the act."

You are also quoted on May 1, 1939, as urging that the present Board of three members be abolished and a new Board of five members be created.

The Associated Press of May 10, 1939, quoted you as stating that you insisted upon a change in the law which would "abolish the present three-man Board and replace it with a five-man agency."

No. 24, volume 29, of Labor, purports to carry a statement by you in which, among other things, you refer to a report of your executive council at the Houston 1938 convention. I quote from your article:

"Our suggestions for caution have gone unheeded. The administration of the act has not been in competent and impartial hands. On the contrary, flagrant bias and prejudice exists on the part of the members of the Board, as is evidenced by decisions which attempt to undermine and destroy American Federation of Labor unions.

"The opposition of the American Federation of Labor is fundamental. Stated generally, our opposition to the Board is that in deciding cases it has established precedents whereby the so-called economic philosophy of one labor group is encouraged and sustained, while that of another is suppressed and even obliterated."

As a member of the House Committee on Labor charged with the responsibility of voting on the question of reporting to the House on the question of proposed amendments to the N. L. R. A., will you be so kind as to write a letter, either to the press or to the chairman of the Labor Committee, the Honorable MARY T. NORTON, stating plainly whether the A. F. of L. now favors the abolition of the present Board and the creating of one composed entirely of new members.

A direct and clear answer to this question will be appreciated, I am sure, by many Members of the House.

Respectfully yours,

CLARE E. HOFFMAN.

To that letter, I have been advised, he replied, directing his reply to each member of the committee. The letter I received reads as follows:

AMERICAN FEDERATION OF LABOR,
Washington, D. C., April 1, 1940.

Hon. CLARE E. HOFFMAN,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I am pleased to reply to the inquiry submitted in your letter dated March 26.

The American Federation of Labor favors the abolition of the present Labor Relations Board because we are convinced that it is biased, prejudiced, and is guilty of maladministration of the National Labor Relations Act.

If, however, Congress refuses to abolish the present Board and create a new one, we are willing to accept an arrangement which provides for an increase of the present Board to five members, and through such action add two additional members to the present Board.

I have endeavored to answer your inquiry in a direct and clear way, as you requested.

The quotations made in your letter of statements made by me as president of the American Federation of Labor are correct.

With all good wishes, I beg to remain,

Sincerely yours,

WM. GREEN,
President, American Federation of Labor.

When you have a labor organization with some 4,000,000 members and you have the president of that organization saying that the Board which is charged with the administration of the act is biased and prejudiced, which seems to be the opinion of the general public, and when we remember

that there are only, at the outside, some 8,000,000 organized workers in this country out of a total of more than 40,000,000, why should not this House, as the gentleman from Pennsylvania suggested a little while ago—do our own thinking?

Rightly or wrongly, justly or unjustly, that Board has lost the confidence of the people. I suggest again that every Member of this House read the report of the Smith committee, if you have not done so, and then go back and check in the hearings of that committee every single statement that is made in the Smith report, and you will find proof—not from some outside witness; not from someone who is prejudiced or biased—but you will find the proof from the records of the Board itself; from the testimony of Madden, the Chairman of the Board; from the testimony of the Board's employees, substantiating every charge that the Smith committee makes.

I want to pause here for a moment to say again that the committee has done a wonderfully fine, impartial, and thorough job, and there is no question about it [applause], and they recommend the abolition of this Board.

As I was saying a moment ago, the Board, rightly or wrongly, justly or unjustly, having lost the confidence of the people generally, its usefulness as an administrative agency has been destroyed. You cannot get away from it, and if we do our own thinking and if we follow our own judgment as well as the wishes of our constituents, we will abolish this Board when this bill comes up; get rid of them and get a new Board.

Mr. HARTLEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from New Jersey.

Mr. HARTLEY. Is it not the gentleman's opinion that the action of the Labor Committee this morning in reporting out a bill which merely provides for the addition of two new members to the present Board, in substance, is vindicating or whitewashing the present Board?

Mr. HOFFMAN. In my judgment—and, of course, this is only my personal opinion—that is an admission of one of two things, either that the administration of the Board has been wrong, that the Board has been incompetent, or biased, or something of that kind; or that the committee hopes to throw that concession to the House in order to prevent more drastic amendments.

Mr. CASE of South Dakota rose.

Mr. HOFFMAN. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I was just going to ask the gentleman if he thought packing the Board was any solution whatever, because the Board might be packed again?

Mr. HOFFMAN. Oh, no; it is not the remedy, but, then, I think the President of the United States is too shrewd a politician to give us again a Board that would do the things that the present Board has done.

Going further with this letter, President Green said:

> If, however, Congress refuses to abolish the present Board and create a new one, we are willing to accept an arrangement which provides for an increase of the present Board to five members, and through such action add two additional members to the present Board.

But, as practically everyone is agreed—except the Board members—that they have made a mess of this thing, why should we not get rid of them and be done with it?

That is not the only amendment that we should have. The sponsors of this law have told us time and time again that they want to give employees the right to bargain through representatives of their own choosing. Long ago I suggested an amendment, and it is in a bill that I introduced on the 13th of March 1939, H. R. 4990, to add four little words to section 7. Section 7 provides, in substance, that employees shall be free to join, and so forth, labor organizations. The four little words that I want to put in there are these, "or not to join."

Section 7 would then read:

> Employees shall have the right to form, join, or not to join, or assist labor organizations to bargain collectively through representatives of their own choosing—

And so forth. The only change is the addition of the four words "or not to join," so that the law as it stands today may be stated in the act, this because the Board has taken upon itself to use the act as an instrument to compel employees to join unions; not only that but, as the A. F. of L. contends, to force employees to join the C. I. O. rather than the A. F. of L.

What is the objection to adding those words to the act? As a matter of fact, employees are supposed to have, and they legally have, that right now; and that is the answer of those who oppose that amendment. They say, Why do something that is not necessary? But it is necessary. It is necessary for this reason: That here in America, supposedly a free country, many and many a man and woman has been deprived of the right to work until he or she shall have joined an organization, and an organization not of their choice. That is not the statement of a conclusion; that is the statement of a fact.

In strike after strike picket lines have been thrown around factories, and after the labor struggle has been settled by a contract for collective bargaining, in more than one instance a picket line has been thrown around a factory for the purpose of preventing men going to work until their dues were paid up to date or until they joined the union. Does this Congress want to take the position, by refusing to adopt such an amendment, that no longer here in these United States shall a man be free to go to work until he has put his name on the dotted line, until he has paid dues? Is that the doctrine that we want to advance by way of inaction?

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. COX. While it is pretty generally known that the Committee on Labor is unwilling to change the Wagner Act in any manner other than is indicated by the action of the committee in the last 2 or 3 days, I feel it is quite safe to give the gentleman assurance that the whole subject matter will be opened up for full discussion and that this House will have an opportunity to assert its will on the subject of amending the law. It is my opinion that this House will adopt the Smith amendment, and all of the Smith amendments, by an overwhelming majority.

Mr. HOFFMAN. That is fine; but the Smith amendments do not go far enough. They do not give the man who labors the right to go to his job without interference. Does not the gentleman believe that if an American wants to work and has a job that he is satisfied with that he should have that privilege?

Mr. COX. Of course, I agree with the gentleman, and I go much further probably than the gentleman is willing to go.

Mr. HOFFMAN. Then the gentleman will have to go a very long way.

Mr. COX. I think the law is a tremendous mistake; that it should never have been put on the statute books.

Mr. HOFFMAN. I am glad to have the gentleman's statement about how far he is willing to go; but I hope—and express my hope because my sympathies are, as I believe the sympathies of every man in this House are, with labor. I hope that when this bill comes before the House we will write a bill which will protect the man who actually works. As a matter of fact, this bill protects the labor organizers, the labor officials. It does not protect the employee. I can cite half a dozen cases in the circuit court of appeals and one or two in the Supreme Court of the United States where the Court says explicitly that the act does not give collective bargaining to the employees through representatives of their own choosing; that the act defeats the very purpose announced in section 7.

When this bill comes in I want to offer another amendment. The law provides that these employees shall have the right to organize—and skipping the words of the statute, retaining the substance—organize free from coercion on the part of the employer. What difference does it make to men who work whether the coercion comes from the employer or comes from some labor-union boss? In either event he is out of his job until he does the will of some third person.

So I want to insert in this law a provision that an employee shall have the right to organize and carry on his union activities free from coercion from any source, whether it be from a politician, a minister of the gospel, a magician, an economist, or a new dealer, or whether it is a labor boss who tries to force him to pay dues before he can go to work. There are other amendments:

Here is another one: This act defines a "labor dispute," and the courts in construing that have accepted the same definition that is given to a "labor dispute" as used in the Norris-LaGuardia Act. Under the construction of the court in those cases you have a labor dispute whether there is a controversy between the man who is the employer and the man who works, or whether there is none; whether the relationship of employer and employee exists or whether it does not exist. Take the New Negro Alliance case here in Washington—and there are several other cases. There the point at issue was whether a storekeeper should hire an increased number of colored clerks. The New Negro Alliance never had a member who worked in this grocery company's stores. Not one. They never had had any business dealings with those stores, and yet, when they threw a picket line around that store to force them to employ more Negro clerks, the Supreme Court of the United States said that under the Norris-LaGuardia Act—and the same definition has been given to a labor dispute under the N. L. R. A.—that there was a labor dispute.

Now, since that decision Wisconsin has changed its law, and the courts of Illinois, Indiana, and Ohio have repudiated that decision in construing State statutes having practically the same language. Nevertheless, the definition of a labor dispute remains the same today.

My proposition is that when that bill comes before us we say that a labor dispute cannot exist unless it exists between employer and employee, where there is the relation of employer and employee; that no third person can come in and create a labor dispute.

I shall offer an amendment to subsection 9 of section 2, which is entitled "Definitions," striking out the words "regardless of whether" and inserting "provided" in their place, so that labor dispute will be defined as follows:

> The term "labor dispute" includes any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, provided the disputants stand in the proximate relation of employer and employee.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HOFFMAN. I call your attention to this illustration that you have right here in Washington. It is not more than a thousand feet over to the Methodist Building. The Methodist Building is within 300 feet of the Supreme Court of the United States. "Equal justice under law" is the motto on the front of the Supreme Court Building. Right down there in the shadow of that building are pickets parading every day at noon and at night. Is there a labor dispute? If there is, between whom? Not between the employees of the woman who operates that cafeteria and the woman herself. The labor dispute is between Mink, head of the union, and 13 of the 28 employees have joined the union, but they are all working, and the employees who do not want to spend their pay checks with Mink for the right to work. None of them is making demands, asking for wages, changes in working conditions. But Brother Mink, head of the union, insists that he wants to bargain with her, while her employees are satisfied, and he lies about the dispute on the placards that he has in the hands of the pickets before the building.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. KEEFE. In that connection, I think the gentleman would be interested to know that I had occasion to stop one of these pickets the other night and question him. I asked him, "Is there a labor dispute going on here?" He said, "I don't know." I said, "Is there labor trouble here?" He said, "I don't know anything about it. I am from Virginia. I hired out to work today to carry a banner." That is the situation over there.

Mr. HOFFMAN. That is right. You can go over there and talk to these pickets yourself. They are the hired pickets of Mink, not of the employees; they are on the picket line, picketing for some union boss, and they do not know anything about what the picketing is all about. There is no labor dispute in the business.

How much longer, under the guise of protecting labor through the provisions of the National Labor Relations Act and the activities of the N. L. R. B., will we permit labor—and when I say labor I mean the women and men who work—to be the victims of those who are exploiting them to a far greater degree than did the most tyrannical employer? [Applause.]

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield to the gentleman from Texas [Mr. KILDAY] such time as he may desire.

Mr. KILDAY. Mr. Chairman, that we should have adequate national defense is a subject which no one will deny except those who think so little of our form of government as to be indifferent to whether it continues or not. It can profit nothing to attempt argument with this class of people. The subject remaining for debate, then, is what constitutes adequate national defense. The defense of the Nation is a highly specialized profession, as much so as any other profession known to the world. The Army of the United States possesses the finest corps of officers ever assembled in any army. They are experts on the subject to which they have devoted their lives. Under our democratic system they have not become militaristic, as in the case in many foreign countries. Rather they are concerned about putting this Nation in position to defend itself. So long as they remain so, they are safe leaders to follow in matters of defense. The bill now before the Committee has met with their approval and is a part of their program which, when completed, will adequately defend this Nation.

Many in this body, no doubt, when the present program came forward, were fearful that the Nation might be plunged into a vast arming program; that a large standing army might be created, and that this Nation might abandon its tradition of maintaining a small standing army capable of forming the nucleus of and expanding into an effective army capable of meeting any potential enemy. As a member of the Committee on Military Affairs, I was gratified when the War Department came before the committee and outlined a reasonable program; one which asked for no increase in the authorized strength of the Army, but only that personnel be brought up to authorizations. Such an army will be capable of expanding into the character of force necessary for any emergency. That is, it can so expand provided material, equipment, and armament are on hand and immediately available for the use of the expanded force. Such is the plan and program that this Congress has adopted. It contemplates the acquisition of armaments, munitions, airplanes, and strategic materials, all to be held in readiness for the emergency we all hope never occurs. In the meantime a small, well-trained army is in training so as to provide a reservoir of men comparable to the reservoir of material being acquired. This means training of the forces. We are all pleased to know of the plans now under way for the maneuvers in Texas and Louisiana this spring, which will serve as a fitting climax to the smaller maneuvers which have been held through the winter. It is to be hoped that in time adequate training grounds will be available at all times for these purposes.

It is gratifying to know that the program for the development of Air Corps training fields is carried on, and reasonably extended, by the appropriations carried by this bill. A project of particular importance is the sum of slightly less than a million dollars carried in this bill for the purpose of continuing improvements at Kelly Field, Tex. This is truly a historical

field for here in the early days of the World War the infant Air Corps began its training program. Long neglected during the years while the country pursued a policy which would indicate that we thought there would soon be no need for an air corps in our Army. Fortunately we have recently awakened to the need of this station, about to fall apart by sheer age of wartime frame construction. There is now under construction at Kelly Field approximately $3,018,800 of modern permanent buildings designed for Air Corps training purposes, and containing the latest in facilities. The appropriation in this bill will carry on this program during the ensuing year, and will provide for two hangars, administration building, guard house, quartermaster garage, and photographic laboratory.

The hearings reflect that this amount is but a portion of the improvements to be constructed. Dependent upon appropriations by Congress, construction of additional buildings will complete Kelly Field into the character of flying school which the advanced training course of our Air Corps should be. The program calls for an additional $5,367,375. It will provide such necessary buildings as hangars, gymnasium, chapel, post exchange, laundries, and quarters.

Kelly Field is located in the one portion of the country found by experience to be ideal for the training of Army pilots. It is adjacent to Randolph Field, the West Point of the air, the primary flying school of the Army. It is to be hoped that this program will be carried to completion without delay.

Of equal importance is the sum of $708,000 provided by this bill for permanent construction at Brooks Field. This field is much smaller than Randolph and Kelly, and fills an entirely different mission with the Army. It is located near Fort Sam Houston, Tex., the home of the famous Second Division, and headquarters for the Eighth Corps Area. Necessarily the training fields come under the direct jurisdiction of the Chief of the Air Corps. Their functions have no relation to the combat troops such as the Second Division and the Eighth Corps Area. The Air Corps must operate as an integral part of the Army, and in conjunction with troops of all other arms, this must be true in time of peace if it is to work smoothly in time of war. Brooks Field serves as the station for the combat squadrons operated in conjunction with the troops in the Eighth Corps Area. This field is now composed of frame buildings erected during the World War, now in a deplorable state of repair. The funds provided in this bill will construct hangar; paved apron; grading and drainage; communications building; beacon building; paint, oil, and dope warehouse; magazines; photographic laboratory; barracks for enlisted men; officers' quarters; noncommissioned officers' quarters, and utilities.

These will be barely adequate to provide modern living quarters and modern airplane facilities for the Air Corps troops stationed at Brooks Field.

This bill is a fair, reasonable, and sensible contribution to the program of national defense, and I trust will pass.

Mr. TERRY. Mr. Chairman, I yield 7 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, the proposed Big Bend National Park is located in Brewster County, Tex., in my congressional district. The area is bounded on the south by the Big Bend of the Rio Grande, from which circumstance the park derives its name.

The Big Bend is literally what the name implies, and a glance at the map will make this clear. On one side of the river lies the United States, and on the other Mexico. Mexico has set aside for park purposes a large area contiguous to the land on our side and this international park is dedicated to peace.

The park in Brewster County comprises an area of approximately 736,000 acres. In May 1935 a bill of which I am the author, was passed in Congress providing for the establishment of the Big Bend Park in the State of Texas. This act made no mention of funds for purchase of the necessary land, as it is against the policy of the Federal Government to appropriate money to buy land for national park areas, it being expected that adequate appropriation by the State legislature will be made and supplemented by funds which shall be raised through private subscription.

I say it is against the policy of the Government to purchase land for national parks, and generally this is true. However, the Government made a substantial contribution to the fund for purchase of land in the Great Smoky Mountains National Park. I voted for that appropriation, as I felt that Federal funds could not be expended to a more worth-while end. I wish my colleagues would support me in an appropriation for the Big Bend Park. The people not only of my district but the entire State are making a vigorous campaign at this time to raise money to buy land for the Big Bend Park, but up to this time nothing like a sufficient amount has been raised. I also hope the Texas Legislature will do its fair share toward making this great project a reality by making an appropriation to aid in buying the land. A few years since the legislature did appropriate $750,000 for this purpose, but the bill was vetoed by Governor Allred on the ground that the financial condition of the State did not warrant the outlay. Governor O'Daniel has expressed interest in the project, and I very much hope he will use his effort to the end that funds may be made available at the next session of the legislature. The State should render full cooperation, and I believe will do so.

A vital need in the world today is cultural and economic understanding between nations, and an international peace park on our southern border would be a means of promoting contacts that would be not only interesting and instructive, but invaluable to the people of both countries.

The southernmost spur of the Rocky Mountains runs through the Big Bend country, the highest and most rugged peaks attaining an altitude of almost 8,000 feet. The Rio Grande here cuts through three canyons, the walls in places reaching a height of 3,000 feet.

Biologically as well as scenically this area presents features of absorbing interest. The varied forest cover is still virgin. The Chisos Mountains, surrounded on all sides by half-desert, are covered with trees far removed from forest types of like character. The National Park Service is authority for the statement that, according to botanical authorities, some of the trees of the Mexican area of this park are found nowhere else on this continent. Growths include chaparral, cactus, juniper, various oaks, mountain mahogany, Douglas fir, pine, cypress, and maple.

Many animals wander up from the wildernesses of Mexico into the Big Bend, which region has representatives of more than 60 species of mammals. Among the larger game animals are bear, mountain lions, wild hog, and several kinds of deer. Over 200 species of birds have been noted. I quote from a report on this section by the National Park Service, which has made an exhaustive examination of the area:

> The variety of geologic phenomena presented in this limited area is so great that illustrations can be found of almost every phase of the science. It is apparent that the Big Bend National Park, when established, will be recognized as one of the outstanding geological laboratories and classrooms of the world.

As our country nears the saturation point in population, we are forcibly reminded of the need of extensive recreation areas that shall be established in perpetuity. There are no more public lands that may be set aside for national park purposes and unless the Federal Government establishes the policy of acquiring areas of outstanding scenic aspects for such use, then our people must raise funds and buy them. As I have said, this is being done by the people of Texas, and we welcome all the help our neighbors will give us in the establishment of the Big Bend Park, which will be enjoyed by people from every section of our own country and travelers throughout the world.

I request the unanimous consent of the House for the insertion in the CONGRESSIONAL RECORD as a part of my remarks of an article on the Big Bend Park, written by Rev. Milton F. Hill, pastor of the Methodist Church at Pecos, Tex., and published in the El Paso Times of March 24. It is both interesting and informative, and Mr. Hill is one of the most prominent ministers in my State. [Applause.]

[From the El Paso Times of March 24, 1940]

To become a national park a region must have exceptional qualifications. It must be able to rank with Yosemite and the Grand Canyon, and Yellowstone, and Glacier, and Mount Rainier.

It is a little difficult for us to realize that right here at our back door is such a place. We have been in the habit of thinking of beautiful and picturesque places as being far, far away in some distant State, so that it is hard to realize that such conditions can be found here in our own State of Texas. But the national park people, who are familiar with the scenery of the entire Nation tell us that the Big Bend does qualify.

Let us clearly understand some things, however, at the very beginning. The Big Bend is a desert country, and the traveler who goes there should realize this fact. As most of us know, the region is very dry. It has some forest, but this is to be found only in the upper levels of the Chisos Mountains. The only stream is the Rio Grande, with the exception of Tornillo Creek and a few short streams in the higher Chisos.

When I was a college boy I worked one season in Yellowstone Park, and I remember how disappointed some tourists were because Yellowstone did not have flower beds with iron fences around them. That was their idea of a park. Someone might form an entirely wrong impression of the Big Bend Park. Its outstanding feature is grand and spectacular desert and mountain scenery, and it is a wonderful example of the unspoiled wilderness of the Southwest and of the health-giving atmosphere that goes with it.

TERRITORY OF PARK IS TREMENDOUS BASIN

The territory of the proposed park is a vast basin, roughly diamond shaped. The natural gateway to the park is Persimmon Gap, a notch in the wall of the Santiago Mountains. Through Persimmon Gap the Comanche Indians used to travel on their annual raids into Mexico. The gap is a little more than 40 miles south of Marathon, and when you have reached its highest point you get a remarkable view of the Big Bend country.

Directly south are the Rosillas Mountains, which rise nearly 3,000 feet above the plain at their base. On a clear morning these mountains are a fine purple red in color. To the east extend the Santiago Mountains and the foothills of the Dead Horse range.

Geologists tell us, by the way, that these two ranges bring together at the only place on the continent the two great mountain systems, the Rockies and the Appalachians. Out in the west are the ragged peaks of the Corazones, while directly south and towering above the Rosillas are the magnificent Chisos.

The road to the Chisos Mountains is in excellent condition, and as you travel the 35 miles from Persimmon Gap you are traveling a great plain. Soon you begin to get views of the Dead Horse Mountains. Beyond and far in the southeast you see a tower-like peak which rises from a great block of mountain. This is Shot Tower Peak in the Del Carmen Mountains of Mexico, and it rises 8,000 feet higher than the Rio Grande. The river cuts through these mountains to form the Boquillas Canyon.

CHISOS MOUNTAINS ARE HIGH AND RUGGED

But what attracts your attention now are the Chisos, and as you approach them you become more and more conscious of their height and ruggedness. Some miles before you reach them the road swings to the west and seems to be leaving the mountains. Then it turns south and leads directly into them.

Panther Peak, on the left, and Pulliam's Bluff, on the right, are tremendous portals for the gateway into the mountains. The road enters Green Gulch, an inadequate name for this beautiful canyon. On your right are the high crags and pinnacles of Lost Mine Peak, while directly ahead, like the towers of an immense feudal castle, rises Casa Grande.

You notice an abrupt change in the vegetation. The desert shrubs give place to oak, pinon, and cedar. Green Gulch has marvelously beautiful colored and sculptured rocks and cliffs. I have visited the Chisos fully 15 times, and each time this scene becomes more impressive and beautiful to me. Very fortunate is the visitor who sees the clouds when they hang low in the mountains and drift among the great cliffs and crags. I have seen them pour down through the clefts in immense cascades of white vapor.

As you descend from Green Gulch the road twists up the base of Casa Grande and climbs to the summit of the pass which looks west down into Oak Canyon and the basin. Down below you is the C. C. C. camp, where a company of boys are at work. The road hairpins down to the camp, which is as far as you can go in a car.

All around you are rugged mountains. To the west is the "Western Window," through which you can see the quicksilver-mining town, Terlingua, and beyond it the distant blue Bofecillas Mountains. Casa Grande towers above you in the east, while in the south is the highest summit of the Chisos, Mount Emory, its rugged sides covered with dense forest.

THREE BEAUTIFUL TRIPS AVAILABLE TO VISITORS

Three very fine trips can be made from here. The first is down Oak Canyon to the Western Window. You make your way through a narrow, winding gorge with springs and a beautiful little creek. Tremendous cliffs rise on each side. The window is an opening less than 6 feet wide, and during part of the year the stream drops through it, making a waterfall 300 feet high.

On the second trip you follow a good trail to the head of Juniper Canyon, a great trough which comes into the mountains from the east. It is walled in on the south by the South Rim and on the north by the Chinese Wall. At the end of the Chinese Wall is magnificent Crown Peak. To reach it is hard and strenuous, but any tourist can easily take the short walk out to the head of Juniper Canyon and be rewarded by marvelous views.

You can see the Rio Grande 20 miles away and nearly a mile below you. Nearer is Elephant's Tusk, a sharp fang of a mountain rising from the plain. If you take the trail on up to the top of the Chinese Wall, you will see even more. Far below, on the left, is the deep ravine, Pine Canyon, and all around are great crags and pinnacles of colored rock, with fine stands of yellow pine not far away.

THIRD TRIP HELD FINEST IN MOUNTAINS

The third trip is considered the finest in the mountains. I made it on foot, but it is best to go by horseback. You climb the steep trail through the forest to the pass just west of Emory. You then go by an old lake bed, the Laguna, turn to the east, and pass under the south side of Mount Emory. Dropping off to the west is Blue Creek Canyon. You cross another pass on the east side of Emory, and then the trail slopes down a half mile through dense forest to Boot Creek.

All around are great forested mountains. To the north you look through the notch where Boot Creek drops into Juniper Canyon and see the Boot, a pinnacle probably 200 feet in height. Towering trees shade the trail here—pines, firs, and a splended mountain cypress.

The trail continues on to the south rim. Here you stand on the edge of a tremendous escarpment, 6,000 feet higher than the Rio Grande out there below you. A vertical cliff nearly a thousand feet high is below you, and below that the mountain drops away steeply. To the south you are looking down on the summits of high mountains, the southern Chisos.

You stand in a land of clouds and trees; far below is the desert wilderness. To the southwest stretch the great ranges of Mexico, Del Carmen, Fronterizas, and others beyond them. You stand in one world looking out upon another shimmering and opalescent and changing in the light, a vast panorama of mountain and plain. The national park people are accustomed to grand and spectacular scenery and are not easily made enthusiastic. So it means something when they state that they consider this as magnificent a view as can be found in the United States.

BIG BEND REGION IS RARE PARADISE

I have described three trips in the Chisos Mountains. Many others are possible. For the lover of the outdoors, of magnificent mountain scenery, of trees and plant life, of birds and wildlife, this region is a paradise. Here are found the rare Sonora or fantail deer, with the horns of a full-grown buck no larger than a man's outstretched hands. The blacktail deer is also found.

The park will be a large-scale museum for the botanist, with a range of plant life extending from the desert types at the bases of the mountains to Douglas fir, yellow pine, and accompanying vegetation on the upper levels. Geologically the region is one of the most interesting on the continent. The Chisos have been carved from a volcanic intrusion, while the Dead Horse, Santiago, and Del Carmen Ranges are limestone. Remains of many types of fossils have been found, among them the huge bones of dinosaurs.

But, the Chisos Mountains by no means exhaust the resources of the Big Bend. Equally remarkable are the magnificent canyons of the Rio Grande. The Santa Helena has been famous for many years. It is cut through a tremendous block of limestone, the Mesa de Anguila. It is 8 miles in length and some 1,500 feet in depth. The walls rise sheer from the river, but the canyon is by no means the dangerous and awful place which many people consider it.

I am very confident that it will be possible for tourists to make the trip up into the canyon with little difficulty and no danger. My wife and I camped for three nights in the canyon about 2½ miles from where the river emerges, and some time before, a party of us made the trip through the entire gorge. One part, it should be remembered, is difficult and dangerous and should be undertaken only by experienced and careful persons. Fortunately, most of the canyon is below this place, the labyrinth.

WORDS FAIL TO DESCRIBE GRANDEUR OF CANYON

Words are utterly inadequate to describe the magnificence and grandeur of this canyon. The traveler has one vista after another unfold before him. I will mention the cave, a huge oven-shaped cavern high on the canyon wall, 150 feet wide and equally high.

Fern Canyon is a spectacular side gorge from Mexico. Penguin Rock is a leaning stone splinter full 200 feet high. Most spectacular of all is the labyrinth, a wild inferno of great tumbled boulders with the water rushing through the narrow channels between them.

The Mariscal Canyon, about 50 miles downstream from Santa Helena, and at the very tip of the Big Bend, is in some respects as remarkable as the Santa Helena. It has marvelous rock sculpture, wonderfully varied scenery, and it can be traversed by boats, with no danger when the river is normal. A little farther down is the San Vicente Canyon, which would be famous were it not overshadowed by its great neighbors.

Beyond, the Rio Grande enters the third great canyon, the Boquillas, to leave the Big Bend region. These canyons will some day be recognized among the most magnificent and beautiful pieces of scenery in the United States. It will not be difficult for tourists to be conducted through them with an avoidance of all danger.

ENTIRE REGION IS ONE OF WONDER

I have spoken of these outstanding features of the Big Bend. The whole region is one of wonder and interest. The desert badlands, where the earth has been carved into weird and fantastic shapes with rich and beautiful coloring, will surpass the noted badlands of South Dakota and Nebraska. Along the Rio Grande are numerous hot springs, which have been famous for their healing properties. A little health resort is maintained at Hot Springs near Boquillas.

At Boquillas the river enters the great canyon bearing that name. Here the rough ridges of the Dead Horse Mountains reach the river. A little restaurant at Boquillas has long been famous for its Mexican dishes.

Across the Rio Grande and 12 miles distant is the huge wall of Del Carmen. The mountains rise in a huge escarpment 8,000 feet above the river. The summit is a smooth cliff, 200 feet high, with lines of cliff beneath it. Its level top is broken in one place by a rough canyon and the jutting crag of Shot Tower Peak.

To see this great wall at sunset on a clear winter evening is the event of a lifetime. The great cliffs glow with the richest and most gorgeous red imaginable. Between you and the Del Carmen is a range of considerable height, but it is dwarfed by the great wall 20 miles in length, and towering a mile and a half above you and flaming with the light of the dying sun.

CLIMATE IS MILD AND INVIGORATING

In our hurried and busy age there is needed a region such as this, rich in grand and varied scenery, mild and invigorating in climate, a place of healing and restoration for mind and body. It will be usable and attractive every month of the year. While Yellowstone and most of the other national parks are closed during a large part of the year, the Big Bend can be visited the year round. I know personally of one lady who has traveled all over the world. She always chooses the northern routes across the United States on account of the national parks.

A great number of others follow the same policy. For the people of the entire Nation and for our own great State and its citizenship, the establishment of the Big Bend National Park will be of inestimable value. It will be, I believe, the greatest single step ever taken in the history of the State of Texas.

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, the bill before the House, recommended by the committee, calls for the appropriation of the stupendous sum of $785,999,094 for the Military Establishment for the fiscal year ending June 30, 1941. This staggering amount of money, if the same is appropriated by the Congress, will increase our indebtedness and will make necessary the imposition of other and additional taxes for the purpose of raising the funds with which to pay the principal and the interest in the discharge of our just obligations as a nation. I am constrained to say that the tax burden now imposed upon our people is one of the outstanding causes of our unemployment situation in this country. That is our No. 1 problem today.

Mr. Chairman, many of our people are deeply concerned respecting the grave situation which confronts us. The records show that we have from 9,000,000 to 12,000,000 unemployed people in our land. The administration in power is doing little about it. Our first task is to rejuvenate and reestablish business and industry to the point that our unemployed are absorbed thereby; our people want to work at permanent and substantial jobs at which they may earn substantial wages; they want to live in a manner fitting their station in life. The attack made on the unemployed situation has constituted temporary relief only. For 7 years this temporary relief has been extended—and I do not condemn the expenditure of money for the unemployed and the needy of our country where needed, because our first duty is to care for the people of the United States of America—but the policy has been pursued of spending vast sums of money for many other things which are not of importance, and certainly not as essential as the care of our own people who are unemployed and who are needy and those who have reached the age at which they are unable to obtain employment in private industry.

While this temporary relief has continued for the 7 years just passed, little has been done which would lend aid in the permanent solution of this great and important problem in our country. It is certainly a very sad commentary to behold that our country, with its vast resources and unlimited opportunity, has confessedly failed in solving the greatest problem before it; and, in fact, it has done so little about that outstanding problem that a permanent solution is now as far removed as it was at the very outset.

Mr. Chairman, our people have grown impatient because vast sums of money have been appropriated and the money has been spent for useless and needless things in our country. The huge increases of the personnel in the various departments of government, which have added many millions of dollars of expense to the taxpayers of our country, has caused uneasiness on the part of our people, because they know they must pay the added cost in the taxes imposed. The President assured the Congress and the people that the reorganization bill, which he forced through both the House and the Senate, would permit him to reduce the personnel in the departments of government and thereby reduce the cost and expense of government, but this was not accomplished; the last report reveals that the President, in carrying out his plan of reorganization, instead of decreasing the employees and the cost, has added approximately 100,000 men and women to the pay rolls in Washington, and that the cost and expense in those very departments have increased many millions of dollars annually. We may look at the appropriations in the War and Navy Departments, which have reached into the billions of dollars, and while we are in full accord that we must be adequately prepared and that we must have an adequate national defense, yet when huge sums are appropriated for some one specific purpose and a vast sum is available for that particular project, we know of the great waste of money that follows.

The War Department and the Navy Department are preparing at this very moment as if for war, and are using the vast sums which were appropriated for those Departments in the frenzy of the impulse "to spend it all as quickly as possible." We are not in war. We are not going to become involved in this European war. We must keep out of this war. We must defend the physical well-being of our men and boys of the United States of America. That will be done.

I might mention many other items of great expense which have been incurred, but the record is filled, from cover to cover, with them—useless and needless expenses—and these have been continued by the administration now in power until practically 25 cents out of every dollar is absorbed in the payment of the taxes which have been imposed upon the people. When we speak of taxes we are quite often inclined to associate the payment of taxes with those which are open and apparent, such as the payment of the taxes upon real estate or personal property, upon the tangible property which we have and which taxes are spread upon the tax duplicates in our respective counties. But we must remember these are not all of the taxes which are imposed upon us. We have hidden taxes on practically every essential commodity we use. The clothing we wear, the food we eat, and the things essential for our daily use bear the imprint of taxes. These taxes, which are a very great burden upon our people, fall with the same weight upon the rich and the poor, the employed and the unemployed, the W. P. A. worker and the president of a bank; no one escapes the tax which is paid when we buy bread and food, clothing, and the absolute necessities of life; these hidden taxes are included in the cost price to the consumer—and the consumer pays the tax regardless of his or her financial or other condition in life. That we may keep the record straight, and that the people may know the facts, the spending of the huge sums of money for nonessential things, by the administration now in power, is the sole cause of the necessity for the imposition of the high and staggering taxes upon the rich and the poor alike in our country, and these very taxes which are now imposed, and which are hidden in the cost price of every essential commodity used by our people, have been the sole cause of our high cost of living in this country. The solution of the high cost of living in our country is to curtail the spending of money for nonessential things in this Nation. The farmer, the laborer, the businessman, and the industrial-

ist face the same ponderous problem of "How can I pay the taxes?" We know that when our surplus funds are absorbed in the payment of taxes, we have nothing left with which to pay for those things which we might desire—the new automobile, furniture, the painting of the house, or the repair of the fences—therefore, those men who otherwise would be able to obtain work are left without a job; this condition is the direct result of the spending of money for nonessential things and the imposition of high taxes upon the people for the purpose of raising the money with which to meet the debt created by the spending.

The huge naval appropriations bill, and the vast sum requested for the War Department, the large increase of the cost in the various departments of Government, and the increase in the number of the personnel employed in Washington caused by the centralization of the power in the Nation's Capital have all made their contribution to the vast increase in the taxes imposed upon the people. This spending must be stopped in order that our taxes may be reduced all to the end that our surplus funds may be made available to employ the unemployed, and that we may aid in taking up the slack which exists in the labor situation in our country. Men want work in our Nation at a fair and a reasonable wage—not at a W. P. A. wage which merely provides an existence—which will enable them to live in accordance with the American standard. Many of our people desire to employ labor at this very moment, but are prevented from doing so by our own Government imposing taxes which take away that opportunity. The spending of the vast and incomprehensible sums of money by our Government has aided temporarily only, and that very act is now causing disaster in our country, and is creating consternation among all of our people. The sole solution is to materially curtail the spending, thereby reducing the taxes, and give the people a chance. This policy will aid every class of our people and will materially assist in the restoration of common-sense government in our Nation. [Applause.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, coming back to the subject matter of this bill, I want to bring to the attention of the members of the subcommittee, particularly, some considerations which it seems to me have to do with the interests of the National Guard of the several States. I know from my talks with the commanding general of the New York National Guard and other senior officers of the New York National Guard that they are particularly interested in the proposed maneuvers affecting the First Army, of which they would be a part, and its effect on the training of our National Guard troops. I take it the National Guard in other States are similarly interested. These are outlined on page 12 of the report on this bill under the heading "Field exercises." The current appropriation is $15,382,650. The Budget estimate for the coming fiscal year is $6,279,060, and the amount proposed by the committee is $5,831,306. This provides for field training in the present fiscal year being conducted upon a scale never before seriously contemplated. The program was presented to the House last January in connection with the Emergency Supplemental Appropriation Act of 1940. The principal projects embraced by the instant estimate are independent maneuvers by the First, Second, Third, and Fourth Armies. The First Army will maneuver in the Watertown-Plattsburg, N. Y., area, in which it is planned to have 123,772 Regular Army and National Guard troops and Reserve officers participate. Broken down, this represents 36,000 Regular Army troops and 87,000 National Guard troops. It also provides for 21 days' training instead of the usual 2 weeks' period.

I want to say to the members of the committee that the present commanding officer of the New York National Guard, Maj. Gen. William N. Haskell, a graduate of West Point, had probably 20 years' service with the Regular Army, not only in France but as commander of the American forces in Russia and for the past 12 or 15 years he has been the commanding officer of the New York National Guard. He has, therefore, both the point of view of the Regular Army and of the National Guard.

In New York we have approximately 22,000 troops in the National Guard, or the equivalent of two or a little more of the present new streamlined Regular Army divisions at peace strength, and there is no better trained National Guard in the country. The matter of enlistment and maintenance in strength of the National Guard divisions in New York, as you will realize, certainly those of you who have ever served in a National Guard, is a serious matter. The enlistment period is 3 years, and I believe it is a similar period throughout the country. This means that on the average we have coming into the National Guard of New York somewhere under 7,000 men a year as new recruits. During the past 6 months there have been in New York State beyond that number under the extraordinary program of this winter several thousand additional new recruits, with the result, you might say, that we have 10,000 to 12,000 comparatively new men in the New York Guard, which is equal to two Regular streamlined Army divisions.

Last year the New York National Guard participated in maneuvers at Plattsburg, with some 40,000 or 50,000 troops of the Regular Army and National Guard from surrounding States. Those men who participated in the maneuvers last year did not receive the usual basic training so requisite to the establishment of National Guard morale. Those who took part in that maneuver did not receive any of the basic camp training, so that a large proportion of the New York National Guard and the Guard of surrounding States who took part in that maneuver missed the basic training so essential to the new recruits and will miss it this year by having another First Army maneuvers such as is scheduled here on such an elaborate scale. It means that the New York troops and the troops of the surrounding States who took part in the maneuvers last year will also miss their basic training this year. The Regular Army enjoy this, and it is a benefit to them, but remember that the enlisted personnel in the Regular Army who take part in these maneuvers have received their basic training during the 8- or 10-month period before the maneuvers. Insofar as I can see, the maneuvers are largely for the benefit of the General Staff officers. The National Guard officers of New York State are having the benefit of special training this winter in the various camps in the South.

The position of the commanding officer of the New York National Guard and, in fact, of all the officers of the New York National Guard, is that these maneuvers insofar as the larger States are concerned, New England generally, and the eastern area, should be staggered, and should be held at least not oftener than every other year, or once in every 3 years.

Let me point out to you also that the maneuvers have been extended to 21 days. Anyone who has served in the National Guard will realize that this means a great deal, and it risks the loss of some of the most valuable young officers in the National Guard, for these are the men who hold responsible posts with industrial concerns, are attorneys in law firms, or are connected in some supervisory capacity in business. It is almost impossible for these men to consider a training period beyond 2 weeks; hence they will be forced to resign. The only ones who can afford to take 3 weeks are usually city officials, county officials, members of fire departments, and people having such employment that they can get extended time. I have no doubt that if the General Staff persists in carrying on these maneuvers extending the period to 21 days, that it will seriously undermine the morale and discipline of the New York division, and I think this will also be true of National Guard divisions from the other States whose men participated in the maneuvers last year and who will participate in them again this year.

I believe these maneuvers should be staggered; that they should not follow in successive years involving the same National Guard troops; and I would like to ask some member of the committee if I am correct in understanding that under field exercises on pages 9 and 10 of the bill, the amount

$5,831,306 represents the total appropriations for these maneuvers by the five field armies. May I ask the gentleman from Oklahoma if that is correct?

Mr. TERRY. That is correct.

Mr. ANDREWS. On page 121 of the hearings, Special Field Exercises Projects, in a footnote under project 3, referring to 17–A maneuvers, First Army, $250,000 in this connection is set up for maneuvers for the First Army. This is in the estimate at the end of the table of the report, $250,000 for each army so far as maneuvers are concerned having to do with concentration.

Mr. TERRY. Approximately that.

Mr. ANDREWS. It is on page 121 of the hearings, Special Field Exercises for the Army. It says, under 17–A, maneuvers, First Army, $1,456,948, and in footnote $250,000 each for the First, Third, and Fourth Army, caring for the concentration of National Guard troops.

Mr. TERRY. Approximately about a million dollars, as I understand it. The actual amount for the First Army is $1,456,948.

Mr. ANDREWS. I thank the gentleman.

Mr. TERRY. That is the amount in the bill.

Mr. THOMASON. Are we to understand, then, that the program is to be staggered?

Mr. ANDREWS. I do not know what the program is to be for the future, but I understand that hereafter it will be staggered. I know we had maneuvers last year in New York, and under the present program we are obliged to have them again this year. I do not want to be misunderstood as saying that either I personally or as a Representative from New York oppose maneuvers. We all realize the importance of maneuvers, but, generally speaking, the National Guard officials of the State of New York believe that, rather than have these maneuvers 2 years in succession, they should be abandoned this year in New York, and they should be staggered from now on in order to continue to maintain the basic training morale and excellence of the National Guard in New York.

Mr. SMITH of Connecticut. Will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Connecticut.

Mr. SMITH of Connecticut. It seems to me we had testimony somewhere recently that the purpose of holding all of the maneuvers this year, which are included in this bill, is to bring the Regular troops together with the National Guard troops when the Regular troops are fresh from the lessons they have had in the long period of training during this winter, which will probably not be possible again after this year; then the maneuvers will be staggered in the different Army areas in succeeding years, and there will not be maneuvers 2 years in succession.

Mr. ANDREWS. Regular Army troops took part in the maneuvers last year with the National Guard in New York. When the Guard units, containing so many new recruits, participate, all they do in these maneuvers is march around day after day under the general orders of some staff officer. They get no basic training whatsoever and lose their time for this important field training during that year.

Mr. THOMASON. Is it contemplated then that those who have been on maneuvers in the South during the winter are to go on maneuvers again this summer and fall?

Mr. ANDREWS. As I understand it, they will be moved and swung into these four new maneuvers again in various sections of the country.

Mr. FADDIS. Will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. I agree with the gentleman and his statement in reference to maneuvers and staggering them. It certainly is of prime importance for any man in the National Guard, or any man in the Regular service, or any man in any military service to receive basic training, because if he does not receive basic training you will never have a soldier. The idea that some people have, that you can make soldiers by taking men and marching them around in a field, is erroneous. If they rob the men in the National Guard of their basic training they have robbed them of their most valuable asset that an army can have and, also, when they require the officers in the National Guard, as the gentleman has already explained, to attend 3 weeks instead of 2, they are taking more time away from their business and from their employers than they can well afford.

Mr. ANDREWS. That is particularly true where units come from large urban areas.

Mr. TERRY. Will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Arkansas.

Mr. TERRY. I understand General Marshall made the statement that a part of the 21 days would be given over to basic training. That is, there would be several days devoted to basic training.

Mr. ANDREWS. That may be true. The trouble is that the resignations of some of the best men from the New York National Guard will be increased from now until next summer and we will lose a lot of the men we ought to have because they cannot take the 21 days in justice to their civil and business pursuits. It is always the most valuable men who cannot take the extra time.

Mr. TERRY. They are not going to have maneuvers every year. I understand that in 1942 they will start to rotate every year.

Mr. ANDREWS. We would like to start that rotation now, because we had maneuvers last year.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The testimony of General Andrews was that it is planned to have no Army maneuvers for the year 1942 and return to the staggered system in 1943.

Mr. ANDREWS. Mr. Chairman, I yield back the balance of my time.

Mr. TERRY. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. HOUSTON].

Mr. HOUSTON. Mr. Chairman, the people of this country approved the enactment by this Congress of the Hatch Act to prevent pernicious political activities on the part of Federal employees, and welcome the inclusion under the safeguards of the act of State employees paid, in part, with Federal funds.

No longer will those who hold Government positions be required, by political machines, to contribute a part of their wages or devote time and energy to help political parties in elections. They will have the privilege of voting as they please and contributing what they please.

The Hatch Act, and the Senate-approved amendments, divorce politics from State and Federal service, purify politics by preventing any person from promising benefits under any act of Congress to anyone as a reward for political activities, guarantee complete freedom of the balblot, clear the way for extension of the civil service, prevent intimidation or coercion of voters, place the business of the Government on a nonpolitical basis, and prohibit the use of the people's money to secure an office.

States' rights are not invaded; they are protected against the use of Federal slush funds and alliances of Federal and State machines to control elections. Federal funds appropriated by the Congress and given to States for road-building and other purposes will not be used to pay appointees of a State machine for political work under the direction of a political boss. This means more efficient service and better government.

Provisions limiting to $5,000 the contribution by any person during any calendar year or for use in any one campaign or election, and prohibiting contributions by contractors or individuals furnishing supplies or performing services for any agency of the Government during the period of negotiations or performance of such services are important steps toward the prevention of corruption.

The enforcement of the measure by the Civil Service Commission, an agency having many years of experience in

dealing with the subject, provides assurance that the intent of the Congress will be carried out.

The Hatch Act as amended is the answer to intimidation, coercion, dishonesty, and corruption in State and National elections. It will not interfere with the personal liberty of State and Federal employees, but it will interfere with attempts at sordid debauchery of the ballot and pernicious political activities of Government employees on Government time and at Government expense.

Mr. TERRY. Mr. Chairman, I yield 5 minutes to the Delegate from Alaska [Mr. DIMOND].

Mr. DIMOND. Mr. Chairman, on page 14 of the report on this bill we find the following item:

Alaska air base. Budget estimate, $12,734,060. Committee proposal, blank. Reduction, $12,734,060.

It is evident that the proposed Alaska air base is out of the bill. This may be called economy by annihilation.

On page 15 of the report two paragraphs are devoted to the proposed air base, giving the reasons for its elimination from the bill. I shall read only the last of these paragraphs. I quote:

The committee does not take the position that an air base for military operations is not needed in Alaska. That area unquestionably is of great strategic importance to the defense of continental United States, but it is unwilling to be rushed into a course which it feels has not been thoroughly studied. A considerably lesser amount has been informally suggested to the committee to get the project under way or established on a more modest scale. It is felt, however, that the entire question should be thoroughly canvassed or recanvassed by the General Staff before any commitment is made. In the interim the naval air station being built on Kodiak Island, some 200 miles to the south and west of Anchorage, probably will have been completed and we shall not be wholly without aviation protection in that far northwestern area.

So far I have quoted from the committee report, Mr. Chairman. I think it is a great pity, and it may be a tragedy, that the committee has not provided at least enough money to start work on the Anchorage air base, as is proposed by the General Staff of the Army and by the War Department, and has, of course, the approval of the Bureau of the Budget and of the President.

Many articles appear nowadays in newspapers and magazines, written by strategists of various types and abilities, concerning the importance of what is called the Pacific triangle, the lower end of which is anchored at the Panama Canal, the central part at the Hawaiian Islands, and the northern end in Alaska. Not only amateur strategists, but men who have given their lives to the study of military science, believe that that is an all-important defense line, and that if it is not maintained the country may be endangered. Of all the points on that line between Panama and Alaska, with the possible exception of the Panama Canal itself, I suggest to the House that Alaska is far and away the most important because it lies on a direct line and therefore on a short line—what is called the great circle route between the main body of the United States and the Orient. The control of this short line is the more important because we have lately found out that not only are the Japanese putting in naval and military installations in the mandated islands and in the northern part of the Japanese Archipelago—which, by the way, lies within 700 miles of Attu Island, a part of the United States, and the most western of the Aleutians—but that Soviet Russia has recently installed substantial military and naval works on the Komandorskie Islands, or the Bering Islands, which lie within 260 miles of the Aleutians.

Mr. FADDIS. Mr. Chairman, will the gentleman yield?

Mr. DIMOND. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. I wonder if the gentleman would care to remark on whether the people of Alaska, as no doubt they have, have paid attention to the fight of the Finns and their defense against the Russians, and to the important part in furnishing supplies and transportation to the Finns the reindeer have played in that fight. No doubt the people of Alaska have noticed that.

Mr. DIMOND. Unquestionably.

Mr. FADDIS. I wonder if the gentleman would care to remark about the importance of retaining the reindeer herd in Alaska and keeping it there for eventual use in time of war if ever Alaska should be invaded.

Mr. DIMOND. Fortunately, it seems probable that the reindeer herds will be preserved under legislation passed by this Congress and an appropriation made last summer. Before that legislation was enacted and an appropriation made, I just about despaired of keeping any substantial number of reindeer in Alaska. They would be of great value, to answer the inquiry of the gentleman from Pennsylvania [Mr. FADDIS], not only for transportation purposes, although in fact in Alaska the airplane has largely supplanted all other forms of transportation, but because they would be of outstanding utility as a source of food. There is no reason why Alaska cannot maintain 3,000,000 to 4,000,000 reindeer, more than are found in all northern Siberia and northern Europe. In time of need the possession of that amount of food as well as the other articles that can be derived from reindeer would be of immense value.

As the gentleman from Pennsylvania [Mr. FADDIS] has indicated, the reindeer is of high utility as a draft animal. But in order to be thus useful it is necessary that they be domesticated and trained. A well-fed and well-trained reindeer will travel almost incredible distances without food or with little food. Instances are recorded of reindeer which covered more than 100 miles in 24 hours pulling a sled and load of approximately 200 pounds. I can conceive of circumstances when, under war conditions as in Finland recently, the reindeer which are well trained might be of inestimable military use as draft animals. But at the same time it must be said that in Alaska the airplane has already practically eliminated dog teams as a means of conveyance, and if planes were available. there would be little occasion for the use of reindeer as a means of transportation.

As a source of food the reindeer is of much more consequence. The flesh is savory and tender and nourishing. It can be used in any one of a dozen different forms; dried and treated in a suitable manner it makes excellent pemmican and is highly sustaining. If Alaska should be cut off from the United States by loss of control of the Pacific, the reindeer would be almost literally worth their weight in gold as a source of food for the residents of Alaska and for the military forces which may be stationed in the Territory. The building up of the reindeer herds is quite in harmony with the plans for national defense, and I am thankful to the gentleman from Pennsylvania, Colonel FADDIS, who has had such extensive military service, for inviting my attention to this highly important subject.

Now, let us go back to the Anchorage air base. Nobody can possibly have any greater respect for the subcommittee of the Appropriations Committee, which has jurisdiction of this bill, than I entertain. No one can possibly have any greater deference to their judgment. But candor and the requirements of national defense—the safety of the citizens of the United States, whether they reside in the States or Alaska—compels me to say that I believe the action of the committee in rejecting this item is a mistake, a mistake that ought to be remedied before the bill passes the House. In its report the committee suggests that the project has not been thoroughly studied. It is further suggested that perhaps the General Staff of the Army has based its recommendation for construction of the base upon insufficient information.

After reading those parts of the printed record of the hearings which had to do with this matter, I am compelled to the opposite conclusion. It seems to me that the hearings themselves disclosed a thorough study of all phases of the subject and a firm and confident recommendation by the General Staff for the adoption of the project and for the appropriation therefor of $12,734,060 as set up in the Budget estimate. Surely there is nothing uncertain or indefinite in the testimony of General Marshall, Chief of Staff, as it is set forth in the printed record of the hearings on pages 23 and 24 as follows:

The establishment of an operating air base in Alaska is a project of major importance.

The appropriation for the current year of $4,000,000 for air installations at Fairbanks was based upon providing facilities for a

composite squadron to be stationed there for cold weather experimental purposes. The question as to the proper location of the main operating base had not been definitely determined at that time, although previous studies had indicated that Fairbanks might be a suitable location for this base.

During the past summer a board of officers was sent to Alaska to make a complete survey of possible airfields in order to determine the proper location for an operating base. As a result of its survey the board recommended that it should be located at Anchorage. The recommendation was based, not only upon strategic considerations and joint war plans with the Navy, but also upon climatic conditions, which indicate that an air force can operate against the most probable hostile threats from a base located between the mountains and the sea during a much greater portion of the time than it could from a base inland from the mountains, such as Fairbanks. The recommendations of the board have been approved.

The station at Fairbanks is required in addition to the main operating base at Anchorage because the weather at Anchorage is not cold enough to permit training in the extremely low temperatures characteristic of a considerable part of the Territory.

The conception of an air base is not that of a single installation or station. In an operating sense, such a base is composed of a main operating base—in this case, Anchorage—and a number of auxiliary airdromes, stations, or landing fields. The cold weather experimental station will be one of these auxiliary stations.

It is considered essential that a composite group be stationed in Alaska in time of peace in order to be available for immediate use in defense of our naval establishments there and to prevent seizure by an enemy of undefended sites for use as bases for air and naval operations in the northern Pacific.

Provision for the necessary housing and other facilities for this composite group will require the sum of $12,734,060; for the acquisition of land, $85,000.

In addition to the composite group, it is planned eventually to station at Anchorage ground troops available for immediate use, jointly with naval and air forces, to defend our naval and air establishments in Alaska against possible hostile attack.

It is not necessary for me to say to you that General Marshall is a capable and experienced soldier. Anyone who has heard him testify, as I have, before the Military Affairs Committee of the House upon the problems of national defense could not possibly escape the conviction that he has studied and understands those problems as comparatively few other men have studied and understand them. So when he says in his testimony before the Appropriation Subcommittee (page 23 of the hearings) that "the establishment of an operating air base in Alaska is a subject of major importance" we owe to this expression of his opinion the respect which is due to the statement of an expert speaking upon a subject to which he has given a lifetime of concentrated study and as to which he possesses knowledge as nearly complete as is given to a human being to enjoy. In face of this statement, I suggest that the recommendation of the committee "that the entire question should be thoroughly canvassed or recanvassed by the General Staff" is not solidly based.

May I invite the Members of the House to read also the testimony of General Arnold, Chief of the Air Corps, concerning this subject. With admirable succinctness General Arnold—page 340—stated the mission of the Army air force in Alaska. It is as follows:

The mission of the air force would be, first, to provide for the defense of the coast line, or anything approaching the coast line; and, second, being in a position where they could be called upon by the Navy to go out and reinforce the Navy in any action they might have in the North Pacific. In the third place, it will provide a connecting link between the Army and the Navy in the area between the United States and Hawaii and Alaska.

General Arnold, too, insists upon the need of the Alaska air base at Anchorage. His testimony is not tentative nor hesitant nor does it show any lack of the most comprehensive and intelligent knowledge of the subject. We all know that General Arnold is an outstanding air officer, fully alive to the revolution in military strategy and military power resulting from the discovery and development of the airplane. While we have many, many other capable officers in the Air Corps, I have yet to find a single person who does not believe that General Arnold is the right man for his present job, Chief of the Air Corps. His considered judgment on any matter falling within the scope of his official duties is deserving of the most careful thought.

The fact that the Anchorage air base was not recommended last year can scarcely be of any great consequence. Many things have happened since the War Department appropriation bill for 1940 was before the Appropriations Committee and before Congress. Since that time we have been confronted almost literally with the world in arms and a world at war. The European and Asiatic nations not yet in the war are in almost momentary danger of being engaged. Unless peace comes quickly, the terrible probability is that the Balkan countries and Russia and Japan will be in the war within another 6 months. We all know that one somewhat private war between Russia and Finland has just been ended and that Finland, one of the bravest and most admirable and most civilized nations of the earth, as well as one of the freest, has been left shorn of territory and gasping for its very existence. What did not seem more than remotely possible a year ago is now the horrible actuality.

In his testimony General Arnold referred briefly to the changed conditions which now exist as compared with those which existed a year ago and the need for taking cognizance of those changed conditions. How stupid it would be for our military experts to say that because a plan was suitable or a force was good enough last year or the year before that it ought to be followed without any change or alteration today. Such an attitude would be comparable in supernal wisdom to the thought processes of the ostrich, which buries its head in the sand. Every word of the testimony, as shown in the hearings, is convincing of the really profound thought and study which have been given to the national problem in Alaska by the General Staff.

After all, we are living in 1940 and not in 1920 or 1900. Defense measures that were adequate 20, or 30, or 40 years ago are pitifully worthless at the present time. Just a few days since, the newspapers carried a story of an Army airplane now in production that will easily be able to fly to Europe and return. Still more recently we learned of the building of a Navy plane to have a radius sufficient for travel nonstop from the United States to Japan and back. These reports may be extravagant, but it is certain that the development of the airplane has made the Atlantic Ocean for defense purposes not much wider than the Hudson River at the time of the Revolutionary War. With the airplane, even as it now exists, and certainly as it is likely to be developed within the next 10 years—perhaps within the next 2 years—we can no longer rely for our safety upon the isolation which was once afforded us by the Atlantic and Pacific Oceans, for with airplanes in existence, those oceans have shrunk until they are, for defense, little more than glorified ditches.

This is a case where, under existing world conditions, delay is dangerous. Of course, the war may be over tomorrow, or next week, or next year. The forces of evil may be routed. But we have no assurance upon that point. It seems now much more likely that the war will expand and that, unless we are so strong as to be considered impregnable, we, too, will have to fight for our very lives and for the maintenance of that freedom which is so much more valuable than life to all true Americans. If the war should come to us, there will then be no time to prepare for it; there will then be no time to build an air base or to make any provision for national defense. In order to be reasonably safe, and in order to give ourselves the best possible insurance against being involved in the war, we must have our defensive forces ready. Weakness will inevitably invite attack.

Mr. Chairman, I am not speaking for the people of Alaska alone. It is not only Alaska that is endangered by an absence of adequate defensive installations in the Territory. People who live in the States are equally in peril. An enemy in possession of Alaska is within easy striking distance of the States and such possession by a hostile force would outflank our great defense base at Pearl Harbor.

One of the principal reasons why it is in a public interest to take action at this time for the building of the Anchorage air base is to permit the organization and operation of a National Guard air unit in Alaska. On this point, as well

as on other features of the subject, I made a somewhat extended statement before the subcommittee and from that statement I quote the following:

Some people seem to think that as long as we control the Hawaiian Islands we control the entire Pacific, but that is erroneous unless we have a superior fleet in the Pacific. If our fleet should be in the Atlantic and the Panama Canal blocked, then the fortifications in Alaska would be indispensable for the safety of the United States, because although some might be willing to surrender the few people in Alaska to the enemy, we must remember that any foreign power in Alaska is within striking distance of the United States, almost as close to the United States as the Germans are to Scapa Flow. So, if the United States is to be really safe we ought to have an air base in Alaska.

It has been frequently said that the Hawaiian Islands are in a strategical sense, the key to the Pacific. But that statement contains only half a truth. The possession of the Hawaiian Islands, coupled with the present strong defensive works in those islands, are of immense value for the safety of the United States. The possession of the Hawaiian group by an enemy would be a threat to our safety, but not so much of a threat as would the possession of Alaska by a hostile power. An enemy at Honolulu would still be some 2,400 miles from the United States. An enemy in possession of Alaska would be less than 750 miles from the United States.

Let us change the figure of speech and say that from a military viewpoint the Hawaiian Islands are a door to the main body of the United States, a door that is now barred and bolted by the strong defensive installations at Pearl Harbor. But the other door to the United States, which lies on the short direct route between the potential enemy and the United States is Alaska, and that door is at the present moment wide open. From the most ancient times it has been considered the reverse of wisdom to lock one door of a house and leave another, equally accessible, not only unlocked but invitingly open to all marauders. If there is any strategic validity in the oft-repeated principle that he who holds and works on the short interior lines has an advantage over his opponents, a validity that has not only been admitted but asserted by military captains from Alexander the Great to the late, able Gen. Nathan Bedford Forrest, then it is indisputable that a force in possession of Alaska is in comparably superior position to one which is based at Honolulu.

Our well-known defense triangle in the Pacific is anchored at the Panama Canal at one end and Alaska at the other, with Hawaii in the middle. Each of the three points must have adequate defensive works if the triangle can be maintained. To fortify Hawaii alone is not sufficient. The present installations at Hawaii are remarkably powerful and our defensive works at Panama are rapidly becoming so. We have at last discovered the weakness of leaving Panama with insufficient defensive works and forces. But up to the present moment little has been done in Alaska and, therefore, the triangle is vulnerable and dangerously vulnerable at that point. The establishment in Alaska of defensive works, particularly the facilities for the use of air power, reasonably comparable to those which now exist at Hawaii and which will soon be in existence at Panama, are necessary to adequately protect not only Alaska but the main body of the United States.

Mr. Chairman, one of the principal reasons for asking the establishment of any Army air base at Anchorage is to have the facilities there for a proposed National Guard air unit. It is planned to establish such a unit at Anchorage if the necessary facilities can be obtained. I am authorized to say that the setting up of such a National Guard unit will not only be welcomed by the General Staff of the Army, but that General Marshall, the Chief of Staff, has expressed his unqualified approval of it. But without the facilities of an Army air base at Anchorage, a National Guard air unit is out of the question because the Territory is not able to supply those facilities.

It is highly important that the residents of Alaska themselves participate in the plans for the defensive works of the Nation in the Territory. They are not only willing but eager to do that, but they must have the aid of such facilities as will be found in an Army air base. So far as I am personally concerned, I have not even thought of suggesting any other forces for Anchorage than air forces and possibly the necessary antiaircraft guns, and they would not be numerous. The important thing is to have a Regular Army air base, the base also of a National Guard unit capable of accommodating a substantial air force, and thus together be able to offer a smashing defense against any potential enemy that may try to use Alaska as a stepping stone from the Orient to the United States, and to defend as well our valuable northern Territory with its great wealth in fisheries, minerals, forests, and farm lands.

Without being alarmists, it becomes us all to take heed of the present state of the world and future prospects. It must be evident to all that the independent, liberty-loving nations of the earth are faced with a coalition of mighty, totalitarian states, the masters of which are determined, if they can, to rule the earth. More than ever at this time is adequate national defense—adequate in every respect—the best insurance against attack and the best insurance against becoming involved in any war. In recent months our eyes have been fixed so firmly on the nations fighting on the other side of the Atlantic—or, if not fighting, likely to become involved in the war at any moment—that we have almost forgotten the threat to our peace which exists on the other side of the Pacific. We have all too long assumed that if Japan were hostile to us Soviet Russia would be friendly, or vice versa. More and more the development in the struggle for world power has indicated that all of the totalitarian nations will probably eventually, and soon, form a solid block against all the rest of the world. We are confronted with not only the possibility but the probability of an outright alliance between Soviet Russia and Japan. In such an event could there be any doubt of not only the advisability but the instant need of having adequate defensive works in Alaska?

In the New York Times of March 19, 1940, appears an article by the famous newspaper correspondent, Hallett Abend, who has spent many years in the Orient, in which he calls attention to the fortification by Soviet Russia of the North Pacific zone. From that article I quote the following:

"British, French, and Japanese naval men in the Far East are keeping worried eyes focused upon Kamchatka and the Komandorskie (Commodore) Islands, and, as tension mounts between Washington and Tokyo, American naval men in the Orient are also puzzling over what may actually be going on in this remote and little-known portion of the North Pacific zone.

"Only a few facts are known for a certainty, and these are disturbing. First, Soviet Russia is fortifying the two main islands of the Komandorskie group—Bering Island and Medny Island. Moreover, a small submarine base already exists on Bering Island, and the British and French fear that Russia may grant Germany the use of this base for raids in the Pacific if the Allies should become embroiled with Russia.

"In December of last year a large group of German naval officers arrived at Nikolaevsk-Amur, flew to the Komandorskie Islands in Russian naval planes, and remained there until late in January of this year.

"Russians who have reached Shanghai from Vladivostok confirm this report, and offer further evidence in the form of recent issues of Vladivostok newspapers, which say that 'the party of German officers were the guests of Commander Yumasheff, commander of the Soviet Pacific Fleet.'

"Almost 20 German submarine commanders, also the guests of Commander Yumasheff, visited the Komandorskie Islands in January, and in groups of 10 or 12. Diesel engine experts and German submarine experts gathered at Vladivostok and were flown to the Komandorskie group. Some came from Germany via the trans-Siberian Railway, but others arrived from the United States, from Mexico, and South America, and not a few went northward from China, the Philippines, and other parts of the Far East."

In this connection let me invite the attention of the committee to the fact that the Komandorskie Islands belonging to Soviet Russia, which are mentioned in Mr. Abend's dispatch, are situated approximately 260 miles northwesterly from Attu Island in the Aleutians. In other words, Komandorskie Islands are just about 260 miles distant from land which is a part of the United States. Yet it appears that those islands are now being fortified, in fact, have been fortified, and that a submarine base already exists on one of them. The fact that these fortifications exist within approximately 260 miles of our territory, considered in connection with the fact that the Japanese naval base at Paramushiru in the Japanese Archipelago lies within 750 miles of territory of the United States, ought to be sufficient warning that defensive works in Alaska are now necessary and that the construction of those works should be no longer delayed. Under modern conditions it is difficult if not impossible for any nation to arm adequately after war starts, particularly with respect to defensive installations which require some considerable time to build. Moreover, if such works are to be really a power for peace they must be in existence before the fatal moment when war is declared or commenced.

The proposed air base for Anchorage will cost comparatively little, but its construction will afford a nucleus for such air forces as may be set up in Alaska under the National Guard; it will be of immense defensive use in the event of war; and by defending a Territory now almost entirely undefended it will make its contribution as an insurer of peace.

In view of the troubled condition of the world and the fact that we may be confronted at an early date by a combination of hostile powers on the other side of the Pacific, I suggest—I insistently urge—that although there is no amount for the Alaska air base carried in the bill at the present time, the committee should reconsider the subject and at least provide whatever can be spent economically and wisely during the coming year, if not the whole amount of $12,734,060, which is set up by the Bureau of the Budget. Let us act now. [Applause.]

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I yield 25 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I hold in my hand a book entitled "We Accuse," which I commend to the serious study of all Members of this House. This document, as indicated in its introduction, is "dedicated to those American seamen who are Americans in thought as well as in deed and is

intended as a warning of the dangers that lie ahead." This book was written by bona fide seamen who are opposed to the Communist Party control of the National Maritime Union of the C. I. O.

Throughout the 192 pages of this volume is factual information, taken from actual records, which demonstrates beyond a reasonable doubt that the National Maritime Union of America, headed by Joseph Curran, president, is under the absolute control of the Communist Party. Real American seamen, like the authors of this volume, have protested in vain against the tactics of the disciples of Stalin, who have, by trickery, deceit, sabotage, and smear campaigns, finally assumed complete and absolute control of this marine union.

The wily Communist, following the dictates of Moscow, long ago realized that the American merchant marine was one of the strategic industries of the world and years ago embarked upon a plan to seize control of and to dictate and dominate this great industry. Real Americans among the rank and file of seamen, knowing the aims and purposes of the Communist group, have fought valiantly against the disciples of Stalin in their effort to capture the seamen and their unions. These loyal Americans, including the authors of this volume, have been driven from their union by the Communist control, and when they have attempted to fight back and present the truth and facts they have become the victims, as is always the case, of a smear campaign conducted through the medium of the Communist Daily Worker, the Communist-inspired Pilot, and other Communist papers.

I desire to applaud the efforts of these loyal American citizens who will continue to resist the efforts of Stalin and his gang to take over absolute control of our fleet, and I trust that every Member of this House may take the time to read this volume, We Accuse, because the facts therein set forth constitute an indictment against the present leadership of the National Maritime Union that will admit of no answer except "guilty as charged."

The communistic control of the merchant marine strikes at the vitals of our national defense. For example, the War Department, under the administration of Secretary of War Woodring, controls and operates the Panama Railroad Co. for the Federal Government. This company operates three large new passenger and cargo ships between the port of New York and the Canal Zone, namely, the *Ancon*, the *Panama*, and the *Cristobal*. The primary purpose of these ships is to act as carriers of essential supplies from this country to the Canal Zone for national-defense purposes. These ships are manned by merchant seamen. The War Department, through the Panama Railroad Co., hires seamen only through the "hiring hall" of the National Maritime Union of the C. I. O., although it has no contract or closed-shop agreement with the unions. Naturally there would be no contract in this case for the same reason that there is no contract signed between the Federal Government and any of its employees here in Washington. However, when a vacancy occurs among the unlicensed personnel on any of these three ships while in the port of New York, the port officials of the line instruct their office force to call upon the National Maritime Union to obtain the necessary replacement. As the port of New York is the only place where any hiring of seamen takes place for this line, it is apparent that the National Maritime Union gets the exclusive privilege of supplying seamen for these ships.

What type of seamen are supplied by this union to the Panama Railroad Co. operated by the United States Government? In order to present this picture clearly, it will be necessary at this point to indicate another phase of the Communist Party's water-front policy. During the years 1937 and 1939 the Communist Party, through its water-front section, conducted secret training schools for seamen. Only good party members were eligible to train in these schools and the ultimate aim was to place the graduates of the school as keymen on all our more important merchant ships. With their background of Communist Party training, these keymen were expected to control the labor policies of the crews upon the ships on which they had been placed and they could also be used as couriers for carrying the party's confidential reports from one country to another.

They could also distribute the party's intensive propaganda not only among the seamen on the ships but also on an international scale. Some of the graduates of the schools could be placed in official positions in the union. The main courses for study in these schools consist in the teachings of Marx and Lenin, strike strategy, labor in politics, and similar subjects. They were taught nothing about seamanship. Yes; there were lighter moments indulged in by the students which included the singing of the school's official song. I quote this song exactly as copied from the booklet Party Organizer, which is an official organ of the Communist Party of the United States, issue of May 1937, last page:

COMRADESHIP

(Tune: Maine Stein Song)

Comradeship, we sing to you—
You give us strength and cheer!
Comradeship, because of you
We fight as one, we do not fear.

(Chorus)

So come, let's sing to unity!
Join with us, comrades all.
Sing with pride and deepest loyalty,
Love of party first of all.

To our fight, to our might,
To our mass, to our class that is spurring us!
To our aim, to our goal,
To the cause, to the C. I. that's guiding us!
To defeat our foe,
To success of our militant comradeship;
To our flag, that is red,
To the triumph of workers' dictatorship!

(Chorus)

When the school was conducted in 1937 it was thoroughly exposed by Edward Folliard, one of the Washington Post's ace reporters. However, the Communist Party again in 1939 reopened their school but conducted it more secretly. However, in spite of the party's attempts to avoid publicity, the knowledge of the operations of the 1939 school came into the possession of the seamen who were fighting communism in our merchant marine, and this whole subject is thoroughly treated in the book We Accuse. Let us see what became of some of the graduates of the party's training schools for seamen.

One of the graduates, to wit, Ferdinand Smith, is now the national secretary of the National Maritime Union. Another, Frederick Myers, is now the national organizer of that organization. Still another, Ed Bruen, is a member of the crew of the steamship *Panama*, of the Panama Railroad Line, and also acts as the union's delegate on that ship. Bruen graduated with such high honors from the party's training school that he was presented with a set of the works of Marx and Lenin by the Communist Party.

Perhaps this explains the fact that when Earl Browder spoke at Madison Square Garden at the Lenin memorial meeting on the day of his conviction of passport frauds he received the following wire from some of the crew of the steamship *Panama:*

A group of seamen aboard the steamship *Panama* enthusiastically greet your summation speech. The exposure of the attempted frame-up is evident despite the meager press reports. With leaders like you the American working class is assured of victory.

(Signed) SEAMAN ABOARD STEAMSHIP "PANAMA."

This telegram was quoted on the front page of the Daily Worker in its issue of January 24, 1940. I direct your attention to the fact that this message was sent to Browder from a Government-owned and operated ship whose crew are paid with Federal Government funds.

It may also be added that Bruen for a time acted as the water-front organizer of the Communist Party. Here he is, however, along with many others, serving as a member of the crew of a Government-owned and operated ship, drawing his pay from the Treasury of the United States Government, congratulating Earl Browder and indicating his allegiance not to the United States, which pays him his wages and supports and maintains him, but to the bloody rulers at Moscow.

Another graduate of the Communist Party school was Harry Stoudt, who sailed as a member of the crew of the steamship *Ancon*, of the Panama Railroad Co. As a member of the crew of that ship, he made a number of trips back and forth between the port of New York and the Canal Zone. While ashore in the Canal Zone, he set up an organizing committee for Canal Zone workers. In addition to being a member of the crew, Stoudt at this time carried credentials as an organizer for the east-coast longshoremen's organizing committee, which committee was set up by Harry Bridges for the purpose of trying to "take over" the east-coast longshoremen. Finally, Joseph Curran, president of the N. M. U., and Bridges agreed to send Stoudt into the Canal Zone to stay there indefinitely as an organizer for the C. I. O. maritime committee. It is well known, however, that Stoudt's activities in the Canal Zone were more concerned in colonizing for the Communist Party that they were in organizing for any trade-union movement. In a report made to Curran, chairman of the C. I. O. maritime committee, Stoudt stated that the workers in the Canal Zone could be "of great help" in the event that another maritime strike occurred on either the east or the west coast of this country. The inference drawn here is very clear, as there is only one way in which these Canal workers could be "of great help" to a maritime strike on either coast. The "great help" would be the tying up of our ships attempting to make the passage of the Canal and the refusal of the Canal workers to take these ships through the Canal locks.

Mr. FADDIS. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes; for a question.

Mr. FADDIS. I believe the gentleman from Wisconsin is rendering a great service to the Nation and to the transport service connected with the War Department in bringing forth these facts, and I believe that this is a matter which should be investigated and if Communists are connected with the transport service in the War Department, they should be immediately thrown out.

Mr. KEEFE. I thank the gentleman.

I have called attention to these various types of seamen as indicating the character of the men supplied by the hiring halls of the National Maritime Union to the Panama Railroad Co. ships which operate for national-defense purposes. When in the name of conscience and reason are we going to wake up to the fact that this type of individual has only one purpose in mind and that is to maintain a strategic position in the maritime industry of this Nation so as to control the same not in the interests of the people of the United States but in order to foster, encourage, and carry on the propaganda dictated by Mr. Stalin and his crowd from Moscow? Why is it necessary that the sovereignty of the United States must subject itself to the whims and caprices of men of the type of Curran and Harry Bridges? Why is it that the Panama Railroad Co. must hire graduates of a Communist training school rather than seamen pledged to uphold and maintain the ideals and traditions of this Government? Can it be that this supergovernment in the merchant marine is so powerful that it can dictate the policy of the sovereign Government of the United States?

The Maritime Commission in conjunction with the Coast Guard has been operating legitimate training schools for seamen for some time past. Over $1,000,000 of Federal funds have been allocated for this purpose. The spirit back of these schools prompted the training of good American seamen who believe in the American form of government and who wish to make their livelihood by going to sea in our American merchant ships. The training courses in this school consist of splicing ropes and cables and practical seamanship in the deck department, study of engines and all engine-room machinery, and all the commissary and culinary knowledge necessary in the making of a good ship's stewards in the stewards' department. However, as courses in Leninism and Stalinism and Marxism were omitted from the curriculum of the Government training school, its graduates have found themselves "hard put" to obtain employment, due to the fact that the National Maritime Union frowns upon the Government's training-school policy and looks with favor upon the training of seamen provided by the Communist Party-maintained school. The fact is that attempts by officials of the Maritime Commission to secure employment for the graduates of their training school on the ships of the Panama Railroad Line of the War Department have been politely stymied.

The revelations of the infiltration and penetration of the Communist Party into the control of the National Maritime Union and affiliated organizations should come as a distinct shock to the Members of this body and the people of America. The present leadership of these organizations, which professing to have the interests of the seamen at heart, have for years been secretly conniving with the agents of Stalin to exercise complete control of our merchant marine, and in the event of national emergency which might involve war with the Soviet, they would be in a position by means of sabotage to completely wreck not only our merchant marine but perhaps its most valuable adjunct, the Panama Canal. The United States Government, through its direct operation of the ships of the Panama Railroad Company and its direct ownership and control of many other merchant vessels sailing throughout the world, is providing the means and vehicle for the disciples of Communism to use these ships as propaganda agencies to spread the gospel of world revolution through the ports of the world.

I believe it is high time not only in the interests of national defense but in the protection of the investment of hundreds of millions of dollars in our merchant marine that the War Department and the Maritime Commission challenge the dictation of the Communists in control of the National Maritime Union and its affiliated organizations and insist that only those who owe their loyalty and allegiance to the United States of America shall be permitted to draw salaries out of the Treasury of the United States Government for alleged services as seamen in our merchant marine. [Applause.] Despite all of the publicity that is accorded and all of the definitely proved and established facts showing the control by the Communist Party of the National Maritime Union, they bodly and brazenly continue to challenge the sovereignty of the United States Government by dictating that only those people shall have jobs as seamen who subscribe to the dictation of the Communist leaders in the National Maritime Union.

I do not for one moment mean to challenge the loyalty of the great rank and file of merchant seamen. I know from my contacts with many of them that they are good American citizens and anxious to throw off this yoke of oppression cast upon them by the Communist Party's control of their union and that all they need is leadership that will expose the facts, and it seems to me that the Government of the United States, not only for its own protection but for the protection of the thousands of loyal Americans who make their living by going to sea, should take the initiative by immediately cleaning out of our merchant marine the emissaries of communism who have no purpose in mind but to use the merchant marine in the interests of Stalin and ultimately to bring about world revolution. World conditions will not permit closing our eyes to facts and conditions so obvious.

I challenge the attention of the Nation and the Members of this body to the startling array of facts fully documented and proved as set forth in this volume, We Accuse, written by seamen in the interests of the preservation of the American merchant marine. [Applause.]

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. Yes.

Mr. RICH. The revelations of the gentleman on the floor now are such that the House of Representatives should certainly take some action, and I would like to ask about the men who join the seamen's union. Are they required to pledge their allegiance and loyalty to the American flag?

Mr. KEEFE. I do not know of any such pledge with respect to loyalty as that, but I do know this: One of the authors of this book was Mr. Ralph Emerson, who during all of last year while I served on the Committee on Merchant Marine and Fisheries was the legislative counsel of the National Maritime Union, and because he refused to go along

with this Communist control in that organization they threw him out of the union along with a lot of able men who were working for the benefit of the seamen themselves in the American way and who refused to surrender to the dictates of the Communist control of that organization.

Mr. RICH. In an effort to clean these Communists out of the Maritime Union, if they had such a pledge as I have indicated, and if we prohibited payment by the Federal Government to anyone who refused to take an oath of that kind, would not that be a good step forward in ridding this country of these Communists?

Mr. KEEFE. I think it would, and I am advised this afternoon by the gentleman from Michigan [Mr. BRADLEY] that this same gentleman to whom I have referred as the agent of the Communist Maritime Union, who was sent to Panama, this man Stoudt, set up an office in the Panama Canal Zone and his activities became so pernicious that the F. B. I. was called into the situation, and with the aid of the F. B. I. and the Army itself, his office was closed and his activities have been under surveillance.

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield 5 minutes to the gentlewoman from South Carolina [Mrs. CLARA G. MCMILLAN].

Mrs. CLARA G. McMILLAN. Mr. Chairman, in preparing the War Department appropriation bill the members of the committee have given many hours of work and study. They deserve a great deal of praise and commendation. I know these gentlemen. My husband served with them and often spoke of their conscientious attention to their duties. At least five are men who have served with our armed forces in time of war. All of them have been closely associated with military matters and have dealt with defense problems. For these reasons I think we may safely follow their leadership.

We have many and varied demands upon the public funds, but no one contends that they are of equal importance. I am not unmindful of the fact that there is need to bring Federal income and outgo into balance, either by building up the former or by reducing the latter; but I am strongly opposed to the retrenchment alternative in national-defense directions. This is no time to gamble with our security; to put off until too late those vital preparations which our military counselors urge in view of present world conditions.

We should give thanks for our fine first line of defense—the morale and the spirit of cooperation developed in our people by our great system of democracy. That spirit cannot be maintained by legislation, but it can be bolstered and strengthened by the fact that those back home know their Representatives in Congress are taking the proper precautions against any possibility of invasion.

In order to assure our own security we must become as nearly self-sufficient in a military way as it is possible to be. Training facilities for our vast reserves of manpower must be made available and utilized. Such material resources as we lack we must accumulate, create, or develop. The fact that we are not an aggressive Nation in a military sense simplifies the problem we are called upon to solve, and narrows its scope. Being concerned primarily with defensive measures, facilities for offensive operations are to be developed no more than is necessary to apply them to an ultimate defensive purpose.

Perhaps it is true that geographically we are so situated that a serious invasion by any one of the powers engaged in present world conflicts is virtually impossible. But conditions change rapidly. We have much territory to lose which is not situated within the borders of the continental United States, but which, taken by an enemy, would be as dangerous to us in his hands as it is a protection in our own. We possess islands more distant from our shore than is the island of Hango from the mainland of Finland, but of no less importance and value to us from a strategic point than was Hango to that country. We, too, like the brave and unfortunate Finns, have an isthmus to defend, which, once lost, would carry a vast proportion of our security with it.

It would be superfluous to cite more examples of this sort when the press, radio, and motion pictures bring us every day new and more striking evidence of the futility of invoking treaties, covenants, and moral sanctions against a well-prepared aggressor. He understands only one language and we must learn to speak that language well.

I believe firmly in military and naval preparedness. I have been reared, I am happy to say, in a community abounding in military and naval activities. It has been so in Charleston since the days of the American Revolution, when General Moultrie, after whom Fort Moultrie is named, repulsed an attack by a British fleet. Beside Fort Moultrie, there is the nearby historic Fort Sumter, the Army ordnance depot, the navy yard, Coast Guard units, and the Marine Corps base at Parris Island. Here also is the famous Military College of South Carolina, the Citadel, presided over by the distinguished Gen. Charles P. Summerall, former Chief of Staff. Our whole city thus may be said to be a citadel and I say to you that its people and the people of the surrounding district are imbued to the highest degree with a spirit of nationalism and patriotism.

The matter of national defense is not a partisan one. I am confident that I speak for many beside myself when I assert my earnest hope and belief that everyone will work together for a common end, not as the dupes of alarmists, nor lulled into any sense of false security, but for the protection of our declared rights of life, liberty, and the pursuit of happiness. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentlewoman yield?

Mrs. CLARA G. McMILLAN. I yield.

Mr. JOHNSON of Oklahoma. I desire sincerely to compliment the gentlewoman on her very able discussion and to say that it has been a happy privilege to serve with her and to see her develop and become a worthy successor of her distinguished husband, whom we all knew and loved so well.

Mrs. CLARA G. McMILLAN. I thank the gentleman. [Applause.]

The CHAIRMAN. The time of the gentlewoman from South Carolina has expired.

Mr. TERRY. Mr. Chairman, I yield now to the gentleman from Oklahoma [Mr. CARTWRIGHT]

FLOWERS TO THE LIVING

Mr. CARTWRIGHT. Mr. Chairman, I rise at this time to pay a just tribute to one of my colleagues. I refer to the gentleman from Oklahoma, Hon. JED JOHNSON. His recent successful fight in Congress in behalf of the C. C. C. and the N. Y. A. has once more demonstrated his ability as a leader and the fact that Members of this House have the utmost confidence in him and his judgment. [Applause.]

During each year we meet here on this floor with flowers piled high in front of the Speaker's stand and pay our glowing tributes to our comrades who have passed to their reward. Such a custom is altogether fitting and proper. But it occurs to me that we sometimes neglect to pay proper respect to our living colleagues.

WERE COLLEGE CHUMS

Let me say here, Mr. Chairman, that I have known my colleague from Oklahoma, Congressman JED JOHNSON, intimately for many years. Jed was born of a large family on a small farm in Texas; was reared on a short-grass farm in Cotton County, Okla. He remained home to provide a living for his aged parents while other members of his family went to college or provided homes for themselves. Later, after he was 25 years of age, JED JOHNSON started to the University of Oklahoma. Although he was without funds, he had plenty of energy, courage, natural ability, and a burning ambition to make his mark in the world. It was at Oklahoma University that I met him and where our bonds of close friendship were formed. I soon discovered that JED JOHNSON was a clean, upright, Christian gentleman, with high ideals, and also that he was a natural-born leader. I watched him make an outstanding record at the university, where he first established himself as a forceful public speaker and debater. It

was while in the University of Oklahoma that he and I formed a compact to make every reasonable and honest effort to some day be elected to the United States Congress.

SERVED TWO TERMS IN STATE SENATE

I next knew Jed as a member of the State Senate of Oklahoma, to which body we were elected the same year, and where he served two terms with much distinction. His first speech in that body was made not in behalf of himself but of me. I was then a country school teacher and had been unable to find another teacher to take my place when the senate convened. Another senator scathingly denounced me for not being on hand the day the legislature convened. It was then the young senator from Cotton County took the floor in defense of his old-time college friend who was unable to be present to defend himself, and I might add that he put the old senator to shame.

It is also significant that we were both elected to Congress the same year. Therefore, I have closely observed JED JOHNSON from that day in the fall of 1915, when as a green country boy he hit the campus of the University of Oklahoma; later a State senator of State-wide influence; then a country Congressman who was placed on insignificant committees usually reserved for new Congressmen, and finally I have seen him grow to a position of power and leadership among his colleagues in Congress. Today he is not only Oklahoma's one member of the powerful Appropriations Committee but is chairman of the Interior Subcommittee on Appropriations, a position of vital concern to citizens of every congressional district in our great State. He has handled the Interior Department appropriations skillfully and well. In handling that bill he has shown, not only due regard for other Members, but a deep interest in their welfare, but through it all he has not lost the common touch.

CHAIRMAN OF SPEAKERS' BUREAU

For the past several years my colleague from the Sixth District has been chairman of the Speakers' Bureau of the Democratic Congressional Campaign Committee, in which position he has given much of his time for the welfare of the Democratic Party. In 1934, 1936, and 1938 JED JOHNSON played a leading role in the national congressional elections. He has visited and spoken in a majority of the States of the Union and few Members of either House of Congress are in greater demand as a speaker.

Democratic Members of Congress have shown their appreciation of his consistent unselfish service to the Democratic Party in season and out, and acknowledged his ability and leadership by electing him as chairman of the Democratic Steering Committee of the House, an important policy-making committee. He has the respect and confidence of all Members of Congress, irrespective of party lines.

HAS MADE OUTSTANDING RECORD

The unblemished record of the Congressman from the Sixth District speaks for itself. His excellent record of worth-while accomplishments speak louder than extravagant but empty promises of some self-admitted statesmen. It is well known that he believes sincerely in our beloved President Franklin D. Roosevelt, and has generally supported his New Deal program. JED JOHNSON has made it plain that he believes in the objectives of the President, but, on the other hand, he is absolutely independent in thought and action. Several times he has disagreed with some of the so-called brain trusters and a few times he has not hesitated to disagree with the President. He has no respect for a rubber stamp. When the bonus bill was being considered in Congress, JED JOHNSON, along with other members of the Oklahoma delegation, voted to override the President's veto in favor of the World War veterans and their families. He has more than once voted for veterans' legislation not approved by the White House. Being a World War veteran himself and having served more than a year overseas as a buck private with the Thirty-sixth Division, where he saw considerable front-line service, I am sure that in this Congress there is no better friend of the veterans and their families, including their dependent widows and orphans, than the distinguished gentleman from the Sixth District of Oklahoma.

SERVED AS A BUCK PRIVATE IN FRONT LINES

Former service men of Oklahoma and the Nation are familiar with the fact that JED JOHNSON fathered the legislation in Congress establishing veterans' C. C. C. camps. When the committee refused to report favorably his bill he carried his fight to the White House, and after repeated efforts secured the support of the President of the United States.

There is one thing to which all who know JED JOHNSON will readily agree. He has the courage of his convictions. JED does not drift with the tide. He has a mind of his own and speaks his mind when the occasion demands. He has not hesitated to criticize the President's Budget Bureau when he felt justified in so doing, as was the case of his fight against the increased subsidy of the private ship builders, a fight for real practical economy that attracted Nation-wide attention, and also against the unreasonable reduction for the C. C. C. and N. Y. A.

WINS FIGHT FOR YOUTH

Since his successful fight recently in again leading the forces in this House to restore all the C. C. C. camps, many of which were doomed to be abandoned by the unreasonable cut attempted by the Budget and the committee, as well as his heroic efforts in restoring funds for the National Youth Administration, both of which organizations have done so much for the youth of America JED JOHNSON's outstanding ability and leadership have once more been forcefully demonstrated. I am, of course, grateful for that fight for the reason that I was scheduled to lose three C. C. C. camps in the district I represent in Congress. I know that many other Members of Congress are likewise grateful. It is significant that this country-bred Congressman from Oklahoma was selected to lead the fight for the C. C. C., as well as the N. Y. A., because of his deep and unselfish interest in youth and his ability to get the job done. It is also significant that although Oklahoma was losing nine camps, none of them scheduled to be abandoned was situated in the Sixth Congressional District, so it was not a selfish fight on his part.

LEADS SUCCESSFUL FIGHT FOR REAL ECONOMY

This signal victory came on the heels of another successful battle, a real economy drive in which my colleague played a leading role. It will be recalled that it was the same gentleman from Oklahoma who recently offered the amendment to the independent offices bill that resulted in a reduction of $56,000,000 in that one item and saved to the taxpayers in the appropriation for the next fiscal year in the subsidy to the private shipbuilders, known as the American merchant marine.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. I am very glad to yield to my friend from Kansas.

Mr. HOUSTON. I congratulate the gentleman from Oklahoma for calling to the attention of the House the very able and efficient service now being rendered to this Congress by the distinguished gentleman from Oklahoma [Mr. JOHNSON], and, further, if there is a Member of this Congress who is economy-minded, it is the gentleman from Oklahoma [Mr. JOHNSON]. Recently, as the gentleman has indicated, almost single-handedly, he effected a saving in the Maritime Commission, in the Byrd expedition, of a sum in excess of $56,000,000, and I think that the State of Oklahoma and the Nation should be congratulated on having a Member of the ability of the gentleman from Oklahoma [Mr. JOHNSON] in this Congress. [Applause.]

Mr. CARTWRIGHT. I thank the gentleman from Kansas for his contribution.

As pointed out by the gentleman from Kansas [Mr. HOUSTON], this one successful fight made by the Representative in Congress from the Sixth District will save the taxpayers of America over $56,000,000, which is sufficient to pay Jed's salary in Congress for over 600 years. [Applause.]

At the time that matter was being considered here, the gentleman from Oklahoma, Congressman JOHNSON, explained:

Considering the fact that the construction work on this building program is now a year ahead of schedule, and that Congress will still spend considerably more funds this year than last in order to fill the coffers of these private shipbuilders, here is an opportunity for Members to vote some actual economies. It would be more practical economy and show a much more humanitarian spirit to expend this $56,000,000 to aid the youth of the land or to give adequate old-age assistance to thousands of our deserving old people.

REFUSES FUNDS FOR SOUTH POLE JUNKET

When the Interior Department appropriation bill was presented to this House a few weeks ago by the Committee on Appropriations, the gentleman from Oklahoma [Mr. JOHNSON], the chairman of the Interior Committee on Appropriations, almost shocked the House and country by announcing that his committee had refused to allow the Budget estimate of $250,000 to permit Rear Admiral Byrd and his party to extend their junket trip to the South Pole another year. He pointed out that the Byrd South Pole expedition heretofore had been given $350,000 by Congress, that they had sufficient supplies to last at least 18 months, and that there was no possible emergency or reasonable excuse that would require an extra $250,000. It will be recalled that this House showed its confidence in the gentleman from Oklahoma [Mr. JOHNSON] and his committee by standing by him, and the item was not restored.

HAVE AGREED ON MANY PROBLEMS

Back in the late twenties when we were both embryonic Members of this House, Jed had some very definite ideas, not only concerning his philosophy of government, but also about things he hoped to accomplish. In most matters of legislation we have seen eye to eye. For example: We have both advocated Government participation in soil and water conservation, flood control by a series of dams on the upper tributaries of our rivers and smaller streams, as a practical method of controlling floods; smaller and better farms, diversification of farming and lower interest rates for farmers and others. Also from those early days, as the RECORD will disclose, we have joined in actively urging the extension of vocational education to all the public schools of the country so that the boys and girls would be better equipped to earn a livelihood for themselves and families. We have agreed that the problem of education of the millions of boys and girls of the country is a Nation-wide problem and that the Federal Government cannot ignore its responsibility to youth, regardless of whether they happen to reside in the crowded cities or in sparsely settled communities.

WANTS ADEQUATE OLD-AGE ASSISTANCE

Moreover, I personally know that the gentleman from Oklahoma, JED JOHNSON, was one of the first Members of Congress to advocate adequate, reasonable, and liberal old-age pensions for our millions of deserving old people. The Sixth District Congressman was one of the first Members of this body to introduce legislation along that line. Not only has he appeared before the various committees but the RECORD discloses that on the floor of the House he has repeatedly stated that old-age pensions should be paid to our needy old people; that their checks should come direct from Washington without red tape, without the semblance of a pauper's oath, and without them having to beg for such assistance.

FARM TENANCY

For more than a dozen years Congressman JOHNSON has been advocating and urging that Congress inaugurate a real, practical, and constructive program to eliminate the deplorable farm-tenant situation in our State and Nation. It was before the House steering committee that Jed finally secured an agreement between the gentleman from Texas, Hon. MARVIN JONES, chairman of the Agricultural Committee of the House, and Hon. JOHN BANKHEAD, chairman of a similar committee in the Senate, on a bill, which resulted in the compromise Jones-Bankhead farm-tenant bill. He has referred to that law as a poor compromise that does not begin to do a decent job to eradicate the farm-tenancy problems, but which is at least a forward step to that end. It was the gentleman from Oklahoma, JED JOHNSON, who led the successful fight for funds under the Jones-Bankhead law in the last two sessions of Congress. He is the author of a bill now pending to strengthen and liberalize the present inadequate farm-tenancy program.

THE RURAL ELECTRIFICATION

The Sixth District Congressman has been one of the leaders in advocating rural electrification. Today the R. E. A. has extended its lines into practically all of the counties of his district. He does not hesitate to say that the present program of the R. E. A. should be greatly expanded so that every farmer would have the opportunity to enjoy the benefits of cheap electricity and every farm wife should be relieved of the drudgery and work that can be done by electric power. "There is no reason or excuse why the boys and girls who reside on the farm should not be given the same opportunity to read and study by electric lights as those who reside in our towns and cities," he says.

RATED AS GOOD CONSTITUTIONAL LAWYER

It is well known that the gentleman from Oklahoma, JED JOHNSON, is rated as one of the best lawyers in this House. After we both completed a 3-year course at a real law school—the University of Oklahoma—he took a post-graduate course after the World War at the University of Clermont, Clermont-Ferrand, France, where he specialized in constitutional and international law. He was admitted to practice before the Supreme Court of the United States while former President William Howard Taft was the Chief Justice.

AUTHORITY ON FOREIGN AFFAIRS

Three times Jed has gone as one of the representatives of this Congress to important peace conferences held in Paris, France, and in Geneva, Switzerland. Possibly no Member of either House of Congress is better informed on foreign affairs than my colleague and college friend the gentleman from the Sixth District. In these days, when international affairs are becoming more and more important, Oklahoma is proud to have one Member of this body who has so much intimate knowledge of the international situation in the various countries of the Old World.

BITTERLY OPPOSES WAR

No man in either House of Congress is more bitterly opposed to war than is my colleague from the Sixth Congressional District. Having gotten too much German gas, and having spent much time in the mud-soaked trenches of the front lines during the World War, and having seen his comrades killed and wounded by the thousands, he has first-hand knowledge that war is not a joke, but that it is all that Sherman said it was. He has repeatedly referred to war on the floor of this House as "military murder" and has reminded Members that the World War did not make the world safe for democracy or safe for anything else except too many millionaires and international bankers. Jed has probably made more speeches in Congress on taking the profits out of war than any other Member. "If we can actually eliminate war profiteering we will take a long forward step toward the elimination of future wars," he says. He has further announced that under no circumstances will he vote to send his own son, or any other American youth, to Europe to fight for ungrateful European countries. "Let us be reasonably well prepared on land, on water, and in the air; attend strictly to our own business; quit meddling in European affairs; but tell the war-mad world that if they really want a scrap with us they might try to come and get us," he recently said. "Of course," he added, "there is no danger of any nation, or combination of nations on the face of the globe, giving us any trouble or serious concern on our own soil." He strongly advocates continuing our good-neighbor policy and remaining at peace with all the world.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. CARTWRIGHT. Yes.

Mr. MASSINGALE. I have enjoyed the tribute my colleague has paid to our very worthy friend and colleague from Oklahoma, the Honorable JED JOHNSON. I have served here, of course, not quite so long as the gentleman who now

has the floor, with our colleague, Mr. JOHNSON, but I have observed that in every line, for the promotion and enactment into law of liberal and constructive legislation, in the Seventy-fourth, the Seventy-fifth, and Seventy-sixth Congresses, there has been no man in the entire Congress during that time who has really rendered a better type of service to the people of the United States, to our State, and to the cause of justice than the gentleman from the Sixth District of Oklahoma. [Applause.]

Mr. CARTWRIGHT. I thank my colleague from Oklahoma.

A SEASONED LEGISLATOR

Let me say here that the gentleman from Oklahoma, JED JOHNSON, has not only proved himself a leader among men with an excellent record of accomplishments, a progressive in his make-up, who is not satisfied with things as they are; but the fact that he is a seasoned legislator means much in any legislative body, and especially in the Congress of the United States. At this point, Mr. Speaker, I am reminded of a very notable address made on March 19, 1916, by former Speaker Champ Clark at a Washington Press Club reception and printed in the CONGRESSIONAL RECORD. It is in part as follows:

It is a high honor to be a Representative in Congress, if for only one term, and with the number of terms the honor increases in geometrical rather than in arithmetical proportion. A Member's usefulness to his country should increase in the same proportion. A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor.

"Poeta nascitur non fit"—a poet is born, not made—says Horace; but Congressmen—that is, useful and influential Congressmen—are made largely by experience and practice.

The old Charlotte district in Virginia knew this and kept John Randolph, of Roanoke, in the House till he became a great national figure. Then the Old Dominion sent him to the Senate and General Jackson sent him to St. Petersburg. There are sporadic cases of similar action in other districts.

It is an unwise performance for any district to change Representatives at short intervals. A new Congressman must begin at the foot of the class and spell up. Of course, the more brains, tact, energy, courage, and industry he has the quicker he will get up. If he possesses these qualities, and if his constituents will keep him in the House, he is as certain to rise as the sparks are to fly upward. No human power can keep him down. It is only fair and rational to assume that every Representative's constituents desire to see him among the top-notchers.

In the second and third Congresses in which I served, Maine, with only four Members, had the Speakership and the chairmanship of the great Committees on Ways and Means, Navy, and Public Buildings and Grounds—a most remarkable circumstance, giving the Pine Tree State an influence in the House and the country out of all proportion to her population and wealth. These four men—Reed, Dingley, Boutelle, and Millikin—each served in the House 20 years or more. Other States might profit by her example.

No man should be elected to the House simply to gratify his ambition. All Members should be elected for the good of the country.

The best rule, it seems to me, is for a district to select a man with at least fair capacity, industrious, honest, energetic, sober, and courageous, and keep him here so long as he discharges his duties faithfully and well. Such a man will gradually rise to high position and influence in the House. His wide acquaintance with Members helps him amazingly in doing things.

EXPERIENCE COUNTS IN CONGRESS

It is a well-known fact that those congressional districts which have retained their Representatives in Congress for the longest continuous terms have received not only the best services but the greatest recognition. The present able Speaker of the House, the gentleman from Alabama, Hon. W. B. BANKHEAD, has served in Congress continuously for 24 years. The majority floor leader, my good friend the gentleman from Texas, Hon. SAM RAYBURN, who resides just across the river in Texas, has served 28 years. Another gentleman from Texas, Hon. MARVIN JONES, of Amarillo, chairman of the Committee on Agriculture, has served in Congress for the past 24 years. The gentleman from North Carolina, Hon. ROBERT L. DOUGHTON, chairman of the Ways and Means Committee, had been in Congress 30 years; the gentleman from Colorado, Hon. ED. TAYLOR, chairman of the Appropriations Committee, has served his constituents continuously for 32 years. The chairman of the Judiciary Committee, the gentleman from Texas, Hon. HATTON SUMNERS, of Dallas, has been in Congress 28 years. The chairman of the Rules Committee, the gentleman from Illinois, Hon. ADOLPH SABATH, is the dean of the House, having been in Congress 34 years. So there is every reason why the people should keep a trained and experienced legislator on the job as their Representative in Congress. There is no reason or excuse why any constituency should exchange experience for inexperience and a trained legislator for one who has never had any training in any legislative work.

VOTERS OF DISTRICT STAND BY JED

Mr. Chairman, I have been in the Sixth District of Oklahoma, represented by the gentleman from Oklahoma, my friend Mr. JOHNSON, many times, and he is also well and favorably known in the Third Congressional District, which I have the honor to represent. The people of the Sixth Congressional District know and understand and, therefore, love the gentleman from Oklahoma, JED JOHNSON. They realize that they have made him; that he speaks their language and understands and sympathizes with them in their problems. They have educated him legislatively, and they know full well that in him they have a real investment, an investment which they have demonstrated time and again that they are proud of, and which they do not propose to lose. Although some very brilliant young lawyers, mayors, businessmen, farmers, and others have opposed him in the past, I am glad to say that no opponent against the gentleman from Oklahoma, JED JOHNSON, has ever gotten to first base in the Sixth Congresssional District. For example, in 1934 four very popular young men, including two lawyers, one mayor, and one popular member of the State legislature, announced against the Congressman, but he immediately announced that he would not return to his district but would remain at his post of duty in Washington until after the adjournment of Congress. This he did, returning to his district only 10 days before the primary, and his people showed their appreciation by returning the gentleman from Oklahoma, JED JOHNSON, to Congress by a splendid majority.

In 1936 he again had opposition, and again he stuck to his task and refused to return to the district, and again his constituents returned him by an increased majority. In 1938, with another popular candidate pitted against him, the gentleman from Oklahoma, JED JOHNSON, stuck to his knitting in Washington, and, although his opposition once more announced that they had the nomination "in the bag," as had been claimed in several previous campaigns, when the votes came rolling in, the gentleman from Oklahoma, JED JOHNSON had received over 37,000 votes to about 10,000 for his opposition. These figures speak for themselves.

The people of the Sixth Congressional District were simply once more demonstrating that they do not believe in changing horses in the middle of the stream.

Not only have his people exercised good judgment in keeping the gentleman from Oklahoma [Mr. JOHNSON] in Congress, but I would like to say for the record that Jed also demonstrated rare judgment in the selection of his charming helpmate. Back in 1925 he married Miss Beatrice Luginbyhl, of Chickasha, a well-known teacher and a life-long resident of Grady County. She was educated in the Chickasha schools and was graduated from the Oklahoma College for Women. She has not only made him a devoted helpmate and companion but has been a genuine asset to him in serving the people of his district. They have three daughters and one baby son.

PREDICTS GREATER FUTURE ACCOMPLISHMENTS

In conclusion, Mr. Chairman, I desire to commend the voters of the Sixth Congressional District of Oklahoma on the rare judgment they have shown in adhering to the sound advice of that great Missourian, the late Speaker Champ Clark, in keeping their Representative in Congress for seven consecutive terms. Although he has risen to his present place more rapidly than the average Congressman, his past achievements are only stepping stones to higher and better things that I feel are undoubtedly in store for him. It is generally admitted that each succeeding year he spends in Congress makes

it definite and certain that his power and influence will continue to grow. It is likewise true that the investment the people have made in their Representative in Congress will pay greater dividends to the district, the State, and the Nation as the years go by. It is my sincere hope that the gentleman from Oklahoma, JED JOHNSON, remains in Congress until he becomes the dean of this House, and that many other districts will send more men of his high caliber and sincerity of purpose as Members of the Congress of the United States.

Mr. Chairman, some may wonder why I have gone into some detail to say what I have about the early life, the character, and legislative record of my friend and colleague the gentleman from Oklahoma, JED JOHNSON. It is because—

A rose to the living is more,
Ere the suffering spirit has fled;
A rose to the living is more
Than sumptuous wreaths to the dead.

[Applause.]

Mr. TERRY. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. JOHNSON].

A PLEA FOR THE SHELTERBELT

Mr. JOHNSON of Oklahoma. Mr. Chairman, at this moment I find myself very much embarrassed, in fact flabbergasted, at the speech just made by my colleague from Oklahoma [Mr. CARTWRIGHT], and also because of the generous remarks of the gentleman from Kansas [Mr. HOUSTON], and those of my colleague from Oklahoma [Mr. MASSINGALE]. I am, of course, deeply grateful for these entirely too generous remarks. I only wish I could be really worthy of it all.

Permit me to say in reply that it has been a genuine pleasure to serve these fleeting years in the Congress, not only with my colleagues from Oklahoma, but with other Members of various States who sit on both sides of this aisle. During those seven terms I have seen a goodly number of Members come and go. Some were outstanding and others not so much so. But as a rule, there is usually a reason why one is elected to this body, else he or she would not be here. During these years I have heard Members criticized severely. In fact, I have not hesitated to differ violently with Members, but let me say that as a rule, I have met no higher type of citizens anywhere than those Members who serve in these Halls of Congress.

Mr. HOUSTON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. HOUSTON. A moment ago I made the remark that the gentleman was economy-minded, which is true, but is it not a fact that the gentleman from Oklahoma believes in placing Federal money where it will best serve the public interest, such as the C. C. C., the N. Y. A., and other useful agencies of the Government?

Mr. JOHNSON of Oklahoma. I certainly do. I will say in passing that I congratulate this committee on the fine work it has done. It has reduced the total of this bill $67,000,000 below the estimate of the Bureau of the Budget. It is also significant that in reducing this estimate $67,000,000 it has reduced it approximately the same amount as was added to the bill a few days ago in order to maintain the C. C. C. on the present strength and also to maintain the National Youth Administration as it is now operating. So I congratulate the committee on the good work it has done. I sincerely wish it had made further reductions, which I feel could have been done.

I have asked the indulgence of the Committee at this time, Mr. Chairman, to discuss for a few moments out of order, concerning another important subject that I feel is of vital concern to Members of Congress and the country. I desire to call attention of Members at this time to what is called the shelterbelt. A few years ago, when the shelterbelt program was inaugurated in the country, we thought of it as a belt of trees 50 miles wide that, when planted, would extend entirely through the United States from Canada to the Gulf. In fact, that idea was first promulgated and announced. Some of us seriously objected to that suggestion, that, if carried out, would have confined the planting of trees to such a limited area; and because of that objection Congress has made it plain to the Forest Service that farmers residing in the Plains States, regardless of whether they happen to be situated within the so-called shelterbelt area, are entitled to have shelterbelt trees. The Forest Service has done a marvelous job with this shelterbelt program. [Applause.]

The shelterbelt tree-planting project in the Great Plains, now known as the Prairie States forestry project, was conceived by our great President. This has been a wonderful thing for the people of Oklahoma and others of the Plains States. The planting work was initiated in the spring of 1935. Only a few miles of planting was done that year, but now, in my State, over 20,000,000 trees have been planted on over 3,400 farms, many of which had heretofore had no trees whatever. Planting to date has provided over 2,000 miles of shelterbelts in Oklahoma. In all, more than 125 million trees have been planted in 11,000 miles of shelterbelts on some 17,000 farms in the six Plains States which, of course, includes Oklahoma.

Probably every farming country has its draw-backs. One of our serious draw-backs is wind. Average wind velocities in the Great Plains region are higher than anywhere else in the country, except a few coastal areas. Seed newly planted in the spring often is blown out of the ground, and sometimes young crops are blasted and destroyed by the soil drifting along the surface. Frequently farmers plant two or three times in order to start a crop. This is costly, and the shorter growing season reduces the amount of crop produced. Farmers tell me that shelterbelts planted only three or four years ago are already protecting their land and crops from wind to a remarkable extent.

These shelterbelts not only provide protection to lands and crops, but also protection to livestock and to man himself. They provide protection and food for birds and other wildlife, and they yield a continuing supply of fence posts and fuel wood for the farm, and at times for sale to bring in some extra cash.

I doubt whether any governmental undertaking was ever begun under a darker cloud than hovered over the shelterbelt. It was said the trees would not grow. There were many skeptics. The project was ridiculed. But the work has gone forward quietly, and to me the fact that it is so widely accepted by the farmers themselves, that more applications for plantings are received by the Forest Service than can be planted, convinces me more than anything else that the work is tremendously valuable.

Not only is this work in itself of great value to the farmers and of general benefit to agriculture, but it has also been of great aid in meeting the unemployment problem in the farming areas. In my State it has provided 20,000 man-months of employment, and in all the States around one hundred and forty-two thousand.

Let me say also, this program is not at all a "Santa Claus" proposition. The Forest Service raises the seedlings and plants them in the belts, because the right kind of trees, properly planted, are the foundation of successful tree establishment in that prairie country. But the farmer is a full partner in the enterprise. He must prepare the land for planting in accordance with the directions of the foresters, and he must furnish the fencing material to enclose the plantation. He must intensively cultivate the trees for several years, protect them from rabbits and insects, and otherwise give them the care that trees demand in this region. In the truest sense of the word, the Federal Government helps the farmer to establish his shelterbelt, helps him because it has an organization of trained foresters capable of rendering that service and making the undertaking a success. And not only do the farmers participate in the work, but counties and municipalities furnish assistance in many ways. Without disparaging in the least the great work which the Forest Service is doing in connection with the national forests and private timberlands, in my opinion one of the most fertile fields for service in this country which lies before it is the application of its forestry science to the rehabilitation of the Great Plains region.

In Oklahoma the project operates 2 nurseries on land leased by the Government. The project as a whole operates a total of 14 nurseries.

In the 5 years of operation, there has been expended $8,276,000. This sum is insignificant in view of the benefits to be derived from such an undertaking.

People who visit these plantings are astonished at the success of the work and the growth they have made. The papers last fall published widely the enthusiasm of our First Lady, Mrs. Roosevelt, when she visited some of the plantings in Kansas and talked to the farmers and their wives. I wish she might also have come to Oklahoma and seen the excellent work there. [Applause.]

I am told that the first questions asked of our foresters when they visit Europe are about this project, which is internationally known.

This shelterbelt program has the wholehearted support of people in every walk of life in the Plains region. Agriculturists, business interests, and farmers are all agreed that it is a sound and intelligent approach toward the solution of some of the basic ills which afflict this great food and fiber-producing region.

Unfortunately the Prairie States forestry project and its shelterbelt planting program have no stability as a part of the agricultural program in this vitally important agricultural region. It has been financed solely through allocation of relief funds. It is particularly adapted to the use of relief labor because most of the work must be performed by hand; but because of the technical and scientific nature of the work, operation solely with relief funds, because of the limitations surrounding their use, imposes almost insurmountable difficulties.

These difficulties arise because the Emergency Relief Act sets up certain restrictions based on the assumption that the projects will be sponsored and partly financed by some other agency with money for that purpose. Since the shelterbelt planting program is a Federal undertaking and there is no direct appropriation for it, naturally there is no sponsor's money available. To be successful the project must have a stable organization of trained technicians, it must have equipment to work with, and money for office rent, nursery leases, and the many other things which are required of an organization raising and planting some 40,000,000 trees a year.

In the first place, I do not think it is right to try to finance this program purely with relief money. It is an agricultural program vital to the farming interests of that country and ought to be treated as such and put on a permanent basis. It ought to have a regular appropriation to supplement the allotment of W. P. A. funds so that it can at least enjoy the advantage of the ordinary W. P. A. project. But if it is continued next year as an emergency project, then some provision must be made in the W. P. A. Appropriation Act to allow it to function effectively and economically and in the best interests of the agricultural industry which it is designed to serve. There is a strong and rapidly growing appreciation of what this shelterbelt planting program means to the welfare of that Great Plains section. It would be folly to strangle it to death with restrictions which preclude its continuance.

The W. P. A. itself is not at fault in this matter. The W. P. A. believes this is a most constructive project, and that the program is leaving something on the ground which will be of incalculable benefit.

My colleagues, it is difficult to put into words some of the things that trees mean to the people of the Plains—a people courageously struggling against the vicissitudes of drought and all the other evils which have beset agriculture. Notwithstanding all the material benefits of trees, to me one of the most important aspects of this great tree-planting work is its effect on the morale and spirit of my people. People love trees. They want trees and are entitled to have them. And nowhere is the great necessity for trees as a part of the home and as a part of the homeland more keenly felt than by the people of the Plains, of which Oklahoma is an important part.

Mr. HOUSTON and Mr. MASSINGALE rose.

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Kansas first.

Mr. HOUSTON. I want to again congratulate the distinguished gentleman from Oklahoma for bringing to the attention of the House, as he always does, an intelligent discussion of a worth-while subject. I am very much in favor of this shelterbelt project. I remember a few years ago when we first brought this to the attention of the House there was a lot of opposition to it, especially from the farmers in the West. Throughout the State of Kansas, in the Dust Bowl area, especially where this shelterbelt has been put into effect in recent years, the farmers are asking for it—not one but thousands of them. We have found that where those trees have been put in and allowed to grow in 3 or 4 years it has acted as a very effective windbreak. The wheat back of that grows better than it did before, and the soil remains on the ground instead of blowing away. I thank the gentleman for bringing this to the attention of the House.

Mr. JOHNSON of Oklahoma. I thank the gentleman for his usual valuable contribution. Let me add that, in my judgment, this shelterbelt project ought to be on a permanent basis. The reason I have brought this to the attention of the Members of Congress now is the fact that, as the Members know, funds to maintain the shelterbelt are now paid out of relief funds.

It is on a very unsatisfactory basis as a permanent program. It is impossible, of course, for the Forest Service to know how much, if any, funds they will receive out of relief funds for the shelterbelt program for the next fiscal year. I have reason to believe that unless this shelterbelt is put on a permanent basis, and unless the Forest Service knows approximately what it may be able to spend for the shelterbelt program from year to year, that they really have no desire to continue it under present unsatisfactory conditions.

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I am, of course, pleased to yield to my distinguished colleague from the Seventh District of Oklahoma, who is one of the ablest Members in this body, and who is in full sympathy with this program, I am sure.

Mr. MASSINGALE. I just wanted to supplement the statement of the gentleman about the practical value of the tree-planting business in western Oklahoma, where both he and I reside. I have on my desk in my office a cross section of a tree that will be 5 years old this fall. It was planted out on the level prairie, where, in the early days, no tree growths of any kind were observed except occasionally along a winding creek, where there were cottonwood trees growing. This tree, a sample of which was sent to me about 2 weeks ago, is large enough in circumference and was so used that a post for fence construction was cut out of the tree, and that made two posts, because it was large enough to be split in two and made two first-class fence posts.

That shows the rapidity with which these forests can be grown. I take great pleasure when I am at home, especially in the summertime when it is hot and the wind is blowing, in driving down these lanes which are lined with these new forest growths, and I certainly appreciate the service they are rendering. [Applause.]

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. JOHNSON of Oklahoma. I thank my colleague from Oklahoma. I will add that this splendid program was started in western Oklahoma, in the district so ably represented by the gentleman from the Seventh Congressional District, so far as our State is concerned.

Only a few years ago I was passing through the Seventh District and saw those trees and the remarkable growth they had made. I saw also the remarkable change in sentiment

of the people with reference to this shelterbelt program. I have here before me about a dozen clippings—editorials from some of the leading newspapers in Oklahoma, Kansas, and Nebraska. I find that several of the leading newspapers of these three States which had actively opposed the shelterbelt program in the beginning are now very much impressed with the program and are proclaiming the shelterbelt program as one of the outstanding accomplishments of this administration.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I am happy to yield to the distinguished gentleman from Nebraska who is very much interested in this program.

Mr. STEFAN. I expect to follow the gentleman briefly on the subject in a few moments and I was wondering whether or not he would care to discuss the possibility of some amendment that would make this program permanent.

Mr. JOHNSON of Oklahoma. I am very glad the gentleman has raised that question. Let me say that I have been working on such an amendment. I have discussed the matter with the Forest Service. I am told that such amendment can be offered, similar to the amendment that was offered in the last Congress to the relief bill making an exception to the Indian Service. I am further advised that if such an amendment is adopted by the Congress it can be placed on a permanent basis. I will say to the gentleman that at the proper time I shall offer an amendment for that purpose.

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield 2 additional minutes to the gentleman from Oklahoma.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from Wisconsin.

Mr. KEEFE. Would the gentleman tell us the character of the trees that were planted in this shelterbelt area?

Mr. JOHNSON of Oklahoma. That is a very interesting matter. It is my understanding that early in the shelterbelt program the Forest Service started with two or three varieties of trees. In some areas they were of the opinion that nothing but cedar trees, for example, would grow, but they found that in those same areas many other varieties actually grew just as well or perhaps better. In western Oklahoma they are growing not only cedar trees but black locusts, cottonwood, black walnut, Chinese elms, poplar, Osage orange, and several drought-resistant varieties, and they have grown them with remarkable success.

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, it does me good to hear my colleague from Oklahoma so tremendously interested in trees, a subject with which I have probably bored you for several years. I was interested in the gentleman's statement regarding the place where this tree planting was conceived. I will not argue with him regarding that except I wish to call his attention to the fact that tree planting was conceived in my State of Nebraska by the late J. Sterling Morton, once Secretary of Agriculture. He was father of Arbor Day, tree-planting day, which should be a national holiday.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I will ask my colleague from Idaho to let me proceed for a few minutes before asking me to yield.

Mr. Chairman, I am glad the gentleman from Oklahoma plans to offer an amendment to make this tree-planting program permanent. It should be permanent. It is no longer the dream of its originators, a shelterbelt around the country; it is now farm forestry; and the farmers want it continued permanently because it has been successful. It is one of the most valuable things that has been done in my State. The trees are growing at least 75 percent successfully. There are some shelterbelts where farmers are harvesting fruit from the shelterbelt. Covies of quail are coming back to my State. Once they had disappeared entirely. They are now coming back. Shelterbelts are replacing snow fences in some parts of my State. Shelterbelts in my State are making it possible for farmers who wish to sell to get more money for their farms just because they have these trees on it.

The people in this western country no longer think of the shelterbelt as you and I did when first those seedlings were planted in the sand, so small they could hardly be seen. They have grown until today they stand 30 and 40 feet tall.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. Yes; gladly.

Mr. CASE of South Dakota. The gentleman from Nebraska is quite correct in his statement about the origin of the tree-planting idea and Arbor Day. It sprang up in Nebraska, but it extended North as well as South, and in my State of South Dakota for a number of years we have had a tree bounty. My attention was called to it by an item I just read this morning by the State secretary of agriculture calling attention to the bounty that has been offered for a great many years whereby farmers over a period of 10 years receive a bounty of $5 per acre. I thank the gentleman for calling attention to the movement that has spread throughout the West, and I hope all the Members present today will lend their support to what has been done in farm forestry.

Mr. STEFAN. I thank the gentleman from South Dakota. He has always supported this program.

In extending my remarks, I will say something about why this program should be made permanent through an amendment which I hope will be offered by my colleague from Oklahoma; present just a few statements of fact indicating why it should be made permanent. You know, it has been done with relief money. Since 1935 we have spent approximately $2,000,000 of your relief money for these shelterbelts. They have been paid for, and they have been paid back, I think, 10 or 15 times in value to the farms and in value to the districts.

Mr. REED of New York. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from New York.

Mr. REED of New York. May I ask the distinguished gentleman from Nebraska if there is a State program in Nebraska for county and community forests?

Mr. STEFAN. We have all kinds of programs in Nebraska for tree planting. The Omaha Herald is now coordinating the many forces in our State—the American Legion, the American Legion Auxiliary, the Boy Scouts and Girl Scouts, and others. The school children in the State of Nebraska every Arbor Day go out into the highways and byways and plant trees in every nook and corner of the State. Nebraska is becoming a more wonderful State every day. Farms which formerly grew no trees are growing them today as a result of this program.

Mr. REED of New York. I am glad to know that the gentleman is enlisting the cooperation of the school system, because not only in this country but in other countries it has been found to be most effective. They are teaching the children the love of trees and tree culture.

Mr. STEFAN. May I say to the gentleman from New York that ever since Mr. J. Sterling Morton conceived the idea of tree planting Arbor Day in Nebraska has been a holiday. The schools are dismissed, and, with the aid of the American Legion and others, the school children leave the schools with shrubbery and trees, which they plant. It is becoming a wonderful program in Nebraska. I wish that Arbor Day could be made a national holiday. I hope the amendment which will be offered by the gentleman from Oklahoma will be agreed to. It will not require the expenditure of additional money.

Mr. REED of New York. May I remind the gentleman of something with which I presume he is familiar? Many years ago they organized a forest program for the farms in Switzerland, and today there is hardly a community or farm there that has not its own forest. They are practically paying their taxes from income derived from those trees.

Mr. STEFAN. Yes. The gentleman from New York [Mr. REED] and I traveled in Europe last year. We found the roads everywhere we went bordered with trees of all kinds, especially fruit trees, from which wonderful fruit was harvested. Trees planted in the Prairie States will bring back to

the people of America a hundred times the amount of money invested in the planting of those trees.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. May I mention the fact that in connection with the homestead law, and in connection with the preemption law when the State of Nebraska, the State of Kansas, and other Western States were settled, we had a tree claim. I am wondering what became of that program.

Mr. STEFAN. I remember that. Do you remember what happened to those tree claims? The trees were planted, but the younger generation came along and cut down trees which required 50 or 60 years to grow. Only God can make a tree, but you and I can destroy it. We have destroyed many wonderful trees in the West which were planted by your father and mine. That is what happened to the trees in the West.

Mr. WHITE of Idaho. In passing through the Dakotas you see some of those wonderful groves that were planted under Government regulations.

Mr. STEFAN. The gentleman is right, and I thank him for his contribution. I hope that when an amendment is offered to make tree planting in the Prairie States a permanent program it will receive the support of all the Members because it will not require the expenditure of one penny more. I feel that every dollar expended from these relief appropriations for the planting of trees will bring back to us, at lease $100 in value.

Mr. Chairman, recently Mr. Perry, chief of the Nebraska Department of Information and Education, found the shelterbelts in my district a real refuge for birds and wildlife. He stated that during one trip in midwinter in 18 shelterbelts in the Neligh district, 121 pheasants, 25 prairie chickens, and 2 quail were counted. Only one of those belts was planted in 1935, the others being planted in 1937 or later. A flock of 200 sharp-tailed grouse are usually to be found in the Ferdinand Sirdler, Charles Murphy, or Thomas Putman shelterbelts in Box Butte County, a part of our Alliance district. In 21 shelterbelts in the Alliance district, all planted since 1937, 485 pheasants and 125 other small birds, in addition to the sharp-tailed grouse, were counted. An unusually large number of birds and animals were seen in shelterbelts in the Kearney district, especially in Custer and Logan Counties. Although exact counts were not made, the birds seen included large numbers of pheasants, 100 or more sharp-tailed grouse, and numerous prairie chickens. On the Glen Vieimeyer farm, 4 miles north of Stapleton, 13 of the 14 chukar partridges "planted" on the farm were found enjoying the cover and food provided by the shelterbelt, and Adolph Hamm, district agent of the Bureau of Biological Survey, of Cheyenne, Wyo., estimated there were 200 pheasants in another shelterbelt planting on this same farm. In the Columbus district, the oldest plantings are 1 year old, but, even so, remains of birds' nests were found, and pheasants were numerous in these plantings that contained a row or two of sorghum of corn.

During the hunting season, Aubrey J. Arthurs and a Mr. Stevenson went through the Susie Gettinger belt after hunters had been through that territory. The birds hid in this 1937 shelterbelt as soon as the hunters' guns were heard, and they were extremely hard to flush out since they could keep well hidden. Another day, cold and windy, few birds were found in the open fields, but they were plentiful in the shelterbelts. Mr. Barker, who has a 1939 shelterbelt in Antelope County, commented that the older shelterbelts were being used extensively as hiding places during the hunting season. It was his opinion that outsiders should not be allowed to hunt in them.

Smaller birds, such as brown thrashers, woodpeckers, bluejays, robins, meadowlarks, blackbirds, orioles, swallows, sparrows, catbirds, and others through the shelterbelts in summertime. Many of the cooperators feel that the number of birds is increasing in the areas where shelterbelts have been planted extensively, and the farmers believe this increase in birds will reduce grasshopper and insect damage in future years.

The nearest thing to an actual survey, which gives positive evidence of the bird population in shelterbelts, was made in the Mangum, Okla., district last December. At that time the nests in 19 shelterbelts were counted. Two of the belts were planted in 1935, 10 in 1936, and 7 in 1937. The count showed a total of 849 nests, of which 256 were in the osage-orange trees and 213 in the Chinese elms. Since you are familiar with that country, a study of the report may be interesting to you and I am enclosing a copy of it with this letter. In the El Reno district, notations of quail found in 12 shelterbelts were made during the cultivation period. Five of these belts were planted in 1938 and 7 in 1939, yet 18 coveys totalling between 250 and 275 quail were utilizing the plantings. Late in summer, State Director Nelson made a count in the A. H. Bungardt shelterbelt in Washita County and found 60 dove nests, 21 mocking-bird nests, 1 quail nest, and 36 nests which he did not classify. One covey of quail, consisting of about 25 birds, was also observed.

One of the interesting things about this situation in the South is the fact that farmers claim that quail are beginning to reappear in some cases where they were supposed to have been extinct for some years.

In all districts there are many indications that wildlife is making increased use of the shelterbelts. Badgers, coyotes, foxes, squirrels, and other small fur bearers are moving in, while rabbits and other rodents are helping to make up that wildlife community, characteristic of forested areas.

There are many reasons why this program should be made permanent in order that the Forest Service can be given an opportunity to continue it under its present high-type method. Mr. Paul Roberts, of the Forest Service, has administered this program in the Plains States in a very high state of efficiency and economy. I am happy to report to this House that I have made a personal investigation of the work done by his Department in my district, and I have nothing but praise for the work of the Service from the farmers in my district. In every locality where these trees have been planted I find the farmers and towns people in favor of continuance. In discussing these matters with those in charge, I find several reasons why some changes in policies and rules should be adopted. Here are a few reasons:

The emergency-relief legislation stipulates definite ratio limitations between employment of certified and noncertified personnel. This is 90 certified to 10 noncertified. It is necessary, therefore, at all times to keep employment of labor up to a minimum of 90 percent. The work is seasonal in character, but even during slack labor periods it is necessary to keep employment up to maintain a technical and supervisory organization to arrange with farmers for planting, examination of the areas to be planted, and determine kinds of trees for each area and other work.

The funds for the work are frozen by States. Weather conditions, drought, and other local problems often make interstate adjustments necessary to the efficient conduct of the work.

There is no provision in the legislation allowing the employment of noncertified and nonsupervisory personnel payable from project funds. Often essential, nonsupervisory, facilitating personnel, such as stenographers, clerks, truck drivers, and so forth, are unobtainable from relief rolls. Inability to employ such personnel seriously hampers efficient conduct of the work.

The E. R. A. legislation for the fiscal year 1940 limits the money available for purposes other than salaries and wages in any State to $6 per man-month of employment. This amount is inadequate to meet expenses necessary to the conduct of the work, for rents, supplies, operation of trucks and other motor equipment, purchases of necessary equipment, travel, and other necessary expenses. [Applause.]

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, in connection with the consideration of this War Department appropriation bill, may I bring to the attention of the Committee the large

allocation of money that has been made in past years and this year to the War Department from relief appropriations. I have just obtained these figures from the Treasury.

Since April 8, 1935, the Army has been allocated $91,703,350, and the Army engineers have been allocated during the same period $163,453,405. We note that the allocations to the Army engineers were for the purpose of flood control and for big work projects throughout the country.

For the fiscal year which will close in June of this year there has been allocated to the Army, $11,166,395. In making this vast appropriation of $785,000,000 for the Army, I think it is well to consider the additional amount that has been taken from relief appropriations and made available for expenditure by the Army.

I would like to call attention to another thing in the remaining few minutes of my time. We hear a great deal about our national defense and the importance of protecting the Isthmus of Panama and the Panama Canal. I believe that subject has been mentioned here by several Members this afternoon. Our President has recently gone through the Panama Canal, as we all know. But there is something about the Panama Canal that I as a layman cannot quite understand.

When I go to Panama, that narrow isthmus some 30 miles wide crossed by the Panama Canal, passage through whose locks takes 8 hours, and crossed by a railroad. I find no other means of transportation from one side of the isthmus to the other. I wonder why it is that with vital defenses on the Pacific side and on the Atlantic side of the isthmus there is no highway between these defenses. As I look at the little winding railroad running on a little green grassy strip through Gatun Lake and realize that one bomb properly placed would put the railroad out of commission, I wonder what steps could be taken in case of an emergency to bring defense forces from one side of the isthmus to the other if the railroad were out of commission, if it takes 8 hours to get a ship through the Canal, and when there is an impenetrable jungle between the two defense forces. What would be the policy of the Government in such a situation?

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. I yield to the gentleman from Nebraska.

Mr. STEFAN. I am very much interested in this question in view of the fact that I have traveled through the Canal several times. The gentleman was also there recently, I understand. Did the gentleman make any inquiry as to why some kind of a highway across the isthmus has not been started?

Mr. WHITE of Idaho. I have asked responsible persons a number of times but have received no satisfactory answer. The only thing I can understand is that they have a little monopoly down there in the Panama Railroad. With automobiles teeming on both sides of the isthmus, the only way you can get automobiles from one side to the other is to ship them across by train. I am not interested in a monopoly, I am interested in defending this vital Canal, on which we must depend to get our ships from one ocean to the other.

Mr. STEFAN. Did the gentleman inquire whether or not it would be feasible to build a highway from Colon across to the other side? Has the gentleman asked any of the engineers whether or not there is something there that would prevent the building of such a highway?

Mr. WHITE of Idaho. I have had a look at the country from an airplane and, if I am competent to judge the terrain there, it would be very easy to build a road across the isthmus there. I do not know why there is no connection between the two sides. I am wondering what our forces would do in case of an emergency, if, for instance, one side of the Canal were attacked and it was desired to bring forces across the isthmus from the other side. [Applause.]

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, I, for one, am unwilling to see continued the practice of making guinea pigs out of Ohio farmers. In former times they used to have some of the rich along with the poor—a streak of fat and a streak of lean, so to speak. Now they have to take all the lean. Under the traditional American system, agriculture cannot possibly be prosperous with the farmers continually having to guess what their program ought to be, while, at the same time, they have to continue to guess against the hazards of weather and the hazards of markets, the hazards of pests and the hazards of price. Heaven knows the farm business was filled with enough natural hazards to beset the good folk of the soil, without adding these extra hazards of having to guess at a continually changing, contradictory, and inconsistent political paternalistic policy.

Under present conditions, if the Secretary of Agriculture, the pivotal point in the fortunes of the farmer under the New Deal system—if the Secretary of Agriculture, I say, guesses wrongly, everyone has made a wrong guess. One of these wrong guesses cost the American farmers their export cotton business and encouraged the setting up of permanent production in other lands; now we penalize all agriculture to pay for that wrong guess.

We are asked to pass a Farm Credit Act to siphon all farm loans into one agency. That agency would be an adjunct to the Department of Agriculture. I am unwilling, Mr. Chairman, to put the necks of Ohio farmers into that stanchion. Ohio farmers are able farmers. They are courageous farmers. They are resourceful farmers. But even the most powerful herd bull is helpless in a stanchion. I do not want to see the farmers of my State herded into a managed group, a body controlled completely and arbitrarily by departmental bureaucrats.

American agriculture is getting about as fat and strong under Mr. Wallace's policies and control as a dairy cow grazing in a dust-bowl pasture. If we are to save the American farmers, we must eliminate these New Deal theories and get down to practical economics. We must eliminate irresponsible experimentation and get down to the old-fashioned common sense that has enabled the farmers in America to carry on for these 150 years and to establish the richest, most prosperous agriculture the world ever knew.

We will not restore agriculture with reciprocal-trade treaties that expose our farmers to importations of tropical oils which will crowd our lard from its natural market. We will not save the American farmer by the methods which have increased the trickle of 18,000 imported cattle in 1934 into the torrent of 759,000 imported cattle in 1939. If this sort of thing goes on, the American farmers will eventually have to join the W. P. A. workers and others dependent upon official favor and the whims of bureaucrats for the right to exist.

It would be questionable whether or not we ought even temporarily to submit to a surrender of civil and political liberties even if the benefits were very great and very sure. There is all too much of this trend in the Government at Washington toward rendering the American farmer subservient to the favors and the dictates of the puppets of a political autocracy. We have before us the scandalous and startling example of the National Labor Relations Board arrogating to itself the right to pass on loans made to business by the Reconstruction Finance Corporation.

Other bureaus, other agencies dispensing favors at the expense of the taxpayers' pocketbook have been invited by the National Labor Relations Board to cooperate with it in compelling business institutions to comply with what? The law? No, Mr. Chairman; not the law; to comply with the bureaucratic edicts of petty officials who have never submitted themselves to the approval or the disapproval of the voters.

Everywhere throughout the administration, in every State, in every county, every city, every village, every mountain settlement, up every creek and hollow we find this idea of enforced compliance with the manifestos of bureaucrats, the regulations of some department or another. We find the idea of assessing penalties for disobedience to these gentlemen in Washington who try to justify their secrecy of operations under the euphonious term of a "passion for anonymity." Why do they want to be anonymous? Because they do not

want the American taxpayer to know what they are doing with the public money; because they do not want the American voters to know what a stupendous, solidly entrenched, and greedy bureaucracy has been created in the Capital of these United States; because they do not want the American people to realize how far away from free constitutional government, how far away from the liberties and the privileges guaranteed to the citizens under the Bill of Rights this administration has carried this Nation. If this be the price of planned economy, I want none of it for my people. Such a planned economy is un-American, and, if tolerated, will inevitably bring to this Nation a system of fascistic control that will make the American people rue the day they ever turned a willing ear to the siren song of the New Deal.

Annually recurring deficits and a national debt bloated to the proportions of a major menace to the security of this country are eloquent testimony to the approach of either repudiation, uncontrollable inflation, or national bankruptcy. Of course, national bankruptcy could mean, in its finality, only repudiation on the one hand or ruinous inflation on the other.

Mr. Chairman, I believe I know the farmers of my district well enough to say that they want to retain their old American way of life. They want to keep their liberty of action. They are willing to forego any false pleasure of suckling a governmental sugar teat in order to retain their liberties. Why, Mr. Chairman, what saccharin teat was ever devised in a nursery, to still the fretful cries of teething children, half so sweet as the liberties of the individual under the American way of life?

The Great Teacher of Galilee once asked:

What profiteth a man if he gain the whole world and lose his own soul?

Mr. Chairman, what profiteth the people of the soil if they gain the whole favor of the New Deal administration and lose their independence?

The reverse side of every credit is debt. Why should it be that all of our efforts are being expended so as to afford the farmers an opportunity to get into debt while no effort at all is being expended to protect our markets and to enable the farmers to get out of debt?

I do not believe the answer lies in obscure and abstract theories applied by bureaucrats who are far from the farm and actual farming. If their contentions are correct that we are making tenants at the rate of 40,000 to 47,000 per year under New Deal farm policies, is it not time to change those policies? Will not the answer be found by a return to common sense thrift; to economy in Government, and the discarding of loose fiscal policies that have wrecked liberal governments so often in the recent past? Should we not save the millions of sound farmers still left on the farms, instead of wildly spending to impair the sound along with the unsound farmers?

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Michigan.

Mr. WOODRUFF of Michigan. Does not the gentleman suppose that the policy that has been followed in connection with the farmers of the country and the working people of the country is the New Deal's idea of the more abundant life, of which we have heard so much, and of which we have seen so little?

Mr. CLEVENGER. I am afraid that is so.

It is important to preserve at least a sound core in our agriculture and add to it by gradually improving the earning of millions more, rather than to stake the economic future of all agriculture in more of these New Deal schemes.

These schemes are mostly vote traps, anyway. In our own committee the fear has been expressed that better farm prices might cause an upturn in land values to a point where the farm-tenant plan could not be put over. Must a member from a farm district go along with these quack schemes in order to be rated a friend of the farmer? I do not think so.

Saving $16 to $17 per year to farm borrowers in interest will not save them when the State Department, through reciprocal treaties, is getting ready to open up the home market to cheap foreign products.

Our Secretary of State seems to be allergic to customs houses; he may be depended upon to press his free-trade ideas by the reciprocal-trade method. The time has come when the New Deal schemers must quit trying to figure out how to lend the farmers more and more money. Such a policy only gets the farmers more and more in debt.

Much has been said of parity for agriculture during these last few days.

Parity for agriculture, ladies and gentlemen, was lost one day in June 1912, in the city of Chicago at a time when the country was enjoying the prosperity and happiness that our Democrat friends now picture as the alpha and omega of agriculture and industrial bliss—days when the entire cost of all the Federal establishments was less than the amounts of appropriations contained in the agriculture bill—days when both farmers and workingmen had money to spend, when taxes were not a nightmare, when specters of regimentation, eviction, and bankruptcy did not haunt the American farmer, worker, and businessman as he sought his couch at night.

That day a convention met to nominate a candidate for the Presidency and split wide open. A minority President, if you please, elected by a quarter of a million less votes than William Jennings Bryan's smallest vote, came into power, and with him, control of the Congress. Out the window went the protective tariff that had made this country great, and had made the American farmer a sovereign instead of a peasant or a serf. From the peak of prosperity and busy workshops we sank into bread lines and despair. Through 1914, 1915, and 1916—until the war orders brought business of a grisly nature to our shores, idleness in our shops continued. In post-war days we know how the millions of returned service men and discharged munition and ship workers walked the streets in vain in their search for jobs. We remember when in 1920, the props were yanked from under the inflated farm prices by the action of the Wilson administration, and prices of agricultural products, geared up by Government stimulation to "feed the world" as the sloganeer then proclaimed, hit the toboggan, and the American farmer hit the skids.

A new Republican tariff helped him recover somewhat, but farmers' friends and tinkerers have again just about legislated him out of business. The Democrats have had control of Congress for 9 years, the Secretary of State has about traded the farmer out of his birthright. The rice farmer competes with the oriental in his rice paddy, too poor to eat any but the poorest of his own crop; the cotton farmer competes with the labor of India, Egypt, China, and Brazil; the sugar farmer with the island workers of the Tropics, and the dairy and wheat farmer with the peasant labor of the world.

I am unwilling to place my fellow Americans in competition with Koreans, Manchukuoans, or Chinese prodded to their tasks by Japanese bayonets jabbed in their briskets. Let us regain this American market to American farmers and American workingmen. Prices, like water, seek the lowest level. Compete with serfs and you live like serfs.

Now, after 7 years of wild-eyed spending, spending the patrimony of today's and tomorrow's children, we hear talk of rubber dollars and repudiation. Are the men on the other side of the aisle so devoid of every moral sense as to propose such a thing? As rubber stamps, they spend and spend and elect and elect. Now they want to print and print and inflate and inflate, and bust and bust,

As a boy following a team of long-legged mules after four sections of steel harrow up and down Iowa corn fields, I thrilled to the story of how that grand old "gray-maned lion" of New England turned in the Senate of the United States upon the financial jitter bugs of that day, who yapped like curs at the heels of a great Democratic President and castigated them for the demagogues they were, and wound up by saying: "This country climbed out of the slough of despond on Grover Cleveland's backbone."

Oh, for a backbone like that now. Oh, for strength, instead of native stubbornness mistaken for strength.

No, my friends on the right side of the aisle you need not go back to the far days when you deserted the concepts of

Thomas Jefferson and Andrew Jackson. You have deserted the teachings of Grover Cleveland, the greatest and strongest Democrat of them all. You New Dealers, elected upon the promise to cut the cost of Government 25 percent, have mortgaged the lives of tomorrow's children and now talk of welshing on the Nation's debt.

Can political immorality find a lower level? Have you none of Grover Cleveland's integrity and fortitude? If you think debasing the dollar can cool the fever of inflation, you are like a man who thinks he can cure a bodily fever by changing the degrees upon a clinical thermometer.

Have the courage to cut before it is too late. Must America go bankrupt before strong hands can seize the wheel of the ship of state? Are there not even two score of you who will back up the gallant Virginian? [Applause.]

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, the appropriation bill before us provides about $850,000,000 for the War Department. This is not quite what the Budget recommended, but it undoubtedly was considered adequate for our national defense by the subcommittee drafting the bill. I notice that the hearings of more than 900 printed pages are filled with expert testimony for the committee's guidance. May I, in addition to the expert testimony of our military authorities, record here a statement of what I have received from thoughtful citizens of my State with regard to the country's needs on the southern border? I have recently received many communications from patriotic bodies and civic organizations advising of the need along our international border between this country and Mexico. Only a few days ago I called attention to the need of strengthening our border patrol and our immigration service at this backdoor of the Nation, and I am highly pleased that, even in an effort of economy, the House last week saw fit to retain the border patrol and that the committee reporting the appropriation for the Labor Department even restored a proposed reduction by the Budget Department when the bill was drafted. That is money well spent, for it is across that international line that many undesirable aliens enter, or attempt to enter, unlawfully, not only from Mexico but through Mexico from Asia and Europe also.

We need to guard our country against invasion, whether it be a peaceful invasion of undesirable individuals which may be checked by an adequate immigration staff or a military invasion which must be protected against by adequate military facilities.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield to the gentleman from New York.

Mr. DICKSTEIN. The gentleman is making a fine statement, but does the gentleman know that in the same Budget the number of immigration inspectors was reduced by 39 or more, at a time when we most need them to clear up illegal entries and the cases of persons who are to be deported? By reducing the appropriation one-hundred-and-eighty-thousand-odd dollars in the name of economy, have they not broken the strength of this arm, and is not this a wrong economy?

Mr. MURDOCK of Arizona. I am aware of that, and I agree with the gentleman that it is a wrong economy. I regret that part of the reduction, although I approve the action of the House in that bill in regard to the border patrol.

Fort Huachuca is the only military post along this extensive stretch of international border from El Paso to the Pacific Ocean. Regardless of how friendly or how unfriendly the Republic of Mexico is, or might be, a powerful foe attacking us would undoubtedly attempt to do so through Mexico. Not only do we have great industrial plants, such as smelters and the like, right near the border, but we have great public works, such as the Boulder Dam, within easy striking distance from the international line between the State of Arizona and the State of Sonora, Mexico. The same thing is true between the State of California and the State of Baja California in Mexico. I have long felt that adequate military protection along that border requires a proper military highway, paralleling the border and fairly close to it, also flying fields at suitable places, such as Douglas, Fort Huachuca, and Yuma, as well as suitable points in New Mexico and California, and also a military aviation center at Fort Huachuca.

While much has been done recently for the rehabilitation of Fort Huachuca, much should yet be done. Its location, its strategic importance, its value in our scheme of national defense, together with its actual needs, justify a five-point program in the treatment of this post: First, more barracks—a beginning has been made for providing new barracks last year and more are contemplated. But even when the full program is carried out there will still be a lack for the present regiment stationed there. Let it be remembered that some of the barracks now in use were built of adobe in 1881, but these are said to be better than some built in 1916. Second, a new hospital has been authorized, but no appropriations yet available, unless covered in this bill's blanket provisions. The present hospital building is more than 50 years old, and large sums are being spent on upkeep without satisfactory results. Third, the post is in need of the installation of natural gas for cooking and heating purposes. There is a supply of gas not far from the post, and there is no supply of wood or coal, such as is now being used, very near this post. Fourth, for many years there has been an inadequate water supply at Fort Huachuca, which has been remedied in part by a 14-inch well. As a guaranty against accident, an additional 14-inch well is needed, not to increase the present adequate water supply but to guarantee it. Fifth, a post exchange, gymnasium, and service club is vitally needed and will contribute to the well-being and comfort of the personnel.

The climate at this point is so healthful and inviting that many officers seek location at this place. The forbidding quarters and facilities heretofore have been less inviting, and yet some of the greatest names of our military history have been connected with Fort Huachuca. Some time ago I talked with the Chief of Staff, Gen. Malin Craig, who had some pleasant recollections of Fort Huachuca. He had been stationed there many years ago, and I believe had had a child born at Fort Huachuca.

These needs and possibilities I have seen with my own eyes are matters of personal knowledge and are impressed upon me by patriotic groups and thoughtful citizens whose patriotism is beyond question and whose judgment I highly respect. [Applause.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, that the bandit acts of Germany, Russia, and Japan have alienated the sympathies of our people, that there is a strong pro-Ally sentiment in this country, makes the danger of this world conflict all the more a threat to this Nation. We are on the road to war. We are traveling that road more rapidly than we did in 1917. Fighting words lead to blows; such words have not only been used by some of our public servants high in authority, but we have walked dangerously near the scene of conflict in more ways than one.

The propaganda mills have begun to grind in favor of this Nation's participation in the present World War. History repeats. They ground in 1917 and in the preceding years. The grist was a debt of more than $20,000,000,000 and other billions loaned to European powers. These loans are lost forever; they have disappeared into the limbo of things forgotten and gone. They will never be repaid.

The American people listened to and believed the siren slogan "He kept us out of war"; and then, within 30 days after President Wilson's second inauguration, we were in the war. In to the extent of 4,791,172 armed men; in to the number of 2,059,629 overseas; in to the extent of 130,103 total deaths; 39,347 were killed, 13,999 died of wounds—53,346 were combat deaths; 75,460 died of diseases; 1,297 died of other causes; and 201,325 were wounded. Thus, in camp, in the trenches, in the muck and mire of European battlefields the flower of American manhood perished.

I never go into any county of my district that I do not grasp the hands of World War veterans broken in body and health by their experience over there. And again and again I look into the faces of Gold Star Mothers who laid their sons as living sacrifices in the hands of the Moloch of War. A war, they said, "to make the world safe for democracy—to end all wars."

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. REED of New York. Does the gentleman set forth in his remarks the number of boys who have gone insane as a result of the war?

Mr. JENNINGS. I have not that information here, but I know that that has happened in thousands of cases.

Mr. REED of New York. I think the figures show a jump from something like 28,000 to 60,000.

Mr. JENNINGS. No sooner was it ended than the ground was made fallow and the seeds of this war were sown by England and France in the Treaty of Versailles. Lost provinces and colonial empires fell into the laps of England and France. This Nation's toll was the flu, a German police dog, billions of debts, the enmity of our former Allies, and the ghastly losses of young lives needlessly sacrificed.

From now on we shall hear more and more that this is our war, that it is being fought for the preservation of human freedom, that an allied victory means our security, an allied defeat means the overthrow of our civilization and the destruction of our liberty, that this war is a repetition of the struggles recounted by Creasy in his Fifteen Decisive Battles.

The allies, we are told, "stand at Armageddon and battle for the Lord." We must go in. We must be ready to give Europe another transfusion of blood from the veins of American boys.

We have heard it said that "America's frontier is on the Rhine"; that sanctions must be employed "short of war."

True, there has been a variation in the pronouncements of those high in authority. But the fact remains that in an address at Chicago, Ill., on October 5, 1937, the President said:

> When an epidemic of physical disease starts to spread, the community approves and joins in a quarantine of the patients in order to protect the health of the community against the spread of the disease.

And again at Chautauqua, N. Y., on August 14, 1936, he said:

> We are not isolationists except insofar as we seek to isolate ourselves completely from war. Yet we must remember that so long as war exists on earth there will be some danger that even the nation which most ardently desires peace may be drawn into war. * * *
>
> I wish I could keep war from all nations; but that is beyond my power. I can at least make certain that no act of the United States helps to produce or to promote war. I can at least make clear that the conscience of America revolts against war and that any nation which provokes war forfeits the sympathy of the people of the United States.

In this connection it may well be suggested that the American people, while they naturally sympathize with the nation or the people they deem unjustly to have been attacked, have no desire to have Uncle Sam play the role of a world judge or a world policeman to adjudicate and settle the endless brawls and wars of Europe.

Again in a fireside chat on October 12, 1937, there came to us the words:

> I want our great democracy to be wise enough to realize the aloofness from war is not promoted by unawareness of war. In a world of mutual selfishness, peace must be affirmatively reached for. It cannot just be wished for. It cannot just be waited for.

In a letter to the gentleman from Alabama, Mr. Speaker BANKHEAD, on the Ludlow war bill, the President stated:

> Such an amendment to the Constitution as that proposed would cripple any President in his conduct of our foreign relations, and it would encourage other nations to believe that they could violate American rights with impunity.
>
> I fully realize that the sponsors of this proposal sincerely believe that it would be helpful in keeping the United States out of war. I am convinced it would have the opposite effect.

And the language of the President's telegram to Hitler, asking him to continue negotiations, September 27, 1938, should, of a truth, bespeak the attitude of this country with respect to European wars:

> The Government of the United States has no political involvements in Europe.

And in the President's address at Kingston, Ontario, on August 18, 1938, we hear these words:

> The Dominion of Canada is part of the sisterhood of the British Empire. I give to you assurance that the people of the United States will not stand idly by if domination of Canadian soil is threatened by any other empire.

And again on October 26, 1938, we hear this:

> It is becoming increasingly clear that peace by fear has no higher or more enduring quality than peace by the sword.
>
> * * * * * * *
>
> There can be no peace if national policy adopts as a deliberate instrument the threat of war.

Again, in a radio address on November 4, 1938, this was said:

> We need in public office, above all things, men wise enough to avoid passing incidents where passion and force try to substitute themselves for judgment and negotiations.

In the annual message to Congress on the state of the Nation, January 4, 1939, is this declaration:

> There comes a time in the affairs of men when they must prepare to defend not their homes alone but the tenets of faith and humanity on which their churches, their governments, and their very civilization are founded. The defense of religion, of democracy, and of good faith among nations is all the same fight. To save one we must now make up our minds to save all.
>
> * * * * * * *
>
> In our foreign relations we have learned from the past what not to do; from new wars we have learned what we must do.
>
> * * * * * * *
>
> We have learned that God-fearing democracies of the world which observe the sanctity of treaties and good faith in their dealings with other nations cannot safely be indifferent to international lawlessness anywhere. They cannot forever let pass, without effective protest, acts of aggression against sister nations, acts which automatically undermine all of us.
>
> Obviously they must proceed along practical, peaceful lines. But the mere fact that we rightly decline to intervene with arms to prevent acts of aggression does not mean that we must act as if there were no aggression at all. Words may be futile, but war is not the only means of commanding a decent respect for the opinions of mankind. There are many methods short of war, but stronger and more effective than mere words, of bringing home to aggressor governments the aggregate sentiments of our own people.
>
> At the very least we can and should avoid any action or any lack of action which will encourage, assist, or build up an aggressor. We have learned that when we deliberately try to legislate neutrality our neutrality laws may operate unevenly and unfairly, may actually give aid to an aggressor and deny it to the victim. The instinct of self-preservation should warn us that we ought not to let that happen any more.

Is it possible that England and France were led to believe that if they engaged in a war for world empire and for the settlement of feuds and racial hatreds ages old that this country would come to their aid; that we would "not stand idly by" if their soil was threatened by a nation deemed by them or by us an "aggressor" power; that there are or would be in power in this Nation "men wise enough to avoid passing incidents where passion and force try to substitute themselves for judgment and negotiations?"

Did England and France enter this war in the belief that this country would use "methods short of war, but stronger and more effective than mere words, of bringing home to aggressor governments the aggregate sentiments of our own people?"

Did Poland become a vicarious sacrifice, impelled to fight both Germany and Russia under the urge of the declaration that "the instinct of self-preservation should warn us that we ought not to let that happen any more?" If so, more is the pity.

The occasion for the latest beating of war drums and sounding of propaganda bugles in this country is the German charge that our Ambassador to the Court of St. James, Mr. Joseph P. Kennedy, and our peripatetic and ever-vocal Ambassador to France, Mr. William C. Bullitt, have meddled in

the pre-war negotiations between England, France, and Poland, on the one hand, and Germany, and Russia, on the other. Whether this charge, clumsy though it be, is but another example of Nazi mendacity or bungling intermeddling on the part of our Ambassadors matters little. The charge has been met with denial and recrimination. Let it be assumed that it is out of the whole cloth. It raises an issue of far-reaching significance and profound concern to the thoughtful people of this country. It is just possible, if these gentlemen have played with international pitch and meddled in the pre-war developments leading up to the present World War, the destruction of Poland, the invasion and partition of Finland, their words are but a lunar reflection of what has been heretofore quoted. In view of Mr. Kennedy's eminent career and sound common sense, few will believe that he has been guilty of the conduct imputed to him. Whether Mr. Bullitt has been sucking eggs and failed to successfully hide the shells, is another question. This we do know: Our playboy Minister to Canada, Mr. Duke Cromwell, after wending his way through the highballs, was caught among the sheep with wool in his teeth. On this one subject I am satisfied the minds of the American people are made up. They are determined that the effect of scotch and soda on the befuddled brain of a playboy shall not send American boys to European battlefields. The fathers and mothers of this country are opposed to his kind of a "bull in a china shop"—they do not care how many fortunes he marries and dissipates, just so he does not set the house of our existence on fire.

What concerns the American people is this: Are these words and these activities all leading up to an international emergency? The evils which have trailed the blunders that have been inflicted on this country have been perpetrated in the name of and under the pretense of an oft-proclaimed emergency. It was Madam Roland who, in the shadow of her impending doom, exclaimed: "O Liberty! How many crimes are committed in thy name!"

It is for this Congress to determine that the crime of participating in this cockeyed war shall not be perpetrated against the American people in the name of an emergency. It is not our war. We did not make it. We have no stake in it. The safety of this country must not be made to depend on what happens in Europe.

If Japan stands astride the prostrate form of China, it was England and English statesmen who declined to cooperate with this Nation when Japan first drew her sword and unleashed her war machine in Manchuria. If England had then stood with this Nation under the leadership of former Secretary of State Stimson, Japan could have been stopped. England turned on the red light for us and gave Japan the green light.

The Siegfried line is on the Rhine, and Hitler's millions are poised for an invasion of the French, Swiss, Holland, and Belgium borders, not to mention the Balkans, because England stayed the hand of France when Hitler, in violation of the Versailles Treaty, sent his armies to the borders of France. England looked with complacency on the German conquest of Austria. Both England and France acquiesced in Italy's rape of Ethiopia and Albania. Czechoslovakia, with one of the finest armies in Europe, stood on the Carpathian Mountains, a natural line of defense, backed by the world's second best munitions plant, the Skoda Works. She sent out a Macedonian call to England and France to fulfill their treaty obligations to her. And Mr. Chamberlain, umbrella in hand, said: "Czechoslovakia is a small country, far away, about which we know but little," and this heroic republic was sold down the river into Nazi bondage.

The next victim in England and France's game of power politics was Poland. They said to her, when by concession she might have remained free from invasion and destruction, "Stand pat; fight; we will stand back of you." They kept that promise; they stood back of Poland—far back—and the land of Kosciusko, with its galaxy of Polish heroes, is no more.

Today the great heart of America and her pocketbook are open to heroic Finland, one of the little friends of England and France, whose wounds, "poor dumb mouths," testify to the fidelity of English and French friendship; and the words of David Lloyd George, England's war Premier, yet ring in our ears:

> It is the old trouble—too late. Too late with Czechoslovakia; too late with Poland; certainly too late with Finland. It is always too late or too little, or both, and that is the road to disaster.

This is the record. And on this record one fact must ever be borne in mind—the men who make wars do not fight them.

Another war for this country to pull European chestnuts out of the fire will ruin this Nation, will ruin America, God's last hope for the world.

Has it come to this, that to create a situation in the name of which a handful of appointive officers, what Mr. CARTER GLASS calls Janizaries, may extend their lease on power, a European war emergency is to be manufactured as an excuse for a third term? Are we to scrap America under the guise of saving Europe? Are we to overthrow the two-term precedence set by Washington, Jefferson, Jackson, and all their successors? And if so, why not a fourth, why not a succession; why not a dynasty?

One war at a time is enough. For 7 years the New Deal has waged war on the depression. Ten million unemployed are on our soil. This army is yet to be disbanded. For us its continuance and maintenance is more ominous than "an army with banners." There is before us a mountain of debt, more than forty-five billions high. Do not pile another of like size on it.

The world is on fire. We played the fool in 1917. Even a burnt child dreads the fire. Let us attend to our own business and let other people's business alone. Let us set our house in order. We have tried to drink ourselves sober; to spend ourselves prosperous on borrowed money; to get rich by going in debt; to get out of the hole by digging it deeper; to lift a nation by its bootstraps.

What would war mean for America? What sane man is there who does not shudder at its ghastly terrors—its devastating effect on our civilization, on our economic system, on our credit already bent to the breaking point, on our industry struggling to keep on its feet and to go forward under its own power, on our liberty, on the lives and happiness of our people?

> 'Tis liberty alone that gives the flower of life its fragrance and perfume, and we are weeds without it.

From the mouth of the Secretary of the Navy, Charles A. Edison, in January of this year, we have a forerunner of the bureaucracy and the dictatorial powers that would be riveted upon the necks of the American people if we get into this war. He astounded the Nation by requesting that the President be invested in time of peace with the broad powers to commandeer ships, factories, and war materials. He sent this proposition to the Congress at the opening of this session. A storm of protest arose. The concensus of the opinion of the country was thus expressed by the Kansas City Star:

> Those, of course, are the powers of a dictator. They are utterly repugnant to democratic principles in time of peace. Why are they being asked? * * * In short, is there any national emergency that could possibly justify the grant of such sweeping authority to the President? * * * No wonder Senator Borah calls the proposal "startling." No wonder so stanch an administration man as Senator MINTON declares that it "violates the spirit of a democratic country."

War would mean that this Nation would no longer be physically, mentally, morally, or spiritually free. Our manpower, our wealth, our factories, our farms would be drafted, and the people of this country would be under the rule of a dictatorship. The American people, their knees in suppliance bent, would tremble at the power of their new master. The businessman, big and little, the farmer, and all he possesses, would be in a governmental strait jacket. Peacetime America would be transformed into an armed camp. Our whole industrial and agricultural system—our entire economic set-up—would be made over into a gigantic war machine for the raising, through the draft, of the Army, and the feeding, the clothing, the training of our youth. Think of it!

American boys taken from their homes, from school, from the field, from the factory, from the mine, and builded into a living wall of flesh and blood—to fight, to suffer, to die in trenches and on fields beyond the seas. Do you think for one minute that America, as we have known it, as we hope she may continue, would ever again be the heritage to our children that it has been to us?

These are the things we are asked to give up to make the world safe for European empires. Is our security dependent on Britain's rule of India, Africa, the islands of the sea? Is our destiny challenged when the far-flung colonial empire of France is menaced? Are we to sneeze every time Europe takes snuff, and to get out our guns every time their perpetual wars break out? No; a thousand times no! We have no right to make of this Nation a pawn in the game of the Old World's high-powered politics. We have no right to shed the blood of our young men like water and to pour out the treasure of this people like sand in the age-old hates, grasping ambitions, intrigues, jealousies, and endless brawls and war of Europe. [Applause.]

Mr. POWERS. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, sometimes I think it is profitable for us to turn back the pages of history and look at the record as it may relate to some of the things that we are attempting to do at the present time.

Many years ago there was a very bright young man who had many novel ideas in regard to high finance. He was born in Edinburgh, Scotland. He was the son of a goldsmith, known in those days as a banker. It is reported that he came over to this country in colonial days, where he saw some of our banks of issue of paper money in operation, money issued against land. In those days we tried many experiments in money. Some bank notes were issued against rice and some against tobacco. This young man, whose name was John Law, went back to Europe before he had seen the ultimate disastrous results of the bank issues of paper money. He was finally driven out of England, or forced to leave England, charged with committing a murder in a love affair. He went over to Amsterdam and tried to interest Dutch bankers in his new scheme of paper money. He was unable to interest these men of sound money views in his fantastic scheme. He finally wrote a book which attracted very little attention, relating to trade and industry. Then he journeyed over to Paris, where he tried to interest Louis XIV in his plan of issuing paper money secured by land and the public credit.

France was in a woefully bad financial condition at the time, but Louis XIV was prejudiced against the Huguenots and would not listen to the proposals of this young man, John Law, who then entered into various gambling activities and became quite dissolute. Finally he left Paris—in fact, was escorted out of Paris by the chief of police as an undesirable character. He went to Genoa and stayed around there for a while as a gambler. When the Regent Orleans came into power France was practically bankrupt. They were discussing the question of how they could run the country through the wringer of bankruptcy. John Law, the advocate of paper money and inflation, was able to get a hearing with the Regent Orleans. He pointed out how it would be possible to issue paper money, secured by land and the public credit, and thus relieve France of the burden of debt. The Regent Orleans listened with great sympathy and finally authorized him to create a private bank to put his paper-money plan in operation. He issued paper money and it met with great success for a brief time, the whole of France rejoicing at the return of what appeared to be national prosperity. Industry sprang up in the provinces and the people felt that they had found the answer to the problems of threatened insolvency. But they soon found it necessary to issue more paper money, and as a result they established a national bank in place of the private bank of issue, and this young man, John Law, was made director of it. The bank issued more and more of the paper money. The life of the bank was rather short and finally the whole thing burst in what was known as the Mississippi scheme. They had given Law authority to operate a scheme in the Province of Louisiana. It was pictured to the investors of that day that the Province of Louisiana was a land of gold and silver, and the plan of the promoters was to use slave labor by capturing the Indians and forcing them to work, but there was no gold or silver there and finally the whole venture collapsed. France was left in poverty. They struggled along for years to overcome the situation which had been created by this wild experiment in the unlimited issue of paper money.

You would have thought that the French people would have learned their lesson, but, 70 years later, they found themselves again deeply in debt, and so they started another paper-money program. They figured if they could confiscate all of the church property and make this land, which constituted about one-fifth of the most valuable part of France, the backing for paper money, known as assignats, they would have the best security in the world for paper money.

This was discussed for a time in convention. The scheme was resisted by the sound financiers at the time, who pointed out the disaster that the Law experiment brought about; but it was claimed by the advocates of paper money that the reason John Law's scheme did not work was that too much paper money had been issued. Finally, Mirabeau, the great orator of France, made his appeal for the new system, and it was adopted. The church lands were confiscated, and money was issued against the land. The whole of France rejoiced again as the issue of paper money brought back what seemed like prosperity. People speculated, and they firmly believed that they had found a new way of living without working, without producing. But their periods of joy were rather short, because they found it necessary to issue more of the assignats and to increase the amount of the issues by millions and millions. As they issued more and more, the prices of everything went up, until finally flour cost practically $45 a bushel in our money, and everything else rose proportionately in price. Then they cried for the issue of still more assignats, and, although the bank issued them, yet the periods of prosperity became shorter and shorter, and each depression brought greater poverty and suffering to the people. Finally the people were brought to their knees. It required over 100 years following this paper-money debauch to reestablish their industrial institutions. Everything practically worth while was destroyed as a result of these experiments.

A distinguished statesman and scholar, describing this inflationary period, said:

> Inflation ended in the complete financial, moral, and political prostration of France. All this was caused because thoughtful people yielded to the promises and blandishments of dreamers, theorists, phrasemongers, declaimers, schemers, speculators, or to that sort of reform which is "the last refuge of a scoundrel."

If I had the time, I would go into the details at considerable length in regard to the arguments pro and con, one side presenting the arguments which we hear on this floor in favor of inflation. We hear them year in and year out urging the one great remedy. That remedy, so they claim, is to issue more currency, regardless of its metallic backing. On the other side, the sound financiers of France gave their arguments, and they were the same arguments that you hear today in favor of sound money. It would seem that after those experiments of long ago and the more recent experience of Germany, Russia, Italy, France, and Austria that Members of Congress would hesitate to advocate any program which had driven other nations to ruin and despair. We know what happened in Germany. We know to a certain extent what is happening right in this country. Germany had a sound banking system. She had a sound insurance system. She had great endowed institutions. What happened? Heavily in debt, they thought they could start the printing presses, and they did start them, and for a time it seemed to work; but without going into detail, the ultimate result was that the insurance policies of that great nation turned to ashes in the hands of the people, and large bequests were

not worth the postage that was used to mail the check to the beneficiary.

The finest line of endowed educational institutions in Europe found their endowments disappearing until they were only able to recover in some instances a very small percent, and some none at all of their endowments. The University of Frankfort's endowments were practically destroyed. Germany had a system where old people, by paying a certain amount of money, could establish themselves in their old age in a fine apartment, where they could live well, where they could have good food and the comforts of life. Those endowments were destroyed to the point where there was not enough left to enable the old people, who had paid for security in their old age, to buy even black bread and coffee. Banks were destroyed. All bank deposits disappeared. Now, that ought to be a warning to this country that we can go just about so far in piling up a national debt and no further with any degree of safety to our institutions. In 8 years sixty-six billions have been spent by the New Deal and our national debt is right up to the ceiling as authorized by law. If we take into consideration the contingent liabilities, then we have already reached the limit. As I recall it, the Secretary of the Treasury testified that we might possibly stand a debt of $50,000,000,000, but that he would not be responsible for the consequences if we went beyond that point. That is getting very close to the danger point.

Now, we have the recent experience of Germany, Russia, Austria, and even France which narrowly escaped extreme inflation. I believe that the French people are more terrified over the possibility of inflation than they are over the threatened invasion by the enemy armies. So I say the time has come in the United States to stop and think with regard to all of the collosal New Deal expenditures. There are hundreds of proposals here to spend money which may be beneficial, but when I realize that inflation is the most dangerous instrumentality that has ever been devised by the wit of man to destroy free government, I am saying to you that I believe my people can afford to wait before financing even many desirable and worthy activities.

May I say that already in this country of over 600 endowed educational institutions the aggregate income from their endowments has shrunk 50 percent. That is true of our eleemosynary and charitable institutions. Are we going to take the next step? I am not speaking to you politically. I am trying to provoke thought, to make my colleagues conscious of their responsibility. I would like to have the country feel its responsibility.

I believe that the intelligent forces of this country, in the light of history, must stop, look, and listen, and be content with smaller appropriations for many worthy projects until such time as we can balance our Federal Budget and thus assure our institutions and our people of their future security and safety. [Applause.]

Mr. SNYDER. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. SMITH].

Mr. SMITH of Connecticut. Mr. Chairman, the military subcommittee of the Appropriations Committee has brought out a bill which is a credit to their hard work and good judgment in an extremely difficult situation. There are some aspects which call for further study and discussion, but I must say that they have been faced with one of the most difficult tasks because of the financial situation and because of the fact that we have for practically 20 years allowed deficiencies to grow up in the equipment for our defense. The bill takes a long step toward remedying these deficiencies but I think in some respects it might well go somewhat further.

The only safe solution of our problems from a military standpoint is the immediate provision of full equipment for the small defensive army now known to us as the initial protective force, consisting of our existing forces exclusive of overseas garrisons in our possessions. This would be increased to a subsequent continental army composed of the existing units of the Regular Army and National Guard expanded to a strength of some 750,000 troops in units, plus 250,000 in reserve. Under what is known as the protective mobilization plan we should have equipment and ammunition on hand for that force for any mission needed for the defense of this hemisphere, certainly, for the defense of this continent. Lacking large reserves of ammunition and supplies, we should have enough in reserve for a few months with provision for industrial production of sufficient magnitude to supply the war needs of that force, delivery in quantity to begin by the time the reserves are exhausted. We do not have that provision today but we have made a start on the equipment of the initial protective force. This bill continues the acquisition of that equipment. It should complete it.

I am not going to take a great deal of time but I really would like to quote from some of the experiences we had in the last war. There is unfortunately an idea in the country that large purchases by the Allies in this war will make up for a lack of existing manufacturing capacity on our part. I would like to call the attention of the committee to the fact that during the World War although there were 3 years in which we were not in that war and that before we got in it the Allies had almost unlimited funds consisting not only of their own resources but what they were able to borrow here, we were very short of manufacturing capacity for the sort of things we needed when we got into it. I hope we will never get into another, but we should not depend on something which we know did not supply us with capacity at another time to supply ourselves for our own defense. For instance, let us take the matter of machine guns and 75-millimeter guns and ammunition:

Machine guns: Of orders for 4,000 heavy Vickers machine guns placed in December 1916, 2,000 were produced by the end of 1917. In 1918, 10,000 of these weapons were produced. Greater quantity production was impossible because of technical difficulties in manufacture. Production of the Browning automatic rifle and Browning machine gun began in quantity by the middle of 1918, some 13 months after the decision to manufacture them. It was a question of securing and setting up the necessary manufacturing equipment and learning how to produce these new arms. Two hundred and nineteen thousand machine guns and automatic rifles of all types were produced in 1918 compared to 8,000 in 1917, and of these 219,000, 160,000 were produced in the last half of 1918.

Seventy-five-millimeter guns: Initial plans in 1917 called for 3,200 (2,100 at once, and 1,100 a few months later for reserve and replacement). Those plans were increased in 1918 to require some 8,000 pieces for 1919. An early production of 300 to 400 per month was required if the supply was to be met within a reasonable time. Actually no production was reached in 1917, and only 100 per month of all calibers of artillery by July 1918, and 400 per month of all calibers by October 1918, 19 months after war was declared.

Seventy-five-millimeter ammunition: Production in small quantity began in January 1918 but it was not until October 1918 that production neared 3,000,000 per month, approximately three-fourths of the monthly requirement. After orders were placed the average time to produce finished shells and deliver to shipside was 366 days. The machining of the shell body was in itself a huge task requiring great industrial genius for its solution. To machine 1,000 shells in 8 hours, 78 machines, some of special design, were required. Twenty-four operations were required on each shell body requiring 30 minutes if no delay occurred in the factory.

As to 155 gun-recoil mechanism which was new to American manufacturers:

On an order placed November 1, 1917, production began in January 1919, 14 months later, and production of 45 per month was reached in July 1919, 20 months later. It was necessary to design 22 machines for this order, in addition to other manufacturing aids, and learn how to apply them to this mechanism.

The same situation prevailed in regard to many other items which we needed, in spite of the billions which were spent in those days by the allied purchasing agents in this country.

Ninety-six percent of the money spent by the Allies today in their purchases in this country goes for aircraft, which, of course, are not included in the educational-order program, because in the aircraft program the additional manufacturing capacity is being provided by foreign orders and by the orders of our own armed forces, so there is no need in that item for educational orders or production planning for further expansion.

Of the 4 percent of foreign orders now placed in this country for other than aircraft material, not more than 9 orders have been placed for items substantially the same as those

included in the War Department program of educational orders, and there are approximately 575 problem items on the list of the Ordnance Department alone. Furthermore, this 4 percent of foreign orders already placed will serve the purpose of education only in about 12 of the approximately 1,200 plants now scheduled by the War Department for inclusion in its educational-orders program.

Mr. POWERS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Connecticut. I yield.

Mr. POWERS. Does the gentleman know how much in dollars the 4 percent he speaks of amounts to?

Mr. SMITH of Connecticut. I do not have the figure here. I have the items. There are not more than 9 items out of 575 critical items which the War Department would like to place educational orders on. Those plants will not be reached by the items contained in the foreign orders.

Foreign orders may increase the production capacity for individual items, but what I want to bring to the attention of the Committee is that I believe that further attention should be paid the study of these items in order that we may insure ourselves of the capacity for the things we need, that we may find out what items we will not need to spend money on for educational orders, and that we may find out on what items production orders should be used in order to provide education. I believe the study will show, as it does in these foreign orders, that in most items we still need to increase manufacturing capacity, tools, and training of manufacturing plants so that we may be assured of production for our own defense.

The popular overestimation of the effect of the foreign orders on our production capacity today is brought out by the following facts furnished me by the planning branch:

(1) In accordance with your verbal request, I am submitting the following information with respect to the effect of foreign orders on the War Department's educational-orders program.

(2) The question has been asked whether current orders for munitions are not in fact securing for industry the training visualized under the educational-orders program. The answer is, "No." Of the munitions orders placed in this country from abroad, 96 percent in money value is for aircraft material. Recognizing the expansion that is occurring in the aircraft industry by reason of current orders, the War Department program for educational orders has excluded this industry from participation in the contracts awarded.

(3) Of the 4 percent of foreign orders now placed in this country for other than aircraft material, not more than 9 orders have been placed for items substantially the same as those included in the War Department's program of educational orders. This compares with a total of approximately 575 problem items on the shopping list of the Ordnance Department alone. Furthermore, this 4 percent of foreign orders already placed will serve the purpose of educational orders only in about 12 of the approximately 1,200 plants now scheduled by the War Department for inclusion in its educational-orders program. This program makes full allowance for such foreign orders as well as current-production orders placed by the War Department under the rearmament program and avoids duplication of the training obtained by such orders.

(4) The War Department has estimated that $16,250,000 will be necessary for carrying on the educational-orders program in the coming year. Of this total, the proposed program contemplates that $14,250,000 will be spent in preparation for the production of ordnance matériel and the remainder for similar preparations with respect to communication equipment for the Signal Corps, and defensive equipment for the Chemical Warfare Service. The program, as previously stated, makes no provision for educational orders for the aeronautical industry. Funds so far made available for educational orders will complete approximately one-fourth of the Ordnance Department's educational program. If no additional educational funds are made available the loss will therefore fall almost completely upon the Ordnance Department which, as indicated, has by far the most difficult problem in preparing industry for a possible war load.

(5) In brief, the curtailment of funds for educational orders will have a most serious effect on the ordnance program of industrial preparedness—a program which is being aided only slightly by current orders and which is the real limiting factor in mobilizing under the War Department's plans for defense.

H. K. RUTHERFORD,
Colonel, Ordnance Department, Director, Planning Branch.

This bill makes progress in overcoming our deficiencies. In view of the situation abroad, should we not now complete the job? Only then will we be free to follow the course best suited to the needs of our own people, with dependence on, and indebtedness to, no other nations for our defense.

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF of Michigan. Mr. Chairman, despite the efforts of the White House and the Department of State to dismiss the tour of Europe just completed by Under Secretary of State Sumner Welles as a mere incident, productive of no consequences, the American people still are gravely disquieted.

There seems to be a widespread feeling that the misrepresentations, more politely referred to in diplomatic circles as "diplomatic evasions," shrouded in mysterious meddlings in the affairs of Europe by a personal emissary of President Roosevelt, might, in some way, entangle us in Europe's quarrels. The citizens were not reassured by the secrecy surrounding Mr. Welles' visit to the White House with Secretary of State Cordell Hull, after Mr. Roosevelt's "Colonel House" had arrived in Washington from his European trip. As I recently stated, the people do not see how the information accumulated by Under Secretary of State Welles can be of great value to either the Nation, or to President Roosevelt, unless the President is contemplating at sometime or another in the future attempting to mess into peace efforts between the belligerents.

Mr. Roosevelt's apparently uninvited efforts toward what he characterized as peace, in his messages to Mussolini, Hitler, Chamberlain, and the Pope in the past, do not indicate any lack of intent on his part to thrust himself into peace negotiations at the first opportune moment. Unless he intends to do this it is, of course, impossible to see any reason for his having sent Mr. Welles abroad at all. Certainly our diplomatic representatives already stationed abroad must have been capable of keeping the President advised as to current events across the sea.

In spite of the vehement denial from the White House, and other sources, of the charges in the German White Book of unwise, and unauthorized activities or statements, on the part of Ambassador Bullitt and Ambassador Kennedy, the people saw—as they had a right to see—another phase of the New Deal administration's apparent determination to mix up in quarrels between nations in Europe and in the Orient. The President may feel that three grains of salt would reduce some of the "freshness" of our diplomats in mixing into foreign affairs, but not even the President himself would suggest that three barrels of salt would change the aspects of the now famous speech of our effervescent Minister to Canada, James H. R. Cromwell.

There are some old adages which have a peculiarly fitting application to this situation as the people appear, from their letters, and other expressions, to view it.

Where there is so much smoke there must be some fire.
When the clouds are black, and the winds howl, a storm impends.

The fact that on April 2 at Toronto the redoubtable Jimmy Cromwell burst forth again indicates that he, at least, believes the administration wants to mix into foreign quarrels, wants to take sides, and means to go the point of action far beyond mere words—and maybe not "short of war."

It is significant, of course, that Mr. Cromwell still holds his diplomatic job. It is significant that, in spite of the rebuke to him by the Secretary of State, he forthwith launches another offense—not to say offensive—against foreign nations. All these things add up to something, certainly, and that something cannot, by any stretch of imagination, be viewed as a deep yearning on the part of the administration to preserve genuine neutrality and peace.

Times, conditions, and circumstances being what they are, the American people will do well to keep their eyes and ears open and be ready to signify in no uncertain terms to the administration their disapproval of any attempt to involve this Nation in any foreign entanglements. [Applause.]

Mr. SNYDER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. RAYBURN, having taken the Chair as Speaker pro tempore, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 9209, making appropriations for the Military Establishment for the fiscal year ending June 30,

1941, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. SMITH of Connecticut. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two letters from the War Department on the pending bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut [Mr. SMITH]?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole today and to include excerpts from hearings on the bill under consideration, excerpts from the report on the bill, and a brief excerpt from a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the Delegate from Alaska [Mr. DIMOND]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I have a special order today, but in view of the lateness of the hour I do not desire to use the time. I ask unanimous consent that I may have 30 minutes in which to address the House on Wednesday next, April 10, after disposition of business on the Speaker's table, the legislative business in order for the day, and at the conclusion of any previous orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. DICKSTEIN]?

There was no objection.

ORDER OF BUSINESS

Mr. WHITE of Idaho. Mr. Speaker, on March 25, the gentleman from Michigan [Mr. HOFFMAN] and I had a discussion on the floor. The gentleman from Michigan [Mr. HOFFMAN] and I have agreed that he may leave that part of the discussion out of the RECORD.

EXTENSION OF REMARKS

Mr. ROUTZOHN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an extract from a broadcast of Fulton Lewis over station WOL last evening, April 2, 1940.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. ROUTZOHN]?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

Mr. POWERS. Mr. Speaker, reserving the right to object, what is the gentleman's plan so far as the War Department appropriation bill is concerned? Does he expect to have the bill passed tomorrow night?

Mr. SNYDER. I suggest that we meet at 11 o'clock and, if possible, start general debate as early as possible, and complete the bill, if possible, tomorrow evening.

Mr. POWERS. There are too many "if possibles" in there. Does the gentleman intend to complete the consideration of the bill tomorrow night and then is it his intention that the House adjourn until Monday next?

Mr. SNYDER. I would like to make that agreement with the gentleman if I could.

Mr. POWERS. I shall be delighted to make the agreement and I withdraw any reservation of objection to the 11 o'clock meeting.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. NORTON, for 2 days, on account of important business.

To Mr. JOHNS, for 10 days, on account of death in family.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 166. An act for the relief of Nathan Kaplan;

S. 454. An act for the relief of Ernest S. Frazier;

S. 607. An act to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended;

S. 1442. An act for the relief of Max J. Mobley;

S. 1510. An act for the relief of George Louis Artick;

S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds;

S. 2201. An act for the relief of Alabama Lewis Poole;

S. 2252. An act for the relief of Louis Simons;

S. 2433. An act for the relief of Frank Casey;

S. 2491. An act for the relief of Edward J. Gebhart;

S. 2492. An act for the relief of Dane Goich;

S. 2527. An act for the relief of Mary Nouhan; and

S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter.

ADJOURNMENT

Mr. SNYDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 19 minutes p. m.) the House, under the order heretofore entered, adjourned until tomorrow, Thursday, April 4, 1940, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON THE JUDICIARY

On April 9, 1940, at 10:30 a. m., there will be continued before Subcommittee No. IV of the Committee on the Judiciary a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building, and will be continued on April 10, at 10:30 a. m.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1521. A letter from the Secretary of War, transmitting draft of a proposed bill to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes; to the Committee on Military Affairs.

1522. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and an illustration, on reexamination of Cranes Creek, Va., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted May 4, 1939 (H. Doc. No. 687); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1523. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 21, 1940, submitting a report, together with accompanying papers and an illustration, on reexamination of Totuskey Creek, Va., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted June 6, 1939 (H. Doc. No. 686); to the Committee on Rivers and and Harbors and ordered to be printed, with an illustration.

1524. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and illustrations, on reexamination of Crescent City Harbor, Calif., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 28, 1939 (H. Doc. No. 688); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SNYDER: Committee on Appropriations. H. R. 9209. A bill making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes; without amendment (Rept. No. 1912). Referred to the Committee of the Whole House on the state of the Union.

Mr. YOUNGDAHL: Committee on Interstate and Foreign Commerce. H. R. 8397. A bill to extend the time for commencing and completing the construction of a bridge or bridges across the St. Louis River at or near the city of Duluth, Minn., and the city of Superior, Wis., and to amend the act of August 7, 1939, and for other purposes; with amendment (Rept. No. 1913). Referred to the House Calendar.

Mr. KELLY: Committee on Interstate and Foreign Commerce. H. R. 8495. A bill to extend the times for commencing and completing the construction of a bridge or bridges across the Mississippi River at or near the cities of Dubuque, Iowa, and East Dubuque, Ill., and to amend the act of July 18, 1939, and for other purposes; with amendment (Rept. No. 1914). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 8510. A bill to amend the Locomotive Inspection Act of February 17, 1911, as amended, so as to change the title of the chief inspector and assistant chief inspectors of locomotive boilers; without amendment (Rept. No. 1915). Referred to the House Calendar.

Mr. SUTPHIN: Committee on Naval Affairs. H. R. 7078. A bill to authorize the acquisition by the United States of lands in Manchester and Jackson Townships of the county of Ocean and State of New Jersey for use in connection with the Naval Air Station, Lakehurst, N. J.; with amendment (Rept. No. 1916). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL: Committee on the Public Lands. H. R. 8316. A bill authorizing the Secretary of the Interior to sell certain land to the Conconcully Cemetery Association; with amendment (Rept. No. 1917). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOLMES: Committee on Interstate and Foreign Commerce. S. 2611. An act authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes; without amendment (Rept. No. 1918). Referred to the Committee of the Whole House on the state of the Union.

Mr. KING: Committee on the Territories. H. R. 9185. A bill to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended; without amendment (Rept. No. 1921). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR: Committee on the Public Lands. S. 1977. An act for the relief of John A. Farrell; without amendment (Rept. No. 1919). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 7967. A bill to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of date November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; with amendment (Rept. No. 1920). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANDOLPH:

H. R. 9210. A bill to amend an act entitled "An act to establish a Board of Indeterminate Sentence and Parole for the District of Columbia and to determine its functions, and for other purposes," approved July 15, 1932, and for other purposes; to the Committee on the District of Columbia.

By Mr. ARNOLD:

H. R. 9211. A bill to amend section 14 of chapter III and section 468 of chapter XII of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mrs. CLARA G. McMILLAN:

H. R. 9212. A bill to authorize mailing of pistols and other similar arms by local police officers; to the Committee on the Post Office and Post Roads.

By Mr. CROWE:

H. R. 9213. A bill providing for a survey of the proposed General Anthony Wayne Memorial Parkway; to the Committee on the Public Lands.

By Mr. DOUGHTON:

H. R. 9214. A bill to transfer to the Government of the Virgin Islands of the United States all taxes collected under the internal-revenue laws of the United States on articles

imported into the United States from the Virgin Islands; to the Committee on Ways and Means.

By Mr. GREEN:

H. R. 9215. A bill to provide domiciliary care and medical and hospital treatment for certain minor children of World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. HART:

H. R. 9216 (by request). A bill relating to personal-injury suits by seamen, and to amend the act of March 4, 1915 (ch. 153, sec. 20, 38 Stat. 1185) and the act of June 5, 1920 (ch. 250, art. 33, 41 Stat. 1007); to the Committee on Merchant Marine and Fisheries.

By Mr. IZAC:

H. R. 9217. A bill to amend the act for the completion of the Navy and Marine Memorial; to the Committee on the Library.

By Mr. McGEHEE:

H. R. 9218. A bill to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. VINSON of Georgia:

H. R. 9219. A bill relating to the status of retired officers of the Navy, and to amend section 113 of the Criminal Code; to the Committee on Naval Affairs.

By Mr. HORTON:

H. R. 9220. A bill to prohibit the acquisition of land for creation or extension of national parks, parkways, monuments, or recreation areas except by an act of Congress; to the Committee on the Public Lands.

By Mr. McCORMACK:

H. R. 9221. A bill establishing in the Department of Labor a Bureau for the Welfare of the Deaf, and for other purposes; to the Committee on Labor.

By Mr. FADDIS:

H. J. Res. 503. Joint resolution providing for a board to seek a solution for unemployment; to the Committee on Labor.

By Mr. FISH:

H. J. Res. 504. Joint resolution to restrict the purchase of gold by the Treasury; to the Committee on Ways and Means.

By Mr. SHANLEY:

H. Con. Res. 57. Concurrent resolution reiterating strict and impartial neutrality; to the Committee on Foreign Affairs.

By Mr. SMITH of Virginia:

H. Con. Res. 58. Concurrent resolution authorizing the printing of additional copies of House Report No. 1902, entitled "Intermediate Report of Special Committee to Investigate the National Labor Relations Board"; to the Committee on Printing.

By Mr. SCRUGHAM:

H. Res. 453. Resolution to dissolve all agreements between the United States and the Union of Soviet Socialist Republics; to the Committee on Ways and Means.

By Mr. HENNINGS:

H. Res. 454. Resolution to provide for the creation of a select committee to investigate the activities and policies of the Government of the United Mexican States insofar as such activities and policies relate to, and affect the rights of, citizens of the United States; to the Committee on Rules.

H. Res. 455. Resolution providing for expenses of the select committee created by House Resolution 454; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Ohio:

H. R. 9222. A bill granting a pension to Anna G. Clark; to the Committee on Invalid Pensions.

By Mr. GREEN:

H. R. 9223. A bill for the relief of E. P. Corley; to the Committee on Claims.

H. R. 9224. A bill for the relief of Charles M. Hosch; to the Committee on Military Affairs.

H. R. 9225. A bill for the relief of Charles M. Hosch; to the Committee on Military Affairs.

By Mr. GREGORY:

H. R. 9226. A bill for the relief of Mr. and Mrs. R. F. Claud; to the Committee on Claims.

By Mr. HARRINGTON:

H. R. 9227. A bill granting a pension to Kittie M. Gardner; to the Committee on Invalid Pensions.

By Mr. MARCANTONIO:

H. R. 9228. A bill for the relief of Salvatore Delvino; to the Committee on Immigration and Naturalization.

H. R. 9229. A bill for the relief of Jose Perez and Dolores Perez; to the Committee on Immigration and Naturalization.

By Mr. PATMAN:

H. R. 9230. A bill for the relief of Dr. Osler Y. Janes; to the Committee on Claims.

By Mr. SIMPSON:

H. R. 9231. A bill for the relief of William S. Hall; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7295. By Mr. HOUSTON: Petition of Mrs. O. R. Nelson and 31 other residents of Wichita, Kans., urging enactment of Senate bill 280, a bill to prohibit compulsory block-booking by motion-picture distributors; to the Committee on Interstate and Foreign Commerce.

7296. By Mr. MICHAEL J. KENNEDY: Petition of the Jamaica Chamber of Commerce, Jamaica, N. Y., urging favorable consideration of the bill introduced by Congressman WILLIAM B. BARRY, providing for a 2-cent postage rate within the Borough of Queens, New York City; to the Committee on the Post Office and Post Roads.

7297. Also, petition of the National Maritime Union of America, urging that the President of the United States be asked to assume the authority of declaring an emergency; and in the absence of such legislation he issue an Executive order putting such proposal into effect; to the Committee on Merchant Marine and Fisheries.

SENATE

THURSDAY, APRIL 4, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Lord of power and giver of grace and wisdom, we commend to Thee all who are engaged in the government of this Nation. Grant to them clean hands, pure hearts, and a steadfast devotion to the cause of righteousness. May their works fulfill Thy will in our land, to the succor of the poor, the relief of the oppressed, and the redress of every social wrong, that we may stand blameless before Thee. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, April 3, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Barkley	Bulow	Chandler
Ashurst	Bilbo	Byrd	Chavez
Austin	Bone	Byrnes	Clark, Idaho
Bailey	Bridges	Capper	Clark, Mo.
Bankhead	Brown	Caraway	Connally

Danaher	Hayden	Mead	Shipstead
Davis	Herring	Miller	Smathers
Donahey	Hill	Minton	Smith
Downey	Holman	Murray	Stewart
Ellender	Holt	Neely	Taft
Frazier	Hughes	Norris	Thomas, Idaho
George	Johnson, Calif.	Nye	Thomas, Okla.
Gerry	Johnson, Colo.	O'Mahoney	Thomas, Utah
Gibson	King	Overton	Tobey
Gillette	La Follette	Pepper	Townsend
Glass	Lee	Pittman	Tydings
Green	Lodge	Radcliffe	Vandenberg
Guffey	Lundeen	Reed	Van Nuys
Gurney	McCarran	Reynolds	Wagner
Hale	McKellar	Schwartz	Walsh
Harrison	McNary	Schwellenbach	Wiley
Hatch	Maloney	Sheppard	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the senior Senator from Illinois [Mr. LUCAS], the junior Senator from Illinois [Mr. SLATTERY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is absent because of illness, and the Senator from Maine [Mr. WHITE] is necessarily absent.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States, submitting nominations, were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 166. An act for the relief of Nathan Kaplan;

S. 454. An act for the relief of Ernest S. Frazier;

S. 607. An act to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended;

S. 1442. An act for the relief of Max J. Mobley;

S. 1510. An act for the relief of George Louis Artick;

S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds;

S. 2201. An act for the relief of Alabama Lewis Poole;

S. 2252. An act for the relief of Louis Simons;

S. 2433. An act for the relief of Frank Casey;

S. 2491. An act for the relief of Edward J. Gebhart;

S. 2492. An act for the relief of Dane Goich;

S. 2527. An act for the relief of Mary Nouhan; and

S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter.

APPROPRIATION, NAVAL MEDICAL CENTER AT WASHINGTON (S. DOC. NO. 177)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental provision pertaining to the appropriation (fiscal year 1941), Public Works, Bureau of Yards and Docks, Navy Department, relative to an appropriation for the Naval Medical Center, Washington, D. C., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITION

The VICE PRESIDENT laid before the Senate the petition of the Young People's Society, First Presbyterian Church, of Oklahoma City, Okla., praying for the imposition of an embargo on the shipment of war materials to Japan, which was referred to the Committee on Foreign Relations.

APPROPRIATIONS FOR NATIONAL LABOR RELATIONS BOARD AND WAGE AND HOUR ADMINISTRATION

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a telegram received by me from Henry Allai, president, District 14, United Mine Workers of America, Pittsburg, Kans. Mr. Allai is well known to me. He is a high-class citizen, who devotes 100 percent of his time and energy to serving his people. I ask the Senate to give full and careful consideration to his request that adequate funds be appropriated for the National Labor Relations Board and for the Wage and Hour Administration. I send the telegram to the desk for appropriate reference.

There being no objection, the telegram was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

PITTSBURG, KANS., *March 27, 1940.*

Senator ARTHUR CAPPER,
Senate Office Building, Washington, D. C.:

We are asking you to help restore full appropriations in behalf of the National Labor Relations Board and also for the Wage and Hour Administration, not as reported by the House Appropriations Committee. As the enemies of labor cannot successfully destroy these laws which are beneficial to organized labor, they are trying to destroy them to the extent that they will not function properly if the recommendation made by the House Appropriations Committee is enacted. We are asking you to do this in behalf of the wage earners of the State of Kansas, so that we also may be properly protected under the Federal laws of our country.

HENRY ALLAI,
President, District 14, United Mine Workers of America.

PROGRAM OF MINNEAPOLIS BUILDING TRADES COUNCIL

Mr. SHIPSTEAD. Mr. President, I have here a statement in the nature of a petition from the Minneapolis Building Trades Council who request that it be printed in the RECORD. I ask unanimous consent that the request be granted and that the matter be properly referred.

There being no objection, the statement was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

MINNEAPOLIS BUILDING TRADES COUNCIL,
Minneapolis, Minn., March 29, 1940.

The program and position of the Minneapolis Building and Construction Trades Council regarding Works Progress Administration (W. P. A.); Public Works Administration (P. W. A.); and relief from unemployment was not correctly presented in the public press in relation to the meeting sponsored by the Associated General Contractors (A. G. C.) held at the Radisson Hotel, March 27, 1940, and attended unofficially by representative of the Building and Construction Trades Council of Minneapolis, Minn.

In order that the public may be correctly informed' the undersigned committee is authorized by the Minneapolis Building and Construction Trades Council to present its program as follows:

The council does not take the position that it is opposed to all Works Progress Administration (W. P. A.) work under any and all conditions.

We are, however, opposed to the Works Progress Administration (W. P. A.) entering the field of the building and construction industry or other trades at wages below prevailing A. F. of L. trade-union wages and conditions.

We are opposed to the sponsoring of such W. P. A. work which displaces regular civil-service employees and workers who could otherwise be employed; and any regulations which provide pauperizations as a condition for employment on W. P. A. work, and in favor of separating the W. P. A. from any relief agency, and in favor of part-time or total unemployment and adequate mechanical qualifications (consistent with good workmanship) as conditions for employment on all W. P. A. work.

For repeal of the Woodrum amendment and reestablishment of prevailing A. F. of L. trade-union wages and conditions, and 30-hour workweek on all W. P. A. work, so as to make possible the employment of union members on W. P. A. work; on this basis we support additional appropriations for W. P. A.

For an additional appropriation, in this congressional session, of at least $3,000,000,000 for the Public Works Administration to be expended for needed and worthy public-works construction and slum clearance at prevailing American Federation of Labor trade-union wages and conditions.

FEDERAL HOUSING AUTHORITY

For the continuation and expansion of the Federal Housing Authority on the basis of good-standard homes as against substandard homes and at prevailing trade-union wages and conditions.

Against any wage cuts and for establishment of more uniform wage rates to all workers by increasing the lower wage rates toward the higher wage rates, thereby enabling the workers to procure good homes and to purchase and consume more of the wealth produced, thus stimulating the market and increasing employment and business.

We sincerely believe that there is no constructive relief from unemployment by reducing wages. A cut in the higher-wage brackets results in a drive to cut all wages.

NATIONAL YOUTH ADMINISTRATION

Against discrimination of the youth through low wages and for establishment of prevailing trade-union wages and apprenticeship on all work in connection with the National Youth Administration.

For the enactment by the United States Congress of a law providing for a maximum 30-hour workweek, with no reduction in pay, in all industries, thereby creating jobs for many millions of adults and youths.

For liberal increases of the benefits in the various categories of social security, youth, old-age assistance, and unemployment-insurance legislation, State and Federal.

For the enactment of a State enabling act providing for establishing State, county, and municipal housing authorities, thus enabling the State and municipalities and counties to share in Federal appropriations for housing construction and slum clearance.

For a State enabling act authorizing the city of Minneapolis (as a city of first class) to issue special bonds for purposes of such public-works construction as a new city hospital, maternity and convalescent home, schools, etc., to satisfy the health, educational, and recreational needs of our city.

For retaining and improvement of the civil service and day-labor system of the city of Minneapolis.

For equal job opportunities to all workers at trade-union wages and conditions.

Against involving our country in any imperialist wars or entanglements. Let us keep our youth at home, producing wealth at trade-union wages and with a future and security for themselves instead of dying on foreign battlefields to further the interest of profit-greed war mongers and ruthless exploiters.

The Minneapolis Building and Construction Trades Council is interested in establishing decent living standards and economic security not only for all building-trades men but for all workers.

We are convinced that our country has all the required scientific knowledge, resources, and productive facilities and capacities to provide all able-bodied men, women, and youth with employment at wages which will enable them to enjoy the wealth produced and to sustain efficient and fair management and with a reduced workweek which will absorb the unemployed and legislation which will guarantee comfortable protection to the sick, aged, and incapacitated and adequate educational facilities for the youth in all branches of art and knowledge.

We earnestly solicit the support of all people to achieve this immediate and long-range program.

Signed by:

[SEAL]

G. I. MILLER, *President.*
WALTER FRANK, *Trustee.*
JAMES FLOWER.
H. B. JENSEN, *Secretary.*
L. BOEREBACH.

PROTEST OF THE BOSTON STOCK EXCHANGE—MEMORIAL

Mr. WALSH. Mr. President, I present on behalf of myself and my colleague the Senator from Massachusetts [Mr. LODGE] a letter from President Yerxa, of the Boston (Mass.) Stock Exchange, addressed to the Honorable Jerome N. Frank, Chairman of the Securities and Exchange Commission, alleging that the recent action of the New York Stock Exchange is discriminatory and oppressive in its effect upon those who are members of both the New York and Boston Stock Exchanges, and that it is inconsistent with the declared purpose of the Congress.

I ask that the letter be printed in the RECORD, treated in the nature of a memorial, and referred to the Committee on Banking and Currency.

I also ask that the vote of the board of governors of the New York Stock Exchange on February 28, 1940, and which the members of the Boston Stock Exchange protest, be printed in the RECORD, and likewise referred to the same committee.

There being no objection, the letter referred to and vote of the board of governors of the New York Stock Exchange were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

BOSTON STOCK EXCHANGE,
March 25, 1940.

Hon. JEROME N. FRANK,
Chairman, Securities and Exchange Commission,
Washington, D. C.

MY DEAR MR. FRANK: On March 15 I discussed with you briefly the recent action of the New York Stock Exchange designed to stop any member who is also a member of another exchange from acting as a dealer on the other exchange in any security traded on both exchanges. To accomplish this result, the New York Stock Exchange invokes an old provision of its constitution which has never heretofore been treated as applicable to dealer activities outside of New York City.

Local exchange markets in securities also dealt in on the New York Stock Exchange are not new. For many years securities have been listed and traded on both the Boston Stock Exchange and the New York Stock Exchange. Similar situations are also true of other regional exchanges, such as Philadelphia, Chicago, and San Francisco. American Telephone and Telegraph Co. capital stock, and other well-known securities, were listed on this exchange before they were listed in New York.

As early as 1868 local interest in New England in certain securities traded on the New York and Philadelphia Stock Exchanges prompted the Boston Stock Exchange to permit trading in those securities. This practice has been continued, and at the present time a number of members of the Boston Stock Exchange who are dealers in such stocks on that exchange are members, or allied members, of the New York Stock Exchange. Furthermore, Boston members have purchased New York seats in reliance upon the fact that the New York Exchange did not question the right of firms having seats on both exchanges to conduct business on both exchanges.

Now, by the adaptation of a rule never before treated as or deemed applicable, the New York Stock Exchange proposes to force local firms holding memberships in both the New York Stock Exchange and local exchanges to give up all dealer activities on the local exchanges in securities traded both on the New York Exchange and local exchanges.

From the viewpoint of public interest, it appears impossible to justify this new interpretation. In 1936, by act of Congress, exchanges were permitted to continue then existing trading privileges. In addition, exchanges were given the right to extend trading privileges to any security listed on another exchange, whenever, by reason of local distribution, local trading activity, and otherwise, the Commission was of the opinion that a local exchange market was appropriate in the public interest.

This action, to quote the House Committee on Interstate and Foreign Commerce, represented "an endeavor to create a fair field of competition among exchanges and between exchanges as a group, and the over-the-counter markets, and to allow each type of market to develop in accordance with its natural genius and consistently with the public interest."

The Commission, in subsequent decisions sanctioning local exchange markets, has given effect to the congressional purpose of encouraging free competition among exchanges. In no instance, we believe, has the New York Stock Exchange opposed applications by local exchanges for permission to maintain local secondary markets in securities listed on the New York Stock Exchange.

We are equally at a loss to understand how this action can be justified from the viewpoint of the New York Stock Exchange's own interest. During the past 5 years the proportion of the share volume on the New York Stock Exchange to the total share volume on all registered exchanges (20 in 1939) in the United States has been as follows:

Year:	*Percent of N. Y. S. E. to total*
1935	75.4
1936	73.2
1937	72.7
1938	78.8
1939	78.7

From these figures, released by your Commission, it appears that the New York Stock Exchange has not suffered from the activities of the other exchanges. A summary of the volume figures compiled by the 19 principal exchanges shows that New York's percentage back in 1928 was only 65.4 percent, and in 1929 only 60.5 percent.

It is our opinion that the present action of the New York Stock Exchange is discriminatory and oppressive in its effect upon those who are members of both the New York and Boston Stock Exchanges, and that it is inconsistent with the declared purpose of Congress.

Very truly yours, JOHN E. YERXA, *President.*

VOTE OF BOARD OF GOVERNORS

The board of governors of the New York Stock Exchange on February 28, 1940, voted to instruct the committee on member firms to enforce article XVI, section 8, of the constitution. This rule forbids members to deal on outside exchanges in stocks listed on the New York Stock Exchange:

"SEC. 8. Whenever the board of governors, by the affirmative vote of 17 governors, shall determine that a member or allied member is connected, either through a partner or otherwise, with another exchange or similar organization in the city of New York which permits dealings in any securities dealt in on the exchange, or deals directly or indirectly upon such other exchange or organization, or deals publicly outside the exchange in securities dealt in on the exchange, such member or allied member may be suspended or expelled as the board may determine."

REPORT OF INDIAN AFFAIRS COMMITTEE

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the joint resolution (H. J. Res. 289) to amend section 5 of Public Law No. 360, Sixty-sixth Congress, reported it with an amendment and submitted a report (No. 1377) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MEAD:

S. 3717. A bill authorizing the retirement of Charles H. Rich as a major in the United States Army; to the Committee on Military Affairs.

By Mr. GILLETTE:

S. 3718. A bill to prohibit producers, refiners, and marketers of petroleum products from operating tankers and barges; to the Committee on the Judiciary.

By Mr. SCHWELLENBACH:

S. 3719. A bill to promote the rehabilitation of the migratory fish of the Columbia River required by the construction of the Grand Coulee Dam; to the Committee on Commerce.

By Mr. PEPPER:

S. J. Res. 239. Joint resolution providing for the appropriation of an additional $150,000,000 to the Work Projects Administration to be expended for work relief during the remainder of the fiscal year ending June 30, 1940; to the Committee on Appropriations.

ADJUSTMENT OF SALARIES OF RURAL LETTER CARRIERS—AMENDMENT

Mr. LA FOLLETTE submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 1663) to adjust the salaries of rural letter carriers, and for other purposes, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. THOMAS of Oklahoma submitted amendments intended to be proposed by him to House bill 8745, the Interior Department appropriation bill, 1941, which were referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 119, line 11, to strike out "$30,738" and insert "$60,738" [increase of $30,000 for forest-wildlife research].

On page 119, line 16, to strike out "$183,300" and insert "$213,300" [increase in total of $30,000].

On page 122, line 16, to strike out "$79,753" and insert "$329,753" [increase of $250,000].

On page 122, line 19, add the following language: "which said amount shall be available for the acquisition by purchase or otherwise of such lands or easements and other interests in lands as may be necessary to provide for the restoration, rehabilitation, and protection of migratory waterfowl or other forms of wildlife."

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL

Mr. MALONEY submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill under the caption "Flood control" insert the following:

"Provided further, That the local flood-protection works at Hartford and East Hartford, Conn., and Springfield, West Springfield, Chicopee, Holyoke, and Northampton, Mass., authorized by the Flood Control Act approved June 28, 1938, shall be constructed in accordance with the revised plans and cost estimates described in House Document No. 653, Seventy-sixth Congress, third session."

Mr. MALONEY also submitted an amendment intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

Mr. MALONEY also submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood Control, insert a new paragraph, reading as follows:

"Emergency fund for flood control on rivers or tributaries other than those of the Mississippi River: For rescue work and for repair, maintenance, or construction of flood-protection works on rivers or tributaries other than those of the Mississippi River, in emergency cases in each of which the Chief of Engineers shall find and certify that in his opinion the flood menace to a community is grave, the work in each case to be done in accordance with the recommendations of the Chief of Engineers, and which works are hereby authorized, a sum not to exceed $800,000 to be allocated by the Secretary of War on the recommendation of the Chief of Engineers, such emergency fund shall be available for expenditure upon projects for which allotments therefrom may be made, any other provisions of this act to the contrary notwithstanding."

Mr. JOHNSON of California submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill under the caption "Flood control", Sacramento River, Calif.", insert the following: *"Provided,* That the additional sum of $1,844,000 is hereby authorized to be expended for completion of Sacramento River flood-control works heretofore authorized."

Mr. JOHNSON of California also submitted an amendment intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

Mr. THOMAS of Oklahoma submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood Control", insert the following: *"Provided further,* That the local flood-protection works in the Connecticut River Basin authorized by the Flood Control Act approved June 28, 1938, shall be constructed in accordance with the revised plans and cost estimates described in House Document No. 653, Seventy-sixth Congress, third session."

Mr. THOMAS of Oklahoma also submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood control, additional facilities—Panama Canal", insert the following: "and, in addition, the Governor of the Panama Canal may, when authorized by the Secretary of War, make or authorize the making of contracts prior to July 1, 1941, for or on account of the construction of such additional facilities, to an amount not in excess of $99,000,000."

Mr. THOMAS of Oklahoma also submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood control, general", insert the following: *"Provided further,* That the additional sum of $28,000,000 is hereby authorized to be appropriated for continuing construction of the comprehensive plan for flood control and other purposes in the Arkansas River Basin as authorized in the Flood Control Act approved June 28, 1938: *Provided further,* That the additional sum of $13,000,000 is hereby authorized to be appropriated for continuing construction of the compresensive plan for flood control and other purposes in the White River Basin as authorized in the Flood Control Act approved June 28, 1938."

Mr. THOMAS of Oklahoma also submitted three amendments intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which were referred to the Committee on Appropriations and ordered to be printed.

For text of the amendments referred to, see the foregoing notices.

ADDRESS BY SENATOR TOBEY ON THE CENSUS

[Mr. TOBEY asked and obtained leave to have printed in the RECORD a radio address delivered by him on April 1, 1940, on the subject of the census, which appears in the Appendix.]

ALIEN REGISTRATION—LETTER OF ATTORNEY GENERAL M'MULLAN, OF NORTH CAROLINA

[Mr. REYNOLDS asked and obtained leave to have printed in the Appendix of the RECORD a letter written by Hon. Harry

McMullan, Attorney General of North Carolina, to Hon. Thad Eure, Secretary of State of North Carolina, on the subject of alien registration, which appears in the Appendix.]

STATEMENT BY ADAM CASTILLO AND ETHAN ANDERSON ON BEHALF OF CALIFORNIA INDIANS

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD a statement by Adam Castillo and Ethan Anderson, representing the Mission Indian Federation of Southern California and the Indians of California, Inc., which appears in the Appendix.]

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The VICE PRESIDENT. The question is on agreeing to to the amendment of the Senator from Wyoming [Mr. O'MAHONEY], as modified.

Mr. BROWN. Mr. President, I desire to discuss for a few moments some of the general features of the reciprocity-trade program, and then devote myself to the pending question, the O'Mahoney amendment.

Throughout the debate we have heard much of the legal questions involved. So many of us are lawyers that the interesting legal questions attract us. These considerations are important, but I regret that the many able Senators who have spoken have not had much to say as to the practical effect of the program in the past and its probable effect in the future.

The general dissatisfaction with the Smoot-Hawley Act gave rise to a demand for a reduction of tariff rates. It has often been said that the Democrats have not repealed the Smoot-Hawley law. Looked at superficially, this criticism can be made, but, of course, the effect of the application of the trade-agreements law by the President has been greatly to reduce tariff rates and barriers. But, Mr. President, while there is language in the Trade Agreements Act which indicates that foreign markets should be expanded, the law itself does not require a reduction of rates. In fact, it permits as great an increase of rates as it does a decrease. The Smoot-Hawley rates may be decreased 50 percent, but they may also be increased 50 percent. So it cannot be said that the statute itself requires any reduction in what are generally considered the excessive rates and prohibitive tariffs of the Smoot-Hawley Act.

But we do not disassociate the act from its administration. It could be used by a high-tariff President to bring about a great increase in the tariff rates of the United States if he could find nations that would sign such agreements, and the act certainly would give him authority to maintain the Smoot-Hawley rates without change. I sometimes think that the Secretary, and others who strongly favor this program, have overlooked the fact that the Smoot-Hawley Act rates could at least be maintained and probably could be increased by a high-tariff President if we should have the misfortune to have one in this year of 1940.

It must be remembered that under section 2b the power of termination is in the President; and every treaty which is now in existence may be terminated by a President unfavorable to the reciprocal-trade agreements. Congress alone may not abrogate or continue these agreements. The President may. I shall have more to say about this proposition a little later.

I think the administration of the law has been excellent. No one can successfully deny that under it our foreign trade has expanded without material harm to our domestic trade. Both as a manufacturing and as an agricultural exporter our prosperity has been increased by our export trade.

Taking the case of agriculture—and I have heard more from my own State of Michigan on the subject of agriculture than I have upon any other—in the Senate hearings, on pages 95 to 103, Secretary Wallace established the fact, which I should like Senators to realize, that we now utilize 28,375,000 acres to grow the agricultural commodities which are exported, and that 7,564,000 acres are used to grow the commodities which are imported into the United States. That means that if we entirely closed our ports to exports we should lose the use of 28,000,000 acres of land which are devoted to the growth of our agricultural exports. If, on the other hand, we grew upon our own soil all the products which are imported—of course, I am not including rubber, coffee, and such commodities as those—we should gain only 7,000,000 acres. We use for export four times as much land as we should gain if we grew all the products which are imported which could be grown within the borders of the United States.

These figures are for the crop year 1938–39. For some years the same ratio has held, roughly, 4 to 1.

Secretary Wallace put the matter well when he said, in substance, that by eliminating our international trade as to agriculture we should be trading dollars for quarters. We export four times as much in acres of growth as we import.

I ask that two tables dealing with this subject be printed in the RECORD at this point as a part of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Acreage equivalent of principal agricultural imports, 1919–20 to 1938–39

[Average yield in acres]

Crop year	Sugar [1]	Flaxseed [2]	Animal products		Wheat [3]	Corn	Oats, barley, rye, buckwheat	Hay	Cotton	Fruits	Vegetables	Other [4]	Total
			Grain	Hay									
1919–20	3,066,000	4,010,000	380,000	584,000	(5)	272,000	358,000	216,000	2,041,000	83,000	7,000	3,034,000	14,051,000
1920–21	2,757,000	2,699,000	225,000	361,000	(5)	8,000	184,000	108,000	676,000	94,000	2,000	1,030,000	8,144,000
1921–22	3,382,000	3,613,000	218,000	372,000	615,000	7,000	138,000	4,000	1,140,000	128,000	9,000	844,000	10,470,000
1922–23	3,396,000	4,457,000	323,000	524,000	538,000	8,000	37,000	30,000	1,433,000	106,000	6,000	1,248,000	12,106,000
1923–24	3,018,000	3,261,000	425,000	460,000	1,121,000	157,000	260,000	345,000	972,000	94,000	21,000	924,000	11,058,000
1924–25	3,571,000	2,333,000	609,000	409,000	23,000	43,000	58,000	102,000	997,000	103,000	42,000	1,053,000	9,343,000
1925–26	3,756,000	3,216,000	553,000	549,000	134,000	41,000	13,000	369,000	946,000	106,000	46,000	1,071,000	10,800,000
1926–27	3,626,000	3,857,000	540,000	727,000	6,000	200,000	8,000	179,000	1,104,000	91,000	51,000	1,076,000	11,465,000
1927–28	3,505,000	2,878,000	657,000	837,000	14,000	22,000	24,000	72,000	943,000	90,000	52,000	1,045,000	10,139,000
1928–29	3,904,000	3,787,000	831,000	872,000	7,000	16,000	11,000	34,000	1,260,000	75,000	57,000	1,068,000	11,922,000
1929–30	3,337,000	3,166,000	462,000	471,000	4,000	62,000	19,000	51,000	1,048,000	93,000	65,000	1,168,000	9,946,000
1930–31	3,222,000	1,243,000	305,000	255,000	27,000	24,000	128,000	104,000	309,000	55,000	42,000	813,000	6,527,000
1931–32	3,325,000	2,199,000	244,000	246,000	1,000	14,000	75,000	17,000	332,000	48,000	56,000	547,000	7,104,000
1932–33	3,101,000	987,000	242,000	317,000	1,000	6,000	75,000	8,000	378,000	34,000	37,000	428,000	5,614,000
1933–34	2,975,000	2,934,000	223,000	330,000	12,000	117,000	1,379,000	2,000	457,000	35,000	33,000	543,000	9,040,000
1934–35	3,289,000	2,460,000	506,000	621,000	1,198,000	1,714,000	2,504,000	75,000	360,000	40,000	37,000	666,000	13,470,000
1935–36	3,264,000	2,453,000	639,000	661,000	2,668,000	1,247,000	597,000	4,000	528,000	42,000	32,000	739,000	12,964,000
1936–37	3,137,000	4,146,000	831,000	614,000	2,782,000	3,422,000	1,776,000	175,000	872,000	32,000	31,000	1,043,000	19,861,000
1937–38	2,872,000	2,837,000	476,000	482,000	49,000	16,000	280,000	20,000	497,000	33,000	27,000	920,000	8,509,000
1938–39 (estimated)	2,803,000	2,540,000	462,000	475,000	15,000	12,000	115,000	13,000	510,000	33,000	25,000	561,000	7,564,000

[1] Includes insular imports.
[2] Includes linseed oil.
[3] Excludes grain imported for milling in bond and export.
[4] Chiefly tobacco, nuts, rice, soybeans, dry beans, and peas, and tapioca and sago (starch).
[5] Milling in bond not available. Net exports used in calculating acreage equivalent.

Acreage equivalents are calculated on basis of average yields 1923–32, except for cotton and tobacco which are on 1932–36 basis, and include allowance for seed, but not for workstock required.

Source: Division of Program Development and Coordination, Bureau of Agricultural Economics, Nov. 15, 1939.

Acreage equivalent of principal agricultural exports, 1919–20 to 1938–39

[Average yield in acres]

Crop year	Tobacco	Rice	Animal products			Wheat	Corn and grain sorghums	Oats, barley, rye, buckwheat	Cotton	Fruits	Vegetables	Other	Total
			Grain		Hay								
			Pork and lard	Other									
1919–20	852,000	554,000	8,657,000	537,000	1,080,000	16,846,000	612,000	6,754,000	18,271,000	286,000	4,000	1,698,000	56,151,000
1920–21	782,000	591,000	9,515,000	438,000	525,000	24,154,000	4,724,000	6,305,000	15,904,000	243,000	4,000	696,000	63,881,000
1921–22	651,000	594,000	8,687,000	392,000	426,000	21,308,000	6,590,000	5,143,000	16,944,000	247,000	3,000	1,029,000	62,014,000
1922–23	760,000	489,000	11,600,000	339,000	390,000	16,538,000	2,048,000	6,708,000	13,417,000	318,000	14,000	570,000	53,191,000
1923–24	880,000	361,000	9,936,000	217,000	396,000	11,460,000	803,000	2,930,000	15,353,000	545,000	17,000	416,000	43,314,000
1924–25	648,000	265,000	7,306,000	192,000	351,000	19,834,000	394,000	7,003,000	21,648,000	474,000	14,000	448,000	58,577,000
1925–26	779,000	222,000	6,800,000	162,000	309,000	7,489,000	949,000	4,004,000	21,683,000	553,000	17,000	462,000	43,429,000
1926–27	774,000	424,000	6,166,000	148,000	281,000	16,084,000	608,000	3,605,000	29,330,000	763,000	18,000	359,000	58,560,000
1927–28	749,000	436,000	6,796,000	133,000	241,000	14,917,000	846,000	4,785,000	20,684,000	659,000	22,000	384,000	50,652,000
1928–29	854,000	530,000	7,437,000	132,000	249,000	11,107,000	1,799,000	4,523,000	22,219,000	970,000	29,000	436,000	50,285,000
1929–30	899,000	452,000	5,880,000	128,000	245,000	11,026,000	335,000	1,554,000	18,482,000	554,000	28,000	334,000	39,917,000
1930–31	853,000	462,000	4,818,000	125,000	237,000	8,868,000	100,000	690,000	18,620,000	863,000	20,000	285,000	35,941,000
1931–32	639,000	454,000	4,532,000	101,000	194,000	9,666,000	811,000	572,000	23,790,000	774,000	15,000	432,000	41,980,000
1932–33	586,000	402,000	4,885,000	109,000	216,000	2,684,000	320,000	679,000	23,020,000	673,000	14,000	437,000	34,025,000
1933–34	680,000	351,000	3,921,000	127,000	257,000	2,183,000	176,000	326,000	20,446,000	662,000	17,000	207,000	29,353,000
1934–35	531,000	380,000	1,338,000	113,000	225,000	1,024,000	23,000	276,000	13,054,000	509,000	16,000	281,000	17,770,000
1935–36	651,000	336,000	1,396,000	110,000	227,000	547,000	26,000	538,000	16,179,000	702,000	21,000	601,000	21,334,000
1936–37	615,000	319,000	1,542,000	113,000	228,000	944,000	17,000	311,000	14,705,000	634,000	18,000	419,000	19,865,000
1937–38	695,000	584,000	2,187,000	142,000	261,000	7,953,000	5,707,000	2,011,000	15,590,000	687,000	23,000	527,000	36,367,000
1938–39 (estimated)	670,000	550,000	2,909,000	134,000	269,000	8,462,000	3,014,000	932,000	10,110,000	804,000	22,000	499,000	28,375,000

NOTE.—Acreage equivalents are calculated on basis of average yields 1923–32, except for cotton and tobacco, which are on 1932–36 basis, and include allowance for seed, but not for workstock required. Shipments to territories included.

Source: Division of Program Development and Coordination, Bureau of Agricultural Economics, Nov. 15, 1939.

Mr. BROWN. We have heard a great deal in my State from the dairy farmer, and we have heard much from the cattleman. The Secretary says that the American dairy farmer has 99½ percent of the American dairy market. We import one-half of 1 percent, mostly in foreign cheeses, but we are exporting on the average sufficient to cover the other one-half of 1 percent.

The Secretary informed us that the American beef producer in 1938 had 96 percent of the American beef market. It is difficult for me to understand the basis for a contention that we do not substantially have the American market for the American farmer.

But, Mr. President, my purpose today is to view this situation from a different angle. Ever since, as a young man, I adhered to the Democratic Party, I did so largely because I believed it was a party which represented the consumer interest. We have not heard much about the consumer interest in this debate. Our party has been a low-tariff party, in theory at least. Historically, the agricultural Southern States have favored low tariffs, very likely because their principal product has depended largely upon export markets. Our party in the North has had its principal strength in the great cities—New York, Chicago, Detroit, Cleveland, and in later years Pittsburgh, Philadelphia, and Los Angeles—most of them, however, for the entire period since the Civil War. They are the foundation of the Democratic strength in the North. Why is this true? Shallow thinkers attribute it to political organizations, such as the Tammany organization in New York, such as the Kelly-Nash organization in Chicago; but the fact is that political organization in the larger cities is the result, and not the cause, of this situation. Historically—and I think on sound reason—the Democratic Party has been dominant in the great cities of the country because it has been a low-tariff consumer party, interested in preventing runaway prices, in preventing the upbuilding of great fortunes through prohibitive tariffs which pour the earnings of the common man into the pockets, not of the Government by taxation, but of the producers of consumptive goods through excessive prices.

I am not attempting to particularize today. I am generalizing and talking about the larger aspects of the situation. The South is interested in export trade largely because of its cotton; and the industrial areas of the North, crowded into cities, are interested in sound economics because the result of sound economics is reasonable prices. To these groups our party in recent years has added a large part of the farm population. Our party has recognized that high agricultural tariffs have not resulted in better prices to the farmer, who is 90 percent dependent upon the domestic market; and, recognizing these conditions, the Agricultural Adjustment Act with its parity payments, the soil-conservation program, and other methods have been used to attack the farm problem. These groups form the bone and sinew of the Democratic Party of today.

This brings me to a consideration of the result of the application of what I term the rather innocuous Reciprocal Trade Agreements Act. It has been advantageous to the people of the United States, not because the law provides lower tariffs, but because a great statesman, completely committed to the view that low tariffs result in international trade, has dominated the policy which has brought about lower tariffs through the permissive language of the statute. I again say that in the hands of an administration committed to high tariffs the Reciprocal Trade Agreements Act could be an effective instrument in perpetuating and probably even in increasing the exorbitant rates of the Hawley-Smoot Act.

The reciprocal trade agreements law is a good one, not because of any particular virtue in the act itself, but because of its capable administration.

Mr. President, I have heard a great deal of the cost-of-production theory of tariff making. Like many other theories, it has an appeal to the unthinking. Carried to its logical conclusion, cost of production means that Costa Rica's bananas could be raised in Michigan or in Maine by hothouse methods, and that a tariff should be established representing the difference between the cost of production under the warm, fetid climate of Central and South America and production by high-pressure methods in the cold country along our Canadian border. Of course, northern United States cannot produce bananas, and Cuba cannot produce Vermont maple sirup. The consuming public—and that means all of us—will be best served when, within reasonable limitations which I shall attempt to suggest, we produce the commodities needed by our people where they can be most economically produced.

Our Nation is closer to being a self-contained economic unit than is any other large nation in the world. Consequently, it follows that we need pay less attention to national defense and to the production of essentials which we cannot with economy produce within our own borders than is the case with any other great nation of the world. I shall not take the time to compare the United States with Germany, with France, with Russia, with the British Empire, or with any other nation. I assert what every man knows to be a fact—that our natural resources, our productive power, both agriculturally and industrially speaking, stands without challenge as the leader of the entire world.

I do not mean that essentials which we need are not produced in other countries, but most of them are fairly close at hand. It is but natural, therefore, that we should take

the lead, because it is safer for us than for any other nation to do so.

There was sound reason for the protective industrial tariffs of our earlier days, and there is reason for some of the many rates now in existence. Such rates are often necessary for the purpose of maintaining in a particular area an industry which, but for protection, might languish and die. There is sound reason for a tariff policy that will enable us to supply our consumptive demands in case of war. This is in part the justification for our sugar policy. Certainly there is much merit in our policy toward our friendly neighbor to the north, which is our best customer, and which supplies us with much of the raw material we need, such as, for example, nickel, which is not produced in abundance in the United States, and is a necessary war material. But, in the main, the interests of our country will best be served by a policy which will bring to our people the necessities and the luxuries of life at reasonable prices. This is the main purpose of the administration of the Reciprocal Trade Agreements Act.

Search the record of the hearings before the House Ways and Means Committee and the Senate Finance Committee, and it will be found that very little was said by the consumer and a great deal was said by the producer. The average consumer throughout the United States spends a few hundred dollars per year for his food, his clothing, and other things to supply his various wants. Therefore no particular individual in this class has a great financial stake in the controversy; but the Senate of the United States must not forget that there are 130,000,000 consumers who, either in person or by proxy, walk to the grocery store and the butcher shop each day of the year.

The best statement I heard on the subject was that presented by Mrs. Harris T. Baldwin, first vice president of the National League of Women Voters. Mrs. Baldwin presented the views of the American Association of University Women, the General Federation of Women's Clubs, the national board of the Young Women's Christian Association, the National Council of Jewish Women, the National Women's Trade Union League of America, and the Service Star Legion, Inc., as well as her own organization. In the statement of Dr. Caroline F. Ware, representing the American Association of University Women, presented by Mrs. Baldwin, I find the following remarkable declaration:

> The stake of American consumers in a satisfactory tariff-making procedure is very real. As consumers we tend to favor a program which minimizes barriers to trade, because we want to acquire the goods which we need on the most favorable terms. By expanding markets abroad for the things which can best be made at home and buying therewith things which we cannot well produce or in which our advantage for production is less we gain the full advantage of our best skills.

She estimates the burden placed upon the American consumer by the tariff by saying that something like 10 percent of the average expenditures for food on the part of the New York City wage earners and clerical workers in 1935 was attributable to the tariff. She estimates that the cost of the tariff to the average farm family was $108 a year—that is, money going out of the farm family and into the hands of the producers of various commodities in the United States—$81 for goods used in the family living on the farm, and $27 for goods used in farm production. In other words, our tariff policy, according to this well-informed woman, cost the average farm family $108 a year.

Mrs. Baldwin said:

> If the cost-of-production theory in tariff making is pursued to its logical conclusion, it means the use of the tariff to eliminate all competitive advantages among countries, and therefore practically to prohibit imports. This is the opposite of the purpose of the trade-agreement program, which is to stimulate trade.

The women of America face the everyday task of supplying the essential wants of the American family, and I think these representatives of millions of American women represent a voice to which we should listen in fixing tariff rates.

The views of the National Women's Trade Union League of America are most interesting. The executive board is on record in favor of the trade-agreements program. Mrs. J. A. Stone, chairman of the committee, in her statement presented to the Finance Committee, points out that of the 50,000,000 gainfully employed persons in the United States, it is estimated that approximately 5,000,000 are engaged in the so-called protected industries. She thinks the correct figure is closer to two and one-half million. To my mind, she thoroughly explodes the theory that excessive tariffs are material factors in maintaining high wage standards. In her statement on pages 507 and 508 of the hearings she shows that the average annual wages in 1937 in the protected industries did not measure up to those in the unprotected industries. Her figures, taken from the Census of Manufactures, show the following wages were paid in the protected industries listed:

	Average annual wage in 1937
Cigarettes	$930
Cigars	670
Garment industries:	
Shirts and collars	604
Furnishings and miscellaneous apparel	794
Fabric gloves	604
Leather gloves	753
Textiles:	
Woolen and worsted	1,001
Silk and rayon manufactures	790
Cotton manufactures	745
Dyeing and finishing	1,010

Compare these figures with the following wages paid in unprotected industries:

	Average annual wage in 1937
Automobiles	$1,575
Agricultural implements, including tractors	1,562
Petroleum refining	1,692
Sewing machines and attachments	1,506
Typewriters and parts	1,236

In September 1939 the average hourly wage in all manufacturing industries in the United States, Mrs. Stone points out, was 64.3 cents. She points out that this is 11.1 cents higher than the highest hourly wage in the group of protected industries from which I read, but that the wages paid in the important industries of automobiles, rubber, agricultural implements, cash registers, typewriters, petroleum refining, are far above the wages paid in the protected industries, and in all these industries there is no tariff protection. This, it seems to me, pretty thoroughly demolishes the theory that protection means high wages with respect to the particular industries involved.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER (Mr. WALSH in the chair). Does the Senator from Michigan yield to the Senator from New Mexico?

Mr. BROWN. I yield.

Mr. HATCH. I merely wish to observe, in line with what the Senator is saying, that in my State there is an industry which, during the lowest period of depression, went into production. It produces potash, and competes with potash from foreign countries. It has had no protection, but the highest wages paid in my State are paid by the potash industry.

Mr. BROWN. I thank the Senator for that contribution, which is thoroughly in line with the statistics furnished me by the women's trade-union organization.

Mr. President, favoring as I do greater export trade, and recognizing that our Nation both industrially and agriculturally is greatly benefited by the removal of excessive tariff walls, I address myself to the question: What will be the effect of the enactment of the pending joint resolution? Two answers must be considered. If my party shall be successful in 1940, I think the measure now before us will be entirely satisfactory, not because of any definite policy laid down in it, but because of its intelligent administration. If the opposition party shall be successful in 1940, the act may be used, as I have heretofore indicated, to raise rates.

The Senator from Missouri implied yesterday that that was not true. Certainly immediately upon the taking of office by a high protectionist President he could abrogate 17 of the 20 existing trade treaties on 6 months' notice.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. NORRIS. Am I correct in assuming, now, from the two questions the Senator has just propounded and then answered, that his party is going to be unsuccessful in the coming election?

Mr. BROWN. No; I think I covered that pretty well in the earlier part of my argument. I am confident that it will be successful.

Mr. NORRIS. The Senator is supporting the pending amendment, is he not?

Mr. BROWN. No; the Senator from Michigan is not supporting the pending amendment.

Mr. NORRIS. Then I misunderstood the Senator.

Mr. BROWN. The Senator from Michigan is not supporting the pending amendment.

Mr. NORRIS. I was thinking the Senator was making a very good argument against it, and I could not understand, as I had been informed that he was supporting the amendment.

Mr. BROWN. The Senator should get his information from me and not from someone else.

Mr. NORRIS. I admit that. [Laughter.] I shall do that. I am glad to be corrected.

Mr. ADAMS. Mr. President, will the Senator from Michigan yield?

Mr. BROWN. I yield.

Mr. ADAMS. The Senator has stated that a new President could abrogate all these agreements on 6 months' notice. Does not the act provide that the President may abrogate them without any notice whatever?

Mr. BROWN. Under certain special conditions he can do that, but, generally speaking, 6 months' notice of termination is required.

Mr. ADAMS. Is there not a specific authorization to the President to terminate them at any time?

Mr. BROWN. Not without the existence of certain conditions. Generally speaking, 6 months' notice of termination is required.

Mr. President, if a high-protectionist President should happen to go into power next January, by July 20 all the trade-agreement treaties, except those with Venezuela, Turkey, and the United Kingdom, could be terminated at the will of the President. Immediately upon that happening the tariff rates could be "hiked" upward 50 percent.

Mr. President, I am sorry the Senator from Missouri is not present. He took the opposite view yesterday.

Mr. CLARK of Missouri. The Senator from Missouri is present. [Laughter.]

Mr. BROWN. I am sorry the Senator was not listening to what I said.

Mr. CLARK of Missouri. That is not what the Senator said. The Senator said the Senator from Missouri was not present, and the Senator from Missouri was listening closely enough to hear the Senator make that statement.

Mr. BROWN. I am so used to seeing the genial face of the Senator from Missouri at his place in front of me that when he went somewhere else I did not see him.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. CLARK of Missouri. After the statement of the Senator from Michigan to the Senator from Nebraska a few moments ago that he was not supporting the amendment, I was not interested in taking issue with the Senator from Michigan on anything he might say about my argument yesterday, because I never wish to argue with a man who is going to vote with me.

Mr. BROWN. I know the Senator wants to be right in his statements on the floor——

Mr. CLARK of Missouri. The Senator from Missouri was right.

Mr. BROWN. When he said that a high-protectionist President could not bring about an increase in the tariff rates, I think he made a statement to the Senate which is not in accordance with the facts; and that is the point to which I wanted to call attention.

Mr. ADAMS. Mr. President, will the Senator from Michigan yield?

Mr. BROWN. I yield.

Mr. ADAMS. Let me call the Senator's attention to the provision of the act which led to my inquiry. This is the flat statement in the act:

> The President may at any time terminate any such proclamation in whole or in part.

That is an unqualified authorization.

Mr. BROWN. I will say to the Senator that I do not think that is in accord with the practice which has been established.

Mr. ADAMS. I am speaking of the authority, not the practice.

Mr. BROWN. The agreements themselves generally provide for 6 months' notice of termination, except in the case of special conditions to which I have referred.

Mr. President, I do not approach the problem raised by the O'Mahoney amendment without some misgiving. I wish we could write into this law a provision which would prevent a high-protectionist President from abrogating any of the trade treaties without the joint consent of the House and Senate.

I believe, as I stated yesterday in a colloquy with the Senator from Wyoming, that stability in tariff rates is just about as important as justice in tariff rates. I think that industry in the United States cannot face the immediate future with any confidence if it knows that a high-protectionist President could come into office and in 6 months tear down completely the entire tariff-rate structure which has been set up. But that is the way we leave the situation.

Mr. President, I think any businessman who is concerned and whose business is affected by tariff duties will advise that stability in tariff rates is just as important, if not more important, than absolute justice in tariff rates. Of course, neither can be completely achieved. But business should know over a reasonable period of time what it must face in tariff rates and duties. I think stability in policy is paramount. I quote from Professor Taussig:

> The country can adjust itself to extreme protection, or high protection, or moderate protection, or even to free trade, and can go on prosperously under any one of them. But constant vacillations are a great evil. They are not an intolerable evil, for the simple reason that the influence of the protective system on our industrial system, whether for good or ill, is not so far reaching as most people think. But an influence it has, and that influence is particularly bad insofar as it is inconstant and uncalculable. Much the wiser course, if a protective system must be accepted as part of the settled order of things, would be to shape it in such form that it would endure for a considerable stretch of time; to eliminate the extreme and vulnerable features, and make a serious and honest endeavor to establish a regime with which the community might remain content.

I agree with the reasoning of the distinguished senior Senator from Massachusetts [Mr. WALSH], who now occupies the chair, in his speech made yesterday in that I could not vote for the legislation if it were not for the emergency conditions which face the world today. After considerable consultation with those who are experts upon this subject, I have come to a realization that it is necessary for the executive department to have the power to change tariff rates, a little up or a little down, to embargo this article or that article, and to do so quickly, because of the uncertain conditions which exist in the world today.

I serve notice now that if I am here when this measure comes up again, and world conditions are more stable than they are at the present time, I shall be among those who will vote to recapture the power which we have given to the State Department to make tariff rates. But I am firmly convinced, Mr. President, that at least for the period of this emergency we must grant this power so that it may be used quickly and effectively, and that cannot be done if we require either Senate ratification of the agreements or if we require concurrent action on the part of the House and the Senate.

I regret that I cannot go along with the Senator from Wyoming in his amendment as it is now drafted. I want to

call the attention of Senators who may think the amendment should be adopted to two or three matters. First, there is no question that action of the Rules Committee in the House, if the Rules Committee were so minded, could prevent consideration of a trade agreement sent to that body by the President. If the O'Mahoney amendment should be adopted in the Senate, any trade agreement submitted for ratification by a majority vote could be filibustered out of existence.

A further objection, as I see it, is that the amendment as drafted would permit amendments to an agreement. It is not a case of a proposed agreement merely being voted up or down, as is true with respect to the reorganization orders, which are sent to Congress by the President, but, as the Senator from Nebraska [Mr. NORRIS] pointed out, we again would have the spectacle of a fight over rates on the floor of the Senate or in the committee where the matter was being considered.

I myself have endeavored most assiduously, Mr. President, to bring about an agreement whereby the 16 or 17 Democratic Senators representing States west of the Mississippi River could be given some opportunity to have the agreements considered in the Finance Committee or upon the floor of the Senate. I have labored with high authorities in the executive department in the effort to bring about that kind of a compromise. I have labored with the chairman of the Finance Committee. I have done so because I thought that western Senators were entitled to consideration, but I have been unable to bring about such a compromise.

I have presented an amendment which I thought might be the basis of such a compromise, but after careful consideration and going into the matter thoroughly I have become convinced that as a practical matter at the present time I must support the pending joint resolution as written. Therefore, I am not supporting the O'Mahoney amendment, and I intend to resist any changes in the trade-agreements extension measure that is before us, and to vote for it.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wyoming [Mr. O'MAHONEY], as modified, on which the yeas and nays have been ordered.

Mr. HARRISON. Mr. President, I make a point of no quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Reynolds
Ashurst	Ellender	La Follette	Schwartz
Austin	Frazier	Lee	Schwellenbach
Bailey	George	Lodge	Sheppard
Bankhead	Gerry	Lundeen	Shipstead
Barkley	Gibson	McCarran	Smathers
Bilbo	Gillette	McKellar	Smith
Bone	Glass	McNary	Stewart
Bridges	Green	Maloney	Taft
Brown	Guffey	Mead	Thomas, Idaho
Bulow	Gurney	Miller	Thomas, Okla.
Byrd	Hale	Minton	Thomas, Utah
Byrnes	Harrison	Murray	Tobey
Capper	Hatch	Neely	Townsend
Caraway	Hayden	Norris	Tydings
Chandler	Herring	Nye	Vandenberg
Clark, Idaho	Hill	O'Mahoney	Van Nuys
Clark, Mo.	Holman	Overton	Wagner
Connally	Holt	Pepper	Walsh
Danaher	Hughes	Pittman	Wiley
Davis	Johnson, Calif.	Reed	
Donahey	Johnson, Colo.	Radcliffe	

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

Mr. McNARY. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McNARY. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have been ordered.

The clerk will state the pending amendment for the information of the Senate, and then proceed to call the roll.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. 2. No foreign-trade agreement hereafter entered into under the authority delegated to the President by such section 350, as amended, no amendatory or supplementary agreement hereafter entered into under such section, and no duties and other import restrictions specified in a proclamation issued by the President to carry out any such foreign-trade agreement or any such amendatory or supplementary agreement, shall take effect until the Congress by law has specifically approved such agreement and the duties and other import restrictions so specified to carry out such agreement; and no notice of termination under section 2 (b) of such act of June 12, 1934, shall take effect with respect to any foreign-trade agreement, or any amendatory or supplementary agreement, hereafter entered into under such section 350, until the Congress by law has specifically approved such notice of termination.

The legislative clerk proceeded to call the roll.

Mr. LA FOLLETTE (when his name was called). On this question I have a pair with the junior Senator from Maryland [Mr. RADCLIFFE], who is unavoidably detained. It is my understanding that if he were able to be present, he would vote "nay." I transfer that pair to the junior Senator from Maine [Mr. WHITE], who is unavoidably absent from the Senate, and who, if present, would vote "yea" and will vote. I vote "yea."

The roll call was concluded.

Mr. NYE. On this question I have a pair with the senior Senator from Illinois [Mr. LUCAS]. I understand that if he were present and voting he would vote "nay." If I were at liberty to vote I should vote "yea."

Mr. MINTON. On this question the senior Senator from Montana [Mr. WHEELER] is paired with the senior Senator from Florida [Mr. ANDREWS]. I am advised that if the Senator from Montana were present he would vote "yea" and that if the Senator from Florida were present he would vote "nay."

I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from California [Mr. DOWNEY], the Senator from Illinois [Mr. LUCAS], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Georgia [Mr. RUSSELL], the Senator from Illinois [Mr. SLATTERY], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from New Mexico [Mr. CHAVEZ] and the Senator from Nevada [Mr. PITTMAN] are detained in Government departments.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]; the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]. I am advised that if present and voting, the Senator from California and the Senator from New Mexico would vote "yea" and the Senator from Georgia and the Senator from Missouri would vote "nay."

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is absent because of illness. He is paired with the Senator from Illinois [Mr. SLATTERY]. I am advised that if the Senator from New Jersey were present he would vote "yea" and that the Senator from Illinois, if present, would vote "nay."

The result was announced—yeas 38, nays 44, as follows:

YEAS—38

Adams	Frazier	La Follette	Shipstead
Ashurst	Gerry	Lodge	Taft
Austin	Gibson	Lundeen	Thomas, Idaho
Bone	Gurney	McCarran	Tobey
Bridges	Hale	McNary	Townsend
Bulow	Holman	Maloney	Vandenberg
Capper	Holt	Murray	Walsh
Clark, Idaho	Johnson, Calif.	O'Mahoney	Wiley
Danaher	Johnson, Colo.	Reed	
Davis	King	Schwartz	

NAYS—44

Bailey	Donahey	Hill	Reynolds
Bankhead	Ellender	Hughes	Schwellenbach
Barkley	George	Lee	Sheppard
Bilbo	Gillette	McKellar	Smathers
Brown	Glass	Mead	Smith
Byrd	Green	Miller	Stewart
Byrnes	Guffey	Minton	Thomas, Okla.
Caraway	Harrison	Neely	Thomas, Utah
Chandler	Hatch	Norris	Tydings
Clark, Mo.	Hayden	Overton	Van Nuys
Connally	Herring	Pepper	Wagner

NOT VOTING—14

Andrews	Downey	Radcliffe	Wheeler
Barbour	Lucas	Russell	White
Burke	Nye	Slattery	
Chavez	Pittman	Truman	

So Mr. O'MAHONEY's amendment, as modified, was rejected.

EBERHART STEEL PRODUCTS CO., INC.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1790) for the relief of the Eberhart Steel Products Co., Inc., which were, on page 1, line 6, to strike out "to judgment" and insert "and render judgment upon", and on page 2, line 17, after "for", to insert "alleged."

Mr. MEAD. I move that the Senate concur in the House amendments.

The motion was agreed to.

W. B. TUCKER, HELEN W. TUCKER, LONIE MEADOWS, AND SUSIE MEADOWS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1372) for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows, which were, on page 1, line 6, to strike out "$3,511.05" and insert "$5,000", and on page 1, line 9, after "claims", to insert "against the United States."

Mr. BAILEY. I move that the Senate concur in the House amendments.

The motion was agreed to.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. ADAMS. Mr. President, I have an amendment on the desk, which I now call up.

The VICE PRESIDENT. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. 2. Effective on the date of enactment of this act, section 2 of such act of June 12, 1934, is amended by adding at the end thereof the following new subsection:

"(d) No foreign trade agreement hereafter entered into under section 1 of this act shall take effect until such agreement shall have been approved by the Senate of the United States."

Mr. ADAMS. Mr. President, the Senate has already voted that it does not wish to have trade agreements ratified by a two-thirds vote of the Senate. I have assumed that perhaps that vote was due to the fact that a two-thirds vote appealed to Senators as an overly exacting requirement. The Senate has just rejected an amendment providing that before trade agreements go into effect they shall be ratified or approved by both the Senate and the House. I assume that the Senate, by that vote, is concurring with the action of the House, which some weeks ago, by a vote, declined to exercise the right or accept the obligation of passing upon trade agreements.

Mr. President, I wish to place before the Senate fairly and squarely the question whether or not the Senate wishes to have any voice in these matters. My amendment would not validate an invalid agreement, whether it be a treaty or an agreement. All it provides is that a reciprocal-trade agreement shall not go into effect, even though normally valid, unless a majority of the Senate shall approve the agreement. It attaches a condition to the effectiveness of the agreement. It does not add anything to the validity of the agreement. If the agreement be not valid, it would not become valid merely because a majority of the Senate should approve it.

In the reorganization measure the Senate made a somewhat similar provision, that reorganization orders should not go into effect until approved by one House. They do not have to be approved by both Houses. If either House approves a reorganization order, it goes into effect. This amendment merely presents, in a simplified form, that condition, and provides that trade agreements shall not become effective unless a majority vote in the Senate approves.

Those who sponsor the trade-agreement program have taken the position that submission of trade agreements to Congress or either branch of Congress would wreck the program. This amendment would merely provide that an agreement, as a whole, should come before the Senate, and the vote would be "yea" or "nay." No opportunity to offer amendments would be given but merely a vote of approval or disapproval of the particular agreement.

I have not been able to adjust myself to the view which seems to be entertained by the executive department, that the Senate of the United States is incompetent to pass judgment upon a tariff act in any respect. The amendment in the form I have offered it is reduced to a minimum. It would simply afford the Senate an opportunity to say whether or not the charges which are made against the Senate, that they are incompetent to pass judgment upon tariff matters, that they will wreck a program, if submitted to them, are true; whether or not the Senate shall plead guilty to the charge of incompetence which is made against them.

I do not propose to argue the matter at length, but simply to submit it. However, one suggestion should be added, namely, that when we pass the joint resolution we shall be delegating to the administration power to reorganize the tariffs of the United States. We are going to delegate that power by a majority vote. We cannot recall the power except by a two-thirds vote. This amendment would preserve to the Senate its right by a majority vote to retain and conserve its constitutional power to prevent tariff changes unless the majority of the Senate concur. If we pass the joint resolution without some such provision, it will require a two-thirds vote to recapture the power.

That, Senators, in substance, is what appeals to me as to the desirability of this amendment. As I say, it involves the expression by Senators of confidence or lack of confidence in themselves.

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). The question is on the amendment offered by the Senator from Colorado [Mr. ADAMS].

Mr. HARRISON. I suggest the absence of a quorum, and, in the meantime, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. The Senator from Mississippi asks for the yeas and nays. Is the demand seconded?

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll for a quorum.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Reynolds
Ashurst	Donahey	King	Schwartz
Austin	Ellender	La Follette	Schwellenbach
Bailey	Frazier	Lee	Sheppard
Bankhead	George	Lodge	Shipstead
Barkley	Gerry	Lundeen	Smathers
Bilbo	Gillette	McCarran	Smith
Bone	Glass	McKellar	Stewart
Bridges	Green	McNary	Taft
Brown	Guffey	Maloney	Thomas, Idaho
Bulow	Gurney	Mead	Thomas, Okla.
Byrd	Hale	Miller	Thomas, Utah
Byrnes	Harrison	Minton	Tobey
Capper	Hatch	Murray	Townsend
Caraway	Hayden	Neely	Tydings
Chandler	Herring	Norris	Vandenberg
Chavez	Hill	Nye	Van Nuys
Clark, Idaho	Holman	O'Mahoney	Wagner
Clark, Mo.	Holt	Overton	Walsh
Connally	Hughes	Pepper	Wiley
Danaher	Johnson, Calif.	Reed	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Colorado [Mr. ADAMS], on which the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAVEZ (when his name was called). On this question I have a pair with the Senator from Missouri [Mr. TRUMAN]. I understand that, if present, he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Wisconsin [Mr. LA FOLLETTE], who would vote "yea," with the Senator from Illinois [Mr. LUCAS], who would vote "nay"; and

The Senator from North Dakota [Mr. NYE], who would vote "yea," with the Senator from Maryland [Mr. RADCLIFFE], who would vote "nay."

My colleague, the junior Senator from Vermont [Mr. GIBSON], the Senator from North Dakota [Mr. NYE], and the Senator from Maine [Mr. WHITE] would vote "yea," if present. The Senator from Vermont and the Senator from North Dakota are unavoidably detained, and the Senator from Maine is necessarily absent from the city.

The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from California [Mr. DOWNEY], the Senator from Illinois [Mr. LUCAS], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Georgia [Mr. RUSSELL], the Senator from Illinois [Mr. SLATTERY], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Montana [Mr. WHEELER] is unavoidably detained.

The Senator from Nevada [Mr. PITTMAN] is detained in one of the Government departments.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]. I am advised that if present and voting, the Senator from California would vote "yea," and the Senator from Georgia would vote "nay."

The result was announced—yeas 34, nays 46, as follows:

YEAS—34

Adams	Davis	Lodge	Taft
Ashurst	Frazier	Lundeen	Thomas, Idaho
Austin	Gurney	McCarran	Tobey
Bone	Hale	McNary	Townsend
Bridges	Holman	Maloney	Vandenberg
Bulow	Holt	Murray	Walsh
Capper	Johnson, Calif.	O'Mahoney	Wiley
Clark, Idaho	Johnson, Colo.	Reed	
Danaher	King	Shipstead	

NAYS—46

Bailey	Ellender	Hughes	Schwellenbach
Bankhead	George	Lee	Sheppard
Barkley	Gerry	McKellar	Smathers
Bilbo	Gillette	Mead	Smith
Brown	Glass	Miller	Stewart
Byrd	Green	Minton	Thomas, Okla.
Byrnes	Guffey	Neely	Thomas, Utah
Caraway	Harrison	Norris	Tydings
Chandler	Hatch	Overton	Van Nuys
Clark, Mo.	Hayden	Pepper	Wagner
Connally	Herring	Reynolds	
Donahey	Hill	Schwartz	

NOT VOTING—16

Andrews	Downey	Nye	Slattery
Barbour	Gibson	Pittman	Truman
Burke	La Follette	Radcliffe	Wheeler
Chavez	Lucas	Russell	White

So the amendment of Mr. ADAMS was rejected.

SPECIAL ASSISTANT ATTORNEY GENERAL MATTHEW F. M'GUIRE

Mr. REYNOLDS. Mr. President, at noon today I took advantage of the opportunity to go to the Department of Justice, where I had the privilege of witnessing the swearing in of Special Assistant Attorney General of the United States Mr. Matthew F. McGuire. There were a number of Members of the Congress there from both the Senate and the House. Among the Senators present were Messrs. MCCARRAN, MEAD, GILLETTE, HATCH, and BANKHEAD.

I should like to have printed in the RECORD at this juncture in my remarks a statement in reference to the legal experience and services of Special Assistant Attorney General McGuire with the Department of Justice over a duration of 6 years.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

Special Assistant Attorney General Matthew F. McGuire, recently nominated by President Roosevelt and confirmed by the Senate as the Assistant to the Attorney General, was sworn in today at 12 o'clock noon in the office of Attorney General Robert H. Jackson.

Mr. McGuire will now occupy the third highest position in the Department of Justice.

Serving under Attorneys General Homer Cummings, Frank Murphy, and Robert H. Jackson, Mr. McGuire has advanced from the ranks to one of the major positions in the Federal Government. His advancement within 6 years from special attorney to the third highest position in the Department of Justice is definite evidence of Attorney General Jackson's policy of promotion by merit. It marks another important step in the development of the merit system instituted by the Attorney General in the Department of Justice.

Reared in Boston and educated in Boston public schools, Mr. McGuire was graduated from Holy Cross College in 1921 with a bachelor of arts degree. Later he attended the law school of Boston University, graduating with a bachelor of laws degree in 1926. For many years he engaged in the private practice of law.

Mr. McGuire entered upon his duties in the Department of Justice in 1934 as special attorney in the Criminal Division. He helped in the drafting of the Federal crime laws of the Seventy-third Congress, enacted to curb crime during the wave of kidnapings and major robberies of 1933, 1934, and 1935.

Later Mr. McGuire was promoted as an assistant to Joseph B. Keenan, the Assistant to former Attorney General Homer Cummings, and supervised personnel and related matters in the Department of Justice. Upon the resignation of Mr. Keenan, Mr. McGuire was named as the Acting Assistant Attorney General.

Early in 1939 he was named by former Attorney General Frank Murphy to the newly created post of Special Assistant Attorney General. In this capacity he served as liaison officer between the Attorney General and the Congress, and other agencies and departments of the Government.

Mr. McGuire also handled numerous confidential, special legal, and administrative matters in the Department of Justice during the past 6 years.

The duties of the office of Special Assistant Attorney General will be combined with those of his new important post.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. McCARRAN. Mr. President, I have on the desk an amendment, which I offer and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nevada will be stated.

The LEGISLATIVE CLERK. On page 1, line 8, after "1940," it is proposed to insert a colon and the following:

Provided, That no commodity or article shall be included in any foreign-trade agreement entered into which permits the entry into American markets of products of workers, farmers, or miners of foreign countries at total landed costs, all tariff duties paid, which total costs are less than the cost of production or wholesale selling price of competitive products of American workers, miners, or farmers where such American products are commercially available.

Mr. McCARRAN. Mr. President, this amendment would do for the people of America what foreign governments have done for their people. This amendment would insure to labor in America that those labor standards and labor wages fought for and accomplished through nearly a century of trial by the toilers of America would not be jeopardized or reduced. This amendment would make certain that American-produced commodities from the field, the mine, and the factory would not be brought into competition with commodities produced abroad under conditions of much lower wages, working conditions far inferior to ours, and at costs of production so much less than our costs that our commodities of a similar kind could not compete with the foreign products.

Mr. President, in the Emergency Tariff Act of May 1921, carried over under the permanent Tariff Act of September 1922, there was included the antidumping provision. It provides that where the purchase price or exporter's sales price on shipments to the United States is proved to be less than the foreign market value—or, in the absence of such value, than the cost of production—there shall be paid on such imports, in addition to the regular duties, a special dumping duty in an amount equal to such difference.

At that time, and when we enacted that tariff law, we were looking forward to that which actually happened, namely, after the World War there was a natural tendency, and the practice was carried out, of dumping upon the American market and upon the American people war-produced commodities, or commodities produced under war conditions, produced so cheaply abroad, produced so cheaply in the Western and the Eastern Hemispheres, that American labor and American factories and the fields of America could not com-

pete with them; so we sought to protect the American commodity.

Perhaps the most striking instance of such legislation as it has been recognized and accomplished in other countries is that embodied in part II of the British Safeguarding of Industries Act. That act provides that an antidumping duty of 33⅓ percent may be imposed upon the imports of such products as are being offered for sale in the United Kingdom at prices which, by reason of the depreciation of the currency of the country of manufacture, are below the prices at which similar goods can be profitably manufactured in the United Kingdom. The check provided against the possible abuse of such means of emergency relief is characteristic of the temper of British legislation generally. Before such an antidumping duty is ordered, the committee set up by the British Board of Trade must be satisfied on two points: First, that by reason of the continued imports of the particular product, employment in any industry in the United Kingdom is being, or is likely to be, seriously affected; and, second, that production in the industry manufacturing similar goods in the United Kingdom is being carried on with reasonable efficiency and economy.

Mr. President, that is the aim and object of this amendment, to the end that our people and our toilers and our producers shall be protected against slave-made and slave-produced commodities from abroad. I say, and I do not think the statement will be successfully contradicted, that we are facing a condition under which, at the close of the present strife abroad, we shall have dumped upon the markets of America competitive products the like of which is produced in this country by American labor. When that condition comes about, American labor and the American producer must of necessity face competition which, if tariffs are lowered, will be serious and disastrous to American life in general.

Today we have—and I use one commodity as an illustration—what is known as the reciprocal-trade treaty between this country and Brazil, affecting manganese. Manganese is one of the most important minerals to the steel industry of this country. Indeed, it is a very important mineral in time of war. In a trade treaty between this country and Brazil, we reduced the tariff on manganese 50 percent; but what was the result? When we entered into that treaty with Brazil on manganese, we also extended to all other countries of the world what were known as the most-favored-nation provisions. The result has been that today we are receiving cargo after cargo of manganese, not from Brazil, the country with which we entered into the reciprocal-trade treaty, but from the Russian Republic.

Mr. LUNDEEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. VAN NUYS in the chair). Does the Senator from Nevada yield to the Senator from Minnesota?

Mr. McCARRAN. I yield to the Senator from Minnesota.

Mr. LUNDEEN. If the able Senator will permit me, certainly we should develop the manganese resources of America. We should not permit imports of this vital mineral, which is a war essential. Why not develop the manganese resources of our own America—why be dependent upon other nations? There can be no answer to that question but one answer, and that is develop the manganese of the United States and the manganese of the Western Hemisphere, and I hope we may soon call that hemisphere an American Hemisphere. I should like to say to the distinguished Senator that it is no longer fashionable, it seems, to protect American labor. We must first think of the coolie and the Hindu—anybody but American labor. We must put foreigners first and Americans last. That seems to be the slogan of the day. I am in hearty accord with the able argument of the Senator from Nevada—I am with the Senator in his position.

Mr. McCARRAN. Mr. President, I am grateful to the Senator for his support in this matter.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. ASHURST. The amendment proposed by the able Senator from Nevada is, in my judgment, of great importance. The able Senator directed attention to the fact that under the operations of the reciprocal-trade agreement made with Brazil, manganese was reaching the United States from Russia. I wish to observe that the manganese imported into the United States from Russia is produced in Russia by what we would call "slave labor," but in Russia it would be called "forced labor," receiving probably 45 or 50 cents a day. Thus, under the operation of the particular agreement to which the Senator refers, manganese mines of the United States are brought into competition with "forced" labor, which is a euphemistic term for "slave" labor, which is paid not to exceed 50 cents a day.

If the Senator will further permit me, I am sure that no person who indulges in the luxury of thinking believes that the United States will be engaged in any war. That is the one thing which cannot and will not happen. Yet, as responsible officials, we should at least make a helpful gesture toward those things which would arm and equip our country if we should, through some odd mischance, do what is conceded on all sides to be the impossible thing, namely, enter into a war.

Senators will not forget that during the World War we were importing manganese ores from Brazil because we had failed to accord to our manganese miners an opportunity to develop our own resources. Senators will remember the mysterious fate of the *Cyclops*. She sank in March 1918 without trace. On board were her crew of some 200 or more, and some passengers. She was bound for an American port, laden with manganese ores.

While the loss of the *Cyclops* was tragic and caused poignant grief to the relatives of those who went down to the airless meadows of the cavernous deep, I advert to its loss to illustrate how feeble a policy it is that would depend on foreign countries for an adequate supply of manganese. As all Senators know, manganese is needed, absolutely required, in order to make not only weapons of war but many articles of commerce and industry.

Some may say, Why do we not develop our manganese resources? We have ample manganese resources in the United States. The State of Virginia has for 150 or more years given to the world great statesmen. It is well worthy of the study of biologists to determine how and in what way so many eminent statesmen could come from one State; and on my left now sits one of the greatest the State has ever produced, Senator CARTER GLASS. Virginia has some manganese resources; the able Senator on my right [Mr. SHIPSTEAD] indicates that Minnesota has manganese resources, and, indeed, many States of the West, including Arizona, have manganese resources; but we cannot and should not ask miners to produce manganese in competition with laborers in Russia who receive 50 cents a day—and for 12 hours' labor, not 8 hours' labor.

Mr. President, I commend the Senator from Nevada for his foresight and courage in offering this amendment. If we are to have reciprocal-trade treaties or agreements, let us see to it that there do not come into the United States under them goods, wares, merchandise, and commodities which may be produced by forced or slave labor.

Mr. LODGE. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I would prefer to yield in just a few minutes, if the Senator will pardon me. I wish to develop the thought I was starting upon, and also to develop the thought expressed by the able Senator from Arizona by bringing to the attention of the Senate a very salient matter with reference to the importation of the particular commodity I have now mentioned. Please understand that I am not dwelling upon this commodity particularly with reference to the pending amendment, but I wish to bring to the Senate the thought that while we entered into a trade treaty with Brazil and entered into no trade treaty with Russia, the most-favored-nation provision read into the treaty with Brazil gave Russia the opportunity to bring into this country cargoes of manganese, so much so that she put Brazil practically out of the picture.

Mr. ASHURST. Mr. President, will the Senator further yield?

Mr. McCARRAN. Let me conclude this thought. Without any treaty Russia comes in with its manganese. We had no trade treaty with Russia touching that subject at all, but Russia, taking advantage of what our State Department read into the Brazilian treaty, comes in with her cargoes of manganese, produced under slave conditions.

I now yield, if I may, to the Senator from Massachusetts.

Mr. LODGE. Mr. President, I merely wish to express my approval of the amendment. When the wage and hour bill was before the Senate I offered an amendment similar to this, to prevent the importation of goods which were made under conditions below the standards we set in the wage and hour law. It seems to me that if the rising wage trend in this country is to continue, and if we are to achieve the full promise of American life and a better life, and better conditions of living for our people, we must keep out goods produced under conditions below the standards we set. I believe that if the aim of the Senator from Nevada were to be accomplished it would be the greatest single positive step which government could take to increase employment and get some work for Americans.

Mr. McCARRAN. Mr. President, continuing with the general thought, I wish again to emphasize that I only brought the manganese incident forward for the purpose of illustrating the point I am trying to make with the Senate.

Differing from the British only in form—I refer now to the British effort to protect the laborers of Great Britain—has been the legislation adopted by a number of continental countries, principally Belgium, France, and Spain. By the Belgian Emergency Tariff Act of November 1921, increases of from 100 to 300 percent of the usual duties were imposed upon certain classes of German manufactured goods entering into direct competition with Belgian industries. Textile, chemical, and mechanical products were the principal classes of goods affected.

Earlier in 1921, France added to her general and minimum tariff system a new scale of duties, providing for rates often double, and higher than the previous upper level, and in general averaging about four times as high as the minimum rates of the French tariff, which are those enjoyed by most European countries. This new scale of duties has been applicable mainly to the products of Germany and Austria, which had lost their treaty status with France as a result of the war. As in the case of Belgium, these maximum duties were officially declared to have for their purpose the protection of French labor and industries against severe competition from countries with depreciated currencies.

Mr. President, an important measure enacted by the British Parliaments is the safeguarding of British industries bill, which provides for the imposition of a duty of 33⅓ percent ad valorem. I have drawn to the attention of the Senate the fact that the main object—in fact, the sole object and aim—was to protect British labor, because Great Britain was confronted with a situation which she appreciated, namely, that she would have to have the dole to take care of her toilers, just as we have W. P. A. now to take care of our unemployed.

Right here, Mr. President, I want to bring to the attention of the Senate something that transpired in the Senate only a few days ago, which to my mind is directly applicable, and shows that my amendment, or some similar provision, should go into the pending measure. A few days ago we added to the agricultural appropriation measure $212,000,000 to pay a part—only a percentage, if you please—of parity to the farmers of the United States. There seems to me to be no rhyme or reason for taking money from the Treasury of the United States to pay a subsidy to those who produce the necessities of life, and at the same time open the door to those who come into competition with us from abroad, and who bring into this country slave-produced commodities, and thereby tear down the domestic prices to less than the cost of production.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McNARY. I think the Senator's application of the appropriation carried in the agricultural appropriation measure is quite apt. Also, why should we not include the $185,000,000 appropriated in the same measure for surplus commodities and the Stamp Act?

Mr. McCARRAN. I am very glad that the Senator from Oregon gave that most apt contribution, because it is directly in line with what I am attempting to say, and illustrates my thought. In other words, Mr. President, we are here subsidizing the producer so that production may go forward with a return of at least the cost of production on some assured basis to those who produce the necessities of life, and at the same time we are turning around and opening the door to permit unequal competition with those who produce here by taking down the protection that affords our producers some degree of security.

The amendment which I have offered to the Trade Agreements Act would prevent the inclusion of any commodity or article in any foreign trade agreement if the total landed costs, including the duty, are less than the cost of production or wholesale selling price of competitive American products, if the latter are commercially available.

Let me dwell on that for just a moment. If a commodity is not commercially available here, certainly the principle would not apply. We have placed upon the free list many commodities with which we enter into no competition. We put coffee on the free list, we put tea on the free list. We at one time had many commodities on the free list because we did not produce them in competition. However, by my amendment I seek to protect only those commodities which our farmers, our factory workers, our toilers, and our industrialists endeavor to produce, and thus keep American workers employed.

Mr. McNARY. Mr. President, will the Senator again yield?

Mr. McCARRAN. I yield.

Mr. McNARY. I hesitate to intrude further, but I simply wish to say that under the present Tariff Act 66 percent of imports are on the free list.

Mr. McCARRAN. I am glad to have that contribution from the Senator from Oregon.

Mr. President, the effect of this amendment would be in complete accord with the principle of equalizing the competitive standing of foreign goods in the American market with domestic goods. It would not prevent the reduction of duties on goods if the existing duty more than offsets the difference in cost of production plus landing charges exclusive of the duty. It would prevent the reduction in duty (1) if the existing duty fails to equalize the competitive status in the American market as a result of low foreign prices, and (2) if the existing duty merely brought the foreign cost plus landing charges upon an equal basis with the American cost of production or wholesale price.

This principle is the same as the one previously recognized by section 336 of the Tariff Act of 1930 whereby tariffs could be increased or lowered for the purpose of putting the imported articles on a basis of equality with American goods in the domestic market. If the articles are not competitive, are on the free list, or are not commercially available in the United States, they would not be affected by this amendment.

There should be no objection to this amendment by the supporters of the trade agreements in view of numerous expressions made by officials charged with the administration of that act.

On page 144 of Publication No. 704, Press Releases, volume 12, No. 283 of the Department of State, dated March 2, 1935, appears the following statement:

> One of the major objectives sought, in setting up this extensive administrative machinery, is the careful consideration of the economic and social consequences of each concession upon the national economy of the United States.

On page 145 of the same document appears the following:

> On the other hand, it was found that on a number of products, some of which are not produced in the United States, the maximum permissible reduction in the rates of duty established by the Tariff Act of 1930 could be made without affecting adversely any domestic industry. On still other products moderate concessions

could be made without increasing unduly the competition between domestic and imported goods.

A brief analysis of concessions which are in the nature of reductions in rates of duty indicates the possibility of removing trade restrictions without danger to domestic industries.

In a statement made before the Committee on Ways and Means on January 17, 1940, Mr. Henry Grady, Assistant Secretary of State, said:

Wherever concessions have been granted involving downward adjustments of tariff rates, extreme care and caution have been exercised. * * *

I may repeat what has often been stated, that there is no intention whatever to administer this program in a manner to jeopardize employment, working conditions, and the living standards of American workers; on the contrary, it is their improvement that is sought. * * *

These quotations show sufficiently what is the alleged policy of the State Department and the other agencies participating in the selection of items for inclusion in trade agreements. With this avowed policy the proposed amendment does not conflict. The amendment would impose no additional burdens on these agencies if the extreme care and caution which they allegedly exercise in selecting items for concessions are actually adhered to. Only if the alleged care and caution are not really exercised would the amendment lay an increased burden upon these agencies. It is to be presumed that the care and caution so widely advertised is actually observed in practice.

The amendment would not prevent duty reductions if they could be made without injury to American workers, farmers, and industries. If the agencies in question are concerned with avoidance of such injury and if they practice what they allege they can have nothing to fear from this amendment which would merely give their concern a concrete legal sanction.

According to a report by the United States Tariff Commission, revised copy, January, 1940, showing duty reductions made by reciprocal-trade agreements up to November 1940, reductions had been made on 42 percent of all the items on which we have a duty. The average reductions were 39 percent. In view of the fact that no agreements have been made with Japan, Russia, Germany, Italy, Argentina, Spain, Chile, Mexico, China, India, Australia, Egypt, Austria, Greece, Poland, Norway, and other countries which in 1937 supplied us with nearly one-half of our dutiable imports, the reductions already made are very impressive.

The fact is that while the agencies charged with the selection of items for bargaining allegedly exercised great care and caution and avowedly had no intention of endangering domestic industries or jeopardizing employment, numerous concessions were granted on items which we import principally or in great part from countries other than the one with which an agreement was made. That was the reason why a moment ago I referred by way of illustration to the Russian action, the Russian importation to this country based on the Brazilian treaty. In this manner the third and fourth countries received the benefits of our reductions without giving us concessions in return.

Thus in the agreements with Canada we reduced our duty on certain types of pickled or salted fish by 50 percent while, of our total imports of some $3,000,000, less than 45 percent came from Canada. Other countries supplying the remainder of these fish thus received a free reduction in duty of 50 percent. We also granted Canada a 50-percent reduction in duty on whisky, even though, of $53,000,000 of imports in 1937, only 40 percent came from Canada. Scotland obtained a free ride. On ferromanganese we granted Canada a reduction of 45 percent, but in 1937 we imported from Canada only about a third of our total imports of $1,221,000.

In our agreement with the United Kingdom we gave a reduction of 38 percent on furniture other than chairs; but of total imports of $1,020,000 in 1937 only 31 percent came from the United Kingdom. Similarly, we granted a reduction of 33 percent on woven fabrics other than cotton, although of total imports of $8,500,000 only $2,935,000 came from the United Kingdom. Other countries gained these reductions without compensation. Scores of other items could be listed with similar results.

In the agreement with France a reduction of 20 percent was made on crude glycerine. In 1937 our total imports were 10,171,000 pounds, while from France we imported only 2,102,000 pounds, or about 21 percent of the total. In the same agreement a reduction of 22 percent was made on opera and field glasses valued at less than $1 each. Out of a total importation of 1,521,000, only 81,000, with a value of $13,000, came from France, while 1,436,000, with a value of $126,000, came from Japan.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. CLARK of Missouri. Of course, the Senator is familiar with the fact that every one of the reciprocal-trade agreements contains an escape clause, providing that the United States may abrogate any portion of the agreement when it appears, first, that some other country than the country entering into the agreement with the United States has profited to a greater extent than has the contracting party; and, second, that the domestic industry has suffered as a result of it. Apparently, in most of the cases which the Senator has cited, particularly the last one, it is perfectly apparent that the domestic industry has not been able to make out a case, or has not tried to make out a case, showing that it has suffered any injury, because such a situation would be a classic example for the application of the escape-clause provision in any of the treaties.

Mr. McCARRAN. Mr. President, it seems to me that the escape clause has escaped the notice of those in control of the administration of the law. Probably that is the only function it performs, because up to date nothing has been done under the so-called escape clause.

Mr. CLARK of Missouri. Can the Senator tell us whether or not any showing has been made that the domestic industry suffered from that agreement?

Mr. McCARRAN. I can answer that question only from personal experience. I do not mean to be captious in making this reply to the Senator, but my own experience is—and I had the privilege of observing other Members of the Senate have the same experience—that those who went down to the State Department and made a protest were looked upon as though they were wooden Indians, and not a single result came out of any of the protests.

Mr. CLARK of Missouri. I am not talking about making a protest. I am talking about making a showing of what actually transpired. If the Senator will permit a very brief illustration of what I am talking about, in one case in which an industry contended that the reduction of the duty in the Canadian agreement had resulted in greater benefit to Mexico and Chile than to Canada, the import figures undoubtedly sustained that position; but when I investigated the question of whether or not the domestic industry had suffered an injury I discovered that the increase of domestic production—production in the United States itself—was vastly in excess of all the imports under that provision, and that the price of the commodity in this country was better, to a very material extent, than it was when the Canadian trade agreement went into effect. Without being familiar with all the items the Senator has read, it seems to me entirely possible that similar situations might exist with respect to them.

Mr. McCARRAN. Mr. President, in a rather homely way I wish to reply to the Senator from a circular which came into my hands this morning, which strikes me very forcibly. This circular is over the signature of Mr. George C. Salsberry, of the Trades and Labor Council, and has to do especially with one commodity. I read only a portion of the circular:

Our city is the center of the American pottery industry. Our industry, affiliated with the American Federation of Labor, is organized 95 percent. We have a capacity to produce all the tableware needed for the American market. We have thousands of idle pottery workers seeking work. Yet, for illustration, while our American laws prohibit the entry of Asiatic workers into this

country, the products of such workers, according to a survey made and published by the United States Tariff Commission supply some 40 percent of the tableware yearly sold in the United States. Such a condition naturally transfers the badly needed job opportunities of American workers to the slave wage paid workers of Japan. That which is true of our condition is likewise, no doubt, true in many other industries.

I quote that excerpt from the circular because it is undoubtedly true. We entered into no trade treaty with Japan, but Japan not only has taken advantage of overcoming our normal tariffs, which were enacted by the tariff law of 1930, but when we lower the bars on any commodity produced in Japan, she takes advantage of it under the most-favored-nation clause, and sends goods to the United States on which she realizes a double profit by reason of the slave labor which produces those commodities. So today, as illustrated by this circular, an excerpt from which I have read, thousands of toilers of America are out of employment, while Japan is furnishing 50 percent of the tableware for the tables of America.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. DAVIS. While the Senator is discussing conditions in Japan, let me say that I know from the hearings before the Finance Committee that in some lines of industry in Japan wages are 4 cents an hour, whereas in this country they are 50, 55, or 60 cents an hour.

Mr. McCARRAN. What the Senator says in that respect is true. I might go a little further in connection with something with which I am perhaps more familiar. I mentioned it on the floor of the Senate the other day. Today copper is produced in Rhodesia at wages not to exceed 30 cents a day—slave wages paid to the poor unfortunate creatures who live in Africa. The American miner today receives a sliding scale of wages based upon the price of copper, ranging all the way from $5 as a minimum to $6.60.

To show what we are doing when we tear down the bars, if we enter into an agreement with Chile on copper—which was proposed last fall, and which seemed to have been set aside by reason of protests—Rhodesian copper will come into this country by way of ballast and otherwise. Furthermore, if we enter into an agreement with Chile on copper, we shall bring into this country copper produced at wages not to exceed 58 cents a day—not an hour but a day. If we open the gates, we shall have to double the appropriation we must make in a week or so. We expect to appropriate about one and a half billion dollars to take care of the unemployed in America. If we tear down our protection for the wage earners of America, very soon we shall have to appropriate, not one and a half billions but two billions or three billions of dollars to take care of the unemployed, while we give employment abroad to those who work under slave conditions.

Mr. DAVIS. If the wages of the workers of the rest of the world were equal to the wages we pay in this country, there would not be any question about our ability to compete with other nations; but so long as there is such a great difference we cannot expect the farmer and industry in America to be prosperous when this country is flooded with imports.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. VANDENBERG. The Senator might add further that even the depressed wage standards which now obtain in Europe are still further threatened by present conditions. I invite the Senator's attention—if he has failed to notice it—to the testimony before the Senate Finance Committee of Mr. Matthew Woll, speaking for America's Wage Earners' Protective Conference, in which Mr. Woll quotes Mr. Daniel J. Tobin, vice president of the American Federation of Labor. I quote, if the Senator will permit me:

> Daniel J. Tobin, vice president of the American Federation of Labor, president of Teamsters' International Union, and chairman of Democratic Labor Committee in 1932 and 1936, a keen student of world and labor conditions, in a leading editorial in the Teamsters' February Journal, says, in part:
>
> "The labor movement is destroyed in most of the countries of the world. That includes the Americas north and south of the United States. If the war conditions continue for 2 years from now, what is left of the labor movement in the European countries will be destroyed because of the economic destruction due to war. * * * Only those who close their eyes or through their ignorance or blindness to war conditions can fail to see that with the destruction of value in the European countries, no matter who wins the war, the economic conditions of those countries will be destroyed. * * * The markets of the world will be drawn down and cheap labor will be forced upon all the workers of the European countries so that they can help pay the expenses of this awful catastrophe now obtaining in Europe and Asia."

In other words, not only is there already a stupendous differential between foreign and domestic costs of production, but a multiplied differential is rapidly approaching, and unless we protect ourselves in some such fashion—and certainly the Senator's proposal is a very modest protection—we shall be completely at the mercy of the economic jeopardy which has the rest of the world by the throat.

Mr. McCARRAN. Mr. President, I am very grateful to the Senator from Michigan for his contribution.

Let me continue with the subject by saying that we have no agreement with either Denmark or Italy on certain commodities. But in the French agreement we reduced the duty on blue mold cheese from 7 cents to 5 cents a pound, or nearly 30 percent. Yet in 1937 we imported only 281,000 pounds from France compared with 2,220,000 from Denmark and 809,000 pounds from Italy. We have no agreement with either Denmark or Italy. On red-clover seed we made a reduction of 37½ percent. Only 16 percent of our imports came from France. Greater imports came from Hungary, Poland, and Canada. Many other items in the French agreement with similar results could be cited.

In the Belgian agreement we reduced the duty on laminated glass 25 percent. Of total imports of $604,000 in 1937, only $33,000 came from Belgium. This was only a little over 5 percent of the total. Most of the remainder came from Canada. In the case of plate glass not over 384 square inches, imports from Belgium in 1937 were valued at $5,532 of a total of $311,000. Canada again obtained a free concession, since over 95 percent came from that country. A reduction of 50 percent was made in the duty on motion-picture films, positive, 1 inch or more in width. From Belgium, to whom the concession was given, our 1937 imports were less than 1 percent of the total of $1,168,000. About 99 percent came from Canada. Many additional similar examples could be given.

In the Swedish agreement we reduced the rate on chromium metal, but of $91,000 imports in 1937, not one dollar's worth came from Sweden. Norway and the United Kingdom were favored. A similar result was obtained in the case of ball bearings and rollers. Although the duty was reduced in the Swedish agreement, no imports of these articles came from that country in 1937, although total imports were $53,000.

In the agreement with the Netherlands the duty on edible gelatin was reduced nearly 50 percent. Of total imports of $1,142,000 in 1937, only $234,000 came from the Netherlands. Belgium and France were the chief beneficiaries, but they were under no obligation to grant us anything in return. Sweetened chocolate valued at 10 cents or more a pound was reduced 50 percent, but of 472,000 pounds imported in 1937, only 74,000 pounds came from the Netherlands. A dozen European countries benefited from this reduction. We reduced the duty on gin by 50 percent, but in 1937 only 13 percent of the imports came from the Netherlands. The United Kingdom supplied about 85 percent of the total imports of $220,000. In the same agreement we reduced the duty on harvest hats of palm leaf. Of total imports of $83,000 in 1937, over 90 percent, or $78,000, came from Mexico, a country with which we had no reciprocal-trade agreement whatever.

In the Swiss agreement we reduced the duty on woven silk fabrics 30 percent. Of $324,000 imports in 1937 only 15 percent came from Switzerland. Twice as much came from Italy and France, and the United Kingdom participated in the benefits. The duty on braids, plaits, and so forth, of straw, chip, and so forth, was reduced up to 50 percent in the same agreement, but of total 1937 imports of $483,000, only $686

came from Switzerland. This was less than 1 percent, while over 95 percent came from Japan. At the same time the duty on handkerchiefs other than cotton was reduced between 25 percent and 50 percent. Of total imports of $1,453,000, over 90 percent came from China in 1937, and the latter country obtained the benefits without entering into reciprocal obligations, for China is not a party to any trade agreement with this country.

Numerous additional items could be listed not only in the agreements here covered but in other agreements.

The upshot is that a revealing light is thrown on the "extreme care and caution" exercised by our trade-agreement negotiators in selecting items for duty reductions. The results give the appearance of general duty reductions rather than of reciprocity.

Mr. President, what I wish to illustrate to the Senate and to the country is that, while we enter into these trade agreements and while our officials having to do with these agreements may have in mind the protection of American labor between this country and the country with which the agreement is entered into, the moment the agreement is consummated, then the most-favored-nation clause comes into operation in other countries in which labor conditions are entirely different and they take advantage of the situation.

Mr. President, if there is anything that should be of concern to the Congress today, it is the welfare of the toiler; if there is anything that should be of concern to the American public today, it is the welfare of our laboring class, because today there is vast unemployment in the United States. We are told in one estimate, made by Miss Dorothy Thompson some time ago, although I think she is 50 percent wrong, that the unemployed in this country number about 4,000,000. The American Federation of Labor estimates the unemployed, that is, the unemployed capable and willing to go to work, at about 10,000,000. The C. I. O. estimates the unemployed at about 11,000,000. Federal estimates, unpublished, fix the number of unemployed at about 9,000,000. So today, after nearly 8 years of an administration in which we have participated with our whole soul, if you please, we find ourselves confronted with anywhere from 4,000,000 to 10,000,000 unemployed in America. Yet we are now about to write a tariff bill which will permit those sitting down here in the State Department, who never had the opportunity of facing public approbation or disapprobation, to tear down the protection which is afforded the American toiler and which enables him to work for American wages.

If there is anything in the world, I say, in which the Congress of the United States should be interested, it is, first of all, to reduce the number of unemployed in this country, to reduce it by maintaining American standards of living, so that the American toiler may look the world in the face and say, "Thank God, I am an American citizen."

However, the question under consideration goes even further than that. As referred to by the able Senator from Michigan a moment ago, we shall be confronted with a condition that may come soon or may be deferred, namely, the cessation of hostilities abroad. When that time comes, the people, the toilers, and the industrialists in far-off lands will be looking to America for a precept and example. If this country, with 135,000,000 human beings, living under a constitutional democratic form of government, cannot maintain the standards of living that belong here for its laborers and toilers, then in what condition will we be to lead civilization in the centuries to come? That is our heritage. Mr. President, just so surely as you and I are here, if America has a destiny at all, as it has far beyond the imagination of those who framed this Government, it is that when the holocaust of hell abroad shall have ended, when men shall be looking again to the ways of peace, they will be seeking for leadership; and if you and I love our Government as we should, we should maintain such a position, maintain such a standard of living, and promote such happiness in the hearts of our toilers that other countries looking for leadership, looking for the way out of the dismal condition in which they find themselves, will behold as a beacon light your flag and mine, Mr. President, your country and mine, because within our country there will have been nurtured and preserved opportunities for the toilers. If we tear down that which protects our toilers, if we permit to exist conditions which cause thousands upon thousands of pottery workers and other workers to seek jobs at $55 a month on W. P. A. projects, then we shall have been neglectful of our duty.

So, Mr. President, I offer this amendment with the hope, with the prayer, with the fervent wish that at the close of this 2 weeks' debate the Senate may see fit to write into the joint resolution a mandate and a message to the world that this country, above all countries in the world, stands for the welfare of the worker, to the end that industry may have security under the laws of our land.

Mr. VANDENBERG. Mr. President, when I was speaking to the Senate last week upon the reciprocal-trade treaties, I presented some calculations from the National Cooperative Milk Producers' Federation which I thought were very impressive. In the same connection, the able Senator from Mississippi [Mr. HARRISON] promptly presented a memorandum prepared at the State Department challenging the figures of the National Cooperative Milk Producers' Federation, and the deductions from them.

I now have a further statement from the Federation which is addressed to the Senate, and which carries with it their final calculations. I ask that their statement and their tables be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement and tables are as follows:

THE NATIONAL COOPERATIVE MILK PRODUCERS' FEDERATION,
Washington, D. C., March 30, 1940.

To Members of the United States Senate.

DEAR SENATOR: I am enclosing for your consideration 17 statistical tables which represent a further stage in our research project relating to the economic advantages and disadvantages of the United States trade-agreement program.

May I first especially call to your attention tables VII to XII, inclusive. The data contained in these tables have a bearing upon the value of the amendment offered by Senator PAT MCCARRAN, of Nevada. His amendment is designed to exclude from importation the products of workers, farmers, or miners of foreign countries at total landed costs, all tariff duties paid, when such total costs are less than the cost of production or wholesale selling prices of competitive products of American workers, farmers, or miners where such American products are commercially available.

Our organization supports the McCarran amendment and we respectfully commend to your earnest consideration these particular tables in view of the amendment which is still pending before the Senate body.

The results of our preliminary study formed the basis for my testimony before the Senate Finance Committee during the progress of hearings on House Joint Resolution 407. At that time I stated to the committee that our conclusions were tentative and that we would proceed with the study. I am gratified to report in this letter that we have progressed to a point of completion with results reflecting substantially the same picture as that previously characterized to the Senate Finance Committee.

In this connection it is apropos to refer to the memorandum of the United States Tariff Commission relating to our studies which was inserted into the CONGRESSIONAL RECORD during the course of the debate in the Senate on the pending resolution to extend the Trade Agreements Act.This appears at pages 3502–3503, March 27 issue of the CONGRESSIONAL RECORD.

In the Commission's memorandum no apparent effort was made to break down the data contained in our preliminary tables nor to erect a series of comparable tables which would express the Commission's view of the statistics compiled by us. No counter-study is made available to reflect a picture of the trade-agreement program different from that indicated by the statistics presented by me to the committee. With this inadequate approach to our study, the Commission is hardly justified in challenging our results.

In the Commission's memorandum benefits are claimed from "enlarged quotas, liberalized exchange treatment, etc." We considered this question and came to what we believed to be the common-sense conclusion that the amount of a quota concession is but a little enlargement in the trade result unless the trade in the commodity reflects the so-called concession. So we have limited our study to actual trade in which the tariff or internal tax positions were affected.

The Commission alleges that the United States has obtained benefits from other nations by virtue of the so-called reciprocal

most-favored-nation treatment. The Commission states that there are several hundred trade treaties relating to tariffs entered into by foreign governments from which the United States has benefited. The Commission, however, offers no evidence in its memorandum to sustain this allegation.

The Commission in its memorandum alleges that "the value shown for imports of industrial products in table 2, in fact, include all the noncompetitive agricultural imports, such as raw silk, rubber, coffee, tea, raw wool for carpets, and cacao beans." That statement is not true. Only one commodity, rubber, was reclassified by us as an industrial commodity whereas the governmental classification places it as a noncompetitive agricultural product. We are unable to see any justification for classifying rubber as an agricultural commodity since, insofar as our knowledge goes, its uses are entirely industrial and no competitive product is produced by American farmers. At any rate, as I pointed out to the committee, the rubber-classification problem is of little consequence because if one subtracts from our table of industrial imports the rubber imports, the picture will not be changed materially. Rubber imports will then be shifted to the agricultural tables and the result will simply be to increase the import balance of agricultural products as compared with the export balance of such products

Likewise, the Commission raises a question as to our classification of the banana as a competitive agricultural product. With respect to this item we exercise our independent judgment and will defend it that bananas are competitive with agricultural products of the United States, namely, the cereals. Many nutrition authorities highly recommend the banana as a substitute for the breakfast cereals and bread.

Mention is made of our use of the terms "competitive" and "noncompetitive." We are fully aware of the fact that the Department of Agriculture chooses to substitute for these the terms "supplementary" and "complementary." However, our use of the words "competitive" and "noncompetitive" in connection with our statistical tables was intended only for the purposes of making the tables more understandable to the layman. I mention this only in passing and for the reason that the Commission directs its criticism of the study to details of this nature rather than to any points of substance.

In this regard it is well to recall my testimony before the Senate Finance Committee (p. 681 of the record of hearings) wherein I stated that the method of study employed by us "is open to anyone who wishes to examine it." Mr. Manuel A. Fox, a member of the Tariff Commission, was personally invited by me to check our basic material immediately following the close of the hearings. Neither he nor anyone else took advantage of this opportunity.

Another matter to which I wish to direct your attention in the revised tables is the fact that figures pertaining to import and export items of trade-agreement colonies have been placed in their proper place with trade-agreement countries. At the time I testified before the committee we had not had time to do this but rather had included the colonies in figures for non-trade-agreement countries. Even so, this adjustment does not materially change the total picture.

In making our statistical study we have been placed at considerable disadvantage by reason of the inadequacy of many governmental reports. In some instances we were compelled, on the recommendation of officials, to resort to foreign statistics because of no comparable domestic study of import-export figures. In others we were forced to use photostatic copies of worksheets because of the unavailability of Government-published figures. Notwithstanding this, I sincerely believe that the revised data submitted herewith gives a fairly representative picture of the effect of the trade-agreement program.

Sincerely yours,

CHAS. W. HOLMAN, *Secretary.*

A STATISTICAL APPRAISAL OF THE UNITED STATES TRADE-AGREEMENT PROGRAM

The following is an explanation of the method used in compiling the data from which tables I to XII, inclusive, of this study were built: In appraising the respective advantages and disadvantages to the United States from the operation of the trade-agreement policy under the terms of the Trade Agreement Act of 1934, we have used only those articles on which (1) duties were reduced, (2) duties or internal taxes were bound, and (3) articles were bound on the free list. We have not attempted to measure the theoretical effect of concessions such as quotas, because a quota in itself means nothing except a limitation on quantities of products which might be imported into a country. The essential thing is the amount of trade on articles wherein the actual duties or internal taxes were affected.

With regard to classification of items, a very difficult matter, the tariff item numbers were taken from the text of the respective trade agreements. Import classifications were based on "Statistical classification of imports into the United States" effective January 1, 1939.

After consultation with various governmental authorities, the following sources were used:

(1) Canadian exports were taken from the Canadian Year Book;

(2) Belgium, Brazil, Colombia, Finland, France, Guatemala, Netherlands, Sweden, Switzerland, Venezuela, and Cuba exports were taken from foreign-country statistics furnished by the United States Department of Commerce;

(3) All other exports were taken from "Foreign commerce and navigation of the United States," by the United States Department of Commerce, because the statistics from foreign sources were not available;

(4) Imports were based exclusively on those given in "Foreign commerce and navigation of the United States" by the United States Department of Commerce.

We have found no method of appraising any theoretical advantages to our Nation by virtue of the inclusion of the most-favored-nation clause in trade agreements. We have found no reports of the Government giving any information of value on this question. On the other hand, because of the generalization power in the Trade Agreements Act, we have included in these tables the imports from all other countries of the affected commodities with the exception of Germany, because such countries obtain the benefit of our concessions to the trade-agreement countries without themselves having to give us any concessions.

With regard to another phase of classification of commodities, we have classified rubber as an industrial product and the banana as a competitive agricultural product. Contrary to the statement of the Tariff Commission (p. 3502 CONGRESSIONAL RECORD, March 27, 1940), the rubber and the banana were the only two commodities in which we changed the classification used by the Bureau of Agricultural Economics, although, in order that laymen can understand what they are reading, we have used the terms "competitive" and "noncompetitive" instead of the terms "supplementary" and "complementary." So far as our knowledge goes, rubber is an industrial product and is not competitive with any agricultural products grown in the United States. On the other hand, the banana is directly competitive with cereal products, particularly those used on the breakfast table. We do not accept the classification of the Department of Agriculture with respect to rubber and bananas. This, however, is not the first time that our organization has challenged governmental classifications. We note in this connection that the competitive classifications used by us for many years with respect to oils and fats have gradually been accepted by the Federal Government as correct.

Attention is called to the fact that these revised tables agree in general with the results of the first survey made public in my testimony of March 5, 1940, before the Senate Finance Committee in connection with the proposal to extend for another 3 years the operation of the Trade Agreements Act. But, as I pointed out to the committee, those tables were not complete as to structure and needed revisions. The accompanying tables represent the second preliminary phase of our study and substantiate the general points made in my testimony. The principal reasons for changes in totals occur from the fact that at the time of my testimony we had not been able to classify properly some 70 articles, and these articles were omitted from the study. Also, we had not had the time properly to incorporate into the trade-agreement picture the relationship of our trade with the colonies of the three countries with which we have effective trade agreements involving colonial possessions.

Attached tables I to VI, inclusive, represent a revision of the information given to the Senate Finance Committee. Tables VII to XII, inclusive, represent new phases of this study which we believe to be of particular interest in view of the great issues involved in this controversy. Tables XIII to XVII, inclusive, have not been changed.

With respect to tables VII to XII, inclusive, attention is called to the fact that, although trade agreements with the United Kingdom, Turkey, Venezuela, and the second agreement with Canada were not effective in the year 1938, it may be assumed that the trade of the United States would not have been sufficiently different in the year 1939 to change in substantial measure the conclusions expressed in these tables.

In this study the items showing benefits obtained by non-trade-agreement countries through our policy of generalization also include the benefits obtained by the trade-agreement countries because of the same policy.

Although the computed average ad valorem duty paid on industrial items for non-trade-agreement countries (table VIII) was found to be only 23 percent, the time element was too short to permit rechecking this item. However, the ad varolem rate for all dutiable items included in the agreements and for all countries (including Cuba) except Germany was found to be 32.8 percent. This compares reasonably well with the 35 percent found by the Tariff Commission, since their study was based on 1937 rather than 1938 and included some items for Germany and free items on which an excise tax was paid, both of which were omitted from our study. Moreover, our study included items which were found in the Venezuelan agreement, while these items were omitted from the Tariff Commission study.

With special reference to tables VII, VIII, and IX, the computed landed costs of imports include (1) the foreign valuation, (2) duties paid, and (3) an estimate of 15 percent to cover such items of additional cost as packing, ocean freight rates, insurance, port charges, handling charges, and so forth.

CHARLES W. HOLMAN,
Secretary, the National Cooperative Milk Producers' Federation.

MARCH 29, 1940.

SECOND PRELIMINARY STUDY

TABLE I.—*Total concessions we received and gave on all products in terms of 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to the United States on duty concessions
			Total duty concessions		Total duty concessions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	86,480	42,029	17,989	20.8	10,398	24.7	+7,591
Brazil	71,520	97,748	24,517	34.3	86,699	88.7	−62,182
Canada	424,010	256,646	186,565	44.0	224,593	87.5	−38,028
Colombia	45,650	49,378	30,822	67.5	48,813	98.9	−17,991
Costa Rica	5,416	4,102	1,367	25.2	3,544	86.4	−2,177
Ecuador	5,352	2,570	1,528	28.6	2,228	86.7	−700
El Salvador	3,504	5,672	447	12.8	5,598	98.7	−5,151
Finland	19,250	18,071	10,421	54.1	16,656	92.2	−6,235
France and colonies	166,470	70,569	9,875	5.9	23,266	33.0	−13,391
Guatemala	7,490	9,530	1,958	26.1	8,731	91.6	−6,773
Haiti	3,600	2,961	557	15.5	2,332	78.8	−1,775
Honduras	6,252	5,677	867	13.9	5,220	91.9	−4,353
Netherlands and colonies	162,930	122,110	24,220	14.9	39,464	32.3	−15,244
Sweden	85,290	45,067	44,216	51.8	33,104	73.5	+11,112
Switzerland	28,650	22,773	8,340	29.1	11,561	50.8	−5,221
Turkey	13,195	14,603	1,604	12.2	13,320	91.2	−11,716
United Kingdom and colonies	589,167	283,233	327,473	55.6	143,499	50.7	+183,974
Venezuela	52,278	20,052	18,712	35.8	17,759	88.6	+953
Total, trade-agreement countries [1]	1,776,504	1,072,791	711,478	40.0	696,785	65.0	+14,693
Total, non-trade-agreement countries [1]	1,205,515	771,389			[2] 276,999		[3] −276,999
Total, all countries [1]	2,982,019	1,844,180	711,478	23.8	[3] 973,784	52.8	[3] −262,306
Cuba	75,150	105,444	65,601	87.3	89,177	84.6	−23,576

[1] Excludes Cuba.

[2] Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

[3] Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE II.—*Total concessions we received and gave on industrial products in terms of 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to the United States on duty concessions
			Total duty concessions		Total duty concessions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	48,861	38,229	12,268	25.1	8,357	21.9	+3,911
Brazil	69,517	78,762	23,346	33.6	479	.6	+22,867
Canada	336,240	234,503	151,677	45.1	209,746	89.4	−58,069
Colombia	42,363	46,871	28,753	67.9	603	1.3	+28,150
Costa Rica	4,471	2,785	501	11.2	12	.4	+489
Ecuador	4,701	1,435	1,002	21.3	259	18.0	+743
El Salvador	2,982	5,665	215	7.2	43	.8	+172
Finland	13,302	17,488	5,833	43.9	16,293	93.2	−10,460
France and colonies	118,860	42,828	4,769	4.0	16,177	37.8	−11,408
Guatemala	6,494	4,917	1,266	19.5	40	.8	+1,226
Haiti	2,880	1,705	423	14.7	40	2.3	+383
Honduras	5,592	441	603	10.8	5	1.1	+598
Netherlands and colonies	134,417	46,295	9,233	6.9	14,777	31.9	−5,544
Sweden	69,426	44,410	32,322	46.6	32,900	74.1	−578
Switzerland	22,404	20,034	5,001	22.3	10,121	50.5	−5,120
Turkey	12,987	2,377	1,479	11.4	611	25.7	+868
United Kingdom and colonies	286,867	161,417	50,122	17.5	119,521	74.0	−69,399
Venezuela	46,997	19,833	14,230	30.3	14,976	75.5	−746
Total, trade-agreement countries [1]	1,229,361	769,995	343,043	27.9	444,960	57.8	−101,917
Total, non-trade-agreement countries [1]	946,004	216,567			[2] 182,137		[3] −182,137
Total, all countries [1]	2,175,365	986,562	343,043	15.7	[3] 627,097	63.6	[3] −284,054
Cuba	54,258	7,542	45,943	84.7	1,530	20.3	+44,413

[1] Excludes Cuba.

[2] Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

[3] Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE III.—*Total concessions we received and gave on agricultural products in terms of 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Competitive imports		Net gain or loss to the United States on duty concessions
			Total duty concessions		Total duty concessions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	37,619	3,800	5,721	15.2	2,042	53.7	+3,679
Brazil	2,003	18,986	1,171	58.5	10,528	55.5	−9,357
Canada	87,770	22,143	34,888	39.7	14,847	67.1	+20,041
Colombia	3,287	2,507	2,068	62.9	2,379	94.9	−311
Costa Rica	945	2,275	866	91.6	2,275	100.0	−1,409
Ecuador	651	1,135	527	81.0	1,003	88.4	−476
El Salvador	522	7	232	44.4	5	71.4	+227
Finland	5,948	583	4,588	77.1	363	62.3	+4,225
France and colonies	47,610	27,741	5,106	10.7	4,770	17.2	+336
Guatemala	996	4,613	693	69.6	4,596	99.6	−3,903
Haiti	720	1,256	134	18.6	686	54.6	−552
Honduras	660	5,236	264	40.0	5,141	98.2	−4,877
Netherlands and colonies	28,513	75,815	14,987	52.6	19,049	25.1	−4,062
Sweden	15,864	657	11,894	75.0	204	31.1	+11,690
Switzerland	6,246	2,739	3,339	53.5	1,440	52.6	+1,899
Turkey	208	12,226	126	60.6	12,221	99.9	−12,095
United Kingdom and colonies	302,300	121,816	277,351	91.7	13,449	11.0	+263,902
Venezuela	5,281	219	4,482	84.9	30	13.7	+4,452
Total, trade-agreement countries [1]	547,143	303,754	368,437	67.3	95,028	31.3	+273,409
Total, non-trade-agreement countries [1]	259,511	75,618			[2] 62,457		[3] −62,457
Total, all countries [1]	806,654	379,372	368,437	45.6	[3] 157,485	41.5	[3] +210,952
Cuba	20,892	97,273	19,658	94.1	87,647	90.1	−67,989

[1] Excludes Cuba.

[2] Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

[3] Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE IV.—*Duty reductions we received and gave on all products in terms of 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to the United States on duty reductions
			Duty reductions		Duty reductions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	86,480	42,029	5,623	6.5	8,024	19.1	−2,401
Brazil	71,520	97,748	17,718	24.8	4,767	4.9	+12,951
Canada	424,010	256,646	131,870	31.1	53,527	20.9	+78,343
Colombia	45,650	49,378	13,322	29.2	18	[1]	+13,304
Costa Rica	5,416	4,102	596	11.0	[2]	[1]	+596
Ecuador	5,352	2,570	880	16.4	238	9.3	+642
El Salvador	3,504	5,672	138	3.9	43	.8	+95
Finland	19,250	18,071	1,323	6.9	1,174	6.5	+149
France and colonies	166,470	70,569	5,778	3.5	22,868	32.4	−17,090
Guatemala	7,490	9,530	472	6.3	[2]	[1]	+472
Haiti	3,600	2,961	124	3.4	7	.2	+117
Honduras	6,252	5,677	297	4.8	5	.1	+292
Netherlands and colonies	162,930	122,110	2,794	1.7	15,893	13.0	−13,099
Sweden	85,290	45,067	3,369	4.0	2,756	6.1	+613
Switzerland	28,650	22,773	858	3.0	9,943	43.7	−9,085
Turkey	13,195	14,603	1,605	12.2	11,727	80.3	−10,122
United Kingdom and colonies	589,167	283,233	50,451	8.6	29,087	10.3	+21,364
Venezuela	52,278	20,052	5,122	9.8	14,996	74.8	−9,874
Total, trade-agreement countries [3]	1,776,504	1,072,791	242,340	13.6	175,073	16.3	+67,267
Total, non-trade-agreement countries [3]	1,205,515	771,389			[4] 130,071		[5] −130,071
Total, all countries [3]	2,982,019	1,844,180	242,340	8.1	[5] 305,144	16.5	[5] −62,804
Cuba	75,150	105,444	41,674	55.5	89,177	84.6	−47,503

[1] Less than one-tenth of 1 percent.

[2] Less than a thousand dollars.

[3] Excludes Cuba.

[4] Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.

[5] Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce, Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE V.—*Duty reductions we received and gave on agricultural products in terms of 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Competitive imports		Net gain or loss to the United States on duty reductions
			Duty reductions		Duty reductions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	37,619	3,800	2,059	5.5	373	9.8	+1,686
Brazil	2,003	18,986	172	8.6	4,517	23.8	−4,345
Canada	87,770	22,143	15,045	17.1	12,431	56.1	+2,614
Colombia	3,287	2,507	1,885	57.3			+1,885
Costa Rica	945	2,275	278	29.4	[1]	[2]	+278
Ecuador	651	1,135	517	79.4	4	.4	+514
El Salvador	522	7	57	10.9			+57
Finland	5,948	583	1,178	19.8	362	62.1	+815
France and colonies	47,610	27,741	3,039	6.4	4,681	16.9	−1,642
Guatemala	996	4,613	55	5.5	[1]	[2]	+55
Haiti	720	1,256	55	7.6	[1]	[2]	+55
Honduras	660	5,236	130	19.7	[1]	[2]	+130
Netherlands and colonies	28,513	75,815	2,794	9.8	7,224	9.5	−4,430
Sweden	15,864	657	2,327	14.7			+2,327
Switzerland	6,246	2,739	218	3.5	1,440	52.6	−1,222
Turkey	208	12,226	126	60.6	11,691	95.6	−11,565
United Kingdom and colonies	302,300	121,816	35,005	11.6	3,104	2.5	+31,901
Venezuela	5,281	219	2,508	47.5			+2,508
Total, trade-agreement countries [3]	547,143	303,754	67,448	12.3	45,827	15.1	+21,621
Total, non-trade-agreement countries [3]	259,511	75,618			[4] 36,952		[5]−36,952
Total, all countries [3]	806,654	379,372	67,448	8.3	[5] 82,779	21.8	[5]−15,331
Cuba	20,892	97,273	12,875	61.6	87,647	90.1	−74,772

[1] Less than $1,000.
[2] Less than one-tenth of 1 percent.
[3] Excludes Cuba.
[4] Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.
[5] Excludes Germany.

Source: Exports from statistics of foreign countries; imports from Department of Commerce, Foreign Commerce and Navigation of the United States. Exports from Department of Commerce, Foreign Commerce and Navigation of the United States.

TABLE VI.—*Duty reductions we received and gave on industrial products in terms of 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement country	Total exports	Total imports	Exports		Imports		Net gain or loss to United States on duty reductions
			Duty reductions		Duty reductions		
			Amount	Percent of total	Amount	Percent of total	
Belgium	48,861	38,229	3,564	7.3	7,651	20.0	−4,087
Brazil	69,517	78,762	17,546	25.2	251	.3	+17,295
Canada	336,240	234,503	116,825	34.7	41,096	17.5	+75,729
Colombia	42,363	46,871	11,437	27.0	18	.03	+11,419
Costa Rica	4,471	2,785	318	7.1			+318
Ecuador	4,701	1,435	363	7.7	234	16.3	+129
El Salvador	2,982	5,665	81	2.7	43	.8	+38
Finland	13,302	17,488	145	1.1	812	4.6	−667
France and colonies	118,860	42,828	2,739	2.3	15,867	37.0	−13,128
Guatemala	6,494	4,917	417	6.4			+417
Haiti	2,880	1,705	69	2.4	7	.4	+62
Honduras	5,592	441	167	3.0	5	1.1	+162
Netherlands and colonies	134,417	46,295			8,299	17.9	−8,299
Sweden	69,426	44,410	1,042	1.5	2,756	6.2	−1,714
Switzerland	22,404	20,034	640	2.9	8,503	42.4	−7,863
Turkey	12,987	2,377	1,479	11.4	31	1.3	+1,448
United Kingdom and colonies	286,867	161,417	15,446	5.4	25,690	15.9	−10,244
Venezuela	46,997	19,833	2,614	5.6	14,965	75.5	−12,351
Total, trade-agreement countries [1]	1,229,361	769,995	174,892	14.2	126,228	16.4	+48,664
Total, non-trade-agreement countries [1]	946,004	216,567			[2] 91,764		[3]−91,764
Total all countries [1]	2,175,365	986,562	174,892	8.0	[3] 217,992	22.1	[3]−43,100
Cuba	54,258	7,542	28,799	53.1	1,530	5.3	+27,269

[1] Excludes Cuba.
[2] Excludes Germany. This item includes both the amounts on which the benefits were generalized to non-trade-agreement countries and to trade-agreement countries and is not comparable with the total imports from non-trade-agreement countries.
[3] Excludes Germany.

Source: Exports—Foreign Commerce and Navigation of the United States, Department of Commerce; Foreign Country Statistics. Imports—Foreign Commerce and Navigation of the United States, Department of Commerce.

TABLE VII.—*A comparison of United States total import and export trade in dutiable articles affected as to rates by the trade-agreement program in terms of American valuation of exports and foreign valuation plus duties collected, freight, and other charges on imports in relation to 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement countries	Exports, total value	Imports, total value plus duty, etc.[1]	Imports, total value	Imports, total duties collected	Computed average ad valorem duty paid	Net gain or loss to United States
Belgium	16,806	11,331	8,074	2,046	25.3	+5,475
Brazil	21,985	6,245	4,767	763	16.0	+15,740
Canada[2]	149,376	79,841	56,433	14,943	26.5	+69,535
Colombia	30,776	22	18	1	5.6	+30,754
Costa Rica	1,367	[3]	[3]	[3]	[4]	+1,367
Ecuador	1,528	292	237	19	8.0	+1,236
El Salvador	447	51	43	2	4.7	+396
Finland	7,166	1,657	1,189	290	24.4	+5,509
France and colonies	9,875	36,776	23,266	10,020	43.1	−26,901
Guatemala	1,958	[3]	[3]	[3]	[4]	+1,958
Haiti	557	15	7	7	100.0	+542
Honduras	621	7	5	1	20.0	+614
Netherlands and colonies	15,455	22,766	15,976	4,394	27.5	−7,311
Sweden	26,975	4,429	3,161	794	25.1	+22,546
Switzerland	8,340	17,580	11,318	4,564	40.3	−9,240
Turkey[2]	1,604	14,449	11,727	963	8.2	−12,845
Venezuela[2]	18,161	19,453	15,009	2,193	14.6	−1,292
United Kingdom and colonies[2]	213,392	99,634	64,757	25,163	38.9	+113,758
Total, trade-agreement countries[5]	526,389	314,548	215,987	66,163	30.6	+211,841
Total, non-trade-agreement countries[5 6]		192,414	136,933	36,237	26.5	−192,414
Cuba	65,540	145,226	89,177	42,672	47.9	−79,686
Total, all countries[5]	591,929	652,188	442,097	145,072	32.8	−60,259

[1] Includes 15 percent of total import value as an allowance for packing, freight, insurance, and other charges.
[2] Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.
[3] Less than $1,000.
[4] Less than 0.1 percent.
[5] Excludes Germany.
[6] Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.
Source: Foreign Commerce and Navigation of the United States, 1938; Text of Trade Agreements; Foreign Country Statistics.

TABLE VIII.—*A comparison of United States industrial total import and export trade in dutiable articles affected as to rates by the trade-agreement program in terms of American valuation of exports and foreign valuation plus duties collected, freight and other charges on imports in relation to 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement countries	Exports, total value	Imports, total value plus duty, etc.[1]	Imports, total value	Imports, total duties collected	Computed average ad valorem duty paid	Net gain or loss to United States
Belgium	11,601	10,840	7,683	2,005	26.1	+761
Brazil	21,813	439	250	151	60.4	+21,374
Canada[2]	128,116	61,269	42,612	12,265	28.8	+66,847
Colombia	28,708	22	18	1	5.6	+28,686
Costa Rica	501					+501
Ecuador	1,001	288	234	19	8.1	+713
El Salvador	215	51	43	2	4.7	+164
Finland	5,833	1,148	827	196	23.7	+4,685
France and colonies	4,769	26,187	16,177	7,583	46.9	−21,418
Guatemala	1,266					+1,266
Haiti	423	15	7	7	100.0	+408
Honduras	357	6	5	[3]	[4]	+351
Netherlands and colonies	5,904	10,709	8,297	1,167	14.1	−4,805
Sweden	24,230	4,429	3,161	794	25.1	+19,801
Switzerland	5,001	15,526	9,878	4,166	42.2	−10,525
Turkey[2]	1,479	40	31	4	12.9	+1,439
Venezuela[2]	13,679	19,399	14,965	2,189	14.6	−5,720
United Kingdom and Colonies[2]	39,259	91,452	59,257	23,306	39.3	−52,193
Total, trade-agreement countries[5]	294,155	241,820	163,445	53,855	32.9	+52,335
Total, non-trade-agreement countries[5 6]		124,197	89,970	20,731	23.0	−124,197
Cuba	45,822	2,372	1,530	612	40.0	+43,450
Total, all countries[5]	339,977	368,389	254,945	75,198	29.5	−28,412

[1] Includes 15 percent of total import value as an allowance for packing, freight, insurance, and other charges.
[2] Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.
[3] Less than $1,000.
[4] Less than 0.1 percent.
[5] Excludes Germany.
[6] Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.
Source: U. S. Department of Commerce (Foreign Commerce and Navigation of the United States, 1938); Text Trade Agreements; Foreign Country Statistics.

TABLE IX.—*A comparison of United States agricultural import and export trade in dutiable competitive articles affected as to rates by the trade-agreement program in terms of American valuation of exports and foreign valuation plus duties collected, freight, and other charges on imports in relation to 1938 trade*

[Amounts in thousands of dollars]

Trade-agreement countries	Exports, total value	Imports, total value plus duty, etc. (competitive) [1]	Imports, total value (competitive)	Imports, total duty collected (competitive)	Calculated average ad valorem duty paid	Net gain or loss to United States
Belgium	5,205	491	391	41	10.5	+4,714
Brazil	172	5,807	4,517	612	13.5	−5,635
Canada [2]	21,260	18,572	13,821	2,678	19.4	+2,688
Colombia	2,068					+2,068
Costa Rica	866	(3)	(3)	(3)	(4)	+866
Ecuador	527	4	3	1	33.3	+523
El Salvador	232					+232
Finland	1,333	510	362	94	26.0	+823
France and colonies	5,106	7,782	4,770	2,296	48.1	−2,676
Guatemala	693	(3)	(3)	(3)	(4)	+693
Haiti	134	(3)	(3)	(3)	(4)	+134
Honduras	264	(3)	(3)	(3)	(4)	+264
Netherlands and colonies	9,551	11,587	7,308	3,183	43.6	−2,036
Sweden	2,745					+2,745
Switzerland	3,339	2,055	1,440	399	27.7	+1,284
Turkey [2]	126	14,404	11,691	959	8.2	−14,278
Venezuela [2]	4,482	17	13	2	15.0	+4,465
United Kingdom and Colonies [2]	174,133	7,375	4,814	1,839	38.2	+166,758
Total, trade-agreement countries [5]	232,236	68,604	49,130	12,104	24.6	+163,632
Total, non-trade-agreement countries [5 6]		68,217	46,002	15,315	33.3	−68,217
Cuba	19,658	142,854	87,647	42,060	48.0	−123,196
Total, all countries [5]	251,894	279,675	182,779	69,479	38.0	−27,781

[1] Includes 15 percent of total import value as an allowance for packing, freight, insurance, and other charges.
[2] Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached in this table.
[3] Less than $1,000.
[4] Less than 0.1 percent.
[5] Excludes Germany.
[6] Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: Foreign Commerce and Navigation of the United States, 1938; Text of Trade Agreements; Foreign Country Statistics.

TABLE X.—*Duty collected on all imports under trade-agreement concessions in 1938* [1]

	Duty we would collect under the 1930 Tariff Act			Duty collected on total trade-agreement items, 1938			Net loss in duty on total trade-agreement items, 1938			
							Total			
	Total	Industrial	Agricultural	Total	Industrial	Agricultural	Value	Percent loss	Industrial	Agricultural
Belgium	$2,869,457	$2,813,507	$55,950	$2,046,222	$2,004,929	$41,293	$823,235	28.7	$808,578	$14,657
Brazil	1,525,848	301,108	1,224,740	762,924	150,554	612,370	762,924	50.0	150,554	612,370
Canada [2]	28,190,807	22,994,622	5,196,185	14,942,673	12,265,173	2,677,500	13,248,134	47.0	10,729,449	2,518,685
Colombia	1,812	1,812		906	906		906	50.0	906	
Costa Rica	67		67	47		47	20	29.9		20
Ecuador	38,854	37,644	1,210	19,427	18,822	605	19,427	50.0	18,822	605
El Salvador	4,324	4,324		2,162	2,162		2,162	50.0	2,162	
Finland	444,968	316,223	128,745	290,192	195,723	94,469	154,776	34.8	120,500	34,276
France and colonies	16,305,292	11,816,977	4,488,315	10,020,275	7,583,276	2,436,999	6,285,017	38.5	4,233,701	2,051,316
Guatemala	124		124	83		83	41	33.1		41
Haiti	14,701	14,626	75	7,371	7,313	58	7,330	49.9	7,313	17
Honduras	826	732	94	563	488	75	263	31.8	244	19
Netherlands and colonies	7,272,057	2,196,741	5,075,316	4,393,888	1,166,680	3,227,208	2,878,169	39.6	1,030,061	1,848,108
Sweden	1,031,681	1,031,681		794,311	794,311		237,370	23.0	237,370	
Switzerland	7,307,894	6,772,645	535,249	4,564,434	4,165,916	398,518	2,743,460	37.5	2,606,729	136,731
Turkey [2]	1,288,335	6,097	1,282,238	963,315	3,528	959,787	325,020	25.2	2,569	322,451
Venezuela [2]	4,384,496	4,377,760	6,736	2,193,229	2,188,880	4,349	2,191,267	50.0	2,188,880	2,387
United Kingdom and colonies [2]	29,369,790	26,155,277	3,214,513	25,162,927	23,306,250	1,856,677	4,206,863	14.3	2,849,027	1,357,836
Total, trade-agreement countries [3]	100,051,333	78,841,776	21,209,557	66,164,949	53,854,911	12,310,038	33,886,384	33.8	24,986,865	8,899,519
Total, non-trade-agreement countries [3 4]	50,568,820	30,046,054	20,522,766	36,236,725	20,731,269	15,505,456	14,332,095	28.3	9,314,785	5,017,310
Total, all countries [3]	150,620,153	108,887,830	41,732,323	102,401,674	74,586,180	27,815,494	48,218,479	32.0	34,301,650	13,916,829
Cuba	68,152,533	985,241	67,167,292	42,672,321	612,419	42,059,902	25,480,212	37.4	372,822	25,107,390

[1] Includes duty reduced and bound items conceded in the trade agreements.
[2] Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.
[3] Excludes Cuba and Germany.
[4] Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.

Source: U. S. Department of Commerce Statistics (Foreign Commerce and Navigation of the United States, 1938); Tariff Act of 1930; trade agreements.

TABLE XI.—*Duty collected on industrial imports under trade-agreement concessions in 1938* [1]

	Duty we would collect under the 1930 Tariff Act—total industrial	Duty collected on trade-agreement items, 1938—total industrial	Net loss in duty on trade-agreement items 1938—total industrial	
			Value	Percent of loss
Belgium	$2,813,507	$2,004,929	$808,578	28.7
Brazil	301,108	150,554	150,554	50.0
Canada [2]	22,994,622	12,265,173	10,729,449	46.7
Colombia	1,812	906	906	50.0
Ecuador	37,644	18,822	18,822	50.0
El Salvador	4,324	2,162	2,162	50.0
Finland	316,223	195,723	120,500	38.1
France and colonies	11,816,977	7,583,276	4,233,701	35.8
Haiti	14,626	7,313	7,313	50.0
Honduras	732	488	244	33.3
Netherlands and colonies	2,196,741	1,166,680	1,030,061	46.9
Sweden	1,031,681	794,311	237,370	23.0
Switzerland	6,772,645	4,165,916	2,606,729	38.5
Turkey [2]	6,097	3,528	2,569	42.1
Venezuela [2]	4,377,760	2,188,880	2,188,880	50.0
United Kingdom and colonies [2]	26,155,277	23,306,250	2,849,027	10.9
Total, trade-agreement countries [3]	78,841,776	53,854,911	24,986,865	31.7
Total, non-trade-agreement countries [3 4]	30,046,054	20,731,269	9,314,785	31.0
Total, all countries [3]	108,887,830	74,586,180	34,301,650	31.5
Cuba	985,241	612,419	372,822	37.8

[1] Includes duty reduced and bound items conceded in the trade agreements.
[2] Although the agreements with the United Kingdom, Turkey, and Venezuela, and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.
[3] Excludes Cuba and Germany.
[4] Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.
Source: U. S. Department of Commerce Statistics (Foreign Commerce and Navigation of the United States, 1938); Tariff Act of 1930; trade agreements.

TABLE XII.—*Duty collected on agricultural imports under trade-agreement concessions in 1938* [1]

	Duty we would collect under 1930 Tariff Act			Duty collected on trade-agreement items, 1938			Net loss in duty on trade-agreement items, 1938			
	Total	Competitive	Noncompetitive	Total	Competitive	Noncompetitive	Total	Competitive		Noncompetitive
								Value	Percent loss	
Belgium	$55,950	$55,950		$41,293	$41,293		$14,657	$14,657	26.2	
Brazil	1,224,740	1,224,740		612,370	612,370		612,370	612,370	50.0	
Canada [2]	5,196,185	5,196,185		2,677,500	2,677,500		2,518,685	2,518,685	48.5	
Costa Rica	67	67		47	47		20	20	29.9	
Ecuador	1,210	1,210		605	605		605	605	50.0	
Finland	128,745	128,745		94,469	94,469		34,276	34,276	26.6	
France and colonies	4,488,315	4,200,102	$288,213	2,436,999	2,296,101	$140,898	2,051,316	1,904,001	45.3	$147,315
Guatemala	124	124		83	83		41	41	33.1	
Haiti	75	75		58	58		17	17	22.7	
Honduras	94	94		75	75		19	19	20.2	
Netherlands and colonies	5,075,316	4,986,266	89,050	3,227,208	3,182,683	44,525	1,848,108	1,803,583	36.2	44,525
Switzerland	535,249	535,249		398,518	398,518		136,731	136,731	25.5	
Turkey [2]	1,282,238	1,281,560	678	959,787	959,109	678	322,451	322,451	25.2	
Venezuela [2]	6,736	1,962	4,774	4,349	1,962	2,387	2,387			2,387
United Kingdom and colonies [2]	3,214,513	3,196,859	17,654	1,856,677	1,839,023	17,654	1,357,836	1,357,836	42.5	
Total, trade-agreement countries [3]	21,209,557	20,809,188	400,369	12,310,038	12,103,896	206,142	8,899,519	8,705,292	42.0	194,227
Total, non-trade-agreement countries [3 4]	20,522,766	20,208,496	314,270	15,505,456	15,315,471	189,985	5,017,310	4,893,025	24.2	124,285
Total, all countries [3]	41,732,323	41,588,046	714,639	27,815,494	27,419,367	396,127	13,916,829	13,598,317	33.3	318,512
Cuba	67,167,292	67,167,292		42,059,902	42,059,902		25,107,390	25,107,390	37.4	

[1] Includes duty reduced and bound items conceded in the trade agreements.
[2] Although the agreements with the United Kingdom, Turkey, and Venezuela and the second Canadian agreement were not effective in 1938, it may be assumed that the trade of the United States would not have been sufficiently different in 1939 to change in substantial measure the conclusions reached on this table.
[3] Excludes Cuba and Germany.
[4] Includes duty collected on imports of all items on which duties were automatically reduced and bound by virtue of our policy of generalizing tariffs.
Source: U. S. Department of Commerce Statistics (Foreign Commerce and Navigation of the United States); Tariff Act of 1930; trade agreements.

TABLE XIII.[1]—*United States exports of domestic merchandise before and after deducting foreign countries, profit from the United States gold-buying program*

Calendar year	Net gold imports		Advantage to other countries	Domestic merchandise exports	
	Actual value	All at $20.67 per ounce		Gross value	Net value
1929	$175,066,000	$175,066,000	----------	$5,157,083,000	$5,157,083,000
1930	280,807,000	280,087,000	----------	3,781,172,000	3,781,172,000
1931	145,325,000	145,325,000	----------	2,377,982,000	2,377,982,000
1932	[2] 446,213,000	[2] 446,213,000	----------	1,576,151,000	1,576,151,000
1933	[2] 173,455,000	[2] 102,338,000	[2] $71,117,000	1,647,220,000	1,718,337,000
1934	1,131,994,000	667,876,000	464,118,000	2,100,135,000	1,636,017,000
1935	1,739,019,000	1,026,021,000	712,998,000	2,243,081,000	1,530,083,000
1936	1,116,584,000	658,785,000	457,799,000	2,418,969,000	1,961,170,000
1937	1,585,503,000	935,447,000	650,056,000	3,298,929,000	2,648,873,000
1938	1,973,569,000	1,164,406,000	809,163,000	3,057,169,000	2,248,005,000
1939	3,574,151,000	2,108,749,000	1,465,402,000	3,123,869,000	1,658,467,000
1929–33	[2] 3,838,000	10,385,000	[2] 14,223,000	2,907,921,000	2,922,144,000
1935–39	1,997,765,000	1,178,682,000	819,083,000	2,828,403,000	2,009,320,000
1934–35	1,435,507,000	846,948,000	588,559,000	2,171,608,000	1,583,049,000
1937–38	1,779,536,000	1,049,926,000	729,610,000	3,178,049,000	2,448,439,000

[1] This was table 11 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651–689, inclusive). It was not necessary to revise the nature of information on this table.

[2] Denotes red figures.

Source: Net gold imports from Federal Reserve Board; exports of merchandise from U. S. Department of Agriculture.

TABLE XIV.[1]—*United States domestic exports, industrial production, and wholesale commodity prices*

Calendar year	Industrial production (1923–25=100)		Total United States exports (1923–25=100)	Wholesale prices (1924–29=100)		Total United States exports (1924–29=100)
	United States	Foreign countries		United States	Foreign countries	
1929	119	135.6	115.3	97.1	94.4	106.8
1930	96	124.0	84.6	88.0	82.6	78.3
1931	81	110.6	53.2	74.3	71.9	49.2
1932	64	97.0	35.3	66.1	68.0	32.6
1933	76	107.2	36.9	67.2	68.2	34.1
1934	79	116.4	47.1	76.4	69.0	43.5
1935	90	124.3	50.2	81.5	70.1	46.4
1936	105	132.0	54.1	82.3	74.9	50.1
1937	110	144.1	73.8	87.9	87.6	68.3
1938	86	141.1	68.4	80.0	86.5	63.3
1939	105	[2] 160.0	69.9	78.4	[3]	64.7

[1] This was table 10 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651–689, inclusive). It was not necessary to revise the nature of information on this table.

[2] Preliminary.

[3] Not available.

Source: Industrial production and wholesale prices from 1940 Agricultural Outlook; exports from U. S. Department of Agriculture.

TABLE XV.[1]—*Value of United States industrial exports and industrial imports 2 years before and 2 years after trade agreements*[2]

[All values in millions of dollars]

Country	Year agreement was made	Industrial exports				Industrial imports				Excess of exports over imports	
		Before	After	Change		Before	After	Change		Before	After
				Amount	Percent			Amount	Percent		
Belgium	1935	30.0	52.5	+22.5	+75.0	22.0	58.0	+36.0	+163.6	+8.0	−5.5
Brazil	1936	40.0	63.0	+23.0	+57.5	2.5	4.5	+2.0	+80.0	+37.5	+58.5
Canada	1936	253.5	392.0	+138.5	+54.6	199.5	275.0	+75.5	+37.8	+54.0	+117.0
Colombia	1936	20.0	37.0	+17.0	+85.0	5.5	1.5	−4.0	−72.7	+14.5	+35.5
Cuba	1934	19.0	48.0	+29.0	+152.6	3.5	5.0	+1.5	+42.8	+15.5	+43.0
Finland	1936	3.0	8.0	+5.0	+166.6	10.5	17.0	+6.5	+61.9	−7.5	−9.0
France and colonies	1936	74.5	109.5	+35.0	+46.9	45.0	50.0	+5.0	+11.1	+29.5	+59.5
Guatemala	1936	3.0	6.0	+3.0	+100.0	----------	1.0	+1.0	----------	+3.0	+5.0
Haiti	1935	2.5	3.0	+.5	+20.0	----------	----------	----------	----------	+2.5	+3.0
Honduras	1936	5.0	5.0	0	----------	----------	----------	----------	----------	+5.0	+5.0
Netherlands and colonies	1936	55.5	116.5	+61.0	+109.0	43.0	53.5	+10.5	+24.4	+12.5	+63.0
Sweden	1935	16.5	41.0	+24.5	+148.4	32.5	52.5	+20.0	+61.5	−16.0	−11.5
Switzerland	1936	6.0	7.5	+1.5	+25.0	13.5	21.5	+8.0	+59.2	−7.5	−14.0
Total	----------	528.5	889.0	+360.5	+68.2	377.5	539.5	+162.0	+42.9	+151.0	+349.5

[1] This was table 9 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651–689, inclusive). It was not necessary to revise the nature of information on this table.

[2] Only includes countries with which agreements were made prior to 1937. "Before" and "After" captions denote the average of 2 years prior and 2 years after the year in which an agreement with each individual country was first made.

Source: Compiled from U. S. Department of Commerce yearbooks and work sheets of the U. S. Department of Agriculture. Classifications of imports are the same as endorsed by the U. S. Department of Agriculture except that rubber has been added to industrial imports.

TABLE XVI.[1]—*Summary of changes in balance of trade with trade-agreement and non-trade-agreement countries*

[Values in thousands of dollars]

Item	2 years before [2]	2 years after [2]	Change	
			Amount	Percent
Excess of total exports over total imports:				
Trade countries [3]	−29,500	+104,000	+133,500	(4)
Nontrade countries [5]	+363,654	+594,310	+230,656	+63.4
Total, world	+334,154	+698,310	+364,156	+109.0
Excess of industrial exports over industrial imports:				
Trade countries [3]	+151,000	+349,500	+198,500	+131.5
Nontrade countries [5]	+388,654	+803,718	+415,064	+106.8
Total, world	+539,654	+1,153,218	+613,564	+113.7
Excess of all agricultural exports over competitive agricultural imports:				
Trade countries [3]	−36,000	−92,000	−56,000	−155.6
Nontrade countries [5]	+276,264	+232,050	−44,214	−16.0
Total, world	+240,264	+140,050	−100,214	−41.7

[1] This was a summary table submitted in the testimony of Charles W. Holman, before the Senate Finance Committee (pp. 651–689, inclusive). It was not necessary to revise the nature of information in this table.

[2] For trade-agreement countries captions "2 years before" and "2 years after" denote the averages of 2 years prior and 2 years after the year in which a trade agreement became first effective. For nontrade countries the "2 years before" is the average of 1934–35, and the "2 years after" is the average of 1937–38.

[3] Only includes all 13 countries with which agreements were made prior to 1937; as it is impossible to make an adequate comparison of trade-agreement countries signed later than 1936. The following trade countries have not been included: El Salvador, Costa Rica, Czechoslovakia, Ecuador, Nicaragua, Turkey, United Kingdom, and Venezuela.

[4] Not possible to compute.

[5] Includes all countries with which trade agreements were not made prior to 1937.

Source: All basic data compiled from U. S. Department of Commerce and U. S. Department of Agriculture statistics.

TABLE XVII.[1]—*Value of United States agricultural exports and competitive agricultural imports 2 years before and 2 years after trade agreements* [2]

[All values in millions of dollars]

Country	Year agreement was made	Agricultural exports				Agricultural competitive imports				Excess of agricultural exports over agricultural competitive imports	
		Before	After	Change		Before	After	Change		Before	After
				Amount	Percent			Amount	Percent		
Belgium	1935	16.0	24.0	+8.0	+50.0	2.5	8.5	+6.0	+240.0	+13.5	+15.5
Brazil	1936	1.5	2.0	+.5	+33.3	12.0	24.0	+12.0	+100.0	−10.5	−22.0
Canada	1936	44.0	80.0	+36.0	+81.8	57.0	50.5	−6.5	−11.4	−13.0	+29.5
Colombia	1936	1.5	3.0	+1.5	+100.0	2.5	2.5			−1.0	+.5
Cuba	1934	7.5	15.0	+7.5	+100.0	54.0	115.0	+61.0	+113.0	−46.5	−100.0
Finland	1936	3.0	4.0	+1.0	+33.3		1.0	+1.0		+3.0	+3.0
France and colonies	1936	48.5	52.5	+4.0	+8.2	15.5	23.0	+7.5	+48.4	+33.0	+29.5
Guatemala	1936	1.0	1.0			2.5	4.5	+2.0	+80.0	−1.5	−3.5
Haiti	1935	1.0	1.0			.5	1.0	+.5	+100.0	+.5	
Honduras	1936	1.0	.5	−.5	−50.0	7.0	6.0	−1.0	−14.3	−6.0	−5.5
Netherlands and colonies	1936	19.0	41.5	+22.5	+118.4	34.0	91.0	+57.0	+167.6	−15.0	−49.5
Sweden	1935	9.0	12.5	+3.5	+38.9	1.0	1.0			+8.0	+11.5
Switzerland	1936	1.5	2.0	+.5	+33.3	2.0	3.0	+1.0	+50.0	−.5	−1.0
Total		154.5	239.0	+84.5	+54.5	190.5	331.0	+140.5	+73.8	−36.0	−92.0

[1] This was table No. 8 submitted in the testimony of Charles W. Holman before the Senate Finance Committee (pp. 651–689, inclusive). It was not necessary to revise the nature of information on this table.

[2] Only includes countries with which agreements were made prior to 1937. "Before" and "After" captions denote the average of 2 years prior and 2 years after the year in which an agreement with each individual country was first made.

Source: Compiled from U. S. Department of Commerce yearbooks and work sheets of the U. S. Department of Agriculture. Classification of agricultural exports and competitive agricultural imports is the same as endorsed by the U. S. Department of Agriculture except that bananas have been added to competitive agricultural imports. However, imports of bananas "before" and "after" only increased 2.5 millions or 19.2 percent whereas all competitive agricultural imports increased 73.8 percent.

Mr. McNARY. Mr. President, 2 days ago, while I was discussing an amendment, I stated that at some opportune time I desired to discuss the Reciprocal Trade Agreements Act. I seize this opportunity to discuss the act and to state my reason in opposition to its continuance.

Mr. President, the Reciprocal Trade Agreements Act was passed in 1934 as an emergency measure; it was extended in 1937 as an emergency measure; and it is before Congress today as an emergency measure. Just what emergencies presumably necessitated this legislation? The argument made in former years that the Reciprocal Trade Agreements Act was the product of emergencies was presented upon the theory that this act and its continuance would restore normal economic conditions. It did not happen here as proposed. Now, the able Senator from Mississippi [Mr. HARRISON] in charge of the joint resolution argues that "we are still trying to meet that emergency" because of the conflict in other hemispheres. In my opinion, there is a real emergency, but it runs in reverse to the fantastic emergencies advanced by this administration.

With nations torn and tottering, with issue of victory or defeat in the balance, with the eventuality of peace in the future, with millions of veterans in these countries returning to the fold of employment, with currencies debased and depreciated and standards of living sagging far below our own, this country must be free to meet these unhappy conditions without the embarrassment of a continuing trade-agreements statute and understandings that may be based thereon.

The deplorable and destructive policy behind the Reciprocal Trade Agreements Act involves increasing imports of competitive articles into the United States in order to increase exports. That program means reductions in the protection given many domestic products. This is true of both agricultural and industrial products competitive with similar articles which seek entrance into the United States. Such increased competition injures the American producer and curtails production. The injury to the general welfare caused by the imports is incalculably greater than the gains due to the exports.

Promoters of foreign trade argue that our domestic prosperity depends upon foreign trade. It is their claim that

prosperity or depression is a matter of much or little foreign trade, and they offer as proof the large foreign-trade figures of 1929 and the small foreign-trade figures of 1932.

Mr. President, inevitably foreign trade fluctuates with the prosperity of domestic trade. Raw materials and other commodities not produced in our country are imported in greater volume when business is active. In prosperous times more luxuries are imported. Our exports are affected by similar conditions abroad. The large export figures for 1929 reflect some of the loans we made abroad to finance such purchases. The figures of both exports and imports for 1929 reflect inflated prices, like 17-cent cotton; and the figures for 1932 reflect depressed prices, abnormally depressed by a 30-percent depreciation in foreign currencies, like 6-cent cotton.

However, there is a unanimous agreement that the farmers who produce crops in excess of domestic requirements must have export markets to be prosperous under present conditions. The surpluses of such important commodities as wheat, cotton, tobacco, meat products, and certain fruit and vegetable crops must be sold abroad if the farmer is to receive a fair price for his total crop. Proponents of the reciprocal-agreements program claim that they have reopened many markets for our agricultural surpluses. What are the facts?

The first thing that is noted when trade statistics are examined is the increase in exports of all commodities since 1932. Thus, total exports from the fiscal year 1932 to the fiscal year 1939 have increased from $1,908,000,000 to $2,885,000,000, or by 51.2 percent. Agricultural exports, on the other hand, have actually declined over the same period from $752,000,000 to $683,000,000 or by 9.2 percent. In fact, agricultural exports as a percentage of total exports reached a low of 23.7 percent in the fiscal year 1939, the lowest for any fiscal year for which records are available.

To give only the total figures, however, does not give the whole picture. In order better to understand the real effect of the reciprocal-trade program on agriculture, it is necessary to examine two of the specific commodities which annually bulk largest in our agricultural export trade.

Proponents of the agreements program have been unanimous in their praise of the concessions we received on wheat and wheat flour. They point with pride to the increase of over 600 percent in the quantity exported to all countries from 1935 to 1938. What they neglect to point out, however, is that exports to concession countries with which we have trade agreements increased but 350 percent, while over the same period exports to nonconcession countries increased nearly 800 percent, or twice as much, relatively, as exports to concession countries. Nor do they mention that in 1938 and 1939 we subsidized the export of millions of bushels of wheat, either in the form of grain or flour, and that a large percentage of the subsidized exports went to countries which granted us concessions through trade agreements.

The case of cotton offers further illumination on the agreements program. The trade agreements have had no direct effect on cotton, as it enters all the important world markets duty free. Cotton does offer, however, an excellent test of the theory, often advanced, that trade in all commodities would increase whether the subject of concessions or not. If there were any validity to this theory, certainly exports of cotton, in which in the past we held a dominant world position, should be the first to feel the upsurge. From 1935 through 1938, however, the amount of American cotton entering foreign markets has declined 22 percent, while over the same period foreign mill consumption has increased 10 percent. Even more significant is the fact that cotton exports as a percentage of previous years' production have dropped from 44.9 percent in 1929 to 28.1 percent in 1938. Has the cotton grower benefited from the trade-agreements program?

Mr. President, these are just two examples of commodities which have shown increases in exports to all countries, but have shown either declines or much smaller increases in exports to countries which gave us concessions in reciprocal-trade agreements.

That such a situation should exist, however, is wholly illogical. When foreign countries reduce the duty on a given commodity, the market for that commodity should be made more accessible to American exports. Why, then, has not this happened in the case of the two commodities to which reference has been made? The answer hinges on two factors either unknown to or purposely ignored by the administration. The first of these is the comparative unimportance of tariff barriers in many countries today. In recent years, new and heretofore unknown barriers to trade have sprung up—barriers which are much more effective than the tariff in limiting imports. Such things as quotas, clearing agreements, exchange restrictions, exchange subsidies, import licenses, and many other artificial restraints to trade have grown like wicked weeds.

As I stated a few days ago on the floor of the Senate, and I do not particularly desire to repeat at this time, the discrepancies in the depreciation of foreign currencies have wholly demolished any protection we had under the Smoot-Hawley Act in the case of nearly all the imports which are coming into this country.

Not only are agricultural exports less today than in the fiscal year 1932, but they have increased only 2.1 percent since 1935, while nonagricultural exports were increasing 55.5 percent. In addition, the program has failed to solve the pressing problems imposed by our surpluses of wheat and cotton and other farm products.

Mr. President, the effect of the agreements program on the farmer does not stop with exports. Not only are concessions, in the form of duty reductions, granted graciously and generously, but in return our own duties are reduced drastically for the sake of the foreign producers. The American farmer did not anticipate such reductions, for in 1932 President Roosevelt stated in a fervent speech, delivered in Baltimore on October 25, when he was a candidate for the office he now occupies, that:

> * * * It is absurd to talk of lowering tariff duties on farm products. * * * I know of no effective excessively high tariff duties on farm products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program, and every farmer in the United States knows it and will not be deceived.

Mr. President, consistent with most administration campaign promises, this, too, was broken. Up to and including the British and revised Canadian agreements, duties were lowered on about 1,100 commodities. Of these concessions, all but 18, those granted to Cuba, were generalized to all the countries of the world, except Germany, under the most-favored-nation policy, which policy was also the product of a Democratic administration, some 22 years ago.

Secretary Hull claims that the nature of the concessions granted is such that the farmer need not worry. He points out that two-thirds of our agricultural imports are noncompetitive, consisting of such things as rubber, coffee, tea, bananas, silk, and so forth. The Secretary stated in an address in Chicago on December 5, 1939:

> The products comprised in the remaining third * * * are predominantly of the two types: First, commodities of which we do not produce enough for our domestic requirements * * *; and second, products * * * which we import because of special quality or use, or differences in marketing season, or other special considerations.

One might well ask into which of these categories do reductions on such products as cattle, milk, cream, various cheeses, hay, oats, rye, potatoes, live poultry, eggs, apples, cherries, other fruits, and vegetables fall? We certainly produce a surplus of these commodities. Must we assume, therefore, that these reductions were made without the knowledge of the Secretary or the assent of the President?

Further examination of the specific commodities reveals that while the State Department is reducing our duties on agricultural commodities the Federal Surplus Commodities Corporation is making large purchases of the same commodities. From July 1, 1937, through June 30, 1939, the Corporation spent $30,479,000 on surplus removal operations as to

20 commodities which were the subject of concessions in the various agreements. During the same period imports of these commodities were valued at $92,298,000.

When faced with the fact of duty reductions on many highly competitive products, the chief argument used by proponents of the trade-agreements program is to cite how much better off the farmer is today than he was in 1932. Thus, Secretary Hull, in a recent speech before the American Farm Bureau Federation, stated:

> By 1932, after 2½ years of Hawley-Smoot tariff embargoes, farm income had fallen to four and six-tenths billion dollars. By 1938, after 4 years of trade-agreement policy, it had risen to seven and five-tenths billions, excluding benefit payments. Were farmers hurt by this three billion increase in farm income?

To determine the role played by the trade-agreements program in this increase, it is necessary to examine the record a little more closely. To again quote Secretary Hull, "after 2½ years of Hawley-Smoot tariff embargoes," farm income had fallen a trifle less than $5,000,000,000. The Secretary neglected to point out, however, that after 3 more years, from 1933 to 1935, inclusive, of what he characterizes as tariff embargoes, farm income had risen to practically $7,000,000,000, an increase of $2,000,000,000, or 47.7 percent.

Under the reciprocal trade agreements program, farm income in 1938 had risen to seven and five-tenths billion dollars, an increase of but one-half a billion dollars over 1935, and this increase may be accounted for by payments under the Soil Conservation Act, grants by virtue of section 32 of the A. A. A., and subsidies in many forms.

Mr. President, one of the outstanding defects in the administration of the trade-agreements program has been that the benefits granted by the United States to countries with which trade agreements have been negotiated have been generalized to countries which flagrantly discriminate against our exports. The Trade Agreements Act provides that the President may suspend such generalization to any country because it discriminates against our exports or because it adopts other policies tending to defeat the purposes of the act. But only on one occasion has the United States taken the initiative in exercising this authority.

The growth of new and artificial barriers to world trade was one of the compelling factors in the tremendous decline in world trade from 1929 to 1932, and it was one of the major objectives of the Trade Agreements Act to reduce these barriers. The use of these barriers was prompted by a desire for national self-sufficiency and an effort to protect the domestic economy of many countries from the impact of ruinous world prices for their export commodities. This led to a system of bilateral balancing of trade which was forced on some countries by their weak financial position, and was used by others as a disguise for extreme protectionism. The most prevalent barriers are exchange controls, quotas, clearing agreements, barter agreements, compensation agreements, payment agreements, and import licenses.

There are two kinds of foreign trade: The one, natural exchange of noncompetitive products between two nations, resulting in mutual gain and satisfaction, which is the policy that President McKinley had in mind when he made his famous speech in Buffalo; the other, trade in competitive commodities which both nations are able and eager to produce themselves. This is the kind of trade about which nations fight. This situation must be avoided. This situation will be avoided by our refusal to extend the life of the reciprocal-trade agreements.

In recent years our foreign trade has accounted for about 5 percent of the national income. It is estimated that our exports and imports are divided between the above two classifications, so that about 2½ percent of our national income is derived from foreign trade in competitive articles. But let us stop, look, and listen at the damage the small percentage of competitive imports can do.

Mr. President, at this juncture permit me to summon the senior Senator from Kansas [Mr. CAPPER], an unimpeachable witness, who said in an admirable radio address on January 7, and printed in the CONGRESSIONAL RECORD of January 8, 1940:

> You cannot beat the law of supply and demand in an open market. If you increase the supply in an open market, such as we have inside the United States for farm products, you lower the price.
>
> So it is inescapable, as I see it, that when you increase imports of farm products into a domestic market already oversupplied, you drive the price still further below parity, and this while the Federal Treasury is pouring out billions of dollars in the attempt to bring parity prices to the American farmer.
>
> My friends, these two programs, the Triple A and the reciprocal-trade agreements, just do not make sense. Try to reconcile them and see where you get.
>
> Now I know that supporters of trade agreements will produce figures and statistics galore to show that the additional imports of wheat or beef or dairy products, etc. are such a small percentage of domestic consumption that the effect is imperceptible.
>
> But the effect is not imperceptible. It is immediate and very noticeable.
>
> The reason is simple.
>
> In an open market the lowest offer sets the price.
>
> We have an open market on farm commodities inside the United States.

Mr. President, everyone knows that if a surplus of an article is produced, and that surplus is added to, it causes depression of the price levels, and the farmer then sees a zero market for his articles.

Our foreign trade in noncompetitive articles should, of course, be encouraged and developed to the utmost. That is the kind of foreign trade to promote by reciprocal-trade agreements. But foreign trade involving imports of competitive articles is profoundly injurious to our national welfare, and it is such injury that tariffs and other protective measures seek to prevent. In the first place, there is no net gain. Competitive imports displace the production of the same articles which would have been produced in the United States. That means unemployment for American labor somewhere. Furthermore, when foreign price competition becomes acute for any reason, the price levels for the entire output of the domestic industries affected are lowered to meet the lower foreign prices, resulting in prices below the cost of production on the higher American standard of wages, although the imports may represent only a small percentage of the domestic consumption. That is the way price competition works, especially during periods of business depression, and it explains why such great damage can be done to our industries by a relatively small amount of competitive imports. Normal and healthy growth of our industries is also prevented thereby.

Of two choices, which is the soundest economic policy for the United States?

First. Should we seek to increase our exports, which represent only 5 percent of our total trade, by inviting imports of foreign competitive products at the expense of the prosperity and expansion of our domestic trade, which represents 95 percent of our total trade? It is true, as promoters of export trade argue, that we must buy if we are to sell. That is all right for the amount of noncompetitive imports which our economy demands, but where is the gain in respect to competitive imports?

Second. Or should we promote the prosperity and expansion of our domestic trade by protecting it from injury resulting from the sale of foreign competitive imports at prices below the American cost of production?

The Hawley-Smoot Tariff Act of 1930 has been set up as a political straw man at which to throw rocks and blame for much of the Nation's economic trouble since that date. As a matter of fact, it is undoubtedly true that the higher tariffs provided by that act served to protect American industry during 1931, 1932, and early 1933, during the extreme depreciation of foreign currencies which, in large measure, nullified existing tariffs. It has been too little appreciated that the extreme deflation and economic depression during that period was due not to the Hawley-Smoot Act but to the depreciation of foreign currencies which, in effect, abrogated the provisions of the Hawley-Smoot Act. Had the act not been in existence at that time the depression would have been even worse than that which we encountered, since foreign competition in our domestic markets would have been more intensified.

The action taken by other nations to control exchange and set up trade barriers at this time was not due to retaliation against the Hawley-Smoot Tariff Act, as it is often proclaimed. The competitive conditions that caused the depreciated currency contest, the struggle among other nations to retain gold in balancing their international trade by increasing exports and restraining imports, were the true reasons for the rapid growth of international-trade restrictions. As a matter of fact, we suffered greatly during this period because of failure to act in self-defense.

Thus, analysis shows that the much-abused Hawley-Smoot Tariff Act had nothing to do with the depression of 1932, except as it served to soften the effect on us of foreign competition due to currency depreciation. The true villain was depreciated foreign currencies. Likewise, the Reciprocal Trade Agreements Act has had little to do with the recovery since 1932, except that it has served to intensify foreign competition in our domestic markets. Over the years, we have suffered from too little rather than too much tariff protection.

Mr. President, when this matter was before the House it was discussed most intelligently and eloquently by Representative KNUTSON, of Minnesota, and some remarks he made with regard to the tariffs imposed by the Hawley-Smoot measure and the Fordney-McCumber measure are found on page 1649 of the CONGRESSIONAL RECORD of February 19, 1940. I ask unanimous consent that the excerpt to which I now refer may be printed in the RECORD as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

For years we were told that the United States was the highest protected country in the world. That statement was false and without the least foundation. In 1928, when the Fordney-McCumber law was in effect, the United States was No. 9 among nations in the ratio of duties to imports with 13.3 percent. The United Kingdom was No. 11 with 10.9 percent.

In 1934, when the Hawley-Smoot law was in effect and before it had been tampered with, we had dropped to eleventh place with the ratio standing at 18.4 percent, whereas the United Kingdom had advanced to sixth place with a ratio of 27 percent. In 1937, the United States was thirteenth with a ratio of 15.6 percent, and the United Kingdom had advanced to fifth place with a ratio of 23 percent.

Now let us see what the picture is as it pertains to imports in relation to population. The customs duties collected per capita in United States dollars in 1937 gives $22.84 to Great Britain as against $3.56 for the United States. These figures knock into a cocked hat all contentions that the Hawley-Smoot Act was excessively high.

Mr. McNARY. Mr. President, at present, conditions due to the war are affording some insulation from the injurious effects of competitive imports. Increased ocean freight rates and cost of insurance act as a tariff on imports from many foreign sources. Raw materials and food prices, as well as foreign industrial costs, have advanced, as they always do in wartime.

The question asked on all sides is, What will happen if and when the war ends? How are we then to protect ourselves from the deflation of foreign prices translated to us through depreciated foreign currencies manipulated in the struggle for world trade, wherein our large markets may become the dumping ground of foreign countries whose millions will be turned from war- to peace-time production? These are among the thoughts which restrain confidence in the future and retard enterprise.

By far the most important immediate effect of the war thus far is the depreciation of foreign currencies in relation to the American dollar. Thus it will be noted that from November 19, 1938, to February 29, 1940, a little over a year, the British pound declined 17 percent in relation to the dollar; the French franc declined 65.7 percent from May 9, 1936, to February 29, 1940, in relation to the dollar; and the Canadian dollar declined 15 percent from November 19, 1938, to February 29, 1940, to mention only a few examples.

Depreciation of one country's currency in relation to another imposes a heavy burden on the country whose currency remains at the old level. The effect is two-edged. In the first place it raises the price of American goods to foreign buyers in terms of their own money. For example, if wheat produced in the United States was selling for 90 cents a bushel in 1936, it would have cost the French importer approximately 15 francs. Today, however, to obtain wheat selling for the same price in the United States the French importer must pay approximately 45 francs. Thus, the price of American goods in France has almost trebled in the last 4 years as a result of exchange depreciation.

Nor does the effect of exchange depreciation on our export trade stop here. Not only have currencies depreciated in some of our most important markets, but in addition the currencies of many of our leading competitors for these markets have depreciated. Thus, using the example above, we find that Canada, whose currency has depreciated 13 percent, can ship wheat to France at a cost of but 39 francs to the French importer. This gives Canadian wheat a preference of 6 francs over American wheat in the French market.

The second and most important effect of trading with countries having depreciated currencies is the new ease with which they can sell to us. Using the example of France again, we find that an article priced at 15 francs would have cost the American importer approximately 90 cents in 1936. Today that same article selling for the identical price in France, costs the American importer but 30 cents, a two-thirds decline in the price of French goods in the American markets. Carrying the example further, if the duty on the article was 10 percent ad valorem, the total cost of the article to the American importer, at the time of signing the agreement, would have been 99 cents. Today, this same article, after payment of duty, costs but 33 cents, 57 cents less than it would have cost had the article been duty free 4 years ago. Thus, we are actually subsidizing the importation of goods which we produce.

Mr. President, in my judgment, it is obvious that the trade-agreements program has failed to dissipate, alleviate, or liquidate the uneconomic conditions which existed in 1934, again in 1937, and now in 1940, when the reciprocal trade agreements bill is before the Senate for consideration. The problem of our agricultural surpluses is no less acute today than in 1934. Most of the important world trading countries are progressively discriminating against our trade. Thus, the proposed program of continuing our Reciprocal Trade Agreements Act for 3 years is definitely pregnant with injury to our social and economic welfare, destructive of our country's morale, and militant to our national economic defense.

As a final observation, Mr. President and Members of the Senate, what impelling motive should prompt us to lower our standards to those of Europe and Asia or any other country? Our sacrifice will not solve their problems of economics, conquest, or peace. The best contribution we can make to the world, as well as ourselves, is to defend, preserve, and improve our American standards of living by protecting American markets for American producers at American prices, consistent always with an intelligent policy of reciprocity that does not collide with the resources of any nation with which we contemplate a treaty agreement.

In my opinion, such a policy would assure peace, promote and perpetuate the program of "the good neighbor" which this administration has endeavored to build on a fantastic and futile foundation.

Mr. AUSTIN. Mr. President, I shall detain the Senate but a few moments. I wish to register my approval of the amendment offered by the Senator from Nevada [Mr. MCCARRAN], which attempts to state in the measure continuing the Trade Agreements Act a standard to guide the legislation which is to be carried on by virtue of the delegation of power in that act which was passed in 1934. This standard is the total landed costs, including the duty paid, compared with total cost of production here in America.

Mr. President, if that standard could be written into the law at this time, we would overcome the great difficulty which we have had throughout the study of this measure,

of evaluating the agreements which have already been made, and the difficulty we are sure to encounter in the future, much increased by the war conditions in the world, of evaluating trade-agreement proposals which may hereafter be made.

I observe that in some instances we have traded off concessions in the nature of mitigations of barriers against a reduction of duty. The question of how these two things, which seem quite impossible to compare should be evaluated, would be simply taken right out of the problem if we laid down a standard so simple and so easy of application as that contained in this amendment, namely, the difference between the total landed cost and the cost of production here.

Mr. President, this is a new rule. We have heretofore used the rule of the difference between the cost of production abroad and the cost of production at home. If we should adopt this new rule, we would escape the mistakes which must certainly arise from exchanging mitigations of barriers for customs duties. We would also escape the evil effects so ably discussed by the Senator from Oregon, the distinguished leader of the minority, when he referred to the fluctuation of exchange as affecting the currencies of the various nations of the world.

I have a very simple but true story to tell of an event that occurred near my home. A merchant there was operating a store which sold, among other things, feed for horses and cattle and poultry. His store was in the town of Richford, Vt., which is on the forty-fifth parallel of latitude, and therefore next-door neighbor to the Dominion of Canada.

One of his best customers, when the difference in exchange between the value of Canadian money and American money was adequate, simply went across the border and bought a carload of grain and paid the tariff on it—not a reduced tariff, not a tariff negotiated to please a country which is friendly to us, and which is vis-a-vis across the negotiating table—but the tariff under the Hawley-Smoot tariff law. He went to this merchant with his bill and said, "Herb, I wish you would figure out how big a check in American money I have to send over there to pay for this carload in Canadian money." The merchant good-naturedly figured it out for him. It turned out that after paying all costs of transportation and the tariff he had made a substantial gain over what the carload of grain would have cost him if he had bought it right in the village where he lived.

That is a very simple illustration of the effect upon our international trade of the fluctuation of money, or the difference in exchange. We must multiply it to a great degree when we take into account the fact that since these trade treaties went into effect fluctuations represented by the following figures have occurred.

Since the trade agreement with France went into effect, the franc has declined 69 percent. Since the trade agreement with the Netherlands went into effect, the guilder has declined 22.6 percent; the Swiss franc has declined 32.1 percent; the Swedish kroner 6.6 percent; the pound 10 percent; the Canadian dollar 8 percent; and the Turkish pound 4.1 percent.

These figures are as of April 2; that is to say, 2 days ago. When we take into account so great a difference between the value of the American dollar and the value of the currencies of the peoples with whom we negotiate these so-called agreements, we must recognize that unless the agreements take into account the very principle stated in the amendment offered by the Senator from Nevada, they are of no utility whatever to the manufacturer, to labor, to the producer of agricultural commodities, or to miners in the United States. The question of fluctuating exchange would be completely covered if we should adopt the amendment offered by the Senator from Nevada.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. SHIPSTEAD. Did I correctly understand the Senator to say that in view of the fluctuations in foreign exchange these agreements would be of no effect?

Mr. AUSTIN. Of no effect economically.

Mr. SHIPSTEAD. Has the Senator anticipated the effect which might result from the fact that the agreements may not be changed, while foreign exchange may fluctuate from day to day?

Mr. AUSTIN. Of course. We are bound for a period of 3 years and 6 months.

Mr. SHIPSTEAD. In that respect, the effect may be disastrous.

Mr. AUSTIN. Yes. The effect is indeed disastrous in respect to tying our hands and disabling us. I thank the Senator for his question, because it brings out an error in my statement. I meant to say that the agreements are not of the effect claimed in support of them.

Mr. President, I wish to emphasize one other point as a reason why we should adopt a standard of the character now proposed. Even if we shall not adopt the pending amendment, we ought to have some standard by which we can evaluate what we give or concede as against what other nations concede to us.

Let us consider the matter of "mitigations of barriers." In a compilation published January 1, 1940, entitled "Concessions Obtained by the United States in Trade Agreements," the United States is shown as having received reductions in duty and "other mitigations of trade barriers" on 14.1 percent of our total export trade. Bindings at existing levels were obtained on an additional 16.2 percent. The 14.1 percent of reductions and mitigations merely refers to the proportion of our exports on which we received reductions and mitigations. It gives no idea of their value to us. We made average cuts in duties of 39 percent; that is, in the trade agreements the United States made an average reduction or concession in tariff rates approximating 39 percent. That is to say, if all our duty reductions are thrown together, it will be found that the average is 39 percent. At the same time, it will be found that of all items upon which a reduction in duty could possibly be made 42 percent, by dollar volume of imports, have been reduced. In other words, nearly half the total ground has been covered. On the remaining items, a number of duties have been bound. These bindings at existing rates affect a dollar volume of imports greater than the volume on which duty reductions were made; but a number of bindings were on items which are, and long have been, on the free list, such as coffee. Thus, we have tied our hands.

What is the value of the concession which we make when we bind on the free list, or bind at existing rates, a number of commodities, and thereby divest the Congress of the right and the duty, as well as the power, to change the customs rates or to change the import restrictions thereon? What I am undertaking to show is the difficulty of evaluating that which we concede for that which we receive. In the item of 14.1 percent, what part of it represents concessions or reductions in the amount of duties, and what part of it represents so-called mitigations? It seems to me it makes a great difference, which might affect our judgment in passing upon this amendment.

I do not think Senators are so bound and tied that they cannot consider a rational ground for establishing a standard if it is presented to them. I feel certain that every Senator, if his judgment were moved by the facts and the consideration of actual experience, would disregard party alinement and vote according to his judgment. Yet we are wholly unable, Mr. President, to ascertain what part of the 14.1 percent represents a reduction of customs duties and what part represents other concessions in the nature of "mitigations."

To show of how little value such concessions may be, particularly in time of war in the world, let me invite attention to the fact that the "mitigations" given to us in consideration of our reductions of customs duties to other nations have consisted largely in liberalized quotas to us. Let me ask, of what good to us is a liberalized quota if a country's money is of so much less value than our own that our prices are correspondingly out of reach for the people of that country? What is the use of increasing or liberalizing the quota of a commodity for which we can obtain little market abroad because of the fluctuation of the exchange, or for other reasons?

It happens that these liberalizations have produced the following results thus far:

If we examine the exports from the United States to the various trade-agreement countries in which foreign-import quotas have been granted us, we find that in the majority of instances we did not fill the quotas, and in an impressive number of instances fell far below the quota allowed.

For example, the Netherlands granted us a quota of 1,000 metric tons of horse meat. In 1937, the year following the agreement, we shipped them only 418 metric tons, or 41 percent of the quota. The same country granted us a quota of 69 metric tons of sheet zinc, whereas we shipped 11 tons in 1937, or 16 percent of the quota. Of a quota of 10,000 pairs of shoes, we shipped 1,347 pairs, or 13 percent of the quota.

Of a quota of 2,762 metric tons of drawn wire, we supplied 865 metric tons, or 31 percent. My, what a wonderful trade that was!

Then consider the agreement with Belgium. Belgium gave us a quota of 2,296,000 pounds of pork. In 1937, after the trade agreement went into effect, we shipped not one pound of pork under the quota.

We received a quota of 22,600 pounds of hides and skins from the same country, and in 1937 shipped 3,740 pounds, or 16 percent of the quota.

Of a quota of 13,200 pounds of hosiery, we supplied 3,000 pounds, or 22 percent of the quota.

Of a quota of 2,200 of collars and cuffs, we supplied none in 1937.

Of a quota of 7,055,000 pounds of natural lard, we shipped 349,000 pounds in 1937, or less than 5 percent. That was a good trade, too, was it not?

Mr. President, I have a list here of similar statistics. I will not take the time of the Senate to read them, but I ask unanimous consent to insert them at this place in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

France granted us a supplementary, or increased, quota equal to about 615,000 bushels on apples and pears. This was an increase of about 50 percent over our shipments to France in 1935, the year when the agreement was under negotiation. In 1937 our shipment of apples in baskets to France was only 32 percent of our shipments in 1935, instead of 50 percent more; of apples in boxes, 77 percent of the 1935 shipments instead of 50 percent more; and of apples in barrels only 60 percent of the 1935 shipments instead of 50 percent more. Our shipments of pears were also less in 1937 than in 1935, although only 5 percent less. Nevertheless, we were entitled to a 50-percent increase.

In the case of Finland, we shipped in 1937 only 123 metric tons of lard in 1937 of a quota of 1,000 metric tons granted in the trade agreement of 1936. This was only 12.3 percent of the quota.

Of a quota on automobiles of 4,812 units granted by Switzerland in 1936, we supplied only 2,485 units in 1937, or slightly more than 50 percent.

Mr. AUSTIN. Mr. President, we do not know just what were the concessions we granted in return for these quotas, but, whatever they were, we obtained rather hollow ones in return. We see the "mitigation of barriers" was in a great many cases an illusory mitigation for which we undoubtedly conceded reductions in duty. "Yankee horse trading" has a new meaning.

Mr. President, I fear I have spoken too long already about this matter, and I am about to conclude. I think that if we could have some standard similar to that which is proposed by the Senator from Nevada, we would not enter into such improvident transactions as those to which I have referred, and probably when the war in Europe is over we would find ourselves in the traditional position the United States of America has always sought with respect to her relations in the world—free to adapt ourselves to the then known conditions, not tied up for 3 years and 6 months beyond the date of the last so-called trade agreement entered into.

Mr. NYE. Mr. President, for years we have been talking in Congress about what the American farmer is entitled to and about how essential to the success of the whole people it is that a strong, healthy agricultural base be maintained, since, of course, all prosperity flows as a consequence of a buying power in the farmer.

We have talked about what the Congress and the Government owe agriculture. There may be some room for argument as to the degree in which agriculture contributes to the prosperity of the whole Nation, but upon one assertion there will be no dispute in the Senate or elsewhere, namely, if the American farmer is entitled to anything at all, he is entitled to the American market for his production.

Without hesitance, I oppose renewal of the reciprocal trade treaty program as a program which emphatically denies to the farmer that to which we all agree he is entitled—his own market, without the competition of cheap foreign production. During the years of its trial and test we know that the trade-treaty program has put American exports of agricultural products on the downgrade and the importation of foreign agricultural production on the upgrade.

It does not answer to blame failure of the trade treaties on the prevailing wars. After all, these trade treaties were to have ended wars or prevented wars. But now, with wars raging despite the treaties, we are told that the treaties are not a success because of the wars. It would be as reasonable to argue that the wars will stop if only we will end the trade-treaty program.

Mr. President, the truth is that these trade treaties are making for a world of trouble right here at home. They have not stopped wars, but they have created some rather revolutionary minds in agricultural sections, where farmers are quite unable to understand, when they are cooperating to eliminate surpluses in production, why they must stand and watch trainloads and shiploads of that reduced commodity entering the country from foreign fields to add to the surpluses and deny them the fullness of their own market. Little wonder is it that in some of our border States, such as my own State of North Dakota, farmers are found in their fields shaking their fists at these trainloads of importations while they seek to utilize acres removed from cultivation in keeping with the provisions of law.

MUST WE ABANDON AGRICULTURE?

I know of no Member of Congress holding a brief for the cause, but there is a cause, and some American minds at last entertain the view that the day has come when agriculture must cease to be the American economic base and must give way to an industrial base; that American prosperity and trade growth are dependent upon our ability to find a foreign outlet for the production of our mills and factories, and that this outlet can be found only as America may take foreign agricultural production in exchange for the manufactured articles of the United States. In other words, there is some feeling that we must change from an agricultural dependence to an industrial dependence. Obviously this cause is splendidly served by the trade-treaty program, which finds in so many instances the interests of the American farmer being traded in the interests of American manufacturers. If this be the purpose of the trade treaties, it would be far fairer for its first sponsors to confess it and put the American farmer on notice that he is no longer considered essential to American growth and prosperity; that we are going to build an economy divorced from dependence upon agriculture and give the farmer a chance to adjust himself to the newly desired order, if it is desired. It is not fair to sneak up on him with a policy that looks to his submergence in a new economic order.

Incidentally, if this is to be the American policy, then let us prepare, as we have never thought of preparing before in a military way, to defend those channels of trade on the high seas which are to be so essential if we are to keep a stream of food flowing to feed ourselves in time of war. Two- or three-billion-dollar military programs annually will never begin to provide a sufficiency if we are to let agriculture become a secondary consideration.

FOREIGN TRADE RELATIVELY SMALL

Some of us have argued for long against the development of a war trade as a bases for American prosperity and economy. I think we could well afford to go further than that and build an economy that is not in the leastwise dependent upon foreign trade. It is demonstrated that not more than from 4 to 10 percent of our total trade is foreign trade; that 96 percent or more of our economic dependence is upon trade with ourselves. But to watch the effort, expense, time, and

trouble expended to keep and enlarge upon the 4 percent would at times cause one to believe that the 96 percent was quite insignificant. Devotion to the cause of enlarging our own ability to consume our own production would very soon demonstrate how nicely we could afford to get along without dependence upon any foreign trade whatsoever.

Mr. President, I do not advocate the abandonment of foreign trade. I only advocate abandonment of our continuing dependence upon foreign trade as a leading source for our prosperity. The chance to create a larger domestic source is too great to permit us forever to be chasing after the 4-percent foreign trade rainbow that never produces as much as the cost of the chase.

Exports from the United States in 1939 are shown to equal only 4 percent of our total national income. Is it not somewhat preposterous that our State Department should continue to insist upon serving international trade interests which fatten on that 4 percent, all the while closing their eyes to the 96 percent which represents American farmers, laborers, and domestic dollars?

The reciprocal trade treaty program can be made acceptable and perhaps helpful to our economic well-being, contributing perhaps to the well-being of all other parts of the world, by merely providing that trade treaties shall be ratified by the representatives of the people here in Congress. This chance has been denied by a close vote. Now to go on facing the music that some of us have faced for the last number of years is out of the question. That music has involved the plaint of the farmer against importations in competition with his own production, his insistence that such importations be ended, only to find Members of Congress able to say there is not anything we can do about it.

The parade, Mr. President, of witnesses brought before the Congress by the various Federal departments, seeking the extension of the Reciprocal Trade Agreements Act, having as its objective the conferring of favors upon such additional foreign powers as they may choose to negotiate treaties with, is nonsensical. I am disappointed that Members of Congress can continue to believe that these trade agreements can be conducive to increased domestic prosperity. And the statements made by some department heads add insult to injury. Secretary Wallace said that the Tariff Act of 1930 was "the direct cause of present European wars." And Secretary Hull maintains that he must have the Trade Agreements Act renewed in order to "foster peace and harmony in the world at large."

AGRICULTURE BEARS THE BRUNT

The citizens of my State, and of the Northwest as a whole, would willingly make many sacrifices if, by so doing, they could contribute to our national welfare, reduce unemployment, and swell national income. But, after 6 years of trade agreements, we find our agricultural industry bearing the full brunt of this program, while the Nation as a whole has received little, if any, benefits.

The Department of Commerce reports show that our 1939 exports increased only 3 percent above 1938, in spite of heavy shipments of war goods abroad, while our imports jumped 18 percent; and this is cataloged as progress!

More than 1,000 items, comprising two-thirds of our dutiable list, have been reduced in the 22 trade treaties already negotiated; and these reductions have been generalized to the world at large. The duty slashes have brought the average of these rates below those of the 1922 Tariff Act, and, of course, far below those of the Hawley-Smoot Act. In fact, more than half the items which have been reduced were not increased in the 1930 act. Another 56 items are equal to 1922 rates, and only 96 are higher than the rates of the 1922 act as passed. Many 1938 and 1939 imports increased by leaps and bounds as a result of the lowered rates established via the trade agreements.

Ever since I was first honored with a seat in this distinguished body, the enigma of the farm problem in this country has troubled our membership. I say to you that we were never farther from a solution to that problem than when we countenance further tariff reductions in agricultural products, thus forcing our domestic growers to compete with the world even for our United States market. It matters not that we should appropriate funds to buy up surpluses for free distribution internally, or for subsidized exports, or that we should bestow benefit and parity checks upon our growers. If we rob them of the American market, their own market, these subsequent left-handed gestures will be of little avail.

WE CONTROL CROPS—THEN IMPORT

The farmers of my State, in spite of repeated drought and other adversity beyond their control, loyally complied with the crop-control program of the A. A. A., and in 1939 held out of production a total of 2,862,000 acres of good farm land. Growers in other States did likewise, and this session of Congress will be rewarding them with benefit and parity checks running into the hundreds of millions of dollars. But simultaneously we import agricultural products, which, according to the Raw Materials National Council, displaced the products of 43,982,410 domestic acres in 1938. The 1939 displacement figures have not been computed; but since 1939 imports of competitive farm produce increased substantially, I should not be surprised to see this figure jump to 50,000,000 acres for last year.

Thirty-two farm and business organizations in Minnesota, North and South Dakota, and Montana, with a combined membership of upward of 30,000 persons, have joined in engaging Dr. John Lee Coulter, former president of the North Dakota Agricultural College, and former member of the United States Tariff Commission, to analyze for them, in a nonpolitical manner, the effects of these trade agreements upon the Northwest. Interesting, to say the least, are some of the findings by Dr. Coulter.

The State Department tell us, for instance, that we have to give these foreign powers increased entree to our domestic markets if we expect them to boost their purchases from us. For instance, they deny our claim to a larger share of our United States sugar market than the 29 percent which domestic growers have been enjoying, claiming that this would jeopardize present exports of other farm commodities to those countries. They state, as a sample, that Cuba now takes annually 1,000,000 barrels of our spring-wheat flour, and that the spring wheat grower would lose this market if we failed to buy their sugar. It remained for Dr. Coulter to ferret out the true facts, that 900,000 barrels of this spring-wheat flour which Cuba bought was Canadian hard wheat, milled in transit in the United States, with no benefit accruing to any producer of hard spring wheat in the United States.

I have no idea how general this practice is, but it is doubtless happening in many fields, and our farmers are getting the worst of it from both ends.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I should like to ask the Senator from North Dakota if he ever before heard of the farmers' organizations of North Dakota, or any other State at the same time being represented by the paid representative of the National Association of Manufacturers; whether he thinks there is any community of interest between the farmers of North Dakota and the National Association of Manufacturers?

Mr. NYE. Mr. President, I have been more than a little interested by finding the differing representations which have been taking the same ground in this particular controversy, growing out of the continuation of the trade-treaty program. If the Senator is making reference to any contact which might be that of Dr. Coulter, whom I am quoting this afternoon, I should like to call attention to the names of the associations in Minnesota, Montana, South Dakota, and North Dakota, which Dr. Coulter is representing.

Mr. CLARK of Missouri. I heard Dr. Coulter put them in the record of the House Committee on Ways and Means.

Mr. NYE. I ask unanimous consent to incorporate those names in the RECORD at this point.

The PRESIDING OFFICER (Mr. BONE in the chair). Without objection, it is so ordered.

The matter referred to, is as follows:

The following groups represent more than 30,000 members:

Minnesota: United States Flax Institute, Northwest Country Elevator Association, chambers of commerce at St. Paul, Duluth, and Moorhead;

Montana: Montanans, Inc., Southeast Montana Counties Association, and commercial clubs and chambers of commerce at Miles City, Billings, Glendive, Butte, Great Falls, Helena, Missoula;

South Dakota: Greater South Dakota Association, South Dakota Bankers' Association, and chambers of commerce at Watertown, Huron, Rapid City; and

North Dakota: Greater North Dakota Association, North Dakota Motor Trades Association, Fargo-Moorhead Fuel Exchange, North Dakota Highway Contractors' Association, North Dakota Retail Hardware Association, North Dakota Bottlers Association, Tri-State Farm Owners' Association, North Dakota Implement Dealers' Association, North Dakota Dairymen's Association, North Dakota Cooperative Wool Marketing Association, North Dakota Veterinarians' Association, and civic and commerce associations at Valley City and Harvey.

Mr. CLARK of Missouri. Nevertheless, it is a fact that Dr. Coulter appeared before the Finance Committee of the Senate and the Ways and Means Committee of the House principally as the representative of the National Association of Manufacturers; in other words, as the successor of the notorious Mulhall, who formerly represented that association before the Senate and the House of Representatives.

Mr. NYE. All of which may be and, with the Senator from Missouri as the authority, probably is true; but it does not alter the course of events. It does not alter a sympathy in the Northwest which is born out of actual experience under the conduct of the program of these trade treaties.

Mr. CLARK of Missouri. Mr. President, my only reason for interrupting the Senator at all was his statement that Dr. Coulter was employed to make an entirely dispassionate and nonpartisan survey of the situation. I may say that in the years I have been around Washington I never heard a more partisan presentation of a case than that made by Dr. Coulter.

Mr. NYE. Mr. President, I had recited the case revealing how it was represented that unless we continued taking Cuban sugar we could not hope for a continued market in Cuba for this abundance of hard spring wheat flour, and then demonstrating that only one-tenth of this outlet of our hard spring wheat flour was the result of purchases made from the American farmer. Nine-tenths of it was the result of wheat brought in from Canada, milled in bond in the United States, and the product shipped on into Cuba.

PENALIZING OUR OWN SECURITY

In addition to grains of all kinds, we produce cattle, dairy products, hogs, sheep and wool, poultry, and other products, each of which has somehow been penalized in one or more instances in the agreements already negotiated. Every additional agreement country multiplies the threat to our future agricultural security.

Even if our farmers lived in sod shanties, employed peons for their labor, and in other ways reduced their standards of living to those which obtain in numerous foreign countries which are today competing with us, it would still be impossible to compete evenly with them on those products which do not enjoy an adequate tariff wall. The difference in transportation costs via water and via rail to our native markets would still place my people at a distinct disadvantage. It is the necessity for overcoming this geographic and transportation disparity, plus our own higher living standards, not any desire to prosper at the hands of consumers, which compels our western agriculture to demand protection in the form of tariffs.

It works conversely, too. Our buying power comprises a part of the 96 percent of national income which purchases the industrial products of Eastern States. Without bolstering and protecting this great domestic market, industry never could maintain its present output, to say nothing of boosting it, as a means of reemployment of millions who are diligently seeking honest employment.

No one man could ever assimilate and understand the reams of statistics which Federal departments prepare for us, and in which are buried the pertinent facts; but it is quite possible to take some one commodity, and by diligent application gain a fair picture of the precise effect upon that product and its producers of these foreign policies, which have bequeathed us our reciprocal trade treaty snarl.

I have chosen to take the case of wool. This is a product in regard to which the growers and the domestic manufacturers saw eye to eye, and joined hands in protesting the extension of the powers which permit the State Department to become the tariff-making body of the United States, with Congress "abdicating for another 3 years," as Col. Arthur Besse, president of the National Association of Wool Manufacturers, expressed the matter in testifying before the Senate Finance Committee.

Let me ask a question: Who else, besides the growers and the industrial employees and the manufacturers, are directly concerned in our domestic wool production? When these three forces employ the regular American processes of revealing their injuries before committees of Congress, and before Federal department heads, what new powerful force has risen up, within our economy, which can set aside the testimony of those groups, and arbitrarily proceed with its own theories as to what is good for America? What new power can write a vicious and dangerous foreign policy, which robs our own aggrieved citizens of a right to carry their injuries to court and seek redress? If ever there was an unconstitutional procedure witnessed by Congress, the present method of delivering our American markets over to foreign competition, with no recourse, would seem to be the most malicious and the most unsound.

PLEAS GO UNANSWERED

Member after Member of the majority party, in both Houses, has addressed himself to the Committee for Reciprocity Information, pleading for adequate tariff protection for the growers of vegetables, livestock, fruits, tobacco, sugar, copper, petroleum products, and other things produced in the United States, and in spite of the fact that the pleas go unanswered and unheeded, the same majority party drives through with a third extension of this dangerous act.

While the tariff on raw wool has not yet been cut, duties have been lowered on wool wastes, yarn, woven fabrics, felts, pile fabrics, blankets, knit fabrics, hose, gloves, and innumerable other clothing items. These cuts came largely in the agreement with Great Britain, although minor reductions were also made in the treaties with Sweden, France, and Belgium.

With the British agreement becoming effective as of January 1, 1939, let us see how the reduced tariffs on goods coming into the United States affected imports of various woolen items, as compared with like imports for the calendar year 1938, and the percentage of increase for each item.

Mr. President, at this point I ask unanimous consent to have incorporated in my remarks a compilation of figures for 1938 and 1939, and a third column showing the increase in 1939 over 1938.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Item	1938		1939		Percent increase in 1939
	Amount	Value	Amount	Value	
Noils.....pounds..	2,279,032	$1,164,682	6,031,629	$2,412,981	164.22
Wastes.....do....	729,737	295,974	3,903,672	1,270,015	434.94
Rags.....do....	794,436	262,201	8,417,818	2,321,943	785.56
Yarn, mohair.....do....	2,698	3,982	7,230	8,393	167.98
Fabrics, worsted:					
Under 4 ounces..square yards..	352,874	130,395	736,559	262,364	108.73
Over 4 ounces.....do....	955,630	837,256	2,055,694	2,055,770	219.76
Woolens: Over 4 ounces...do....	4,847,859	4,106,878	8,190,126	6,368,257	68.94
Do.....pounds..	2,841,044	----------	4,827,495	----------	69.92

Mr. NYE. Mr. President, these figures were furnished by F. R. Marshall, secretary of the National Wool Growers' Association. I wish to say that the farmers of my State have found sheep growing profitable, and they would like to increase their sheep population. In the face of these rising imports of woolen goods, however, I would not encourage

them in such a move, for fear their receipts from the by-product, wool, may become progressively lower as the years go by. In 1932, wool manufacturers in the United States were finding that the domestic supply furnished 95 percent of their total wool requirements. By 1937 this had dropped to 72.7 percent, indicating that instead of only 5 percent of our domestic market, foreign growers had acquired 27.3 percent of that market. It is true that by 1939 this had risen again to 88 percent, with only 12 percent being fed from abroad, but this dumping of foreign wool will act as do all imports of farm products to depress our native markets for our own goods.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK of Missouri. A moment ago the Senator referred to the statement of Colonel Besse. I do not know whether he was referring to his testimony before the Finance Committee or before the Ways and Means Committee. Did the Senator ever see the release from the National Association of Wool Manufacturers, of which Colonel Besse is president, on January 17?

Mr. NYE. I did not.

Mr. CLARK of Missouri. Will the Senator permit me to give him an extract from that?

Mr. NYE. Yes.

Mr. CLARK of Missouri. The statement, in part, is as follows:

> The National Association of Wool Manufacturers reported yesterday that the production activity of woolen textile mills in 1939, as indicated by figures for the first 11 months of the year, was approximately 40 percent greater than in 1938 and about 5 percent less than in the post-war record year of 1935.
>
> The association declared that 1939 production also was 15 percent greater than in 1937 and between 5 and 10 percent higher than in 1936.
>
> The figures, culled from the association's monthly statistics, disclosed that consumption of apparel wool during the first 11 months of 1939 averaged 5,640,000 scoured pounds weekly, compared with an average of 3,956,000 pounds for the same period of 1938.
>
> Employment in wool-textile mills also was reported much better during the first 11 months of 1939, when an average of 152,000 persons were busy weekly, compared with a 122,000 weekly average in 1938.

I do not wish to take the Senator's time, but if he will permit me, I should like to read a question asked Mr. Besse, and his answer:

> Senator CLARK. I have some statistics here which I should like to ask you about, showing that for 1939, there has been activity in the woolen textile industry showing an increase from 69.1 to 102.6 percent, or an increase of 48.4 percent; on raw materials, from 82.8 percent to 125.4 percent, or an increase of 51.4 percent; on employment from 63.1 percent to 84.4 percent, an increase of 33.6 percent; on pay rolls from 50.1 to 67.7, an increase of 35.1 percent. That does not look like they have been very badly hurt in the first 10 months of 1939, does it?
>
> Mr. BESSE. I do not think you can take that particular period, but I do not question the figures.
>
> Senator CLARK. That is the only period during which the reciprocal-trade agreements have been in operation, isn't it?
>
> Mr. BESSE. That is entirely correct——
>
> Senator CLARK (interposing). So it comes down to this—

This is the same question and answer asked and given in the case of so many witnesses—

> it comes down to this, it shows that you have not been hurt yet, but you are afraid you will be hurt?
>
> Mr. BESSE. Substantially that is what I am saying.

And Mr. Marshall, whom the Senator also just quoted, said:

> That is the principal point on which we have actually been hurt. Our main concern is the anticipation of what we feel sure is ahead of us in case you extend this act, but I must confess frankly that we have gotten off pretty well so far, but we are awfully afraid of the future.

The same thing happened with witness after witness before the committee. They all said they had not been hurt, but everyone was expressing some fear that some danger was right around the corner.

Mr. SHIPSTEAD. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield.

Mr. SHIPSTEAD. I came into the Chamber while the Senator from North Dakota was referring to the dumping of wool. Was that in the form of textile goods?

Mr. NYE. Yes.

Mr. SHIPSTEAD. Woven goods?

Mr. NYE. Yes.

Mr. THOMAS of Idaho. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. THOMAS of Idaho. In reply to what the Senator from Missouri has just read, in connection with which he said that the wool growers anticipated the danger of what might happen to them, I may say that since the 1st of January the price of raw wool has dropped probably 15 percent, and today the wool growers of my State are shearing their sheep, but they cannot get a bid on their wool at any price, as a result of the importations.

Mr. NYE. Mr. President, I do not understand why we should look upon the testimony which has just been offered by the Senator from Missouri as being particularly an excuse for continuation of the trade-treaty program. There has been an increased market for wool in the United States, not because of the existence of the reciprocal-trade program, but there has been an increased market, and in this day, when the American farmer is looking for larger outlets for his production, how grand it would have been if he could have had larger access to that new domestic consumption which has developed.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK of Missouri. How does the Senator determine the fact that that larger domestic market is not due to the reciprocal-trade agreements, or at least in part measure due to them? For instance, one of the great industries of the United States is the automobile industry, and a sales manager of an automobile concern, officially representing that industry, came before the Finance Committee and said that that industry had been very materially benefited by the trade-agreements program. Does the Senator think that when automobile mechanics and automobile employees all over the country are receiving greater wages, that is not reflected in the domestic demand for wool and woolen products and woolen manufactured goods? Does not the Senator think that an automobile mechanic, when he has a job and is earning good wages, would not much rather have a woolen suit for his boy than a shoddy suit or a cotton suit?

Mr. NYE. That employee, that worker, that mechanic has a far larger prospect and outlook by reason of the development of a larger domestic ability to consume than is his prospect in any foreign market which might be attained.

Coming back to the insistence that the representatives of associations who appeared before the committee are anticipating more danger than will actually develop from the existence of the treaties, I should like to ask if there is not great reason for them anticipating and fearing what might happen. All this highly detrimental wool tariff tampering came in spite of repeated assurances by the President of the United States himself, who, in 1934, in correspondence released by the Senator from Wyoming [Mr. O'MAHONEY], said:

> My concern that agricultural prices should be protected and, where possible, substantially raised ought to be well known by this time. This is why I was surprised that a question should be raised about wool.

Producers of other agricultural and industrial commodities have received like assurance from the executive heads of our Government that they had no reason to worry. This was true as to zinc, as to the excise taxes on oil and lumber, and as to numerous other commodities; but the duties were cut, and the amazed producers found they had no recourse or redress.

NO PRODUCT SAFE FROM COLLAPSE

Small wonder, then, that my people should fear for their flax markets, their dairy products, their livestock, and their small grains. This very day there is no single product which the farmers of my State produce which I would feel free to

tell them would be safe from collapse because of the trade-treaty program, in the event the authorization is renewed.

I liked the way Colonel Besse pointed to the fact that the Federal Government is only adding to its toil because of these trade agreements. I quote from his statement, as follows:

The farmers and other beneficiaries of these trade treaties have been so singularly and stubbornly unappreciative of the benefits which they have received that it has been necessary to spend an enormous amount of time, energy, and money in laying before them a picture of the advantages which they have derived from the program. Mr. Hull, Mr. Wallace, Mr. Sayre, Mr. Grady, Mr. Berle, Mr. Long, Mr. Edminster, Mr. Fox, and others have been obliged to prepare and deliver countless addresses to these unappreciative recipients all over the country.

He proposes that they be spared so much exertion in the future.

Colonel Besse then reveals the queer reasoning of the State Department when he explains why Senate ratification is opposed:

Mr. Grady says that the Senate will not approve such treaties when they are presented for ratification. Mr. Grady seems to think that if his technical experts work up an agreement with Australia and bring it to you for approval you will turn it down. Accordingly, realizing this, he asks you for a blank check in advance, giving your blanket approval to such treaties as he may negotiate in the future. The theory seems to be that you should give enthusiastic prior endorsement to a group of unacceptable treaties, none of which you would sanction if presented to you separately.

Which, it seems to me, is a pretty direct way of putting the challenge at this time.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK of Missouri. I do not wish to continue to interrupt the Senator from North Dakota; but, since the Senator is quoting the testimony of Colonel Besse as his bible, I desire to call attention to the fact that, on page 430 of the hearings before the Senate Finance Committee, Colonel Besse admitted that his association had been down here bitterly opposing the enactment of the original Reciprocal Trade Agreements Act in 1934, that he had come back and opposed the extension of that act in 1937, and that he was back here opposing it again this year, in spite of the fact that his industry was very much better off in 1937 than it had been in 1934, and very much better off now than it was in 1937. So that Mr. Besse's testimony was very well summed up in this, if the Senator will permit me to read:

Senator CLARK. If the whole system of trade agreements had gone into effect—and I take it that you will agree that the wool-textile industry profits from an increase in the general purchasing power in the United States just like every other business——

Mr. BESSE (interposing). I will agree with you that we profit from any increase in the general purchasing power, but I cannot agree with you that the increase in purchasing power was due to the effects of the trade treaties.

Senator CLARK. I am just calling attention to the fact that during the full operation of the year of the Smoot-Hawley bill your industry was at the very lowest point in its entire history, and that under the reciprocal-trade agreements a very much improved situation has been created; isn't that true?

Mr. BESSE. Not in my opinion due to the trade agreements.

Senator CLARK. Perhaps not; but whether or not you have been hurt by the trade agreement, you are a great deal better off than you were when the trade-agreement system started aren't you?

Mr. BESSE. Surely. So is everybody else.

Senator CLARK. Precisely. That is exactly my contention.

So that the witness summoned by the Senator from North Dakota himself was witness to the fact that not only his own industry but every other industry in the United States was vastly better off than it was when the trade-agreements policy was first considered.

Mr. NYE. But Mr. Besse insisted that whatever improvement had been accomplished and noted in their industry was an improvement not traceable to the trade-treaty program.

Mr. President, the wool manufacturer predicts that we will shortly witness excessive woolen imports, whereupon all we can do is ask the President to call up King George and plead, "Please, sir, would you mind if we rescinded our tariff cuts on woolens so that some of our weavers can go back to work?" He adds:

We know that King George is a man in whom the instinct of fair play is well developed, but, nonetheless, we prefer that the power to determine American tariff rates remain in Congress rather than in the British Government.

Then speaking directly of the joint interests of the growers and the industry, he says:

There have been threats that the duty on woolen products would be reduced ever since 1935; the English are even now asking additional concessions. Ever since 1935 there has been the likelihood of a reduction in the duty on wool through a treaty with Australia, the Union of South Africa, Argentina, Chile, or Uruguay. Our textile mills do not produce raw wool, but it is the raw material which we use, and we have to have large stocks on hand to enable us to maintain manufacturing operations during the course of the year, until nature grows another fleece which can be sheared from the sheep in the spring. The immediate inventory loss which might have to be taken in the event of a cut in the wool duty has hung over the head of every wool grower, wool dealer, textile mill, garment manufacturer, and other makers of wool products for 5 years.

When imports of woven piece goods jumped from 3,865,000 pounds in 1938, to 6,891,000 in 1939, I do not blame any manufacturer or grower for viewing with alarm the reductions on other woolen goods, similar to those which were granted as of January 1, 1939, and which accounted largely for the stupendous increase recorded last year.

The crux of the whole discussion of competitive production abroad seems to me to be reached in the computation of a large manufacturer of woolens, Col. M. D. Brown, of Continental Mills, Philadelphia. Herein lies the threat to our native producer, irrespective of whether the duty on raw wools should be subsequently slashed. He takes a certain piece of topcoating, weighing 19 ounces per yard, which costs his firm $2.99 without shipping charges or selling expenses. In American money, at normal exchange, that fabric can be made in England or Scotland, not including shipping charges and selling expenses, for $1.52. Under the Tariff Act of 1930, that fabric, made abroad, would have added to its cost upon import a compensatory duty for the protection of the wool grower of 60 cents, and an ad valorem duty of 55 percent to protect American labor, bringing the price to $2.95.

This is 4 cents less than our factory cost, and competitive conditions are equal, which is all we ask.

Under reciprocal trade treaty rates, however, at normal exchange, the ad valorem duties are whittled down, and the price becomes $2.73. Then, with the British pound at a discount of 20 percent in relation to the dollar, the Englishman's finished product, made from foreign wools, is thrown on the market at a cost of only $2.31.

It is perfectly obvious that this disparity in cost of production, even without subsequent cuts in raw wool proper, would quickly ruin our American wool growers, disperse the trained American labor which has manned the manufacturing plants of this country, and drive our industrial plants into bankruptcy.

Recognizing this situation, I do not blame Undersecretary of State Sumner Welles for ordering six new suits of British woolens after he had finished visiting with British royalty recently. The State Department seems to be one of the beneficiaries of this trade-treaty program. Whether or not the wool growers of this country ever own six new suits of clothes in their entire lives does not matter.

I say again that the spectacle of Mr. Marshall, representing the wool growers of this country, and the men who represent the wool manufacturers, standing on the same ground, and pleading that attention be given to the joint woolen interests in this Nation, is a wholesome thing. But they are probably wasting their breath, for a State Department, which would "blend our economy into the world economy" will ultimately riddle them both, unless checked in its reckless program.

PROPAGANDISTS HAVE BEEN ACTIVE

Propaganda artists worked night and day prior to the opening of this session of Congress to produce pamphlets which recited the "benefits that have flowed to each of our 48 States as a result of this trade-agreement program."

Their leaflet states:

Concessions obtained on American products not produced in North Dakota, such as cotton goods, plate glass, typewriters, chemicals, and numerous others, indirectly benefit the citizens of North Dakota.

For that nebulous and questionable gain we are expected amicably to surrender our domestic markets to imported grains, livestock, and livestock products entering over absurdedly low tariff walls, having ultimately to compete, in every item we grow, with the serfs and peons of foreign lands. It is too much to expect. It is a preposterous thing to expect.

The reciprocal trade treaty program could have been made acceptable. Treaties helpful to our economic well-being, and possibly contributing to the well-being of all other parts of the world, could have been made possible merely by providing that trade treaties shall be ratified by the representatives of the people in Congress. That chance, however, has been pretty definitely denied by a close vote in the Senate. To go on facing the music—the music some of us have faced for the past number of years—is out of the question. That music has merely involved the plaint of the farmer, day in and day out, against importations in competition with his own production, and his insistence that such importations be ended, only to find us, Members of Congress, able to say, "There is nothing we can do about it."

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 8641) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes, and it was signed by the Vice President.

PROPAGANDA ENTRANCE OF UNITED STATES INTO WAR

Mr. HOLT. Mr. President I shall detain the Senate only a few moments. When I picked up the New York Herald Tribune today I noticed the headline: "Get United States into war at any cost, Ontario official urges Canada."

Mr. JOHNSON of California. Mr. President, will the Senator yield to me so that I may suggest the absence of a quorum?

Mr. HOLT. No. I wish to speak only a few minutes. I thank the Senator from California.

The headline is: "Get United States into war at any cost, Ontario official urges Canada."

I think it is worth the time of the Senate, as we are gradually slipping into war—and we are—to take time to consider what the attorney general of Ontario said about getting the United States into war. Let me quote it:

The Ontario Attorney General Gordon Conant told an audience of farmers and businessmen today that it was Canada's duty to "do everything within our power to enlist the active support of the United States in the cause of the Allies."

Saying the success of the Allied cause "may be very doubtful" unless active participation of the United States is made effective at an early date, Conant declared:

"No sacrifice on our part will be too great if that can be accomplished.

"If the United States wants to build the St. Lawrence waterway, by all means let us join them"—

Think of that! Get us into the war by giving us the bait of the St. Lawrence waterway. Give us anything to get us into war—

"If they want access to Alaska over Canadian soil, there should be no hesitation in settling the matter. In fact, nothing short of impairment of our status as a sovereign nation would be too much for Canada to offer as a sacrifice on the altar of liberty and freedom.

"We have prided ourselves and rejoiced in the fact that we have been good neighbors. But now we have a greater responsibility, a greater duty, a greater opportunity to do everything within our power to enlist the active support of the United States in the cause of the Allies."

What greater responsibility, what greater duty than being a good neighbor? Quoting the attorney general:

To do everything within our power to enlist the active support of the United States in the cause of the Allies.

Is not that a wonderful good-neighbor policy? Are they good neighbors only if they can use us? Let me say that I do not hold the Canadian people responsible for the statement of the attorney general of Ontario any more than I hold the American people responsible for the speech at Toronto of the large Democratic campaign contributor, Jimmie Cromwell. Neither was speaking for the American people. Neither was speaking for the Canadian people. They were speaking, not expecting publicity. The Canadians are our good neighbors and friends; but nothing is more important to some than to get the United States into the war.

"The Allies need America. They need and will be accorded every support that this great northern part of the American Continent can extend. But they need even more the moral and particularly the material resources of our great neighboring republic to the south.

"If Canada can bring about the active participation of the United States of America in support of the Allied cause particularly at the present time she may go down in history as the savior of democracy, of liberty, of freedom, of civilization itself."

The cry: Give up anything to get the United States into the war.

"Every day the United States delays in joining the Allies will only prolong the war and increase the effort and the sacrifice that the United States may yet be called upon to make to save herself from the fate that now threatens all the democracies of the world.

"In the last war their entry undoubtedly turned the scales and resulted in victory, which materialized in November 1918."

He differs with Mr. Churchill, who said that the United States got in in time to get its glory. But let me proceed:

With their vast resources and materials and men—

Listen to that—"and men." He goes a little further than our Neutrality Act.

"With their vast resources and materials and men and their industrial capacity added to those of the Allies their could be no question as to the outcome.

"A clear declaration of policy at this time supporting the Allies and declaring it to be the intention of the United States to enter the contest in their behalf would materially affect the whole situation probably to the extent of bringing an end to hostilities.

"Surely Germany would see the futility of her mad project. She would be unable to enlist in her support in that event the forces of Italy, of Russia, of the Balkan states, or any of the neutral states. I am confident she would seek an early peace rather than risk the ultimate extermination that would be her fate."

Now, I want the Senate to listen to something, not about Canada. We are not responsibile for the Ontario attorney general, even if we are responsible for Jimmie Cromwell, a nice man to have around at election time, because of a marriage. The Ontario attorney general speaks about his dear friend who was appointed Minister to Canada. Let me add:

Referring to an address by James H. R. Cromwell, American Minister to Canada, here 2 weeks ago, Conant said the Minister had stripped the disguise from the various positions of neutrals in no uncertain terms.

"His speech was the most forthright and accurate evaluation of the situation that has yet been delivered by any neutral statesman," he said.

They cannot be beaten for diplomacy. Listen to this:

"It is gratifying to know that while Mr. Cromwell's speech was officially, and perhaps necessarily, repudiated by Mr. Cordell Hull, the Secretary of State, the American statesmen have not disguised the fact that he expressed American opinion accurately, if impudently."

Does he mean it was impudence to say that we are going to see the American boys sent across the seas? "Don't tell the boys until we are ready to send them."

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. Does not the Senator regard the statement of the distinguished Canadian publicist as being equivalent to a charge that the Secretary of State of the United States had his tongue in his cheek when he delivered a stinging rebuke to our playboy Ambassador, which would have caused any man with the slightest vestige of self-respect to have resigned?

Mr. HOLT. Of course. However, he paid $50,000 or more for the job, and it is pretty hard to give it up. Let me say

that everyone knows that Mr. Cromwell was not expressing officially the viewpoint of the people of the United States.

Mr. CLARK of Missouri. Mr. President, will the Senator yield further?

Mr. HOLT. I am glad to yield.

Mr. CLARK of Missouri. I certainly did not wish to create the impression that I agree with the Canadian attorney general in his estimation of the action of the Secretary of State. I have known the Secretary of State of the United States too long not to know that he was restraining his indignation instead of exaggerating it when he publicly rebuked Mr. Cromwell for his ill-timed speech.

Mr. HOLT. Let me say, as one who has opposed many of the policies of the Secretary of State, that I thoroughly agree with the Senator from Missouri, because I think the Secretary of State would have gone further if he had not been restrained.

Let me quote further from the article:

> Let us hope that Mr. Cromwell did express the sentiments of the great majority of the people of the United States of America. But let us also hope that action and not merely professions of faith will follow.
>
> In his speech Cromwell said a victory for the Allies was necessary to the welfare of the United States.

In other words, "Do not merely be a good neighbor to us. We will get you into the war to fight our battle. Do not merely say, 'We like you,' but send your boys over to fight our battle in Europe."

I say again, the Canadian people are not responsible for Mr. Conant, any more than the American people are responsible for the Cromwells, the Bullitts, and the other tea hounds who are serving as a result of campaign contributions. No; the Canadian people are not any more responsible. Nevertheless, those individuals are on the scene. The reason why I am calling the attention of the Senate to this today is to show that there are forces trying to take the United States of America into the war. No matter how much some individuals in Washington wish to profess that there is no danger of our entrance into the war, I think, speaking frankly and conscientiously, that the United States of America is slipping and stepping into the World War.

I hate to say that; but I honestly believe it. I hope I am wrong; but I am convinced that there are forces pushing here and forces pushing there.

Mr. President, why, do you think, is England today cutting down on her imports from the United States? Is it because they say they have to conserve their cash or because they desire to create a sentiment in America for doing away with the Neutrality Act, so far as cash is concerned, in order that we will finally finance the present war as we financed the last war? It will be only tomorrow when we will be faced with that, and we must choose between doing away with the cash provision or shutting down some of the factories that are selling materials to England. We are going to have to make that choice; but, so far as I am concerned, I would rather see the last export to any foreign country stay on our side of the shore than to send across the ocean a single American boy in order to provide profits for a few individuals in this country.

Oh, no; this incident is not like a declaration of war; but, step by step, we are getting closer and closer to the conflict in Europe.

The President of the United States, speaking at Chautauqua, N. Y., said very ably, and I think his statement is worth repeating here—

> We can keep out of war if those who watch and decide make certain that the small decisions of each day do not lead toward war and if, at the same time, they possess the courage to say "No" to those who selfishly or unwisely would let us go to war.

That is what we need—the courage to say "No." But step by step we are proceeding in the direction of war. Every day we read something in the newspapers which shows we are getting closer and closer and closer to it. Every day we are watching those "small decisions" toward war.

They are using every type of propaganda. I hope the time will soon come when the United States Senate will adopt the resolution of the Senator from Missouri to investigate propaganda, not alone Nazi or Communist, reprehensible as they may be, but also let us take the cloak off the English propaganda which is permeating America through lectures, through social affairs, through newspaper control, through pictures, and in many other ways.

Just the other night Lord Lothian—the Marquis of Lothian, or the Earl of Lothian, I should say, to be polite—invited 300 Americans to give $10 apiece to listen to English concert artists at the English Embassy. They are good; there is no question about that.

The money was to be sent over for the relief of England. I will wager that if one were to write those 300 guests and ask them to donate $2—not $10, but $2—for the relief of some poor, unfortunate persons in the United States of America, he would find that many of them did not have time to take care of the invitation. Oh, yes; the English are steadily advancing in their propaganda. They are using every opportunity to get to the proper people.

Now let me say that recently there was a British propaganda film shown. All Senators were invited to come and see it. We got "Annie Oakleys"; we got in free, because they wanted us. Here is the letter I received:

> Senator RUSH D. HOLT,
> *Senate Office Building, Washington, D. C.*
>
> DEAR SIR: Last week we held a screening of The Lion Has Wings for a group of ranking—

Listen to this—

> for a group of ranking Army, Navy, Coast Guard, and National Guard officers, and members of the Civil Aeronautics Authority. They were surprised and greatly impressed with the details of aerial offense, defense, and mechanical equipment which is disclosed in this picture. It has been suggested to us that it would also be of great interest to you in view of your committee affiliations in Congress.

What is my committee affiliation in Congress? I am a member of the Naval Affairs Committee. It was desired to put us in the right attitude to see the danger of invasion.

I continue with the letter:

> The Lion Has Wings is Great Britain's answer to the threat of Planes Over London. When war was declared, Alexander Korda (the greatest English director) had a skeleton script written—and then used events as they happened to make the picture. He worked with the full cooperation of the Royal Flying Corps and has produced an amazingly frank and thrillingly exciting film.

Here is the nice thing—

> We are attaching a pass, which will be good any time during the engagement, which starts Wednesday, March 6 (probably for 1 week), and will be very happy to have you as our guest.
>
> Sincerely,
>
> THE LITTLE THEATER MANAGEMENT.
> By A. M. TOLKINS.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLT. I am glad to yield to the Senator from Florida.

Mr. PEPPER. I think the Senator received complimentary tickets to see "Mr. Smith goes to Washington." I wonder if that was a part of the propaganda, too?

Mr. HOLT. I may say, as to that, that it represented some Senators very well, and the Senator can use that, too, if it fits him.

Mr. PEPPER. I was just wondering if the Senator was basking in any reflected glory that he was able to observe?

Mr. HOLT. If the Senator will explain his last remark I will be glad to know what it means.

Mr. PEPPER. The latter remark was made upon the inference that I deduced from the Senator's remark. If I was in error about that, he would not understand my suggestion.

Mr. HOLT. Does the Senator from Florida contend that there is no British propaganda in America?

Mr. PEPPER. No; but the fact that the Senator gets complimentary tickets to moving pictures does not prove that the British are propagandizing everything, for we get complimentary tickets to many things.

Mr. HOLT. I agree that the Senator from Florida does. Some even get free trips to see the sugar fields of Florida. [Laughter.]

Mr. PEPPER. Does the Senator know of any trip that is more enjoyable and profitable than a trip such as that?

Mr. HOLT. No; it is far more enjoyable than keeping some Florida interests alive by the Federal Treasury.

Mr. PEPPER. Mr. President——

Mr. HOLT. Of course, I am glad to yield to the Senator from Florida before I proceed further.

Mr. PEPPER. Does the Senator from West Virginia intend to compliment the Senator from Florida upon his representation of the State of Florida, or is the Senator lamenting the fact that his State has not gotten as much as he would like to have obtained out of the Federal Treasury?

Mr. HOLT. No. I may say to the Senator from Florida that Florida should not have any criticism at all of the Senator from Florida except that he did not get the Florida Ship Canal through as he was supposed to do. However, he has done a good job in getting for Florida its share. But that is far from the subject of propaganda.

Proceeding with the matter, I may say that, step by step, the news is bringing out the very fact that Colonel Lindbergh, in speaking last fall, was criticized for stating, namely, that certain interests in Canada would try to involve us in war. Let me quote what Colonel Lindbergh said and let it be considered in the light of subsequent events. Here is what Colonel Lindbergh said on October 13:

> We must protect our sister American nations from foreign invasion, both for their welfare and our own. But, in turn, they have a duty to us. They should not place us in the position of having to defend them in America while they engage in wars abroad. Can we rightfully permit any country in America to give bases to foreign warships, or to send its army abroad to fight while it remains secure in our protection at home? We desire the utmost friendship with the people of Canada. If their country is ever attacked, our Navy will be defending their seas, our soldiers will fight on their battlefields, our fliers will die in their skies. But have they the right to draw this hemisphere into European war simply because they prefer the Crown of England to American independence?

Furthermore, he said:

> Sooner or later we must demand the freedom of this continent and its surrounding islands from the dictates of European power. American history clearly indicates this need. As long as European powers maintain their influence in our hemisphere, we are likely to find ourselves involved in their troubles, and they will lose no opportunity to involve us.

May I repeat that:

> They will lose no opportunity to involve us.

Everybody who knows anything knows that there is a great amount of propaganda to get us in.

Mr. President, I may say that the Canadian people are among the finest people in the world; some of the most enjoyable times I have ever had in my life have been spent in Canada; but I say it is time for someone to rise and condemn Canadian officials when they say that they will involve us by giving us the St. Lawrence waterway or giving us a road to Alaska. It is time for some person in Washington to rise and say, "Yes, but we know it is bait, and we will not go into the war on such terms and as the result of propaganda; that we remember too well the propaganda that the war is one for liberty, for civilization. We know the penalty, when you say that you will pay us in order to drag us into the war."

That is why I rise, not to condemn Canada, not to condemn Canadians, but at least to raise my feeble voice in order that the American people may be vigilant to the ever-increasing danger of our moving toward war. That is why I raise my voice, because I sincerely believe it, much as I should like to believe otherwise.

But, as far as that is concerned, to those in Europe I would say, as Premier King said, not after the war but before it—and I quote him:

> The idea that every 20 years this country, which has done all it can to run itself, should feel called upon to save periodically a continent which cannot run itself seems to me a nightmare and sheer madness. * * * In a war to save the liberties of others, and thus our own, we should not sacrifice our own liberty or our own unity.

Mr. NYE. Mr. President, can the Senator indicate the date of that utterance by Mr. King?

Mr. HOLT. No; I cannot. It was preceding the war. I shall be able to get the date. I came to the floor without preparation for this speech, or I should have gone more into detail as to that matter.

Mr. NYE. It was not a matter of years, however?

Mr. HOLT. Oh, no; it was during the last year preceding the war. They got into the war, however. I heard in Europe, when I was over there, that Canada would declare war on Germany, and I wondered why Canada would declare war because of our Neutrality Act. What did I hear there? I was told "You are mistaken about that. If Canada declares war on Germany, it makes a stronger case in America to get the Neutrality Act revised." I do not say that Members of this body felt that way, but that is the way some felt in Europe at the time.

I hope I have brought to the attention of the Senate the fact that there are forces abroad and forces in America, forces in Washington and forces in the Diplomatic Corps of America, that seek to get us into the war. That is a pretty strong statement, but I will stand back of it, and say that Americans will not accept the bait of Canada and go into the war and send American men across the sea.

Mr. McCARRAN subsequently said: Mr. President, this afternoon the able junior Senator from West Virginia [Mr. HOLT] uttered sentiments on the floor of the Senate to which I give my whole-hearted support. The time has arrived when the American people, through their chosen representatives, will make known not only to peoples abroad but to those closer to us, that neither the attorney general of Ontario nor the American representative to Canada, with all his millions, can bring about the shedding of the blood of American youth to save a disaster which Europe brought upon itself.

Mr. President, I ask to have inserted in the RECORD some remarks delivered by me before the American Legion of Nevada which dwell upon the subject discussed by the Senator from West Virginia.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ARMISTICE DAY ADDRESS BY SENATOR PAT M'CARRAN AT LAS VEGAS, NEV., NOVEMBER 11, 1939

Twenty-one years ago today the hearts of America and the hearts of the civilized world rejoiced. In the torn fields of Europe, where carnage and devastation had held sway, the gladdening expression, "Finis la guerre," was heard everywhere. Enemy embraced enemy. Guns were silenced, and the bells of Christendom rang out as though the Saviour had returned to the world.

The joy that came to European countries by the signing of the armistice was thrice ardent in this land of ours, because we had marshaled the flower of American manhood; we had summoned the strength of American womanhood; we had mobilized the forces of national resources in the one great, noble thought to make the world safe for democracy, and we had said to the bleeding and torn countries abroad that the strength of our manhood and the encouraging presence of our womanhood should be sent to them at all hazards; that we as a nation, loving peace, should engage in war to make an end of war.

We sought no territorial gains. We asked for no political advantages. We visualized no economic supremacy; nor did we by the treaty closing the war obtain any of these.

Our boys in arms who had gone abroad, anxious and joyous to be in the fray, returned leaving behind them the sweetness of youth, and the white crosses that marked the resting place of their brothers. Those of the boys of 1917 who returned, or who served in cantonments at home, are men now, mature men. The babes in arms of 1917 are boys now, boys subject to call, subject to military service.

Twenty-one years have elapsed. This Nation, with its teeming millions, has paid the price of its Utopian heraldry, to fight a war to put an end to war. It has paid the price in the blood and lives of those who sleep abroad. It has paid the price in those who, worse than dead, linger on to curse the gas that burned out their vitals and left them but a shell, to tell the story of a heroism unappreciated by the lands and the countries far away. It has paid the price by an economic change involving millions of unemployed in a land teeming with plenty and a national debt that would bewilder those less courageous.

Today, it is my honor, by your courteous invitation, to speak to the ex-service men, who 21 years ago heard the word that the war was ended. May I not at the outset invite you to dwell on the impelling factors that led a peaceful, peace-loving Nation in the Western Hemisphere into a European war.

Human memory is short; human hearts are forgiving, and human passions subside with time, and only few there are who are at all inclined to give their attention to history. As we look back over

the last quarter of a century, we might be inclined to believe that that which we choose to term the World War was the only war of magnitude that Europe had known, and yet if we but turn the pages of history, we find that in the last 700 years, 361 wars have been fought and won or lost in the very center of Europe; yea, in that center where the zenith of civilization has held sway; where art and culture and refinement and Christianity has found most extended latitude.

And even more reflection is enlightening and interesting, although it may be exceedingly depressing. It is but a few months ago that we as a Nation celebrated the one hundred and fiftieth anniversary of the signing of the Constitution of the United States, the establishment of a constitutional democracy in the Western Hemisphere, where individual human liberty was the paramount thought; a century and a half since we established our beloved Government, and announced to the world our intention to live at peace with the nations of the earth, and to bring to our people the greatest quantum of contentment and prosperity. In that period of 150 years, the nations abroad who had called us to their side in the World War, were in fact only passing through another of the prevailing conflicts that had engaged the attention of European nations.

In the last 150 years, Great Britain has fought a total of 54 wars, lasting in all, 102 years; in the last 150 years, the British Empire has been at war 68 percent of the time. In the last century and a half, France has engaged in 53 wars, lasting 99 years; in the last 150 years, France has been at war 66 percent of the time. And, indeed, were we to look at the record of our World War enemy, the German Empire, we would find but little less encouragement.

If our Utopian idea of making the world safe for democracy, by sending our boys and arms across the wide expanse of ocean to aid friendly nations in a struggle against their foes had prevailed since we became a constitutional government, it would have been necessary for us to have a standing army at every port of embarkation in the United States, during every year of our national existence.

What aroused this country in 1917 to enter into a conflict that had then been going on with frightful consequences for more than 3 years? Who set the stage upon which we as a nation were to play? What dexterous limner touched the scenes and fixed the wings in this stage of tragedy, on which we were to take a leading part? What honeyed words and fetching phrases dressed the lines that we were to utter in the tragedy of blood and hell?

For 3 years, from 1914 to 1917, we sailed the stormy seas, implanted with pitfalls on every hand, and kept our colors flying, maintained our dignity as a nation, and held the admiration of civilized men everywhere; but while we were so engaged, powerful personalities, plans, and policies were "apothecaring" the mixture that would put us on a national jag.

It is history now, history that has been written by fearless men possessed of undeniable information, that this God-fearing, liberty-loving, peaceful Nation was led into the World War by a system of cajoling propaganda, working in conjunction with far-flung credit that had been extended to warring nations, that led us to the brink and over the top into war in 1917.

The mission of Lord Northcliffe, one of the then greatest publishers in the world, fortified with British millions, the strategic writings of Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells, together with the inflammatory portrayal of scenes and situations, without foundation—these and a thousand other things constituted the trappings, as it were, on the stage where we were to play the awful part.

No less an authority than Sidney Rogerson, of London, England, in his book entitled "Propaganda in the Next War," published only a few months ago, speaking of the then threatened, now existent war, brings to our vision that which led us into the World War. Dwelling on present conditions, this eminent writer says:

"We (England) shall require to do much propaganda to keep the United States benevolently neutral. To persuade her to take our part will be much more difficult. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen before the Republic will again take arms in an external quarrel."

Again I quote this great British author when he says:

"Fortunately, with America our propaganda is on firm ground. We can be entirely sincere, as our main plank will be the old democratic one. We shall (he says) send over our leading lights and other men well known in the United States to put our point of view over the dinner table."

And again this author says:

"Our trouble here (in England) will be to find men with equally commanding reputations to step into the shoes of such men as Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells."

And so, ex-service men and fellow citizens of America, we may look at the future, mirrored as it were by our experience and the disclosed history of the past.

By propaganda dealt out to a free, ambitious, liberty-loving people, and by using the sacred name of democracy, our beloved form of government, by shocking our sensibilities through the portrayal of unfounded inhumanities, our Nation was aroused to a fever pitch, and we played the awful part until the curtain dropped 21 years ago today.

The war that we fought did not end war. The struggle in which we participated, like every struggle of its kind, settled nothing. The world was not made "safe for democracy." But bewildered mankind, seeking leadership out of the tragedy of war's aftermath, made it possible for mediocre beings to become dictators and to wield the destiny of the lives of millions mentally and morally superior to them.

The devastation of war always furnishes a vantage ground for the egomaniac. Despair, anger, heartache, and discouragement prevailing in war-torn nations and peoples constitute elements that make possible the setting up of principles and policies that would not be tolerated in calm moments of civilized tranquillity; and so the world views a spectacle today that calls for another coming of a great spirit to bring God back into the hearts of men.

For 21 years, from out your ranks, men of former service, there has gone up the appeal, the demand, for peace. Your powerful group, in your beloved America, has given great impetus to the Nation's policy of contributing to the peace of the world, and what a splendid contribution this country made when as a government we declared by statute that we would lend our efforts toward world peace by refusing to sell to countries at war arms, munitions, or implements of destruction. We took a lofty stand, in keeping with your demands. We beckoned to civilized mankind to join our ranks under a God-given banner of peace. We told this generation and the generations yet to come that we would rather bear the burden of taxation, feed the hungry, clothe the naked, shelter the shelterless, in peace, than to accumulate the money of the world by the sale of instruments and poison gasses to augment war abroad, and take the lives of warriors, civilians, and noncombatants alike.

But while we were thus holding the banner of world peace and inviting civilized peoples to join with us, ingenious military minds were building the Maginot line, and those looking toward an inevitable future war, were, with equal energy, building the Siegfried line. While we were encouraging peace, secret agreements were being formulated, looking to future war. While we were invoking international law in furtherance of peace, undeclared, murderous wars were set in motion, and the law of nations was merely smirked at.

And so, 21 years from the day on which you heard the bells ringing announcing the great tidings of an armistice, today in the very heart of civilized Europe, today in the very cradle of civilization, mass murder is on again in the form of war; and this Nation, while changing its policy that contributed so much by precept and example to the peace of the world, is taking drastic steps to avoid involvement.

We have now raised the embargo, and we have told the world that we will sell the deadly instrumentalities for human destruction, that we will sell the hellish gas and the flesh-burning flame that in turn will snap out the lives of innocent women and children; that we will sell the bombing planes and machine guns and powder to drive deadly projectiles, all for cash.

By embargoing these things, we had a noble ambition. We made a lofty gesture. We declared a worthy policy, that peace might have an impetus, and that political balance of power and commercial supremacy might take a secondary place to that which would bring about contentment in the hearts of men. Something has caused us to abandon that ambition, black-out that gesture and renounce that policy. Something has caused the declared resolution and preferment of plan announced by our greatest leaders to be abandoned.

And now, on this, the twenty-first anniversary of an occasion that brought great joy to the world, we find ourselves, wittingly or otherwise, intervenors in a war abroad, in which, in reality, our country has no concern. We are going to place in the hands of foreign belligerents the instruments whereby they may destroy each other, whereby they may prolong mass murder, every day of the prolongation of which threatens and forebodes our involvement.

WHERE DO WE GO FROM HERE?

In the language familiar to you who served in the World War, may we inquire, "Where do we go from here?"

In an effort to keep aloof from the war abroad, we have embargoed American vessels; thus to keep the American flag out of combat zones. We have made it criminal for an American citizen to travel on the ships of the nations at war. All this and more has been done to insure, if possible, that the United States of America, struggling under the burdens of the last war, listening to the cries of our wounded, not yet dead, pleading for reasonable payments of honorable debts, honorably contracted, shall not become involved in the war now going on, for a commercial and political balance of power, in far-off Europe.

I can hear the resolution uttered from the hearts of my listeners and the people at large. I can hear that resolution coming from determined beings, as it comes from me:

"America shall not send her manhood to a foreign soil, to become warriors in foreign wars."

That resolution is today uppermost in the minds of millions in our land. That resolution is enshrined in the heart of every American mother; that resolution is today a sacred and sanctified thing. In place of the familiar verse of 1917: "We won't come back 'till it's over, over there," we are resolutely sending the message: "We won't be over, 'till it's over, over there."

In place of that familiar jingle of 1917: "The Yanks are coming," we are announcing to the warring peoples: "The Yanks are not coming"; because, for the United States, there is a permanent stop-light on that "long, long way to Tipperary."

Let us not forget that we passed through a similar period in our history. What declaration could have been more pronounced between 1914 and 1917 than that this country, while furnishing

money and munitions to warring countries abroad, would never send our soldiers over there.

I have drawn the attention of my listeners to the agencies that led us into the World War, and I have made mention of but a slight part of the organized propaganda, the results of which are to be viewed in every veterans' hospital in America, and the silent testimonial of the sentinel who paces the beat at the Tomb of the Unknown Soldier.

Is the stage being constructed again? Are its wings and scenes being reproduced, streamlined to fit the tempo of the times? Are the colors of the play in which we are to take a part a little more modernistic, a little more refined, but nevertheless present? What does the great British author, Sidney Rogerson, mean when, visualizing the present European war, he said:

"We (England) shall require to do much propaganda to keep the United States benevolently neutral. To persuade her to take our part will be much more difficult. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen, before the Republic will again take arms in an external quarrel."

What did this spokesman for the British thought mean when he said:

"Fortunately, with America our propaganda is on firm ground. We can be entirely sincere, as our main plank will be the old democratic one."

What did this eminent British author mean when he said:

"Our trouble here (in England) will be to find men with equally commanding reputations to step into the shoes of such men as Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells."

Need we review the masterful efforts of the persons named, Rudyard Kipling, Sir James Barrie, Bernard Shaw, John Galsworthy, and H. G. Wells, by whose zeal and energy the torch of war was in 1917 lighted in the peace-loving souls of American millions?

We give no significance, but nevertheless we note, the press reports that Lord Alfred Duff-Cooper, former Lord Admiral of the British Fleet, who resigned at the time of the Munich incident, is now on a lecture tour of the United States. We are advised that Lord Morley, deputy leader of the House of Lords, is now visiting in America, and that the great British publicist, Lord Beaverbrook, has recently arrived on this side of the Atlantic. It has also been stated that English trade-union leaders were shortly to pay a visit to our country.

We are not unmindful of the statement of Lord Lothian, British Ambassador to the United States, made recently before the Pilgrim Society, in which, among other things, he said that England did not intend to propagandize the United States. That statement, however, was made by his lordship one day from that on which the British Minister of Information informed the British Parliament that full publicity would be given the Allied cause in the United States.

And we are not unmindful that the great author of the publication entitled "The Public Mind: Its Disorders and Exploitations" and many other texts on how to mold public opinion, Mr. Norman Angel, who rendered such valiant service by way of propaganda during the World War, is still virile and active.

Is the stage being set by dexterous hands and fertile minds who know the love that lingers in the American hearts for fair play and liberty? Have we not already had displayed to us by screen and pictorial and graphic account, atrocities wrought in the hell of war? Are hatreds being engendered in the minds of American citizens, where only impartiality should prevail, and where no other thought should be nurtured than an everlasting determination to keep this country aloof and at peace?

My fellow countrymen, I bring these thoughts to your attention for a purpose, and for one purpose only:

We must meet and combat, within our own borders and on our own soil and in our own homes, the instrumentalities of propaganda, instrumentalities that would cause us to form hatreds on one hand and favoritism on the other; instrumentalities coming to us in the most innocent form by agencies least suspected, which will centralize our individual as well as our mass prejudices, and cause us to forget the larger, more important thing; namely, to keep this country of ours away from the war fields of foreign conflicts.

I never want to see the American flag whipped by the breeze of a European battlefield.

Our cause and our course can be and must be the more glorious one of peace and power and leadership; an Army so manned and equipped as to be worthy of the dignity of the western world; a Navy worthy of carrying our flag on the waters of the world, secure and safe by reason of the potential power surrounding it. Our national integrity should be so demonstrated and foundationed that when we announce a policy we may repeat the expression of the great Grover Cleveland, when as President of the United States, in the Venezuela incident, speaking of the Monroe Doctrine, he said: "This fiat is law."

Couched in the wisdom of the ages, fortified by experiences, our forefathers formulated a government and molded into its foundation security for liberty and law alike. They declared that these cardinals of civilization could be maintained not by the power of the Army nor by the might of the Navy but by the coordinate support of an enlightened, progressive, patriotic people. The founders of our Government, as well as its faithful martyrs, established and determined on the constitutional system of checks and balances, thus transforming democracy from a dream to a reality; thus protecting the people against the tyranny of the individual or the oppression of the majority; thus placing civil and religious rights and liberties of both individual and group beyond the power of any party, however powerful; beyond impairment by any majority, however great; beyond Congress, however strong; beyond an Executive, however popular.

The founders of our Government made the people the reservoir of power, and fixed both the grant of power and the restraint of its exercise, in a written constitution, as the expression of the supreme wish of the people.

My fellow countrymen, we may have no fear for the success of this form of government, so long as the people, now sovereign in themselves, continue an untrammeled exercise of that sovereignty. Our fear, if any we should entertain, need not be based on the action of the people, but rather may we entertain apprehension lest perchance, listening to the rumble of a distant drum, and through misplaced sympathy, we permit foreign agencies to swerve us from our course. In my judgment, our danger lies not abroad. The threats to our form of government are more likely to come from unworthy agencies and undemocratic propaganda here in our very midst.

My fellow countrymen, the greatest enemies of our Republic may not be foreign foes, but rather domestic termites, who enjoy the spirit and atmosphere of our liberties, while at the same time they bore from within, to destroy the foundation of the very liberties they enjoy. While we concern ourselves to keep this country out of foreign wars, we must put on the shield and armor against domestic threats. Our form of government is good enough for those who love it, and those who do not see something in it to love had better find a place more congenial to their views.

We are not going to be led into a foreign war, and we are not going to permit foreign ideologies to tear down the structure that shelters us.

You men who served under your country's colors, let this twenty-first Armistice Day be dedicated to a firm resolve that democracy in America is the God-fearing spirit of freedom and progress. That regardless of what form of government other people may espouse, we are determined that the homes and hearts of those who give their allegiance to our Government shall be enshrined in the perpetuity of that Government, and that as a people, having gone through the fire of experience and the crucible of war, we announce to the world, here and now, that we are not going to be drawn into a European tragedy.

That the life of one American boy is worth more than all that can be gained by the war now raging abroad.

That we will give succor to the afflicted, and sympathy to those who experience the heartache of war, but we will so manage our national affairs as to guide our ship of state through these torn and troubled waters, so that when peace comes to the earth again, as it must come, bewildered people seeking leadership will see in the darkness about them the flame of our torch, held high by resolute hands, warriors of a former war, citizens of a great democracy, soldiers in the campaign for peace on earth and good will toward men.

I could not close with a more cogent thought than that which has been handed down in that sacred document coming from the heart and mind of the first President of the United States, and which to me is a sermon that should be repeated on every Armistice Day, from every pulpit, in every schoolroom, from the lips of every citizen of the land.

My brothers of the soldiery of yesterday, how prophetic were the words of Washington, when, in his farewell address to his country, he said:

"Against the insidious wiles of foreign influence the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike of another cause those whom they actuate to see danger only on one side and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious, while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

"The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little political connection as possible. * * *

"Europe has a set of primary interests which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves by artificial ties in the ordinary vicissitudes of her politics or the ordinary combinations and collusions of her friendships or enmities.

"Our detached and distant situation invites and enables us to pursue a different course. * * *

"Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?"

My fellow countrymen, for us there is but one thought, one resolve, one national love—Columbia, the gem of the ocean. Keep her enshrined in the western world where oncoming centuries will learn to love her as we do.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. DAVIS. Mr. President, I shall occupy but a few moments, as I know the Senate is anxious to vote on the pending amendment.

I shall vote for the amendment offered by the junior Senator from Nevada [Mr. McCARRAN]. I have always supported tariff legislation based upon the difference in cost of production at home and abroad. I am satisfied that if we adopt the pending amendment, great numbers of persons now on the relief rolls will find employment in our mines, mills, shops, and factories.

I ask unanimous consent to have printed in the RECORD, as part of my remarks, an editorial from the New York Sun of April 2, 1940.

The PRESIDING OFFICER (Mr. CHANDLER in the Chair). Without objection, the editorial will be printed in the RECORD.

The editorial is as follows:

[From the New York Sun of April 2, 1940]

FORTY-FOUR AGAINST THE FACTS

What are some important implications in the Senate's vote on March 29 on the Pittman amendment, which would have required the Senate to ratify the reciprocal-trade treaties?

Forty-four Senators voted against requiring Senate ratification. Therefore, they believe that the President should have power, delegated to the Secretary of State, to reduce any tariff duty as much as 50 percent. Forty-one Senators voted for requirement of Senate ratification, and so are opposed to such one-man power to destroy the American tariff, written in 1930 and passed by the entire Congress.

The 44 Senators who approve of the trade-treaty program must square their beliefs with these facts:

(1) The Hull trade-treaty program is not, as the Times asserts, "the most promising step that has been taken by any nation anywhere in recent years to rid world trade of destructive barriers." It has failed in that idealistic purpose, for today all Europe is erecting a complex structure of trade barriers to keep out the very products for which the gullible Mr. Hull obtained concessions in trade pacts now partly nullified by war commerce.

(2) The trade-treaty program was designed to admit to our markets heavier shipments of merchandise from abroad in the face of the Federal Wage and Hour Act, which applies to goods made or processed in American factories. While it is unlawful for a factory in one State to ship goods to another State if they were not made in full compliance with the new wage and hour regulations, it is quite legal for anybody to ship across State lines goods made abroad at much lower labor standards. This is a fantastic way to improve the standard of living of American labor.

(3) The Hull trade treaties have not caused a considerable increase in American export trade. On the contrary, two of the most important of all American exports—wheat and cotton—declined so much before the war began that our Government decided to subsidize their export. The first of the trade pacts with a most-favored-nation clause—the pact with Belgium—did not become effective until May 1935, yet by the end of 1934, without benefit of trade agreements, our exports had risen 33 percent in 2 years.

(4) The trade treaties do not make for peace. That is the most foolish of all the New Deal's arguments in favor of them. How did our pact with Czechoslovakia promote that nation's peace? The agreements have intensified the rivalry among all foreign countries for our rich market. Under war conditions the trade pacts are dangerous, for it is an era of unstable currencies and abnormal commerce. The Senate, without power to ratify these treaties, must sit by silently and watch the folly of the State Department.

(5) The administration's silly concern for its foreign-trade program in the midst of domestic distress has harmed the whole country. It would take nearly 20 years of exports as large as those of last year to equal 1 year of our domestic wholesale trade.

It is said that Secretary Hull's availability as a Presidential candidate depends on the continuance of his trade program by Congress. If that is true, his availability rested last week on the votes of three Senators.

Mr. TAFT. Mr. President, I should like to say a word in behalf of the amendment of the Senator from Nevada [Mr. McCARRAN].

I myself have offered a somewhat more elaborate amendment, which has the same purpose. The pending amendment seeks to insert in the joint resolution some standard which the executive department shall follow in determining what a tariff shall be. I do not see how the joint resolution can possibly be constitutional without some standard. We have seen flexible-tariff provisions enacted before. We saw the one which was included in the Hawley-Smoot Act; but all of them imposed on the executive department a specific standard—the difference in cost of production here and abroad. The standard imposed by this amendment is slightly different; but in view of the currency depreciation now occurring, I think the delivered cost is probably a better standard than the cost of production in some foreign country.

I do not understand how anyone can oppose the insertion in the joint resolution of a standard of protection. This is a very mild one, because it leaves entirely to the President's discretion the determination of the amount of duty necessary to protect American products against cheap foreign products—cheap because of low wages, cheap because of low costs of production. A milder statement could not be made. My own amendment provides that tariffs shall be referred to the Tariff Commission, that they shall have public hearings, that they shall then determine the difference in cost of production, and that any rate which is less than that required for protection of American products shall be eliminated.

I have seen a good many persons who are for free trade in theory, but today the theory of free trade seems to me impossible to carry out. The moment we permit the President to reduce the tariff below the difference in cost of production here and abroad, we encourage imports which replace American products; and those who vote to reject this amendment must be in favor of doing that.

I very strongly urge, therefore, that this amendment be adopted. I intend, for the purpose of the RECORD, to offer my own amendment after this amendment is disposed of, without asking for a record vote, in case this amendment is not adopted. If the joint resolution is to be constitutional, if we are to perform our constitutional duties by requiring the change of tariff duties to be based upon some standard, if we are to declare and let the Executive know that we intend to have him protect American industries, I cannot see what argument can be offered against the amendment of the Senator from Nevada.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN].

Mr. McCARRAN. On the amendment I call for the yeas and nays.

The yeas and nays were ordered.

Mr. HARRISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Reynolds
Ashurst	Frazier	Lodge	Schwartz
Austin	George	Lundeen	Schwellenbach
Bankhead	Gerry	McCarran	Sheppard
Barkley	Gibson	McKellar	Shipstead
Bilbo	Gillette	McNary	Smith
Brown	Green	Maloney	Stewart
Bulow	Guffey	Mead	Taft
Byrd	Gurney	Miller	Thomas, Idaho
Byrnes	Hale	Minton	Thomas, Okla.
Capper	Harrison	Murray	Thomas, Utah
Caraway	Hatch	Neely	Tobey
Chandler	Hayden	Norris	Townsend
Chavez	Hill	Nye	Tydings
Clark, Idaho	Holt	O'Mahoney	Vandenberg
Clark, Mo.	Hughes	Overton	Van Nuys
Connally	Johnson, Calif.	Pepper	Wagner
Danaher	Johnson, Colo.	Pittman	Walsh
Davis	King	Radcliffe	Wiley
Donahey	La Follette	Reed	

The PRESIDING OFFICER. Seventy-nine Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN]. On that amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KING (when his name was called). I have a special pair with the senior Senator from Virginia [Mr. GLASS]. Not knowing how he would vote if present, I withhold my vote.

Mr. LA FOLLETTE (when his name was called). On this question I have a pair with the senior Senator from Illinois [Mr. LUCAS], who is unavoidably absent. If the senior Senator from Illinois were present, he would vote "nay." I transfer my pair to the junior Senator from Maine [Mr. WHITE],

who is likewise unavoidably absent and who, if present, would vote "yea," and vote. I vote "yea."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] is unavoidably detained from the Senate. I am advised that if present and voting he would vote "yea."

The Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from New Jersey [Mr. SMATHERS], the Senator from Georgia [Mr. RUSSELL], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Virginia [Mr. GLASS], the Senator from Iowa [Mr. HERRING], and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]; the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]. I am advised that if present and voting the Senator from California and the Senator from New Mexico would vote "yea," and the Senator from Georgia and the Senator from Missouri would vote "nay."

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea" if present, with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Oregon [Mr. HOLMAN], who, if present and voting, would vote "yea," with the Senator from New Jersey [Mr. SMATHERS], who would vote "nay."

I am advised that if the Senator from New Hampshire [Mr. BRIDGES] were present and voting he would vote "yea."

Mr. THOMAS of Utah. I have a pair with the Senator from New Hampshire [Mr. BRIDGES], which I transfer to the Senator from Iowa [Mr. HERRING], who, I am advised, if present and voting, would vote "nay"; and I vote "nay."

The result was announced—yeas 36, nays 42, as follows:

YEAS—36

Adams	Gibson	Lundeen	Shipstead
Ashurst	Gurney	McCarran	Taft
Austin	Hale	McNary	Thomas, Idaho
Bulow	Holt	Maloney	Thomas, Okla.
Capper	Johnson, Calif.	Murray	Tobey
Clark, Idaho	Johnson, Colo.	Nye	Townsend
Danaher	La Follette	O'Mahoney	Vandenberg
Davis	Lee	Pittman	Walsh
Frazier	Lodge	Reed	Wiley

NAYS—42

Bailey	Donahey	Hughes	Schwartz
Bankhead	Ellender	McKellar	Schwellenbach
Barkley	George	Mead	Sheppard
Bilbo	Gerry	Miller	Smith
Brown	Gillette	Minton	Stewart
Byrd	Green	Neely	Thomas, Utah
Byrnes	Guffey	Norris	Tydings
Caraway	Harrison	Overton	Van Nuys
Chandler	Hatch	Pepper	Wagner
Clark, Mo.	Hayden	Radcliffe	
Connally	Hill	Reynolds	

NOT VOTING—18

Andrews	Chavez	King	Truman
Barbour	Downey	Lucas	Wheeler
Bone	Glass	Russell	White
Bridges	Herring	Slattery	
Burke	Holman	Smathers	

So Mr. MCCARRAN'S amendment was rejected.

Mr. TAFT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. 2. That section 4 of the act entitled "An act to amend the Tariff Act of 1930," approved June 12, 1934, as extended, is amended to read as follows:

"SEC. 4. Before the beginning of negotiations for any foreign trade agreement with any foreign government or instrumentality thereof under the provisions of this act, public hearings shall be held before such agency as the President may designate, under such rules and regulations as the President may prescribe. Notice of such hearings shall be published in the Federal Register, together with a detailed statement of the matters to be considered, not less than 20 days before such hearings are to commence. After such foreign trade agreement has been negotiated, it shall not be signed until it shall have been submitted to the United States Tariff Commission and such Commission shall have filed with the President a statement certifying that such foreign trade agreement will not reduce the rate of duty on any article which competes with any domestic article (where the domestic article is produced in the United States in an amount equal to 10 percent of the normal consumption in the United States) below an amount sufficient to equalize the difference between the cost of such articles produced in the principal competing country to which the tariff rate fixed in such foreign trade agreement would be directly applicable, or applicable through the operation of any most-favored-nation clause (which cost shall be the cost landed in an American port before the tariff is paid) and the cost of production in the United States of the competing domestic article. Before filing such statement with the President, the United States Tariff Commission shall hold open and public hearings and the text of such foreign trade agreement shall be published in the Federal Register at least 20 days before such hearings are to commence. The provisions (including definitions) of section 336 of the Tariff Act of 1930 shall be applicable with respect to the performance by the Tariff Commission of its functions under this section, insofar as such provisions are not inapplicable or in conflict with the provisions of this section."

Mr. TAFT. Mr. President, this amendment incorporates several provisions which have already been before the Senate for consideration. Briefly, it provides that before any treaty shall go into effect it shall be referred to the Tariff Commission, which shall hold public hearings, and no rate shall go into effect until the Tariff Commission has certified to the President that the rate is sufficient to equalize the difference between the cost of producion in this country and the delivered cost of the competing article coming in from abroad.

The amendment seems to me to contain the only conditions on which the reciprocal trade treaty policy can be worked out fairly, the only way in which it can be worked out with proper protection to American labor, with proper protection to American industry, with proper protection to the American agricultural producer and to the American miner.

I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, one of the primary objects in the negotiation of trade agreements is to equalize the difference between the costs of production in this country and abroad. The Tariff Commission is represented by one of its very best men on the Interdepartmental Committee which negotiates the agreements. Everything that could possibly be done under the amendment of the Senator from Ohio is now being done to ascertain the costs of production. The adoption of the amendment would conflict with the Senator's ideas of economy. If it was necessary for us to send to foreign countries in order to ascertain costs there, 5,000 accountants would be required, according to statements made in the hearings. Everything possible to ascertain the difference between the costs of production here and abroad is being done.

Mr. TAFT. Mr. President, as I understand, the Senator says we are now doing this thing, and therefore we must not do it because it would be more expensive to do it. That statement does not seem to me to make sense. I do not understand the point of it.

Mr. HARRISON. Mr. President, I can understand why it might not make sense to the Senator from Ohio, but the Senator must know that a tremendous additional cost would be added if we were obliged to send employees abroad to ascertain cost of production in every factory and field in all other countries. Naturally, the Senator must know the unreasonable delay that would result. We have adopted the means which is the most economical, but which is the soundest and most effectual, to ascertain the difference between costs here and abroad. We have found by experience that it is impossible to ascertain the cost-of-production basis in certain places in this country and in certain places abroad. I assure the Senator that in the hearings we were told that we were carrying out what the Senator has in view, in line with the objective he has in mind, with respect to ascertainment of costs.

Mr. TAFT. Mr. President, the Senator will admit that we should, therefore, impose a standard of protection. If a

standard of protection should be imposed, the only way it can be imposed is for Congress to impose it. If we do not put the amendment in the legislation, we give unlimited power to the President of the United States to go ahead without any regard for a standard of protection.

The learned Senator from Mississippi says that standard is being imposed, but it is not because of anything in this law. Whether it is being imposed or not I do not know, I will say frankly. I should like to know. I should like to have some standard laid down which must be followed.

The producers of livestock say there is no such standard, and that the tariff has been reduced to a figure below the difference between the cost of production at home and abroad. So do the producers of lumber; so do the producers of sugar; so do the producers of roller bearings in my State of Ohio; so do a great number of producers. We have never had a judicial determination to know whether those gentlemen are right or wrong.

If we want to have such a standard, if we admit the necessity for it, as the Senator from Mississippi does, then the only way the Senate of the United States can be assured that there is any such standard is to put the provision in the law where it belongs, and not leave the matter to the discretion of the Secretary of State, who believes in free trade, to go ahead and reduce the standard to any point that he thinks may possibly be protective of American industry.

Mr. LEE. Mr. President, will the Senator yield before he sits down?

Mr. TAFT. I yield.

Mr. LEE. Does his amendment apply only in case a tariff is reduced below the difference in cost? It does not apply to a case involving increase of tariff, does it?

Mr. TAFT. No; it does not. It provides that the tariff rate shall be sufficient to protect the difference in cost. I would as lief put it the other way, but the amendment does not do so.

Mr. LEE. Mr. President, I shall vote for this amendment. I do not believe it would in any way hamstring the Department in adjusting the tariffs. In a case in northeast Oklahoma, persons interested in zinc asked the Department not to reduce the tariff. Some other Senators and myself asked the Department not to do anything about it without letting us know. They gave us the assurance they would not make any trade agreement with any other government without letting us know about it. Then one day, without any of us knowing about it, a trade agreement was announced with respect to zinc, whereby the tariff on zinc was reduced.

In connection therewith I wish to read the words of the chairman of the Committee on Finance, after hearing those interested in zinc testify. At page 449 of the hearings on the Extension of Reciprocal Trade Agreements Act, the chairman of the committee, the Senator from Mississippi [Mr. HARRISON], made this statement:

> The CHAIRMAN. And have given you rehearings. To my mind, just from your testimony and what I know about this situation, I think that you have something to be aggrieved about. I think there was a mistake made in the Canadian agreement because it was not the chief competing country, and gave an advantage to Mexico, but I am advised that they are still considering this matter up there and they have asked the Tariff Commission to send in to your various zinc territories to make another investigation of this matter, and it is the hope of some of us that this matter will be straightened out.

Mr. HARRISON. Mr. President, I may say to the Senator that as a member of the committee I feel that those interested in zinc presented the strongest case of any presented to us. I felt so strongly about the matter that I called up the Secretary of State, and he told me that he had asked the Tariff Commission to make another investigation. I do not think there is any doubt that the situation which has resulted from the increased importation of zinc from Mexico will be cured.

Mr. LEE. I thank the Senator for that statement.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. CLARK of Missouri. Mr. President, I think the Senator will agree in all fairness that, while it is undoubtedly true that the Republic of Mexico profited more than the Canadian Government by the reduction of the tariff on zinc—which presents a case under the escape clause of the Canadian agreement—nevertheless, is it not true that the zinc industry has actually not been hurt by the Canadian agreement, for the reason that the total importation of zinc is very considerably less than the increase in the domestic production of zinc, and the price of zinc is materially higher since the Canadian agreement went into effect?

I think it was a mistake to include zinc in the Canadian agreement. I think we have ground under the escape clause for taking it out. But, to be fair about the matter, at the present time, doubtless due to the outbreak of the war in Europe, it is a fact that the production of zinc in the United States has increased far more than all the importations of zinc, and that the price is materially higher than it was when the Canadian agreement was negotiated.

Mr. LEE. Mr. President, I agree with everything the Senator from Missouri says. The Senator incidentally will not mind my saying, I am sure, that he was one of the Senators who was given to understand that this agreement would not be closed at least until we were notified, and that we were not notified.

It so happens, as the Senator has said, that no doubt, due to the war, this situation is safe. In the case I referred to, however, at least three Senators, as I know, were promised that they were going to be given a chance to be heard before the door was closed, but the Senators were not given a chance. The door was closed. We went to appeal to the Department again and did appeal, and all we received was a nice reception.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. McCARRAN. I am very glad the Senator made that last remark, because that is all any of us received—a nice reception.

The fact of the matter is that practically all the zinc mines of the West which go any particular depth below the surface, have been closed, by reason of the Canadian treaty, which gave all the zinc importation into this country to the Canadian Pacific Railroad Co., which controls the zinc industry of Canada. But under the Canadian treaty Mexico came in, and, of course, Mexico could put Canada out of business, because Mexico has a scale of wages entirely below even the Canadian scale. So Mexico could bring in her zinc to the United States to the destruction of our zinc-mining industry, and did do so.

I do not agree with the able Senator from Missouri. I realize what conditions are in Missouri with regard to zinc mining. They do not have to go to great depths in Missouri to obtain zinc.

Mr. CLARK of Missouri. Mr. President, the essential thing I was pointing out, however, was that the price of zinc is a cent and a quarter to a cent and a half higher than it was before the Canadian agreement was entered into, and it will be very difficult for the Sentor from Nevada or anyone else to make it appear that an industry has been ruined the price of whose product has been substantially increased.

Mr. McCARRAN. Mr. President, we have become an exporter of zinc because of the war. Therefore, what the Senator says may be true. If we are going to base this entire legislation on war conditions, then let us say that it is based on war conditions. But we are basing the legislation on 6 years of experience, and we have had war conditions for less than 1 year of that period. The other 5 years were years of peace.

Mr. LEE. Mr. President, the situation with reference to the zinc industry has been saved, fortunately, because of the increase in price, but if there had not been a war abroad the zinc industry might have been ruined, because immediately following the agreement, the price of zinc went off $5 a ton, and I believe 12 mines in the Miami district in Oklahoma were closed as a result thereof. Then the price started to rise.

Mr. President, as I have said, that is a fortunate situation. I am not supporting the amendment with the idea in mind of retaliation for the treatment we received in the case I cited, but with the idea that we should have some guaranty that there will not occur again such a situation that Senators or Representatives, or individual citizens are not heard, and their case not considered, as I believe it was not considered, on its merits, in this particular specific case.

Mr. McCARRAN. I may say to the able Senator—and his experience may be the same as mine—that the experience we had before the Board investigating the subject of zinc was identical to that which we had with respect to other subjects when we went to the Department. We were permitted to go there and make our statement and then walk away, without a single intimation of how they stood on the subject. Those were Members of the Congress of the United States, elected by sovereign States to speak for sovereign States and to speak for the people. They went down to speak for the people of their respective States, and they walked away without knowing what was going on. In other words, instead of the Congress holding this subject in its grasp, it has relinquished it, so that the Senator and I must go down and bend our knee to a group of subordinates in order to be heard.

Mr. LEE. I should say that was essentially my experience.

Mr. President, I do not wish in any way to hamstring the reciprocal trade agreement law. I think it is good. If I did not think it was good in the main I should not vote for it. I intend to vote for it. But, as I understand the pending amendment, it simply assures a hearing before there is an agreement on this subject, which seems to be fair.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. BARKLEY. The amendment provides that before the President shall even begin negotiations there shall be a public hearing. Then after he enters into an agreement, it must be submitted to the Tariff Commission, which must hold another hearing. Then the Tariff Commission must report to the President that the changes proposed will not reduce a tariff sufficiently to interfere with the difference between the cost of production at home and abroad. So the amendment would require two hearings before the President would ever know whether or not he was making an agreement.

Mr. LEE. I thank the Senator.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT]. On that amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LA FOLLETTE (when his name was called). Making the same announcement as before concerning my pair with the Senator from Illinois [Mr. Lucas] and its transfer to the Senator from Maine [Mr. WHITE], I will vote. I vote "yea." I am advised that the Senator from Illinois, if present, would vote "nay," and the Senator from Maine would vote "yea."

The roll call was concluded.

Mr. SHIPSTEAD. I am paired with the senior Senator from Virginia [Mr. GLASS] who, I am informed, if present would vote "nay." If I were at liberty to vote I should vote "yea." I withhold my vote.

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Oregon [Mr. HOLMAN], who would vote "yea," with the Senator from New Jersey [Mr. SMATHERS], who would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], who would vote "yea," with the Senator from Utah [Mr. THOMAS], who would vote "nay."

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Montana [Mr. WHEELER], are unavoidably detained.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL], and the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]. I am advised that if present and voting, the Senator from California and the Senator from New Mexico would vote "yea," and that the Senator from Georgia and the Senator from Missouri would vote "nay."

The result was announced—yeas 36, nays 42, as follows:

YEAS—36

Adams	Gibson	Lodge	Reed
Ashurst	Gurney	Lundeen	Taft
Austin	Hale	McCarran	Thomas, Idaho
Bulow	Holt	McNary	Thomas, Okla.
Capper	Johnson, Calif.	Maloney	Tobey
Clark, Idaho	Johnson, Colo.	Murray	Townsend
Danaher	King	Nye	Vandenberg
Davis	La Follette	O'Mahoney	Walsh
Frazier	Lee	Pittman	Wiley

NAYS—42

Bailey	Donahey	Hill	Reynolds
Bankhead	Ellender	Hughes	Schwartz
Barkley	George	McKellar	Schwellenbach
Bilbo	Gerry	Mead	Sheppard
Brown	Gillette	Miller	Smith
Byrd	Green	Minton	Stewart
Byrnes	Guffey	Neely	Tydings
Caraway	Harrison	Norris	Van Nuys
Chandler	Hatch	Overton	Wagner
Clark, Mo.	Hayden	Pepper	
Connally	Herring	Radcliffe	

NOT VOTING—18

Andrews	Chavez	Russell	Truman
Barbour	Downey	Shipstead	Wheeler
Bone	Glass	Slattery	White
Bridges	Holman	Smathers	
Burke	Lucas	Thomas, Utah	

So Mr. TAFT's amendment was rejected.

Mr. HARRISON. Mr. President, I submit a unanimous-consent request that beginning at 1 o'clock tomorrow no Senator shall speak longer than 15 minutes or more than once on any amendment, substitute, or amendment to an amendment which may be offered. This does not include, of course, the time on the joint resolution. The request contemplates that we shall dispose of the amendments before we go to any further time on the joint resolution.

Mr. McCARRAN. Mr. President, we were unable to hear the suggestion of the Senator from Mississippi.

Mr. HARRISON. The request for unanimous consent was that beginning at 1 o'clock tomorrow speeches be limited to one, and not more than 15 minutes, on any amendment, substitute, or amendment to an amendment. That does not limit the time on the joint resolution, but only on the amendments, so that we may dispose of them. I made no request with reference to a time for voting on the joint resolution.

Mr. McCARRAN. The only thing I wish to have understood is that I am not agreeing to any limitation of time on the joint resolution itself.

Mr. HARRISON. That is correct. I have made no such request.

The PRESIDENT pro tempore. Is there objection?

Mr. SHIPSTEAD. Mr. President, I wish to inquire, if an amendment is offered before 1 o'clock, whether or not the time on that amendment would be limited.

Mr. HARRISON. Let me say to the Senator that I understand that he desires to make a speech on the joint resolution, and that he is to have the floor tomorrow. I have not asked that the limitation apply before 1 o'clock tomorrow.

Mr. SHIPSTEAD. Is it the understanding that I shall have the floor at 12 o'clock?

Mr. HARRISON. I had understood that the Senator was to obtain the floor this afternoon, and have it tomorrow when we convene.

Mr. SHIPSTEAD. Very well.

Mr. MALONEY. Mr. President, will the Senator yield to me?

Mr. HARRISON. I yield.

Mr. MALONEY. I am anxious to ascertain whether or not there is really to be a limitation of time. As I understand the request, a Senator may speak as long as he desires on the joint resolution.

Mr. HARRISON. Yes; but not during the time when any amendment is pending. He is limited to 15 minutes on any amendment, substitute, or amendment to an amendment.

Mr. MALONEY. At the expiration of a 15-minute discussion on an amendment, would a Senator be permitted to take time on the joint resolution?

Mr. HARRISON. No.

Mr. BARKLEY. Mr. President, I will say to the Senator, if he will yield to me, that the proposed agreement would not preclude any Senator from discussing the joint resolution at length after the amendments are disposed of.

Mr. KING. That is all right.

Mr. HARRISON. If the Senator desires time to speak tomorrow morning, and wishes to defer until 1:30 the time at which the 15-minute limitation shall apply, I shall be glad to modify the request to that effect.

Mr. MALONEY. No; I do not care to do that.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous-consent agreement?

Mr. THOMAS of Idaho. Mr. President, will the Chair state the request?

The PRESIDENT pro tempore. The Senator from Mississippi will again state his request.

Mr. HARRISON. I ask unanimous consent that, beginning tomorrow at 1 o'clock p. m., each Senator may be recognized for 15 minutes on any amendment that may be offered or pending, or any substitute for or amendment to it, with no limitation as to the joint resolution itself, but that the limitation on amendments shall be 15 minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. THOMAS of Idaho. I think I shall object.

The PRESIDENT pro tempore. Objection is made.

Mr. HARRISON. Mr. President, can any modification be made of the request that will cause the Senator from Idaho to withdraw his objection?

Mr. THOMAS of Idaho. Mr. President, I do not want to delay the consideration of this measure. I am just as anxious to have it passed as other Senators are, but the fact is that a number of amendments may be presented.

Mr. HARRISON. The proposed agreement only provides for a limitation of 15 minutes on any amendment. There is no limitation as to the number of amendments which may be offered.

Mr. THOMAS of Idaho. If I correctly understood the proposal—and I may not have done so—we shall then be permitted to discuss the joint resolution for any length of time we desire?

Mr. HARRISON. After the amendments have been disposed of.

Mr. THOMAS of Idaho. I really cannot understand the advantage of doing a thing of this kind.

Mr. HARRISON. The only advantage of it is to make some progress and have a vote on the joint resolution at some time. If the Senator wishes to have the limitation begin at 1:30 or 2 o'clock, that will be all right.

Mr. THOMAS of Idaho. I think I shall object.

Mr. BARKLEY. Mr. President, if the Senator from Mississippi will yield, and if the Senator from Idaho will permit me, there is no effort to limit discussion on the joint resolution, and no time is fixed for a vote on the joint resolution. The suggestion offered by the Senator from Mississippi is intended to facilitate the consideration of amendments only. I will say to the Senator from Idaho that it is the desire of all of us to dispose of the joint resolution tomorrow, if possible, so that we may adjourn until Monday. I had contemplated asking the Senate to meet at 11 o'clock tomorrow, instead of 12, which would give 2 hours before the agreement would go into effect. I hope the Senator from Idaho will not object to it.

Mr. THOMAS of Idaho. Very well; I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent agreement requested by the Senator from Mississippi [Mr. HARRISON]? The Chair hears none, and the agreement is entered into.

Mr. SHIPSTEAD. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Minnesota will state it.

Mr. SHIPSTEAD. Is there any amendment pending at the desk?

The PRESIDENT pro tempore. The joint resolution is open to amendment.

Mr. SHIPSTEAD. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The Senator from Minnesota offers an amendment, which will be stated.

The LEGISLATIVE CLERK. It is proposed to insert, at the proper place in the joint resolution, a new section, to read as follows:

SEC. . No foreign trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, and no modification hereafter made in any such foreign trade agreement, shall provide for any decrease in the rate of duty applicable with respect to any agricultural product imported into the United States which is specified in paragraphs 701 to 783, inclusive, of schedule 7 of such act, as amended.

Mr. SHIPSTEAD obtained the floor.

Mr. BARKLEY. Mr. President, I understand that the Senator from Minnesota does not desire to discuss his amendment this afternoon. Therefore it is my idea that the Senate should suspend now, with the understanding that the Senator from Minnesota retains the floor.

Mr. PEPPER. Mr. President, I send to the desk an amendment, which I ask to have stated.

The PRESIDENT pro tempore. The Chair will state to the Senator from Florida that there is an amendment pending.

Mr. BARKLEY. Mr. President, I understand that the Senator from Florida desires to have the amendment read simply for the information of the Senate.

Mr. PEPPER. Yes; I wish to have it read merely for the information of the Senate.

The PRESIDENT pro tempore. Without objection, the amendment of the Senator from Florida will be read for the information of the Senate.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert a new section, as follows:

SEC. —. No foreign trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, no modification hereafter made in any such foreign trade agreement, and after the expiration of 240 days after the date of enactment of this joint resolution, no foreign trade agreement, and no modification of a foreign trade agreement, heretofore entered into under such section, shall provide for, or contain any provision which permits the importation into the United States in any one calendar year of any foreign agricultural or horticultural commodity which is in substantial competition with any like or similar domestic commodity, as determined by the United States Tariff Commission, at a rate of duty lower than that in effect with respect to such foreign commodity on June 12, 1934, after the quantity of the foreign commodity previously imported into the United States at such lower rate during such calendar year equals 125 percent of the total average annual quantity of such foreign commodity imported into the United States during the 5-year period from January 1, 1929, to January 1, 1934. As used in this section, the term "agricultural or horticultural commodity" includes any article which, on the date of enactment of this joint resolution, is classified as an agricultural import in the schedule of the Bureau of Foreign and Domestic Commerce, in the Department of Commerce, designated as "Schedule A, Statistical Classification of Imports Into the United States."

The PRESIDENT pro tempore. The amendment of the Senator from Florida will lie on the table and be printed.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Martin O. Bement, of Buffalo, N. Y., to be collector of customs for customs collection district No. 9, with headquarters at Buffalo, N. Y. (reappointment).

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Marine Corps.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nomination of Walter George Will, superintendent of lighthouses, to be a commander in the Coast Guard, to rank as such from December 1, 1939.

He also, from the same committee, reported favorably the nominations of sundry officers in the Coast Guard.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

FOREIGN SERVICE OF THE UNITED STATES

The legislative clerk proceeded to read sundry nominations in the Foreign Service of the United States.

Mr. BARKLEY. On behalf of the chairman of the Foreign Relations Committee, who is now in the chair, I ask unanimous consent that the nominations in the Foreign Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters which had been favorably reported.

Mr. McKELLAR. I ask that the nominations of postmasters which have been favorably reported be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

That completes the Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Friday, April 5, 1940, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate April 4 (legislative day of March 4), 1940

UNITED STATES HOUSING AUTHORITY

Leon H. Keyserling, of New York, as Deputy Administrator of the United States Housing Authority.

WORK PROJECTS ADMINISTRATION

Mark Muth, of Wisconsin, to be Work Projects Administrator for Wisconsin, to be effective April 16, 1940.

UNITED STATES DISTRICT JUDGE

Hon. Guy K. Bard, of Pennsylvania, to be United States district judge for the eastern district of Pennsylvania. Judge Bard was given a recess appointment to this post as of December 20, 1939.

PUBLIC HEALTH SERVICE

Dental Surgeon Frank C. Cady to be senior dental surgean in the United States Public Health Service, to rank as such from May 13, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 4 (legislative day of March 4), 1940

DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES

APPOINTMENTS AND PROMOTIONS

To be Foreign Service officers of class 3

Raymond H. Geist	Lester L. Schnare
Loy W. Henderson	Samuel H. Wiley
Laurence E. Salisbury	

To be Foreign Service officers of class 4

Charles A. Bay	Samuel Reber
Selden Chapin	Robert Lacy Smyth
George F. Kennan	Angus I. Ward

To be Foreign Service officers of class 5

William W. Butterworth, Jr.	Gerald Keith
Paul C. Daniels	George H. Winters
Cecil Wayne Gray	

To be Foreign Service officers of class 6

Sidney A. Belovsky	George M. Graves
Burton Y. Berry	James B. Pilcher

To be Foreign Service officers of class 7

Montgomery H. Colladay	William E. Scotten
William S. Farrell	James H. Wright

To be Foreign Service officers of class 8

Reginald Bragonier, Jr.	Walter J. Linthicum
Carl Breuer	Aubrey E. Lippincott
Mulford A. Colebrook	Robert Mills McClintock
Overton G. Ellis, Jr.	Harold E. Montamat
Howard Elting, Jr.	Walter W. Orebaugh
Frederick E. Farnsworth	W. Leonard Parker
T. Muldrup Forsyth	Wales W. Signor
L. Randolph Higgs	Orray Taft, Jr.
Walter W. Hoffmann	Robert M. Taylor

Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service

Donald B. Calder	Alfred H. Lovell, Jr.
Lewis E. Gleeck, Jr.	Lee D. Randall
Clark E. Husted, Jr.	Byron B. Snyder
Richard A. Johnson	Wallace W. Stuart
Richard E. Keresey, Jr.	Joseph J. Wagner
M. Gordon Knox	

POSTMASTERS

NEVADA

Margaret E. Bauer, Panaca.

OHIO

Paul B. Parkin, Tiffin.

OKLAHOMA

Murlin V. Braly, Buffalo.
Hugh M. Foreman, Duke.
Melvin L. Clow, Holdenville.
Vera L. Moreland, Hominy.
Jewell E. Wilson, Hulbert.
Earl M. Light, Pondcreek.

PENNSYLVANIA

Dennis J. Murphy, Barnesboro.
Guy S. Behler, Slatington.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 4, 1940

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Most merciful Father, who causeth the light to shine out of darkness and maketh the day to follow the night, we give Thee thanks and praise for Thy loving care which has brought us to the light of a new day. Grant that the light of faith, hope,

and love shining within us may dispel all darkness. O Master of the hillside, stand in the midst of the throngs that crowd our city's streets that they may learn patience, contentment, and be led to follow where Thy feet have trod. Purify all hearts with noble passions and invigorate all wills with divine thoughts and aspirations. How prone we are, dear Lord, to shrink from difficulties and tremble at the dangers in our way. Deliver us from faint-heartedness and enable us to stand in the glorious liberty of those who fear nothing but to offend Thee. O blessed is the man unto whom the Lord imputeth not iniquity and in whose heart there is no guile. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8641) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes"; and that it agrees to the amendment of the House to the amendment of the Senate No. 9 to said bill.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent that in the remarks I expect to make later in the day in the Committee of the Whole I may be permitted to include a statement by Edgar G. Brown, president of United Government Employees, Inc.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. AUSTIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein an address by Hon. JOSEPH W. MARTIN, of Massachusetts, on the occasion of the thirty-second annual banquet of the McKinley Association of Connecticut, at Hartford, Conn., on March 30, 1940.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SCHIFFLER asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that on Tuesday, April 9, after the disposition of business on the Speaker's desk and following the legislative program of the day, I may be permitted to address the House for 25 minutes.

Mr. AUSTIN. Reserving the right to object, Mr. Speaker, may I ask on what subject the gentleman from Pennsylvania expects to speak?

Mr. RICH. I hope to utilize that time in speaking about the Virgin Islands Co., a Government-owned corporation that manufactures rum and is selling rum to the people of this country. May I say also, Mr. Speaker, that this company is offering 500 cases of rum and giving away 200 cases free, contrary to the rules of good sound business for those who want to be in the rum business. Further, Mr. Speaker, this Government corporation, in which you are all stockholders and which is going in the red, is now giving away even what it is making.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BENDER. Mr. Speaker, I have a special order to address the House for 30 minutes at the conclusion of the legislative business today. I should like to cancel that, and I ask unanimous consent that a week from today, on April 11, after the legislative program of the day, I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein certain excerpts from editorials, one or two brief editorials, and other excerpts taken from Government records, in connection with the establishment of the Inter-American Bank.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MILITARY ESTABLISHMENT APPROPRIATION BILL, 1941

Mr. SNYDER. Mr. Speaker, may I ask the gentleman from New Jersey [Mr. POWERS] about how much time he believes will be required for general debate today on the Military Establishment appropriation bill, whether an hour or 2 hours?

Mr. POWERS. Mr. Speaker, I have requests for almost 2 hours. May I ask how many requests the gentleman from Pennsylvania has?

Mr. SNYDER. I have requests for approximately 45 minutes at the present time.

Mr. POWERS. May I suggest to the gentleman from Pennsylvania that we close general debate at 2:30 and that the gentleman allow me 2 hours out of that time. This will give the gentleman the entire 45 minutes which he has allotted. Is that satisfactory to the gentleman?

Mr. SNYDER. Suppose we make it not later than 3 o'clock.

Mr. POWERS. Not later than 3 o'clock is very satisfactory.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that general debate today on the Military Establishment appropriation bill close at 3 o'clock this afternoon, at least 2 hours of that time to be controlled by the gentleman from New Jersey [Mr. POWERS] and the remainder to be controlled by me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9209) making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9209, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. SNYDER. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I have requested this brief time in order to ask a question of the gentleman in charge of the bill, the gentleman from Pennsylvania [Mr. SNYDER]. In all of our wars Negroes have made faithful and devoted soldiers. They have shown themselves to be courageous and in every way faithful to their country. The splendid record they have made in war should be a source of constant pride to the colored race. If they are to be exposed to the hazards of war, I believe they should have the training that would equip them to take care of themselves in war. That is elemental justice. May I ask the gentleman from Pennsylvania, for information, first, what provision is made for the training of Negroes as air pilots, and, secondly, are Negroes permitted to enlist in the Air Corps of the Army?

Mr. SNYDER. With reference to training, a working agreement has been entered into between the Army and the Civil Aeronautics Authority under which, I am advised, a rather large group of young Negroes is now being trained

at a school on the outskirts of Chicago as pilots and aviation mechanics or engineers. This is taking place right now.

Mr. LUDLOW. It is under the Civil Aeronautics Authority?

Mr. SNYDER. The Army is cooperating with the Civil Aeronautics Authority in providing the training.

Mr. LUDLOW. What can the gentleman say as to whether or not Negroes are permitted to enlist in the Air Corps?

Mr. SNYDER. Negroes are enlisted in the Army, and there is no law that prohibits their assignment to the Air Corps. Whether or not any have been so assigned, I am not advised. But I want to say to the gentleman that I am satisfied we are making headway.

Mr. LUDLOW. I know the gentleman well enough to know that he wants to be entirely fair to the colored people.

Mr. SNYDER. Very much so; I share the gentleman's interest in this matter. If the gentleman will look over our hearings of this year and last, he will observe the committee's interest and pursuit of the question.

Mr. LUDLOW. I am very glad to have this assurance, and I thank the gentleman. [Applause.]

Mr. Chairman, one of the leading colored men of the United States, Edgar G. Brown, president of United Government Employees, Inc., made an interesting statement on this subject before the appropriations subcommittee. By unanimous consent of the House, I submit his statement for printing at this point in the RECORD, as follows:

STATEMENT OF EDGAR G. BROWN, PRESIDENT OF THE UNITED GOVERNMENT EMPLOYEES, INC.

Mr. BROWN. Mr. Chairman and members of the War Department Subcommittee on Appropriations, may I assure you of my deep sense of appreciation for the opportunity to appear before you and to outline briefly two matters of grave concern to our organization and the colored citizens throughout the country.

First, may I express the gratitude of those low-paid employees of the War Department who received consideration in the way of wage increases by the favorable action of your committee in the appropriations of last year. However, a number of faithful employees in this category with long records of service and satisfactory efficiency ratings, it has been stated to me, did not benefit along with the others.

These were messengers, I understand, most of whom not only never get a raise but even more rarely receive a promotion to a higher grade despite their qualifications. We are hopeful something may be specifically set aside and language in the report direct the proper officials to carry out the wishes of the committee and the Congress.

The matter of national defense is still a paramount matter to all Americans. As a representative of one-tenth of the total population, may I again respectfully call to your attention the progress of the preparedness program as it affects the colored citizens.

May I quote from the Pittsburgh Courier, one of our leading publications and the statement of the late Dean Kelly Miller, of Howard University:

Dean Miller wrote in the Cleveland Call and Post—

"During the four wars of our national history, the Negro, though sustaining aggravated grievances which would cause any other racial variety of our complex population to curse his country and die, has, amidst it all, remained loyal and true to the patriotic spirit of America. He has never been and, I predict, will never be on the wrong side of the patriotic equation. He has remained loyal to his country even though his country has not always been loyal to him. Like the Jew, he attached himself with the full measure of loyalty to the land and Nation in which he resides. Thus it has ever been, thus it is now, and thus may it forever be."

The essential statement there, of course, is that the Negro's loyalty is unquestionable, but, despite this fact, he does not get a fair opportunity to serve. While he does not get that opportunity, he is still willing and anxious to fight for his country.

Mr. SNYDER. I think all of us realize that.

Mr. BROWN. May I, again, cite the provisions of Public Law No. 18, passed by the Seventy-sixth Congress, from which I read as follows:

"The Secretary of War is hereby authorized, in his discretion and under rules, regulations, and limitations to be prescribed by him to lend to accredited civil aviation schools, one or more of which shall be designated by the Civil Aeronautics Authority for the training of any Negro air pilot, at which personnel of the Military Establishment are pursuing a course of education and training pursuant to detail thereto under competent orders of the War Department, out of aircraft, aircraft parts, aeronautical equipment and accessories for the Air Corps, on hand and belonging to the Government, such articles as may appear to be required for instruction, training, and maintenance purposes."

The War Department has endeavored to carry out the letter of this law, but with certain definite reservations.

I have here a letter from Glenn E. Scott, 516 Fifty-fourth Street, Fairfield, Ala., dated January 31, 1940, as follows:

"I have your communication of December 12 concerning my entering United States Army Air Corps. You suggested that I write directly to the War Department there in Washington and make application.

"I communicated with the War Department recently, and The Adjutant General said, since there are no colored Air Corps units in the Army to which colored graduates are to be assigned, application from colored persons for flying-cadet appointments for enlistment in the Air Corps are not being accepted, so, if you have any helpful suggestions or can help me in any way, I will be glad to hear from you and thanks a lot."

All Negro citizens are denied an opportunity to enlist in the United States Army Air Corps as pilots or mechanics.

Your chairman and members of the committee have been most interested in this whole matter as reflected in the hearings of last year, which includes the statements of those of us who appeared and the Secretary of War. Some letters in my possession, I think, too, should have the attention of the Congress. The demonstration unit in Chicago, under the C. A. A., has received some valuable assistance from the War Department, but Negroes do not receive equal opportunities. I have a number of letters, one or two from Negroes who have been examined for service in the Air Corps. They have been examined by the United States Army Air Corps officials and have passed all the physical tests.

They are desirous of serving the Government in the Air Corps, but they still receive letters like the one I have just read to the committee. That is true despite other information that is given out from time to time from different places that they can serve in the Air Corps. The truth is, no Negroes have ever been admitted to the United States Army Air Corps.

The Civil Aeronautitcs Authority has complied with the law by designating one of the nine schools that the War Department is using for the training of young flying cadets in the emergency program to provide instruction for Negroes. This school that the Civil Aeronautics Authority has designated is the Chicago Aeronautics School, Glenview, Ill. There is no objection on the part of the officials, and they have the facilities out there. They pay $75 per month for every man taking the course, but board and lodging is not provided for Negroes. They are not getting as many cadets for training as they want. I see a number of advertisements on the streetcars calling for enlistments, but Negroes who request aviation training are unable to get in the Air Corps.

Mr. SNYDER. That school is at Chicago, is it not?

Mr. BROWN. Yes, sir. They are not admitted at any of the other eight schools. That ninth school, in keeping with the law, has been designated by the Civil Aeronautics Authority for the training of Negro pilots. The C. A. A. has carried out the law with respect to the training of Negro pilots as far as they are concerned. The War Department has loaned the necessary equipment, but still Negroes are not enlisted in the United States Army Air Corps. The Civil Aeronautics Authority has designated six colleges, specifically, where Negroes may receive this training, namely, Howard University, Tuskegee Institute, Delaware State College, Hampton Institute, the North Carolina A. and T. College, and the West Virginia State College. In Chicago the C. A. A. has set up a school for noncollege Negroes. Negroes have shown aptitude along these lines, and they are going in for the instruction. A Negro student at Minnesota University was the first in the class to solo. Many of these Negro youths desire to go into the United States Army, and they want to enlist in the Air Corps. They are patriotic representatives of one-tenth of the population; they want to do their part for the national defense. They want to have the opportunity to do that, just as Congress has voted in measures that the President has signed. They want to serve in the way that is authorized under the statutes of the United States Government.

I have here a letter from a Negro Medical Reserve officer, Dr. D. Vincent Estill, who resides at South Boston, Va. This letter includes a list of a large number of Negroes who have passed the physical examination, and whose completed application blanks have been mailed to the Regular Army recruiting station. These young Negro men have passed the examination and want to go in the Army, but they cannot get in any place, I am told, either as cavalrymen, infantrymen, or in any other branch of the service. These boys want to be ready to fight for their country; they want to enlist in the military service and to discharge their full obligation to the Government. This doctor is himself greatly interested; he has examined them. He has done everything to comply with the circulars sent out to the Reserve officers. Still, nothing is done about it.

The administration has been cutting down on expenditures. The Appropriations Committee, particularly, has been doing that with a view to effecting economies. The President has expressed himself on that point, advocating economy, and the Congress has been making substantial reductions in the estimates. The House of Representatives has taken the leadership. Still, with the additional money provided for the national defense, these Negroes, who were formerly under some other phase of the program designed to take care of the unemployed, are turned back from the Army, as they are dropped from other rolls. They want to go into the Army, and it does not seem fair that these American citizens of color should not be given a single opportunity to serve, denied employment, and every means of making a livelihood by the Government. As I have said, they want to go into the Army, and the Army is advertising all the time for enlistments. Despite that, these men cannot enlist. We feel that the Appropriations Committee and the Congress should know about this condition, so they can make some further amend-

ment of the law to cover it. That could
our humble judgment, in view of the fact
citizenry of the country which the Negro re
and incomparable record and glorious her
loyalty in peace and war.

I have statements from the National Asso
ment of Colored People in regard to the enti
the War Department. They, too, seek a sq
citizen. We are now 75 years from emancip
being held in a number of States this year,
Commonwealths. Today there are the same
ments that we had in the beginning, the Ni
and the Twenty-fourth and Twenty-fifth Ir
freedom, there were only 4,000,000 Negroes,
000,000. Still, Congress has not acted. It
are using the manpower of the country as
the threat that comes from both sides of t
who love our country, think very strongly v
these people who want to fight, and who
can fight. You do not have to worry about
subversive activities on the part of Negroes.

I have here another statement by Kelly
Howard University, discussing the question
is loyal to this country, in reply to the Ho
I read from that statement as follows:

"In a recent contribution to the New Yo
when the summons is issued he (the Negr
patriotic call as wholeheartedly as any other
can citizenry. But when the victory is won
not expect to be deprived of the fruits of v
in the previous World War. Notwithstandi
sense of humility, long suffering, and foreg
theless, his unrewarded loyalty will not la
that his patriotic devotion will be requited
with iniquity.'

"This letter fell under the eye of H. L. Men
and casuistic critic. In response to this s
wrote me that 'I cannot agree with you. T
of the next war just as he did in the last.'
the cynic is a true prophet. But even co
his forecast, I still advise the Negro to do h
any national emergency and importune his
lofty pretentions by denying and depriving
to life, liberty, and the pursuit of happiness
protection of the law."

In connection with the service of Negroes
attention to the following editorial in the P
of July 8, 1939:

"Gen. Malin Craig, the retiring Chief of S
Army, recommends in his annual report the
and 23,000 enlisted men to the Regular Army

"The present session of Congress has alrea
000,000 for the Regular Army and the Nati
vided funds for increasing the enlisted streng
from 165,000 to 200,000 a year from now, it
strength from 14,569 to 16,719 and now it i
000,000 more to thoroughly prepare the Arm

"The tremendous sums required to mai
Naval Establishments come from taxes paid
by all of us every time we buy food, clothing
amusement, regardless of race, color, or cre

"And yet, colored Americans are not gettin
military appropriations in the form of wag
and medical care to soldiers and officers tha
And if we consider the declining importan
Navy, we are actually getting a smaller perce

"Do we really want our share?

"Do we really and sincerely want to play
in the national-defense machine?

"We all say we do, but the cold facts sh
Courier has been virtually alone in its fight
the Negro public and the white public in
ticed by the military and naval cliques.

"It was at the instance of the Pittsbur
sentative HAMILTON FISH introduced three
down the color bar in the defense establishm

"Colored people have given those bills lit
organizations supposedly engaged in adva
Negro have ducked the issue or given half-
they could have used their machinery to he

"Here is something concrete that we can
show that we are behind it 100 percent and
ligently for it.

"We believe it is just as important to ge
jobs in the Army for our young men who
streets with nothing to do as it is to stage
antilynching fight.

"If we really want our share of the mil
to fight for it and stop stalling.

"The Pittsburgh Courier cannot carry on

"It must have help, especially from power
group possessing the necessary strength and

"Until that help is forthcoming it canno
Pittsburgh Courier can accomplish much by

and have portrayed to them in some detail the efforts that are being made by the Congress in behalf of learning and culture.

The event to which I refer is the removal of the world-famous Army Medical Library to Capitol Hill, for which the War Department appropriation carries an item of $130,000 for plans of a building to house this library. The inadequacy of the present structure on the Mall next to the Smithsonian Institution is well known. For some years the safety and preservation of the Medical Library has demanded its removal to a more appropriate building, but the question has been whether it should be located with the Army Medical Center at the present site of the Walter Reed Hospital, or whether it should remain within the city where it would be more easily accessible to medical scholarship, both in and outside of Washington.

Mr. HARTER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. I gladly yield to the gentleman from Ohio.

Mr. HARTER of Ohio. This library comprises one of the greatest collections of medical books in the entire world, does it not?

Mr. COLLINS. It is the outstanding collection of medical literature.

Mr. HARTER of Ohio. And it is in grave danger of destruction if it is continued in its present antiquated building?

Mr. COLLINS. That is exactly the truth.

Mr. KERR. Over 1,700,000 people made use of the material in the Library of Congress during the last calendar year.

Mr. COLLINS. I thank the gentleman for that information.

The hearings on this point have been very illuminating, and I hope every Member will read what the most eminent men in the field of medicine and surgery have said with reference to the Army Medical Library and its value to the medical profession. The committee has had no hesitation in accepting the recommendation of these leaders in medicine that the library be located on this Hill near the Library of Congress.

In coming to this conclusion the committee has considered not only the accessibility and safety of the Army Medical Library but also the benefit of its proximity to the Library of Congress. The addition of the Army Medical Library to this growing library center will make Capitol Hill the most important educational center in this hemisphere, if not in the world.

Consider, if you please, the progress that has been made toward that desideratum. In 1896 the Library of Congress, comprising then about 1,000,000 books and pamphlets, besides large collections of manuscripts, maps, and prints, was moved to the new building across the esplanade. Within the past decade three beautiful marble buildings have been erected on streets adjoining the Library of Congress square, namely, the Supreme Court Building, the Folger Shakespeare Library, and the Library of Congress Annex, all of which are dedicated wholly or in part to library purposes.

The Library of Congress, with its two fine examples of library architecture, and with collections now comprising more than 6,000,000 books and pamphlets, is unquestionably one of our people's greatest glories. As Members of this body which has encouraged its development and used it constantly, we have a right to be proud of the Library we have created for the Nation. We are all familiar with some of its treasures, and in the annual reports of the Librarian we have read descriptions of its great collections.

We are aware of the fact that in point of numbers—more than 6,000,000 volumes—it is the largest library in the world; that it possesses the greatest collection of manuscripts on American history in the United States, too numerous to be counted; the largest collection of maps, 1,421,285; the largest collection of music in the United States, 1,221,333 volumes and pieces; the largest collection of prints, 548,622; at least 100,000 rare and costly volumes; the largest Chinese library outside of China and Japan; and the largest Russian library outside of Russia. In truth, it may be said that the Library of Congress is not merely a library but rather an aggregation of libraries. A very conservative value of $75,000,000 was recently assigned to it in the report of the legislative branch appropriations bill of 1941, but I regard this estimate as absurd. Scholars know that it would take over $300,000,000 to replace it when one considers the cost of a large and experienced staff which has been required to develop the Library.

Impressive as these figures may sound, one cannot help but wonder why certain collections and subjects have been singled out while others have not been developed. It is doubtless true that the Library of Congress is the largest single library in the world, and certainly the most modern, but we must remember that we have only one national library, whereas Great Britain, Germany, Italy, and Russia have several, and each one of them possesses many more rare books and old manuscripts than does the Library of Congress. A land as extensive and as rich as the United States should not be satisfied with one national library. Three years ago I introduced a bill to establish at a cost of not over $50,000,000 five regional libraries, branches of the Library of Congress, to be located at appropriate points of the country. At approximately one-half of the cost of a modern battleship we could possess a national library system far more commensurate with the needs and the wealth of the United States than a single library of only 6,000,000 volumes.

Would it not be fairer to judge our Nation's cultural treasures by what we have not rather than by what we possess? How does it happen that our Library of Congress excels in Russian and Chinese literature, but does not excel in French, German, Italian, Dutch, Polish, Finnish, Turkish, Arabic, Indic, and all of the other great occidental and oriental literatures?

It is a satisfaction to know that our Library possesses the most voluminous collection of music, but what I should like to know is where do we stand in the other esthetics? If we do not have surpassing collections in these and other fields of the humanities, in the social sciences, and in pure science, we deserve not the tribute of the Master Builder, "Well done, good and faithful servant," for we have hidden our talents in a napkin.

In the centennial celebration in 1936 of the Army Medical Library, its able librarian, Maj. Edgar Erskine Hume, declared in an article printed in the Military Surgeon that—

> In America we have before us for comparison the development of the two largest professional libraries in the country, those of law and of medicine. The Law Library of Congress was established in 1832, the act of Congress requiring this collection to be maintained as a separate unit in an apartment near the Library of Congress. The collection has been housed in various places, at present being in one of the wings of the Library of Congress Building. The law library has frequently been neglected, for it has had but little money spent on it, its growth being largely due to copyright, transfers from other Government libraries, and international exchange. Several law libraries in the United States are superior to the Law Library of Congress in some fields, while the Harvard law library is far larger and superior in every way, containing 435,000 volumes, while the Law Library of Congress contains 275,000 (the totals are those of 1933). Contrast this with the growth of the Army Medical Library, which in 20 years passed the medical collections of the two largest general libraries in Europe as well as those in America.

Major Hume continues:

> The law librarian of Congress in 1933 wrote: "Undoubtedly, had the law library been independent from its foundation in 1832, the Government would have possessed the best law library in the world today, instead of it lagging behind, with many serious gaps in the collection." Yet the Law Library of Congress was established several years before the Army Medical Library. In a circular letter sent out to prospective members of the Friends of the Law Library of Congress, it was proposed to "crystallize sentiment throughout the country to the end that the national law library may obtain all the resources necessary to meet the demand made upon it, and become as eminent in law as the Surgeon General's Library in Washington is in medicine."

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. I yield to the gentleman from Washington.

Mr. LEAVY. The gentleman is making a splendid address, and I am pleased that he has developed the fact that the law library is not and has not been receiving that degree of recognition it deserves. We are all proud of the fine medical library and our general library and would take nothing from them, but the statements just made are proof of the fact that

much greater consideration must be given the law library, and it should be the greatest and finest in the world, not second to any, as it now is. Recently Congress has shown a greater interest in the law library, but we have still a long way to go to make this department what it should be. The United States Government should not have a second-rate law library.

Mr. COLLINS. I agree heartily with what the gentleman says and thank him for his contribution. Unquestionably our law library should be second to none. It was neglected for too many years.

Mr. Chairman, we have a great library, but it should be far richer and more voluminous. If it were as complete as the Army Medical Library, which I shall describe in more detail later on, it should now possess approximately 30,000,000 volumes, and we should have constructed three or four library buildings at this seat of learning instead of two.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield for a remark?

Mr. COLLINS. I gladly yield to the gentleman from Vermont.

Mr. PLUMLEY. I take this occasion to agree with what the gentleman has to say with respect to the Library of Congress, and in that connection may I suggest that Justin S. Morrill, of Vermont, long time a distinguished Representative and Senator, may well be known as the father of the real Library of Congress idea, and his dreams and his ideals are just now beginning to be realized.

It is not generally known that for many years the so-called Library of Congress was kept in the west front of the Capitol. Some 350,000 volumes taxed the facilities and made the quarters inadequate. Hundreds of thousands of books and engravings were stored in inaccessible places in the basement. The real usefulnes of the Library was nil. Representative Justin S. Morrill appreciated all this—a student and book lover, he interested himself in the situation. As a Member of the House he was recognized for his instinctive leanings toward art and literature. May I suggest that when one undertakes to visualize the bare, Spartanlike simplicity of life in a frontier village of Vermont a century and half ago, one must be intrigued by the aspirations that prompted and motivated him.

His service in the House justified his selection for a place on the Senate Committee on Buildings and Grounds, of which he finally became the chairman.

He opposed formidably all plans to make over the Capitol in order to provide space therein for the Library of Congress.

At last he saw his dream come true, but it took patience and tact and political skill to bring his dream to fruition. The Library of Congress became his pet, and it is acknowledged that but for his persuasiveness, tenacity, and, incidentally, his place as chairman of the Finance Committee, the vast sums required could not have been had with which to erect the magnificent building placed where he had desired and worked to see it—on the plaza facing the front of the Capitol.

To Justin S. Morrill, of Vermont, chiefly is due the credit for the Library of Congress as it stands today. I felt that this should be made a matter of record at this time and as a part of this valuable contribution which the gentleman is making.

I hope the vision of the speaker with respect to the Library of Congress, its growth, and usefulness may also be realized.

Mr. COLLINS. I thank the gentleman very much for his historical contribution.

When I recall the many opportunities which this rich Nation has had to acquire distinguished and rare collections, both abroad as well as in this country, I often marvel at the myopic vision of some of our statesmen and librarians.

We may well be proud of the possession of the original Declaration of Independence and the Constitution, but our pride is somewhat dampened when we recall that the original autographed manuscript of the Farewell Address of Washington was offered to the Congress before it was purchased by James Lenox for $2,200. Of this historic purchase Henry Stevens says in his Recollections of Mr. James Lenox:

> Mr. Lenox bought it against the Congress Library for $2,200, I think, while some blamed him for competing against Government Library, where such a national relic ought to find a resting place. He, however, offered the Library Committee not to compete under their limit, if they would tell him how far they intended to go. They declined to tell him their limit, or even if they intended to buy it, so he very properly disregarded them. There is probably no class of appointed men so often called upon to decide without experience as Library Committees, whose chief delight seems to be to sit on Librarians disposed to independent decisions.

The surviving volumes of the library of Jefferson are viewed with pride by every Member who visits the rare-book room of the Library of Congress, but what can one say of a Library Committee which failed to purchase the private library of Washington, comprising 3,000 volumes, which in order to prevent its being sold in Europe was purchased by private subscription at a price of $3,250 from Henry Stevens and presented to the Boston Atheneum?

In 1836, when the Library of Congress comprised approximately 25,000 volumes, it had the opportunity to purchase the library of the lately deceased Count de Boutourlin, of Florence, Italy. This library, consisting of 25,000 volumes, had cost the collector, one of the most renowned bibliophilists of Europe, upward of $250,000. It contained a complete collection of the Italian classics, a full collection of the Latin and Greek classics, 419 copies of the Aldine editions, 368 from the Bodoni Press, many hundred volumes printed in the fifteenth century, and among other illustrative of the early achievements of typography and its progress to perfection, upward of 240 manuscripts, some of them unique and most of them scarce and curious. This grand collection, which would have doubled the size and quintupled the value of the Library of Congress, could have been purchased at a cost of from $50,000 to $60,000. Sad to relate, a resolution offered by the chairman of the Library Committee, Mr. Preston, to purchase this valuable library was tabled upon the motion of Henry Clay, the same statesman who had urged the purchase of the manuscript of Washington's Farewell Address.

A similar fate befell the offer of the Durazzo library in 1842, which comprised 10,500 volumes of folio and quarto, having been in process of collection for several hundred years by the illustrious old Durazzo family of Genoa. This collection, which was extensive in history, law, jurisprudence, diplomacy, and the classics, was offered for $30,000, less than the cost of the binding. It was objected by the Joint Committee on the Library that the collection did not contain the investigations of scholars of the modern school of historical and literary criticism.

One of the greatest losses resulted through the failure of Congress to purchase the library of George Bancroft, which consisted of 14,606 volumes of printed books, 480 volumes of manuscripts, and 4,648 pamplets.

The foregoing notable examples are not uncommon in the history of the Library of Congress. Many similar collections of American and European ownership could have been purchased within the past quarter of a century at relatively moderate cost, and some of them would doubtless now be housed in these marvelous storehouses on Capitol Hill, where they would be used instead of reposing in some private or cloistered university library. I refer particularly to the Benedict collection of American colonial law, the Hartley papers, the Garcia and Icazbalceta collections purchased by the University of Texas, the George Dunn collection of early English yearbooks, statutes, and treatises, the Stolberg-Wernigerode Castle library, the Robino collection of Slavonic material, a collection of the official newspapers of the State of Venice from 1800 to 1860, the Herschell Jones collection, and many other notable collections.

In several instances, however, the Congress has laid politics aside and has made handsome provision for its library. The appropriation of $100,000 for the purchase of the Peter Force collection in 1867, when the Treasury had been depleted by the Civil War, was nothing short of real statesmanship. All

honor to the Congress and the newly appointed Librarian, Ainsworth Rand Spofford, who sponsored it.

I trust I may be pardoned for referring to an appropriation with which I had a humble part, namely, the bill authorizing the purchase of the collection of 3,000 incunabula, including the perfect copy of the Gutenberg Bible on vellum, which now rests in its handsome mahogany case in the exhibition hall of the old Library Building. According to scholars, this is unquestionably the greatest single acquisition in the history of the Library, at one step raised the institution from a rather utilitarian library to one of great distinction. To that notable acquisition in the history of the Library there was even influential opposition which was difficult to persuade. The late Senator Fess, of Ohio, chairman of the Joint Committee on the Library, in a speech on the Library of Congress, delivered in the Senate on February 10, 1933, said:

> I opposed it as the chairman of the Committee on the Library in the Senate, and the chairman on the Library in the House approved it. The Librarian of Congress thought we probably were going too far. Yet when the collection was presented here before the Senate and the House the only note against it was on the part of the persons I have mentioned. Both the Senate and the House overwhelmed us and demanded that we buy it, although it cost over a million dollars.

A description of the Library of Congress would be incomplete without a word as to the generous donations of money, books, and musical instruments that have been bestowed upon that institution due to the initiative of the former Librarian, Herbert Putnam. The Congress, fortunately, has retained his services in that important work as Librarian Emeritus, and it is hoped he may continue at his post for many years.

His successor, the present Librarian of Congress, Archibald MacLeish, with his poetic imagination, already shares the dream of us all to make Capitol Hill the greatest educational and cultural center in the world, and with his proven ability as an administrator will aid it with all of the power of his voice and facile pen.

No program of enlarging the Library of Congress would be complete that did not include the transfer to this intellectual center of many of the rare and valuable books and documents now deposited in departmental and bureau libraries. This is imperative for their preservation.

THE FOLGER SHAKESPEARE LIBRARY

It was the vision of a Maecenas who foresaw the development of an intellectual center on Capitol Hill and accelerated its realization. For 30 years Henry Clay Folger combed the book marts of Europe and America in quest of books relating to Shakespeare and his times. During this period, with the help of his faithful wife, Emily, he searched book catalogs patiently and unceasingly in their mutual endeavor to assemble the finest collection of Elizabethan literature in the world. The Bard of Avon has had his friends and his detractors, but I venture to assert that he never had a greater admirer in all history than Henry Folger. When he had finally gathered a library of about 80,000 volumes, which was too large for his private home, he decided to dedicate it to the public. It had cost him the sum of $200,000 a year for 30 years, a total of $6,000,000. Classmates of Amherst College urged him to devote the library to his alma mater, but he had other plans. Mr. Folger wanted it placed where it would be accessible to American scholars generally and not to have it sequestered within the confines of a college town. Accordingly he quietly purchased a row of houses known as Grant Row, facing upon East Capitol Street, and there decided to erect an appropriate building to enclose his wonderful treasures.

It was at that time that the Congress had authorized the purchase of the entire block to the back of the Library for the location of the annex. When Mr. Folger's great project became known, the Congress willingly yielded the one-quarter of the square he had already purchased and changed its plans for the annex accordingly.

Unfortunately, this great patron of letters could not live to see his library building completed, for he went to "that unknown land from whose bourn no traveler returns" only 2 weeks after the cornerstone was laid in 1930. The loss of his guiding hand in bringing his work to completion is greatly to be regretted. However, with that liberality and vision that ruled his life, he left his fortune to be used in its completion and maintenance, and his distinguished and capable widow carried on, as he would have desired, until she went to join him in 1936.

The Folger Shakespeare Library is one of the most impressive and interesting buildings erected in recent years on Capitol Hill. There are few buildings in the city of Washington—or perhaps in any city here or abroad—which surpass or even equal it in its architectural beauty, choice location, and dignified setting.

Of course, the principal function of the library is to facilitate study by literary scholars, and the principal room, therefore, is the reading room. It is modeled after the high-roofed banqueting hall of a great Elizabethan mansion, with a high trussed roof, and lighted by three bay windows. It is 38 feet wide, 131 feet long, and 32 feet high. There are two tiers of shelves, and the room is supplied with electrical book lifts. For the most valuable material there are two large vaults accommodating 18,000 volumes, and two smaller vaults, all opening on the reading-room floor. At the west end of the reading room, upon the special request of the founder, there has been installed a reproduction of the apse window of Trinity Church at Stratford-on-Avon. The magnificent stained-glass window which has been designed by Nicola d'Ascenzo, depicts the Seven Ages of Man from As You Like It.

The books of the library approach the stately number of 105,000 volumes. In addition to these there are about 37,000 manuscripts, 250,000 playbills, and 38,000 prints. In the first place, there are the works of the great bard himself. The library owns the first editions of all the poems. Of the quartos, the early pamphlet editions of the individual plays, the library possesses an almost complete collection. Perhaps one of the most interesting of these items is the unique copy of the first edition of a play of Shakespeare ever printed, the 1594 edition of Titus Andronicus. For more than two centuries this pamphlet had disappeared and doubt was even expressed as to whether the edition had ever been published. Then finally, in 1904, it was discovered in Sweden and shortly afterward it was acquired by Mr. Folger, who had become aware of its existence through the public press.

Another of the Folger Library's highly valued possessions is the collection of copies of the First Folio. A few years after Shakespeare's death some of his fellow actors decided to publish his collected dramatic works in a memorial volume. This book, which is entitled "Mr. William Shakespeare's Comedies, Histories, Tragedies Published According to the True Originall Copies," may be regarded as one of the most important literary publications in the English language. It contains 36 plays of Shakespeare—all except Pericles. Nineteen of these plays appeared in this book for the first time. Today the Folger Library has 79 copies of the First Folio of Shakespeare. The question may be asked, "Why did Mr. Folger desire to gather together 79 relatively complete copies of the first collected edition of Shakespeare's works, together with enough fragments to make three or four more copies?" It may be answered that these copies were not collected because of a misguided hoarding instinct. Dr. Edwin E. Willoughby, the chief bibliographer of the library, in an article, observes that:

> So that by a careful comparison of each copy they may provide material for the final establishment of the text of Shakespeare. As the sheets of the First Folio were being printed errors were sometimes found and corrected. * * * Only by carefully comparing many copies with each other, discovering where they vary, and determining the reason for each variation, can the final text of Shakespeare be established. And to provide the materials for this undertaking Mr. Folger made this unequaled collection of First Folios.

Thus we have here within one building in this National Capital of our's over one-third of the extant copies of a book which is one of the most desirable and one of the most expensive items on the lists of book collectors throughout the

world. It will be observed that the Folger Library's closest rival is the British Museum; it possesses five copies.

Moreover, the library also has numerous copies of the Second, Third, and Fourth Folios. Of the published editions from the Rowe of 1709 down to the present it has all the important publications.

Of the priceless collections of the Folger Shakespeare Library 12,000 books in English were printed before the year 1640. Furthermore, the library has both original editions and the modern edited works of every important writer contemporary with Shakespeare. It possesses nearly every important commentary, biography, or study on Shakespeare or his times. It may be said, without overstating the fact that the entire English Renaissance period in literature, social life and history is covered by the books in the Folger Library.

The library contains also some unique relics of Shakespeare, including, just to name a few, an impression of the seal of Shakespeare's father; a copy of the Black Friars' deed signed by Walker and held by Shakespeare—the only relic outside of England of which we can be absolutely certain Shakespeare owned and handled; a document signed by Shakespeare's fellow actor, John Heminge, carrying out the instructions of his will; furniture from the birthplace and from Anne Hathaway's cottage; and several attributed signatures of the great bard, two of which are believed to be genuine.

Among other pertinent possessions of the library are letters, papers, and books of Queen Elizabeth, documents and books of Francis Bacon; also furniture from the palace of the great queen; and one relic of which it has been said that it receives more publicity than it deserves, that is, Queen Elizabeth's corsets.

Since 1931 the Folger Shakespeare Library has been under the direction of one of the foremost Shakespearian scholars, Dr. Joseph Quincy Adams. Owing to the foresight and alertness of this eminent authority and the board of trustees of Amherst College, another important and most valuable collection of early English literature known as the "Harmsworth Collection" has been acquired by the library. The addition of this collection has generally been regarded to be of the utmost importance to American scholarship; and a number of the acquired items have been minutely described in scholarly publications.

Of course, the principal reason for buying these books was for the widening of scholarship; but a number of them also deserve attention for other reasons. Among these rare items we find a beautiful book, of which only one other perfect copy is known; it is Antoine de la Sale's Fyftene Ioyes of Maryage, which was printed by Wynkyn de Worde in 1509 and bound shortly after; but it is still in the original calf binding blind stamped with figures of Saint Katherina of Greece. Many of the Harmsworth books may be said to call history to life. One thick squat tome of tracts by Bishop John Woolton formerly stood on the bookshelves of Queen Elizabeth. Another royal book once belonged to King James; it is Capt. John Smith's Generall Historie of Virginia, New-England, and the Summer Isles, printed in 1624. This book is rendered even more precious by the fact that an early owner has entered opposite the names of the adventurers the amounts of their respective investments.

Recently, while visiting Lady Annie Harmsworth at the seat of the Harmsworth family, Dr. Adams, exploring a rambling old Elizabethan barn of many rooms, came upon a locked, windowless, and unlighted room, in which had been stored the purchases made by Sir Leicester Harmsworth during the last months of his life, many in unopened packages as received. The existence of these books was unknown even to the members of the family; yet here were more than 450 items printed before 1640 which would make a valuable addition to the collection of early English books which has just been mentioned above. Lady Harmsworth asked Dr. Adams to make in writing an offer for the books which she might refer to the Harmsworth trustees with her recommendation. The offer was promptly accepted, and these latest additions to the Harmsworth collection have now taken their destined place in the Folger Library.

Beautifully housed in the building designed by Mr. Cret, this great collection of Shakespeariana awaits the scholars of future generations as well as those of our own. In concluding my brief description of the contents of this veritable treasure house let me quote the words of Emerson which were chosen by Mr. Folger—just another of our public spirited citizens—to be carved over the great fireplace in the reading room:

> England's genius filled all measure
> Of heart and soul, of strength and pleasure,
> Gave to the mind its emperor,
> And life was larger than before;
> Nor sequent centuries could hit
> Orbit and sum of Shakespeare's wit.
> The men who lived with him became
> Poets, for the air was fame.

THE ARMY MEDICAL LIBRARY

On November 16, 1936, the Army Medical Library held its centenary. In this one century has been developed the largest and most significant medical library in the world. It was in 1836, during the second term of Andrew Jackson, that Surgeon General Lovell began to form a small collection of books, The Library of the Surgeon General's Office, which by 1840 included only 128 volumes. From these humble beginnings, with this as a nucleus, has grown the greatest specialized library in the world, an institution of which every American can feel proud, known, honored throughout the world, not only for wealth of its holdings but for the wonderful apparatus with which it has implemented them and made them the most accessible and available sources of any department of human knowledge in the world today. We refer specifically to the Index Catalogue and Index Medicus. The British Museum regards this catalogue as the greatest ever achieved, and it is the first subject catalogue worthy of the name. Its appearance marked an epoch in the development and improvement of medical literature, and there is nothing that approximates it in any field of knowledge. To find what has been written on a specific subject it is only necessary to look in the alphabetically arranged catalog which by the issue of new series is kept up to date. A few years ago an elderly Norwegian woman had a recurrence of an abdominal growth that had been removed in Norway years before, by a very delicate operation, the surgeon employing a novel technique. A report embodying the details was published in a Norwegian medical journal at the time. When the surgeon consulted in this case was loath to operate and the elderly lady insisted that she would take all risks if the operation was in accordance with the method of her former surgeon who had died in the meanwhile. The physician's interest was aroused, and he asked that they write to her old home for the report. They wrote to a friend in Washington to do this for them, giving him the date, and name of the doctor. He, however, on advice, went to the Surgeon General's library with the data. There they readily located the report, loaned him the volume of the journal containing it. Thereupon he took it to the Library of Congress where Mr. Earl McSherry Hyde, the best philologist and research scholar I know, translated it from the Norwegian. The operation, following the mode of incision outlined, was successful.

This concrete case is merely adduced to show how this great institution—scholarly, modest, and dignified, but never aloof and always aggressive—is thus the watchdog of the people's health by providing ready reference material for the busy physician or the research student. The library now receives about 2,000 medical journals, and indexes every worth-while article in every issue of every journal of almost every country and in almost every civilized language, and indexes not just by title but by every subject discussed therein. The catalog also enjoys the distinction of being the most accurate bibliographic work ever produced.

Emerson has said that every institution is the lengthened shadow of some great man. It was the vision of Dr. John Shaw Billings that made the Army Medical Library, and in the Emersonian sense it is his lengthened shadow. "Books," said he, "are properly compared to tools of which the index is the handle"; and Osler has testified to how worn and bethumbed are the volumes of the Index Catalogue in the

foreign libraries showing how much the world appreciates these tools. This country is proud of its Crawford Long and others that made anesthesia possible; proud of Ephraim McDowell, its pioneer in ovaritomy; of Walter Reed and his discovery of insect transmission of disease; proud that we have been foremost in the development of the modern public-health laboratory; but in an appraisement of our contribution to medicine the decision of leading authorities is in accord with the words of Dr. Welch:

I question whether America has made any larger contribution to medicine than in building up and developing the Surgeon General's library and in the publication of the Index Catalogue and the Index Medicus.

In 1926 a change in the form of the catalog seemed to be advisable, but, after a deluge of protests and deprecation, it was continued substantially as originally projected. This opposition was not confined to the United States. The librarian of the Royal Society of Medicine of London—Powell—felt that "the possibility of being deprived of the catalog in its present form is horrible to contemplate." Sir Humphrey Rolleston, regius professor of physics at Cambridge and president of the Royal College of Physicians, wrote that this modification would entail—

A very serious loss to all those who read or look at the scientific side of medicine, and would, for them, bring about a condition of affairs resembling that in the first half of the last century.

The late Sir Willim Osler, always an appreciative frequenter of the library said:

Probably few men in the profession owe a greater debt of gratitude to the Surgeon General's library than I.

It is related that once Dr. Osler left a copy of a book he had borrowed from the library on the train and it was not recovered. Dr. Billings punished his great friend by depriving him for a year of his privilege of taking books from the library.

Dr. Billings estimated that one-thirtieth of the world's literature was medical. It is interesting, therefore, to compare the size of the Army Medical Library with the country's largest general collection of books—the Library of Congress. It has been estimated that to maintain Billings' ratio the Army Medical Library would have to contain 160,188 volumes. As a matter of fact, it contains 941,181 volumes. In other words, if the Library of Congress had made a commensurate growth, it would have approximately 30,000,000 volumes—six times its present holdings. The Army Medical Library has the largest collection of medical incunabula in the New World—those books printed before 1500, when printing was in its cradle days. There are approximately 600 medical incunabula known to have been printed; this library has 450 of them, which compares favorably with that of any library in the world.

Of some works the Army Medical Library possesses the only known copy, and of rare books published after 1500 A. D. the collection is one of the best. Among these very rare books are found the oldest publication possessed by the library, Johannes Gerson's De Pollutione Nocturna, printed at Cologne in 1467, the only copy in the United States; Rodericus Zamorensis Speculum Humanae Vitae, printed at Rome in 1468. Of early writings on the plague it has Valescus de Tarantas, De Epidemia, Basel 1470, and Alcanis Luis' Regimen Pestilentiae, Valencia 1490. It has the first printed book on pediatrics, Bagellardo's De Infantium Degritudinibus, and the first purely medical book ever printed, the Arabian physician Mesue's De Medicinis Universalibus, Venice, 1471. We find here the Greek text of the first complete edition of the works of Hippocrates, the Father of Medicine from the famous Aldine press, Venice, 1490; the works of Galen, founder of experimental medicine, a beautiful big folio of two volumes printed by Pincus at Venice, 1490; the first edition of Andreas Vesalius' De Humani Corporis Fabrica, of 1543, the book that laid the basis of anatomical research. In addition to its rare collection of 150 manuscripts, it has an untold wealth of files of medical journals, in some cases the only complete sets in existence. When we behold this great wealth of material we are not surprised that Surgeon General Reynolds, of the Army, states:

No one can estimate the value of these books any more than you can estimate the value of diphtheria antitoxin. It is something that cannot be expressed in dollars and cents because it has no replacement value; it simply cannot be replaced.

"The Surgeon General's Library," says Dr. S. Weir Mitchell, "is a monumental labor which none will ever better." No wonder that Walter Reed said the highest ambition of his life was to succeed Colonel Billings as librarian of the Surgeon General's Office. He was finally appointed, in 1902, and died 1 week after.

Dr. Thomas S. Cullen, the eminent gynecologist of Johns Hopkins, well-known author and trustee of the Enoch Pratt Library, before the Subcommittee on the War Department Appropriation, made the following statement:

This is not only the best medical library in the world but it could not be duplicated for a hundred million dollars. The Army deserves a tremendous amount of credit for having accumulated that library. John Billings was the man who really brought the things together. * * * You could not duplicate it with money. * * * I have gone in there and picked out articles on certain subjects where the author had some experience of his own, and then I would analyze the experience of 20 others with respect to his writing. I just took out the meat of the article, and I would sit down and in half an hour I would have the 20 originals from which I studied together with the pictures, and could accomplish more in that library in a day than I could in Baltimore in 2 or 3 days.

Here is a letter I received from Archibald MacLeish, the Librarian of Congress:

You asked me to say in type what I said by word of mouth—that the Surgeon General's library is one of the greatest special collections of books ever put together, if not indeed the greatest, and that its present lack of housing holds tragic possibilities for American learning, and for the good repute of American scholarship.

You cannot say anything stronger than that. That comes from the Librarian of Congress.

After Dr. Cullen had expressed himself as delighted with the view that the library should be located on Capitol Hill, convenient to Union Station, and near the Library of Congress and the Shakespeare Library, Dr. Woodward, trustee of the American Medical Association, and who was in charge of the legal department of the American Medical Association for a number of years, submitted statistics showing the holdings of the Army Medical Library to be far in excess of those of any medical library in the world. Dr. Woodward was, for 24 years, health officer of the District of Columbia, and testified to the great use the library had been to him, and the great vision of Dr. Billings to establish it on its present basis. He brought out the fact that the library is not a departmental one, but a national institution with its unparalleled facilities placed at the disposal of the medical profession and of medical institutions throughout the country, and that during the past fiscal year 5,867 persons made use of the library reading room. In addition to this physicians located at a distance can borrow books by making application through an accredited library, and that library makes application to the Army Medical Library for a loan of the books, which are forwarded and then returned; 40,000 books are loaned annually on this basis.

Now—

Said Dr. Woodward—

the use of the library is being diminished by reason of the fact that it absolutely does not have adequate space. It seems to me, and I am sure that the people of this city and the people of the country, generally, do not realize what a valuable institution we have in the Army Medical Library. * * * The library in Boston is a wonderful library; the resources and volumes, of course, in that library do not compare with the library here, but the facilities for making use of it are much better.

J. M. Lalley writes in the Washington Post:

Local ignorance as to the importance of the Army Medical Library is not surprising. Its work does not lend to general publicity, and its quarters are such as to repel rather than attract attention. * * * Within its dingy walls is a congeries of medical information of well-nigh cosmic completeness. Here the student can find

either in the original, or in reprint, or photostat copy virtually anything of importance ever written in any civilized language living or dead, relating to any phase or division of medicine or surgery.

One function of this library is of such heroic magnitude that Diderot, himself, would have been aghast at the audacity of it. This is the compilation and publication of the Index Catalogue, now in its fifty-first volume, and to continue, it is hoped, ad infinitum. It is probably the nearest thing in existence to that "world brain" wistfully envisaged in the daydreams of Mr. H. G. Wells. Together these volumes form an exhaustive bibliography of whatever by any courtesy can be called medical literature.

I am sure, Mr. Chairman, you will pardon me for adverting again to this great work which I have previously discussed, but it does not seem appropriate to close any discussion of the Army Medical Library without a final word about the great work that crystallizes and makes accessible the medical wisdom of the ages—the open sesame, the great Index Catalogue. A small-town physician, verging on 90 years, with a record of great success in his field, once told us:

The Surgeon General's Index Catalogue is my Aladdin's lamp. I rub the lamp and the genie appears and answers my questions.

The Surgeon General's catalog is the physician's Aladdin's lamp, and this magic lamp, beloved story theme of our childhood days, would be a good emblem for this great institution, and much in the manner of the old London hospital with the figure of an angel blowing on a coal, carved over its portal, carrying the Latin inscription, "Forsan scintillula latet," perhaps a faint spark yet remains.

Mr. Chairman, the Great Prophet said where there is no vision the people perish, and we know that where there is no library vision there will only be a commonplace collection of books. We feel that in the person of Archibald MacLeish we have a man of vision, who will aim at nothing short of cosmic completeness for our great National Library. America has contributed to the world its greatest medical library, with a coverage approximating completeness as near as possible with human instrumentality. So now let this country garner in the vast records of human achievement in the field of general literature that are now in the old country exposed to the vicissitudes and hazards of war, the caprices of totalitarian government, threatening the Old World with Armageddon. If civilization in Europe is to be destroyed through the onslaught of the dictators, let America become the custodian of the great heritage of the ages—the literatures of the world—before the Four Horsemen of the Apocalypse began their macabre ride through the land. Literature is the expression of life in words, and with the Library of Congress as its palladium it will be safe for all time, where scholars under the aegis of a gifted librarian can limn the figures of the past and paint with facile hands the pictures "that may point a moral or adorn a tale."

Whatever may be the outcome of the European conflict, we know that everything points to a concentration in America of the world's materials for research. Of the estimated 30,000,000 different books that have been printed and distributed, the United States has less than half; in addition to this is the great body of unprinted material, early manuscript, documents accumulated throughout the ages, and modern records of fact, the raw material from which literature is made. This material, both books and manuscripts, should be in our great National Library. In the originals, where circumstances justify; microphotograph copies, which cost about $1.50 per volume, where price would be much in excess of this, or where purchase is impossible; but here they should be, in a form accessible to students; and, may I repeat, under the palladium of our great National Library. This is no dream, Mr. Chairman, but something that only requires a vision and the cooperation of an intelligent and aroused public. We would not have to duplicate our present buildings to house this material, for experts tell us that the entire contents of the British Museum Library, if microcopied, could be stored in a small room.

Mr. Chairman, I have discoursed at some length on these three great institutions, because I wish to show them as a nucleus of what should be the greatest assemblage of means for research that the world has ever known. Here on Capitol Hill, our great Acropolis, we would have an atmosphere of scholarly research, and the proximity to the Capitol would afford ample opportunities for our lawmakers to avail themselves of the results of the various researches carried on and provide easy access to the knowledge required by the complex life of today. In mingling, the scholars and lawmakers would be mutually helpful with their interchange of views and interpretations.

In other words, I want you to envisage on Capitol Hill all the means for research available in the world as far as human agency can devise properly housed, processed, and implemented for ready and quick reference with ample facilities for institutes of any department of knowledge, so that it will be the Mecca of scholars from the world at large and no man on a serious quest shall go empty away. Great buildings are only assemblages of stones and mortar. Only men can make and keep a nation great. Only knowledge can make man potential for good. "Why build these buildings glorious if man unbuilded goes?"

Let us give our people the best facilities for study and research that have ever been amassed; that will enable them to express themselves in works of literature, science, and art; that will help us understand one another, for literature has ever spoken a common language for the children of men. In the language of our poet Librarian, Archibald MasLeish:

How shall we have speech?
The water cries all night upon the beach—
How understand?
The wind calls all day across the sand—
How hear
With listening of the earth so near?
Must we be deaf, be dumb
Till the silence come?

[Applause.]

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, I shall take up this morning something I think is of vital interest to the welfare of the country, especially after the statements that have been made by men high in Government positions about economy in government. First, I call the attention of Members to two planks of the Democratic platform of 1932:

We favor maintenance of the national credit by a Federal Budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation levied on the principle of ability to pay.

That is the first one to which I call attention, and here is the second:

We advocate a sound currency to be preserved at all hazards and an international monetary conference called on the invitation of our Government to consider the rehabilitation of silver and related questions.

Then we have the question of gold, whereby this administration confiscated all the gold and buried it in a hole in the ground in Kentucky. I call attention to the fact that on June 30, 1939, the Treasury held gold bullion to the value of $16,110,078,913.04. The Treasury's statement of March 30, 1940, shows that we have gold to the amount of $18,432,773,101.19. There is something strange about a situation where our gold assets have increased $2,320,000,000 when at the same time our deficit spending has been, according to this statement, since July 1, 1939, $2,718,391,064.43, a great deficit for a part of a year by New Deal. I want to know how and where, when this Government is spending more than it takes in from day to day at the rate of $8,000 a minute, the Treasury Department can find loose assets lying around with which to buy this more than $2,320,000,000 worth of gold at premium prices.

That is something that ought to be explained by the Treasury, how we are making the purchases of this gold, what is the value of it, and from whom we are purchasing it and then burying it in a hole in the ground in Kentucky. I have always thought that anything that is of no value you would hide away some place. The Government has seen fit to go out and make purchases of a great amount of gold and silver;

and what is the object, when they store it so that nobody has the use of it? It seems to me there is something wrong.

I shall now show Members of Congress some of the extravagances of this administration. They talked about a balanced Budget. The President of the United States promised time after time before he was elected that he would balance the Budget. He criticized the former administration for not doing so, and after he came into office he started to economize. We have had the Economy Act. I supported it. Within 6 months after that the President started to undo the things that he promised to do, and then he started on a spree of spending—spend, spend, spend. He promised the American people that he would eliminate bureaus and consolidate departments. He started to consolidate departments a year ago. Since he has decided to consolidate departments, he has put on the Government pay rolls over 100,000 additional employees. Where the economy? He has sent up another bill now in which he says he is going to consolidate a few more bureaus, and he says that it will save $150,000. I will gamble with anyone that before the year is out that consolidation will result in putting more people on the pay roll, because he does not know the first letter of economy, nor does he know a thing about how to consolidate and carry out his promise of economy in government. To balance the Budget you cannot chop off everything at one time. I have a truckload of these bulletins which you see here, which are issued from day to day—Press Intelligence Bulletins, prepared by the Division of Press Intelligence for the United States Government. Any Member of Congress can get them daily. On April 11, 1939, I took the floor and called attention to this. Since that time there has come to my office—and I have a truckload of them outside of the door here—great truckloads of these bulletins being published. Every day they are published, and contain from 125 to 150 pages, and other Members can get them in your office if they wish. I venture that there is not a Member of Congress who ever looks at them. Does any Member on the Democratic side—and there are 10 or 12 here now—ever read them or know anything about them, or what it costs or what the Government is doing it for?

Mr. KERR. What is the name of the bulletin?

Mr. RICH. The Press Intelligence Bulletin.

Mr. KERR. Oh, well, the Democratic side does not have to see them.

Mr. RICH. No; I suppose they have been so intelligent during the last 7 years that the Government had to issue this, not for the Democrats, because they do not need it, but I suppose for the Republicans. Well, I will tell you that the Republicans do not want the goldarned thing coming to them. At least I do not want it coming to me, and I am going to stop it today. It is ruthless, unnecessary expenditure of public funds; a waste of the taxpayers' money. I am going to stop it after today, because if there ever was a waste of Federal money by the Federal Government that is it.

The scissors gang! What is the scissors gang? The New Deal Press Intelligence. Let me show you what they do. I quote from the independent offices appropriation bill for 1941, in the hearings, on page 59, with regard to the operation of the press intelligence, and I want to show you what the Government is paying for the scissors gang. They have a Director of Division of Press Intelligence, to whom they pay $4,600. Then they have a grade 1 administrative assistant to whom they pay $3,200. Then there are two junior administrative assistants at $2,600. These are the people who cut out these newspaper clippings from all over the United States. Then they tell you where they file them. If it takes a truck to file the indexes, it will take a whole building to file the newspapers and the newspaper articles which they receive. They have 13 more clerks at $1,800; an editorial clerk at $1,800; 5 editorial clerks at $1,800; 1 stenographer at $1,800. Then they have got salaries from $1,620 down to $1,440. They have a total of 95 people in the Press Intelligence office, and it costs for salaries to clip these newspapers $147,100 for 1941. That is the money they asked for and you appropriated it. In 1940 they had 84 employees and it cost $127,000. In 1939, when I made the complaint here, they had 58 employees at $91,920. You can see from the time I made the complaint on Tuesday, April 11, 1939, they have increased the employees from 58 to 95, and the cost has increased from $91,920 to $147,100. But by the time they get the supplies and other things in, the total cost on April 11, 1939, was $118,497, and now for 1941 you have appropriated $199,000. One hundred and ninety-nine thousand dollars—just about as useless as the fifth wheel on a wagon; just about as useless as anything could possibly be. Why, Governor, has not this administration stopped some of these things which they promised the people of this country they would stop?

Mr. PIERCE. I wonder myself.

Mr. RICH. Why go on clipping with the scissors gang at a cost to the taxpayers of this country of $200,000 a year to clip newspapers? Then it will require another Archives Building, I suppose, to house the stuff when it is useless, only as political propaganda. They are going to keep all the good things that the newspapers might say about this administration, and of course the bad things they say about the administration they do not want to file away. So that after this administration goes out of power, you will find that there will be more stuff filed away in the Government archives lauding the administration, but there will be mighty little stuff condemning it.

Let me tell you this, however, that 10 years after this administration goes out of power, if we last that long, it will be the most damned administration that this Nation has ever had. Why? Because you promise one thing and you do something else, and whenever you do that it does not go down in history as something noble; it does not go down in history as something that is well worth while.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield for a question?

Mr. RICH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. In the gentleman's study of this type of spending, has he paid any attention to the amount of money which is being spent for streetcar advertising in connection with various programs of the Government? In that connection, I may say that I ride the streetcars quite a bit in the city, and now and then I see from four to eight big display cards in a single streetcar or bus, advertising the different functions of Government. Does the gentleman think that is necessary? Does he think that the taxpayers of this Government should be burdened with that kind of expenditure?

Mr. RICH. I will say to the gentleman from Michigan that every day there comes to my desk newspaper advertising, placards, and circulars of all kinds, from the departments, telling what the Government is doing. If you are interested in the Government doing all the business, socializing this Government, making it a communistic government, I think they are doing a pretty good job. I think this administration is doing an elegant job of making this a communistic nation. But that is contrary to the teachings and principles that were laid down by Washington and Jefferson and Lincoln and all the men that we laud and honor in these days, men who tried to make this Government a government of opportunity and a land of freedom.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. RICH. If you are going to continue it as a land of freedom, you cannot put the Government into all kinds of business. You cannot put the Government into the operation of everything, because that is socialism and communism.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield further?

Mr. RICH. I yield to the gentleman.

Mr. CRAWFORD. In some streetcars you will find as many as three cards, identical, advertising the same agency's performances. Three cards in one streetcar, or three cards in one bus. I do not think any industrial advertising manager would permit such waste.

Mr. RICH. I know the gentleman is right. We hear so much talk about trying to balance income and outgo. I should think the administration on this side of the aisle would want to start doing that while they are in power. Let me tell you that next year the Republican Party will be the majority party in this House, and I guarantee you that we will throw out a lot of this stuff. [Applause.] We will cut this stuff out and stop this ruthless expenditure. We will stop these foolish things—and I do not mean maybe. If I am here, I will do everything I can to help stop it, and I will talk just as much about the Republican administration if it is unfair and does not fulfill its promises as I have about the new dealers now in power.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the lady from Illinois.

Miss SUMNER of Illinois. I understand that in private life the gentleman is a very sound, sensible, and successful businessman. We have heard a lot of talk over the radio and elsewhere about the encouragement of businessmen and the effort to get them to invest their money and provide jobs for the unemployed. Does the gentleman think it an encouragement to investors and businessmen to have the Government spend money recklessly and not balance the Budget?

Mr. RICH. I may say to the gentlewoman from Illinois that I still believe in the adage that he who wastes will come to want. This is true of any business or any government that spends more than it takes in. It will go into bankruptcy sooner or later. This policy must be changed; this tendency must be reversed. I am frank to say to the gentlewoman from Illinois that the thing which occupies my attention most of the time is how long this country can last with a Government piling up a deficit to the extent this administration has, where in the last 8 years the deficit has exceeded $24,000,000,000. It is nothing less than a crime against the children of the oncoming generation.

Miss SUMNER of Illinois. The gentleman referred to the early days, the days of our ancestors when this Government was a success. Were not people in those days encouraged to get out, to invest their time, their energy, and their wealth to build up the country, and primarily because men in public office used sound business principles and the people felt they could depend upon the Government to keep their investments safe?

Mr. RICH. I may say to the gentlewoman from Illinois that our ancestors believed in the dignity of labor, believed that we should work for what we had. The present administration has taken the position that everybody ought to have everything he wants without doing anything to get it. Such a philosophy will undermine the sound and fundamental principles of our ancestors, it will make us a land of mollycoddles, people who have a wishbone where a backbone ought to be.

Miss SUMNER of Illinois. Then I understand the gentleman does not advocate as a principle of government the robbing of Peter to pay Paul through all sorts of Government programs?

Mr. RICH. I certainly advocate nothing of the kind. I advocate sound, honest, fundamental principles of government where people wanting to eat should be given jobs. [Applause.] If industry is given a chance to make recovery, if confidence is restored in this country, the unemployment and relief problem will quickly be solved. Think of maintaining a situation where for nearly 8 years there have been 9,000,000 or 10,000,000 unemployed people in this country. Even the present administration admits their efforts have been a failure. Anybody with any brains at all knows they have been a failure. [Applause.]

Miss SUMNER of Illinois. Let me say to the gentleman that it is my belief that if there were more people in government like himself, as thrifty and careful of Government money as they are of their own money, our Government would go ahead to prosperity and go quickly.

Mr. RICH. I am pretty near broke and disheartened by the New Deal. I have just a couple of coins left. I believe that is the condition of most of the people in this country. But give the American people a chance to engage in business activities without Government competition and with confidence with changed laws and we will soon furnish jobs to the 10,000,000 out of work, certainly we will save this Nation. [Applause.]

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, at the outset of my remarks I want to reply to a personal attack that was made upon me the other night over the radio, last Sunday night, by H. V. Kaltenborn, the well-known radio commentator.

If Mr. Kaltenborn impugns my Americanism for doing what Chamberlain, Daladier, and many others have done, of flying in Ribbentrop's airplane, then he is more of a jackass than I thought he was—and that requires some stretch of the imagination.

Mr. Kaltenborn is about the rankest warmonger in America. He is one of that group of internationalists and interventionists who spends his time on the radio spreading war propaganda and trying to inflame the passions and hatreds of the American people.

Mr. Kaltenborn is strong for others to go to war, but where was he when the German bullets were flying back in 1917?

He is one of the leaders of the "smear group" of warmongers who attack every American, including Colonel Lindbergh, who has the courage to openly advocate the maintenance of American neutrality and keeping us out of all foreign wars.

I did not hear Mr. Kaltenborn's remarks, but condemnation from such an interventionist and quarantinist is the best possible commendation to 95 percent of the American people, who are determined to stay out of Europe's eternal wars.

I have served 20 years on the Foreign Affairs Committee of the House of Representatives, and do not propose to remain silent and be insulted or smeared over the radio for trying to keep America out of other people's wars. If Mr. Kaltenborn wants to debate American neutrality and keeping America out of foreign wars, I will be glad to do so over any national hook-up free of charge, but I do not propose to compete with him in unfounded statements and billingsgate.

I am answering this loose statement of Mr. Kaltenborn that I had committed some heinous crime because I flew in Von Ribbentrop's plane. So what? Are we at war with Germany? Is there any impropriety for American citizens to fly in Von Ribbentrop's plane? Are we violating American neutrality? The trouble with some of these interventionists and internationalists is that they think we are already at war with Germany because they want us to be at war with Germany. Was it un-American for Under Secretary Welles to speak to Von Ribbentrop or even to Hitler? Yet that is the kind of argument, the kind of war propaganda, that covers this country, and especially from such warmongers as Mr. Kaltenborn.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. CASE of South Dakota. Or was it un-American for Welles to ride in Hitler's private train?

Mr. FISH. It is the same, identical thing. Was it improper for Daladier, of France, or for Chamberlain, of England, or others to ride in both Hitler's and Ribbentrop's planes?

I want it understood right from the beginning that I have no apology to offer for riding in Von Ribbentrop's plane and I have no regrets for doing it either. Germany was not at war at the time and we are not at war with Germany now in spite of the warmongers and foreign propagandists. Moreover, the American people do not intend to be eased or pushed into any more foreign wars for war profits or by foreign propaganda.

It was very courteous of him to extend this privilege to me because I wanted to get to Oslo in a hurry and I was delayed in seeing him. But this shows how weak the arguments of the internationalists are, those who want us to intervene in Europe. They must impugn the Americanism of those of us who are trying to keep this country at peace.

They even distort my motives by trying to make out that I was unneutral and un-American, because I flew in the plane of a foreign minister of a country with which we are at peace. What nonsense. Yet that is the kind of propaganda that is being spread all over this country. It is all right for a French officer in wartime to fly in our newest model warplane but wrong for an American Member of Congress to fly in a German plane in peacetime.

Today's New York Herald Tribune carries the following article on the first page in big headlines:

Get United States into war at any cost, Ontario official urges Canada. Victory may be very doubtful without help, Attorney General Conant fears; suggests the Alaska highway and St. Lawrence seaway as bait.

Is the United States to be put on the auction block and sold to the highest bidder for our help in the European war? Are the lives of our youth to be sacrificed on the battlefields of Europe in order to build the St. Lawrence waterway or because of a highway to Alaska? That is carrying propaganda a little bit too far, but it is typical of what is going on in America at the present time. I am convinced, and I think everyone in this House is convinced, that 95 percent of the American people, regardless of party, insist on staying out of Europe's war unless we are attacked by a foreign foe. American soldiers are not Hessian mercenaries or for sale at any price or at any time.

We are being told now that this is another war to make the world safe for democracy. That is what they told us 20 years ago. What a mockery, what a farce, and what a tragedy. When we see those Old World nations that have gone to the left and to the right into dictatorships and despotism, Italy into fascism, Russia into communism, and the war propagandists repeat now we must enter this war to make Europe safe for democracy.

Mr. PIERCE. Will the gentleman yield?

Mr. FISH. I yield to the gentleman.

Mr. PIERCE. The gentleman mentioned invasion of America. I would like to know what he means by defense? Does he mean defense of the Hawaiian Islands, the Caribbean Sea, the Alaska fisheries, or South America? In other words, where is the line?

Mr. FISH. From my viewpoint defense of America means, first, the defense of the United States and all of its possessions and maintenance of the Monroe Doctrine.

Mr. PIERCE. Clear to the Philippines?

Mr. FISH. As long as we have the Philippines, and Lord knows I would like to get rid of them, the sooner the better, and as long as they are a part of our possessions we must defend them. As Theodore Roosevelt said away back in 1907—and there never was a more courageous American than Theodore Roosevelt—in a letter written William Howard Taft, then Secretary of War:

The Philippines is the Achilles heel of the United States. We must get rid of them now in time of peace. We will never surrender them in time of war.

He was right. If the Philippines are attacked while under our control, of course we have to defend them. In answer to the statement made by the Attorney General of Ontario, Mr. Gordon Conant, I am willing to say publicly that if Canada is invaded I think we should, in accordance with the principles and spirit of the Monroe Doctrine, go to her assistance; that is, if actually invaded by a foreign foe, not if a few shots are fired from a submarine or a few bombs are dropped from an airplane, but if it is invaded we ought to go to war and defend it against attack. No one has a more friendly feeling toward Canada than I have, and I am sure the American people would never permit a foreign invasion of Canada any more than they would a foreign invasion of Mexico or of Latin America.

Mr. CRAWFORD. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. In connection with the gentleman's statement with reference to the Philippine Islands, I think it would be very interesting to the gentleman if he would read a recent speech made by President Quezon to the legislature over there, in which he discusses this very subject from a little different angle than that heretofore followed by him. I recently read his speech and I think it contains some amazing statements pertaining to our relationship with the Philippines.

Mr. FISH. I thank the gentleman.

Mr. Chairman, the purchase of gold is the most costly and disastrous of all New Deal experiments. If I were to be asked, "What is the height of all New Deal follies and of all New Deal failures?" I would say it was the purchase of gold at $35 an ounce, twice the cost of production in South Africa where 50 percent of all the gold comes from, and three times the cost of production of the gold that comes out of Soviet Russia.

Mr. Chairman, I do not question the motives of President Roosevelt and others who may have been responsible originally for this unfortunate policy. In time of depression apparently it is an open season for all kinds of quack doctors and fake financial programs. Back in January 1934, when this policy was put into effect, President Roosevelt probably sincerely believed that it would increase the price of agricultural products; at the same time President Roosevelt wisely said: "This is an experiment based upon trial and error."

We have had this costly experiment now for 6 years and it certainly has not increased the price of agricultural products which are still 50 percent below the level existing between 1921 and 1931, and over 50 percent below the prices of 1926, which even Democrats have been trying to get back to. The administration's gold policy has been a monumental failure. We have set up a golden calf to worship which we have no more use for than Moses did for the biblical golden calf.

In April 1937, just 3 years ago, I introduced the following resolution:

Joint resolution to restrict the purchase of gold by the Treasury

Resolved, etc., That the Secretary of the Treasury be, and he is hereby, directed not to import or buy any gold from foreign sources except in payment of merchandise, services, or lawful debts.

I reintroduced the identical resolution yesterday, to stop buying gold. Since the time my original resolution was introduced 3 years ago, we have acquired or bought $6,000,000,000 of additional gold at twice or three times the cost of production. Mind you, I am not opposing the subsidy of $35 an ounce on American-produced gold, I am only referring to the foreign gold, gold acquired from foreign sources at a ridiculous and artificial price.

What can be done before we commit financial suicide by buying all the gold of the world at this artificial price of $35 an ounce? The only alternatives seem to be to reduce the price for foreign gold or stop buying gold from foreign nations. For the time being, the latter course seems advisable. It is my honest and sincere belief that if we reduced the price of gold from $35 an ounce to $30 an ounce, all it would do would be to increase the avalanche of gold into the United States. There is only $27,000,000,000 worth of gold in the world, and we have almost $19,000,000,000 of that amount. If we reduce the price of gold by as much as $5 an ounce, and the foreign nations think we are going to lower the price again, there will be a veritable avalanche of gold into America. All the remaining gold of the world will be buried out in Kentucky or hidden away in our back yards.

South Africa produces one-half of the gold. What do we do? We buy it at twice the cost of digging it out of the ground in South Africa, transport it over here, and dig it back into the ground in the State of Kentucky, where it grows no interest, where it feeds nobody, clothes nobody, and houses nobody, where it actually impairs world trade, because Germany, Italy, Japan, and other nations have no more gold left and therefore are completely off the gold standard, not having any gold with which to trade, and must trade through bargaining.

The value of gold or any currency thrives on use and faith but shrivels in disuse and fear. We have a veritable

plague of gold buried in the hills of Kentucky. Like Midas of old, everything we touch becomes golden, but unfortunately like him we cannot eat gold. This golden avalanche has become a white elephant, conceived by brain trusters, radical college professors, and theorists without practical business or financial training or experience.

Our gold policy has turned into a fiasco. It is so fantastic that no one will believe it, not even Members of Congress. I challenge the Democrats to take some constructive action on it. They will not. They have a bear by the tail and do not know how to let go. This was thrust upon Congress by the early brain trusters and wand wavers. Nobody knew how it was going to work, not even the President. No member of the Committee on Banking and Currency, which introduced this measure, had the faintest idea what would happen. Yet nothing is being done by the Democratic Congress to correct the deplorable, costly, and ruinous situation, and I predict it will be one of the great issues in the campaign. The gold situation is so fantastic that the people themselves can hardly believe it. They simply do not believe it possible. The public are apt to think it may be partisan talk, as it is too much like a fairy story for them to swallow. It is up to the Republicans to present the facts honestly and without exaggeration.

I am merely stating the facts, all of which can be proved. Veritas magna est et praevalebit—the truth is mighty and will prevail. These facts must be told to the American people and will prevail. Uncle Sam, with almost $19,000,000,000, over two-thirds of all the gold in the world, is the greatest hoarder in the world today, in spite of forbidding by law American citizens from owning or hoarding gold themselves.

We are still buying millions of dollars of gold every day from foreign nations at twice the cost of production, enriching them and impoverishing us. The gold problem has been disastrously mismanaged by the administration, and we are reaping the whirlwind of that New Deal folly in America. [Applause.]

[Here the gavel fell.]

Mr. TERRY. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. CROWE].

THE GENERAL ANTHONY WAYNE MEMORIAL COMMISSION

Mr. CROWE. Mr. Chairman, during the first session of the Seventy-sixth Congress, I was appointed by the Speaker of the House as one of the members of the General Anthony Wayne Memorial Commission. The Commission is made up of nine members. Three were appointed by the President of the United States and are as follows: Hon. W. A. Kunkel, Jr., Fort Wayne, Ind.; Hon. Harry G. Hogan, Fort Wayne, Ind.; Hon. William Wayne, Paoli, Pa. Hon. William Wayne is a great-great-great-grandson of Gen. Anthony Wayne.

Three were appointed by the Vice President of the United States and are: Senator A. V. DONAHEY, of Ohio; Senator ROBERT A. TAFT, of Ohio; Senator FREDERICK VAN NUYS, of Indiana; and three were appointed by the Speaker of the House and are as follows: The gentlemen from Ohio, Representative CLIFF CLEVENGER and Representative Dow W. HARTER, and the gentleman from Indiana, Representative EUGENE B. CROWE.

At a meeting called for May 17, 1939, which was held at the Capitol, I was selected chairman of the Commission. The call for this meeting was made under House Joint Resolution 406, of the Seventy-fifth Congress. This Commission came into being and life because of this resolution. This is a matter of fact which cannot and must not be overlooked or ignored. The purpose of this resolution which was enacted by the Congress of the United States was, in brief, the formulation of plans and design for construction of a permanent memorial in the city of Fort Wayne, Ind., to Gen. Anthony Wayne.

I found, however, very soon that this resolution alone was not going to meet with universal approval. I found if this resolution was strictly adhered to that it could not succeed. I found that much work had been done in other communities. I learned the Maumee River Scenic and Historical Highway Association had been much interested looking forward to not just a shrine or memorial to Gen. Anthony Wayne. They had been working toward securing a larger and much grander memorial to this great personage. They have thought of a parkway of several hundred miles of roads traversed by General Wayne. I had considerable correspondence on this matter during the spring, summer, and fall of 1939. The leading light and spirit of this program in the State of Ohio is the editor, Mr. Ralph Peters, of Defiance, Ohio, who is chairman of the Maumee River Scenic and Historical Association.

On May 10, 1939, the gentleman from Ohio, Congressman CLEVENGER, introduced H. R. 6269, which was referred to the Committee on the Public Lands, copy of which I am introducing now for the RECORD, this bill to be known as the General Anthony Wayne Memorial Parkway. The purpose of the resolution by the gentleman from Ohio [Mr. CLEVENGER] says nothing of a shrine at Fort Wayne, Ind., but asks only for a memorial parkway.

H. R. 6269

A bill to authorize a survey of the military route of General Anthony Wayne during the Indian wars, with a view to constructing a national parkway to be known as the General Anthony Wayne Memorial Parkway

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to cause the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794; the same to be known as the General Anthony Wayne Memorial Parkway. The said survey shall locate the parkway as nearly as practicable in the original route. An estimate of the cost of construction of an appropriate national parkway on this route, and such other data as would be valuable, shall be obtained by said survey, with the objective of determining matters concerning the construction of the parkway.

SEC. 2. There is hereby authorized to be appropriated the sum of $30,000, or so much thereof as may be necessary, to be expended in carrying out the provisions of this act.

At the organization meeting held in Washington, members of the Commission drew up a tentative draft of a resolution. It apparently had the approval of the majority of the members of the Commission. I was instructed to introduce it in the House and Senator TAFT, of Ohio, to introduce a companion bill in the Senate. I now offer copy of the bill I introduced, H. R. 6375, to be entered at this point in the RECORD.

H. R. 6375

A bill authorizing a survey of the military route of Gen. Anthony Wayne

Be it enacted, etc., That in order to further and amplify the purposes outlined in House Joint Resolution 406, first session, Seventy-fifth Congress, the Secretary of the Interior is hereby authorized and directed to cause the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794. The said survey shall outline and locate a parkway as nearly as practicable in the original route, and indicate the type and location of an appropriate permanent shrine or memorial to Gen. Anthony Wayne along said parkway or at its terminus. An estimate of the cost of construction of this combined memorial project and such other data as would be valuable shall be obtained by said survey.

SEC. 2. There is hereby authorized to be appropriated the sum of $30,000, or so much thereof as may be necessary, to be expended in carrying out the provisions of this act.

This bill, you will notice authorized the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794. It further asks for the location of a parkway near the original route and it also provides for an appropriate, permanent shrine or memorial along said parkway or at its terminus. This bill was drafted in accordance with the wishes and desires of the members of the Commission who had assembled. Each member of the Commission had been duly notified of the call in due form by letter and were called by telephone to apprise them of the meeting.

A further bill, S. 2441, was introduced by Senator TAFT. I desire at this point in the RECORD to introduce a copy of this resolution.

S. 2441

A bill providing for a survey of the proposed General Anthony Wayne Memorial Parkway

Be it enacted, etc., That, for the purpose of accomplishing the matters outlined in Public Resolution No. 64, passed by the Seventy-fifth Congress, and to assist the members of the General Wayne Memorial Commission, appointed by the President to function

under the terms of the resolution, the Secretary of the Interior is hereby authorized and directed to cause the National Park Service to make a survey of the military route of Gen. Anthony Wayne during his campaign against the Indians in the Northwest Territory in 1794, the same to be known as the General Anthony Wayne Memorial Parkway. The said survey shall locate the parkway as nearly as practicable in the original route. An estimate of the cost of construction of an appropriate national parkway on this route, including plans for designing and constructing a permanent memorial in the city of Fort Wayne to the said Gen. Anthony Wayne, which shall be and become a part of the general plan of providing the General Anthony Wayne Memorial Parkway and such other data as would be valuable shall be obtained by said survey, with the objective of determining matters concerning the construction of the parkway.

SEC. 2. There is hereby authorized to be appropriated the sum of $30,000, or so much thereof as may be necessary, to be expended in carrying out the provisions of this act.

Since it appears that this resolution meets more widespread approval than the bill I was asked to introduce, which is H. R. 6375, I have introduced a companion bill in the House to S. 2441, H. R. 9213. When consideration is given to these bills I shall be glad to have the one adopted that appears to meet with widest approval.

This resolution would call for a road or highway to be known as the General Anthony Wayne Memorial Parkway.

It must not be forgotten that this Commission, of which I am chairman, is working under Public Resolution 64 of the first session of the Seventy-fifth Congress. Without this or some such resolution passed by the Congress there would not today be a General Anthony Wayne Memorial Commission. Nevertheless, to make it a success and an accomplishment it must of necessity go beyond Public Resolution 64. Accordingly, I have attempted to bring together the divergent opinions and get an agreement and common ground on which to work.

I called a meeting of the Commission to meet at Fort Wayne, Ind., on December 14th. In the call I asked that all interested people in Indiana, Ohio, and Michigan meet at Fort Wayne to make an extended survey of this matter. Accordingly, a most interesting and enthusiastic meeting was held at that city. We spent the first day in conferences and surveys of the city and of other points of interest. At the confluence of the St. Marys, St. Joseph, and Maumee Rivers and at points known as The Portage, the dividing line in the waters running to the lakes and the other way to the Mississippi River. A most interesting and enlightening address on Gen. Anthony Wayne and his activities in Indiana was given at a night banquet by Dr. L. A. Warren. Various committees were represented at this meeting, principal among them State of Indiana Anthony Wayne Memorial Commission, chairman, Mrs. Bessie K. Roberts; the Fort Wayne Anthony Wayne Memorial Commission, Carl J. Suedhoff, chairman; the Chamber of Commerce Anthony Wayne Memorial Committee, chairman, Attorney Clarence R. McNabb; the Allen County-Fort Wayne Historical Society, chairman, Mr. Brown Cooper.

The committee appointed to arrange a suitable memorial to General Wayne selected from the common council of the city of Fort Wayne, whose chairman is Paul C. Wolf. The following members of the General Anthony Wayne Memorial Commission were also present: Hon. Eugene B. Crowe, M. C., Bedford, Ind., chairman of the Commission; Hon. W. A. Kunekl, Fort Wayne, Ind., secretary of the Commission; Hon. Harry G. Hogan, Fort Wayne, Ind., treasurer of the Commission; Hon. Wm. Wayne, Paoli, Pa., and Hon. Cliff Clevenger, M. C., of Bryan, Ohio.

The gentleman from Indiana, Congressman GEORGE W. GILLIE, of the Fort Wayne district, was very active and most helpful in the entire program around Fort Wayne before and during the meetings and afterward as well as the following day en route toward Toledo. All the members present, as well as the gentleman from Indiana, Congressman GILLIE, cooperated in this meeting to make it the success that it was. A splendid compliment of interested people from Ohio were also present. The general understanding obtained at that meeting was that there must be a gettogether of the interests and desires. Gen. Anthony Wayne was too great, and did too much for the territory of several States including Ohio, Indiana, and Michigan as well as much other territory to have him remembered by only dedicating one particular thing to him.

The following day we made a pilgrimage from Fort Wayne ending at Toledo, Ohio, where another good meeting was held. During the day we stopped at many points of interest along the route of Gen. Anthony Wayne in his conquest of this territory. Numerous points of vantage and of great interest, chief of which were: Fort Defiance, Fort Winchester, Independence State Park on the Maumee River, parkways in and near Napoleon, Ohio. Battlefield of Fallen Timbers State Park and Fort Meigs at Perrysburg, Ohio.

This entire trip was led by Mr. Ralph Peters, of Defiance, Ohio, who is chairman of the Maumee River Scenic and Historical Highway Association. He had a most interesting meeting at Defiance, Ohio, and a splendid luncheon with short talks by numerous persons assembled. This meeting showed conclusively that Mr. Peters and his organization were determined to work for harmony and ultimate success. Throughout the day, and it was an entire day, traveling from Fort Wayne along the old canal and Maumee River to Toledo ending with a dinner in the evening at Toledo, where again many from Detroit and other points in Michigan, from Toledo and points all along the proposed route including some from Fort Wayne were assembled.

I found considerable thought at Toledo that had not yet reached a point of full cooperation in a combined project. I found considerable thought both in statements made in the meeting and statements made to me personally, of a parkway—a parkway only. I believe, however, that thought has been almost entirely eliminated. If it has not, it should be and must be.

At our meeting at Defiance, quite a group of splendid fellows met with us from Greenville, Ohio, including the gentleman from Ohio, Congressman ROBERT F. JONES, of Lima. They desired recommendation for the parkway to extend at least to the city of Greenville. There are grounds for their contention, and I believe that ultimately this parkway will and should be extended to other points in Ohio and other points in Indiana, but for the time being, if we expect to get this project over at all, I consider we must not get too large.

There were numerous places where battles were fought by General Wayne at Greenville, at Fort Defiance, at Fallen Timbers, and numerous other skirmishes, and conflicts were had, but the objective of General Wayne was Fort Wayne, where the city of Fort Wayne is situated. There are other most important battles, to be sure, but, after all, every campaign has one objective, and this one had one. General Wayne was the third general who had been sent to take that sector for the Colonies. No campaign was or could be successful until that objective was reached. Therefore I am thoroughly sold, and I believe almost everyone is now sold, on the thought that Fort Wayne is the place for the memorial or shrine. What it is to be, how it is to be constructed—whether a monument, whether a colosseum, or what not—I believe it too early to decide. It is true Public Resolution 64 asks that the investigation be made and that a report be made to Congress. I cannot see that the report can be made at this time. I have become fully convinced, and I believe other members of the commission are convinced, that this should be more than a shrine. Many other interested people and many other sccieties, both in Indiana, Ohio, and Michigan, are of the opinion that a parkway should also be established. After making this tour, after spending some 4 days all told with the hearings, with the surveys and going to and from, I am thoroughly convinced that it should be a shrine and parkway.

The parkway should, to start, include the route from Fort Wayne through Defiance, past Fallen Timbers and other towns and cities along the route, on to Toledo and to Detroit. I am not, however, sold on a vast expenditure of money for this proposal. Greater highways are needed already to accommodate the traffic along that route from Fort Wayne to Detroit. Those highways should come along under the regular procedure of road building with Federal aid as other Federal-aid roads are built. The parkways along this route, along

the beautiful Maumee River and along the Old Canal, can be, with nominal expense, made one of the beauty spots of America. It will make one of the most interesting highways in the United States. This work might well be done, as I see it, with W. P. A. labor. I do not mean the highway. That should come under the regular road-building program. I refer to the parkways, shelter houses, park benches and tables, shrubbery, cleaning the grounds, getting them planted to grass, planting trees for shade, and what not. The shelter houses should be good, sound, and substantial, but there is no need for expensive structures. Some of them could have dirt floors even and be open, just the shelter only. Other shelter houses might be entirely closed and have concrete floors.

This program, after all, of sufficient road and parkways could ultimately be completed without any additional drain on the Public Treasury. Let me explain my statement. A sufficient road and better roads are already needed and must be built along this highway. They will be built ultimately, whether it is ever known as a General Anthony Wayne Memorial Highway or parkway or not, so I recommend to the Congress that the work on this highway be speeded up and that it be made adequate for the great travel that is already on this highway, and I would even add to that, because when this route is established and beautified along the rights-of-way, the travel will increase. Nevertheless, as I stated, this highway will and should be built anyway. Therefore it need not be treated as additional expense to the Federal Government.

Now I also said that the parkway need be little, if any, added expense to the Federal Government. We have our W. P. A. labor. It is generally conceded that, because of the changed condition of America, that we will continue to have for at least 20 years a continuous surplus of more or less from year to year of unemployment. The unemployed will be given labor from year to year. Various kinds of work will be proposed. Various kinds of programs will be set up. I know of nothing in that section of the country that could be of service to more people than the building of parks and structures for people to use for recreation and pleasure. That should be done along this parkway and make it a beauty spot, an outstanding beauty spot, of America. It need not be done in one particular or certain year. The program should be surveyed and layed out. The work should be started, working to a goal, a completed parkway.

Now, when it comes to the shrine itself: That is and must be a different matter. While the parkway and highways will cost in reality several times more money than the shrine will cost, nevertheless the shrine is the most important part of this program. It is and will be the crowning achievement. People from all over America will drive over this parkway, but they will, after all, have an objective in mind. They will want to see the terminus. They will want to see the end of this project. They will want to see the shrine at the point which was the objective of George Washington, the father of our country, when he sent three generals with their armies to conquer it. They will want to see the place where Gen. "Mad" Anthony Wayne brought his victorious troops and brought to a successful conclusion his numerous campaigns in which he spent several years to achieve. That point was Fort Wayne where the city of Fort Wayne, Ind., is situated. This point is where the shrine, consisting of a shaft, monument, colosseum, or whatnot, should be constructed. This, as the crowning part of this program, should be worthy and fitting and exemplary of the great personage we are attempting to honor. It, of course, must be constructed by artisans skilled in their trade as it will stand as an everlasting monument not alone to General Wayne, but a symbol of the greatness of our Nation. It will be a symbol of respect of our Nation not alone to General Wayne but to all who participated in broadening, extending, and strengthening this great United States in that which was at that time wild and frontier lands.

Personally, Gen. Anthony Wayne did not touch my home nor any point of my district. Selfishishly, I might disclaim any interest in this program. Matters of this kind require lots of time, effort, and energy. When asked by the Speaker of the House to become a member of the Commission, I knew it would entail some energy and work, but when chosen by the committee to act as chairman, I realized that would entail an endless amount of work, but I accepted it and accepted the responsibility. Now that I do not live on any of the routes of Gen. Anthony Wayne, I believe that I can without prejudice or without bias see this situation from a broad-minded viewpoint. In that connection, I recommend to the Congress that the Federal appropriation of $30,000 be granted for the surveys. I ask that it be for surveys for the route from Fort Wayne, Ind., through Defiance, Fallen Timbers, Toledo to Detroit. I ask that the survey be made, not for one part of the program but for a survey for the highway and for the shrine. The two can and must go hand in hand. One cannot and must not have precedence over the other. It must be one program, one General Anthony Wayne Memorial, which is to be a shrine and a parkway.

Personally, my interest in this program is to see it brought to a successful conclusion. I want to see it obtain on a national scale. It should be viewed from a national aspect just like we view Washington, Jefferson, Lincoln, George Rogers Clark or any other great man of this Nation. This can and should be of as much interest to the people of Maine, Kentucky, Louisiana, and California as it is to the people of Indiana, Ohio, and Michigan. To do that, it must be placed on a great and national scale. Furthermore, it must be free and kept free from any narrow or partisan bias. Partisanship in any form will kill the program for years to come. I shall endeavor in every way possible to perfect and further the interests of the General Anthony Wayne Memorial Commission. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the able, distinguished, and valuable Member from Pennsylvania, Mr. GROSS.

Mr. GROSS. Mr. Chairman, as I address the House today I want to call to your attention a few of the issues that are of interest to everyone. First, America's No. 1 problem is to keep out of the war. The women of America are opposed to war. They know that as long as men fight women must weep and children must become orphans. The way to keep out is, first, want to keep out, and then stay out.

I learned a day or two ago that the national debt now exceeds $48,000,000,000, and that this has been an increase from $21,000,000,000 during this present administration. The interest on that vast amount of money at the present low rate is far beyond a billion dollars a year. I am wondering if we plunged into a period of prosperity and interest rates advanced to where we have seen them in the good old days how we could raise the money just to pay the interest. In 1913 our Government cost $34 per family to operate. In 1939 it cost $540 per family. Our national debt is now more than fifteen hundred dollars per family. This refers only to the Federal debt.

Since 1932 we have appropriated about $24,000,000,000 for relief, and after 7 years of New Deal planning and New Deal spending we still have around 11,000,000 unemployed people. The Federal Government has appropriated for farm relief since 1933, $4,000,000,000. The Secretary of Agriculture figures this amount in the farm income whenever he has occasion to mention the farm income to the public. But he is not fooling the farmers; they know better than that. The farmers of this country are not dumb. They know that the Government gives no money away that it does not first take from the people. This money has been used to pay farmers to grow less, but the farmers knew long before, and are now convinced, that the less they grow the poorer they will be, and their soil likewise.

These $4,000,000,000 have simply become a mortgage on the real estate of the country, and while they have been paying farmers to grow less, and while they have been putting into effect trade treaties which resulted in none other than free trade in agricultural products we have seen our foreign markets slipping away from us. And recently we heard the President say, while admitting that the farm program has

failed, that it was due to Europe's war. The past history of agriculture prices in this country is that always during a war the prices of farm commodities advanced. They tried to point out to us the advantages the American farmer has, due to the trade treaties, but when I refer to the 1939 reports from the Department of Commerce I find that under these trade treaties we have imported, in 1939, vegetables valued at $18,112,265. We have imported 93,859,000 pounds of potatoes. We have imported dairy products worth $14,142,800, or 78,698,000 pounds of dairy products. We have imported poultry and egg products worth $1,800,000 dollars. We have imported 753,570 head of live cattle worth $20,206,700, and 150,794,000 pounds of meat products worth $27,312,000; canned tomatoes, 55,400,000 pounds; raw tomatoes, 48,793,000 pounds; and while the farmer who has a beef hide to sell usually gets enough money for it to buy a pair of work shoes, we have imported 223,446,000 pounds of hides worth $47,056,400. Surely it becomes the job of the Secretary of Agriculture and the President, who say, "We planned it so," to explain why the American farmer shall be thrown into competition with the rest of the world.

It has long been established that farm income is the governing factor in our national economy, and agriculture is still our basis of wealth. A profitable agriculture would solve the dual problem of idle acres in the country and idle men in the city. With all this planning, with all our acres lying idle, and with all these agricultural imports we are still building up surpluses of agricultural commodities in this country that are alarming. We now find ourselves with around 15,000,000 bales of surplus cotton on our hands and surpluses of other farm commodities in proportion. The cotton farmer with 50 or 100 bales of cotton lying in his shed does not have enough money to buy a cotton shirt.

If the Wallace program for the corn farmer is carried on for another year, we will have sufficient corn on hand that it will not be necessary to plant any for 1 whole year. If these imports were stopped and the American market was retained for the American farmer, which is, after all, the best market in the world, there is no question that in a short time we will have a prosperous agriculture and then very quickly would follow a decline in our relief rolls that would solve our unemployment problem. Yet the administration boasts of the fact that our exports, due to these trade agreements, have doubled in some cases. But if we look at the record, we will find that some poor South American country that purchased 100 automobiles in 1937 purchased under a trade agreement, 200 automobiles. Certainly that is an increase of 100 percent. But I am telling you that if the American farmer had the American market, if he got cost of production, for example, if he received $1.25 for wheat, 10 cents for hogs, and 80 cents for corn, I am sure that my county would buy 3,000 new automobiles the first year and at least 500 tractors, refrigerators, and everything else in comparison. And what is true of my county applies to every other agricultural county in the United States. The records show that rural America has bought 19 out of every 100 automobiles built in 1939. Certainly if that is true, and the farmers received the prices I have just mentioned, they would buy at least 45 percent of the automobiles built.

While we have cut down our corn acreage tremendously we have imported starch enough that would have taken 450,000 bushels of corn to produce in a single year. While we farmers sell our fat cattle at a loss, we find the Government buying Argentine beef in vast quantities, and when lard is a drug on the market and butter is piling up, we find the Government buying lard and butter substitutes for the Army and the Navy.

I said the farmers are not dumb. They are asking the question and they are going to demand an answer. They want to know why the Government has enforced a program that is impoverishing them and then digging vast sums out of the Federal Treasury in order to keep them going. There is only one answer, and that is they are trying to buy the farm vote. Knowing that they cannot buy it, we now see the Federal loaning agencies which at one time were free and independent of politics serving the best interests of all concerned, crowded into the Department of Agriculture, which puts Secretary Wallace in the position to say to the American farmer who is compelled to borrow from the Federal Government, "Sign on the dotted line." And when he signs on the dotted line he gets the loan he has applied for, and he has signed every bit of liberty he ever enjoyed so far as operating his farm independently is concerned. They will be in a position to tell him how many acres of this, that, or the other crop he can plant. They will tell him how many cows he shall keep. They even hand him a budget as to how he should spend the income from his farm. If this is not regimentation, then I want the powers that be to show me. Hundreds of thousands of farmers have been forced and are now being forced in order to keep their property intact and their families together to sign on the dotted line. But I am telling Members of the majority party here today that I am sure the farmers of this country will register their resentment of this Stalin procedure with a vengeance next fall. [Applause.]

I have absolute confidence in the judgment of the people of this country, and, while I am amazed that they have swung so far to the left, I see them everywhere becoming more tax conscious. They know that American industry today pays in about $1.50 a day tax on every man every day he works, and that is just about as high as the wages were when most of us were boys. Why, I have one company in my city, York, Pa., that in 1938 paid $880,000 in taxes. I have another company employing less than 600 people paying $370,000 tax. and while there are those who say it is all right to tax industry, we have heard it so often, but the average man is beginning to know who really pays the tax. The management of these companies pay this tax first, before wages are paid out of profit, then they pay the wages to the men out of profit, and then pay a dividend to the stockholders out of profit. In order to do all this one of the first things they do is lay off men, speed up the machines, and the workers they retain finally pay all of these with their sweat and blood, for only men who produce ever pay. So in the factory it is the worker and on the farm it is the farmer and his family who bear the burden. They have taken it on the chin for 7 years as though they really liked it, but today it is everywhere evident that there is a rising wave of just resentment sweeping the country.

The American farmer believes in relief, but he knows that a relief dollar does not solve any problems; but when a man has a job and earns his dollars in industry and spends that dollar for food, that sale registers back on the farm and helps solve the workers' problem as well as his own. I am convinced that the American farmer will speak in no uncertain terms before the end of this year, and what they are going to say will be, "We are going to maintain our constitutional form of government," for they remember that in this democracy, as Chief Justice Hughes once said, "What the people really want they generally get." They know in countries ruled by dictators, the dictators change the people, but they also know that in democracies governed such as ours the people can change the President, and that is what they are going to do next November. [Applause.]

Mr. AUGUST H. ANDRESEN. Mr. Chairman, by direction of a member of the committee, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

SILVER AND THE INTER-AMERICAN BANK

Mr. CRAWFORD. Mr. Chairman, we rapidly approach the golden anniversary of the Pan American Union. This is an international organization created and maintained by the 21 American republics: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, United States, Uruguay, and Venezuela. The first international conference of American states was held at Washington 1889–90, and presided over by James G. Blaine, then United States Secretary of State. Far-reaching resolutions were approved by the conference at its second meeting in Mexico in 1901; the third, at Rio de

Janeiro in 1906; the fourth at Buenos Aires in 1910; the fifth at Santiago, Chile in 1923; the sixth at Habana, Cuba, in 1928; the seventh at Montevideo, Uruguay, in 1933; and the eighth at Lima, Peru, in 1938.

April 14 is celebrated annually throughout the Americas as Pan American Day; and on this date the final chapter of a proposal, which goes back for many years, will be brought to a conclusion. Around the long mahogany table in an ornately furnished sunny room in the Pan American Union, a representative of our Government will sit down with the representatives of various Latin American countries, and will place his signature of approval on a project which has on it the distinctive fingermarks of our neighbor to the south, a country which has quite systematically proceeded to take, without consideration, property of American citizens, and while this program of confiscation has been in progress the United States has been banqueting Mexico at the table of good neighborliness.

The proposed inter-American bank, about to be set up in celebration of Pan American Day, April 14, is to come into operation. Only a few days ago, at which time announcements were made in local papers pertaining to this undertaking, many of us were informed for the first time of this scheme designed to knit the Western Hemisphere, but this proposition is by no means new.

Mexico is a great producer of silver. And for many years her astute monetary and precious-metal experts have been anticipating exactly what will happen on April 14. At the inter-American conferences the sagacious spokesmen for Mexico have repeatedly cultivated an approach to this consummation. I am informed that as late as last fall, when the proposal was again submitted at Guatemala, several of the other Latin American delegates refused to have anything to do with the proposition. And, I understand, a reference to the official minutes of that conference will disclose that certain delegates claimed that the proposal "treated of a new theme immediately related to the problem of bimetallism." The idea was brought to Washington, and in the hands of the Inter-American Financial and Economic Advisory Committee, consisting of 21 experts in economic problems, one for each of the American republics, the soft clay has been molded into the inter-American bank proposal, which is to be approved April 14.

In the proposal's new habiliments it is making its debut under the sponsorship and approval of generous Uncle Sam. In view of the numerous reports which the people of the United States have received in recent months and which inform us of the Moscowian doctrines which appear to be engulfing Mexico and its institutions, our people can well afford to watch with increasing interest and understanding this implement which is being so largely created in response to the pressure of Mexico's monetary experts and political philosophy. Frankly speaking, we can go directly to the heart of the proposition by asking: Does Mexico now propose to have its philosophy of government and economics financed by the United States, or at least by a formulated number of the other American republics, and all under the aggressive leadership and participation of the United States?

We may properly ask another question: Has the administration, operating through the State Department, in effect endorsed, and is it now about to ratify and finance this grandiose Mexican plan and all in the face of the fact that Mexico has, in our language, stolen more American property from our citizens than any other country in the history of our Nation? American citizens have gone into the Latin American countries to the south of us where they have invested their private savings in agricultural and industrial activities.

While Mexico has for years promoted the creation of such a financial institution for the alleged purpose of facilitating the establishment of new industries and to make possible the use of silver as one of the mediums for international payments, it has at the same time driven out of Mexico many American citizens who had gone there, established their homes, built their enterprise, but who since have been forced, under the whip of Mexican officials, to return to the United States penniless and destitute and without compensation under due process of law for their private properties taken away from them by a ruthless Mexican Government. Will Congress, by the signing of a convention by a representative of our State Department, be committed to a program of financial aid and sustenance of a country which has so treated our nationals and all without any compensation to them?

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. VOORHIS of California. I would like to ask the gentleman a couple of questions. In the first place, does the gentleman understand that this bank can be set up unless Congress grants it a charter or does Congress have anything to do with that matter?

Mr. CRAWFORD. I have been unable to clear in my own mind the answer to that question because of what happened in connection with our silver arrangements made in 1933, wherein the convention or the arrangements were, I believe, perfected without action on the part of the Congress. The situation, as best I am informed at the present time, is that Congress will have to act and grant a charter to the bank.

Mr. VOORHIS of California. If the gentleman will permit one more question, what does the gentleman understand it to mean when it says that metal stocks of the various nations shall be available to this bank on at least as favorable terms as to their own governments?

Mr. CRAWFORD. In going through the press history of this undertaking back for several years, I have traced it back for some 10 or 12 years, and you could even go back to the nineties; it appears that the project will be so organized that these countries can actually deposit in this bank their gold and silver reserves, and that these reserves can then be used as a basis for expanding credit to facilitate the operations of the countries in question.

Mr. VOORHIS of California. Does the gentleman think they could be used by the banks exactly as the nation that deposited there would use it?

Mr. CRAWFORD. No; I think it will all be woven into the central-bank structures of the nations participating, but this whole proposition is in the embryonic stage. I think many people are giving very serious and conscientious consideration to its short-term and long-term powers and possibilities, and out of all of it we may find something good; but it is well for us to consider these different approaches, and here I am simply throwing in a few comments in connection with the Mexican silver approach.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, previously I obtained from the House consent to include in my remarks the following data, which I now present:

BRIEF PRESS HISTORY OF UNDERTAKING

Examination of documentary material relating to the proposed inter-American bank leads to the conclusion that the bank proposal is a Mexican scheme. It also leads to the conclusion that, in addition to making such a bank a channel for expending American capital in Latin America, a major motive of Mexico's in seeking the bank has been the hope that the bank may constitute the means for perpetuating the subsidy to Mexico which the purchase of foreign silver by the United States initiated.

The Treasury's activities on behalf of foreign silver date from the signing of the London silver agreement by Senator KEY PITTMAN in July 1933. Later that same year a Pan American Conference was held at Montevideo, Uruguay. There Mexico pressed for a 6- to 10-year moratorium on all public and private debt; at the same time for the establishment of a pan-American bank. Thus, on December 4, 1933, the Associated Press reported from Montevideo as follows:

"URGE PAN-AMERICAN BANKING

"MONTEVIDEO, December 4.—A proposal for an inter-American system of money and banking was made to the Seventh Pan American Conference today by Dr. José M. Puig Casauranc, Foreign Minister of Mexico.

"The Mexican diplomat suggested that a central banking house be established which would have supervision over a series of central

banks. At the same time he advocated the establishment of a pan-American currency, backed in part by silver, and established on the basis of commodity price levels.

"He also revealed the intention of Mexico to sponsor a 6- to 10-year all-American moratorium on public and private debts." (New York Times, December 5, 1933.)

A few years ago Dr. Antonio Espinosa de los Monteros, who last November represented Mexico at the Guatemala "meeting of American treasuries," made the following statements, which threw light on previous events (Banco Nacional de Mexico, Review of the Economic Situation of Mexico, December 1935–January 1936, p. 8):

"It is of utmost importance that we make all possible efforts to consolidate the position of silver and that we succeed in making it form part of the reserves of the central banks. Ever since the Pan American Conference was held in Montevideo I have not ceased my efforts to demonstrate that all that is done in favor of silver will be useless until the interested nations reach an agreement making it possible to use the white metal, not so much as a circulating medium or reserve of the internal circulation, but as an integral part of the reserves of the central banks for the liquidation of international balances. * * *

"Mexico must sponsor an agreement between the nations interested in the fate of silver in order to make possible its use for the settlement of international balances." (At Montevideo in 1933 Dr. Espinosa de los Monteros was technical adviser to the Mexican delegation.)

Mexico's interest in the creation of an inter-American bank again was made quite clear at the Panama Conference, September 23 to October 3, 1939. This was a conference of ministers of foreign affairs of the American republics convened by the Government of Panama.

THE PANAMA CONFERENCE

The work of the Panama Conference was divided among three committees, one of which, committee III, was devoted to economic cooperation. Its membership consisted of representatives of six countries, including Dr. Antonio Espinosa de los Monteros. (Under the caption "The Silver Situation," the Banco Nacional de Mexico in its Review of the Economic Situation of Mexico, issue of December 1935–January 1936, published an article by the Mexican economist, Dr. Antonio Espinosa de los Monteros, who spent some time in the United States as an observer, presumably of Mexico's silver interests in Washington. In that article Dr. Espinosa de los Monteros explained the determination of the Roosevelt administration to deal directly with silver-selling countries as an effort on Mr. Roosevelt's part to obtain equivalent concessions to the United States. But, this Mexican economist and observer sagely remarked: "We feel sure that our Government will be careful not to make concessions out of proportion with those made to us.")

To this committee at Panama were referred more than two score economic projects, proposed by various countries. (The information in this paragraph is taken from the Pan American Union's Congress and Conference Series No. 29, especially pp. 6–7.) It was as a result of the recommendations of Committee III that there was ultimately set up, in Washington, the Inter-American Financial and Economic Advisory Committee, which latter committee in turn worked out the charter and bylaws of an inter-American bank.

Among the 23 economic proposals or projects which were submitted to committee III at Panama, the fifth was a Mexican project for the creation of an inter-American financial institution. The purpose of such an institution, according to the Mexican scheme, "would be to make possible and assure permanent cooperation between the central banks of the American republics."

Among its proposed activities would be: (a) The facilitation of the settlement of international balances, (b) the avoidance of sharp and frequent fluctuations in the relative values of the different American currencies, and (c) aiding the movement of capital between the American nations. The Mexican proposal further suggested that, at the then-forthcoming meeting of American treasuries at Guatemala City, detailed proposals for such a bank should be presented.

A separate Mexican idea presented at Panama asked the "normally creditor nations" to establish as soon as possible permanent and stable bases for the acceptance of silver in liquidation of inter-American trade balances.

It is therefore not surprising to find that the resolution on economic cooperation submitted to the Panama conference by committee III and adopted by the conference on October 3, 1939, recommended establishment of an inter-American financial and economic advisory committee among whose duties would be: To study the creation of an inter-American financial institution and "to study the possibilitiy that silver be also one of the mediums for international payments."

THE GUATEMALA MEETING

The first meeting of finance ministers of the American republics convened at Guatemala City on November 14, 1939, as an outcome of the resolution passed at the eighth international conference of American states at Lima in 1938. At its closing session on November 21 the finance ministers' meeting resolved, "That the Pan American Union undertake * * * to present to the American governments a draft proposal for the establishment of an inter-American exchange system to facilitate in accordance with sound principles the regularization and availability of foreign exchange as between all the nations of America. (Bulletin of the Pan American Union, February 1940, p. 67.)

The Guatemala meeting also recommended that "the necessary capital be invested for the promotion of the agricultural and industrial development of the various countries in this hemisphere." It recommended study by the inter-American committee in Washington of the proposal to set up a Pan American bank.

On November 15, 1939, the Havas News Agency reported from Guatemala City as follows (see Washington (D. C.) Times-Herald of November 16, 1939, for full text of the Havas report):

"A Mexican plan for an inter-American 'central bank' with United States support emerged tonight as the probable key proposal to be placed before the conference of American Treasury representatives here. * * *

"The proposal for an inter-American bank was made by Eduardo Villasenor, Mexican Finance Under Secretary, before the committee on banking policy.

"Today the banking policy committee met in joint session with the committee on monetary policy to discuss the scheme. The third committee, on exchange, is also expected to discuss the subject, thus placing the proposal before all the delegates.

"The banking committee tonight decided to recommend to the conference that the central-bank proposal be sent to Washington for consideration by the pan-American committee of economic experts now meeting there.

"Villasenor's proposition is based on a plan put forward at the 1933 Pan American Conference at Montevideo. It has one new element, however—granting of long-term credits to Latin American nations.

"The Mexican proposal calls for creation of a bank through the cooperation of the central banks of all the American nations."

That Mexico was the prime mover in the adoption at Guatemala of the resolution regarding a bank is a conclusion supported by the official bulletin of the meeting. (Cf. Boletin de la Reunion de los Ministros de Hacienda de las Republicas Americanas, Numero 6, Guatemala, 20 de Noviembre, Año 1939, pp. 93–95.) The November 20 bulletin reported that the meeting's banking commission considered the Mexican proposal concerning establishment of a "Pan American financial institution."

As its "main point," states the official Bulletin, Mexico submitted the proposition that, "with the object of obtaining and guaranteeing the economic stability of the American republics and their future development, it is necessary to take immediate steps to assure, as soon as possible, the establishment of a Pan American financial institution, with the cooperation of the central banks of all of the countries." The Bulletin then gave a six-point list of functions of the Mexican-proposed bank, as follows (see Boletin, op. cit., p. 94):

(a) To act as an international foreign-exchange clearing house, thus reducing to a minimum international bullion movements.

(b) To represent the several American central banks in the international capital market.

(c) To aid the associated central banks to stabilize their respective currencies internally as well as externally.

(d) To systematically study commercial and exchange problems, etc., of mutual interest.

(e) To receive silver as well as gold from any country in settlement of international debit balances in the ratios and at the prices judged convenient, provided the proposed institution has first made an agreement on this point with the United States Government.

(f) Act as a channel for capital invested to promote the economic development of the different American countries.

It is interesting to note the coolness with which the above proposal of Mexico's was received by other members of the banking commission. According to the official bulletin of the meeting (pp. 94–95): "The Argentine delegation did not show itself in accord with the Mexican delegation's proposal, principally because it treated of a new theme immediately related to the problem of bimetallism, which, in its (the Argentine delegation's) judgment, should be studied by a competent technical body. The Brazilian delegate proposed that the matter be brought to the attention of the economic and financial advisory committee at Washingon, given the magnitude of the theme and the nature of the functions of that body."

The Haitian delegation took a view similar to the Brazilian, while the Salvadorean delegation, although in sympathy with the Mexican proposal, was not in accord with the bases for its establishment set forth by the Mexicans. Finally, it was decided to refer the matter to the Inter-American Financial and Economic Advisory Committee in Washington, and a resolution was passed calling on the latter committee to study the project and work out details.

PRESENT STATUS

At present the inter-American bank proposal is under consideration by the American republics. It was the object of its proponents to secure the reactions of the 21 governments during March so that the bank may come into being on the fiftieth anniversary of the Pan American Union, April 14, 1940.

The draft convention (to which the bank's charter is annexed) must be accepted by 5 governments having acquired a total of 145 shares of stock. The convention in its first article states that: "The United States of America also agrees to grant to the bank a charter substantially in accordance with the proposed charter annexed hereto."

If the executive branch of our Government accepts the convention without Senate ratification it will amount to the executive branch committing the Congress of the United States to the issuance of a charter for such an international bank. The London silver

agreement is an example of Executive ratification of an international agreement.

By reason of the agreement the United States undertook to do a great deal for the world's sellers of silver (Mexico being the largest producer), with virtually no corresponding contribution from any of the beneficiaries of the agreement. Now another Mexican finance scheme is being hatched whereby the United States will be expected to be the goat as in the case of silver.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, by direction of a member of the committee, I yield 15 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I wish to commend most heartily the action of the Appropriations Committee in cutting down this bill approximately $112,000,000. I find, however, that there is included in this bill, on page 30, lines 3 and 4, an item for $1,000,000 to acquire an additional 52,000 acres for Fort Knox. As I recall, they have now approximately 40,000 acres. The 52,000 acres is estimated to cost $1,640,000. The amount appropriated in this bill will be part payment of this sum.

Our colleague the gentleman from Kentucky [Mr. CREAL], of the Fourth District, in which Fort Knox is located, is opposed to this item. This item was not recommended by the Bureau of the Budget or by the President. The gentleman from Kentucky [Mr. CREAL] has pointed out to me that this will take up perhaps 25 or 30 percent of the acreage of Meade County, many churches, schools, villages, highways, nearly 500 farms, the R. E. A. electric lines, and cut off the people of other parts of Meade County and other sections from the bridge or bridges on the Ohio River. No hearings were held on this item and, so far as I can see, no one has appeared and justified the acquisition of this large acreage and the expenditure of this large sum of money.

Meade County has a bonded indebtedness of $136,000. The taking of this land will mean a loss of revenue to that county of $18,750 annually. This acreage will also wipe out two villages and will cut off the connection of the people of other sections of Meade County with Louisville. The acquisition of this 52,000 acres and the disruption of the economic and social life of that section should be undertaken only after hearings are held and the Government and the citizens have an opportunity to be heard. Why jump into this matter blindly?

If this appropriation is necessary and did not result in great detriment to the people of that section, I am sure our colleague the gentleman from Kentucky [Mr. CREAL] and I would favor it. The gentleman from Kentucky [Mr. CREAL] or myself will introduce an amendment to strike this item from the bill.

GET RID OF COMMUNISTS AND ALIENS

I strongly favor a committee amendment to this bill to eliminate alien workers and Communists on the Panama Canal and Panama Railroad. Our colleague the gentleman from Wisconsin [Mr. KEEFE] gave us some very interesting information in his speech yesterday on the floor of the House about Communists employed on our ships and at the Panama Canal.

More than 2 years ago the American Federation of Labor at its national convention called to the attention of the country and the Congress that there were about 13,000 persons employed by the United States Government on the Panama Canal and Railroad and that 10,000 of these were aliens, and 3,000 of the 10,000 were skilled workers from various countries in Europe.

For us the Panama Canal is the crossroads of the world and is one of the very important units in our national defense; yet we have 3,000 skilled alien workers there in charge of the maintenance and operation of the complicated and delicate machinery of this great Canal. Why should this be in the hands of aliens from European countries? No doubt many of them come from nations that are unfriendly to our country, and I do not doubt that among these are some Communists. How easy it would be for some of them to render useless in almost the twinkling of an eye this Canal so that our warships and other ships could not pass from the Atlantic to the Pacific or from the Pacific to the Atlantic.

We have invested more than $500,000,000 in this great undertaking. I am very happy to support the amendment of the committee to eliminate all of these alien skilled workers. However, we still have 7,000 or more of unskilled alien workers there and we are adding new workers in great numbers every day. Loyal American citizens only should be placed on guard of this great key unit of our national defense. We are spending millions to strengthen the Nation's defenses there. We have millions of unemployed loyal American citizens. Why place aliens in charge?

BILLIONS FOR WAR—ONLY MILLIONS FOR PEACE

Mr. Chairman and colleagues, I strongly favor adequate national defense in the way of ships, men, submarines, airplanes, and other equipment. The Republican Party has always stood 100 percent for adequate national defense, but in the last 2 years, and especially during this year, we have heard nothing but war, war, and the preparation for war, and our people have been held in constant alarm about the likelihood of our being involved in some European, Asiatic, or African war, and we have neglected to solve our great domestic problems.

Our interests lie on this side of the Atlantic and Pacific, and not in Europe, Asia, or Africa. Who can, with consistency, entertain the thought that we are threatened with attack from France, or England, or Germany, or any other country? These European nations have their hands full, and when they get through with warring among themselves, they will be too much exhausted to travel three or four thousand miles to attack the United States. There is no reason for this country to get into a foreign war unless we want to butt into it. What nation in Europe desires to take on the United States as an active war enemy, in addition to the nations with which they are now at war? Germany made that mistake in 1916, 1917, and 1918, but no other country will make it again. Congress will keep this Nation out of foreign wars.

If there is any threat to us from any foreign nation, it is Japan. This administration has added to that threat. Ever since the ruthless and unwarranted conquest of China began 2 or 3 years ago we have been furnishing to Japan 60 percent of her war materials. And for what? She has destroyed the cities of China, our friend, and murdered 4,000,000 Chinese citizens, 2,000,000 of whom were women, children, and old men—noncombatants. All the time we have been helping to destroy and weaken our friend in the Far East and building up the power of that great potential enemy of the United States—Japan. Military experts agree that Japan could not have overrun China but for the war supplies furnished to her by the United States.

After building up this great potential enemy of the United States, then the administration comes along and asks for billions of dollars to enlarge our Navy and Army to meet this potential enemy.

UNEMPLOYMENT THE GREATEST PROBLEM AND THREAT

Can anyone recall where any great nation was ever destroyed by forces without? They have always fallen by reason of conditions and enemies from within. The great threat to our peace and security is within our own borders.

The report of the C. I. O. recently stated that there were approximately 11,500,000 unemployed industrial workers in America. The A. F. of L. fixes the number at 10,500,000. The Department of Labor reports show that unemployment increased 1,161,000 in January 1940 over December 1939; and recent reports show that unemployment increased more than 250,000 in January, and the prospects are that business is further declining and unemployment will continue to increase.

I have heard some of our New Deal colleagues say on the floor of the House that there are 11,000,000 unemployed industrial workers in this country. Here is the real threat—11,000,000 workers without jobs to provide shelter, food, and clothing, and educational opportunities for themselves and their families. Next to this are the big deficits and debts created by this administration.

Many of these unemployed are without hope and their lives are filled with grief, disappointment, and sorrow. Although

most of them are loyal American citizens, this is a fertile field for the plausible but false remedies offered by communism and other subversive groups in this country. We must get rid of these subversive groups, these alien enemies, and provide jobs for our people. The greatest tragedy of it all is that there are 4,000,000 young people under the age of 24 years, 2,000,000 of whom are graduates of high schools, colleges, or universities, who have never yet had a regular job. If they are to continue to have faith in our Government and our institutions, we must find real work for their minds and their hands, real jobs with real American wages and salaries.

THE NEW DEAL ADMINISTRATION HAS FAILED

For many years businessmen, professional men, farmers, other groups, and the Republican Party have pointed out that the New Deal policies could not and would not solve our problems and in the end the Nation and the people would find themselves in worse condition than they were in on March 4, 1933. Our New Deal friends said that these criticisms came from those who were unfriendly to the New Deal.

The American Federation of Labor, headed by William Green, and the Congress of Industrial Organizations, headed by John L. Lewis, through the years were ardent, loyal, and consistent friends of the President and his administration. The United Mine Workers provided nearly $500,000 to the campaign fund of President Roosevelt in 1936. Mr. Lewis rallied the three or four millions persons in his C. I. O. to the support of the President and his party. President William Green of the American Federation of Labor and his organization were very active in support of the President in his first race and in his last race. The President has never had more loyal or devoted friends than these great organizations and their leaders. Now let us see what they have to say.

I am reading to you from a statement issued by the executive council of the American Federation of Labor, at Miami, Fla., on January 31, 1940, which is as follows:

> Unemployment still is the most acute domestic problem of the Nation. No orderly and intelligent effort has yet been made to determine the facts with regard to its causes, its extent, its cure. As a nation we have not hesitated to spend billions for the relief of those who are unemployed, but we have neglected to take the necessary steps to reduce and end unemployment.
>
> At this time there are not enough jobs in private industry to go around. This is largely due, in our opinion, to the fact that lack of confidence has stunted business growth and expansion. We demand that those in authority take whatever steps may be necessary to restore business confidence.
>
> We urge that all Government actions that tend unnecessarily to discourage business expansion cease and that a positive effort be made to encourage greater industrial activity. We have learned the lesson that when opportunities for profit diminish, opportunities for jobs likewise disappear.

What does the great American Federation of Labor executive council say—

> Unemployment is still the most acute domestic problem of the Nation. No orderly and intelligent effort has yet been made to determine the facts with regard to its causes, its extent, its cure.

Yes; unemployment is the biggest problem of the Nation, and unfortunately no orderly or intelligent effort has been made by the New Deal to solve it. The dole is not the solution.

What reason does the executive council give for this condition of unemployment?—

> This is largely due, in our opinion, to the fact that lack of confidence has stunted business growth and expansion.

What does the council demand?—

> We demand that those in authority take whatever steps may be necessary to restore business confidence.

And—

> We urge that all Government actions that tend unnecessarily to discourage business expansion cease and that a positive effort be made to encourage greater industrial activity. We have learned the lesson that when opportunities for profit diminish, opportunities for jobs likewise disappear.

Yes, they say there is a lack of confidence and they demand that those in authority take steps to restore business confidence. This statement admits that business has been discouraged. They insist that actions that tend to discourage business should cease and that business should be encouraged to go ahead. They insist that if we take away the profit incentive, the jobs disappear. In other words, those who have money must believe there is a chance to earn some profits and that the Government will not so restrict them or compete with them and lay such heavy taxes as will augur against success.

I desire to read to you the statement of John L. Lewis, Chairman of the C. I. O., at the United Mine Workers of America convention at Columbus, Ohio, January 24, 1940:

> As the current year opens, the Democratic Party is in default to the American people. After 7 years of power, it finds itself without solution for the major questions of unemployment, low national income, mounting internal debt, increasing direct and consumer taxation, and restricted foreign markets. There still exists the same national unhappiness that it faced 7 years ago. Labor and the people are losing confidence. They fear for the future, and rightly so.

What does Mr. Lewis, the ardent friend and supporter of the President and the New Deal, say after 7 years of trial:

> The Democratic Party is in default to the American people. After 7 years of power it finds itself without solution for the major questions of unemployment, low national income, mounting internal debt, increasing direct and consumer taxation, and restricted foreign markets.

No; the administration has not solved the unemployment problem. There are more people unemployed now than when Mr. Roosevelt was first elected. We still have a low national income. Our national debt has been increased from twenty-one billion so that with the appropriations made this Congress it will have exceeded the debt of $45,000,000,000 by the end of the next fiscal year, beginning July 1, 1940, according to the statement of the President himself and according to the records of the Treasury Department.

Yes; there has been a great increase in direct and consumer taxes on the American people. The Federal Government, in the last year that Hoover was in, collected $1,800,000,000 in revenues. For 1939 the Federal Government collected approximately $6,000,000,000, an increase of over 200 percent in 7 years.

The reciprocal-trade agreements that labor has opposed, and I understand still opposes, and which are likewise opposed by the farmers generally, made it possible to bring in $4,000,000,000 of farm products in direct competition with the American farmers and in the 7 years to bring in billions of dollars of manufactured and processed goods in competition with the American workers.

It is little wonder that Mr. Lewis concluded his statement with these words:

> There still exists the same national unhappiness that it faced 7 years ago. Labor and the people are losing confidence. They fear for the future, and rightly so.

Mr. Lewis and Mr. Green, together representing approximately 8,000,000 union workers, while differing on other subjects agree on one thing—that the New Deal administration has failed. Unemployment, taxes, Federal deficits, and debts are on the increase after 7 years. These and other great related problems remain unsolved; and when the President and his New Deal friends cry "War! war! war across the seas," are they not trying to turn the minds of the American people from the failures they have made and the hopelessness that confronts them after 7 years of the New Deal?

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. Yes.

Mr. BENDER. The gentleman is making a very fine speech. Is it not a fact that over $60,000,000 worth of silk hose worn by women in this country came in from Japan?

Mr. ROBSION of Kentucky. Yes; under the reciprocal-trade agreements of Mr. Hull and this administration. Before the reciprocal-trade agreements were entered into by our Nation with Japan we received 300,000 yards of textiles from Japan annually. After we entered into the reciprocal-trade agreement with Japan there was a jump to 30,000,000 yards of textiles from Japan annually, and since the reciprocal-trade agreement has been in effect we have received great quantities of manufactured and processed goods from other nations, and, as I pointed out, there have been brought into

this country $4,000,000,000 worth of agricultural products in direct competition with American farmers. These reciprocal-trade agreements are helping to increase unemployment in this country, and for these and other reasons I am still, and I have always been, unalterably opposed to the reciprocal-trade agreements.

Our distinguished Secretary of State never did believe in the protective tariff. He urges that the trade barriers between this Nation and other nations be broken down and removed. When we do this, it places American workers, farmers, and American industry on the same level with the farmers, workers, and industry of Japan, China, Mexico, and other countries employing peon labor, child labor, with long hours, poor working conditions, and sweatshop wages. It is little wonder that the farmers and workers of this country are opposed to the reciprocal-trade agreements.

Mr. ROUTZOHN. I just want to ask one question: Will buying silk stockings from Japan guarantee peace with Japan?

Mr. ROBSION of Kentucky. One of the main reasons urged for the reciprocal-trade agreements by Mr. Hull and the administration is that it promotes peace among nations. We know how well Japan has kept the peace since we made the reciprocal-trade agreement with her. She has carried on the most ruthless and cruel conquest in China in all the history of the world. She has bombed, burned, and destroyed the great cities of China, wrecked their industrial plants, and murdered four million of her citizens, one-half of whom as I have said, were women, children, or old men.

TAXING, BORROWING, SQUANDERING

Mr. Roosevelt said in his speech at Pittsburgh, Pa., on October 19, 1932, in criticizing the Hoover spending:

> The most reckless and extravagant pace I have ever been able to discover in the statistical record of any peacetime government anywhere, anytime.

And he further said:

> We find that the expenditure for the business of Government in 1931 was $3,168,000,000.

We were then in a depression. Mr. Roosevelt in his first message to Congress on March 10, 1933, said that we were on our road to bankruptcy because we had had 3 consecutive years of deficits amounting in the aggregate to about $4,000,000,000. If the Congress follows the President's recommendation for the fiscal year beginning July 1, 1940, his administration will have had appropriated by Congress for the 8 years approximately $75,000,000,000, and with at least $25,000,000,000 of deficits, with the national debt pushed beyond its limit of $45,000,000,000, and we then will have had not 3 but 11 consecutive years of deficits.

In all the administrations of all of the Presidents from George Washington, beginning April 30, 1789, including Herbert Hoover, March 4, 1933, a period of 144 years, there were appropriated approximately $66,000,000,000, but with these $66,000,000,000 we carried on all the activities of our Government. We paid off the debt of the Revolution and fought all of our wars, including the World War, we built the Panama Canal, made the Louisiana Purchase, bought Florida, made the Gadsden Purchase, bought Alaska, the Philippine Islands, and Puerto Rico, and we spent billions improving our rivers, harbors, and our highways and in developing this Nation.

The New Deal has operated upon the theory that this Government can tax and squander and borrow and spend the people of this country into prosperity, and that we can destroy our crops and our stock, and by scarcity bring about good times, and that we can regiment labor, agriculture, and industry, and place the activities of 130,000,000 American people under the control of bureaucrats here in Washington and restore confidence and good times. Labor, the farmers, and industry now can see clearly that such New Deal policies have failed, and it is clear now how the American Federation of Labor and the C. I. O. can say that the Democratic Party is in default to the American people. The great problem of unemployment has not been solved, and there is a lack of confidence among the people.

The President in his recent message to Congress told the Congress that even though the Congress should stay within the Budget, Congress must make provisions for $460,000,000 of new taxes, or we would go beyond the debt limit of $45,000,000,000 by the end of his administration, that is, the fiscal year beginning July 1, 1940. Notwithstanding this warning, it looks now as if the President's budget will be exceeded, and the Democrats are not taking any steps to raise these taxes to meet these appropriations as urged by the President, and therefore this country will be in the position of exceeding its legal debt limit and cause increased uneasiness and lack of confidence.

Our New Deal friends act to me as if they expect to turn the whole thing over to the Republicans next January. The Treasury and the country will be stripped. Are they taking the attitude recorded in history wherein Mme. Pompadour, a favorite of King Louis XV of France, when his reign of shameful waste, oppression, exorbitant taxes, and broken-down confidence was about to come to a close, said to her king, "After us, Louis, the deluge."

You New Deal Democrats know that you are going to exceed the debt limit of $45,000,000,000. You know you are not going to provide any additional taxes to meet it. Let the Republicans clean up the wreckage. The Republican Party has met and solved every crisis that has ever arisen in this Nation beginning in 1861, and if entrusted by the American people with the control of this Government, confidence will be restored, business will be encouraged, pay rolls will take the place of relief rolls, common sense, honesty, and industry will again be considered as desirable traits, the youth of our land will again have opportunities, and American markets will be restored to American labor, farmers, and industry. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. THORKELSON].

Mr. THORKELSON. Mr. Chairman, I want to speak in behalf of a group of forgotten men and women whom I do not believe anyone will deny are real Americans. These people have been very considerate and patient with us, as they have received little consideration for the losses which they have sustained by our invasion of their domain.

At one time these people roamed the prairies of this great land, independent and free, unhampered by laws, regulations, and other political trappings so destructive to free government. They were a healthy people, free from those diseases which go hand in hand with civilization, and as I compare their lot today with the privileges extended to those who stream into our ports from foreign countries, my heart goes out to the North American Indians.

I do not believe there is a nation or a people that has been exploited more and received less consideration than these original Americans, for they have been treated as foreigners, and a foreign nation, within this great North American Continent, which was formerly their home. They have been pushed back from the open spaces of their own domain, and impounded in places comparable to concentration camps. In these enclosures, they have been left to shift for themselves, under the domination and rule of masters appointed by those who deprived them of their country, their homes, their liberties and rights.

Would anyone say that they have been treated justly, or even with the same courtesy and consideration as the most unwelcome visitor to our shores? I think not, for they are ruled, regulated, and dominated by the Interior Department, the Indian Department, and reservation departments, until they may as well be, as I have already said, in an actual concentration camp.

In spite of such handicaps, many of them are very well educated and fill important positions in professions, in business, and still retain an inherent sense of justice which, I may say, it would be well for us to emulate. This shows that they are indeed well adapted to look after themselves, as they are unquestionably loyal to our Republic, and I am sure will, if relieved from bondage, develop as is their right into useful, self-supporting citizens, and as such contribute to the general welfare of the United States. Their loyalty is clearly revealed

in the vain efforts which have been made by them to induce Congress to lend its help for the removal of radicals and teachers of communism who have, under the sanction of the Interior Department, unfortunately infiltrated among the Indian tribes.

With this in mind, I last year introduced an amendment to the Constitution to delete the words in article I, section 8, paragraph 3, "and with the Indian tribes." The same resolution has now been introduced in the Senate, and I shall ask the Judiciary Committee to give this resolution due consideration and report it out of the committee so that it may be discussed on the floor of the House. This, in my opinion, is not only an act of justice but it is the simplest manner in which the inherent rights of the Indian may be restored to him, and inasmuch as it is a part of the Constitution it must be amended according to article V.

I shall now quote article I, section 8, paragraph 3:

> Congress shall have the power to regulate commerce with foreign nations, among the several States, and with the Indian tribes.

And let me add, for the common defense and for the general welfare of the United States.

It is in this language, Mr. Chairman, that this paragraph should be understood. I say, therefore, that it is not for the common defense and certainly not for the welfare of our Nation to treat the original Americans as a foreign people and a foreign nation within our own borders.

I can readily see why the phrase "and with the Indian tribes" was incorporated in the Constitution, for the Indians, being led by the British, often engaged in unprovoked attacks upon the early settlers, but I am quite certain could they speak today they would make the same request that I now make, that this Government restore citizenship rights to the Indians.

The condition that now exists is not for the general welfare of the Indian, because he is actually denied the right to make a living for himself and his family on the same basis as other citizens. No self-respecting people can develop into useful citizens when treated like slaves or prisoners, and it is in that position the "noble red man" finds himself today. He cannot engage in business without supervision. He cannot engage in any independent activities without being regulated and restricted by his overseers. Will anyone say that that is twentieth-century justice? Is it an act of justice on our part to condemn these loyal subjects into perpetual subordination, restriction, or imprisonment on the parcels of land which have been allotted to them?

Mr. Chairman, let us now look at this situation from a purely mercenary standpoint. The administration of Indian departments, Indian bureaus, Indian supervisors, and other white medicine men, has cost the taxpayers of the United States millions and millions of dollars, all of which could have been saved had we been fair enough to restore full citizenship and equality to these original Americans. These departments that regulate the Indians are purely political and have been used by the politicians as headquarters to exploit the Indian and divide his possessions. No one has benefited from this except grafting politicians, and, Mr. Chairman, do you not think it is time that we cast this obnoxious parasitical group adrift? I believe our people are beginning to realize the evil of political parties and of control by those who, in order to hold their possessions, engage in partition of the Nation's wealth. It is this same group that when placed in charge of our Government engages in mass legislation and squandering of the Nation's resources without giving the slightest consideration to the fact that such laws deprive the people of their liberties and rights, and that unwarrantable squandering of money leaves us in dire poverty.

Mr. Chairman, it is that picture which confronts us today, and the most vivid example of such laws is that of the Indian himself, who is by law bound within a small confine under the guardianship of people frequently morally inferior to himself, overseers with little sense of justice or responsibility, who because of their position exploit those they should protect.

Congress is responsible for this and should now shoulder that responsibility and set the Indian free, for he is not only equal but actually superior to many of those now enjoying free entry into the United States. The Indian is a much more loyal American than many of those who have been provided by the administration to administrate his affairs, for he objects to communism and he does believe in the fundamental principles of this Republic. He asks for the same rights that we declared were ours in the Declaration of Independence.

We shout about justice, fairness, and equal rights, and we pride ourselves on good sportsmanship. I say let us now live up to our words and be good enough sports to give the Indian an opportunity to enjoy those rights of which he should never have been deprived, and for which the founders of this Nation fought, to establish a republic directed and ruled by the people so that all could secure the blessings of liberty to themselves and to their posterity.

The quickest and the surest way to give the Indian his rights is to adopt an amendment to the Constitution, deleting the words, "and with the Indian tribes." This will cut the Gordian knot that has tied the American Indian to the apron strings of the many bureaus and departments, legislation and appropriations for which are constantly drawing fire on the floor of the House. So I say, looking at it from a purely mercenary viewpoint, this should have the unanimous approval of the taxpayers of the United States; and, looking at it from the point of justice, no one can deny that the Indian is entitled to the status of an American citizen.

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, let me take up where the gentleman from Kentucky left off. He quoted the statement of Louis XIV, who said, "After us the deluge." Frankly, I am a little concerned about that deluge, because we are doing some things that may aggravate the size of the deluge and, incidentally, hasten its coming. I have particular reference to the gold policy of this country.

How interesting it is to jump on the transport of fancy and project our minds, if we can, to a hot July day in 1896, when a 36-year-old midwesterner stood before the Democratic National Convention in Chicago and made there a speech which has come down the corridors of time as the cross of gold speech. I quote from that celebrated ringing challenge of William Jennings Bryan a portion of the last paragraph:

> Having behind us the producing masses of this Nation and the world, supported by the commercial interests, the laboring interests, and the toilers everywhere, we will answer their demand for a gold standard by saying to them: "You shall not press down upon the brow of labor this crown of thorns, you shall not crucify mankind upon a cross of gold."

That will be 44 years ago on July 7, 1940. Forty-four years later the Democratic Party, the party of William Jennings Bryan, is found engaged in crucifying mankind not only upon a cross of gold but upon a cross of silver as well. It seems rather unreal when we look back over the period of two generations that the very thing which Bryan dreaded is the thing which his own party has imposed upon this country and, for that matter, upon the world.

In 1929 we had substantially one-third of the world's gold supply. Then came the money doctors, then came the professorial experts, then came the economic and monetary authorities; and they began to preach the doctrine of making the dollar cheaper that prices might go up, squeezing a bit of the gold content from the dollar that foreign trade might be stimulated. There was Dr. Berle, there was Dr. Warren, there were all the other authorities who finally persuaded the administration to tinker with the gold standard, persuaded the administration to make it a crime for a citizen of this country to have in his possession gold in excess of $100, persuaded the administration to take gold out of circulation as a medium of exchange, and use it only in bullion form for the settlement of international balances. Yes; we impounded gold.

And then the result in 1940; and to make sure that it is documented, here is the Treasury statement which came to my desk this morning, dated March 30, 1940. We have on hand 526,650,660 ounces of gold, the value of which is $18,432,773,000. So, 44 years after Bryan was talking about the crucifixion of our people upon a cross of gold, this admin-

istration has been assiduously crucifying them upon a cross of gold which today contains more than 17,000 tons, representing about 70 percent of the world's gold supply and valued in excess of $18,000,000,000.

That is not the whole story. The hoard is growing every day. It is growing every week. This cross is getting larger.

This morning's Washington Post reports under this headline on the financial page, "Canadian gold pours into United States for war goods," the following:

> The Commerce Department said yesterday that $231,237,068 worth of gold came into the United States in the week ended March 27, the largest amount since weekly compilations were begun in 1934.

Yes, our cross of gold is soon going to contain much more than 17,000 tons, and it is on the way to $20,000,000,000 in value. Yet our citizens find it criminal if they own gold. We cannot lend it to the nations who are indebted to us as a result of the last war. We cannot lend it to those who are engaged in controversy on the other side of the ocean, because that is interdicted by the Neutrality Act. Its use becomes restricted in the arts because the price is $35 an ounce as compared to $20.67 before gold was devalued.

In addition we have to spend money to transport this gold around the country. Pending before us is the War Department appropriation bill. They contemplate expanding Fort Knox in Kentucky from 31,000 acres to approximately 51,000 acres. We have two or three regiments of cavalry and artillery there, and we are going to add more. That is where our gold is buried today.

What a paradox! A miner digs into the mountains in Wyoming, in Colorado, in Nevada, in Alaska, in California, in Hawaii, and brings gold from out of the bowels of the earth. Human endeavor is addressed to that gold so that it is refined, assayed, and valued; and then it is transported across the country at tremendous expense and buried in the ground again in Kentucky. So far as I am able to ascertain, the cost of transporting this gold to Fort Knox has been about $1,078,000.

There are certain things I believe we are sure about in connection with gold. The first one is that it is not going to flow out of the country. The second is that it is going to continue to flow in. The third is based upon the tragic and fruitless experiences of the money doctors in the Federal Reserve Board and the Treasury that the desterilizing and the unsterilizing processes whereby it might not be reflected in the excess reserves of the country have proven entirely abortive. Of that we can be sure. So we have on our doorstep today a tremendous problem which indicates breakers ahead, and they may not be so far ahead. When the gentleman from Kentucky spoke of that historic statement, "After us the deluge," it may become more than an academic exclamation.

Here are some things that are certain about the gold that comes into the country. Every time an ounce of gold comes into the country it adds $35 to our deposits. Every time an ounce of gold comes into the country, it adds $35 to the excess reserves of the country. Every time an ounce of gold comes into the country, it emphasizes the fact that interest rates are going to remain so low that there will be no incentive and stimulus to investment capital, with the consequent result that we continue on the basis of a frozen level of unemployment of somewhere between nine and ten million people.

Obviously, if the law of supply and demand still works—and it is one of the laws that they have not undertaken to repeal—it means that the more gold coming in the lower will be the interest rate and the less inducement there will be for stagnant dollars to join in wedlock with idle hands in the country to finally lift this country out of its dislocation.

The next thing is that $35 an ounce in this gold policy stimulates gold production. The production in 1939 was about four times as much as it was in 1929. When finally you make a precious metal like gold so available—and obviously it has an effect in the field of exchange—then there is a disturbance of monetary equilibrium—yet gold comes to the United States. This means that the rest of the countries of the world have about 30 percent of the world supply. When that is exhausted, then what? That is the big problem in which the money doctors are really interested. I said the hoard will grow larger; yes. How can it help but do so? If under present conditions international balances are liquidated in terms of gold and the trade balance favors this country, it means that more gold must come into our Nation. Secondly, the war situation being what it is in foreign countries, timid capital comes to America in the form of gold. This disequilibrium in the sense of uncertainty everywhere in the world today simply means the liquidation of American assets abroad and adds to the amount of gold which we will have, not only now but in the immediate months to come. What are we going to do about it?

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. What will happen when we stop buying gold at $35 an ounce?

Mr. DIRKSEN. Oh, the gentleman is quite an authority on this. It is a very engaging subject to anybody who has an interest in the durable and continuing welfare of this country. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] knows full well what is going to happen. It is like having hold of the tail of a spirited bull calf traveling across the pasture at the rate of 40 miles an hour. When you let go things happen. That is what will happen if we let go of gold. But how are we going to let go? I do not know. I do not pretend to have the answer.

I have expressed my solicitude and my apprehension today, and I wonder whether the monetary doctors who have tinkered with our gold and silver system have the answer whereby we can let go suddenly or progressively and deliver ourselves from the headaches which are to follow. People say so casually once in a while, "But you can embargo the influx of gold." If you follow some sumptuary action of that kind, then what is going to happen? What is going to prevent the other nations of the world from demonetizing their gold? And when it is demonetized you know what will happen. The price will go down maybe $5, $10, or $15 an ounce, perhaps more; while down in a hole in the ground at Fort Knox, Ky., we shall have $18,000,000,000 in gold. The loss will be a painful thing to contemplate.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DIRKSEN. Mr. Chairman, when that happens, we will appreciate the loss in no uncertain terms. As a matter of fact, the loss is there now. It is only a question of time until the loss will have to be written on the books, whether by devaluation or through other nations demonetizing their gold. We are headed for a $5,000,000,000 loss on this gold. As a matter of fact, it will be more than that. If we avail ourselves of all the money in the stabilization fund, we will still have a loss of over $5,000,000,000; so that the national debt really will be $45,000,000,000, plus $5,000,000,000, plus $6,000,000,000 of guaranteed bonds, less the recoverables that we at present know nothing about. Therefore the national debt of the country will be $55,000,000,000 rather than $45,000,000,000, less the value of certain assets whose present worth is a bit speculative.

What will be the effect? It will be devastating so far as the venturesomeness of capital, industry, and human ingenuity is concerned. So we get back to the observation of the gentleman from Kentucky, in the terms of Louis XIV, "After us the deluge."

There is $6,000,000,000 more on deposit today in the banks of the country than there was in 1929, and it is the reason that 10,000,000 people are shouting for jobs in this great and resourceful country. [Applause.]

At one time or another there has been an intimation that we should revalue the dollar and restore it to its statutory basis of $20.67 per ounce of gold. However, this would have precisely the effect of incurring a loss running into billions. This loss would wipe out every dollar in the stabilization fund and probably exceed the money in that fund by $5,000,000,000.

Manifestly this is not the way out at a time when we are facing an approximation of the statutory debt limit of $45,000,000,000. I can see another aspect to this problem. If perchance the allied nations should exhaust their gold assets and we become the possessor of all this gold, it might inspire an effort to repeal the Johnson Act which now interdicts loans to those nations that are indebted to us as a result of the last world conflict.

Thus we face the inescapable prospect of an unused and seemingly unusable hoard of gold which is the largest in the history of the world, and holds for us tremendous dangers.

Truly this is our cross of gold.

Mr. ENGEL. Mr. Chairman, I yield such time as he may desire, to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Chairman, I have introduced a bill today which should receive the most serious consideration of the Congress. It is the purpose of this bill to overcome a deficiency in relation to the dealings of inventors with the military establishments of the Government in that:

First. There is no authorized agency in the military departments—War and Navy—that an inventor can approach with a device pertaining to improvements in military equipment established to receive or deal with him as of legal right and not as of grace.

Second. There is no authority in law vested in the Secretary of War, nor in the Secretary of the Navy, which will enable either of them to purchase for the Government a secret, unpatented invention pertaining to national defense out of public funds, the essential value of which resides in its nature as a secret rather than as covered by patent protection.

Third. It is the purpose of the bill to overcome these deficiencies, and enable the Secretary of War and/or the Secretary of the Navy to ascertain, determine, and declare that a secret device relating to national defense is of such military value and consequence that it rises to the dignity of property and for which compensation can be made and paid when it has been thus authoritatively established.

Fourth. It is the further purpose of the bill to establish an organization under the authority of the Secretary of War and/or the Secretary of the Navy to receive and investigate inventions, and report to the respective cabinet members as to the value and acceptability of the device submitted, and also to authorize such an authority to investigate and experiment for the benefit of the military authorities.

I believe that this phase of military preparedness has been neglected and that insufficient encouragement is given to inventors who produce improvements in military equipment, munitions, and matériel. It appears that many developments relating to military equipment have been supplied by civilians outside of the Government service, and many times their experience in approaching the military authorities has frequently been deterrent to progress.

It is further represented that there is no law that will enable the Secretary of War or the Secretary of the Navy to deal with and compensate an inventor of a military device that has not been patented under the patent laws of the United States. This has been decided by the Comptroller General of the United States in several decisions upon the theory that it is incompetent for an administrative officer to spend and distribute public funds, except for the purpose of compromising a valid claim under a patent grant when it would be advantageous to the Government to do so and in such a case the considerations involved are properly reviewable for the Comptroller General of the United States. Very much can be said on the decisions covering cases that have heretofore occurred and been decided, but which are not important at this time.

With this limitation and restriction of law resting upon the Cabinet minister and all subordinate officers, it is obvious that each of them should be authorized to deal with matters of the kind as described, and that is the elementary purpose of the bill.

It is further represented that loyal American citizens are prepared to submit inventions for consideration even without the expectation of compensation, but many of whom have a right to receive compensation for their labors and ingenuity who are unable to find a place in either of the military departments that they can approach authorized to receive them.

Much of the value of a military invention is lost and defeated by its publication as by patent. It is therefore in the best interests of our national defense that I submit my proposal to the Congress. I trust that suitable hearings will be held without delay. [Applause.]

Mr. SNYDER. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Georgia. Mr. Chairman, the famous surgeon, Dr. Crawford W. Long, first used ether to reduce pain and suffering 98 years ago. The span of life has been increased by his discovery of ether anesthesia for surgery, and to millions of people in this country and all over the world misery and suffering have been eliminated. He was the greatest benefactor of the human race.

A 2-cent stamp has been issued by the Post Office Department in Dr. Long's honor, and the exercises for the first day sales of the stamp will be held in Jefferson, Ga., on the 8th of this month. The Honorable James A. Farley will make the principal address. This stamp will carry to every American and to all the world the name and picture of the man who first used ether in an operation.

He loved his profession. He once said, "My profession is to me a ministry from God." These words appear upon his statue in the Hall of Fame in this building. He was successful because he felt that he was as much called upon to practice medicine as a minister is to preach the Gospel.

Georgia did herself proud when she placed in the Hall of Fame the statues of her two greatest men, Crawford W. Long and Alexander H. Stephens, and it is rather singular that these two great men should be roommates and honor graduates of the University of Georgia.

Dr. Long's ancestors on both sides were gallant soldiers in the Revolutionary War. His father, James Long, came to Danielsville, Madison County, Ga., which is in the district I have the honor to represent, in 1788 when a mere lad. He owned the first store in the small town of Danielsville. He was the first postmaster there. He was also State senator. He established the first flour mill in the State of Georgia.

His father and the great William H. Crawford were close friends, and Dr. Long was named for this great American. He belonged to the same political party as his classmate, Alexander H. Stephens, and they both were against secession, but afterward, of course, joined the ranks of the Confederacy.

Dr. Long was well educated and refined. He entered Franklin College, now the University of Georgia, when only 14 years old, probably one of the youngest ever to enter the university. He spent 1 year at Lexington, Ky., attending the medical department of Transylvania College. In 1838 he went to Philadelphia and entered the medical department of the University of Philadelphia. After graduation he spent 18 months in the hospitals of New York, and afterward returned to Jefferson, Ga., to practice, and within a short period of time thereafter he used ether in a surgical operation performed on James M. Venable, removing two small tumors situated on the back of his neck. This operation was performed on March 30, 1842.

Mr. CASE of South Dakota. Mr. Chairman, I yield to the gentleman from New York [Mr. CULKIN] such time as he may desire.

Mr. CULKIN. Mr. Chairman, the item on page 9 of the bill making appropriations for the Military Establishment for the fiscal year ending June 1941 carries the amount of $5,831,306. This proposed appropriation is for the purpose of meeting the expenses required for the conduct of special field exercises, including participation therein by the National Guard, Organized Reserves and the Regular Army. Bitter experience has shown that field maneuvers of this character are necessary in order to train both the Regular

Establishment and the National Guard in an environment which actually simulates combat conditions. Instructing a national guardsman in the school of the soldier and close-order drill and the elements of military discipline should be given during the winter season in the armories of the various States. These maneuvers are essential to the training of the Regular Establishment, and the National Guard in field work. This field training is absolutely essential to give him the background that enables him to serve effectively when he gets into actual combat.

Brig. Gen. Frank M. Andrews, Assistant Chief of Staff in charge of operations and training, in his testimony before the Subcommittee on Appropriations, stated that the purpose of these maneuvers was as follows:

> In order to develop efficient and well-trained commanders, staffs, and combat units capable of conducting such operations, it is necessary to assemble in the field smaller units into brigade, divisions, corps, and Army units, and conduct combined exercises in which all arms and services participate. Such maneuvers afford opportunities for training commanders and staffs in marching, concentrating, maneuvering, and supplying large units under combat conditions, and for securing vital teamwork between the various elements of these forces. These field exercises afford the most practicable means of testing modern material weapons, equipment, organization, and tactical doctrines and methods.

This is a terse but clear statement of the purposes of these maneuvers and they apply with special force to the National Guard's training.

I am advised that the National Guard Association and the adjutant generals of 42 States have favored this procedure.

The gentleman from New York [Mr. ANDREWS], himself a distinguished soldier, makes the point that these 1940 maneuvers, following the one held last year, would have a devastating effect upon the future enlistments in the National Guard. The gentleman further stated that the resignations of officers might necessarily follow by reason of their difficulty in getting away from their civil employment. He quotes the adjutant general of New York, Major General Haskell, to this effect. It is to be regretted that neither of these gentlemen raised these questions before the Subcommittee on Appropriations. Personally I am confident and I base it on 12 years' service in the guard, that the matter of getting leave from these maneuvers for both officers and men in case their civil employment and means of livelihood is jeopardized can be readily obtained. I think it should be understood on the part of all concerned that where the bread and butter of a man is involved in getting leave for these maneuvers, no difficulty should be imposed or any opprobrium attached to such leave.

The purpose of these 1940 maneuvers is to consolidate effectively the gains made in training in the fiscal year of 1940. By these maneuvers training of the commanders and staffs and both large and small units, and the necessary coordination of all arms make these maneuvers necessary during the next fiscal year. Otherwise the training already received and which is now fresh in the minds of the participants in these maneuvers will be forgotten.

While I am on the subject, may I call attention to the fact that the enlisted officer strength of the Regular Army is 13,350, with an enlisted personnel of 229,303. This is a pitiably small army for a nation of our size, with our coast line. This force is, of course, supplemented by the National Guard of the various States, with an officer strength of 14,472, and an enlisted personnel of 224,338. The Federal Government is appropriating for the purposes of the National Guard an average of $75,000,000 a year. The State appropriation for the National Guard in the fiscal year of 1939 was approximately $12,000,000. It is the judgment of the Chief of Staff and the almost unanimous opinion of the National Guard group that these maneuvers will do no violence to the future enlistments of the Guard, but, on the contrary, will make the citizen soldier self-reliant and able to take care of himself under combat conditions if that time comes.

The eastern corps area maneuvers are to be held in the Watertown-Plattsburg sector in northern New York, where there is an ideal terrain for this performance. The eastern corps area is under the command of Major General Drum, with Brigadier General Phillipson as Chief of Staff. Major General Drum is one of the most distinguished soldiers in the American service. In reading over General Pershing's memoirs the other night, I found several complimentary references to his service in the World War. The people of the United States unfortunately do not come closely in contact with the officers of the Regular Establishment and know little about the work that these splendid officers are doing with the pitifully small funds provided by Congress for the land forces. Both Generals Drum and Phillipson represent the best traditions of the American Army, and in their hands the eastern corps area maneuvers will prove of lasting and permanent benefit to both the Regular Establishment and the National Guard.

I feel confident that the House will leave this appropriation as reported by the committee.

Mr. CASE of South Dakota. Mr. Chairman, I yield 7 minutes to the gentleman from New Jersey [Mr. VREELAND].

Mr. VREELAND. Mr. Chairman, I want nothing I may say this afternoon to be considered as critical of the War Department or the Committee on Appropriations. I frankly admit I am not as conversant with the situation in the Regular Army as they. However, I believe in considering the War Department appropriations and our national defense that we give some thought not only to the present but to the future.

The Chief of Staff of the Army yesterday made a statement before the committee to the effect that when the fires in Europe become hot in the summer we had better watch that the sparks do not land in the Western Hemisphere. After all, we are considering a situation that is more serious than just talk.

In dealing with war or considering war I know of no better illustration than that given by General Drum last summer to the troops at the close of the maneuver. He told the story of the Irish lad who had just received his pilot's license and was told by his instructor that he should learn how to bail out in a parachute. When up in the plane they noticed an open spot. The pilot asked him to bail out. He refused. That happened several times. At last they came down, and the pilot said to the Irish lad, "Pat, why didn't you jump?" Pat turned to him and said, "Well, I'll tell you. As I looked over the side of that ship and looked down 5,000 feet I thought to meself, thought I, 'Why practice something you have to be perfect in the first time you try it?'" [Laughter.]

After all, when dealing with a conflict such as is now going on on the other side, we cannot practice. Our standing Army today is a little over 200,000, it is very able, and it is properly officered; but when we consider maneuvers in Europe where they talk of millions of men in the field facing each other, 200,000 men are merely a handful. God forbid that we ever do get into a major emergency, but should we do so who will officer the new Army we must raise from the civilian population?

I believe that under the Army plans the Reserve officers, of whom there are 125,000, will have to take on that job. Where will we get the officers that may be required? Most of the present officers, the older ones, the higher-ranking officers, have come out of the World War or were commissioned shortly after the close of it. The balance of the officers, the younger ones, have come from three sources—from civilian life as specialists, from the R. O. T. C., and from the C. M. T. C. Statistics will show that while the number of men who take the basic course of the C. M. T. C. in the summer is very large, those returning are less than 10 percent, and less than 10 percent of that number go through to commission. Therefore the majority of the officers to handle the new incoming Army when needed will be from the R. O. T. C.

We have colleges throughout the country at the present time that have mighty fine R. O. T. C. units which are doing a very good job, but there are still many, many more colleges in this country which desire to have such a unit. A very good example, in my own district, is Seton Hall College, which

10 years ago had an R. O. T. C. unit, but the United States Army took it away because the college did not have the required and proper facilities. When the unit was taken away it was with the promise that it would be returned when, as, and if the facilities were proper. Seton Hall College on that promise proceeded to do the necessary building and has just completed a $850,000 gymnasium, with offices for the R. O. T. C. officers and instructors, and with ranges and the necessary equipment prescribed by the War Department. Upon application to the War Department we find there are insufficient officers to be sent there for R. O. T. C. duty to train the students in this school. This is one of three-hundred-odd applicant colleges in this country.

We find that the Army is retiring officers daily for disability or various other reasons, such as for age or inability to pass certain physical examinations. I have often wondered why these officers, while they are perhaps not physically capable of entering the field for active duty with troops, cannot be utilized as instructors in the R. O. T. C. units. These men have been trained for years at the expense of this Government; they have done a mighty fine job; and they have years of experience behind them. There is no reason why this world of knowledge they have stored up in their years of training with the Army should be lost forever to the students who could use it today. The boy in college now will be the officer who will have to train our troops in the future. We have a very glaring example of an army without proper officer personnel in Russia, where the experienced officers were purged and replaced by political officers and outmaneuvered by a small, well-officered Finnish force.

Mr. PLUMLEY. Mr. Chairman, will the gentleman yield?

Mr. VREELAND. I yield to the gentleman from Vermont.

Mr. PLUMLEY. What reason did the War Department give the gentleman as a basis for saying there is an insufficient number of officers to meet the demands made by those institutions at which an R. O. T. C. unit might be established?

Mr. VREELAND. The reason given is that all the officers are needed with the troops under the intense training schedule they have at the present time. [Applause.]

[Here the gavel fell.]

Mr. CASE of South Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. BOLLES].

Mr. BOLLES. Mr. Chairman, I have been, like others, greatly disturbed over the future of this Republic. None here proposes the remedy or the answer. What we get is a patchwork. We do not put new glass in the windows when the panes are broken. We stuff them with rags.

We have been tinkering with government for 7 years. The remedies have signally failed. We have suffered the fate of Johnny Smith, and you remember what happened to him:

Four doctors tackled Johnny Smith.
They blistered and they bled him.
With squills and antibilious pills
And ipecac they fed him.
They stirred him up with calomel
And tried to move his liver,
Yet all in vain his little soul
Was wafted o'er the river.

A great many years ago a great orator in this country spoke to an audience in Boston on the question of this Republic, its safety and its foundations. It followed the Civil War, when there was great chaos. This was Phillips Brooks, and I quote at some length from him because what he said at that time is so pertinent today.

The real question everywhere is whether the world, distracted and confused as everybody sees that it is, is going to be patched up and restored to what it used to be, or whether it is going forward into a quite new and different kind of life, whose exact nature nobody can pretend to foretell, but which is to be distinctly new, unlike the life of any age which the world has seen already. Men say, "The world has been disturbed before. Classes have clashed with one another. Governed and governors, employed and employers, rich and poor, have come to blows in other days but things have always adjusted themselves again. The stronger have grown kinder; the weaker have grown humbler; the paternal Governor has grown more fatherly; the obedient subject has grown more filial, and things have gone on again as smoothly as before." "So shall it be again," men say. That is what they expect as the outcome of all this conflict. But other men see clearer. It is impossible that the old conditions, so shaken and broken, can ever be repaired and stand just as they stood before. The time has come when something more than mere repair and restoration of the old is necessary. The old must die and a new must come forth out of its tomb. It is not going to be enough that the strong should once more grow kinder and the weak grow humbler. The balance and distribution of strength and weakness is being altered, must be altered more and more. The sources of artificial strength and artificial weakness are being dried up. Governors and governed, employers and employed are coming to be coworkers for the same ends. Not the old mercies repeated, but new mercies going vastly deeper than the old—these are what men are beginning to see that the world is needing.

Nero, degenerate Emperor of Rome, killed Paul. He ordered him beheaded. They cast the body aside, food for buzzards and dogs. To them that was an end to Paul. True, he had harmed no one; he was not a malefactor, a thief, or a murderer. He was not a brawler nor a roisterer. He stirred up no revolution, incited no mobs, gave proper attention to legal authority, lived simply, almost ascetically. Yet Nero slew him. The seething, moving, groaning, snarling, murmuring, volatile mob of Rome, seeking food for the body and starving for some mystic bread of life, confused by multiplication of gods, portents, signs, and omens, bewildered and distraught by tyrannical edicts, prohibitions, and enslavements, had listened to Paul. They heard of a new life, a life eternal. And so Paul died because so many had listened.

For I am now ready to be offered—

He wrote to his beloved young friend and companion, Timothy, just before he died—

and the time of my departure is at hand. I have fought the good fight, I have finished my course, I have kept the faith.

If this was a sermon, that would be my text, "I have kept the faith." We may not all finish the course; that may not be possible. But we can keep the faith. And if we do not keep the faith, we shall suffer the most terrible of all disasters, moral collapse. Toward that cataclysmic finality we have been moving fast in the past decade. The human being inside is the same one that Paul met in Ephesus, the replica of the seeker for light in Rome.

So we have been seeking the ideal life in America for far more than a century. Like the children of Israel, we have now wandered far away after strange gods. We had an idea founded on fact that this was a republic of individual men and women who slowly, persistently, and successfully fought their way out of struggle into independence. They hewed the way without aid from government or by borrowing a Federal Government's ax to change a forest into a great productive area.

The morale of a great people has been atrophied by a policy of government that insists on supporting them. I was shocked the other day to hear men of high mental caliber on this floor say that if we did not give subsidies to our youth they would go into the criminal life.

That is false. It is slander. How many men on this floor fought their way through school! They were not deterred by menial jobs. They buckled into whatever was there. They sifted ashes and waited on table. They are the ones who grew into places of consequence and realization of what education means. Uncoddled, youth may still fight that battle.

I hear it repeated again and again that this Nation of ours is a democracy, and we talk heatedly on this floor of preserving democracies. Nothing could be more fallacious. We are not now, and never have been, a democracy. This was a republic with a representative law making government. It is not a democracy, but fast growing to be a bureaucracy, and bureaucracy is the right arm of totalitarian government. Russia, under the czars, was for a century the extreme example of a bureaucracy, and Stalin has followed that example.

Perhaps we may get back to a republic after November 1940. We have never been a war like Nation. We have never been a military Nation. Our struggle has been for peace and not for war. Our battle was for arbitration in peace rather than the arbitrament of armed conflict. Our method allows men of different opinions to live together in society. We need no armed force to keep domestic peace.

And we are not at war with any other nation. We have no enemies unless we make them ourselves by our own foolish actions at the other end of the avenue.

And yet we are confronted here with nearly a billion dollars in an appropriation bill for military purposes. If we were at war, were threatened by invasion of our coasts, were mobilizing for defense, or there was even a challenge to our solidarity as a nation, we might be excused by those who will pay the bill for this action. Under the circumstances, as they exist, it is inexcusable. It is less justifiable when we consider our own domestic needs and pressing demands to solve our home problems. The first step in every dictatorship has been to build up a great military establishment. That goes far beyond adequate defense.

Let me quote from Dr. Everett Dean Martin, of California:

> Every totalitarian state is a revolutionary state. It is ruled by a despotism, by a revolutionary dictatorship. Its present government is the result of a conspiracy which has seized power; which rules without constitutional guarantees of human freedom; which has gained its supremacy over its own nation by methods that decent men would not use; which is now seeking to use the same methods to dominate the world, not merely by force, but by rascality and crookedness. This movement works to put decent people everywhere on the defensive by taking advantage of their very decency and love of peace and their disposition to mind their own business.
>
> These revolutionary governments have tried by propaganda to impose their revolutionary procedure for the last 15 years not only on their own countries, but on all countries. Now they have merely thrown off their masks, and are doing what everybody who carefully studied them knew they would do and must do in order to survive. They have now turned from mere propaganda to the use of military force.

Having exhausted all the wiles of propaganda, the troops are called out.

I want to see these domestic problems attacked. We need action. We need employment consonant with the demand of our people for goods and commodities, and not a pampering of cheap, poverty-on-edge foreign labor. We need a relief program that will pay those aided something beside a starvation wage or dole. We need an old-age pension plan that will keep the cupboard from being bare half the time. We need a farm policy that will not smother the farmer under a load of foreign farm and dairy products. We need about 100,000 employees off the pay rolls. We need a new President who will stop experiments. We need a real foreign policy.

Thank God, we have not yet completely eroded the Constitution. True, we shall never again be the same as in the past. We may not, in 4 years, be able to unscramble the broken eggs of 7 years, but can at least pick out the pieces of shell and get them into the garbage can.

I have faith in America and the American people. If we can halt the marching army of Treasury looters and money grabbers, we will go forward to a new dawn.

When the great Cathedral of St. Paul in London burned there was picked from its ruins a blackened stone on which was in Latin, translated, this: "I shall rise again." And Sir Christopher Wren, under its inspiration, built St. Paul's as it is today, and has stood so for 3 centuries. I submit that as a slogan for the American people in this hour of disturbance "I shall rise again." [Applause.]

Mr. CASE of South Dakota. Mr. Chairman, I yield the balance of the time on this side—11 minutes—to the gentleman from North Dakota [Mr. BURDICK].

Mr. SNYDER. Mr. Chairman, I yield the gentleman from North Dakota 4 additional minutes.

Mr. BURDICK. Mr. Chairman, I do not know what has happened to the Republicans on my side. They all seem to be poetic today. I am at a disadvantage in that respect because I am not a student of poetry. I have browsed around among some of the minor poets of the world, and the only thing I can think of that is appropriate right now is to quote from Shakespeare's Hamlet, where he said:

> The time is out of joint; O cursed spite,
> That ever I was born to set it right!

When we are talking upon the questions before this Congress those of us who are a little bit outspoken on changing the present system are sometimes greatly misunderstood. We have been cataloged as radicals, and sometimes as dangerous characters; but I can say, in speaking for myself, at least, that the only thing I have ever tried to do in this Congress has been to make this Government better, and wherever I find that the Government has erred I am not afraid to speak out and register my protest. We are misunderstood because there is not one of these men of my acquaintance who is not ardently anxious to continue this great experiment of government, and the only way that can be done is to correct the evils as they appear.

I want to speak directly on the war appropriation bill today. I have many times in this House said that in order to be prepared to protect ourselves we must first prepare the people of this country to protect themselves.

With 12,000,000 people out of employment, and I think that number comes closer to it than anybody else's guess, this Congress must recognize that we have a great war problem right here at home. Many speakers today have said that we have surpluses of everything in America. If that is to be taken as literally true, how much more of an indictment it is on the way we have run this Government, to say that we have an abundance of everything and still all of these people out of a job, with nothing to eat, nothing to wear, no place to sleep. I can well remember when I first came to Congress in 1935 that we had a drought in North Dakota and our livestock was starving to death. The Government bought hay to feed that livestock, but thousands and thousands of the livestock died in sight of the haystacks that they could not eat because of red tape on the part of the Government. The stock died and the hay rotted in the yards. Today with an overabundance of everything there should be no people in this country hungry or in distress. It is a case in the country today not of overproduction but of underconsumption. We must do something to put back the normal capacity of the people to consume, and many bills are in this Congress that would do that very thing. I am not so particular about matters of legislation that I can see only one view of the matter. If the bills that I am interested in do not suit the majority, and they have a better plan, I am entirely willing to give way on my special plan and to aid in putting through something that will help the people of this country.

The farm situation in the matter of unemployment represents a terrible condition. It is unnecessary to recount the number of farms that have been foreclosed, and the number about to be foreclosed, or the number of homes that have been lost in America. Suffice it to say that the number of tenants in the United States is increasing alarmingly every year, every week, and every month; and unless we give the people of America homes to fight for, there will not be the spirit to defend this country that there ought to be. I say to you that in normal times the farms of America supply about one-third of all of the jobs of employables in the United States, and when those farms are lost, when they are threatened with foreclosure and the prices obtained for the products do not cover the cost of production, or a decent standard of living, they cannot employ anybody.

The first thing we must do, therefore, if we want this country protected, is to save the remaining farms of America, to see that no more are lost, see that we do not increase the number of sharecroppers and tenants any more than they are now; and we must get back to the land those families who have lost their farms, who want to farm, and who cannot do anything else; and we must find some system in this country, some legislation that will enable these people to go back on the farms and create other farm homes. Also, the sharecroppers and the tenants must have an opportunity to get a home of their own on the soil. When those factors are taken care of, it means that one-third of all of the unemployed people of this country will have potential employment on the farms of America. A lot of people have said that this tenant problem is nothing more or less than the Negro problem in the South. I call attention to the fact that two-thirds of all of the croppers and tenants of the South are not Negroes but are white people, so that it is a problem that affects all.

You will notice in the newspapers every day, if you look at them, that the amount of money on deposit in the banks is increasing right along. We have the greatest amount of

bank deposits unused on the books today than at any time in our history. What does that mean? It means that this money is not circulating; it means that the money is stagnant. I do not care what you do with those $17,000,000,000 out in Kentucky. If you bring it in and farm it out under the same system we have today, you will be just as bad off as you are today. In other words, this Government must sometime take control of the Nation's credit and use it for the people. Today that is not being done. The Nation's credit is being given to private banking institutions, and they in turn farm it out to the people at interest rates. The public and private debt in America today amounts to $360,000,000,000.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. Yes.

Mr. KNUTSON. Is it not a fact that the money changers have fared better in the last 7 years than ever before in the history of the Republic?

Mr. BURDICK. The gentleman is correct, and the interest on this amount of debt every year equals over $14,000,000,000. Now just think of it. The income of the farmers last year was $7,000,000,000; the income of labor was $7,000,000,000. Add them together, take it all, and you can barely pay the interest on this debt. That is what is losing the homes of this country.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Michigan.

Mr. CRAWFORD. With a great deal of interest and education, I looked over one of the reports that the gentleman has been commenting on this afternoon, and I hope every Member of the House will read it. I want to ask the gentleman this question: Does the gentleman believe that the farm problem, or whatever you choose to call it, can ever be adequately dealt with in this country until we get around to where the farmer can sell what he produces at the market place, at a reasonable price, and get entirely away from all kinds of Federal subsidies and Federal appropriations?

Mr. BURDICK. I do not think there is a farmer in the United States who wants any Federal subsidy. All he wants is a decent standard of living and an income that will secure that standard. That is all he wants.

Mr. CRAWFORD. And to come to him through the sale of his goods at the market place, independent of all kinds of organizations and appropriations?

Mr. BURDICK. The gentleman is absolutely correct.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I am very much interested in the discussion by the gentleman from North Dakota. I want to ask this question: Do you think that the Government subsidies amounting to $3,000,000,000 given to the farmers in the last 6 years for not producing crops which their good land could produce, will ever replace the $11,000,000,000 of gross farm income that the farmer did not receive in the last 7 years as compared with what he received in the 7 years prior to the accession of the New Deal?

Mr. BURDICK. My only answer to that is that the farmers of America were very glad to accept anything they could get from this Congress, and they are still in that position. It is better to receive a little something than to receive nothing at all.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman.

Mr. GIFFORD. I am wondering whether the farmer resents so much Government supervision. The inspector showed his card and the farmer had to submit; later when he saw the bull chasing the inspector he called to him and said, "Show the bull your card." Is this indicative of the true feelings of the farmers?

Mr. BURDICK. Well, the only thing I can say is that there is quite a lot of bull in that question. [Laughter.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Kentucky.

Mr. MAY. I would like to inquire of the gentleman, who is well informed on farm subjects, if he does not believe that the program of subsidies to restrict crop production, plus the idea that we go to other sections of the country and spend millions to bring in other crops, has not worked in spite of seven or eight billion dollars expense, and does he not think that the solution of the whole thing is some kind of a distribution system rather than restricted production?

Mr. BURDICK. I do. I think the gentleman is right on that. I want to say further in answer to your inquiry that I think the Nation as a whole has been benefited by the trade agreements, but that in spots, especially in agriculture, they have taken the worst of it.

Mr. MAY. Will the gentleman yield further?

Mr. BURDICK. I yield.

Mr. MAY. Does not the gentleman believe that if the farmer could get even a medium price and could get a market for his products it would stop all necessary subsidies?

Mr. BURDICK. Absolutely; the gentleman is right.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. MASSINGALE. I just wanted to ask a question something similar to the one which the gentleman from Kentucky [Mr. MAY] asked, except that it takes a little different slant. Does not the gentleman believe that the enactment into law of the principles of cost of production will do more good to the American farmer than all the subsidies you can ever give him?

Mr. BURDICK. That is right. I have always been of that opinion.

Mr. VOORHIS of California. I do not want to interrupt the gentleman if he desires to proceed.

Mr. BURDICK. Go ahead. If I were not interrupted I would not know what to talk about. [Laughter.]

Mr. VOORHIS of California. I just wanted to ask the gentleman this question. I gathered from the remarks of the gentleman from Illinois [Mr. DIRKSEN] that one of the reasons why we did not get the better of unemployment was because we did not have a higher interest rate. I would like to ask the gentleman what he thinks about that, particularly with regard to farm loans?

Mr. BURDICK. Anyone who makes a statement in public or private demanding higher interest rates for any group should be examined by some court to find out whether he is safe to be let out or not. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURDICK. May I have 2 more minutes?

Mr. ENGEL. I have no further time on this side.

Mr. BURDICK. I want to indulge on your generosity, Mr. Chairman, to conclude by saying that every time I am speaking in this House and I get interested in the subject myself, the time runs out. [Laughter and applause.]

I. THE PROBLEM

The problems of farm tenancy and landlordism concern themselves with seven groups of insecure farm families:

A. TENANTS

Although in all areas of the United States there are notable instances of desirable relationships between tenants and landlords, tenancy conditions, in many cases and areas, are unsatisfactory to both tenant and landlord, are condemned by both, and are objectionable from the point of view of social welfare.

Tenants still move with some freedom up the agricultural ladder. Yet tenancy in many areas presents serious problems of insecurity, instability of occupancy, and lack of concern with soil conservation.

In the earlier period of our history, the rise to farm ownership was relatively easy. Young farmers remained tenants only a comparatively few years and few failed ultimately to become owners. Today, thousands find the ascent so difficult that more of them each generation get stalled, and remain tenants the rest of their lives. Census figures

show that the distribution of farm tenants among age groups has progressively changed to the end that greater and greater percentages are being found in the older-age groups.

Tenancy has increased from 25 percent of all farmers in 1880 to 42 percent in 1935. Because of debt the actual equity of operating owners is far less than these figures indicate. About two-thirds of the tenants and croppers of the United States are located in the South. The problem there, it should be noted, is not a race problem, for of southern tenants and croppers two-thirds are whites, and only one-third are Negroes.

B. CROPPERS

The cropper system prevails principally in the southern cotton and tobacco areas. Croppers operate 716,000 farms, or over 10 percent of all farms in the United States; they constitute 39 percent of all croppers and tenants combined in the South.

Croppers who generally supply only their labor are usually more insecure than tenants. Even the slender protection of the cropper contract has recently become less effective, as conditions have impelled landlords to convert many croppers into laborers, dependent on casual employment for wages. Low standards of living among croppers are in some sections giving rise to unrest.

C. FARM LABORERS

More than one-fourth of all persons gainfully employed in agriculture in 1930 were farm wage laborers. From the standpoint of conditions of employment to which they are subject, they include a number of types.

Perhaps the most secure groups are those who, though hired on a monthly basis, have year-long employment, residing on the farm of the employer. These include, among others, the hired men who live in the homes of their employers and are treated almost as members of the family—apparently a group that has diminished in relative importance.

Probably the great majority of hired farm laborers are dependent on irregular employment. Many move about within one general locality. These include individuals who live on farms and occasionally help neighboring farmers; occupiers of small subsistence units and who depend on casual farm employment for a small and uncertain cash income; and casual workers from towns and cities who migrate to nearby cotton fields, truck or fruit farms to work in seasons of peak labor requirements. In the South families alternately become croppers and hired laborers. There is also a large and apparently increasing number of laborers who migrate long distances from the locality which they regard as home. Such laborers migrate both as individuals and as families. The latter frequently depend upon the wages of men, women, and children to eke out a bare subsistence. Some of them have no permanent abode. They work mainly with intensive crops, such as fruit, sugar beets, and vegetables, following the harvest season from locality to locality.

Some laborers succeed in climbing into the status of tenants or even owners. In depression periods, however, large numbers of tenants and small owners overburdened with debt become migratory laborers. Most farm laborers have uncertainty of employment as their general lot; their earnings and standard of living are correspondingly low. But the situation of the hand laborers in intensive agriculture is especially precarious. The conditions under which they work and live have already promoted strife in widely scattered areas. West of the Mississippi the number of migratory laborers has recently been augmented by farm families from drought areas.

To recapitulate, there may be said to be five groups of farm laborers:

First. Typical hired man, a figure rapidly disappearing from the agricultural scene, as he is being replaced more and more by the seasonal worker and by the use of time- and labor-saving machinery.

Second. Groups of wage workers who are employed on farms hiring two, three, or more laborers.

Third. Woman and child labor, particularly widespread in the sugar-beet and other industries, in which contracts are based on acreage to be harvested rather than on an individual laborer's time.

Fourth. Migratory workers: Hired labor in most sections of the country called in to supplement unpaid family labor, to meet seasonal demands.

Fifth. Gang labor: The "semi-industrialized rural proletariat" working seasonally on large-scale farms in areas of heavy concentration of hired labor.

D. FAMILIES ON SUBMARGINAL LAND

Such families, whether tenants or owners, occupy land incapable, under any system of farming, of maintaining an adequate standard of living. Recent estimates place the number of such farm families at over one-half million of our six and one-half million farmers.

E. FAMILIES ON HOLDINGS OF INADEQUATE SIZE

There are many thousands of families, both owners and tenants, endeavoring to support themselves by full-time farming on holdings insufficient in size to provide an adequate standard of living by any system of farming which will maintain soil fertility. Such families are faced by steady impoverishment. In many cases farms of inadequate size are attributable to the influence of the homestead policies; they are especially numerous in areas, like the Great Plains, where the homestead policies operated most recently. A large number of farm units in the South are also unduly small and could only with difficulty change from a one-crop system to a more secure system of farming.

F. OWNER FAMILIES HOPELESSLY IN DEBT

Thousands of farm owner-operators are burdened with indebtedness contracted for amounts so large, at rates so high, or for terms so short that without alleviation of their conditions they are likely to be forced to become tenants or croppers or join the ranks of migratory farm laborers or casual workers in other employments.

G. FARM YOUNG PEOPLE UNABLE TO OBTAIN FARMS

There are many young people in rural areas who are unable to obtain farms. A considerable proportion of these would migrate to cities if industrial opportunity offered. When that opportunity fails, they remain to increase the pressure on the land and the competition in the lower tenure groups.

H. FARM OWNERS

The farm owner has an important place in the study of farm tenancy. Once a farmer obtains ownership of his property it is essential that he maintain that ownership; it is essential that he stay on the top rung of the agricultural ladder and not descend to the lower rungs, where his presence would further complicate the tenancy situation.

In order to assure maintenance of the tenancy status of the farm owner, it is necessary to assure him credit at low rates of interest, available at times of greatest need, which are likely to be times when least collateral and security are available.

Maintenance of the farm owner as a land owner also may be said to involve the whole agricultural program, parity, soil conservation, acreage adjustment, research, and technical aid.

It must be remembered, however, that less than half—47 percent—of the farmers of the United States own all of the land they farm. Mere maintenance of present farm owners in the owner class will not, therefore, solve the tenancy question.

An additional 10 percent of all farmers are only part owners.

Mr. Chairman, we should not delay the program in this Congress to restore a living chance to the millions who are in distress. I propose to act now—right now—at this session. To complain of this debacle and offer nothing in its place would not be acting honestly either with this Congress or the people at large. I therefore definitely propose a program that is right now before this Congress, the enactment of which will restore self-respect to every citizen in the United States and will cost far less than the pain-killing remedies we have

been applying since 1932. Our present state of inaction is not chargeable to any one single party, but to both. The Republicans, as well as the Democrats, are equally responsible. The following bills will do the job. I do not maintain that these are the only bills before Congress that provide a remedy, but I do maintain that these bills, if passed, will be the beginning of a new day in this great Government of ours. These bills are:

House Resolution No. 217, to restore to Congress the sole power to issue money and regulate the value thereof.

H. R. 7600, to eliminate debt money and taxes, set up an honest, scientific monetary system based on the potential productivity of the country, and which shall reflect the needs of the consumers as well as producers.

H. R. 8348, to maintain homes in the United States and provide power to consume goods and provide opportunity for the employment of the idle.

H. R. 9008, 9009, and 9010, covering other crops.

The Townsend Old Age Security Act.

The Jones Farm Credit Act, providing for debt adjustment and refinance of loans.

The Peterson Farm Tenant Act.

Mr. SNYDER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Chairman, in the first place I would like to say today that I regret very sincerely I was not on the floor yesterday when the gentleman from Massachusetts made his speech. I tried very hard to get here. It happened that we were having a meeting of the Flood Control Committee which had a bearing on my own section of the country. In spite of the fact that I ran all the way to the floor, I did not get here in time.

The second thing I want to say is that I regret exceedingly to see any Member of the House, least of all one whose ability is as great as that of the gentleman from Illinois, rise on the floor and make a speech predicting dire calamity for the Nation without offering us one shred of suggestion as to what we ought to do about the situation which he thinks is wrong.

I want to point out that the main reason this country has been buying gold is because the country is not ready to import in balance with its exports and because it wants to continue to have a so-called favorable balance of trade. Gold has been pouring in here because we have been selling far more abroad than we bought. I agree the situation is rather ridiculous—exchanging valuable products for gold we do not know what to do with. But I feel sure I have given the reason why it happens. I do not know what the answer to this gold problem is exactly. I do know that the real way to stop the flow of gold is to increase the general level of national prosperity, to solve the unemployment problem, to increase the consumer buying power of this country, so you can afford to import more than you do now without endangering anybody's job. Under those circumstances gold will cease to flow. My own feeling about the matter is that most of the trouble is that the gold we have bought has not been used for the benefit of the people. My main concern is that once the American people have bought and paid for this metal that it has been allowed to lie idle, and, instead of using that metal as a psychological base for credit, we have proceeded with the selling of bonds for bank credit and thus unnecessarily increased the public debt. I am not in favor of any step of return to the gold standard. But I do think it could be used as a base or reserve for national credit, thus saving completely the interest now paid on bonds sold in order to expand buying power in circulation when such action appears necessary.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield? I know his time is short.

Mr. VOORHIS of California. I have 3 minutes, and look at what I am trying to talk about.

Mr. WHITE of Idaho. The gentleman knows there are $12,000,000,000 of gold certificates out as warehouse receipts against that gold.

Mr. VOORHIS of California. I was just going to talk about that; in my judgment, it is a mistake when the Federal Treasury pays for gold that is imported to in turn give a gold certificate to a Federal Reserve bank in equal amount. By law that gold belongs to the people of the United States, yet we issue gold certificates and give them to a private bank. I do not think we should. I think we should issue instead of that certificates of indebtedness of the United States, a note, or something of that sort, but not a gold certificate; and I want to suggest just this one thing to you: The main reason that there has not been a constructive use made of these metals that have been purchased, in my judgment, is because if there were such use made of them, since they belong to the people of America, the whole country would find out how unnecessary it is to base the money of a nation on debt owed to a private banking system.

I know we will continue to hear from the Republican side how our trouble is lack of confidence and how the idle bank reserves are primarily due to that. Well let us see. All through the twenties there was plenty of confidence, I presume. Why? Because consumer buying power was kept up fairly near equal with production. Investment in housing, $11,000,000,000 of consumers' debt, and large foreign loans accomplished this. In 1929 confidence disappeared in spite of the fact that Mr. Hoover was President. Why? Because the bubble of both consumers and foreign debt burst and $8,000,000,000 of bank credit money was withdrawn from circulation. There was not enough buying power.

Confidence began to return in 1933 and things improved. Why? Because consumer buying power was being expanded in line with production, though at the expense of increasing debt. Confidence was very high in September, October, November, and December 1939. Why? The Democrats were still in power then. Yes. But war orders—new buying power—were coming in, so confidence was returning. What happened more recently? Simply that production, under present monetary and distributive system, outruns the buying power in the hands of consumers. It is here the answer to lack of confidence is clearly to be found. A steady market—a stable dollar—these will give confidence I feel sure.

Mr. SNYDER. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri, Mr. CANNON.

Mr. CANNON of Missouri. Mr. Chairman, with the passage of this bill today, the House and the Committee on Appropriations establishes a record unequaled in any previous Congress. It is the last of the regular annual appropriation bills. The relief bill not yet reported is a legislative bill and is not one of the regular annual appropriation bills. Commencing with the week of January 8, which was the first full week of the present session, the committee has prepared and reported to the House 14 appropriation bills—11 regular annual bills and 3 deficiency or supplemental measures—in this 13-week period. This is one bill better than an average of a bill a week.

This is the best work record the committee has attained since the establishment of the Budget system, commencing with the second session of the Sixty-seventh Congress. The following tabulation shows the dates of reporting the last of the regular annual supply bills to the House at previous comparable sessions of Congress. The tabulation is divided into two periods, the long sessions of the period prior to the change from December to January in the convening date of Congress and the period when all sessions of Congress began in January. In consideration of the dates of the former period it should be remembered that a month's more time was devoted to the bills when Congress convened in December and a month could be added to the reporting dates in order to compare those dates with the reporting dates of the latter period when the session started in January.

An examination of these dates shows that the earliest date upon which the last of the regular bills was reported in the former period was March 17—nine bills. As that session convened in December, a comparable date for present conditions, when the sessions commence in January, would be April 17. The best record of the period following the convening of Congress in January is April 11—nine bills. Comparing these two dates with the record of the present session, April 3—eleven bills—it is apparent that the record of the present ses-

sion, without reference to the comparative number of bills involved, is better than the best record of the period when sessions began in December by 2 weeks and better than the best record of the period when sessions began in January by 8 days. If allowance is made for the fact that at the present session two more regular annual bills were handled by April 3 than are included in the records of the previous periods, the record of this session is better than the previous records by approximately 4 weeks and 3 weeks, respectively.

Mr. Marcellus C. Sheild, the clerk of the Committee on Appropriations, to whose able, efficient cooperation much of the credit for this record is due, supplies the following table of dates upon which the last of the regular annual appropriation bills were reported to the House and the respective dates of adjournment of Congress at that session:

Reporting record of the regular annual appropriation bills since establishment of budget system

Congress and session	Date of reporting the last regular annual appropriation bill to the House	Date of session's adjournment
The following are regular "long" sessions which met on the first Monday in December of the respective years:		
67th Cong., 2d sess	Apr. 8 (11 bills)	Sept. 22, 1922
68th Cong., 1st sess	May 24 (9 bills)	June 7, 1924
69th Cong., 1st sess	Mar. 17 (9 bills)	July 3, 1926
70th Cong., 1st sess	Apr. 10 (9 bills)	May 29, 1928
71st Cong., 2d sess	May 7 (9 bills)	July 3, 1930
72d Cong., 1st sess	May 5 (9 bills)	July 16, 1932
The following sessions met in January of each year following the change brought about by the amendment to the Constitution:		
73d Cong., 2d sess	Apr. 11 (9 bills)	June 18, 1934
74th Cong., 1st sess	May 13 (9 bills)	Aug. 26, 1935
74th Cong., 2d sess	Apr. 30 (9 bills)	June 20, 1936
75th Cong., 1st sess	June 11 [1] (10 bills)	Aug. 21, 1937
75th Cong., 3d sess	Apr. 18 (10 bills)	June 16, 1938
76th Cong., 1st sess	May 18 [2] (11 bills)	Aug. 5, 1939
76th Cong., 3d sess	Apr. 3 (11 bills)	

[1] The number of regular annual bills was increased from 9 to 10 at this session by splitting the War Department appropriation bill into 2 bills—military appropriation bill and War Department civil appropriation bill.

[2] The number of regular annual bills was increased from 10 to 11 by taking the Department of Labor from the State, Justice, Commerce, and Labor appropriation bill and creating a separate bill for it.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Washington, one of the most valuable members of the committee.

Mr. LEAVY. And with the passage of this bill in the amounts provided in the bill, in spite of the fact that we raised the labor social security bill $67,000,000 last week we have cut the pending bill $67,000,000 and the books are still in balance so far as the Budget is concerned and the House is concerned. Is this not a fact?

Mr. CANNON of Missouri. The gentleman has anticipated what I was about to add. As he well says, we have made a record not only in the efficient and expeditious manner in which we have reported the supply bills but also—and what is more important—in economy in the appropriations carried by those bills. The 11 regular appropriation bills, as passed by the House, aggregate $324,158,301 less than the Budget estimates. The 3 deficiency bills passed, $13,231,375 below the Budget, a total saving in the 14 bills of $337,389,676, the largest reduction in Budget estimates since the first year after the Budget system was inaugurated, and the best record, considered as a whole, in the history of congressional appropriations.

I might add that the pending relief bill concludes the appropriation program for the session, and the House is ready to adjourn on short notice. If the other body will emulate the excellent example set by the House this Congress will establish a notable record for economy, and adjournment can be taken at an early date. [Applause.]

The Clerk read as follows:

In all, salaries, War Department, $6,258,188: *Provided*, That the number of warrant officers and enlisted men on duty in the offices of the Chiefs of Ordnance, Engineers, Coast Artillery, Field Artillery, Cavalry, Infantry, and Chaplains on March 5, 1934, shall not be increased, and in lieu of warrant officers and enlisted men whose services in such offices shall have been terminated for any cause prior to July 1, 1941, their places may be filled by civilians, for the pay of whom, in accordance with the Classification Act of 1923, as amended, the appropriation "Pay of the Army" shall be available.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last two words in order to make an observation in answer to my good friends the gentleman from North Dakota [Mr. BURDICK] and the gentleman from California [Mr. VOORHIS]. I am very fond of the gentleman from North Dakota, but I appreciate, of course, that sometimes his logic is very thin and tenuous, indeed, particularly when he seeks to dismiss an argument by saying that somebody ought to have his head examined, if he happens to be in favor of increased interest rates. It is not for me or any other individual to say what interest rates shall be or to wish them up or down. It is for the inexorable logic of the economic conditions of this country to determine what they will be and what the flow of capital will be as a result.

Now, answering my good friend the gentleman from California as to what the effect will be on the economy of the country, let me submit some figures. Here is a table released by the Securities and Exchange Commission dated April 4, 1940. This is table 4, relative to financings which became effective in February of 1940. Now, get this: New money, $17,124,000. Refundings, $196,000,000.

This $196,000,000 is for the purpose of taking up outstanding bond issues and existing stock issues, but only $17,000,000 have gone into new financings for capital plant expansion in the country, which is translated into terms of jobs for the idle hands of the country. That is the answer, I may say, to my California friend, and it is not for him or me to say what the interest rate shall be.

When it comes to the question of interest rates, how strange it is that all the responsible farm organizations have expressed themselves in opposition to some of the provisions of the pending Jones-Wheeler bill relating to the recasting of farm credit and farm financing. Why? For the simple reason they know that the private sources of farm credit may be destroyed and the discerning farmers of the country know it. That is the answer to my friend from California and my friend from North Dakota.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from California.

Mr. VOORHIS of California. The gentleman spoke of the law of supply and demand awhile ago. Does he not believe that money and credit, like other things, ought to find their return in accordance with the law of supply, and if you have a superabundance of money and credit, that the interest rate should thereby be low?

Mr. DIRKSEN. In view of that observation, will the gentleman tell me why his administration is tinkering around with gold and filling the country with excess reserves and deposits, which has a tendency to lower the interest rate on investment capital, with the result that the investment dollars go into storm cellars and stay there? Idle dollars in turn make idle hands.

Mr. VOORHIS of California. The lower the rate of interest on bonds, the less likelihood there is of people investing in bonds. The difference between the amount of return that one can get from a substantial investment on the one hand and an investment in bonds is the deciding factor as to which he will put his money into in all likelihood.

Mr. DIRKSEN. The S. E. C. report shows $17,000,000 in new investment money, which is probably less than 10 percent of what they were in normal times, or perhaps 5 percent. Where is the answer? The gentleman should find it in view of that fact.

Mr. VOORHIS of California. I made a speech the other day on that.

Mr. DIRKSEN. The gentleman should study the subject of gold imports and its effect on the economy of this country.

Mr. TABER. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. TABER. Does not the gentleman and the House understand that the rate of interest is dependent upon the demand for money?

Mr. DIRKSEN. Definitely.

Mr. TABER. And that the demand for money is dependent upon the degree of operation of business, and the degree of operation of business is dependent upon the confidence that the country has, and in view of the lack of confidence we have had in the last 7 years, the rate of interest has naturally gone down.

Mr. DIRKSEN. When there is no profit to be made, there is no demand for money.

[Here the gavel fell.]

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, as a Member of the House of Representatives, it is very interesting to sit here and listen to the discussions that take place in reference to money. I wish that some Members of the House who undertake to discuss money and finances would take into consideration the provisions of economic law. I think it is well understood by all people who know anything about money that the interest rate reflects the business conditions of the country. When business is profitable, people can borrow money and afford to pay higher interest rates. Consequently, when there is a demand for money, the rate of interest goes up. When there is no profit to be had in business, nobody can afford to borrow money. You cannot afford to borrow money at 1 percent if you cannot make a profit and you lose by the operation. It is axiomatic that the low rate of interest indicates a scarcity of money and a deficiency of credit. Of course, there are other factors that enter into the control of interest rates, one of which is the opportunity to invest in Government bonds. This Government has set up the greatest reservoir ever constructed for the storage of wealth out of the reach of taxation. We have created the great Reconstruction Finance Corporation as a supplemental agency to our banking system—created to do the work that a bank ought to do. Until recent times we financed the development of this country through the functions of the banking system, but now we find our banking system has failed and we must set up another agency—the Reconstruction Finance Corporation—to support business and the needs of business—to be financed by money gained from the sale of tax-exempt bonds. This agency is absorbing more and more the investment money of this country into tax-exempt securities and forcing business to turn more and more to the Government for the money with which to function.

Let me call the attention of our learned friend from the great State of New York to the fact that when business is profitable people can afford to borrow money and pay a good rate of interest. As business prospers the rate of interest goes up. We are predicating all our legislation here, however, in fixing a low rate of interest on loans to farmers and others, on the proposition that we will always be in a depressed business condition in this country and that there will be no adequate volume of money with which to do business, so we must fix this low rate of interest.

Mr. Chairman, if we ever have prosperous business conditions in this country, normal conditions, you will find that the market for Government bonds will fail and the price will go down just as it did in 1920, when we saw Government bonds go to 80 and yield 6 percent on the investment. I agree with the gentleman that we are on dangerous ground and that we must take into consideration the forces of economic law and pass legislation to that end. [Applause.]

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have not made a point of order against the pro forma amendments our so-called monetary experts have been offering, but I shall be constrained in the future to make that point of order, and I suggest gentlemen confine their amendments to the bill.

The Clerk read as follows:

For expenses of the Army War College, being for the purchase of the necessary special stationery; textbooks, books of reference, scientific and professional papers, newspapers, and periodicals; maps; police utensils; employment of temporary, technical, or special services, and expenses of special lectures; pay of employees; and for all other absolutely necessary expenses, $80,664.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to ask the chairman of the subcommittee a question with regard to the program for the training of Negro pilots.

Mr. SNYDER. I went into this question at the beginning of the consideration of the bill this afternoon with the gentleman from Indiana [Mr. LUDLOW].

Mr. DIRKSEN. After examining the testimony of Mr. Brown before the committee, and also the testimony of the Department, it occurs to me that the War Department is not carrying out the intent of the Congress as recited in Public, No. 18, and probably is not giving the potential Negro pilot equitable consideration. Is my understanding correct that they refuse to enlist them in the Air Corps at this school at Glenview, near Chicago?

Mr. SNYDER. Thus far there has been no occasion to enlist them. The Civil Aeronautics Authority, in conjunction with the War Department, has worked out a plan to train Negro pilots, mechanics, engineers, and so forth, and has established a school near Chicago that is in operation at the present time. When the school has trained a sufficient number of students to warrant the creation of a special unit, I am advised that the War Department will then take such steps as may be necessary looking to the utilization of this additional trained personnel.

Mr. DIRKSEN. Has the gentleman any idea when that will be?

Mr. SNYDER. I should think in the very near future. These civilian schools throughout the country are turning out pilots in from 6 months to a year. You must realize that they did not get started on this training until about 6 months after the bill was passed last year.

Mr. DIRKSEN. The Civil Aeronautics Authority has done its duty in designating the schools. It occurs to me that it is the War Department's duty to articulate that program.

Mr. SNYDER. The War Department has cooperated and is cooperating. It has given them all the necessary equipment and every possible assistance to carry out the training program.

[Here the gavel fell.]

The Clerk read as follows:

For pay of not to exceed an average of 13,796 commissioned officers, $38,055,754; pay of officers, National Guard, $100; pay of warrant officers, $1,351,248; aviation increase to commissioned and warrant officers of the Army, including not to exceed 86 medical officers, $3,242,593, none of which shall be available for increased pay for making aerial flights by nonflying officers at a rate in excess of $720 per annum, which shall be the legal maximum rate as to such officers, and such nonflying officers shall be entitled to such rate of increase by performing three or more flights within each 90-day period, pursuant to orders of competent authority, without regard to the duration of such flight or flights; additional pay to officers for length of service, $10,546,818; pay of an average of not to exceed 220,969 enlisted men of the line and staff, not including the Philippine Scouts, $103,451,160; Regular Army Reserve, $1,119,816; pay of enlisted men of National Guard, $100; aviation increase to enlisted men of the Army, $1,819,100; pay of enlisted men of the Philippine Scouts, $1,050,447; additional pay for length of service to enlisted men, $8,275,725; pay of commissioned officers on the retired list, $12,850,930; pay of retired warrant officers and retired members of the Army Nurse Corps, $1,441,086; increased pay to not to exceed 308 retired officers on active duty, $394,960; pay of retired enlisted men, $13,930,512; pay of not to exceed 60 civil-service messengers at not to exceed $1,200 each at headquarters of the several Territorial departments, corps areas, Army and corps headquarters, Territorial districts, tactical divisions and brigades, service schools, camps, and ports of embarkation and debarkation, $72,000; pay and allowances of contract surgeons, $40,656; pay of nurses, $1,137,820; rental allowances, including allowances for quarters for enlisted men on duty where public quarters are not available, $11,369,365; subsistence allowances, $7,200,642; interest on soldiers' deposits, $70,000; payment of exchange by officers serving in foreign countries and when specially authorized by the Secretary of War, by officers disbursing funds pertaining to the War Department, when serving in Alaska, and all foreign money received shall be charged to and paid out by disbursing officers of the Army at the legal valuation fixed by the Secretary of the Treasury, $100; in all, $217,420,932, of which amount $1,000,000 shall be available immediately; and the money herein appropriated for "Pay of the Army" shall be accounted for

as one fund: *Provided*, That during the fiscal year ending June 30, 1941, no officer of the Army shall be entitled to receive an addition to his pay in consequence of the provisions of the act approved May 11, 1908 (10 U. S. C. 803): *Provided further*, That no part of this or any other appropriation contained in this act shall be available for the pay of any person, civil or military, not a citizen of the United States, unless in the employ of the Government or in a pay status on July 1, 1937, under appropriations for the War Department, nor for the pay of any such person beyond the period of enlistment or termination of employment, but nothing herein shall be construed as applying to instructors of foreign languages at the Military Academy, or to Filipinos in the Army Transport Service, or to persons employed outside of the continental limits of the United States except enlisted men of the Regular Army, other than Philippine Scouts, upon expiration of enlistment, and this provision shall be subject to the provisions of the act entitled "An act for the protection of certain enlisted men of the Army," approved August 19, 1937: *Provided further*, That without deposit to the credit of the Treasurer of the United States and withdrawal on money requisitions, receipts of public moneys from sales or other sources by officers of the Army on disbursing duty and charged in their official accounts, except receipts to be credited to river and harbor and flood-control appropriations and retirement deductions, may be used by them as required for current expenditures, all necessary bookkeeping adjustments of appropriations, funds, and accounts to be made in the settlement of their disbursing accounts.

Mr. SNYDER. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SNYDER: On page 11, line 10, strike out "seven hundred and ninety-six" and insert "eight hundred and thirty-one."

Mr. POWERS. Mr. Chairman, will the chairman of the subcommittee tell us why this amendment is necessary?

Mr. SNYDER. May I say to the gentleman from New Jersey that the money is in the bill to cover the payment of these officers, but we just neglected to include 35 of them in the number of officers for the pay of whom the bill provides.

Mr. POWERS. Why not reduce the amount of money? Why increase the number of officers? What is behind it?

Mr. SNYDER. We approved the number of officers in the committee. This is just a mistake in the writing of the bill.

Mr. POWERS. It is a misprint?

Mr. SNYDER. Yes.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Toward the acquisition of land, as authorized by the act of July 26, 1939 (53 Stat. 1123), as follows: Fort Bliss, Tex. (estimated to cost $800,000), $500,000; Fort Knox, Ky. (estimated to cost $1,640,000), $1,000,000; Fort Meade, S. Dak., $30,720; Fort Dix, N. J., $21,000; in all, $1,551,720, to remain available until July 1, 1942.

Mr. ROBSION of Kentucky. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBSION of Kentucky: Page 30, strike out all of line 3, and in line 4, strike out "$1,000,000", and correct the total in line 5.

Mr. ROBSION of Kentucky. Mr. Chairman, I shall not speak if the gentleman will accept the amendment.

Mr. POWERS. Does the chairman of the subcommittee indicate that the gentleman from Kentucky makes million-dollar speeches?

The CHAIRMAN. Does the gentleman from Kentucky desire recognition on the amendment?

Mr. ROBSION of Kentucky. Yes, Mr. Chairman.

Mr. Chairman, my amendment strikes out the $1,000,000 proposed on page 30, lines 3 and 4, for the acquisition of 52,000 acres of additional land for Fort Knox. This land is estimated to cost $1,640,000. I offer this amendment because my colleague, the gentleman from Kentucky [Mr. CREAL], says this appropriation is unnecessary. The Budget did not ask for this money and the President did not ask for it; nevertheless, it is included in this bill. As far as I can understand, there have been no hearings on this matter.

This provision is unnecessary. What will it do? Why, it will take one-fourth of Meade County in Kentucky, about 500 farms, mostly of good land, and it will destroy the road systems. In that area there is an R. E. A. project which when completed will cost $185,000. It will take a great many churches and schools, villages, and cut people in the other part of the county off from their connection with the bridge on the Ohio River and to Louisville, their market. This is a very small county in Kentucky, and this little county is bonded for $136,000, and this bill proposes to take from them and turn over to the Government, when it has not been recommended by the Budget or the President, more than 52,000 acres. It will take away about $18,000 in taxes from this county annually. So I trust that my amendment will prevail and we may save here $1,640,000. There at least should be time for hearings.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. STEFAN. I will support the gentleman's amendment for the reason that, if you do not want to give the Army the land for this purpose, we in Nebraska have a tremendous amount of land which has been recommended by high and efficient Army officers for purposes similar to this, and the land is available at, perhaps, a little less money.

Mr. ROBSION of Kentucky. I cannot understand why this appropriation of $1,000,000 was put in here as the initial step toward a larger appropriation when the Budget did not ask for it, the President did not ask for it, and we already have a great area there at Fort Knox of over 30,000 acres, and yet we are proposing to add 52,000 acres more.

Mr. PEARSON. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. PEARSON. Was any showing made before the Committee on Appropriations giving any reasons for this appropriation?

Mr. ROBSION of Kentucky. I know of none. No hearings were held. The people of Meade County had no opportunity to be heard. With the big deficit and debt facing us, why put this in?

Mr. PEARSON. Is there to be any additional safety?

Mr. ROBSION of Kentucky. I understood from the good Congressman who represents that district, the gentleman from Kentucky [Mr. CREAL], that no showing has been made, and he or I would offer the amendment and I will yield to the gentleman from Kentucky [Mr. CREAL].

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. MAY. I suppose the gentleman knows that I am quite familiar with the situation at Fort Knox myself, as I have visited it three or four times a year for the last 3 or 4 years.

Mr. ROBSION of Kentucky. I have visited it for a number of years and was pleased.

Mr. MAY. And the gentleman knows they are so badly restricted for land now that they can hardly operate there for maneuver purposes.

Mr. ROBSION of Kentucky. No. I do not know that. Why did not the Army ask for it from the Budget, and why did not the Budget ask for it, and why did not the President ask for it?

Mr. MAY. I do not have to answer that question from the gentleman. He has been in Congress as long as I have and the gentleman knows that the Budget controls in such matters, and the Army is not permitted to tell the Committee anything on earth except what they are told.

Mr. ROBSION of Kentucky. We have here the gentleman from Kentucky [Mr. CREAL] who has been around for the last 20 years or more, and he says the appropriation is not necessary. If we are going to spend the taxpayers' money let us know this is necessary.

[Here the gavel fell.]

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Kentucky [Mr. ROBSION].

The question was taken; and on a division (demanded by Mr. MAY) there were—ayes 43, noes 29.

Mr. MAY. Mr. Chairman, I demand tellers.

The CHAIRMAN. Those in favor of taking this vote by tellers will rise and stand until counted. [After counting.]

Seven Members have risen, not a sufficient number, and tellers are refused.

Mr. O'NEAL. Mr. Chairman, may I respectfully request by unanimous consent that the count be taken again? There were more than seven standing.

The CHAIRMAN. The Chair counted those who rose after the Chair had announced that those in favor of tellers should stand, and the Chair distinctly observed only seven, and, therefore, the Chair refuses again to submit the request.

The Clerk read as follows:

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, including cleaning and luandering of uniforms and clothing at camps; and to forage, at the expense of the United States, public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of same to place of issue when necessary; for purchase of training manuals, including Government publications and blank forms; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit, or, in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for pay for students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the act approved June 3, 1916, as amended by the act approved June 4, 1920 (10 U. S. C. 387); for the medical and hospital treatment of members of the Reserve Officers' Training Corps, who suffer personal injury or contract disease in line of duty, and for other expenses in connection therewith, including pay and allowances, subsistence, transportation, and burial expenses, as authorized by the act of June 15, 1936 (49 Stat. 1507); for mileage, traveling expenses, or transportation, for transportation of dependents, and for packing and transportation of baggage, as authorized by law, for officers, warrant officers, and enlisted men of the Regular Army traveling on duty pertaining to or on detail to or relief from duty with the Reserve Officers' Training Corps; for the purchase, maintentnce, repair, and operation of motor vehicles, including station wagons, $4,931,417, of which amount $400,000 shall be available immediately: *Provided,* That the Secretary of War is authorized to issue, without charge, in lieu of purchase, for the use of the Reserve Officers' Training Corps, so many horses now belonging to the Regular Army as he may consider desirable: *Provided,* That uniforms and other equipment or material issued to the Reserve Officers' Training Corps in accordance with law shall be furnished from surplus stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue: *Provided further,* That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished to the Reserve Officers' Training Corps from stocks under the control of the War Department be in excess of the price current at the time the issue is made: *Provided further,* That none of the funds appropriated in this act shall be used for the organization or maintenance of an additional number of mounted, motor transport, or tank units in the Reserve Officers' Training Corps in excess of the number in existence on January 1, 1928: *Provided further,* That none of the funds appropriated in this act shall be available for any expense on account of any student in Air Corps, Dental Corps, or Veterinary units not a member of such units on May 5, 1932, but such stoppage of further enrollments shall not interfere with the maintenance of existing units: *Provided further,* That none of the funds appropriated elsewhere in this act, except for printing and binding and pay and allowances of officers and enlisted men of the Regular Army, shall be used for expenses in connection with the Reserve Officers' Training Corps.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word. I feel it is necessary, in view of testimony offered regarding the Reserve Corps, that something be said about units operating in the various schools and colleges of the country under section 55–C of the national defense, as amended. Under that bill the Secretary of War can provide equipment and that sort of thing to high schools, military academies, and schools and colleges. Today there are 365 such units in probably 275 schools. I am sure that every Member of the House has at some time or other been under the importunities of the schools in his area relative to applications for junior and senior units in the schools which cannot be available at the present time. I took the trouble to go into the matter rather thoroughly, both with the War Department and elsewhere, and I find 108 junior applications and 49 senior applications, covering 29,000 young men in schools for whom they would like to have this training. The cost would not be a great deal and I am amazed to find that it would be less than $10 per capita. To take in the additional 108 junior units and 49 senior units initial cost would be $900,000 for the first year, and approximately $275,000 in maintenance cost per year thereafter. The difficulty seems to be with the instructor personnel to expand that program and take on other applications. I am informed that the instructor personnel at the present time is very much overworked, and they are trying to induce some of the retired officers to come back into the Service for the purpose of Reserve officers training work, so that if there were an expansion of this program and all applications pending approved, there still would not be sufficient officer material to provide instruction. That seems to be the situation. My first impulse was to offer an amendment to increase the amount carried in the bill by $900,000, so that we could take care of the 156 applications now pending, but if sufficiently informed officer-instructor personnel is not available for the purpose, then obviously any amount of money that might be added to the bill would be of no avail at the present time. I make that statement because I think other Members have applications on file, no doubt, in the War Department, and that is the situation that exists today. I am willing to forego the opportunity to try to add another $900,000 to the bill, but even if that were done, it still would not make available that training to many of the schools.

General Marshall, Chief of Staff, and Major Ostrander both testified before the committee at some length concerning this program.

It was pointed out that provision was being made to induce 300 officers on retired status to resume active duty for the purpose of R. O. T. C. instruction. I am advised, however, that of this number, not more than 60 percent might qualify physically and that the 180 officers who would be available, would be only enough to carry the load for the schools which now have training units.

I also explored the possibility of assigning warrant officers or noncommissioned personnel to high schools for the purpose of this instruction. I have been advised that for a number of reasons this does not work out satisfactorily and that the Department is most reluctant to expand the program if it must be done with noncommissioned personnel.

In view of this situation the problem is not one of additional funds but of officer shortage and until this is remedied, extra funds, though made available, would not serve the purpose of expanding this training program during the fiscal year 1941.

I have a very abiding interest in the matter because an application from my own district is now pending before the War Department.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Clerk read as follows:

No part of the appropriations made in this act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch, or other time-measuring device, a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant.

Mr. COLE of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, Edgewood Arsenal and the Edgewood Chemical Warfare Depot are both located within the military reservation on Gunpowder Neck in Harford County, Md., but are two separate and distinct installations. It is a source of real gratification to me, not only because I represent the district which houses these important and interesting activities but because they present the only establishment of their kind and are so vital therefore to our Atlantic coast States, as well as the country at large, to find the bill now before us—the War Department appropriations bill, providing, first, for the sum of $854,990 for the Chemical Warfare Service, Army, fiscal year 1941, and specifically for project 21, Reserve chemical and filling plants, and, also, $918,988 for the fiscal year 1941, for the construction of buildings, utilities, and appurtenances at military posts, specifically under project 1 (i): Edgewood Arsenal, Md., Bush River project.

I congratulate the members of the subcommittee for their decision in this respect.

In partial explanation of the reasons for the appropriations and the effect thereon, I quote at this point from the testimony of Gen. G. C. Marshall, Chief of Staff, page 24 of the hearings:

The estimates carry $918,918 which will be employed largely for the construction of magazines for the proper housing of ammunition, powder, and explosives now stored in deteriorated warehouses which are located within a few hundred yards of the quarters of personnel stationed at Edgewood and at Fort Hoyle. These conditions endanger the lives of personnel and also of plant and equipment valued at $30,000,000. The present storage situation grew up following the World War and was in the nature of necessity due to the nonavailability of other buildings in which to store munitions on hand at Edgewood Arsenal when World War activities at that arsenal ceased. The conditions that now exist and have existed since the World War violate all safety standards and should not be continued. As stated previously, they present a distinct hazard to life and property.

This project is part of the $1,114,000 authorized for the Bush River project by the act approved June 4, 1936. Funds for the accomplishment of this project were requested in the estimates for the fiscal year 1938 and were disallowed by your committee, its report containing a statement substantially as follows:

"The committee feel that there is justification for the construction only in the event the policy is to have all chemical warfare manufacture and the great bulk of the storage in the United States concentrated in one establishment. Concentration has its virtues, but as to this particular activity the estimate raises the question as to whether or not it is wise to have all eggs in one basket. It is believed that the matter is one which should be restudied by the War Department and the Military Affairs Committee."

The question has been restudied by the War Department with the conclusion that the rounding out of Edgewood Arsenal constitutes the most economical plan for solving a difficult situation in the present emergency. To complete the proper rounding out of this arsenal will require new construction for which no authorization exists. The Chemical Warfare Service cannot properly perform its mission with the facilities that now exist, and the completion of the required installations at this plant can be managed at an estimated cost of not to exceed $5,500,000.

An additional chemical warfare arsenal should be located in the interior, but provision should first be made to facilitate business at Edgewood. The estimated cost of a new arsenal of equivalent capacity to Edgewood is $20,000,000, exclusive of the cost of land. The requirements of a suitable inland site with adequate safety zones would total 80,000 acres which would require a considerable additional expenditure. If Edgewood were abandoned and a new depot established it would cost approximately $5,000,000 to move the stocks now at Edgewood. This sum approximates the amount necessary to round out the existing arsenal on a minimum operating basis.

The testimony of Maj. Gen. Walter C. Baker, Chief, Chemical Warfare Service, accompanied by Col. Arthur M. Heritage, Lt. Col. Paul X. English, and Capt. Norman D. Gillet, Chemical Warfare Service, at pages 434 and 435 of the hearings, is of such interest that I quote therefrom:

General BAKER. The Chemical Warfare Service is, in general, responsible for the training of the Army in defense against chemical warfare, and the supply of the necessary munitions and equipment for this purpose; conducting the necessary research and development to insure that the Army will have available the most efficient defensive and offensive material and equipment; with the operation of manufacturing facilities for the supply, not only of material needed in current operation and training, but also the accumulation, insofar as funds are available, of an adequate war reserve.

This service is also responsible within its field for the necessary advance planning for the procurement of supplies and equipment in time of emergency, either by expansion of Government-operated facilities or by procurement from industry. Thus, our activities may be classified as: (1) Research, (2) manufacture, (3) training, and (4) procurement planning.

While the carrying out of these functions affects the Army as a whole, and we must maintain our officers in all the corps areas in the continental United States and in our overseas departments, the majority of our work is centered at Edgewood Arsenal, approximately 20 miles north of Baltimore, where we maintain our only arsenal, at which all activities in connection with research and manufacture are carried out. Thus the greater portion of the funds covered in the estimates we are considering will be expended at Edgewood Arsenal, either for direct manufacturing and research activities or for the operation of the Chemical Warfare School and carrying out of our current procurement activities with industry. We also maintain five Chemical Warfare procurement district offices which are constantly in touch with industry in connection with procurement planning activities.

The estimates for the fiscal year 1941 total $6,260,382. Included in this total is a contract authorization of $740,000, appropriated under the Second Deficiency Act, fiscal year 1939, for the procurement of gas masks. * * * The other notable increases are for the rehabilitation of certain essential plants at Edgewood Arsenal, Md., totaling $854,990, and a procurement planning project for the procurement of gages, dies, jigs, and special machinery for manufacture, totaling $1,893,615, together with the necessity therefor.

Mr. SNYDER. We had quite an extended discussion here the other day, when the Quartermaster General was here, upon the subject of additional storage at Edgewood Arsenal. Colonel English was here at that time and made a very forceful presentation. Would you care to express your views upon that matter?

General BAKER. I wish to endorse everything Colonel English said because he knows thoroughly what my views are.

I think the question of adequate storage at the Edgewood Chemical Warfare Depot for reserve stocks and for the current issue stocks of various types of munitions is extremely important not only for the care of the property concerned but also in order that its storage may comply with safety regulations in order to afford adequate protection to human lives.

We have a great deal of very valuable property stored there, which is impossible of segregation in accordance with the best practice, and unless we have some means of properly storing munitions and supplies which constitute a hazard we are in constant danger of having trouble.

Mr. SNYDER. I take it that to the extent facilities exist for its accommodation, you have this explosive material stored already in strategic areas in the United States, in Panama, and in the insular possessions. Would that be true?

General BAKER. A very limited quantity. Our principal storage is at the Edgewood Chemical Warfare Depot. That is the only depot we have in continental United States.

Mr. SNYDER. It is the policy to retain reserves at Edgewood for dispatch from there as and where needed?

General BAKER. As it is called for we send it out as needed, current supplies as well as reserve supplies. That is the policy now. In case of an emergency, as facilities become available in general depots, we will place the material at locations more convenient to possible points of use.

Mr. SNYDER. This accumulation at Edgewood may be said to be reserve quantities?

General BAKER. That is correct. It also includes items in current use.

Mr. SNYDER. Has this storage situation been brought about in any way by reason of the occupance of space by material of questionable value or really of no particular value?

General BAKER. No, sir.

Mr. SNYDER. How much high-explosive storage is presently available which is appropriately dispersed?

Colonel ENGLISH. There is none appropriately dispersed.

Mr. SNYDER. Is any considerable part of this material of a nature which readily could be procured from industry in the event of an emergency? In other words, are you storing up supplies beyond reasonably potential immediate needs?

General BAKER. No, sir; none of our supplies and materials stored at the Edgewood Chemical Warfare Depot are commercial type.

Mr. COLLINS. General, it develops that we have about $30,000,000 invested at Edgewood, and these investments were made during the last war, principally. Since then conditions have arisen because of which improvements should be made in this plant, and since the war we have learned also how to store ammunition of various types and in a way we did not know at the time this plant was built.

I was a member of the joint committee on the Army and the Navy which had ammunition storage under consideration, and we developed the igloo type of storage, or at least that was presented to us.

What you are proposing, as I understand it, is to improve your facilities at Edgewood and also to provide a better way of storing this ammunition, not only a better way in the sense of protecting it, but also to protect the lives and property of the people in that particular section of the country. In general, that is what you propose.

As I understand it, the principal argument that is made against these proposals is that a plant of this particular nature ought to be located somewhere farther away from the coast than the Edgewood

Arsenal, that it ought to be located, for instance, in the chairman's congressional district, or in the congressional district of my friend from Arkansas, or in South Dakota, or in my congressional district. Of course, I would like to see it located in my district, but I know it is not going to be, and for that reason I am not going to try to get it located in my district.

But as long as we have the plant which is located at Edgewood, you think that plant ought to be improved and the storage facilities increased; that is your idea, is it not?

General BAKER. That is correct, Mr. COLLINS. We need additional plant facilities for the arsenal, and safe storage facilities at the Edgewood Chemical Warfare Depot.

Mr. COLLINS. Suppose we were to decide that we ought to have another plant; as I understand it, it would be 3 or 4 years before such a plant could be built and the machinery installed in it; is not that true?

General BAKER. It would take considerable time. I would estimate a minimum from 1 year to 18 months to complete after contracts were approved.

Mr. COLLINS. And during the next 3 or 4 years we would have this stuff inadequately stored, and the lives and property of people would be jeopardized.

Furthermore, as I understand it, we ought to have this particular plant improved at the present time so we can avail ourselves of that plant while a new one is established, if Congress, in its wisdom, sees fit to establish it; that is so, is it not?

General BAKER. That is my idea, Mr. COLLINS.

Mr. COLLINS. Looking at the map, Edgewood is on the Chesapeake Bay, is it not?

General BAKER. It is on Gunpowder Neck, which is a long peninsula extending into Chesapeake Bay for 7 or 8 miles.

Mr. COLLINS. It is not located on the Atlantic Ocean, as a great many people believe it is?

General BAKER. No; it is not.

Mr. COLLINS. And in order to get from the sea with a hostile airplane you would have to go entirely across the State of Delaware and entirely across the State of New Jersey, would you not?

General BAKER. And a part of Maryland.

Mr. COLLINS. So, as a military man, do you think it is relatively safe from attack by foreign countries?

General BAKER. That depends on a number of factors.

Mr. COLLINS. I know, but we know what the factors are. Do you not think it is relatively safe?

General BAKER. Yes; relatively so.

Mr. COLLINS. It is just as safe as any other place 100 or 150 miles inland, is it not?

General BAKER. It is just as safe as other places equally distant from the sea.

Mr. COLLINS. In any event, you would have to store these supplies, if we had a war, somewhere in the eastern section of the country, because if we were going to ship them to our troops, especially if they are stationed abroad——

General BAKER. They should be near the means of transportation in order to ship them wherever the theater of operations happened to be.

Mr. COLLINS. You would, of necessity, have to have them stored some place in the East?

General BAKER. Some place in the East, preferably near the point of manufacture, so they could be shipped with the least loss of time and amount of congestion.

Mr. COLLINS. Under all these circumstances I have talked about, do you see any good reason why this plant should be abandoned and another one established somewhere in the East?

General BAKER. No, sir; I do not think Edgewood should be abandoned under any circumstances. As you have stated, we have a large institution there as the result of the establishment of the plant during the World War, and we have endeavored to keep it up as far as we could with appropriations that have been made since then. I do think it should be built up to the point where it will take care at least of the requirements for the initial protective force and be able to maintain that force in the field.

Mr. COLLINS. You would have no objection to the establishment of another plant similar to this plant somewhere in the United States, would you?

General BAKER. Decidedly not; in fact, I advocate it, and of greater capacity, because what is planned for Edgewood is a plant of minimum capacity. I think a plant with any additional capacity should be, and I strongly recommend that it be at some place farther from the Atlantic seaboard.

Mr. COLLINS. Pending the establishment of such a plant and the installation of the machinery, you feel that this one ought to be put in tiptop shape?

General BAKER. I do, sir; on the minimum basis necessary to meet the requirements of the first troops to go into the field.

Mr. CASE. I notice that you spoke of the total investment in the Edgewood Arsenal as being $30,000,000.

Colonel ENGLISH. Yes, sir. The initial cost of Edgewood Arsenal was, according to the records, $35,562,781.

Considering the present facilities existing at Edgewood Arsenal at the present location with reference to the chemical industries of the United States and the investment now held by the Government in this property, it would appear that the provision of $5,401,349 to round out this arsenal—of which $854,990 requested for the fiscal year 1941 is only a small part—and put it on an operating basis is reasonable and in sound judgment. If these facilities are provided, it is the most economical means of caring for the initial equipment necessary and the maintenance of the initial protective force of the Army in the field.

Speaking specifically as to the item of $854,990, this project covers rehabilitation of four essential manufacturing plants in the plants area at Edgewood Arsenal, Md., and provides for the necessary additional equipment in order to round them out and put them on a proper operating basis. The necessity for this project is urgent and it covers only a small part of the minimum plant requirements for that station. The total plant requirements as outlined for Edgewood Arsenal in order to place that arsenal on a proper minimum operating basis so that the Chemical Warfare Service may be able to perform its mission in accordance with the National Defense Act requires an expenditure of $5,401,349. The greater part of this expenditure is for new construction, which has not as yet been authorized by Congress. Only so much of these necessary funds for plants, totaling $854,990, is requested, as that does not require authorization, but represents rehabilitation costs of existing installations and the cost of the necessary equipment. The Government has a heavy investment in the plant at Edgewood Arsenal, Md., the figures thereon including the fiscal year 1939 being as follows:

Original cost, 1917–18	$35,562,781
Additional construction costs since 1918	1,671,755
Maintenance, Chemical Warfare Service plants, since 1918	5,875,409
Quartermaster maintenance, estimated	500,000
Total cost to Government	43,609,945

Following the large-scale manufacturing activities that obtained at Edgewood Arsenal up to the close of the World War, the plant has steadily deteriorated throughout the years, due to budgetary limitations and more pressing needs elsewhere of limited funds available to the War Department. The plant that now exists at Edgewood Arsenal comprises some 344 buildings and structures, which provide limited facilities for Chemical Warfare Service activities involving manufacture, research, service-school facilities, ranges for the testing and proving of artillery and chemical munitions; barracks for the Second Separate Chemical Battalion and the Four Hundred and Twelfth Chemical Depot Company; also quarters for 45 officers—16 permanent sets of officers' quarters; balance temporary quarters in converted wartime buildings. The present estimated depreciated value of Government facilities located at Edgewood Arsenal is $14,500,867. These facilities afford employment for 1,409 civilian employees, with a monthly pay roll of $172,504. In addition to this, there is a military pay roll totaling $37,839 per month.

Strategic location of Edgewood Arsenal: There has been advanced by various opponents to any further expenditure of funds at Edgewood Arsenal that its location on the eastern seaboard is wrong, due to its vulnerability to air attack. This contention would equally apply to the entire eastern seaboard. However, there should be considered the question of whether or not the commander of an attacking force would consider Edgewood Arsenal a more lucrative target for bombing operations as opposed to the industrial centers in the East, as well as the larger cities. This also includes the city of Washington. There has also been stated that this arsenal is in effect "putting all of your eggs in one basket," which, of course, should not be done. The answer to this is that a second arsenal should be provided. To do away with Edgewood Arsenal in its entirety and, as it were, move the "basket" to another location does not remedy the situation in this respect. Further, in this connection, the Army and the Navy as well have numerous installations on the Atlantic seaboard, all equally as vulnerable to air attack as is the location of Edgewood Arsenal. It is obvious that the movement of all of these installations to the interior would be out of the question.

Now, as to the Bush River project: Under the Quartermaster Corps' construction requirements, fiscal year 1941, there has been requested of Congress an appropriation totaling $918,988 for the purpose of providing safe and adequate

storage of chemical munitions and supplies at the Edgewood Chemical Warfare Depot. This project was authorized by Public, 646, Seventy-fourth Congress, approved June 4, 1936. The total authorization called for an expenditure amounting to $1,114,171 and was designed to correct an extremely hazardous situation that exists at the Edgewood Chemical Warfare Depot, Edgewood, Md. Some background in history in connection with the Edgewood Chemical Warfare Depot and the situation that exists there is necessary in order that an understanding may be had of what is needed.

The Edgewood Chemical Warfare Depot grew up as a result of conditions that existed at Edgewood Arsenal at the termination of the World War. At that time—1918–20—considerable production was current, and outgoing shipments to a great extent stopped. Therefore, it was necessary to store existing munitions then on hand as well as others that had been returned to Edgewood Arsenal. There being no proper magazine storage existing, all items were stored in buildings then available, the authorities being forced into storing these items without regard to approved safety standards. The greater part of these activities were within the confines of Edgewood Arsenal. The final result was that there grew up within the confines of a large manufacturing arsenal a branch depot. These conditions have not materially changed through the years. The conditions now existent may be summarized as follows: Storage of loaded ammunition in ordinary warehouses rather than in approved types of magazines; storage of different types of ammunition, such as powder, explosives, and inflammables in the same building; distances between warehouses considerably less than required by approved safety regulations; storage warehouses contiguous to offices and laboratories where personnel are endangered; storage warehouses within a few hundred yards of quarters occupied by officers and their families.

The construction necessary in order to correct this situation, funds for which are specifically requested in the Quartermaster construction estimates, fiscal year 1941, will provide the most up-to-date, safe storage magazines for chemical ammunition and its components pertaining to both the Ordnance Department and the Chemical Warfare Service. It will also provide proper warehouse facilities for the storage of war reserve items of the Chemical Warfare Service supplies and equipment, together with the necessary utilities and roads. Funds requested for the fiscal year 1941 will provide for a total of 31 buildings, of which 30 will be magazines. The situation regarding this storage is acute, and by all means funds totaling $918,988 should be provided in the fiscal year 1941 to correct it.

As these items of $918,988, known as the Bush River project, and $854,990, Chemical Warfare Service, have been allowed in full in the bill now before us, I again congratulate the Appropriations Committee, and especially my colleagues on the subcommitee, for the change in attitude they have taken toward the development of Edgewood Arsenal and of their apparent willingness to meet the demands of that important branch of our War Department activities as have been consistently recommended to the Congress by the War Department, the Director of the Budget, and the President of the United States.

Mr. SCHULTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHULTE: On page 69, after line 8, insert:

"No part of any appropriation made in this act shall be used directly or indirectly after May 1, 1941, for the payment of any civilian for services rendered by them on the Canal Zone while occupying a skilled, technical, clerical, administrative, or supervisory position unless such person is a citizen of the United States: *Provided, however,* That any employee now in the service who has rendered 10 or more years' faithful and efficient service shall be exempt from the provisions of this section."

Mr. SCHULTE. Mr. Chairman, the amendment I am proposing would, in effect, prohibit the employment on Army work in the Canal Zone of any alien other than the common laborer after May 1, 1941. This date is set because it will permit ample time for adjustment and will also take care of any budgetary requirements so that no additional funds will be required.

The proviso in my amendment eliminating employees who have 10 or more years faithful and efficient service from the terms of the bill is inserted because the Army is not permitted to retire these aliens as Army employees do not come under the terms of the law which permits Panama Canal or Panama Railroad employees to be so retired, nor does the Army have a fund to repatriate these aliens as does the Panama Canal and Panama Railroad.

It is my understanding that less than 125 aliens will be affected by my amendment in the regular forces maintained on the Zone, but it will also prevent the employment of aliens by contractors doing work for the Army and will cause them to employ American citizens. Contractors in the past have employed aliens to do all building-trades work for a pittance. The average rate of pay of the alien is but $55 per month and their efficiency is but one-third of that of the American workman, according to official reports of United States Government investigators.

On February 16, 1940, this House adopted a much more drastic amendment, reading as follows, which I offered to the Navy appropriation bill. There was but one dissenting vote:

SEC. 7. No part of any appropriation contained in this act shall be used, directly or indirectly, after January 1, 1941, for the payment of any civilian for services rendered by them on the Canal Zone while occupying a skilled, technical, clerical, administrative, or supervisory position, unless such person is a citizen of the United States of America.

After the Navy bill reached another body the Navy Department officials analyzed my amendment and after many conferences with all interested parties agreed to the amendment I am submitting to this bill today, which you have heard read by the clerk.

There are no treaties in existence with any nation with which my amendment would interfere in any way as the treaty in existence between our Government and the Republic of Panama applies only to the Panama Canal and the Panama Railroad. But there are employed, by the Army on the Canal Zone, many aliens in skilled positions which should be occupied by American citizens. Let us remember that for every alien displaced, an American citizen will secure employment and that our relief rolls in the United States will be relieved to that extent. Let us remember that for every alien displaced on the Canal Zone, the Government makes a saving because the salary paid to the alien on the Canal Zone added to approximately $1,200 now annually paid a W. P. A. worker, who would replace the alien, will more than amount to the salary paid an American citizen.

There is no agreement to furnish housing for the employees on the Canal Zone so there will be no additional cost because of housing.

Let us adopt my amendment and keep Army procedure on a par with that we required of the Navy in the bill recently passed.

Mr. SNYDER. Mr. Chairman, I understand that the amendment is substantially the same as the amendment placed on the War Department civil functions appropriation bill, which is now being considered by the Senate Committee on Appropriations. That amendment no doubt will be modified in a way that will accomplish the end sought in a proper and orderly way and without violation of treaty obligations. This amendment no doubt will be similarly modified. For that reason I am willing to accept it.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. Such portions of the appropriations contained herein under the head of "Military activities" on account of classified personal services provided for in the Second Deficiency Appropriation Act, fiscal year 1939, in the Supplemental Military Appropriation Act, 1940, and in the Emergency Supplemental Appropriation Act, 1940, shall be available for the employment of such personal services only upon a temporary basis.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this bill was prepared by the War Department subcommittee of the Committee on Appropriations. I had the privilege of serving on this subcommittee for the first time. I was very much interested and enjoyed the work with the kindly chairman, the very able clerk, and the members of the committee. Everyone is sincere, well-informed, and an ardent American.

This year, the subject of national defense is of wide interest. This bill, possibly, at this time is of more general public interest than any of the other regular appropriation bills. The hearings are an encyclopedia of information, and I am sure that Members will find it worth while to put a copy in their kit for reading and reference next summer. Also take a copy of the committee report. The report gives the totals to show a reduction of $67,357,660 in cash and of $43,780,500 in contractual authority below the Budget figures, yet the bill carries $785,999,094.

The delayed deliveries on airplanes, the evidence on the need for air bases in Alaska, the extended field maneuvers, the controversy, if it be such, over the new Garand rifle, the place of cavalry in modern warfare—all these subjects are discussed in detail in the hearings. The questions that are being asked in the newspapers were asked in the hearings and the answers are those of the experts who were before the committee. You will keep in mind, of course, that those before us were witnesses who were seeking to justify items requested while we had to keep in mind the state of the Treasury.

I did not take time during general debate to discuss the bill because there were so many requests for time and I was pleased to hear the remarks of others. I was impressed, Mr. Chairman, by the speakers who discussed the meaning of this bill for peace. In the country, today, there is a real desire for us to keep out of war, but the headlines in today's paper show that deliberate efforts will be made to get us into the conflict. In some quarters, there is a feeling of fatalism, of discouragement, a feeling of futility of efforts to keep out of the war.

The committee, necessarily, faced a double responsibility. None of the members want war. We would do nothing to move in that direction. At the same time, when a fire is raging, prudent men check their fire insurance and their fire extinguishers. I am sure that within the funds it seemed wise to spend, and the requests made the committee endeavored to make the best allocations it could. The bill that has now been read is not exactly as any one Member would have written it, but it represents what was achieved by a majority of the Members, with compromises here and there as most bills have. Certainly, as a whole, I think it represents a real insurance policy for this country against war and for safety if war comes.

Mr. Chairman, however, let no Member of this body relax in his efforts to keep America at peace and to bring peace to the world. Although we despair today—

> Wherever men forge upward through the night
> The darkness of the world must yield to light.

The Clerk concluded the reading of the bill.

Mr. SNYDER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and Mr. RAYBURN, Speaker pro tempore, having resumed the chair, Mr. WARREN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 9209, the Military Establishment appropriation bill for 1941, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill, as amended, do pass.

Mr. SNYDER. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment?

Mr. O'NEAL. Mr. Speaker, I demand a separate vote on the so-called Robsion amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment? If not, the Chair will put them en grosse.

The other amendments were agreed to.

The SPEAKER pro tempore. The Clerk will report the amendment upon which a separate vote is demanded.

The Clerk read as follows:

> On page 30, line 3, strike out all of line 3, and in line 4, strike out "$1,000,000", and correct the total in line 5.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken and the Chair announced the ayes appeared to have it.

Mr. O'NEAL. Mr. Speaker, I make the point of order that there is not a quorum present, and I object to the vote on the ground that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] Obviously a quorum is not present. The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 181, nays 140, not voting 109, as follows:

[Roll No. 61]

Yeas—181

Allen, Ill.	Engel	Johnson, Luther	Poage
Allen, Pa.	Englebright	Johnson, Lyndon	Polk
Andersen, H. Carl	Fenton	Johnson, Okla.	Powers
Anderson, Calif.	Fish	Jones, Ohio	Rees, Kans.
Andresen, A. H.	Ford, Leland M.	Jones, Tex.	Risk
Angell	Fulmer	Jonkman	Robsion, Ky.
Arends	Gamble	Kean	Rockefeller
Austin	Garrett	Keefe	Rodgers, Pa.
Ball	Gartner	Kennedy, Md.	Rogers, Mass.
Barton	Gathings	Kilburn	Rogers, Okla.
Bates, Ky.	Gearhart	Kinzer	Rutherford
Bates, Mass.	Gehrmann	Kitchens	Sandager
Bender	Gerlach	Knutson	Schiffler
Bland	Geyer, Calif.	Kunkel	Seccombe
Bolles	Gifford	Landis	Secrest
Bolton	Goodwin	Lanham	Seger
Boren	Gore	LeCompte	Smith, Ohio
Brown, Ohio	Gossett	Lemke	South
Bryson	Graham	Lewis, Ohio	Springer
Byrns, Tenn.	Grant, Ind.	Luce	Stearns, N. H.
Case, S. Dak.	Guyer, Kans.	McDowell	Stefan
Chapman	Gwynne	McGregor	Sumner, Ill.
Church	Hall, Edwin A.	McLean	Taber
Clason	Hall, Leonard W.	McLeod	Talle
Clevenger	Hancock	Maas	Thill
Cluett	Hare	Marcantonio	Thomas, N. J.
Coffee, Nebr.	Harness	Martin, Iowa	Thorkelson
Cole, N. Y.	Harrington	Martin, Mass.	Tibbott
Colmer	Harter, N. Y.	Michener	Van Zandt
Cooley	Hawks	Miller	Voorhis, Calif.
Cooper	Healey	Mills, Ark.	Vorys, Ohio
Corbett	Hess	Monkiewicz	Vreeland
Crawford	Hill	Monroney	Warren
Creal	Hinshaw	Mott	Welch
Curtis	Hoffman	Mundt	Wigglesworth
Davis	Holmes	Murdock, Utah	Williams, Del.
Dies	Hope	Murray	Williams, Mo.
Dirksen	Horton	Norrell	Winter
Disney	Hull	O'Connor	Wolcott
Ditter	Jarrett	O'Day	Wolfenden, Pa.
Dondero	Jenkins, Ohio	Patton	Wood
Durham	Jenks, N. H.	Pearson	Woodruff, Mich.
Dworshak	Jennings	Peterson, Fla.	Youngdahl
Eaton	Jensen	Peterson, Ga.	
Ellis	Johnson, Ill.	Pittenger	
Elston	Johnson, Ind.	Plumley	

NAYS—140

Allen, La.	Cole, Md.	Faddis	Hook
Anderson, Mo.	Collins	Fernandez	Houston
Arnold	Connery	Fitzpatrick	Hunter
Barnes	Costello	Flaherty	Izac
Barry	Cox	Flannagan	Jacobsen
Beckworth	Cravens	Flannery	Kefauver
Boykin	Crowe	Folger	Keller
Bradley, Pa.	Cummings	Ford, Miss.	Kerr
Brooks	D'Alesandro	Ford, Thomas F.	Kilday
Brown, Ga.	Darden	Fries	Kleberg
Bulwinkle	Dempsey	Gibbs	Kramer
Burch	DeRouen	Grant, Ala.	Larrabee
Camp	Dingell	Gregory	Lea
Cannon, Fla.	Doxey	Griffith	Leavy
Cannon, Mo.	Drewry	Hart	Lesinski
Cartwright	Dunn	Harter, Ohio	Lewis, Colo.
Casey, Mass.	Eberharter	Havenner	Ludlow
Clark	Edelstein	Hendricks	McAndrews
Claypool	Elliott	Hennings	McArdle
Cochran	Evans	Hobbs	McCormack

McGehee	O'Toole	Schaefer, Ill.	Sumners, Tex.
McGranery	Pace	Schuetz	Sutphin
McMillan, Clara G.	Parsons	Schulte	Sweeney
McMillan, John L.	Patrick	Scrugham	Tenerowicz
Magnuson	Pierce	Shanley	Terry
Mahon	Ramspeck	Sheppard	Thomas, Tex.
Maloney	Randolph	Sheridan	Thomason
Massingale	Rankin	Smith, Conn.	Tolan
Mills, La.	Rayburn	Smith, Va.	Vincent, Ky.
Moser	Richards	Smith, Wash.	Vinson, Ga.
Mouton	Robertson	Smith, W. Va.	Ward
Murdock, Ariz.	Robinson, Utah	Snyder	West
Myers	Ryan	Somers, N. Y.	Whittington
Nelson	Sasscer	Sparkman	Woodrum, Va.
O'Neal	Satterfield	Spence	Zimmerman

NOT VOTING—109

Alexander	Cullen	Lambertson	Sacks
Andrews	Darrow	Lynch	Schafer, Wis.
Barden	Delaney	McKeough	Schwert
Beam	Dickstein	McLaughlin	Shafer, Mich.
Bell	Doughton	Maciejewski	Shannon
Blackney	Douglas	Mansfield	Short
Bloom	Duncan	Marshall	Simpson
Boehne	Edmiston	Martin, Ill.	Smith, Ill.
Boland	Fay	Mason	Smith, Maine
Bradley, Mich.	Ferguson	May	Starnes, Ala.
Brewster	Gavagan	Merritt	Steagall
Buck	Gilchrist	Mitchell	Sullivan
Buckler, Minn.	Gillie	Nichols	Tarver
Buckley, N. Y.	Green	Norton	Taylor
Burdick	Gross	O'Brien	Tinkham
Burgin	Halleck	O'Leary	Treadway
Byrne, N. Y.	Hartley	Oliver	Wadsworth
Byron	Jarman	Osmers	Wallgren
Caldwell	Jeffries	Patman	Walter
Carlson	Johns	Pfeifer	Weaver
Carter	Johnson, W. Va.	Rabaut	Wheat
Celler	Kee	Reece, Tenn.	Whelchel
Chiperfield	Kelly	Reed, Ill.	White, Idaho
Coffee, Wash.	Kennedy, Martin	Reed, N. Y.	White, Ohio
Courtney	Kennedy, Michael	Rich	Wolverton, N. J.
Crosser	Keogh	Romjue	
Crowther	Kirwan	Routzohn	
Culkin	Kocialkowski	Sabath	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Short (for) with Mr. Rabaut (against).
Mr. Reece of Tennessee (for) with Mr. Merritt (against).
Mr. Johns (for) with Mr. Courtney (against).
Mr. Wheat (for) with Mr. O'Leary (against).
Mr. Reed of New York (for) with Mr. Cullen (against).
Mr. Treadway (for) with Mr. Doughton (against).
Mr. Chiperfield (for) with Mr. Maciejewski (against).
Mr. Reed of Illinois (for) with Mr. Bloom (against).
Mr. White of Ohio (for) with Mr. Coffee of Washington (against).
Mr. Carlson (for) with Mr. Kelly (against).
Mr. Marshall (for) with Mr. McKeough (against).
Mr. Blackney (for) with Mr. Beam (against).
Mr. Jeffries (for) with Mr. Keogh (against).
Mr. Crowther (for) with Mr. Martin J. Kennedy (against).
Mr. Halleck (for) with Mr. Fay (against).
Mr. Douglas (for) with Mr. Delaney (against).
Mr. Hartley (for) with Mr. Byrne of New York (against).
Mr. Gillie (for) with Mr. Michael J. Kennedy (against).
Mr. Lewis of Ohio (for) with Mr. Dickstein (against).
Mr. Osmers (for) with Mr. Celler (against).
Mr. Routzohn (for) with Mr. Gavagan (against).
Mr. Tinkham (for) with Mr. Sullivan (against).
Mr. Shafer of Michigan (for) with Mr. Lynch (against).
Mr. O'Brien (for) with Mr. Pfeifer (against).
Mr. Gross (for) with Mrs. Norton (against).
Mr. Darrow (for) with Mr. Schwert (against).
Mr. Carter (for) with Mr. Kocialkowski (against).

Until further notice:

Mr. Barden with Mr. Rich.
Mr. May with Mr. Wolverton of New Jersey.
Mr. Boland with Mr. Oliver.
Mr. Crosser with Mr. Wadsworth.
Mr. Whelchel with Mr. Simpson.
Mr. Jarman with Mr. Mason.
Mr. Caldwell with Mr. Gilchrist.
Mr. Mansfield with Mr. Culkin.
Mr. Nichols with Mr. Lambertson.
Mr. Patman with Mr. Schafer of Wisconsin.
Mr. Starnes of Alabama with Mr. Smith of Maine.
Mr. Steagall with Mr. Buckler of Minnesota.
Mr. Tarver with Mr. Alexander.
Mr. Weaver with Mr. Brewster.
Mr. Boehne with Mr. Andrews.
Mr. McLaughlin with Mr. Bradley of Michigan.
Mr. Ferguson with Mr. Burdick.
Mr. Johnson of West Virginia with Mr. Walter.
Mr. Bell with Mr. Martin of Illinois.
Mr. Edmiston with Mr. Shannon.
Mr. Wallgren with Mr. Kee.
Mr. Taylor with Mr. Romjue.
Mr. Buck with Mr. Smith of Illinois.
Mr. Sabath with Mr. Duncan.
Mr. Kirwan with Mr. Byron.
Mr. Burgin with Mr. Sacks.
Mr. Mitchell with Mr. Buckley of New York.

Mr. SUMNERS of Texas changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. MARCANTONIO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MARCANTONIO. I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARCANTONIO moves to recommit the bill (H. R. 9209) to the Committee on Appropriations with direction to report the same back to the House forthwith with the following amendment: That the sum total provided therein be reduced 10 percent.

Mr. SNYDER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 17, noes 178.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground there is not a quorum present.

The SPEAKER pro tempore. The Chair will count the Members now present in the Chamber. [After counting.] Two hundred and forty-five Members present, a quorum.

The motion to recommit was rejected.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that the Clerk may be allowed to correct section numbers and totals.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

ADJOURNMENT OVER AND ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the distinguished gentleman from Massachusetts advise us what the program will be for next week?

Mr. McCORMACK. So far as I am advised, in addition to the call of the committees under the Calendar Wednesday rule the following special rules will be considered: The bill relating to the conduct of Federal judges, introduced by the gentleman from Texas [Mr. SUMNERS]; the special rule on the Navy Department building bill, introduced by the gentleman from Georgia [Mr. VINSON]; a resolution relating to the labor-cost study, introduced by the gentleman from Missouri [Mr. WOOD]; and the reapportionment bill, introduced by the gentleman from North Carolina [Mr. WARREN].

Mr. MARTIN of Massachusetts. Is it intended to take them up in the order stated?

Mr. McCORMACK. In the order I have stated; yes.

Mr. FISH. Mr. Speaker, reserving the right to object, is it the intention to bring those bills up starting Tuesday?

The SPEAKER pro tempore. On Monday.

Mr. McCORMACK. My understanding is that we will start consideration of them on Monday.

Mr. FISH. And that will continue through the week?

Mr. McCORMACK. Yes; in the order I have stated, except for Calendar Wednesday.

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, may I ask whether the bill, H. R. 6719, relating to the building and loan associations will be called up? It is my understanding that a rule was to be reported for it.

Mr. McCORMACK. That is not on the program for next week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts that when the House adjourns today it adjourn to meet on Monday next?

There was no objection.

EXTENSION OF REMARKS

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to include in the remarks I made in the Committee of the Whole today certain excerpts from hearings on the War Department bill.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

APPORTIONMENT OF REPRESENTATIVES IN CONGRESS

Mr. NELSON submitted the following privileged resolution from the Committee on Rules, which was referred to the House Calendar and ordered to be printed:

House Resolution 456

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2505, an act to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Census, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on the Census now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

EXTENSION OF REMARKS

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered in Scranton, Pa., by Hon. Joseph P. Tumulty, sometime secretary to the late President Wilson.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include some eulogies and resolutions on the life and character of the late Senator from Kentucky, M. M. Logan.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky [Mr. CHAPMAN]?

There was no objection.

Mr. HARTER of Ohio. Mr. Speaker, I have introduced a short resolution on the observance of National Aviation Day on August 19, and I ask unanimous consent to have the resolution included at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. HARTER]?

There was no objection.

The resolution referred to follows:

Whereas Congress, by Senate Joint Resolution 111, passed May 11, 1939, has recognized and designated, as suggested by the National Aviation Day Association, August 19, the birth date of Orville Wright, one of the fathers of aviation, to commemorate the invention of the airplane;

Whereas the heavier-than-air machine is one of the world's greatest scientific and mechanical marvels which has produced a fast-growing and developing industry in this country; and

Whereas on August 19, 1940, celebrations of National Aviation Day will be held in many States and cities throughout the Nation: Now, therefore, be it

Resolved, etc., That those in charge of Government establishments are hereby authorized to participate in such celebrations; and Government equipment, including flags, insignia, and models may upon application by responsible parties be loaned to local communities for the purpose of such celebrations; and service bands and other units of the Army, Navy, Marine Corps, Coast Guard, and National Guard may likewise be permitted to appear at such celebrations, if held in the cities where such service bands and other units are stationed, provided that no expense shall be incurred by the Government in carrying out the purposes of this resolution.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include excerpts from discussions on pending road legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. CARTWRIGHT]?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement which I made today before the Joint Senate-House Committee on Post Offices and Post Roads.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington [Mr. SMITH]?

There was no objection.

Mr. DISNEY asked and was given permission to extend his own remarks in the RECORD.

Mr. BOREN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Daily Oklahoman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. BOREN]?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a table concerning the poll-tax requirement as a prerequisite to voting.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEYER]?

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Binghamton Press on the local flood situation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. EDWIN A. HALL]?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution concerning the W. P. A. wage scale, and I also ask unanimous consent to extend my remarks in the RECORD with reference to the Wheeler-Lea transportation bill, and to include in connection therewith an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. VAN ZANDT]?

There was no objection.

THE GREAT LAKES-ST. LAWRENCE BASIN PROJECT AS IT AFFECTS THE NEUTRALITY OF THE UNITED STATES

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. HARTER]?

There was no objection.

Mr. HARTER of New York. Mr. Speaker and Members of the House, much has been said and written concerning the St. Lawrence seaway and power project, which the President, in his reported version, dusted off a few months ago. The economics of this project have been argued at length pro and con, but all too little consideration has been given to the international aspects of such a joint venture as affecting our neutrality. February 20 last, I introduced House Concurrent Resolution 48, which was referred to the Committee on Foreign Affairs, where it has rested since. This resolution, if adopted, would put Congress definitely on record as opposed to this St. Lawrence international problem child. I believe we are united and sincere in our efforts to see that this country remains neutral in the present World War venture. Many times we are prompted to wonder whether the administration is doing that which will best maintain our neutrality. Surely, many utterances and activities of the Chief Executive in the past does not seem to be

entirely compatible with the maintenance of our complete neutrality.

Let us not make the joint deal with our friendly neighbor to the north, and give our neutrality another slap in the face. It would seem superfluous for me to point out that making an agreement or treaty with Canada, a belligerent, to be partners in jointly constructing and maintaining this seaway and power project would be an unneutral act. I believe it would violate the letter of our Neutrality Act. Certainly it would violate the spirit of that act, and existing precedents in large number under international law, it seems to me, definitely hold that such procedure on our part would make us unneutral in the eyes of international law.

I am not unmindful of the fact that our estimable Secretary of State has blithely said that the conclusion of a treaty with Canada for the development of the Great Lakes-St. Lawrence Basin project would not affect in any way the complete neutrality of the United States. His letter addressed to our splendid colleague from New York may be found in the Appendix of the RECORD, at page 1251.

I could not believe that this statement represented the completely considered opinion of the State Department. Accordingly I addressed a letter of inquiry to our Secretary of State, March 18, 1940, asking whether the Department felt our neutrality would not be affected by the project and whether joint maintenance of such a project might not increase possibility of sabotage involving our property in the venture.

Mr. Hull's reply to me of March 25, last, said:

DEPARTMENT OF STATE,
Washington, March 25, 1940.

The Honorable J. FRANCIS HARTER,
House of Representatives.

MY DEAR MR. HARTER: I have received your letter of March 18, 1940, in regard to the possible effect on the neutrality of the United States if the proposed development of the Great Lakes-St. Lawrence Basin should be carried out.

In reply I desire to assure you that from the point of view of the executive branch of the Government, the proposed project would not affect the neutrality of the United States for the following reasons:

1. The project is not a war measure—it has been under consideration for over 40 years.

2. The project is expected to require several years for its completion, and, while it is impossible to foretell how long the present war will last, it is at least questionable whether the project will be finished in time to be of material aid to Canada in connection with the prosecution of the war.

3. A large part of the St. Lawrence River system lies within the boundaries of the United States, and the development of this section is therefore a domestic matter. It is true that for its complete development the cooperation of Canada is necessary; but, as far as the United States is concerned, the international phases are incidental. The real situation is that this Government desires to make available to the citizens of this country the benefits to be derived from the development of one of its natural resources.

With reference to your question regarding the possibility of sabotage, it appears to me that this is a matter which must be considered in time of peace as well as in war. Having in mind the fact that the whole purpose of the project is to serve peacetime needs and enterprises, and also having in mind that the completely neutral status of the United States in cooperating in the construction of the waterway would not be affected by possible sabotage, it is not perceived why such possibility should be anticipated or regarded as a deterrent.

I share your desire to avoid any step which might complicate the international relations of the United States. However, as I stated in my letter of March 6, 1940, to which you refer, it is the opinion of those whose primary duty it is to safeguard the neutrality of the United States that the conclusion of a treaty with Canada for the development of the Great Lakes-St. Lawrence Basin would not affect the complete neutrality of this country.

Sincerely yours,

CORDELL HULL.

Since his original letter dismissing the question of violation of our neutrality was placed in the RECORD I deemed it best that Secretary Hull's recent reiteration should also be made available to you for your considered study without comment on my part.

Now what do some other individuals and bodies, who want this country to stay out of war think about the St. Lawrence problem child's effect upon our neutrality, have to say on the subject? The National Rivers and Harbors Congress, with representatives in attendance from all sections of the land, a few days ago by resolution revoked a resolution adopted at a previous congress in favor of the St. Lawrence project, reciting Canada's present involvement and urging complete study of the project. The resolution can be found in the Appendix of the RECORD, page 1859. They do not want to violate our neutrality and recognize that Canada at war might not make such a good partner in this venture. What happened in the New York State Legislature a few days ago? Democratic Assemblyman Canney introduced a resolution opposing the project. The Buffalo Courier Express of April 2, 1940, in an editorial tells you about the legislature's action. It shows that the members of the New York State Legislature voting, voted overwhelmingly against this St. Lawrence project.

On February 19, 1940, in a short address given by Mr. Christy Q. Buscaglia at a large meeting of railroad workers in Buffalo he spoke on this subject. Mr. Buscaglia has long been active in transportation work on the Niagara frontier, especially with the railroad workers. He points out the danger to our neutral position the St. Lawrence project threatens. He is afraid the treaty and project might draw us into war and so are the workers who heard him on that night as they adopted a resolution opposing it.

The Real Estate Owners Taxpayers League, Inc., in Buffalo tell us they are home-owning members with no corporation affiliations and back the resolution of the National Rivers and Harbors Congress I have referred to. They have in mind Uncle Sam's neutrality and want to do nothing to get us nearer to war.

Now why have I taken time to cover these few of many similar remonstrances? I have in mind what the Secretary of State has said as to lack of effect on our neutral position. I recognize that now Canada is a belligerent. Some day, and Heaven forbid Uncle Sam might be at war with a country, with Canada attempting to maintain a neutral position with us and our then enemy. In other words, in this international venture we must recognize a present state of war. Likewise, future conflicting situations must be recognized before either country jumps into this questionable international partnership. I have taken this time today because different Washington newspapers today carried an item with purported quotations from a speech of the Ontario attorney general, given in Cannington, Ontario, Wednesday of this week. He wants Canada to do everything within her power to enlist the active support of the United States in the cause of the Allies. The article leaves no doubt of what he means when he says "active support." He wants the United States in the war. As one of the baits he is quoted as saying, "If the United States wants to build the St. Lawrence waterway, by all means let us join them." So that you will have the whole article, I refer you to the Appendix of the RECORD, page 1871.

Now, Mr. Hull, does that give us any further foundation for our statements that the St. Lawrence pact is dangerous to our neutrality? I, for one, will not trade our peace for any material thing, and certainly not for so questionable an enterprise as the St. Lawrence seaway project—this time being pushed by our present Chief Executive while our proposed partner is at war. Let us leave it alone. Let us turn our head from the foreign conflict to solving our huge domestic problems. In solving them we will place ourselves in a better position to help carry through a more lasting world peace. I am hopeful that the chairman and membership of our Foreign Affairs Committee will carefully ponder this situation and grant a public hearing on House Concurrent Resolution 48.

EXTENSION OF REMARKS

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a letter from Secretary of State Hull.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. HARTER]?

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein two short editorials, two short resolutions, and a letter to Secretary Hull from me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. HARTER]?

There was no objection.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution of the United Polish Relief Committee of Northampton, Mass.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. CLASON]?

There was no objection.

Mr. McLEOD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in support of House Concurrent Resolution 55.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. McLEOD]?

There was no objection.

HIGHWAY BRIDGE ACROSS SUSQUEHANNA RIVER AT WYALUSING, PA.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, H. R. 8471, granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at a point near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RUTHERFORD]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted etc., That the consent of Congress is hereby granted to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge, and approaches thereto, across the Susquehanna River, at a point suitable to the interests of navigation, at Wyalusing, and between Terry and Wyalusing Townships, Bradford County, in the Commonwealth of Pennsylvania, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 7, after the word "at" insert "or near."

Page 2, line 3, after "1906", insert "and subject to the conditions and limitations of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read as follows: "A bill granting the consent of Congress to the Commonweath of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at or near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania."

TRUST ON CERTAIN LANDS ALLOTTED TO INDIANS OF THE CROW TRIBE, MONTANA

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2609, to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana, and its immediate consideration. I may say this bill is identical with the bill, H. R. 8916, passed by the House on Monday but we inadvertently did not ask to substitute the Senate bill for the House bill.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. ROGERS]?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the period of trust on lands allotted to Indians of the Crow Reservation, Mont., upon which the trust period expired July 14, 1931, or at any other time prior to the approval of this act, and for which lands patents in fee have not been issued, is hereby reimposed and extended to May 23, 1940: *Provided*, That further extension of the period of trust may be made by the President, in his discretion, as provided by section 5 of the act of February 8, 1887 (24 Stat. 388), and the act of June 21, 1906 (34 Stat. 326).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask that the Senate be advised to take no action on the bill H. R. 8916.

EXTENSION OF REMARKS

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with regard to the Army Medical Library.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Philadelphia Evening Public Ledger.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNOUNCEMENT

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PETERSON of Florida. Mr. Speaker, there will be a meeting of the Committee on World War Veterans' Legislation in its committee room tomorrow at 10:30 a. m., with Members of Congress who are veterans. I hope you may be able to attend, and urge your attendance.

MEMORIAL TO ROBERT FECHNER

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PETERSON of Georgia. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein a copy of a resolution I have today introduced to provide for the erection of a memorial to Robert Fechner and the Civilian Conservation Corps, in the Robert Fechner Memorial Park in Chatham County, Ga., and also to include copies of resolutions adopted by citizens of the city of Savannah and of the county of Chatham.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PETERSON of Georgia. Tomorrow, Friday, April 5, marks the close of the seventh year of the successful operation of the Civilian Conservation Corps of the United States of America, during which period the activities and the accomplishments in the administraton of that department were due largely to the leadershp of Robert Fechner, of Savannah, Ga., now deceased, whose talents, powers of leadership and of organization contributed eminently to the success of this great national movement to conserve the young manhood and natural resources of our country.

The city of Savannah, Ga., was the home of the late Robert Fechner, first Director of the Civilian Conservation Corps.

To his memory a tract of 750 acres of land has been set aside and called the Robert Fechner Memorial Park. In it a C. C. C. camp has provided recreational facilities for the benefit of our people.

To many of us, including friends and admirers of the work of C. C. C. from other parts of the country, it has seemed meet and proper to use this locality to erect a permanent memorial not only to the memory of a devoted and eminently capable public servant but moreover to the spirit of the corps.

C. C. C., as conceived by the President, is an example of a social and economic experiment that the world to come will likely look back upon as a social landmark.

Different from Europe, which absorbs its jobless youth in standing armies, C. C. C. in this country is a purely civilian force. It not only takes up the so far unavoidable surplusage of labor at a critical age, but gives young men wholesome discipline, training, and a fresh outlook on life. It brings these boys in intimate touch with Nature and her vast resources. It teaches them the value of conservation to the end that, by means of this natural wealth, human life itself be elevated and enriched.

The great good which has accrued to the Nation by virtue of the C. C. C. is inestimable.

From one end to the other of our country C. C. C. has been engaged in work of conservation until, after 7 years of earnest and devoted labor, the time has come when we should show in one building a comprehensive picture of its labors and surround it with appropriate planting.

A museum of conservation, as portrayed by C. C. C., would open the eyes of many and delight and give comfort to the vast host of friends of conservation.

If such a presentation could be made running the whole gamut of C. C. C. enterprise and achievement, if it is desired to pay grateful tribute to the man who with undying fidelity, never-ending patience, incorruptible conscience, and magnificent administrative talent marshaled the young army of peacetime soldiers, no better way could be found than to emphasize conservation, its guiding thought, and no more fitting place could be found than Robert Fechner Memorial Park, in the city of Savannah, from whence he went forth to serve his country and never gave up until his dying day.

His life was an inspiration to American youth and he was its best friend.

I have today introduced a joint resolution for the erection of a suitable museum of conservation in the Robert Fechner Memorial Park in Chatham County, Ga. A similar resolution will be introduced in the Senate tomorow by Senators WALTER F. GEORGE and RICHARD B. RUSSELL, jointly. It is proper that such resolution be introduced on tomorrow. However, in view of the fact that the House will not be in session tomorrow it becomes necessary that I take such action in the House today.

This resolution should have the wholehearted approval and support of every Member of Congress who believes in the great work that is being done through the Civilian Conservation Corps and which has been so successfully promoted through the untiring efforts of the late Robert Fechner.

EXECUTIVE OFFICE,
CITY OF SAVANNAH, GA., *April 1, 1940.*

Hon. HUGH PETERSON,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN PETERSON: I enclose herewith copy of telegram I sent you last night, at the same time sending the same telegram to Senator GEORGE and Senator RUSSELL.

I also enclose copy of article appearing in the Savannah Morning News of this date and a somewhat detailed report on the Robert Fechner Recreation Center set aside in Bacon Park.

We are hopeful that through the united efforts of our Senators and Representative this Robert Fechner Recreation Center will be converted into a public memorial to the late Director Robert Fechner, of the Civilian Conservation Corps, and that the National Park Service will be authorized by Congress, under a joint resolution, to develop this Robert Fechner memorial in a way worthy of him in whose honor it will be carried on.

Inasmuch as the coming Friday is the seventh anniversary of the founding of the C. C. C. and the late Robert Fechner having been the Director of the C. C. C. from its inauguration until his death recently, we all feel there could be no more auspicious time to present a resolution providing for this memorial than on this seventh anniversary date.

Our people all sincerely hope that our two Senators and our Representative from the First District will unite in the preparation and in the presentation and adoption of the joint resolution referred to.

Nothing would give greater joy to the people of Savannah and Chatham County than to have such a resolution presented on Friday and, if possible, passed by both the Senate and the House. We feel that the work done by the late Director Fechner justifies such a memorial to him.

If there is any further information desired, kindly wire me and it will be immediately supplied, and if you desire any further cooperative work on our part kindly let me know promptly.

With best wishes, sincerely yours,

THOMAS GAMBLE, *Mayor.*

SAVANNAH, GA., *March 31, 1940.*

Hon. WALTER F. GEORGE,
United States Senator,
United States Senate Building, Washington, D. C.

Hon. RICHARD B. RUSSELL,
United States Senator,
United States Senate Building, Washington, D. C.

Hon. HUGH PETERSON,
House of Representatives, Washington, D. C.

Friday, April 5, will be the seventh anniversary of the founding of the Civilian Conservation Corps, an agency of the Federal Government, that during this period has firmly established itself in the confidence of the American people, won for itself their continued and increasing support, and justified the splendid testimonial of the faith of the Senate and the House of Representatives in its plans, its practical work, and its splendid achievements throughout the country in the shape of adequate appropriations to carry on its services. The anniversary celebration directs attention anew to the magnificent leadership of the Civilian Conservation Corps by its late director, the lamented Robert Fechner, whose splendid organization activities and remarkable administration abilities developed and maintained it as a work project that brought the praise of the American people, regardless of section or of political affiliations. The seventh anniversary of the establishment of the Civilian Conservation Corps leads us to urge that Georgia's two Senators and our Representative of the First Georgia Congressional District unite in presenting on next Friday a joint resolution calling for the creation of a national memorial to Director Robert Fechner at Savannah, Ga., in the adoption by the National Park Service of the Robert Fechner Center already established by the city of Savannah with a large existing park area and the development by the National Park Service of such a memorial in a manner worthy to perpetuate the labors for the public welfare of the American Congress and Director Fechner. Your united cordial and zealous cooperation to this end is urged as assured of the approval of the American people.

THE CITY OF SAVANNAH,
By THOMAS GAMBLE, *Mayor.*

Joint resolution to provide for the erection of a memorial to Robert Fechner and the Civilian Conservation Corps in the Robert Fechner Memorial Park, in Chatham County, Ga.

Resolved, etc., That the Director of the Civilian Conservation Corps is authorized and directed to provide for the erection of a museum of conservation to be located in the Robert Fechner Memorial Park, in Chatham County, Ga., as a permanent memorial to the accomplishments of the Civilian Conservation Corps and the achievements of the late Robert Fechner, the first Director of the Civilian Conservation Corps. Such museum shall be maintained and cared for by the Civilian Conservation Corps and shall contain such exhibits as the Director shall deem appropriate to show the functions and accomplishments of the Civilian Conservation Corps since its establishment.

SEC. 2. The design of such memorial shall be subject to the approval of the Commission of Fine Arts.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CLAYPOOL for 1 week on account of official business.

ENROLLED BILL SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 8641. An act making appropriations to supply deficiences in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes.

ADJOURNMENT

Mr. SNYDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 39 minutes p. m.) under its previous order the House adjourned until Monday, April 8, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON THE JUDICIARY

On April 10, 1940, at 10:30 a. m., there will be continued before subcommittee No. 4 of the Committee on the Judiciary a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m. on Wednesday, April 10, for consideration of House Joint Resolution 487.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 8152. A bill providing for procurements without advertising; with amendment (Rept. No. 1922). Referred to the Committee of the Whole House on the state of the Union.

Mr. BECKWORTH: Committee on Expenditures in the Executive Departments. H. R. 8508. A bill to amend the Subsistence Expense Act of 1926, as amended by the act of June 30, 1932 (ch. 314, sec. 209, 47 Stat. 405); without amendment (Rept. No. 1923). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOTT: Committee on Naval Affairs. S. 2348. An act relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters; without amendment (Rept. No. 1924). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAAS: Committee on Naval Affairs. S. 2599. An act to amend the Naval Reserve Act of 1938 (Public, No. 732, 52 Stat. 1175); without amendment (Rept. No. 1925). Referred to the Committee of the Whole House on the state of the Union.

Mr. ANDERSON of California: Committee on Naval Affairs. S. 3067. An act authorizing appropriations to be made for the disposition of the remains of personnel of the Navy and Marine Corps and certain civilian employees of the Navy, and for other purposes; without amendment (Rept. No. 1926). Referred to the Committee of the Whole House on the state of the Union.

Mr. DARDEN: Committee on Naval Affairs. S. 3174. An act to authorize the Secretary of the Navy to accept, without cost to the United States, a fee-simple conveyance of 16.4 acres, more or less, of land at Floyd Bennett Field in the city and State of New York; without amendment (Rept. No. 1927). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. H. R. 9195. A bill to amend the National Labor Relations Act; without amendment (Rept. No. 1928). Referred to the Committee of the Whole House on the state of the Union.

Mr. SWEENEY: Committee on the Post Office and Post Roads. H. R. 7663. A bill providing for sick leave for substitute postal employees; with amendment (Rept. No. 1929). Referred to the Committee of the Whole House on the state of the Union.

Mr. JACOBSEN: Committee on Naval Affairs. S. 2993. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States, and acceptance by gift of certain lands from the city of San Diego, Calif.; without amendment (Rept. No. 1930). Referred to the Committee of the Whole House on the state of the Union.

Mr. HORTON: Committee on Agriculture. H. R. 8403. A bill to convey certain lands to the State of Wyoming; without amendment (Rept. No. 1931). Referred to the Committee of the Whole House on the state of the Union.

Mr. NELSON: Committee on Rules. House Resolution 456. Resolution for the consideration of S. 2505; without amendment (Rept. No. 1932). Referred to the House Calendar.

Mr. BURCH: Committee on the Post Office and Post Roads. H. R. 8171. A bill to require the filling of all vacancies in the position of assistant postmaster in first- and second-class post offices; with amendment (Rept. No. 1933). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 9232. A bill to authorize the Secretary of War and the Secretary of the Navy, respectively, to deal with patented and secret inventions, and for other purposes; to the Committee on Military Affairs.

By Mr. ANDERSON of Missouri:

H. R. 9233. A bill to provide for the election of District Commissioners; to the Committee on the District of Columbia.

By Mr. HORTON:

H. R. 9234. A bill to authorize a preliminary examination and survey of the North Fork and the South Fork of the Shoshone River and their tributaries in the State of Wyoming for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. LEMKE:

H. R. 9235. A bill to amend the Civil Service Retirement Act, approved May 29, 1930, as amended, to provide for optional retirement after attaining the age of 60 years with 30 years of service or attaining the age of 62 years with 15 years of service; to the Committee on the Civil Service.

By Mrs. O'DAY:

H. R. 9236. A bill to amend the act entitled "An act to provide books for the adult blind," approved March 3, 1931; to the Committee on the Library.

By Mr. RANKIN:

H. R. 9237. A bill to provide more adequate pension for certain disabled World War veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SMITH of Virginia:

H. R. 9238. A bill to amend the Federal Corrupt Practices Act by prohibiting certain political contributions by labor organizations, and for other purposes; to the Committee on the Judiciary.

By Mr. DARDEN:

H. R. 9239. A bill providing compensatory leave for certain Navy Department employees; to the Committee on Naval Affairs.

By Mr. ELLIOTT:

H. R. 9240. A bill to authorize the construction of the Kern River project in California; to the Committee on Flood Control.

By Mr. JENNINGS:

H. R. 9241. A bill authorizing the sale, lease, loan, or gift of rifles and blank ammunition to American Legion posts, or other organizations of veterans of the armed forces of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 9242. A bill to authorize a preliminary examination and survey of the Homochitto River and its tributaries in the State of Mississippi for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. MAY:

H. R. 9243. A bill to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes; to the Committee on Military Affairs.

By Mr. PIERCE:

H. R. 9244. A bill authorizing the Reconstruction Finance Corporation to make loans to owners of timber and timberlands for the purpose of providing for more orderly marketing of timber holdings; to the Committee on Banking and Currency.

By Mr. RANDOLPH:

H. R. 9245. A bill to prohibit assignment of wages in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. HARTER of Ohio:

H. J. Res. 505. Joint resolution authorizing Government employees' participation in the celebration of National Aviation Day, and for other purposes; to the Committee on Military Affairs.

By Mr. PETERSON of Georgia:

H. J. Res. 506. Joint resolution to provide for the erection of a memorial to Robert Fechner and the Civilian Conservation Corps in the Robert Fechner Memorial Park, in Chatham County, Ga.; to the Committee on Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE:

H. R. 9246. A bill for the relief of Charles G. Riddle; to the Committee on Military Affairs.

H. R. 9247. A bill for the relief of William C. Barkley; to the Committee on Military Affairs.

H. R. 9248. A bill for the relief of R. & W. Motor Lines, Inc.; to the Committee on Claims.

By Mr. DISNEY:

H. R. 9249. A bill for the relief of Marion S. Williams; to the Committee on Military Affairs.

By Mr. ELSTON:

H. R. 9250. A bill for the relief of Frank Collins, James Everett, Edwin Kampel, Ralph Abrams, James N. Couch, and John Lynch; to the Committee on Claims.

By Mr. JENNINGS:

H. R. 9251. A bill granting a pension to Zeb Walden; to the Committee on Pensions.

By Mr. MAY:

H. R. 9252. A bill granting a pension to Henry C. Moore; to the Committee on Pensions.

H. R. 9253. A bill granting a pension to David Messer; to the Committee on Pensions.

H. R. 9254. A bill granting a pension to Henry Howington; to the Committee on Pensions.

H. R. 9255. A bill granting a pension to Asberry Risner; to the Committee on Pensions.

H. R. 9256. A bill granting an increase of pension to Roscoe C. Trusty; to the Committee on Invalid Pensions.

H. R. 9257. A bill granting a pension to Price Thomas; to the Committee on Pensions.

By Mr. O'LEARY:

H. R. 9258. A bill for the relief of Anthony Sammartino; to the Committee on Claims.

By Mr. RAMSPECK:

H. R. 9259. A bill for the relief of Nannie E. Teal; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7298. By Mr. CLASON: Petition of Mrs. Bradley S. Stafford and other citizens of the second Massachussets district, requesting that the people be given the right to vote on whether or not citizens of the United States and aliens therein be drafted for military service outside of the Western Hemisphere or the Territorial possessions of the United States; to the Committee on Military Affairs.

7299. By Mr. HART: Petition of the Ironbound Central Committee of Polish Societies, Newark, N. J., urging that Congress appropriate funds for the relief of the distressed people of Poland; to the Committee on Foreign Affairs.

7300. Also, petition of the township of Caldwell, N. J., favoring and desiring the adoption of a plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7301. By Mr. MICHAEL J. KENNEDY: Petition of the New York Peace Committee for April 6, relative to their proposed outdoor antiwar demonstration in New York City and advocating further efforts to maintain peace by the Congress; to the Committee on Foreign Affairs.

7302. Also, petition of the United War Veterans' Committee of New York City, advocating certain beneficial provisions to be incorporated in the relief appropriation bill of 1940–41 on behalf of veterans and their widows; to the Committee on Appropriations.

7303. By Mr. KEOGH: Petition of the Green Mountain Club, Inc., New York Section, Inc., concerning House bill 6975, which provides to convey to Montana certain lands now

within the boundaries of Yellowstone Park; to the Committee on the Public Lands.

7304. Also, petition of mill and factory, New York City, concerning the Wagner Act, the Wage and Hour Act, etc.; to the Committee on Labor.

7305. Also, petition of the Consumers League of New York, concerning the Barden bill (H. R. 7713); to the Committee on Labor.

7306. Also, petition of the Brooklyn Committee for Nonparticipation in Japanese aggression; to the Committee on Foreign Affairs.

7307. By Mr. KRAMER: Resolution of the Tool and Die Makers Union of Los Angeles, relative to the La Follette-Bulwinkle bill; to the Committee on Appropriations.

7308. Also, petition of Robert L. Baier and others relative to the 1940 census; to the Committee on the Census.

7309. Also, resolution of the Los Angeles Industrial Union Council relative to House Resolution No. 7534; to the Committee on the Judiciary.

7310. Also, resolution of the Los Angeles Industrial Union Council, relative to the passage of Senate bill No. 3130; to the Committee on Labor.

7311. By Mr. SANDAGER: Petition of the American Legion, Department of Rhode Island, favoring the retention of the Veterans' Civilian Conservation Corps camp at Arcadia, R. I.; to the Committee on Appropriations.

7312. Also, petition of the American Legion, Department of Rhode Island, petitioning the United States Navy to christen and name one of the United States battleships being, or about to be constructed, the "U. S. S. Rhode Island"; to the Committee on Naval Affairs.

7313. By Mr. SEGER: Resolutions adopted at a rally of combined Polish relief-fund committees of Passaic and Bergen Counties, N. J., urging Government and private relief for the war-stricken peoples of Poland; to the Committee on Appropriations.

7314. Also, resolutions adopted at a meeting of the League of Polish Organizations of Paterson at the Polish National Home on Sunday, March 17; to the Committee on Foreign Affairs.

7315. By Mr. SUTPHIN: Petition of locals of the International Union of Mine, Mill, and Smelter Workers, Congress of Industrial Organizations, opposing any emasculatory changes to the Wagner Act, and favoring amendments to the Wagner Act as proposed by the Congress of Industrial Organizations, and that the aforementioned organization emphatically opposes any curtailment below the present standards of the act, and especially the proposals to eliminate the metal industries from the provisions of the act; to the Committee on Labor.

7316. Also, petition of the executive board of the New Jersey State Industrial Union Council, expressing opposition to the proposal made by President Roosevelt for cutting the National Budget by $1,500,000,000; to the Committee on Appropriations.

7317. By Mr. VAN ZANDT: Petition of Lawrence Schrenk, president; Walter J. Taylor, secretary, Grand Lodge, Unemployed Brotherhood of Pennsylvania, Altoona, Pa., and 1,714 individual members, protesting against the reduction in Work Projects Administration wages and asking for a substantial increase in wages to compensate for the increasing cost of living and for the elimination of the 30-day lay-off after 18 months; to the Committee on Appropriations.

7318. By the SPEAKER: Petition of the International Workers Order, Lodge 4008, Steubenville, Ohio, condemning the pending antialien bills; to the Committee on Immigration and Naturalization.

7319. Also, petition of the United Association of Journeymen Plumbers and Steam Fitters, Local No. 44, Spokane, Wash., supporting Senate bill 591; to the Committee on Banking and Currency.

SENATE

FRIDAY, APRIL 5, 1940

(Legislative day of Monday, March 4, 1940)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

God of all power and might, maker and ruler of the universe, we commend to Thy loving care this Nation which Thou hast called out of every people and tongue. Bless the President of the United States and all others in authority. Fill them with Thy wisdom and true godliness, that they and all the people whom they serve may be a light to lighten this darkened world, and the spirit of peace and a sound mind may be restored amongst all men upon the earth. Through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, April 4, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Lundeen	Sheppard
Bankhead	Gerry	McCarran	Shipstead
Barkley	Gibson	McKellar	Smathers
Bilbo	Gillette	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Brown	Gurney	Miller	Thomas, Idaho
Bulow	Hale	Minton	Thomas, Okla.
Byrd	Harrison	Murray	Tobey
Byrnes	Hatch	Neely	Townsend
Capper	Hayden	Norris	Tydings
Caraway	Herring	Nye	Vandenberg
Chandler	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Clark, Mo.	Holt	Pepper	Walsh
Connally	Hughes	Pittman	Wiley
Danaher	Johnson, Calif.	Radcliffe	
Davis	Johnson, Colo.	Reed	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from Georgia [Mr. RUSSELL], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is absent because of illness, and the Senator from Maine [Mr. WHITE] is necessarily absent.

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

PETITION

The VICE PRESIDENT laid before the Senate a resolution of Edwin G. Hutchings Post, No. 856, Veterans of Foreign Wars, of Austin, Tex., favoring the enactment of the so-called Rankin bill, being the bill (H. R. 7925) to provide liberalized benefits for disabled veterans and the dependents of deceased veterans, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. HILL, from the Committee on Military Affairs, to which was referred the bill (S. 2328) to promote on the retired list officers who were decorated and recommended for

promotion for distinguished service during the World War and who have not attained the rank to which recommended, reported it without amendment, and submitted a report (No. 1378) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which were referred the following resolutions, reported them each without amendment:

S. Res. 249. Resolution to pay a gratuity to Harriet E. Graves (submitted by Mr. TOBEY on March 26, 1940); and

S. Res. 250. Resolution to pay a gratuity to Elizabeth C. Pace (submitted by Mr. PEPPER on March 27, 1940).

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolutions:

On April 3, 1940:

S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes;

S. 2977. An act authorizing the construction and maintenance of a dike or dam across Stansbury Creek in Baltimore County, Md.;

S. 3209. An act granting the consent of Congress to the Mississippi State Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Carthage, in the State of Mississippi;

S. J. Res. 153. Joint resolution to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project; and

S. J. Res. 226. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

On April 4, 1940:

S. 166. An act for the relief of Nathan Kaplan;

S. 454. An act for the relief of Ernest S. Frazier;

S. 607. An act to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended;

S. 1442. An act for the relief of Max J. Mobley;

S. 1510. An act for the relief of George Louis Artick;

S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds;

S. 2201. An act for the relief of Alabama Lewis Poole;

S. 2252. An act for the relief of Louis Simons;

S. 2433. An act for the relief of Frank Casey;

S. 2491. An act for the relief of Edward J. Gebhart;

S. 2492. An act for the relief of Dane Goich;

S. 2527. An act for the relief of Mary Nouhan; and

S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BILBO:

S. 3720. A bill to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia and to prescribe its powers and duties; to the Committee on the District of Columbia.

By Mr. BYRD:

S. 3721. A bill for the relief of Claude F. Beverly; to the Committee on Claims.

By Mr. CONNALLY:

S. 3722 (by request). A bill to authorize the construction of public buildings in the District of Columbia; to the Committee on Public Buildings and Grounds.

By Mr. WAGNER:

S. 3723. A bill for the relief of Maude Sullivan; to the Committee on Claims.

(Mr. GEORGE and Mr. RUSSELL introduced Senate Joint Resolution 240, which was referred to the Committee on the Library and appears under a separate heading.)

CHANGE OF REFERENCE

Mr. TAFT. Mr. President, I ask unanimous consent that the Finance Committee be discharged from the further consideration of the bill (S. 3074) granting a pension to Alice H. Dulaney, and that it be referred to the Committee on Pensions. I have discussed this matter with the chairman of the Finance Committee, and we both think the bill should have been referred to the Committee on Pensions originally.

The VICE PRESIDENT. Without objection, it is so ordered.

MEMORIAL TO ROBERT FECHNER

Mr. GEORGE. Mr. President, out of order, I ask permission to introduce a joint resolution on behalf of my colleague the Senator from Georgia [Mr. RUSSELL] and myself. The purpose of the joint resolution is to provide for a suitable museum in the Robert Fechner Memorial Park, which has been established in the city of Savannah, county of Chatham, Ga.

Today is the seventh anniversary of the establishment of the Civilian Conservation Corps, a Federal agency which has very generally commended itself to the confidence of the American people and which has justified itself by its accomplishments.

In the city of Savannah the late Robert Fechner, the first Director of the Civilian Conservation Corps, passed many years of his life. He was intimately identified with the interests of the city, and the people of the city of Savannah have already established a memorial park in his honor. The purpose of the joint resolution is to maintain a center or a museum in that park by the Civilian Conservation Corps under the direction of the Director of the Civilian Conservation Corps. The memorial itself is to be designed or approved by the Commission of Fine Arts.

I ask that the joint resolution be received, out of order, and appropriately referred.

The VICE PRESIDENT. Without objection, the joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 240) to provide for the erection of a memorial to Robert Fechner and the Civilian Conservation Corps in the Robert Fechner Memorial Park, in Chatham County, Ga., was read twice by its title and referred to the Committee on the Library.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO NAVAL APPROPRIATION BILL

Mr. McCARRAN submitted the following notice in writing:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8438) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes, the following amendment, viz: At the proper place in the bill insert the following new section:

"No part of any appropriation made in this act shall be used directly or indirectly after May 1, 1941, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, or supervisory position unless such person is a citizen of the United States: *Provided, however,* That any employee now in the service who has rendered 10 or more years' faithful and efficient service shall be exempt from the provisions of this section."

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 8438, the Navy Department appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL

Mr. MALONEY submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to

suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in the bill, under the caption "Flood control," insert the following: ": *Provided further*, That the flood-control project at East Hartford, Conn., authorized by the Flood Control Act approved June 28, 1938, shall be constructed in accordance with the revised plans and cost estimates described in House Document No. 653, Seventy-sixth Congress, third session."

Mr. MALONEY submitted the foregoing amendment on March 21, 1940, which was referred to the Committee on Appropriations and ordered to be printed at that time.

Mr. McCARRAN submitted the following notice in writing:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, viz: At the proper place in the bill insert the following new section:

"SEC. 2. No part of any appropriation contained in this act shall be used, directly or indirectly, after May 1, 1941, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, or supervisory position, unless such person is a citizen of the United States of America: *Provided, however*, That this section shall not apply to citizens of the Republic of Panama who were employed on the Canal Zone by any branch of the United States Government prior to March 20, 1940, if such persons were in such employment on that date: *And provided further*, That any person now employed may be retained who shall have served the Panama Canal honorably and faithfully for 15 years or more."

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 8668, making appropriations for civil functions administered by the War Department, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

For text of amendment referred to, see the foregoing notice.

FOREIGN SALES OF AMERICAN AIRCRAFT

Mr. SHEPPARD. Mr. President, I ask unanimous consent to have read from the desk a letter from Major General Arnold, Chief of the Air Corps, in regard to the sale of American airplanes to foreign governments.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read as requested.

The Chief Clerk read as follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF THE AIR CORPS,
Washington, April 4, 1940.

Hon. MORRIS SHEPPARD,
United States Senate.

DEAR SENATOR SHEPPARD: My attention has been called to an article appearing on the front page of the Washington Times Herald this morning, copy enclosed, the headlines of which state "Arnold blasts Allies plane sale by United States."

In order to correct any erroneous impression or opinion gained from this article, I wish to inform you that I am in full accord with the release policy for the foreign sale of aircraft as presented to your committee by the Secretary of War, Mr. Woodring, in his recent appearance.

Prior to my concurrence in this policy my technical and tactical staff and myself made a very careful study of the effects on the Air Corps expansion program. I am confident that the new policy will operate to the advantage of the Army Air Corps and thereby the national defense.

Sincerely,

H. H. ARNOLD,
Major General, Air Corps.

ARMY DAY

Mr. SHEPPARD. Mr. President, in view of the fact that tomorrow will be Army Day, I ask unanimous consent to have read from the desk a letter I have received from the adjutant general of the Military Order of the World War, and also the Army Day proclamation of the President of the United States.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read as requested.

The Chief Clerk read as follows:

MILITARY ORDER OF THE WORLD WAR,
Washington, D. C., April 3, 1940.

Senator MORRIS SHEPPARD,
Chairman, Military Affairs Committee,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In compliance with the Army Day resolution adopted by the Seventy-fifth Congress, President Roosevelt, on March 12, 1940, issued a proclamation calling on the citizens of America to pay tribute to the United States Army. A copy of this proclamation is attached. Your colleagues may be interested in reading it.

On Saturday afternoon at 1:45 p. m. the annual Army Day parade will cross the Capitol Plaza, starting its march up Constitution Avenue, to culminate in passing in review before the Secretary of War at Sixteenth Street and Constitution Avenue.

Probably you will desire to read this note to the Senators in case they could spare a few moments of their time to see the parade as it passes the Capitol.

Cordially yours,

EDWIN S. BETTELHEIM, JR.,
Adjutant General.

ARMY DAY, 1940

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

Whereas Senate Concurrent Resolution 5, Seventy-fifth Congress, first session (50 Stat. 1108), provides:

"That April 6 of each year be recognized by the Senate and House of Representatives of the United States of America as Army Day, and that the President of the United States be requested, as Commander in Chief, to order military units throughout the United States to assist civic bodies in appropriate celebration to such extent as he may deem advisable; to issue a proclamation each year declaring April 6 as Army Day, and in such proclamations to invite the Governors of the various States to issue Army Day proclamations: *Provided*, That in the event April 6 falls on Sunday, the following Monday shall be recognized as Army Day."

Now, therefore, I, Franklin D. Roosevelt, President of the United States of America, pursuant to the aforesaid concurrent resolution, do hereby declare April 6, 1940, as Army Day, and I hereby invite the Governors of the several States to issue Army Day proclamations; and, acting under the authority vested in me as Commander in Chief, I hereby order military units throughout the United States, its Territories and possessions, to assist civic bodies in the appropriate observance of that day.

In witness whereof I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 12th day of March A. D. 1940, and of the independence of the United States of America the one hundred and sixty-fourth.

[SEAL] FRANKLIN D. ROOSEVELT.

By the President:
CORDELL HULL,
Secretary of State.

SENATOR BANKHEAD'S WORK IN BEHALF OF THE TENANT FARMER

[Mr. LEE asked and obtained leave to have printed in the RECORD an editorial published in the Decatur (Ala.) Daily of April 3, 1940, entitled "Sincere Service," dealing with the work done by Senator BANKHEAD on behalf of the tenant farmer, which appears in the Appendix.]

RULES AND REGULATIONS GOVERNING TELEVISION

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD a letter addressed to him by Hon. T. A. M. Craven, Commissioner, Federal Communications Commission, in regard to the suspension of certain rules and regulations concerning television, which appears in the Appendix.]

ARTICLE BY HUGH S. JOHNSON ON AMERICAN AIRPLANE INDUSTRY

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Gen. Hugh S. Johnson in reference to the American airplane industry, which appears in the Appendix.]

THE HATCH ACT AND POLITICAL ACTIVITY IN EDUCATIONAL INSTITUTIONS

[Mr. BROWN asked and obtained leave to have printed in the RECORD an editorial published in the Bozeman (Mont.) Daily Chronicle of March 29, 1940, dealing with the Hatch Act, which appears in the Appendix.]

AMERICAN CULTURE AND DESTINY IN WORLD AFFAIRS

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an editorial published in the Saturday Evening Post of March 23, 1940, dealing with American culture and destiny in world affairs, which appears in the Appendix.]

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Latta, one of his secretaries.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The VICE PRESIDENT. When the Senate took a recess yesterday the Senator from Minnesota [Mr. SHIPSTEAD] had an amendment pending, and occupied the floor. The Senator from Minnesota is recognized.

Mr. SHIPSTEAD. Mr. President, I desire to say a few words on the pending amendment, and then I wish to discuss to some extent the joint resolution in general.

Mr. President, if this amendment shall be adopted, it will stop the attack on farmers' income that has been conducted under treaty agreements. For that purpose I offer it.

The amendment now pending covers schedule 7 of the Tariff Act of 1930, and is confined to the items enumerated in schedule 7—exclusively agricultural products. I have framed the amendment in that way on the theory that so long as we have a system of tariffs, and so long as tariffs cannot be effective on agricultural surpluses, which we must sell on the world market, a tariff can be beneficial only on the crops and commodities of the farm of which we have no surplus and which are sold in the American market—of which market the American farmer is entitled to receive the benefit.

I voted for the Trade Agreements Act in 1934. I did so for several reasons. One reason was that there was an emergency. Another reason was that our foreign trade was in a very bad condition. The main reason was that we were assured by those who sponsored the trade pacts that they were good Yankee traders; they would trade agricultural surpluses out of the country; they would use the pacts to get rid of agricultural surpluses; and they were to be used particularly for the benefit of agriculture. Industry had its tariffs, which were effective, under the Hawley-Smoot Tariff Act. It was my opinion, after visiting Europe a year after the passage of that act, that the act had actually hurt the farmers of the United States. So when we were assured that the instrument of reciprocity agreements would be used to trade agricultural products out of the country, I thought, "Very well; I am for reciprocity for the benefit of the United States, and particularly for the benefit of agriculture"; but if we are going to make a trade at the expense of anyone, it should be at the expense of the most prosperous and not at the expense of the most needy. I am of the opinion that if anyone has received a benefit from these treaties he has received it at the expense of agriculture.

While we were told that the trade agreements were to be used to trade agricultural products out of the country, we now find that tariffs have been reduced on about 150 agricultural products, and agricultural products are not traded out of the country by reducing the tariffs on similar articles of foreign production so that they can come into this country.

Among the products on which tariffs have been reduced are cattle, pork, milk, cheese, poultry, eggs, potatoes, barley, oats, rye, strawberries, cabbage, and other vegetables. Those articles cannot be traded out of the country by reducing the tariffs on them.

It has been said that the trade treaties have been of great benefit to the automobile industry. The automobile industry is the most prosperous industry we have in this country. We did not need to make a trade agreement for its benefit, at the expense of the farmer. That was not necessary. I do not blame the representatives of the automobile industry for coming before the Finance Committee of the Senate and praising the beneficial effect of these trade pacts. Of course, it has been the rule in any kind of a tariff measure that industry shall have the benefit, usually at the expense of the farmer, because the farmer is a producer of surpluses which must be sold on the world market, which is a cheap market, while he buys in a dear market, because it is a protected market. Even with the administration of the act in the hands of those who said they would trade agricultural products out of the country for the benefit of the farmer, what do we find in the case of the treaty with Canada? The automobile industry was very much pleased with that treaty; but while the trade agreement with Canada, in and of itself, was not so terrifically important, the most-favored-nation clause was invoked under it, which was certainly unexpected at the time we voted for these trade treaties; and so we find imports of articles referred to in the agreement with Canada coming into the United States from other countries than Canada.

It may have been the intention, at the time we passed the act in 1934, to invoke the most-favored-nation clause; but, so far as I remember, nothing was said about that.

It is said the tariff is a local problem, and it is true, to some extent it is a local problem. The State of Minnesota is the greatest producer of butter, and the neighboring State of Wisconsin is a producer of cheese. What was the effect of these treaties upon the cheese industry? The tariff on cheese was reduced about 42 percent, resulting in the cutting of the price of cheese in the United States from about 17 cents to less than 13 cents a pound. There were imported last year about 59,000,000 or 60,000,000 pounds of cheese.

What happened within a year after the Canadian trade treaty was entered into? It opened up the market for cheese imports from the countries of Europe, and it drove the price of cheese so low that it resulted in the closing of around 300 cheese factories in the State of Wisconsin alone.

Mr. WILEY. Mr. President——

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Minnesota yield to the Senator from Wisconsin?

Mr. SHIPSTEAD. I yield.

Mr. WILEY. I am very much interested in the comment of the distinguished Senator in relation to cheese. I wish to call to his attention a significant matter, showing how the treaty has operated in my own State in relation to cheese.

In 1938, when cheese was bringing 12.6 cents a pound the whole year, the second Canadian trade treaty reduced the tariff another cent a pound, or about 20 percent. As is known, cheese at 12.6 cents a pound represents less than two-thirds of the cost of production. Why the additional reduction in the tariff was made I do not know.

I have in my hand a letter from Representative REID F. MURRAY, who states that for a year he has been seeking to find why the reduction was made. He said the trade treaties were supposed to have been made on the advice of experts, and that he would like to ascertain who the experts were who recommended this reduction. I should like to know whether the distinguished Senator knows who the experts were, or why, under the conditions, when cheese was being sold at less than the cost of production, the tariff was reduced.

Mr. SHIPSTEAD. Mr. President, I think I can inform the Senator; but I wish to proceed with the statement I was making in regard to the price of cheese and butter.

Driving these cheese factories out of business turned the farmers who had been making cheese out of their milk to the making of butter, throwing extra butter upon the market. In 1938 butter was selling for about 22 cents a pound throughout the whole summer, and then, through the Commodities Credit Corporation, we subsidized butter and pegged it to 25½ cents.

About 60,000,000 pounds of cheese were imported last year. If that cheese had been made in the United States out of milk which otherwise would have gone to make butter, it would have lifted from 20,000,000 to 30,000,000 pounds off the butter market of the United States. I saw by reports yesterday that the price of cheese was 20 cents a pound in Chicago and that the price of butter was 28½ cents.

The dairy people figure that the price for a pound of butter should be about two and a half times the price of a pound of cheese, and if that is correct, at this time butter, in relation to cheese, should be selling for approximately 50 cents a pound; and, so far as parity in our agricultural program is concerned, the price should be between 40 and 50 cents a pound.

Before this matter came before Congress at the last session a public notice was issued that "treaties are to be negotiated with the following countries: Argentina, Belgium, Chile, Cuba, and Venezuela." The official announcements give us an idea of the international-pact program forthcoming in the event Congress votes for the 3-year extension.

It will be noted that four of the countries now on the list for new trade pacts are agricultural, as are Canada, Brazil, the

Netherlands, and its colonies in the East Indies, likewise the colonial possessions of France and the United Kingdom. When it comes to Brazil and the Dutch East Indies and the Orient, I do not think it is fair to say that all agricultural products are competitive. Men know better than that. It cannot be said that rubber and coffee and spices and other products of similar character can be put in the same category with competitive agricultural imports. I believe there is some misunderstanding, because noncompetitive agricultural imports have been thrown into the same basket with competitive imports. The imports to which I object are the imports of competitive agricultural products.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. JOHNSON of Colorado. Noncompetitive agricultural products carry no tariffs.

Mr. SHIPSTEAD. Of course not.

Mr. JOHNSON of Colorado. No one favors any restriction being placed on them. The reciprocal trade agreements program does not affect noncompetitive agricultural products in any way.

Mr. SHIPSTEAD. I have here from the Department of Agriculture figures as to all exports and imports from 1935 to and including 1939. They are divided into three categories. First, all commodities which are exported, then agricultural products, and third, nonagricultural products.

The statement shows what our trade has been with the 18 countries with which we have trade agreements. I will give the totals, and I will ask to have printed in the RECORD the complete statement, after I have read the totals.

In the time specified we gained, in the case of all commodities, about $625,000,000, representing a gain of about 50½ percent on all commodities exported. As to agricultural exports during that time, we lost about $3,000,000, which is infinitesimal, a percentage of only 0.07. We did not gain; we lost a little. However, as to nonagricultural exports, that is, exports of the products of industry, we gained 79.2 percent. Industrial products got the benefit, of course not entirely due to the trade pacts, but undoubtedly, to a large extent, due to war buying. At any rate, so far as 18 countries with which we had agreements were concerned, we gained in exports of industry and lost a little in the case of agricultural exports.

During the same period of time our exports of all commodities to nonagreement countries, countries with which we had no agreement, increased 25 percent. The gain was only about one-half of what it was with trade-agreement countries.

In regard to agriculture, with agreement countries we lost less than 1 percent of that trade, and with nonagreement countries we lost 29 percent.

Nonagricultural exports gained 48.9 percent. Industry gets the benefit even in the case of trade with nonagreement countries. Possibly war purchases had something to do with that.

With respect to imports for consumption, brought into this country from agreement countries, in all commodities we gained 15.4 percent. Our importation of agricultural commodities gained 2.3 percent, which is very small percentage. Nonagricultural imports increased 28.6 percent. Those figures relate to our trade with the 18 trade-agreement countries.

From the nonagricultural countries, in all commodities we imported there was an increase of 6.4 percent, and an increase of 6.8 percent in agricultural products. Nonagricultural imports from nonagreement countries increased 5.9 percent.

Mr. President, I ask to have the entire statement placed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

United States: Foreign trade with trade-agreement countries and with other countries, 1935–39

Designation	Value					Increase (+) or decrease (−)			
						1935–39		1938–39	
	1935 (million dollars)	1936 (million dollars)	1937 (million dollars)	1938 (million dollar)	1939[1] (million dollars)	Million dollars	Percent	Million dollars	Percent
Exports, domestic:									
To 18 agreement countries: [2]									
All commodities	1,237	1,363	1,845	1,731	1,862	+625	+50.5	+131	+7.6
Agricultural commodities	444	450	520	568	441	−3	−7	−127	−22.4
Nonagricultural commodities	793	913	1,325	1,163	1,421	+628	+79.2	+258	+22.2
To nonagreement countries:									
All commodities	1,006	1,056	1,454	1,326	1,262	+256	+25.4	−64	−4.8
Agricultural commodities	303	259	277	260	215	−88	−29.0	−45	−17.3
Nonagricultural commodities	703	797	1,177	1,066	1,047	+344	+48.9	−19	−1.8
Imports for consumption:									
From 18 agreement countries: [2]									
All commodities	1,191	1,470	1,747	1,146	1,374	+183	+15.4	+228	+19.9
Agricultural commodities	600	705	849	528	614	+14	+2.3	+86	+16.3
Nonagricultural commodities	591	765	898	618	760	+169	+28.6	+142	+23.0
From nonagreement countries:									
All commodities	848	954	1,263	804	902	+54	+6.4	+98	+12.2
Agricultural commodities	472	537	730	428	504	+32	+6.8	+76	+17.8
Nonagricultural commodities	376	417	533	376	398	+22	+5.9	+22	+5.9

[1] Preliminary.

[2] Belgium, Brazil.

Mr. SHIPSTEAD. Mr. President, I will say that I have seen reports from the Department of Agriculture that do not agree with the statement I have placed in the RECORD, and I will tell the Senate why. That statement is based upon the figures for the calendar year, while the Department's statement is based upon the figures for the fiscal year. Their statement ends at the end of 1938, and does not include the figures for the year 1939, and the figures for that year alone changed the picture from that presented by the Department of Agriculture. I do not mean to say that it was done intentionally, but it makes an entirely different picture.

The Senator from Wisconsin [Mr. WILEY] inquired as to why there was the extra tariff reduction of 1 cent, who wanted it, and for whose benefit it was made. I have some notes I shall follow in logical sequence and I think I shall come to a discussion of that matter.

The 7-cents-a-pound tariff of 1935 on cheese was cut first to 5 cents, and finally in 1939, in the revision of the agree-

ment with Canada, to 4 cents a pound. The reduction in the cheese duty from 7 to 5 cents caused cheese imports to jump 1,400 percent. Then in 1939 came the cut to 4 cents, and cheese imports again rose threefold. From an average price of 17 cents in prereciprocal-trade years the price dropped to an average of 13 cents, with a corresponding drop in butter prices, resulting in a reduction of around $200,000,000 in cash income to the dairy farmers engaged in cooperative dairying.

If the proposed pact with Argentina is signed there will be admitted to the American market the products of a country in which butter is produced at 12 cents a pound and cheese at 8 cents a pound, which soon would force American dairy cooperatives to give up the idea of cooperative independence, and accept Federal subsidies, following the example of the crop growers who received $800,000,000 last year. As a matter of fact, we are subsidizing the dairy farmer now, because of the low prices. We might say that we are indirectly subsidizing dairy-product imports.

In answer to the question of the Senator from Wisconsin as to who were in favor of these reductions, and who were heard, I find that the processors, the large processors of dairy products have been very prosperous. They undoubtedly have favored the reduction, because whether cheese is worth 15 cents a pound or 20 cents a pound makes very little difference to the processor who buys the raw product from the farmer. The cheaper he can buy the raw product the more volume he will have and the greater profits he will receive. I can see that those who speak for the processors would be in favor of having large imports, particularly if they have plants in foreign countries, as so many of our processors have. The cooperative farm organizations in this country certainly have not asked for the lowering of the tariff.

Let us see who may possibly have been interested in lowering the tariffs on these agricultural products. Included in that category are the dairy corporations, organized with Delaware charters, whose stock is quoted on the stock exchanges and bucketshops, and who have been engaged for years in the fight against the farm cooperatives.

I will take one of them as an example. An international dairy-products organization has been very prosperous even with these low prices; in fact it started to make money and increased its profits as the price of dairy products went down. This corporation owns 54 subsidiary corporations having Delaware charters, 14 having New York charters, and 34 subsidiary corporations in Canada, 2 in Holland, 4 in the United Kingdom, 3 in Australia, and other subsidiaries in Belgium and Argentina.

The organization referred to is engaged in wholesale and retail distribution and exporting and importing agricultural products. In spite of the fact that the dairy farmers have had tremendous losses, I have no doubt that this corporation, which I take as an example, this international dairy products organization which is engaged in processing and handling dairy products, had the ear of the experts who wrote this treaty.

It is natural to assume that an international corporation dealing with commodities which are being considered by the experts in making a trade agreement would be very much interested if the corporation owns subsidiaries in Canada, Belgium, Holland, Argentina, and Australia; at least it would be natural to be the first to be consulted, especially when that corporation is not only a manufacturer but a wholesaler, and retailer and distributor and an importer.

If that corporation duplicated its organization in the United States by owning two subsidiaries in Montreal, and a "National Dairy Products Corporation of Canada," with general offices at Toronto, in control of its Canadian companies, it naturally would be deeply interested in the reciprocal-trade pact with Canada. Such pact became effective January 1, 1936, and immediately the sales volume, the net profits, the dividend balance of National Dairy Products Corporation, as reported by Poor and Moody began to mount, though the farm cooperatives began to lose.

Owning a 100-percent voting interest in the dairy subsidiaries of Belgium and Holland, that corporation would be profoundly interested in the reciprocal-trade pacts with Belgium and Holland and any other country which would make a trade agreement with us, under which, through the most-favored-nation clause, every other nation would be given benefits in connection with dairy products.

Owning 60-percent stock interest in Australian dairy subsidiaries, the corporation naturally would be interested in the pact with Great Britain, which included all colonial possessions of the United Kingdom.

On January 1, 1939, the trade agreement with the United Kingdom became effective. At the same time the Canadian pact was revised, so that the duty on Cheddar cheese, which had been cut from 7 cents a pound in 1935 to 5 cents a pound in 1936, was cut to 4 cents, and immediately the profits or dividends of the National Dairy Products Corporation, as reported by Poor and Moody, mounted to the highest level in years.

In the corporation's report to stockholders, filed with Poor and Moody, their total business in terms of milk rose from 8,275,000,000 gallons in 1934 to 9,698,000,000 in 1938. The company had the largest profit in its history. The return on the capital investment jumped from 5.83 percent to 9.47 percent. Gross profits rose from $13,000,000 in 1935 to $17,000,000 in 1936, a 1-year gain of $3,600,000, and the advance notice given out by the president of the corporation promises record profits for 1939.

From the very start of the trade-agreements policy the balance for dividends began to rise, as shown by the reports to stockholders. In 1934 dividends of $66.38 a share were paid on the preferred stock; in 1935, $94.60 a share; and in 1936, $134.56 a share. For the first 6 months of 1939 operating profits were more than $9,000,000; and the report adds:

> With unit sales volume running at the highest level in the corporation's history.

The country may well congratulate the board of directors of the National Dairy Products Corporation and its 75,000 stockholders on the recent growth of their national and international enterprise; but at the same time every American citizen cannot help regretting that the prosperity which has visited the world's greatest dairy-processing corporation is not also enjoyed by the farm cooperatives, which are the greatest agricultural asset of a score of the principal States of the Midwest which produce the raw materials for the processors, who, controlling the market and having the privilege of importing their material into this country and selling it on the American market, which ought to belong to the American farmer, pay dividends as high as $135 a share. The charge of monopolistic practices against this concern has been dismissed by the Department of Justice.

The National Cooperative Milk Producers' Federation, meeting in Chicago in November 1939, condemned the trade-agreement program in the following words:

> We believe that the present trade-agreement program of the Federal Government, as administered by the Secretary of State, is detrimental to the welfare of agriculture and particularly to the producers of dairy, livestock, and poultry products.

Mr. President, I have briefly tried to give an idea of what the result has been to the dairy farmers. Of course, the result is not all due to the trade agreements. We find that in the northern dairy States, where the cost of production is greater than in the South, the increase in dairy cattle has been only 5 percent; while in the South, where hay crops are now grown instead of cotton and tobacco, since we started the A. A. A. farm program, dairy cattle have increased in number 21 percent. The increase in dairying in the South and the importations of cheese have affected the cheese market, which in turn has affected the butter market, and as a result we have the conditions which I have described in the agricultural sections where the main industry is dairying. Hogs sold yesterday in Kansas City for $3.75 per hundredweight.

I feel that I should not be true to the constituency which has honored me if I did not rise upon the floor of the Senate and present their case. However, it is not only the condition of the dairy industry and the effect of the trade treaties upon that industry which make me take a different position than I took in 1934. In 1937, when the law was extended, I was too

ill to be present. At that time we had not had much time to observe what the results had been. As I stated in the beginning, I voted for this arrangement in 1934 because we were told that the men in charge of the administration were good Yankee traders who would use their power to trade agricultural surpluses out of the country. They may be Yankee traders, but certainly they traded some Yankee farmers to the detriment of their pocketbooks.

Mr. President, we are confronted with a condition which we did not confront in 1934. Then the world was at peace. Now we have a condition in which the world is at war. In my colloquy with the Senator from Wyoming [Mr. O'MAHONEY] the other day we agreed that the first casualty in war is the truth, and that the second is international exchange in currencies. We do not know where currencies are going, except that we know they are going down. We do not know how far down they are going, because we do not know how long the world war will last. We know how far down they went in some countries as a result of the last World War. We shall have to decide whether to permit our currency to follow those of other countries in order to defend our trade or whether we wish to protect our own American market and our own currency. On account of the depreciation of currencies tariffs may be reduced as much as 99 percent or wiped out for all practical purposes.

It seems to me it is a dangerous thing now to tie our international trade in a strait jacket. We cannot anticipate all the things which may happen to our trade under such conditions. I think it is much more dangerous now than it was in 1934 to fix tariffs by agreement for a period of 3 years until we know what is going to happen to currencies and to trade.

After all, the medium of exchange—so far as there will be a medium of exchange aside from pure barter—will be in terms of currency. Settlement will be made in terms of currency; and that fact may eradicate all protective barriers against many things which may happen in Europe.

I wish to read an editorial, not as an excuse but as a reason why we had good reason to expect that the market for agricultural products would be protected in these pacts. I have before me an cditorial from the Minneapolis Tribune of April 1, 1940. I read a part of the editorial:

Speaking at Baltimore on October 25, 1932, Mr. Roosevelt said: "It is absurd to talk of lowering tariff duties on farm products. I declared that all prosperity in the broader sense springs from the soil. I promised to endeavor to restore the purchasing power of the farm dollar by making the tariff effective for agriculture, and raising the price of farmers' products. I know of no effective excessively high tariff duties on farm products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program, and every farmer knows it and will not be deceived."

In the light of the 6-year record under Mr. Roosevelt's trade-pact law, can we blame the farmer for feeling that he has been deceived? Can we blame him for having misgivings about the future use of this unrestricted power?

In spite of that promise, tariffs have been reduced on more than 150 farm products.

Mr. President, I send the editorial to the desk and ask that it be printed in full in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Minneapolis (Minn.) Tribune of April 1, 1940]

THE FARM ANGLE

Senators from these Northwestern States stood solidly for the Pittman amendment Friday and thereby carried out the expressed wishes of the great farm organizations. Renewal of the trade-pact law without the restrictions favored by farm leaders will be regarded with misgivings in the light of what has been done already. Duties on 160 farm products and commodities that are produced in this country have been reduced by means of trade agreements negotiated under this law in the last 6 years.

The people of the farm States are not in dissent from the purpose of stimulating foreign trade, but they fail to see wisdom in bargains that increase our surplus of farm products by letting down the bars for competitive imports.

It is of record that in 1939 there were imported into the United States 754,000 head of cattle, 86,000,000 pounds of potatoes, 59,000,000 pounds of cheese, and many other products competing with the output of our own farms. Meanwhile our export market has been drying up.

Congress has voted again to yield its tariff-making powers to the President and the Secretary of State. Unless it imposes some sort of restrictive rule, we may expect more trading off of the farmer in reciprocity deals to be made later. The Argentine negotiations have been suspended, but no doubt will be resumed after election. The only concessions that Argentina wants are on its farm products.

The effect of the most-favored-nation agreements is especially vicious, taken in connection with the trade pacts. These standing agreements extend to nearly every country within scope of our trade the concessions made in deals with individual nations. For instance, when the pact with Canada cut 4 cents a pound from the duty on dressed poultry and 5 cents a dozen from the duty on eggs, these tariff concessions were automatically extended to all the other countries.

Among the farm products on which tariff duties have been cut by the Roosevelt trade pacts are cattle, pork, milk, cheese, poultry, eggs, potatoes, barley, oats, rye, strawberries, cabbage, and other vegetables.

Speaking at Baltimore on October 25, 1932, Mr. Roosevelt said:

"It is absurd to talk of lowering tariff duties on farm products. I declared that all prosperity in the broader sense springs from the soil. I promised to endeavor to restore the purchasing power of the farm dollar by making the tariff effective for agriculture and raising the price of farmers' products. I know of no effective excessively high tariff duties on farm products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program, and every farmer knows it and will not be deceived."

In the light of the 6-year record under Mr. Roosevelt's trade-pact law, can we blame the farmer for feeling that he has been deceived? Can we blame him for having misgivings about the future use of this unrestricted power?

Mr. BRIDGES obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a moment? I desire to ask the Senator from Minnesota a question.

Mr. BRIDGES. I yield.

Mr. O'MAHONEY. May I ask the Senator from Minnesota whether it was his intention, in the amendment which he has presented, to exclude wool as an agricultural product?

Mr. SHIPSTEAD. No; that was not my intention.

Mr. O'MAHONEY. Is the Senator aware that his amendment does not cover wool?

Mr. SHIPSTEAD. No; I was not aware of that. I think wool ought to be included. My amendment includes schedule 7 in toto. It is not my intention or desire that wool shall not be included.

Mr. O'MAHONEY. The Senator's amendment refers to all the paragraphs of schedule 7 of the Tariff Act of 1930. Schedule 7 deals solely with certain agricultural products. Wool and manufactured products of wool are contained in schedule 11.

Mr. SHIPSTEAD. Raw wool?

Mr. O'MAHONEY. Yes; raw wool. Would the Senator be willing to modify his amendment so as to include wool?

Mr. SHIPSTEAD. Yes; I will do that.

Mr. O'MAHONEY. Then, later on, the Senator perhaps can present that amendment.

Mr. SHIPSTEAD. If the Senator will draw the amendment, I will be glad to accept it.

Mr. O'MAHONEY. Very well.

Mr. BRIDGES. Mr. President, the act which we are now considering is one which grants terrific power. It grants that terrific power to just one man, the President. For 6 years this act has given to one man the power of life and death over not only all our industries but over our workers, our farmers, and our States. It has given to one man the power of economic life or death over whole sections of this country, and to control them as he wishes by this power without the right of appeal.

The Bill of Rights was drawn up carefully to preserve our rights. Certainly it is no less necessary under our Constitution to insure our rights, in this instance, from decisions made by the Executive, which may mean the loss of livelihood to those whom they affect.

Life or death power without appeal is "too much power for a bad man to have, and too much for a good man to want." Those are the words of Secretary Cordell Hull, himself, who now is trying to change it with this policy. The Secretary of State was, to my mind, right—it is too much power for any man. And I make no reservations in that statement, whether

that man be a Democratic or a Republican President of the United States.

As the situation stands now, the representatives of foreign countries have more to say about these agreements which vitally affect our American standard of living than do the Senators and Representatives duly elected to represent the American people. The American representatives are excluded even from their constitutional duty of ratifying treaties.

On March 5, 1934, Franklin D. Roosevelt, when referring to the trade-agreement program which the administration had placed before Congress at that time, said:

> Legislation such as this is an essential step in the program of national economic recovery which the Congress has elaborated during the past year. It is part of an emergency program necessitated by the economic crisis through which we are passing. I hope for early action. The many immediate situations in the field of international trade that today await our attention can thus be met effectively and with the least possible delay.

Mr. President, I ask, referring to the extension of the reciprocal-trade treaties, when will the present administration stop imposing emergencies on the American people and then presume 3 and 6 years later that emergency acts are permanent acts? In short, is this extension, which we are today considering, an emergency or is it not? If it is not, then should we not cast aside as irrelevant all the arguments and reasons which caused its original passage as emergency legislation?

Mr. President, the American people have for the last 6 years been spoon fed and propagandized with the idea that the New Deal foreign policy, of which the Reciprocal Trade Agreements Act is such an important part, was responsible in a large measure for the maintenance of world peace. That is just not so. Major nations of the world have been engaged in war constantly since 1934—since the institution of the Hull trade treaties—and yet to show the Senate the hand-and-glove work of our foreign Ambassadors and our State Department at home, let me quote from an address by Hugh R. Wilson, United States Ambassador to Germany, as late as April 13, 1938. Note that this was before Munich, to be sure. Ambassador Wilson said:

> There is still dangerous economic instability in many parts of the world. We in America are now doing what we can toward remedying this situation and toward undoing the errors of the past. To attain this end we have embarked upon a course of policy designed to promote the return to normal and profitable commercial relations between countries. We chose the method of negotiating reciprocal-trade agreements as the principal instrument of this policy. The choice was deliberate and based upon the profound conviction that no more effective and constructive method could be found. We are working on these agreements with determination and painstaking care. Much progress has been made, and we hope for more.

Mr. President, if it could be said that much progress had been made by embarking the United States—

> Upon a course of policy designed to promote the return to normal and profitable commercial relations between countries—

In April 1938, as has been stated by Ambassador Wilson, what normal and profitable relations have we to look forward to today? It probably would not be fair to say that reciprocal-trade agreements negotiated with European nations were a cause of the war of nerves which held the whole world in the grip of fear throughout the summer of 1938. It might not be fair to say that the negotiations of trade treaties ended in the Munich Pact in November of 1938. Indeed, it might not be fair to say that the trade treaties gave rise to powerful dictatorships which today exist in Europe and the Far East, but which did not exist before 1934. But it is fair, I believe, to say that the American people as a whole do not wish their economy to be meshed with that of Europe and Asia. Secretary Hull himself says:

> We are now in a period when, as a result of the new and widespread wars, the need for means of prompt and effective action on the part of the Government in the promotion and defense of our foreign commerce is even more imperative than it has been hitherto. We are in a period in which our economic policies and action may have a determining influence upon the developments, which, after the cessation of hostilities, will shape the future world.

Mr. President, I think it can truthfully be said, after a review of the world's history for the last 6 years, that these foreign-trade treaties of ours have had little, if anything, to do with shaping or determining whether war or peace shall prevail abroad. The administration having prophesied through its many agents located in the many strategic positions throughout the world that the trade treaties would do much to keep peace, we have been sadly disillusioned. Now, I think that it behooves the Senate at this time to pay little if any attention to the prognostications of Mr. Roosevelt's Department of State so far as the extension of this act is concerned. I think our first loyalty is to the American people—to the farmer, the manufacturer, the home owner, and the industrialist.

Let me indicate briefly what some of these people think of the reciprocal trade agreement policy.

Mr. L. J. Taber, master of the National Grange, told the United States Senate Committee on Finance that he wanted it first understood that the National Grange was continuing its opposition to the renewal of this act for another period of 3 years. He said:

> We are glad to note that every farm organization is now opposed to the passage of this act without some type of corrective amendments.

I do not need to emphasize the fact that the National Grange, with a representative membership from all over the country, has always been nonpartisan.

Hon. William R. Castle, former Under Secretary of State, commented on these agreements for the press a year ago. Let me quote you a bit of his article:

> There are certain ways in which the trade agreements are positively harmful to the country. One, and perhaps the most important, is that they constitute another blow at our balanced system of government, placing unwarranted power in the hands of the Executive.

He goes on to say—

> It is difficult to explain how anyone can praise and support the reciprocal-trade agreements and at the same time claim to be equally in accord with the domestic policy of the administration. The two are incompatible. In fact, the domestic policy seems almost designed to prevent the agreements from being of any value to the United States. Trade is, as the Secretary of State keeps pointing out, a two-way proposition. He is right in insisting that we must import if we want to export, but he does not so clearly realize that we also must sell if we want to buy.

Hon. George N. Peek, former trade adviser to the President, and also an expert on this subject, comments that it is his—

> Considered judgment that the administration has gone dangerously astray in its adoption of a foreign-trade policy which, for the most part, is in conflict with our internal economic problem and policy, particularly as regards agriculture, and which in some respects is diametrically opposed to the attainment of domestic economic balance.

Finally, he says that—

> This policy, therefore, is not in the interest of the United States.

There we have the viewpoint of some of our greatest agricultural and trade experts on this policy in which the administration still persists.

From the angle of industry let me quote you a few comments that are pertinent.

On March 19, 1930, the National Advisory Council of Independent Small Business Men wrote me:

> If treaties are to be negotiated, smaller-business men—and there are over 4,000,000 in the country—feel that our interests are safer in the hands of our Senators than in the hands of any appointees or so-called experts; and trust, if the reciprocity idea is to be continued, that with us you will fight for the right of review and sanction by the Senate of all pacts or treaties that so vitally affect our general welfare.

The members of the Manufacturers' Association of my own State have written me that they as a body are against this policy as it now stands; and I believe, from what they say, that they have seen through the problem. Let me quote just a sentence from their letter:

> The haste and urgency employed to have this law extended indicate clearly that it is a political whim rather than a beneficial expedient which should be allowed to stand or fall on its merit.

Here is another viewpoint. Dan Tobin, American Federation of Labor vice president, and president of the Teamsters'

International Union, also spoke about this program. In an editorial in the February issue of the Teamsters' Journal he says:

> Your Congressman and your Senator should know your views on reciprocal-trade treaties, the continuance of which jeopardizes your job opportunities and your standard of living.

The American Flint Glass Workers' Union wrote the Committee on Reciprocity Information as follows:

> The action of those entrusted with the carrying on or the negotiation of trade treaties in alleging or assuming that they believe, through our entry into a trade treaty with Belgium, a nation interested at the present time in maintaining its very life, they can increase job opportunities for American workers only through securing a reduction in our present tariff duties on imports from Belgium, to our mind well illustrates the hypocrisy which underlies our present trade-treaty policy.

Let me read a little further from the letter of the Flint Glass Workers' Union:

> We sincerely trust that your comimttee, in view of the present unsettled world conditions, realizing that the purposes of the legislation which authorizes our entry into trade treaties with foreign nations cannot now be secured, will have the courage to publicly recommend the indefinite postponement of our negotiation of any trade treaties.

I do not need to quote to you the position of the wage earner—the little fellow—as to this policy which Mr. Hull is so vigorously pursuing. All I need to do is to remind you of the millions of our people who are still walking the streets of this country with empty pockets and no jobs.

There is now in effect a trade agreement between the United States and Belgium, proclaimed on April 1, 1935. It embraces reductions in duty on most of the important commodities exported from Belgium to the United States.

On August 16, 1939, the Department of State announced negotiations for a new trade agreement with Belgium. Such notice was accompanied by a list of products to be considered for possible granting of concessions by the United States. Included therein were all products on which concessions had already been made in the 1935 agreement with Belgium, plus substantially all products which had been included in the trade agreement with Czechoslovakia terminated as of April 22, 1939, following recognition by the United States of de facto administrative control of Czechoslovakia by Germany. We have no commercial agreement with Germany.

September 27, 1939, was the closing date for filing briefs of interested parties in connection with this new Belgium trade agreement; and public hearings were held before the Committee for Reciprocity Information during the week of October 9, 1939.

On September 5, 1939, the President proclaimed that a state of war exists between Germany and France, Poland, and the United Kingdom, and invoked the provisions of the Neutrality Act. Thereafter such proclamation was supplemented by a further proclamation on November 4, 1939, forbidding all vessels of United States registry from entering a prescribed belligerent area, which included all seaports of Belgium.

Protests were filed with the Department of State against continuance of negotiations under the foregoing conditions, which protests to date have been ignored.

Meanwhile Belgium from time to time has placed restrictions upon its foreign trade, including substantially all the articles exported to or imported from the United States.

Whether or not Belgium be drawn into the pending European war this action has already had a pronounced effect upon economic conditions in the United States, and more particularly in Belgium. Conditions are changing almost daily. The future is wholly unpredictable.

Certainly no basis today exists upon which to predicate any intelligent appraisal of the effects upon the economy of the United States or any section thereof, or upon individual manufacturers and importers, of any further changes in tariff duties affecting our importations from Belgium. Existing conditions preclude any added benefits to our export trade. The length of the existing European war is unknown. Whenever its termination and whatever its outcome the trade of the world in general, and foreign trade between any European country, whether or not a belligerent, and the United States must be based upon wholly different conditions and changed conceptions than those which exist today, or those which existed on October 9, 1939.

The State Department has steadfastly refused or neglected to clarify its position with respect to the continuance or conclusion of the pending negotiations for a new trade agreement with Belgium. This continuing uncertainty is harmful to all business interests, whether importers, manufacturers, or exporters. The businessmen of the United States are entitled to know the policy of that Department in administering the powers delegated by the Congress.

We should like to know whether or not the State Department contemplates dropping all negotiations and all thought of a new agreement with Belgium until the end of the present European conflict.

Now what about the constitutionality of the Reciprocal Trade Agreements Act? I am not a lawyer, but I can read the English language, and when the Constitution of the United States plainly says that treaties must be ratified by the Senate, I do not think that we can make treaties, call them agreements, and get around the law. If we assume the constitutionality of section 350 of the Tariff Act of 1930, as amended, what about the requirements set down in subparagraph (A) as necessary to be complied with prior to the conclusion of a trade pact? Before the President can enter into a foreign trade agreement he must find "as a fact that any existing duty of the United States or any other foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means specified."

Mr. President, the reports upon which these findings are based have never been made public. They may exist, but I have never seen them. To the extent that they may be defective, the trade negotiations based upon them would appear to be null and void. Why was it that the framers of our Constitution set forth that treaties negotiated with foreign nations should be subject to ratification? It was obviously not for purposes of secrecy. It was obviously to give the public a chance to have a hearing.

Oh, we are told that a variety of agencies enter into the negotiation of a trade treaty, but if you are a pottery maker or a cotton manufacturer, or anything else, for all practical purposes you are merely told that a new rate is going into effect, and the rest lies with you—to sink or swim—when the products of your business may be placed in competition with cheap imported products of like character.

The most striking example of this disparity in the method of accounting is the one I shall now quote:

> In 1939 we exported 7,576,391 metal-filament light bulbs at an average value of 12 cents per bulb. Then we turned around and imported during the same period 84,296,063 light bulbs on which an import value of only 8 mills per light bulb was placed.

Mr. DAVIS. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from New Hampshire yield to the Senator from Pennsylvania?

Mr. BRIDGES. I yield.

Mr. DAVIS. Did the Senator ascertain the differential in wages between those paid the people who made the imported light bulbs and those who made the American bulbs?

Mr. BRIDGES. I have not the exact figures here, but I looked the matter up at one time, and wages, roughly speaking, amounted to an average of $5 a day in this country, as contrasted with a wage, where the bulbs are made abroad, of around 60 cents a day. The difference may vary a little from that, but that is essentially the ratio, about 9 to 1.

Mr. DAVIS. It is similar to the comparison in the case of other articles which were brought into this country, the differential between the wages paid in this country and those paid in foreign countries being very great in nearly every industry.

Mr. BRIDGES. That is absolutely correct.

It is possible to pick out hundreds of similarly competitive articles from the report of the Department of Commerce for November 1939. It is hardly necessary to point out what a difference it makes in our thinking to go a little deeper than

the dollar value of imports when studying the foreign trade situation.

It is my earnest hope that the reciprocal-trade policy may be debated fully once and for all at this time, and that it may be debated on its merits, and not amidst a confusion of propaganda of one sort or another. If we throw out the propaganda, if we say to ourselves that here is a proposal which, if passed, will represent the will of the American people as a piece of permanent legislation, and then proceed to debate the issue on the merits, I, for one, will certainly abide by the final decision.

Is it misleading, or is it not, to make such statements as these—and again I quote Mr. Hull:

> The choice before us is whether we shall lead the way toward the slough of despair and ruin for ourselves and others or toward the heights of economic progress, sustained prosperity, and enduring peace for our Nation and for the world.

Mr. President, is it not obvious to anyone who is not lulled into unconsciousness by platitudes that this is not the issue at all? Naturally we all want prosperity and peace, but whether or not this country shall have peace or the world shall have peace has nothing whatever to do with the Hull Reciprocal Trade Agreements Act. Regardless of that fact, I might vote for the extension of the act if I thought that it had some small bearing on the question of world peace, but I am convinced that it has not in the past, does not in the present, and will not in the future.

What have been the results of the Reciprocal Trade Agreements Act on our domestic economics? During the life of the trade-agreements program duties have been reduced on more than a thousand commodities—on 42 percent of our dutiable imports. I quote those figures from the House minority report. Those reductions represent an average cut of 39 percent. Yet I have still to hear of one case in which the duty was raised on any article. The administration then, I take it, has found no instance in which they felt it necessary to raise a duty to safeguard any American producer.

In my own New England, trading has always been characteristic. That section was built up by trading, and there we have respect for a good horse trader. We believe in trading and in reciprocity. I believe in reciprocity, and to me that means give and take. But these agreements have been nearly all give with no take. American farmers and workers and producers are generally being sold down the river.

Mr. President, there has never been an administration so prolific as this one in turning out slogans to fit every case. They have one to fit the case for the trade agreements. The catch phrase is "Trade is a two-way street." Of course trade is a two-way street, and we are in business at one end of it. Yet, while the proponents talk about trade being a two-way street, they have made a one-way street of it and traffic is not going our way.

As good traders, we never set our competitors up in business if we wanted to be able to stay in business ourselves. Yet, under this policy, we do set up these competitors in business. The Export-Import Bank has made loans to Brazil, to Poland, to Nicaragua, to China, to name but a few. We make loans to trade-agreement nations.

Perhaps, however, that is getting off the two-way street into a side alley. It is not a criticism of the trade-agreements program exclusively. However, the operation of these pseudo-reciprocal agreements, and that alone, has raised up a crop of competitors where none grew before. Probably it is the only crop the administration has not tried to control.

The administration, we are told, has been at great pains to conclude agreements with the country which is our principal supplier of the commodity on which a concession is to be made. In that way the administration hopes to get a measure of reciprocity in spite of the most-favored-nation clause. It hopes to get us something, at least, in return for our concessions.

Let me cite just three examples, Mr. President, from among the dozens which can be found in the Tariff Commission's report to the Finance Committee of the Senate. That report shows any number of cases in which, after a concession was granted, the country which obtained the concession ceased to be the principal source of imports, and some other country, or countries, became the principal source of imports.

A good illustration of this is crude sperm oil, dutiable under paragraph 52. The duty is reduced from 10 cents a gallon to 5 cents a gallon under the flexible provision of the Tariff Act of 1930, and was reduced from 5 cents to 2½ cents a gallon in the Canadian reciprocal-trade agreement. That agreement became effective the 1st of January 1936. Three years later, in 1939, we imported $586,000 worth of crude sperm oil and only $1,000 worth was imported from Canada.

Here is another illustration, and keep in mind the cotton situation in this country. This time the reciprocal-trade agreement had been concluded with the United Kingdom. The duty on a certain kind of cotton cloth is reduced from 10 percent to 5 percent. That agreement went into effect the 1st day of January 1939, and in that year—the first year of the agreement—the imports from the United Kingdom were only $108,000 out of a total of $572,000. In other words, $464,000 worth of the imports of this cloth came in from other foreign countries, without the United States having obtained from any of them any concessions whatever to compensate for the benefits which they obtained from us. If the Senate will bear with me for one more illustration, I will refer to the Tariff Commission's report for 100 more like it.

In the reciprocal-trade agreements with Switzerland and the United Kingdom, duties were reduced on another kind of cotton cloth containing silk, rayon, and other synthetic textiles. In 1939 only $4,000, out of $287,000 worth imported, came from either Switzerland or the United Kingdom. Almost the entire amount of the imports of that year came from countries other than those with which the agreements were made. The other countries which sold that cloth in the American market obtained our concession to do it. They obtained it gratis and without granting us any concession whatsoever in exchange for it. And yet this is called trading on a two-way street.

As I have said, I believe in trading and in real reciprocity. At the same time, it is one thing to make a treaty with our friends in Canada, where the people believe in our democratic principles and where standards are high. It is another thing to take the concessions we have made to our friends in fair trade and generalize them to the world. It is another thing to make those concessions apply also, for example, to troublesome Mexico, on the south, where the workers are peons, or to countries like Russia, where the peasants no longer live under the Czars, and cannot tell the difference because the standards are still so low.

I have traveled around this country of ours, and I have seen enough of the standards under which Americans live to know what they are worth. I have seen the best of the conditions and the worst, and even the worst of conditions in America have worlds of distance to go before they sink to the level of living in those countries whose coolie-made goods we are welcoming into the American market. Reciprocity is one thing, but my vote is never going to be given to put the workingmen of my State and of my country on the same plane with the peons of Mexico and South America and the peasants of Europe.

The trade-treaty program is said to be part and parcel of the New Deal. I am prepared to believe that. It contradicts the New Deal's domestic policies of restricting crops and increasing the cost of industrial production; but I have seen so many contradictions in this administration's policy that they no longer surprise me.

I cannot, however, agree to a policy which results in the importing of agricultural products to swell the surpluses we already have in this country; certainly not when at the same time frantic efforts are being made to reduce those surpluses, and to deny American farmers the use of American acres which might grow the same crops we import.

Recently, the distinguished Senator from Mississippi, at the close of his remarks in support of the trade-agreements program, had inserted in the RECORD two letters, one from President Taft, and one from President Theodore Roosevelt. In his remarks he had referred to these letters as evidencing

support of the sort of reciprocal-trade agreement this administration advocates.

Both those letters referred to a trade agreement with Canada which was concluded by the Taft administration. Let me quote just one line from each of the letters. President Taft said:

> Possibly labor is slightly lower in some parts of Canada than in the United States, but it is also higher in some parts and the adoption of free trade would rapidly increase the cost of labor and those parts where it is cheaper in Canada, so that the conditions would be the same.

President Theodore Roosevelt said:

> As you say, labor cost is substantially the same in the two countries, so that you are amply justified by the platform.

Mr. President, both those distinguished men were in favor of maintaining the American standard of living, and, if possible, raising it still higher. At that time the United States was about to conclude a trade agreement with a country whose standards were high. It was not a proposal to place the American workingman or the American farmer in competition with the coolies of China and India and the peons of South America and Mexico.

What could be said in favor of that old and truly reciprocal-trade agreement with Canada cannot likewise now be said of the trade-agreements policy of this administration.

It is possible to cloak the plain fact that we are placing high standard American labor in competition with low standard labor in other countries by the simple trick of figuring imports only on dollar value. The dollar value of a product imported from a low standard country may be low, but that import may displace many times its own volume in a similar product which could have otherwise been produced here and sold here at our high standards.

I read from the hearings before the House Committee on Ways and Means, when Assistant Secretary of State Grady appeared:

> Mr. KNUTSON. Dr. Grady, if you knew that a nation was in default in its war debts to the United States, or in their obligations to nationals of this country in large sums, and that nation, to all intents and purposes, was bankrupt; if you knew that living standards, working conditions, wages, were far below those enjoyed by the average American workingman, would you consider it good business for this country to enter into a share-the-wealth program with such a country by means of trade agreements?
>
> Mr. GRADY. Of course, it is not a share-the-wealth program in any sense at all. You have two questions there. I think one is with regard to whether other countries owe us money. I think one of the best chances we have of getting it back is to have trade with such a country, because then they can build up their dollars here with which to pay their obligations. You will have a far better chance, in other words, of their paying and getting out of default with us if you have trade flowing than if you don't. I don't see how you improve the situation of getting paid by not having trade agreements.

It is brutally true that the policy of the present administration in regard to the trade-agreements policy, while it is gloriously idealistic, has yet to show really practical results that benefit this country. It has served only to worry business, big and little; to starve our farmers; to make our workers lose their jobs; to block initiative; and to stop the expansion of industry.

I firmly believe that in pursuing this policy Mr. Hull is taking the responsibility onto his own shoulders for forcing American workingmen—farmers, manufacturers, and industrialists—to compete with people of other lands who work for pitifully small wages and live under conditions which we in America cannot countenance.

In conclusion, Mr. President, let me say that the only kind of a reciprocity program of trade agreements for which I can vote is the old New England kind, which includes both give and take. That does not mean to give away American standards and to force peasant life on our people.

Therefore I want to offer what I believe to be constructive amendments designed to meet my sincere criticisms, and to safeguard the standards and rights of our people, which I firmly believe are endangered by this policy as it now stands.

In addition to the other amendments which my distinguished colleagues have offered, I merely want to see that—

First. Our producers, farmers, workers, and manufacturers are given notice of commodities to be considered in any prospective agreement so that they may plan the basis of their policy accordingly.

I merely want to insure that—

Second. Our producers, farmers, workers, and manufacturers have the opportunity to have their views heard as to how a prospective agreement will affect them.

And particularly I want to see that—

Third. Our producers, farmers, workers, and manufacturers act as a check to see that any prospective agreement will not allow the importation of foreign commodities at a price with which, according to our standards, they cannot compete.

And, lastly, I want to insure with an amendment that—

Fourth. The United States, by negotiating a treaty with one country, will not be giving concessions to the whole world without receiving value in return.

If these amendments are adopted, or if others are adopted which provide the safeguards I want to see written into the law, then I will vote for the joint resolution. But if the trade-agreements program remains as it stands, endangering our standard of living, and presenting an unjustifiable abdication of the constitutional duties of this body to one man, from whose decision there is no appeal, then I will vote against the extension of the act.

Mr. President, in closing I may say that I have been in all sections of this country; I have been in over 40 States; and probably Mr. Roosevelt and Mr. Hull and the New Deal cannot do the Republican Party any greater service than by jamming through this reciprocal-trade measure, as they have attempted to do and are attempting to do now, for the people, as a whole, are against this trade-treaty program. They know what it is doing and can do to the Nation.

Mr. President, I want to make a prediction here on the floor of the Senate that Mr. Roosevelt, or Mr. Hull, or anyone else who advocates or supports this measure as it is, without any safeguard, and then goes before the country as the Democratic nominee for President, is going to be surprised at the number of States in the Union he will lose on this issue alone. I wish to make the same prediction with respect to the Republicans; that if the Republican Party should nominate a candidate who straddled on the reciprocal trade agreements program, or who upholds or favors the extension of the Reciprocal Trade Agreements Act without proper safeguards, the Republicans will lose many States they would otherwise carry, particularly in the Middle West and the far West.

Mr. President, this is a vital issue which concerns the American standard of living. It concerns the livelihood of men and women in this Nation. It concerns the living standards of the average workingman of America, and what he can do for his family. It concerns the average farmer in the same way.

We are fighting not merely for theories; we are fighting to maintain an American standard of living for Americans in America, and I, for one, care a great deal more about that than I care about aiding the Bolsheviks in Russia and the peons in Mexico on our south and people in other lands that Mr. Roosevelt and Mr. Hull and a few more of the idealistic and impractical leaders of the New Deal seem to care about in fostering the reciprocal trade agreements program.

Unless this trade-agreement measure has some very effective safeguards such as contained in the amendments I have submitted, I must vote against the continuance of the act, for the best interests of the Nation as a whole.

Mr. President, I ask that three amendments heretofore submitted by me, and intended to be proposed to the pending joint resolution, be printed in full in the RECORD at this point as part of my remarks.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

> At the end of the joint resolution insert the following new section:
>
> "SEC. —. Hereafter, before any foreign trade agreement is negotiated, amended, renewed, or extended with any foreign government or instrumentality thereof under such section 350, public

hearings shall be held in the District of Columbia with respect to each such agreement to be so negotiated, amended, renewed, or extended, and all interested persons shall be given an opportunity at such hearing to present their views. Notice of such hearings together with a detailed statement of all matters to be considered therein shall be published in the Federal Register once a week for 12 consecutive weeks prior to the commencement of such hearings. A record of the proceedings at such public hearings shall be made and such record shall be the basis of the treatment of all articles to be covered by such agreement, or amendment, renewal, or extension thereof. No article shall be covered by any such agreement, or amendment, renewal, or extension thereof, unless such record contains substantial evidence that such article should be included therein in the public interest."

At the end of the joint resolution insert the following new section:

"SEC. —. No foreign trade agreement shall hereafter be concluded, amended, renewed, or extended with any foreign government or instrumentality thereof under the provisions of such section 350, unless the tariffs or import duties upon the articles encompassed in such agreement, or amendment, renewal, or extension thereof, shall be maintained at a point which will at least equalize the difference in the cost of production thereof in the country dealt with and the United States, as determined by the United States Tariff Commission as of the date such agreement, or amendment, renewal, or extension thereof, becomes effective."

At the end of the joint resolution insert the following new section:

"SEC. —. (a) The last two sentences of paragraph (2) of section 350 (a) of such act of June 12, 1934, are amended to read as follows: 'The proclaimed duties and other import restrictions shall be in effect from and after such time as is specified in the proclamation. The President may at any time terminate any such proclamation in whole or in part.'

"(b) Hereafter, every foreign trade agreement, or amendment, renewal, extension, or modification of any foreign trade agreement, entered into under such section 350 shall contain a provision that any advantage of whatsoever kind which either contracting party may extend to any other foreign government or instrumentality thereof shall simultaneously and unconditionally, without request and without compensation, be extended to the other contracting party."

ATTITUDE OF UNITED STATES TOWARD EUROPEAN WAR

Mr. WILEY. Mr. President, yesterday the distinguished Senator from West Virginia [Mr. HOLT] commented on certain incidents that had taken place of late, to wit: The speech of our Minister to Canada, Mr. Cromwell, and the speech of the attorney general of Ontario; from the remarks of these two gentlemen he drew the conclusion that we were drifting toward war.

Apparently the statements of Mr. Cromwell and the minister of Ontario considerably upset my distinguished colleague. My purpose in making these remarks is not to disagree with him in relation to the serious situation in the United States and abroad, but I feel that the statements of these men can be compared to a boil which has come to the surface. These gentlemen have exposed their cards. They have shown their views. The fact that our Minister to Canada spoke as he did apparently exposed his personal convictions in the matter. The same can be said about the attorney general of Ontario. So what have we as the result of these two exposures?

First, in relation to Minister Cromwell's speech we have the Secretary of State calling him down—that is, calling his attention to the fact that as a Minister of this country he has violated the rules of the game.

Secondly, if the speech was premeditated and made with the purpose of trying to find out what the sentiment of the majority of the people in this country was—well, it was productive of result. The reaction of the vast majority of the press and the people was that Cromwell had spoken out of turn; that he did not express the opinion of a large percentage of the American people.

Mr. President, when I landed in New York last September I remember picking up an American newspaper, and one of the first things that came to my attention was the Gallup poll of a few days before. The Gallup poll then showed, as I remember it, in answer to a question, that 44 percent of the American people were then willing, in case it appeared that England and France were being defeated, virtually to join the Allies—that is, to send ships and men.

The most recent Gallup poll on that subject shows that instead of 44 percent the percentage has gone down to 24 percent, indicating that the American people were thinking.

Therefore I reach a conclusion different from that which my distinguished colleague from West Virginia has reached. I say we are not drifting toward war. We are marching toward a cooler appraisement of the real situation. We are recognizing that as a great people set apart we can render the greatest service to the combatant nations and to the future of the race by keeping out of that war. No, Mr. President, we are not marching toward war. We are becoming more level-headed, and by "we" I do not mean some of the scatterbrains; I mean the general average of the American people. Becoming more level-headed, we are becoming more able to distinguish between what is fact and what is fiction, between what is good and what is evil propaganda.

Mr. President, because we are becoming more judicial in our thinking, we necessarily are less prone to become mentally stampeded. We have our feet on the ground; we will not become the creatures of hysteria nor go off on an emotional jag.

As a consequence of a better mental perspective we are calling upon all our citizens to be American-minded, and we are becoming more realistic in dealing with those citizens who are European-minded.

Let me repeat the last statement. As a consequence of our level-headedness—I call it perspective—we are calling upon American citizens everywhere to become more American-minded, and we are becoming more realistic in dealing with those citizens who are European-minded.

No, Mr. President; Mr. Cromwell's statement did no harm. It did good, because it exposed a condition that we must check. Every one of our representatives to foreign nations, because of the Cromwell incident, will be, we hope, better Americans. But if there are representatives of America in Europe who have become so mentally unfit for their jobs because of their prejudice against one of the combatant nations, or prejudice for one of the combatant nations, such representative should be recalled.

What I am trying to make clear here, Mr. President, is that there is an American point of view separate and distinct from the European point of view, and only men—of course, they can have their sympathies—only men who place America first, who are not inoculated with the idea that it is our business to settle European problems, who are not affected with "the meddler's itch," should represent this country in these perilous times in the chancelries of other nations.

In the last World War we know what certain of our representatives abroad did. We know that they—and history so records—were great factors in educating this country to the notion that Europe's fight was our fight. I am not going to review the story of our Ambassador to the Court of St. James. I know that he thought he was doing right. But, Mr. President, he exemplifies what I am talking about. He was a great factor in accomplishing what the attorney general of Ontario asked his Canadian brethren to accomplish, to wit, to get America into the war.

I repeat, that what he said I think was a wholesome thing. It was good that he spoke out. He spoke out, Mr. President, as you would speak, as I would speak if we were Canadians or if we were Englishmen. I want everyone who is an American to realize that there is a distinction between being an American and being an Englishman or a Canadian. If I were a Canadian or an Englishman I would want to get America to help in this great war. But, Mr. President, I am an American, and, while I believe that a large percentage of the American people sympathize with the cause of the Allies, I say decidedly that I do not want any American to represent this country abroad who has the same attitude of mind that the attorney general of Ontario has.

I do not want this Nation to get into that war. In my opinion any American citizen—and I refer not merely to officials in Congress but to every citizen in every village, hamlet, and city in the country—who does not take every possible step to keep America out of war is remiss in his obligation to the Nation, and to the generations of the Nation which are yet to come.

To recapitulate, Mr. President:

First. We do not want this country to be represented by ministers or ambassadors who are Cromwell-minded.

Second. Because we know that Canada and the Allies want us as partners in their enterprise, we shall be especially on our guard not to be influenced to become allies.

Third. Within our own borders we shall protect ourselves against the infiltration of foreign "isms" which may weaken our resolve, and we shall expect the foreigner in our midst to observe the rules applicable to a guest, namely, to live and think in the American way. I repeat that: In these times we expect every foreigner who lives in our midst to live and think in the American way. To those Americans who find that living and thinking in the American way is not good enough for them in these challenging times, but who must spew forth foreign "isms" and propaganda, we shall simply say: "Cease your wicked and unholy purpose. We know how to deal with termites."

Fourth. We are not drifting toward war, Mr. President. Our sails are set. Our bark is pursuing a splendidly safe course under the direction of our pilot, and that pilot is the American people under the American Constitution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the bill (S. 2609) to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 8471. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at or near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania; and

H. R. 9209. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 8471. An act granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at or near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania; to the Committee on Commerce.

H. R. 9209. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes; to the Committee on Appropriations.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

The Senate resumed the consideration of the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

Mr. DAVIS. Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Lundeen	Sheppard
Bankhead	Gerry	McCarran	Shipstead
Barkley	Gibson	McKellar	Smathers
Bilbo	Gillette	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Brown	Gurney	Miller	Thomas, Idaho
Bulow	Hale	Minton	Thomas, Okla.
Byrd	Harrison	Murray	Tobey
Byrnes	Hatch	Neely	Townsend
Capper	Hayden	Norris	Tydings
Caraway	Herring	Nye	Vandenberg
Chandler	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Clark, Mo.	Holt	Pepper	Walsh
Connally	Hughes	Pittman	Wiley
Danaher	Johnson, Calif.	Radcliffe	
Davis	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Eighty-two Senators have answered to their names. A quorum is present.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. The Chair will state that in accordance with the unanimous-consent agreement heretofore entered into, after the hour of 1 o'clock no Senator shall speak more than once or longer than 15 minutes on any amendment, amendment thereto, or substitute therefor, to House Joint Resolution 407.

Mr. O'MAHONEY. Mr. President, this morning while the Senator from Minnesota [Mr. SHIPSTEAD] was discussing his amendment, I directed several questions to him with respect to the extent to which his amendment covers agricultural products. As drafted, the amendment refers solely to the agricultural products which are mentioned in schedule 7 of the Tariff Act of 1930. There are numerous other agricultural products which are not included in section 7 upon which there are tariff duties.

I have conferred with the Senator from Minnesota, and I understand that he and I are in agreement that his amendment should be broad enough to cover all purely agricultural products. I therefore desire to offer an amendment to the amendment of the Senator from Minnesota, which amendment I send to the desk.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I understand that the Senator's amendment to the amendment extends the protection to agricultural products only.

Mr. O'MAHONEY. That is all. My amendment to the amendment does not include the manufactures of agricultural products.

Mr. SHIPSTEAD. Mr. President, my intention in offering the amendment and in accepting the Senator's amendment to my amendment is to stop the attack upon the income of the American farmer for the benefit of industry and foreign producers at the expense of the American farmer. I accept the amendment to the amendment.

Mr. O'MAHONEY. Mr. President, I think that a curious anomaly has developed in the activity under the Tariff Act. High tariffs were originally demanded primarily by manufacturers for the purpose of raising the prices of manufactured products and excluding the manufactures of foreign countries.

Those high tariffs were attacked in the past upon the ground that they contributed to the creation of trusts and the exploitation of the masses of the people. Agricultural products were not covered by any tariffs at all, but, beginning with the Fordney-McCumber Act, a feeling developed among the farmers and agriculturists of the country that agriculture should likewise have protection, since, apparently, it was impossible to cut down the high tariffs which Congress authorized on manufactured products.

Now, curiously enough, largely by reason of the development of technology, American manufacturers are able to turn out their products at a very low cost and they have become, as it were, independent of the tariff, so that in some instances the very industries which 15 or 20 years ago were demanding high industrial tariffs are now demanding low industrial tariffs, and the farmer has begun to feel that his interests are being bargained off for the purpose of enabling the manufacturer to gather in a world market. In other words, in the beginning, when industrial tariffs were being built up, the farmer was being victimized in order that tariffs might be raised; today the farmer feels that he is being victimized in order that industrial tariffs may be cut down. The purpose of the amendment offered by the Senator from Minnesota, modified by the amendment which is now offered, and which, I understand, he accepts, is merely to protect the producer of agricultural products from the sacrifice of his interests in order to purchase a world market for the products of industry.

The PRESIDING OFFICER. The Chair understands that the Senator from Minnesota accepts the amendment to the amendment, which modifies his amendment?

Mr. SHIPSTEAD. I do.

Mr. CLARK of Missouri. Mr. President, may the modification be reported to the Senate?

The PRESIDING OFFICER. The clerk will read.

The LEGISLATIVE CLERK. In line 6, after the word "State", in the amendment of the Senator from Minnesota it is proposed to strike out the remainder of line 6, all of line 7, and insert a period and the following:

As used in this section, the term "agricultural products" includes any product or article classified as agricultural in "Schedule A, statistical classification of imports into the United States," effective January 1, 1939, as issued by the Department of Commerce.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD], as modified.

Mr. O'MAHONEY and Mr. DAVIS called for the yeas and nays.

The yeas and nays were ordered.

Mr. SHIPSTEAD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Schwartz
Ashurst	Ellender	Lee	Schwellenbach
Austin	Frazier	Lodge	Sheppard
Bailey	George	Lundeen	Shipstead
Bankhead	Gerry	McCarran	Smathers
Barkley	Gibson	McKellar	Smith
Bilbo	Gillette	McNary	Stewart
Bone	Green	Maloney	Taft
Bridges	Guffey	Mead	Thomas, Idaho
Brown	Gurney	Miller	Thomas, Okla.
Bulow	Hale	Minton	Tobey
Byrd	Harrison	Murray	Townsend
Byrnes	Hatch	Neely	Tydings
Capper	Hayden	Norris	Vandenberg
Caraway	Herring	Nye	Van Nuys
Chandler	Hill	O'Mahoney	Wagner
Clark, Idaho	Holman	Overton	Walsh
Clark, Mo.	Holt	Pepper	Wiley
Connally	Hughes	Pittman	
Danaher	Johnson, Calif.	Reed	
Davis	Johnson, Colo.	Reynolds	

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present.

The yeas and nays having been ordered, the clerk will call the roll on the amendment of the Senator from Minnesota [Mr. SHIPSTEAD], as modified.

The legislative clerk called the roll.

Mr. BRIDGES. I have a general pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Maine [Mr. WHITE], who would vote "yea" if permitted to vote, while the Senator from Utah, if present, would vote "nay." I vote "yea."

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Wisconsin [Mr. LA FOLLETTE], who would vote "yea," with the Senator from Illinois [Mr. LUCAS], who would vote "nay."

I vote "yea."

Mr. JOHNSON of Colorado. On this vote I am authorized to announce that the senior Senator from Florida [Mr. ANDREWS] is paired with the junior Senator from Maryland [Mr. RADCLIFFE]. If the Senator from Florida were present, I am informed that he would vote "yea," and the Senator from Maryland [Mr. RADCLIFFE], if present, would vote "nay."

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Georgia [Mr. RUSSELL], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN], and the Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]. I am advised that if present and voting the Senator from New Mexico and the Senator from California would vote "yea," and that the Senator from Missouri and the Senator from Georgia would vote "nay."

The Senator from Nebraska [Mr. BURKE] is paired with the Senator from Virginia [Mr. GLASS]. I am advised that if present and voting the Senator from Nebraska would vote "yea" and the Senator from Virginia would vote "nay."

The result was announced—yeas 38, nays 43, as follows:

YEAS—38

Adams	Frazier	Lodge	Shipstead
Ashurst	Gibson	Lundeen	Taft
Austin	Gurney	McCarran	Thomas, Idaho
Bone	Hale	McNary	Thomas, Okla.
Bridges	Holman	Maloney	Tobey
Bulow	Holt	Murray	Townsend
Capper	Johnson, Calif.	Nye	Vandenberg
Clark, Idaho	Johnson, Colo.	O'Mahoney	Wiley
Danaher	King	Pittman	
Davis	Lee	Reed	

NAYS—43

Bailey	Donahey	Hill	Schwartz
Bankhead	Ellender	Hughes	Schwellenbach
Barkley	George	McKellar	Sheppard
Bilbo	Gerry	Mead	Smathers
Brown	Gillette	Miller	Smith
Byrd	Green	Minton	Stewart
Byrnes	Guffey	Neely	Tydings
Caraway	Harrison	Norris	Van Nuys
Chandler	Hatch	Overton	Wagner
Clark, Mo.	Hayden	Pepper	Walsh
Connally	Herring	Reynolds	

NOT VOTING—15

Andrews	Downey	Radcliffe	Truman
Barbour	Glass	Russell	Wheeler
Burke	La Follette	Slattery	White
Chavez	Lucas	Thomas, Utah	

So Mr. SHIPSTEAD's amendment, as modified, was rejected.

Mr. HOLMAN. Mr. President, I have on the desk an amendment which I offer, and request that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be read.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. —. (a) Notwithstanding the provisions of subsection (b) of section 2 of the act entitled "An act to amend the Tariff Act of 1930," approved June 12, 1934, as amended and supplemented, each foreign-trade agreement entered into after the date of enactment of this joint resolution under the provisions of section 350 of the Tariff Act of 1930, as amended, shall contain a provision providing that such agreement shall automatically terminate upon a date not later than June 12, 1943. Whenever any such agreement terminates as a result of the operation of any such provision, any proclamation issued by the President under the provisions of such section 350 for the purpose of carrying out such agreement shall no longer be effective.

(b) The President is requested to give notice, not later than December 12, 1942, to each of the foreign governments or instrumentalities thereof with which the United States at such time has a foreign-trade agreement, concluded under the provisions of such section 350 before the date of enactment of this joint resolution and of which notice of intention to terminate has not been theretofore given, that the United tates is desirous of terminating such agreement on June 12, 1943. The President shall thereafter take such further action as may be necessary to terminate any such agreement on June 12, 1943. Upon the termination of any such agreement, any proclamation issued by the President under the provisions of such section 350 for the purpose of carrying out such agreement shall no longer be effective.

Mr. HOLMAN. Mr. President, it is not my intention to engage in a lengthy debate on this amendment. From the reading of the amendment, its object is obvious. Briefly, it is to require that trade agreements made under the authorization of the extension of the present Trade Agreements Act shall be terminated at the time the authorization itself terminates. I do not know that any further explanation is necessary.

Mr. WALSH. Mr. President, I intend, when in order, to offer an amendment limiting to 1 year the continuation of these trade agreements. What I want to say on this subject will require more than 15 minutes, however; and I should like to take the 15 minutes allotted to me in connection with the amendment of the Senator from Oregon to express in part my views.

I have written what I wish to say, first of all because I desire to limit myself to 15 minutes; second, because I consider the subject of special importance.

Mr. President, as is well known, I do not very often discuss public questions from a political standpoint; but, in addition to the reasons which I shall later give for the amendment I intend to offer, I want to refer to some political aspects of this whole question.

In my opinion, at the present time in the United States there are two questions that transcend party lines. One is the fixed, determined, adamant state of mind of an overwhelming number of the American people against our involvement in the European war. When war first broke out in Europe, the press was replete with articles discussing the question whether or not it was possible for us to avoid involvement in the war. Several prominent citizens publicly declared that we should enter the war at once and not wait until we had to enter it at a later date. Our people were jittery, wondering what influences and forces might sweep us into the European war. Indeed, it was predicted here and there that we would be in the war within 6 months or a year.

What a changed situation we find today. Not a single public man of any influence in the country dares today repeat what he said at the outset of the war, suggesting that it was our duty to take sides with the democracies and enter the European war. Not an editorial can be found in any newspaper from one end of the country to the other favoring our entry into the war.

The plain people of America have demonstrated that when once they are aroused they are a mighty, potent force in controlling public opinion. The mothers of American sons, American youths, and the fathers, mothers, sisters, and brothers, working in the factories, out on the farms, behind the counters, at the desks, in the counting rooms, have instinctively come together and squelched whatever sentiment was being expressed in favor of our participation. In the coming election the issue will be not so much, "who kept us out of war" but "who is most certain to keep us out of war." In my opinion, the next President of the United States is most likely to be the candidate who from one end of this country to the other demonstrates his interest first and foremost in peace for America, and the preservation of our own democracy here in America, and militantly opposes our involvement in the European war.

This is somewhat aside from what I wanted to say at this time, but it is related to the second issue, which I believe transcends party lines, namely, the issue of unemployment. It is not unemployment relief—generous, liberal, unstinted aid and assistance by the Federal Government to those in need because of inability through no fault of their own to obtain employment. That issue has already been answered by the electorate. More than anything else it gave the Democratic Party an overwhelming victory in 1936. In the public mind the matter of sufficient appropriation for fundamental relief is assured. There may be some criticism of the method of administration, but all parties, all men, and all groups agree now that this is a permanent and continuous obligation.

The issue that remains in connection with the matter of unemployment is what is being done to lessen unemployment and what is being done to increase unemployment, and if a case can be made out that the Democratic Party has contributed, or is contributing, through any of its policies to unemployment in this country, it will, in my opinion, be most injurious.

The Republicans are aware of this issue. Their united opposition to the reciprocal-trade agreements is based upon the belief that they can make out a case that it has increased unemployment and threatens more unemployment in this country. A substantial number of Democrats, who dislike to differ with their party leadership and who exert every effort to support their regular party program, are fearful of this issue as evidenced by the votes cast here. They are not voting against a continuation of the reciprocal-trade agreements because of personal reasons. They are voting against them because they are convinced that back home there is a strong and growing sentiment in opposition to these agreements; that they are not operating for the welfare of their constituents; and that means they are not a political asset. That is the attitude of many Democrats on this side of the Chamber, as I interpret it.

What can we do constructively? First and foremost, we can limit to 1 year the further extension of these agreements. This will be no repudiation by the Congress of the general policy or disapproval of the experiment. It will indicate that the Congress will, between now and another year, try to remove the complaints to which I have referred, and bring about more liberal action in making use of the "escape" clause in these agreements; and secondly, will remove the other objection by providing approval by the Congress, limited in character, and of such a nature as to permit advice from the Congress to its agency in the executive department about policies which the Congress may be convinced are detrimental to American workers and American producers.

The tariff issue is a very ticklish one. The American people have a sensitive strain in regard to tariff legislation. Politically, tariff making has been injurious to the political party sponsoring the legislation. Democrats experienced in the congressional elections of 1914 vigorous opposition from the country after the enactment of the Underwood tariff bill. The Republicans lost tremendously in the congressional elections following adoption of various tariff bills. There are signs that our party may have the same experience in the forthcoming election—not so much in the election of the President, in my opinion, as in the congressional elections—and I cannot explain the united opposition of the Republicans and the opposition of many Democrats in this Chamber in any other way. Indeed, I have heard it predicted that the loss of Democratic seats in the Congress would be very great as a result of opposition throughout the country to these trade agreements.

I heard it said we would carry hardly a State west of the Mississippi River. These communications are from Democrats. Why are they disturbed? Why are they voting as they are? It is because they know the sentiment back home, and they know what the Republican Party is going to do in the next election.

Let me give two illustrations of what I mean by political effect. I have received many letters in opposition to this program, and they have all come from people who are producers. I have received many letters in favor of the legislation, but comparatively few from domestic producers. I have received the following telegram:

BOSTON, MASS., *April 3, 1940.*

DAVID I. WALSH,
Senator from Massachusetts,
Washington, D. C.:

We cannot call to your attention too strongly the extreme disadvantages for ourselves, as well as for the entire American patent-leather industry, resulting from the Canadian trade agreement. As a result of the reduction in the United States' duty to 7½ percent, the 1939 imports of Canadian patent leather show a tremendous increase, and the Canadian currency depreciation has further aggravated an already serious situation.

All plants are shut down, throwing over 1,000 men out of work, and this is the first time in 15 years that we have shut down our plants. Imperative that some immediate action be taken to stop Canadian imports if we are to continue in business.

COLONIAL TANNING CO., INC.

Let me ask my colleagues, how many votes will a Democratic candidate for Congress get in that community, with a thousand men unemployed, if the cause is, as alleged, the reciprocal-trade agreement? We have been unwilling to admit that, though there have been good results, there is a chance for improvement, but continue to take the position, "The law cannot be improved, take it as it is." Extend it for another year, is my suggestion, to see if we cannot provide some machinery which will remove this objection?

I have another communication, from a manufacturer of musical instruments. I shall only take the time to read it in part:

The Quartermaster Department of Philadelphia has purchased, and as far as I know will continue to purchase, musical instruments made in foreign countries when they are offered at approximately 25 percent less than American manufacturers can supply them.

A specific instance is quoted. The Philadelphia Quartermaster Department purchased, between August and November 1939, cymbals made by the K. Zildjian Co., of Istanbul, Turkey, to the approximate amount of $500. Previously, cymbals made by the Avedis Zildjian Co., of Norfolk Downs, Quincy, Mass., had been purchased. They were offered to the Quartermaster Department in competition with the Turkish cymbals, but on account of the price the Turkish cymbals were taken.

In the late reciprocity agreement with Turkey, the duty on cymbals was reduced from 40 percent to 20 percent, thus enabling this low price to be quoted. The Avedis Zildjian Co., in which I am personally interested, was established here 10 or 12 years ago by Avedis Zildjian, a member of the Zildjian family of Istanbul, who had made cymbals for hundreds of years. Avedis Zildjian claims that he paid for labor in Turkey in making the cymbals, in 1913, the equivalent of $2 per week. The present rate for labor is from $3 to $3.50 per week. The Zildjian Co., at present, in Quincy, Mass., pays to its labor from $35 to $50 per week.

The facts speak for themselves. Radical reductions have been made in wood-wind musical instruments. Our trade has been affected by the reductions in tariff which have been enjoyed principally by countries other than those to which trade concessions were given, particularly Italy.

The purpose of this letter, however, is to show you that, as far as our business is concerned—we employ from 200 to 250 people—Mr. Hull's experimental trade agreements are a headache, and if continued will, I am sure, develop into a serious condition, especially when the war ends.

Mr. President, for the present I shall not discuss this question further, but the uncertainty as to who will administer the law, the uncertainty as to the agency which Congress may name to administer the law, I will discuss when I have a chance to get the floor after the amendment shall have been voted on. However, I say in all sincerity to my Democratic colleagues, at times a majority of whom have expressed disapproval of these trade agreements to halt. Let us not go before the country and say, "There are no faults; there have been no mistakes; there is nothing to correct; the policy is sound; Congress has abandoned its task to the Executive."

Mr. President, I leave the issue to the Senate.

Mr. HARRISON. Mr. President, like the distinguished senior Senator from Massachusetts, I call upon my colleagues on this side of the Chamber to consider and examine carefully the question before us before casting their votes. Some of us who are members of the committee which considered the pending legislation, who sat through the extensive hearings, heard the scores of witnesses who appeared before the Finance Committee, and many of us read the testimony and briefs that were presented by witnesses before the Ways and Means Committee of the House. Running through most of the testimony there seemed to me to be an overwhelming—a predominant—sentiment expressed by representatives of various organizations for the continuation of the present reciprocal trade agreements program. Indeed, throughout the hearings there was little criticism of the trade agreements, and much praise for the manner and methods employed by those who have participated in the negotiation of these trade agreements. As I have said before, we heard little about actual injury, but much about fear of what might happen in the future.

Of course, representatives of the great livestock organizations appeared before us, as they have done every time a tariff measure has been under consideration. It was stated repeatedly before the committee that today cattle is one of the few agricultural commodities that is selling above parity.

Mr. PITTMAN. How long has that been?

Mr. HARRISON. I can give the Senator the figures. It is true that livestock is selling today above parity.

Mr. PITTMAN. The Senator knows that for years livestock has been selling below parity.

Mr. HARRISON. Before the reciprocal-trade agreements were in existence; yes; but——

Mr. PITTMAN. Yes; and after the trade agreements were in existence.

Mr. HARRISON. If it is necessary, I will submit those figures before I finish. But the cattlemen today are receiving prices above parity for their livestock, as shown by their own witnesses and by the testimony of experts and official Government figures. Of course, representatives of the wool growers of the West appeared before the committee. We have not touched raw wool. There is the same tariff on wool today as was written in the last tariff measure in 1930. There was some criticism from some manufacturers of woolen goods in the East. But it did not strike us that there was any inequality in that respect because, as shown by the reports of the National Association of Woolen Manufacturers, 1939 was a banner year for the industry, and that was the only year in which concessions were in effect. We gave that and every other matter careful consideration.

Spokesmen for organizations representing a very large number of the women of the United States appeared before us and submitted statements and, with one exception, as I recall, all endorsed the continuation of the reciprocal trade agreements program.

Cotton has been brought into the discussion. Every organization I know of that has anything to do with cotton endorses the plan. They believe it keeps open the markets for our cotton and that it will help the cotton industry.

They also know that had it not been for the trade-agreements program the cotton growers, as well as all those engaged in the cotton business, would have been injured materially in the last few years.

One of the largest farm organizations in the country endorsed the program with the suggestion and the recommendation that the Secretaries of State, Commerce, and Agriculture approve these agreements before they go into effect. That proposal was to some extent embodied in the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE], which was debated thoroughly and rejected by the Senate.

The Senator from Massachusetts said there has been a change of sentiment in the country since this program was inaugurated and that there is more opposition to it now than there has been heretofore. Perhaps there has been some change of sentiment. I do not contend, nor does anyone else that I know of contend, that this program has been perfect, but I sincerely believe the method provides for the most orderly treatment of the tariff question, and that it has been of material benefit to our country.

Mr. President, the Senator from Massachusetts says the authorization should be limited to 1 year. We have now been engaged for 2 weeks in a fight to continue the trade-agreements program. We have been through 2 weeks of the most intense battling in which I have ever participated. Senators on the Republican side have lined up practically solid against this joint resolution and some Senators on the Democratic side, conscientiously opposed to the measure, have voted for every amendment which has been offered.

Of course it is a fight. I will not go further and say what other obstacles we are encountering, but I will say it is a real fight. Of course, in common with the Senator from Massachusetts, I want to see Democratic Senators look into the matter carefully, conscientiously, and vote their convictions. I know that from a political standpoint it may be injuring us more than it is our Republican brethren, because they are pretty solid over there, and we are somewhat divided over here. But I do not charge any bad motives on the part of any Senator on the other side, or on this side, in casting his vote. I take it that Senators vote their conscientious conviction. That is what every Senator should do.

From what the Senator from Massachusetts said, I imagine that he advocates the adoption of the pending amendment because it provides that when the existing trade agreements are completed we shall serve notice of their termination.

Mr. WALSH. Mr. President, I did not discuss the amendment. I expect to vote against the amendment. I took up the time—I had only 15 minutes—on the general subject.

Mr. HARRISON. Yes; I understand; and I listened intently to the Senator because I have the highest respect for him. He is one of the best Democrats I know, one of the ablest men, and certainly one of my closest friends, and I always respect his views.

Mr. WALSH. I thank the Senator.

Mr. HARRISON. But what are we up against? Here we have been for 2 weeks trying to pass this legislation. It is now proposed by some to limit the program to 1 year only. I read in the newspapers this morning that such a suggestion was being made. I will say nothing further about that, although I am somewhat prompted to do so. Enough!

I never tried to bring differences into my own party. But for 2 weeks we have been considering this resolution. Some persons say, "Let the program be continued for 1 year, and not for 3 years." Mr. President, if we did that, we would be laughed at by the world. Who would enter into an agreement with us if the program under which the agreement is to be

made is simply to last for a year? That would be notice to the world that we have no faith in our own program. I would rather see the law killed now, if that is the purpose of some Senators, rather than have it extended for only a year. If such action was taken, it would necessitate having to go over the whole question again in the next session of Congress.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. ADAMS. If the agreement is merely extended for a year, 3-year agreements can still be made. In other words, it does not limit the agreements. Even then they do not expire automatically.

Mr. HARRISON. Yes; for a year we can make agreements, but at the same time those with whom we are dealing are rather alert, and they will say, "Why, your own Congress did not have any faith in the program if the authority is to last only for a year." Mr. President, it sometimes takes a year or longer to negotiate a trade agreement. Representatives must possess the diplomatic suavity and instincts and the fine tactics of the Senator from Colorado to be able to come to an agreement in respect to these matters.

Mr. ADAMS. I should be highly gratified if I had 10 percent of the agreeable qualities possessed by the distinguished Senator, the chairman of the Finance Committee.

Mr. HARRISON. Well, I can return the compliment to the Senator.

Mr. ADAMS. May I again interrupt the Senator to add a word?

Mr. HARRISON. Yes; I am glad to yield.

Mr. ADAMS. Might not the fact that we have had a fight for some 2 weeks, and that the vote has been close, perhaps indicate that there may be some substantial doubt as to the soundness of the policy; and if there is this doubt, might it not be wise to give the matter further consideration? If the vote was all one way, it would indicate there was no genuine doubt about the matter.

Mr. HARRISON. The Senator knows what would happen if the Republican Party were to come into control after the next election. And I deny what some of my colleagues say; I do not believe that the Republican Party is going to get control of this Government the coming election, and I am not trying to do anything to push it along and encourage the people of this country to believe that the signs point to it. I did not see the signs pointing to it in Wisconsin the other day. I do not know how those who write articles in newspapers or who give out statements can find that the results there show that the country is against us. Wisconsin used to go Republican by four or five hundred thousand votes, and the other day the two Democratic candidates received more votes than the two Republican candidates did in that State, with all the existing cross-currents. The President of the United States lacked just a few votes of receiving as many as all the others put together. I think that looks pretty good. The Republicans are mighty easy to please, when they get encouragement from the Wisconsin results. [Laughter.]

Senators, if the proposal to extend these agreements for a year is acted upon favorably, everyone will say, "Why, there was nothing to their program, so they were not willing to carry it on for 3 years."

If the Republicans get into control, one of the first things they will try to do is repeal the Reciprocal Trade Agreements Act and leave the old Smoot-Hawley tariff law on the statute books. Some of my friends on this side probably will vote for that action, judging from the way they have been voting.

Mr. President, let us continue this matter for 3 years. Let those who believe in the policy vote to continue it for 3 years. Let those who do not believe in it vote against it. But let us show our belief in the policy and that we believe it should be continued.

That is all I desire to say.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oregon [Mr. HOLMAN].

The amendment was rejected.

Mr. WALSH. Mr. President, I offer the amendment to which I referred a few moments ago; on page 1, line 7, of the joint resolution, to strike out the word "three" and insert the word "one."

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts will be stated.

The CHIEF CLERK. On page 1, line 7, it is proposed to strike out "three" and insert "one."

Mr. WALSH. Mr. President, I now desire to take 15 minutes to discuss my views on this amendment. I am presenting this amendment with the utmost sincerity and good faith—not with a view to embarrassing any of the proponents of the pending resolution, and not as an empty gesture. I am offering it in the belief that its justification and advantage will be at once apparent and that no reasonable objection lies to it. I am offering it as a friend of the temporary continuation of the reciprocal trade agreement authority, rather than as an opponent.

The debate in this Chamber and the various votes with respect to this matter have already clearly evidenced that a majority is unwilling to deny an extension of the existing delegation of authority from the Congress to the Executive, lest such a denial might be taken as a vote of censure of the reciprocal trade agreement program and a rebuke to the President and to Secretary Hull. I place myself in that group.

It has been clearly evidenced also that a majority has been favorable to some measure of restriction upon this delegation of authority, favorable to some reservation to Congress, but being unable unitedly to support any particular reservation, with the result that all the amendments so far offered have failed of adoption.

So it is evident as a practical matter that the joint resolution to extend the time limit in the delegation of this authority to the Executive, free of any restriction or reservation or power of review by Congress, will be adopted even though many on both sides of the aisle are uncertain what the future holds in store with respect to international trade and international trade agreements, and above all else, are reluctant, except for the most imperative necessity, to transfer from Congress to the Executive, even for a limited time, the authority, responsibility, and duty which the founding fathers of the Republic explicitly reposed in the Congress as the direct representatives of the people.

All this, I assert, is now self-evident, if we are willing to be candid and to review the discussion which has taken place, the views which have been expressed, and the votes which have been cast.

The pending joint resolution provides for a 3-year extension of the authority from its present expiration date in June of the present year. I submit that there is no valid or particular reason or theory for making the extension 3 years instead of 2, or 1, or 4, or 5.

The original delegation of authority was for a 3-year period, upon the supposition that an entire and complete series of reciprocal-trade agreements with all the countries of the world could be negotiated and completed within such a period of time. When such a result was not realized, Congress voted a 3-year extension, taking the 3-year unit without any particular reason and without any particular objection.

However, a 3-year extension from next June brings in a new factor and a new contingency which we cannot overlook or disregard. This delegation of authority is to the President. No one can now know who will be the President after the expiration of next January of the present term of the present occupant of the White House. It may be that circumstances and events will dictate Mr. Roosevelt's renomination. It may be that in such a contingency he will be reelected for a third term. It may be that the next President will be a Democrat pledged to a continuation of the policies of the present administration. It may be that the next President will be a Republican, whose views with respect to tariffs may be at wide variance with the doctrines of Secretary Hull.

We do not know. We cannot foresee. The point of the matter is the simple fact that if we leave the 3-year time limit in the joint resolution not only do we transfer to the

Executive unrestricted authority of the most vital character but we are without any knowledge of what man, what set of men, or what political party will execute and administer the authority delegated to the President.

Why take so risky a step? Why the 3-year plan? What can we lose by making it 1 year? What is to prevent the Congress from granting a further extension next year if it then seems the desirable and prudent thing to do? Do we not trust ourselves to deal with this question justly and rationally a year hence?

We are told on every hand that the war in Europe is likely to be long drawn out. We know as a practical matter that the negotiation of new trade agreements at the present time is at a standstill. We are told that such trade agreements and the authority to make them may play an important part in post-war trade adjustments and the economic rehabilitation of Europe. But certainly we are in no position today to legislate for post-war adjustments which are beyond the horizon. If there should be occasion for it when peace comes, Congress could delegate to the Executive emergency powers with respect to foreign trade. But let us limit the present extension to 1 year.

A further analysis of the situation here and throughout the country discloses that many who formerly supported the trade agreements are now opposed to them; still others who may finally vote to continue them are passive and somewhat indifferent.

My distinguished and able friend the chairman of the committee [Mr. HARRISON] does not agree with me in that statement; but when I look back into the RECORD and find that at two sessions of the Congress similar measures went through almost unanimously, I am surprised—as is nearly every other Member of the Senate—to find the opposition which has been manifested during the present debate.

As I view the situation, this condition appears to be based largely on two objections. I am not now stating my own views but what has been said again and again on the floor of the Senate.

The first objection is that the proceedings preliminary to negotiating the agreements are believed to be somewhat secretive and of a star-chamber character; that there is an insufficient opportunity for aggrieved producers and their dependent employees to be heard before the agreements are consummated, or even to present and have judicially considered their complaints after the agreements become operative; and that the escape clause is ineffective.

Secondly, there is a growing conviction that Congress should have concurrent control, or some limited right of approval of the action of the executive agency of the Congress, to the end that injury may not be done unconsciously to any domestic producer.

The further extension of the act for 1 year will meet these objections in large part. It will be notice to the country that between now and a year from June the Congress hopes to work out some plan which will more effectively protect the rights of aggrieved producers and permit Congress to share some responsibility in negotiating and approving the agreements which will not be injurious or destructive to the general objective, namely, the expansion of our foreign trade and the creation of a better understanding between foreign nations and our country through more satisfactory trade relations.

Mr. President, I sincerely believe that we should vote today to extend for 1 year the authority to make the agreements, with the understanding that an effort will be made to remove the objections which have been developed in our own party and on our side of the Chamber. In my opinion, we can remove all objections between now and a year from now. I should regret very much, as would many of my colleagues on this side of the Chamber, to see the whole subject of tariff making with its logrolling methods brought back to Congress, or the agreements referred to Congress without restriction.

Mr. President, I do not seek to influence the votes of Senators. I have never asked a Member of the Senate to vote for any measure which I have introduced. I do not believe in going around whispering, "Vote with me; vote for my amendment." When I finish my services in this Chamber, I want to be able to say I have not whispered in the ear of a living human being a request to support any amendment advocated by me.

Mr. President, during my 20 years in public life I have tried to be impersonal. I have little respect for the public man who votes for or against any measure because of his like or dislike of a party leader, or the promoter of a bill, or political issue, or for one who may be temporarily occupying the Executive office. When I am through here, one of the things I wish to have said of me is that I have been impersonal. What I love to think and say of our beloved friend the late Senator BORAH, of Idaho, is that he was impersonal. I have never heard him say a mean or ill-tempered thing against a colleague. I have heard him attacked, his motives questioned and misjudged, and then have heard him reply by returning to the subject matter and paying no attention to the personal attack. What a glorious example. No one ever heard him whisper in the ear of any Senator, "You ought to vote this way or that way. Help me on this vote."

The PRESIDING OFFICER. The Chair will have to suggest that the time of the Senator from Massachusetts has expired.

Mr. WALSH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Lundeen	Sheppard
Bankhead	Gerry	McCarran	Shipstead
Barkley	Gibson	McKellar	Smathers
Bilbo	Gillette	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Brown	Gurney	Miller	Thomas, Idaho
Bulow	Hale	Minton	Thomas, Okla.
Byrd	Harrison	Murray	Tobey
Byrnes	Hatch	Neely	Townsend
Capper	Hayden	Norris	Tydings
Caraway	Herring	Nye	Vandenberg
Chandler	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Clark, Mo.	Holt	Pepper	Walsh
Connally	Hughes	Pittman	Wiley
Danaher	Johnson, Calif.	Radcliffe	
Davis	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Eighty-two Senators having answered to their names, a quorum is present.

Mr. LEE obtained the floor.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. LEE. I yield to the Senator from Massachusetts.

Mr. WALSH. I do not think there will be any opposition to the request I desire to make, as I must leave the Senate Chamber to go to a committee meeting. I ask that the yeas and nays be ordered on my amendment.

The PRESIDING OFFICER. The Senator from Massachusetts requests the yeas and nays on his amendment. Is the request seconded?

The yeas and nays were ordered.

Mr. WALSH. I thank the Senator from Oklahoma.

Mr. LEE. Mr. President, I rise to oppose this amendment, which is an effort to destroy by degrees what cannot be done in its entirety at one stroke; an effort to undermine and destroy the reciprocal-trade program by cutting it down a little at a time.

In my opinion, the adoption of this amendment would show a lack of confidence in the program and in this administration.

The amendment does not provide for a limitation of agreements. Agreements may still be made for a 3-year period. Then why not have the program extend for the same period?

In our contracts for farm tenants we are doing our best to get a 3-year term, in order to afford a feeling of stability, in order that the farmer may make his plans accordingly. The same thing is true in the school-teaching field. We are trying to make longer contracts, because they make for stability,

they make for peace of mind, and they make for better planning. That is just as true in the matter of making trade agreements.

Mr. President, I am convinced that our future lies in the direction of an extension of the trade of the United States. It may be that tariffs were a good thing at the beginning of our country; but at the beginning of this Nation it was argued, and with some logic, "We are a young nation. We must have tariffs to protect our young industries until they are able to compete with the industries of the old country." But the stronger the industrial group grew the higher went the tariffs. The higher the tariffs went the stronger the industrial group became; and the agricultural element of the country has been paying tribute to that policy for years. The industrial group, outnumbering the agricultural element in the Congress, has been able, through a policy of logrolling in making tariffs over a period of years, to make laws favorable to the industrial East, and unfavorable to the South and West, because they could outvote them.

Here is a program which does not rest upon the principle of "You scratch my back and I will scratch your back," and "The fellow that gets there the mostest and the firstest is the one that gets the most favorable law out of a tariff program." Here is a program which contemplates the general welfare, one which contemplates the good of the Nation as a whole, and looks to the future.

Why should we launch a great program for building a merchant marine—which has been only temporarily stopped on account of the war—and at the same time be willing only an inch at a time to grant life to a program of reciprocal trade?

I believe in trade. At one time in the history of the world trade was limited to the Mediterranean, and it built the city of Constantinople and other port cities. Then it gradually moved out into the Atlantic, built the city of London and then built the cities of New York, New Orleans, and San Francisco. We saw trade making the great marts of commerce in the world, and it is still true that trade will build great cities and great nations.

Before the world caught on fire with war we were establishing a good trade with the teeming millions of Mother India. They were just awakening to the desirability of our manufactured products. They were enjoying the results of our manufacturers' efforts in giving the world the most tasty foods, and the finest woven fabrics, and the best finished leather, and other products of industry; and they were sending in their oriental products, which we do not produce, to exchange for them. I think it is a short-sighted policy to say that we in America do not have enough courage and enough confidence in our own program of reciprocal trade to give more than 1 year's life to this extension.

It is argued, "Let us extend the act for 1 year, and at the end of the year we will see what we want." Why not turn the proposal around and extend the act for 3 years, the same length of time as the agreements that may be made under it? Then, in the meantime, if we want to change the act, the same power that gives it life today may kill it at any time it is deemed best, in the wisdom of Congress and the Executive of the Nation, to terminate it. Let us give it life; and then, if we find fault in it, we can take action in the same way. But it is a negative approach to say, "We will give the act an extension of life just 1 year at a time, and kill it gradually." When there is not enough voting power on the floor of the Senate to kill it all at once, it is sought to do by degrees what cannot be done at one fell stroke.

Mr. President, I hope the amendment will be rejected.

Mr. BROWN. Mr. President, I should like to take 5 or 10 minutes to reason with the Senator from Massachusetts [Mr. WALSH] and the other Members of the Senate. Naturally, because of the political situation, I address myself mainly to the Democratic Members of the Senate. We are fairly sure that the Members on the other side are going to vote solidly for this amendment.

I know the Senator from Massachusetts has been a friend of the Hull program. I believe he stated, either directly or by inference, that he would not have offered this amendment if he were certain that the present Secretary of State were going to administer the program for the next 3 years. I, myself, feel that way. I am fully satisfied with the present law, and with its extension for 3 years, if Secretary Hull is going to administer the program. But I believe that the Senator from Massachusetts, entirely without intending to do so, would bring about such a situation that we would be practically certain to have every trade agreement now in existence canceled during the first 4 months of the next administration, if the fear he expressed should be realized, that is, the selection of a high-protectionist President.

The Senator's amendment would extend the trade-agreements program for 1 year; that is, until June 12, 1941. The Senator from Colorado [Mr. ADAMS] very accurately pointed out, in a colloquy with the chairman of the Finance Committee [Mr. HARRISON], that if the extension should be made for 1 year, the agreements could continue on for an indefinite period, notwithstanding the expiration of the period during which new agreements could be made. But the Senator from Colorado did not point out the essential fact that not a rate could be changed after the 1-year period had expired; not an embargo could be made against any particular product. The trade-agreements program would become fixed, absolute, certain, and unchangeable in any manner whatever except by the entire obliteration of the agreements. The only thing the Executive could do after June 1, 1941, would be to discontinue the entire program.

What would be the attitude of an opposition administration, to which the Senator is mainly directing his amendment, if it should come into office? It would have merely the period from January 20, 1941, to June 12, 1941, within which to make up its mind whether or not it would proceed with this program. It could not wait a while and try out the situation. Action would be demanded because of the fleeting 4 months. What would be the result of that, if the opposition should happen to win the coming election? I do not think it is going to do so. I agree with the Senator from Mississippi [Mr. HARRISON] that the result in Wisconsin is a clear indication that so far as the Midwest is concerned the Democrats are still on top. We polled more votes than the Republicans did by some thirty or forty thousand.

Mr. WILEY. Mr. President, will the Senator yield for an observation in that respect?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Wisconsin?

Mr. BROWN. I yield.

Mr. WILEY. I have just come into the Senate Chamber. I am thoroughly satisfied that the Senator thought he was stating a fact; but if he will compare the total vote cast in Wisconsin for the Democrats with the total vote cast for President Roosevelt in 1936, he will find that the President has lost about 300,000 votes in Wisconsin.

There is no question that every political observer in the Nation has stated that the size of the Democratic vote was due to the fact that at least from 100,000 to 150,000 Progressive votes went into the Democratic column because the Progressives had no delegates of their own.

Mr. BROWN. The Senator realizes, does he not, that I am speaking under a 15-minute time limitation?

Mr. WILEY. I yield the Senator 10 minutes of my time.

The PRESIDING OFFICER. That cannot be done.

Mr. BROWN. I do not think we need to go back as far as 1936 to compare the Democratic vote with the recent vote in Wisconsin.

Mr. WILEY. Mr. President——

Mr. BROWN. I cannot yield further to the Senator now.

Mr. WILEY. Will not the Senator compare the 1938 vote?

Mr. BROWN. I will go back to 1938, when the distinguished junior Senator from Wisconsin received something over 400,000 votes on the Republican ticket. The candidate on the Progressive ticket came second——

Mr. WILEY. With 249,209.

Mr. BROWN. And the candidate on the Democratic ticket was third——

Mr. WILEY. With 231,976; and I received 446,770.

Mr. BROWN. That was in 1938. In 1940 the Democrats go from third to first. I do not see how Senators on the other side can get any comfort out of that situation. But I do not wish to be diverted from the thread of my argument. I am saying to the senior Senator from Massachusetts that his amendment would be as certain to kill the entire reciprocal-trade program as anything could be, because if the Republicans, assuming the situation which the Senator has assumed, and against which his amendment is directed, should be placed in power they would have but 4 months in which to operate. What would they do? No matter how complicated may be the platforms, they would say, if they should win, that they had received a mandate to kill the reciprocal-trade program. They would not have time to negotiate any new program; therefore they would do just one thing, they would use the power of termination which is granted in the act, and, in my judgment, terminate every one of the 20 agreements we have at the present time, because they would not have time to do anything else.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. WALSH. If the issue now before us is an issue in the next election, and we are unable to give any satisfactory answer to the criticisms made, a Republican President would feel that he had a mandate to cancel the agreements. I am trying to prevent that. I am trying to secure two modifications: First, to provide that Congress shall have the right to approve or disapprove of reciprocal agreements made by the Executive, and, secondly, to give greater opportunity to interested parties to be heard before agreements are entered into.

Mr. ADAMS. Mr. President, will the Senator from Michigan yield?

Mr. BROWN. I desire first to answer the Senator from Massachusetts. When the Republicans were in power in 1930 and 1932 they passed the Smoot-Hawley Act. They did not leave with us an act which we could change by mere executive action. Before we could change the Smoot-Hawley Act we had to have agreement of the House of Representatives, of the Senate, and of the President. All three had to join. Why should we not do the same thing in the present year, and leave a statute, if we are to go out of power, that is a democratic statute? I do not think we are going out of power, I do not like to talk along this line, but I am forced to do so because of the position of the Senator from Massachusetts.

We want to keep the reciprocal-trade program on the books. We do not want to say we will merely extend the law until the next election. We want stability in our tariff rates. Stability in tariff rates, in my judgment, as I have stated on two occasions on this floor, is more important than absolute justice. Industry wants to know whether this program is to stop or to continue. To me that is the most vital thing in this fight. It is the one thing which causes me to go along with the administration when, as I have stated, I have some misgivings in this matter of delegation of congressional authority. But I have been firmly convinced that if we change the program now, if we indicate weakness, if we indicate that we have no confidence in the Secretary of State, in effect we are saying to the business world, saying to agriculture, "We are not certain about this thing. There may be a change in November 1940. There may be a new Secretary of State in 1941, and perhaps a new program." I want a situation of stability and certainty, which I think is the most vital thing in tariff making.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. WALSH. There is an advantage in these agreements in the matter of stability. But the small man, in fact, the correspondent from whom I read, learns that his factory is closed because of low-tariff duties, and he is in bankruptcy. There is stability. He knows where he ends. The man who gets unsatisfactory rates by an agreement knows the door is locked. Is the Senator ready to go before the country and say, "This is perfection; this program should not be amended; there should be no additional right to be heard granted those who think they are aggrieved, and Congress should not interfere with the acceptance of the agreements"? In my opinion, the sufferers under this program, if there are sufferers, are the small dealers, the small merchants, the small-business men.

I am asking for the adoption of the amendment in order that we may try within the next year to work out something satisfactory.

Mr. BROWN. I do not think the legislation we have passed is perfect by any means. I think legislation is always a matter of adjustment. We cannot please everyone. But I believe this program has pleased more of the American people than any tariff legislation we have enacted during the past 40 years.

I say in conclusion, Mr. President, that I want a tariff program which has reasonable stability to it. I would rather vote for an amendment which would add a year or 2 years, rather than to subtract or take a year from the period of authority which we grant to the President. I want reasonable certainty in the rates that govern our foreign trade.

Mr. President, I hope that those who have stood by this program—and I, like many others, am not in complete agreement with it, but think it is the best thing we can do in the present world emergency—I sincerely hope that those who have stood so solidly during the 2 weeks of the debate will continue to stand together, and pass the joint resolution.

Mr. KING. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. KING. Does not the Senator feel that, in view of the chaotic condition of the world, the uncertainty of the world war, the demands which will be made upon the financial integrity of this as well as other countries, it would be rather unwise for us to plan a course which would bind us, even for 1 year, with respect to our exports and our imports?

Mr. BROWN. Let me answer the Senator by saying that if world conditions were normal, I would be one of the first to demand that this matter be turned back to the Congress, at least for some form of congressional approval in the making of tariff rates. But I have been convinced that the great necessity is for action on the part of the Secretary of State when a dangerous situation arises, and I do not think that kind of action can be taken with the promptness necessary unless we extend the powers which are granted in the act.

Such a proposal would inject serious instability into our entire trade policy. For 6 years we have now had a clear-cut foreign-trade policy. To amend this bill now, to restrict its extension to 1 year, would mean that during this year American business, industry, agriculture, and shipping would be completely up in the air as to what was to be the future policy of this Government.

The question of the welfare of agriculture, as connected with foreign markets, is not a 1-year problem. The ability of our industries to maintain their trade relations is not a 1-year problem. The matter of employment in our port cities, of our ships and sailors, is not a 1-year matter. It is absurd to attempt to make the shaping of our economic relations with the rest of the world a 1-year matter.

The adoption of the amendment would be interpreted at home and abroad as the first step toward an abandonment in this country of principles which the trade-agreements program has represented. Millions of people have supported the extension of the program as a reaffirmation by this country of those basic principles for which we are prepared to stand when peace and reconstruction are possible. A 1-year limitation now would indicate irresolution on the part of this country with respect to its future policy. Such irresolution would impair our efforts to protect our trade during the war period itself since other nations would rapidly abandon liberal trade policies in order not to be left holding the bag. Likewise such irresolution on our part would greatly encourage those forces which, unless resisted at this time, will result in another calamitous peace.

It is necessary to have this program to protect our domestic prosperity during the war period and the reconstruction period. No one knows what may be the duration of these periods, but certainly they are not likely to be limited to 1 year.

It would not be feasible to carry on the program if it were limited to a year's duration, since preliminary preparation, investigation, and negotiations may require considerably longer time and other nations would not be prepared to enter upon preliminary discussions or negotiations if the authority of this Government to conclude an agreement was limited to a 12-month period. In short, it would make the program utterly unworkable during the 12 months' extension.

Mr. BARKLEY. Mr. President, I do not wish to delay a vote, but I have one or two ideas on the pending amendment which I desire to submit to the Senate.

Frankly, I regret that, after we have proceeded for nearly 2 weeks considering the pending joint resolution, and the Senate has consistently refused to complicate the situation by adopting amendments which have been offered, we find ourselves at the last moment confronted with an amendment the effect of which, without the Senator from Massachusetts so intending, I am sure, would be to—I do not like the word "scuttle"—but the effect is the same. It is my belief that if we should limit the operation of the law to 1 year in all probability no more trade agreements would be entered into within that period. Certainly it would be more difficult to enter into them, because frequently it takes nearly a year of negotiation on both sides to arrive at an agreement, and in all probability it would be more difficult, due to the chaotic condition of the world, to come to an agreement now than it has been in the past 6 years, since the original enactment of the law. So I honestly believe that limiting the operation of the law to 1 year would mean that no more agreements would be entered into.

I do not entertain the fears which have been expressed with respect to the coming election, but let us assume for the sake of the argument, and only for the sake of the argument, that a Republican President should be elected; let us assume that he might desire, as has been expressed here, to raise tariff rates instead of lowering any of them; let us assume that he approached another nation in order to negotiate a trade agreement, and that nation should say, "All right, Mr. President of the United States; what have you to offer as an inducement? What concessions will you make to us in order to bring about an adjustment of our trade relations?" If the President desired to increase these rates, can Senators imagine him saying, "Well, these are my terms. If you will lower the barriers that keep my goods out of your country, I will raise the barriers, and we will continue to keep your goods out of my country." That is what it amounts to. How many nations in the world would be so stupid as to enter into an agreement of that sort? So I have no fear that whoever may be elected President of the United States, whether he is a Democrat or a Republican, will be able in trying to negotiate an agreement to induce any other nation to make all the concessions in our behalf, while we are insisting upon making it more difficult for them to get their goods into our country.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BROWN. In that connection I should like to make the point that if the Walsh amendment should be adopted, the right to negotiate would expire on June 12, 1941.

Mr. BARKLEY. That is correct.

Mr. BROWN. If the unfortunate condition to which the Senator refers—the defeat of the Democrats—should take place, which the Senator from Kentucky and I are confident, and I am sure the Senator from Massachusetts is confident, will not take place, then there would not be time for a Secretary of State to look into the matter of the trade agreements, to stop and consider and determine whether or not changes could be made that would be reasonably satisfactory to everyone. The only thing they would have time to do would be to cancel the agreements, and very likely that is what they would do. It seems to me that is the real danger in the Walsh amendment.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WALSH. Mr. President, I did refer to the fact that there might be a Republican President elected, and that there might be a different Secretary of State, and the Senator knows some Democrats who might occupy that position, who have a different tariff philosophy than that under which the program has been carried out by Secretary Hull.

Mr. BARKLEY. Mr. President, if we should limit the operation of this law to 1 year, then no matter who may be elected President, within 4 months we would have another tariff fight in the Congress of the United States. If a Republican should be elected, he could bring on a tariff fight anyway, if he wanted to, but if a Democrat should be elected he should not be compelled to bring one on when we are here and now undertaking to provide a way by which it can be avoided.

Mr. President, I have gone through tariff fights. As I said the other day, I was here when Congress passed the present law, and that law dragged its tortuous course through the House of Representatives, beginning in 1929, for a period of 19 months. It wound up by being signed by the President in June 1930. We were 19 months writing that tariff law.

It would be more difficult now to write one under the present world conditions than it was then. We who were here then can recall that there was so much logrolling and back scratching that you could almost see the blood flow. [Laughter.]

I do not believe that in the present world condition we ought to undertake to enter into a long-drawn-out tariff fight on the floor of the Senate and in the House, and I think these 3-year agreements will be a very wholesome lever in the adjustment of the post-war conditions in the trade relations of the country.

Suppose we say that the law shall not be continued for more than 1 year; suppose that 1 day before the European war ends the law expires, and all these treaties and the authority to make them expire. We know that following the war millions of men in the trenches will insist that they be provided with employment in private industry. Every nation will start out to become self-sufficient, as it did after the last war. Every nation will begin again to raise even higher the barriers against trade, on the ground that it can compel its people to consume its own products, as was done by Italy after the last war. Then Italy refused any longer to buy American tobacco, because the Italian Government sought to induce the Italian people to chew and smoke the tobacco they produced. That same impulse toward extreme nationalism and self-sufficiency will continue when the European war comes to an end; and, if there is no binding tie between our Nation and other nations, the world will again witness the scramble for the erection of higher and higher barriers against international trade. If the agreements which are entered into, extending for a period of 3 years, continue 1 or 2 years beyond the end of hostilities, they will have a binding effect, they will have a wholesome effect, upon international trade, and, in my judgment, will be very potent in making it possible to adjust the existing international difficulties.

If the pending amendment is agreed to, we limit the power of the President to 1 year, every nation which has a treaty with us now, and every nation that is even considering entering into negotiations, will consider our action as a lack of confidence in the Government of the United States, and they will say, "Why should we enter into any negotiations? Why should we enter into any arrangements with a government whose Congress is willing to risk entering into an agreement for only 12 months?"

I do not think that ought to happen. I think it would be disastrous. It would be misinterpreted all over the world.

For these reasons and others which I do not wish to take the time to discuss, I hope the amendment will be defeated.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HOLT. Is it not a fact that most countries with which we have trade agreements require legislative ratification by their own legislatures?

Mr. BARKLEY. I consulted the Secretary of State about that matter because it had been brought up in the debate, and I was told that the entire 22 agreements, with two exceptions, became effective at once, and that the subsequent ratification was a mere matter of form; and in the case of some of them, such as those with Canada and Great Britain, where, as we know, the parliamentary system of government prevails, and the government itself is a part of the parliament, the agreements went into effect immediately upon being signed by the respective countries.

Mr. HOLT. But it is a fact, is it not, that all but two of those agreements had to be ratified by the legislature of the participating country?

Mr. BARKLEY. Not in order to take effect; no. They were subsequently ratified, but that was a matter of form. There was no delay. All went into effect immediately upon being signed, except the two I referred to.

Mr. HOLT. But finally they were all ratified?

Mr. BARKLEY. Of course. If they had been rejected, they would not have qualified. But they went into effect upon signature, and have been in effect ever since, so that the ratification provided for in those countries was a mere formality, and was brought about after the treaties went into effect.

Mr. President, I sincerely hope that the amendment will be defeated.

Mr. NORRIS. Mr. President, I have not looked up any particular agreement that has been entered into to see how much time elapsed between the time it was first negotiated and the completion of the agreement. But it is my contention that, if we limit to 1 year the power to make the agreement, we shall for practical purposes have made it impossible to get any agreement unless it is made in a hurried manner, something which has been condemned during 2 weeks of oratory here, particularly on the Republican side of the Chamber. Many amendments have been offered providing that we must have action by the Senate, action by the House, a two-thirds vote by the Senate, and favorable action by both Houses. Any such restrictions would result in delay.

After initiating an agreement I have no doubt that on the average more than a year will have passed before the agreement is completed.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CLARK of Missouri. I am advised by the Tariff Commission that the average time is a year, two months, and some days. The most important treaty, however, involving more than 500 items, was completed in 9 months. That was the one with the United Kingdom, and that was considered an exhibition of remarkable expedition. But the average time is a year and two months and some days.

Mr. NORRIS. I thank the Senator for that contribution. It demonstrates what I think every Senator, from his own experience and observation, must realize to be true. Do we want to hurry those who are negotiating trade agreements? If we are to have an agreement, do we want to say to our Government, "Do your work now, and do it in a hurry. Do not investigate the situation. Do not look into the matter"?

Mr. President, that is something which we have denounced repeatedly.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WALSH. I think perhaps the Senator would be pleased to know that Secretary Hull stated before the Finance Committee that they were not negotiating any treaties at the present time. That the principal and the very important service that they are rendering is to be in a position to enforce the escape clauses in the agreements. I personally think, if I may add a word further, that that provision is a very vital one and a very important one, and that is why I am personally opposed to the agreements program being abrogated in toto.

Mr. NORRIS. I thank the Senator for his contribution, but I hope Senators will realize that my time is limited and not take up too much of it. There are several things I have to say.

That is one of the reasons, Mr. President, which caused me to believe that the amendment should be defeated. We ought to be prepared to meet conditions which will arise when the world war is over. Unless we continue the trade agreements, we may find ourselves unprepared to meet a situation such as even our imagination cannot portray to us at the present time.

We ought to have some instrumentality. If we limit our Secretary of State to the exercise of this authority for 1 year, for practical purposes we shall perhaps make it impossible for him to meet the situation, or even to attempt to meet it.

Much has been said by various Senators about the politics involved in this matter. It has been said that we may have a Republican President. Perhaps we shall. So far as I am concerned, I should like to give him the same instrumentality, no matter who he is or to what political party he gives adherence. Give him an opportunity to do some good. Whether or not he does, it is up to him, not us; but if we take away the authority, the blame can be put upon our shoulders.

Mr. President, reciprocity is a Republican doctrine. James G. Blaine, the plumed knight of Maine, was the father of reciprocity. When I was a boy too young to vote, I worshiped at his shrine. I was delighted when he succeeded. I was filled with despair when he met defeat. Now the Republican Party, so far as the Senate is concerned, is apparently turning its back on that policy. We may have a Republican President who will be in favor of reciprocity, as the country would have had if James G. Blaine had been made President. If he had been given that opportunity no Republican would have blushed at his success or his ability. Perhaps some Republican will come forward and be elected President who can take the place of James G. Blaine, the father of reciprocity, and advocate the same theories which he so ably advocated.

Mr. President, I am despondent to see the two Senators from Maine both supporting the Republican Party in its unanimity in this Chamber against the pending measure. For weeks, together with certain Senators on the Democratic side who are likewise opposed to the joint resolution, they have resorted to all kinds of amendments, many of which, if they had been adopted, would have killed reciprocity.

I do not blame Senators for such tactics, if they are opposed to the entire program. They are a legitimate legislative method of fighting. However, one after another, the Senate has knocked down those amendments. This is one more. Regardless of the patriotic belief of the Senator who offered it—and I do not question his motives—the effect will be to take the teeth out of the law, and to kill it. In effect, it is another chiseling of the law.

I do not complain of any Senator's vote for the amendment. If he is opposed to any reciprocity that is a legitimate and proper thing to do. However, there are prominent, influential, powerful, and patriotic Republicans scattered over this Nation who believe in reciprocity today, just as Republicans believed in it in the days of James G. Blaine.

So far as the Senate Republicans are concerned, they are about to bury reciprocity. They are about to turn their backs on one of the greatest leaders the Republican Party ever had in its history. I have thought, Mr. President, that we ought to have some kind of a public ceremony over the death of reciprocity in the Republican Party. I should like to have one Senator from Maine preside as chairman at the obsequies, and I should like to have the other Senator from Maine deliver the funeral oration. Reciprocity is a Republican doctrine. In my judgment, Republican Senators, in this instance, are moved by a partisanship which, if carried to extremes, is always injurious to the welfare of our country and our people.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BANKHEAD. The Senator mentioned Mr. Blaine as one of the great Republican advocates of reciprocity. I should like to ask him if a more recent advocate was not the great President, Mr. Taft, whose son is now a Member of this body?

Mr. NORRIS. I think that is true. As we all know, there is a unanimity among Senate Republicans in the votes on the chiseling amendments which have been introduced in the past week, entirely to kill reciprocity. Among the Republicans there has been a unanimous vote in favor of doing so. I cannot think they believe in that course. Perhaps they consider it a good political method of trying to control the next Presidential election. I do not believe it is even decent, good politics. It will not work. The people of the country will look with sorrow on the spectacle of representatives of a great political party, which, in many respects, has had a noble history in the past, now chiseling, cutting down, and destroying the keystone which was brought forth by one of the greatest leaders in the history of the Republican Party.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BARKLEY. I was about to suggest that following the advocacy of this policy by Mr. Blaine, the Senator will recall that in his last speech, at Buffalo, President McKinley advocated the same policy. Later, Theodore Roosevelt and William Howard Taft—particularly in respect to the Canadian treaty—advocated the same form of reciprocity.

Mr. NORRIS. Yes.

Mr. BARKLEY. So in the Republican Party there is a long line of outstanding advocates of reciprocity.

Mr. NORRIS. As I remember, one of the last speeches made by William McKinley was in favor of reciprocity. Soon afterward he was felled by the assassin's bullet and went to his last resting place, almost with the words of reciprocity on his lips.

We now find the Republican Party, at least in the Senate, unanimous in trying to kill that policy of government by methods which are indirect. Every Republican Senator will vote for this amendment. Why? For the same reason that they all voted for the other amendments, the effect of which would have been to kill or injure reciprocity. Again they will be unanimous; and I wonder how the Senator from Massachusetts [Mr. WALSH] can obtain much consolation from the fact that he is backed principally by Members who are bitterly opposed to his party and the principles which its representatives advocate.

Mr. President, I am not influenced by such considerations. I should like to extend the power to make agreements because it remedies a condition which is indescribable. It does not entirely cure it. However, every Member of this body knows the agony and the dissatisfaction which always follow the enactment of a tariff bill, no matter what party is in power. We all know that a tariff bill becomes a logrolling plan before it is passed. I do not find fault with that situation, because it is so from the very necessity of the case. The making of reciprocal-trade agreements is to some extent a remedy for the terrible and disastrous condition which never yet has led to the enactment of a single satisfactory, efficient, or logical tariff bill.

Mr. WILEY. Mr. President, I have listened with much interest to the distinguished senior Senator from Nebraska [Mr. NORRIS]. Far be it from me to challenge any of his remarks. However, when he speaks about the Republican Party—the party of which he was once such a distinguished member—and about the Republican group in the Senate in the way that he does, I feel that it is up to me, one of the neophytes in the party, to rise and speak my sentiments not only on the amendment now before the Senate but in reply to his rather derogatory remarks about my brethren.

When he referred to the former Senator from Maine, Senator Blaine, and asked in a rather ironical way why the Members representing that great State in this body had gone back on the doctrines of that distinguished Senator, I would answer by saying they have not gone back on those doctrines. I would answer that most of the amendments the Senator from Nebraska so criticizes have been offered by Senators on the other side of the aisle. The Democrats of this body have come over—those who have offered the amendments—to the Republican side. By that I mean the Republican side of Senator Blaine. We have always stood for maintaining the integrity of the Senate with no sell-out to the President.

Mr. NORRIS. Mr. President, will the Senator yield?

The PRESIDING OFICER. Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. WILEY. I will yield, but not for long. I want my 15 minutes to reply to the challenging argument the Senator from Nebraska has already made.

Mr. NORRIS. I am wondering if the Democrats have come over to the Republicans or whether the Republicans have not gone over en masse to a few Democrats.

Mr. WILEY. I would answer that by saying, my dear Senator, we have not followed in your footsteps. [Laughter.]

Mr. President, the reciprocity of Blaine, the reciprocity of McKinley, the reciprocity of Taft is still the doctrine of the Republican Party, and we welcome those distinguished Democrats who have seen the light and who have joined with us in advocacy of that highly desirable Republican reciprocity. Let it be made plain what that is. That reciprocity means fair dealings between nations on a fair basis. It means further no surrender by the Senate or the Congress of the United States in negotiating any reciprocity agreement, of any of the constitutional powers which are lodged in the Senate or in the Congress. Thus far, I think, we have established, by the votes of the Republican Members of this body, that we are unwilling to surrender our constitutional rights as Senators.

When the distinguished Senator from Massachussetts [Mr. WALSH] says, by his amendment, let us delegate to the President for 1 year, commencing with June of the present year, the right as the agent of the Congress, or of the Senate, to negotiate reciprocity agreements, some of us say we will make the President the agent of Congress for 1 year longer. Why should it be longer than 1 year? The distinguished Senator from Nebraska refers to conditions over there and what is liable to happen after the close of the war. But he fails to particularize. Then he argues therefrom that we must turn over to the Executive our legislative power to deal for us—the representatives of the people of this country. But does the Senate need anyone to deal for it? No; the Senate does not need anyone to deal for it. I have confidence in the Members of this body—their judgment, their patriotism.

Furthermore, I wish to call attention to a challenging fact which seems to have been overlooked. Twenty-two agreements are now in effect; and, as the Senator from Massachusetts says, no further agreements are in the making. Why? The answer is found in the statement of the Senator from Nebraska that, because of conditions over there, because of the depreciation of currencies, because of a thousand details that have come into the picture since the President negotiated the last reciprocity treaty for us we cannot enter into further agreements.

Bear in mind that if by June 20—I think that is the date when the 3-year limit will expire—if by that time no further power is conferred upon the President of the United States to negotiate, the existing trade treaties will not go into the discard; those treaties will continue ad infinitum; they will continue on unless—what? Unless action is taken by the appropriate body to cancel them. If the treaties are working well, and are good, they will continue. If they are not working well, then, under the terms of the compacts or agreements, cancelation can be made. And, further, under the Constitution the President can negotiate treaties but the Senate must pass on them.

Now, Mr. President, let us revert to our discussion on the principles of the Republican Party. I say, and I say it without any equivocation, that the Republican Party has not gone back on reciprocity, but that the Democratic Party has asked that the Senate of the United States take no further

part in reciprocity; and indeed has asked the Senate to give away its rights, shirk its duty.

Senator Blaine felt that the Senate should become a party to every reciprocity agreement. So did McKinley and so did Taft. This kind of reciprocity is the reciprocity of the Republican Party today.

Another suggestion made by the distinguished Senator from Nebraska was that if we merely give the President 1 year in which to operate—I think he called it a "chiseling" amendment—the effect of that 1-year limitation will be to "chisel" out of existence the doctrine of reciprocity. Several days ago I made some remarks on the floor of the Senate in which, in substance, I said, among other things, that I would prophesy that after the present war in Europe was over there would not be any thought or talk of trying to initiate reciprocity arrangements, agreements, treaties, or compacts. Why? As has been demonstrated on the floor of the Senate, in 2 years we will have practically all the gold in the world. Then other countries will not be able to buy from us. Reciprocity implies that the other fellow has something to trade for something we desire to sell. Secondly, their currencies will become so depreciated that they will have to resort to the same practices which Germany has initiated in her dealings with South America. Then many who are now in the Senate and who for 7 years have, in the vernacular of the street, "lambasted" the Smoot-Hawley Tariff Act, will sing praises to high heaven that there is available some kind of a legislative barrier to prevent America being inundated by a flood of European goods.

I also said the other day that then Europe will need America more than ever, and she will need an America that is self-sustaining—an America that will not be paralyzed by a flood of cheap peon-labor-made goods. As the result, she will need, as I said, a great humanitarian like Hoover who will reach out and give of his heart and soul and of the finances voluntarily contributed by American citizens to take care of poor bleeding citizens of Europe.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. WILEY. In a moment I will yield.

Furthermore, Europe will need the sympathetic heartthrobs of the world, but she will need, above everything else, a great nation that is standing on her own feet and able to accomplish things, and will not be able to accomplish much if we let "sob stuff" interfere with the rights and property of our 130,000,000 people. The Republican Party has always stood for the American doctrine of markets for American products from American farms and American factories.

Let the barriers down and instead of 10,000,000 unemployed, as we have now, we will have 30,000,000 unemployed. Let the barriers down and factories will be closed. Let the barriers down and America will face revolution. Keep the barriers up; make ourselves more and more self-sufficient to meet emergencies; then we can reach into Europe and do a worth-while job. Now I yield to the Senator from Massachusetts.

Mr. LODGE. May I call the attention of the Senator from Wisconsin—and I think it is appropriate to what he was saying—to an excerpt from a speech by William McKinley in 1897?

Mr. WILEY. Do not read the entire speech.

Mr. LODGE. The excerpt is very brief and is as follows:

> The end in view is always to be the opening up of new markets for the products of our country by granting concessions to products of other lands that we need and cannot produce ourselves and which do not involve any loss of labor to our own people, but tend rather to increase their employment.

Mr. WILEY. I thank the distinguished Senator from Massachusetts. His statement reminded me of Lincoln's story when he spoke of "the end in view," but, of course, that story does not necessarily apply to this argument.

Mr. President, I was speaking in relation to conditions America would face at the conclusion of the world war. When that time comes America must be ready. One year from today no one knows what the conditions will be. Mr. President, I find a great deal of humor in "the wishful wishing" of my brethren on the other side who get up and say, "Well, you know, if a Republican President is elected, or if this condition happens, and so forth." Well, I am afraid that the fear of God is in their systems. They know the job that was promised to be done as outlined in their 1932 platform has not been done. They know the American people are going to speak without any equivocation, without any doubt, and that new leadership is coming to America.

That, however, is not on this point. The point is that a year from now the President and the Congress will have had 1 more year of experience, 1 more year of perspective, seeing the whole world as a picture, knowing what should be done. Yes; a year from now this body will be just as well able to determine and, in fact, better able to determine what should be done than at present. The Senate in this changing world should hesitate to vacate its place for the Executive.

I feel deeply in accord with the sentiments of the distinguished Democrats who have said that we Senators owe an obligation to maintain and retain the functions of government which are conferred upon the Senate by the Constitution; and I personally feel that if we now delegate that power for a period of 3 years we shall be remiss to our constitutional obligation and our obligation as citizens of this great Republic.

Mr. LEE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Oklahoma?

Mr. WILEY. I yield.

Mr. LEE. Does the Senator favor this amendment?

Mr. WILEY. Yes.

Mr. LEE. Is the Senator against the extension of the Trade Agreements Act in its entirety?

Mr. WILEY. I am against giving unrestricted power to the President; yes.

Mr. LEE. The Senator is against the extension and will vote "no" on the extension of the act. Is that true?

Mr. WILEY. That depends upon the subsequent amendments to the joint resolution. I do not know how the joint resolution will read at the time of the final vote upon it. I have my idea as to how it will read.

Mr. LEE. Would the Senator vote for the joint resolution if this amendment were added to it?

Mr. WILEY. If this amendment and other constructive amendments and safeguards were added, I should give that matter serious consideration.

Mr. DANAHER. Mr. President, on the 17th of April 1939, our distinguished majority leader, the Senator from Kentucky [Mr. BARKLEY], introduced into the RECORD a letter from the President of the United States to the Chancelor of the German Reich. On page 1483 of volume 84, part 12 of the RECORD, we find this sentence—the President had been talking about the matter of a discussion looking toward disarmament—he then said:

> Simultaneously the Government of the United States would be prepared to take part in discussions looking toward the most practical manner of opening up avenues of international trade to the end that every nation of the earth may be enabled to buy and sell on equal terms in the world market as well as to possess assurance of obtaining the materials and products of peaceful economic life.

Mr. President, that particular sentence and that statement of the objective then in the President's mind underlie this entire program. There can be no doubt about that. Anyone who is opposed to a continuation of the reciprocal trade-agreements program should vote against the amendment of the Senator from Massachusetts [Mr. WALSH]. Why should we continue for 1 more year beyond June 12, 1940, the unrestricted power to make agreements with any other number of nations beyond those with which we have already agreed?

Mr. President, quite the contrary. The situation, as it seems to me, is in this light, and should be understood, for there has been a great deal of loose talk here this afternoon about limiting the President's power to 1 year. It has been said over and over and over again by one Senator or another, in effect, that there is under discussion the power of the President to enter into new agreements which would be good for

only 1 year. Not a bit of it. Let us look at the law for a moment.

In section 2, subparagraph (b), we find a clause the provisions of which are written into every single outstanding agreement of the 22 now in force:

> Every foreign trade agreement concluded pursuant to this act shall be subject to termination, upon due notice to the foreign government concerned, at the end of not more than 3 years from the date on which the agreement comes into force, and, if not then terminated, shall be subject to termination thereafter upon not more than 6 months' notice.

So, Mr. President, all the agreements now in force will continue in force from June 1940 until at least January 1941, that being the earliest terminable date within the meaning of the law.

Congress will be back here in January. If we really want to keep our hands on the situation by voting down this entire program and by voting down the amendment of the Senator from Massachusetts we shall not for one minute terminate outstanding agreements; but we shall at all times between now and then have an opportunity to examine into world conditions and to ascertain upon what basis, if any, we shall be willing to make new trade agreements.

Mr. President, if the program is an advantageous one, we ought to be for it. If it is not an advantageous one, we ought to be against it. Certainly there is not a Member of this body who is willing to vote for a disadvantageous agreement so far as the interests of the United States are concerned. With that thought in mind, how can we say that by allowing the present act to terminate the United States will lose even one iota of its position of power and prominence in the world, holding as it does the key to the monetary situation upon which all exchange must be predicated, holding as it does the power of the productivity of our vast factories, our farms, our resources? If there be any logical answer to that particular form of question it lies in the fact that the Department of State, carrying out the program of the President, undertakes to open up our markets to the countries of the world on equal terms. If that is what the people of the United States want, let them understand that it is being given to them by a majority which is committed to that type of program. Let them then ask, as Americans walk the streets looking for work, "Who did this to us?"

Mr. President, the United States is not greatly unlike a figure in a hypothetical case I shall present. Let us consider, if you will, that the United States is Uncle Sam, and that Uncle Sam is a garage man; that he is a repair station proprietor. Let us assume, if you will, that he does not like the presence of broken glass on the road, and he conceives that it is a service to the public in general if he gathers up that broken glass. Accordingly, he undertakes to pay $35 a bushel, if you choose, for all the broken glass that is brought to him. Every boy in the neighborhood and every boy in town goes out and gets all the broken glass he can. They gather it up, and they bring it to the garageman, Uncle Sam, and they put it in his bin; and at the end of a year he has an enormous hoard. If you choose, he has 18,000,000,000 bushels of broken glass in his bin.

Then the boys who got $35 for each bushel of broken glass go over to the candy store and the ice-cream store, and, of course, business booms. Of course, you can measure dollar for dollar, from 1934 down to date, the increase in exports allegedly due to a reciprocal-trade program over and coincident with the period during which we were acquiring 18,000,000,000 ounces of gold to be buried in a hole at Fort Knox, Ky.; not that it is not safe in Kentucky. Even though the distinguished former Governor of Kentucky has joined us, it is still safe at Fort Knox.

Mr. President, I have the greatest respect for my dear friend who occupies the chair at this moment (Mr. CHANDLER in the chair); but I say to him that if Uncle Sam, the custodian of that glass bin, that gold bin, has taken from the pockets of the American taxpayers $15 for every ounce of gold he has acquired, and has given it to foreigners every time he buys an ounce of gold worth only $20.67, is it not perfectly apparent that we have financed every dollar of the export business which has been developed? And that is not all, Mr. President. We paid an export bounty of 30 cents a bushel on 300,000 bushels of wheat exported to Japan only last month; we pay export bounties on cotton; and yet we hear talk about a reciprocal trade agreements program developing an export market for the United States. During the same period we have reduced the tariffs on more than a thousand articles which have been produced by Americans in times past, but are now being displaced by products imported from foreign countries.

Now, let us come back to our Uncle Sam, the garage man. Let us assume, if you will, that along comes a man driving an automobile which collides with a telegraph pole, and the automobile is wrecked. It is towed into Uncle Sam's garage, and he pays his laborers to put new parts into the car. He pays the automobile manufacturer for the parts he installs. He pays for a paint job; and then, at the end of the work, the owner of the car says, "I am sorry, Uncle Sam, but I cannot pay you right now for the work you have done on my car. If you will let me take the car for a while, I will bring you the money." He takes the car, and in a little while he comes back and says, "I cannot pay you in money, but I can pay you in goods. I have managed to get together 300 automobile tires to pay you for that job, and here they are."

Uncle Sam takes the tires, and when the tire salesman from Akron comes around Uncle Sam says to the tire salesman, "I am sorry; I do not need any tires. I have tires." The tire salesman tells his wholesaler, and the wholesaler says to the manufacturer, "I am sorry, we do not need any tires, because Uncle Sam is all stocked up with tires." So the factory closes, the people walk the streets looking for work, and they wonder why. Uncle Sam, who has financed the entire program from start to finish, has put his money into that automobile, has financed all the parts that went into it and all the labor that went into it, and finds himself in identically the situation the United States occupies today under this kind of program. We are financing every dollar's worth of this business.

Mr. President, the amendment of the Senator from Massachusetts does not by any means reach to the heart of the situation. If you want the program, if you wish to give your President the power unrestrictedly to negotiate new agreements during the next year, which new agreements will have the force of an initial period of 3 years, and be in force indefinitely thereafter, then you can vote for the Walsh amendment. If, on the other hand, you are opposed to the principle, to the idea, to the basic philosophy, which would turn American markets over to the whole world, as the President said, "Open up the avenues of international trade so that all the people can have access to our markets," then vote for the Walsh amendment, vote to allow the program to continue 1 more year, and then vote, to be consistent, to continue the whole program 3 years. But do not under any circumstances vote for the amendment on the theory that you are voting to hamstring the joint resolution.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts [Mr. WALSH].

Mr. HARRISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark, Idaho	Harrison	McNary
Ashurst	Clark, Mo.	Hatch	Maloney
Austin	Connally	Hayden	Mead
Bailey	Danaher	Herring	Miller
Bankhead	Davis	Hill	Minton
Barkley	Donahey	Holman	Neely
Bilbo	Ellender	Holt	Norris
Bone	Frazier	Hughes	Nye
Bridges	George	Johnson, Calif.	O'Mahoney
Brown	Gerry	Johnson, Colo.	Overton
Bulow	Gibson	King	Pepper
Byrd	Gillette	Lee	Pittman
Byrnes	Green	Lodge	Radcliffe
Capper	Guffey	Lundeen	Reed
Caraway	Gurney	McCarran	Reynolds
Chandler	Hale	McKellar	Schwartz

Schwellenbach	Stewart	Townsend	Walsh
Sheppard	Taft	Tydings	Wiley
Shipstead	Thomas, Idaho	Vandenberg	
Smathers	Thomas, Okla.	Van Nuys	
Smith	Tobey	Wagner	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. WALSH]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Utah [Mr. THOMAS], which I transfer to the Senator from Maine [Mr. WHITE], and vote "yea." If the Senator from Maine were present and voting, he would vote "yea"; and if the Senator from Utah were present and voting, he would vote "nay."

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if he were present he would vote "nay." If permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Georgia [Mr. RUSSELL], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The Senator from New Mexico [Mr. CHAVEZ] has a pair with the Senator from Missouri [Mr. TRUMAN].

Mr. MINTON. I announce that the Senator from Montana [Mr. MURRAY] is unavoidably detained on public business in one of the departments.

The Senator from California [Mr. DOWNEY] is paired on this vote with the Senator from Georgia [Mr. RUSSELL]. If the Senator from California were present, he would vote "yea"; and if the Senator from Georgia were present, he would vote "nay."

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Wisconsin [Mr. LA FOLLETTE], who would vote "yea," with the Senator from Illinois [Mr. LUCAS], who would vote "nay."

The result was announced—yeas 34, nays 46, as follows:

YEAS—34

Adams	Gibson	Lodge	Thomas, Idaho
Ashurst	Gillette	McCarran	Tobey
Austin	Gurney	McNary	Townsend
Bridges	Hale	Maloney	Vandenberg
Capper	Holman	Nye	Van Nuys
Clark, Idaho	Holt	O'Mahoney	Walsh
Davis	Johnson, Calif.	Pittman	Wiley
Frazier	Johnson, Colo.	Reed	
Gerry	King	Taft	

NAYS—46

Bailey	Connally	Hughes	Reynolds
Bankhead	Danaher	Lee	Schwartz
Barkley	Donahey	Lundeen	Schwellenbach
Bilbo	Ellender	McKellar	Sheppard
Bone	George	Mead	Smathers
Brown	Green	Miller	Smith
Bulow	Guffey	Minton	Stewart
Byrd	Harrison	Neely	Thomas, Okla.
Byrnes	Hatch	Norris	Tydings
Caraway	Hayden	Overton	Wagner
Chandler	Herring	Pepper	
Clark, Mo.	Hill	Radcliffe	

NOT VOTING—16

Andrews	Downey	Murray	Thomas, Utah
Barbour	Glass	Russell	Truman
Burke	La Follette	Shipstead	Wheeler
Chavez	Lucas	Slattery	White

So Mr. WALSH's amendment was rejected.

Mr. FRAZIER. Mr. President, there are a great many different phases of the problem of reciprocal-trade agreement which should have extended study and full discussion and debate before final action is taken. I want to mention some of these, and then pass on to a more detailed discussion of two or three of the points which most directly affect the welfare of the people of North Dakota, and, of course, indirectly affect the welfare of the people of the whole Nation.

First. From the study I have made and from the arguments for and against the joint resolution, I have come to the conclusion that reciprocal-trade agreements are no more or less than special commercial treaties under another name. As such, they are treaties, and under the Constitution do not become legal or binding unless or until they have been submitted to the Senate and have received the approval of two-thirds of this body.

Second. The price changes in connection with commodities bought and sold in foreign trade should be given the same consideration as are the rates of duty. There is no question in my mind that concessions granted by us in the form of tariff reductions should automatically be canceled when price changes—due to whatever cause—result in definite injury to American agriculture, industry, and labor.

So far as agriculture is concerned, a clear-cut definition of injury would be when the domestic selling price of a commodity is below parity. The Congress has defined parity as the ratio of prices of farm products to prices paid by farmers for commodities purchased, using the 5-year pre-war period as the base in the setting up of a parity index.

Let me give one illustration:

The price of oats was only 24.4 cents per bushel in December 1938, and yet the tariff was reduced in the Canadian agreement from 16 cents per bushel to 8 cents per bushel. The lower rate became effective January 1, 1939. In December 1939 parity for oats was 51.1 cents per bushel.

While the price was slightly higher than in December 1938, because of relatively poor crops during 1939 the price in December was only 34.7 cents per bushel. In other words, oats were more than 16 cents per bushel below parity in price, yet the tariff was reduced 8 cents per bushel, and as a result over 4,000,000 bushels of oats were imported into the United States, thus helping to hold down our market prices.

In the first place, under those conditions, there was no excuse for reducing the duty on oats, and if it was technically reduced, the lower rate should not have been effective while domestic prices were below parity.

It is argued by some theorists that a crop which is sometimes on an export basis does not need a tariff, or that the tariff is ineffective. Actual experience shows that such tariffs are of vital importance because of the effect which they have upon the price structure. When the crop is short, the farmer should have a correspondingly higher price per bushel, but it is impossible to secure this if the tariff is removed and great quantities of imports are permitted at low rates or without duty.

Third. Just as price changes in the international market are more devastating than changes in rates of duty, so, too, fluctuating values of currency used in international settlements are more devastating than changes in tariffs. During the last few years currency values have been changed by all of the leading countries so much and so often that the ratio of the dollar to various foreign currencies changes almost from day to day. It would seem that this country should have taken adequate steps to protect the farmers and wage earners of the United States against the evil effect of these fluctuations in currency values.

During the last 6 months the depreciation in the case of the British pound, the French franc, the Canadian dollar, and other currencies has been a tremendous disadvantage to us, stimulating imports of many farm products while making it correspondingly difficult for us to export our products because of the reduced value of foreign money.

If the Trade Agreements Act is to be extended there should be provision calling for automatic cancelation of the agreement where foreign currency depreciation is disadvantageous to our people.

According to some of the articles written about the results of these trade agreements, it would seem that many of the

foreign countries have outmaneuvered us. It really seems that they are better horse traders than we are.

We in this country seem to have entirely lost sight of what is going on abroad, or else we are too dumb to protect our own interests. The extension of the reciprocal trade agreements program merely continues the opportunity for tariff manipulations in the hands of a bureaucracy almost 100 percent made up of believers in the theory of free trade and who seem to be determined to bring about a complete downward tariff revision without any opportunity by Congress to review their action.

In the first trade agreement with Cuba, the principal purpose was to restore sugar prices in Cuba in order to restore peace in that small neighbor island republic. It is acknowledged by all that chaotic conditions existed. After the World War, when European countries returned to the production of sugar to supply their own needs, the world market for Cuban sugar fell out from under them and the Cuban sugar was literally dumped into the markets of the United States.

It is my understanding that the price of raw sugar in Cuba fell as low as one-half a cent per pound. Undoubtedly there was need for a modification of the commercial treaty between the United States and Cuba, and all of our people favored working out some method of stabilization. But there are many who protest that Cuba was given a decided advantage.

We were told that if the farmers in the United States would not continue to expand sugar production, we not only would help to stabilize conditions in Cuba by importing about one-third of our sugar requirements from them, but that, in turn, by helping to raise sugar prices in Cuba, we would greatly increase their purchasing power and that would lead to a tremendous increase in the volume of our exports to Cuba. Much has been said about the amount of our farm products being bought by Cuba. It seems that the facts do not bear out many of the statements that have been made.

My attention was recently called to a statement prepared and published by the education committee of the Sugar Cane League located in New Orleans. This statement, among other things, shows that about 75 percent of the flour shipped from the United States to Cuba is made from wheat imported from Canada for grinding in bond and exported to Cuba. Only during a period of a few months in 1938–39 has wheat grown in the United States been used to produce flour for Cuba in any considerable volume. That was during the period when the A. A. A. subsidized home-grown wheat to the extent of 20 or 30 cents a bushel in order to stimulate exports of surpluses which were piling up in this country.

Previous to that time, and since the subsidies have been withdrawn, we are again supplying Cuba with flour made from Canadian wheat.

It has always been my contention that the wheat shipped in from Canada and milled in bond and the flour shipped out was in direct competition with the flour made from wheat produced here in the United States.

The question naturally comes up: Would not the farmer, who produces the so-called surplus crops such as wheat, be much better off if domestic sugar production were allowed to expand and absorb some of the acreage now devoted to these surplus price-depressing crops?

In my home State and surrounding States, we are told that we are producing a surplus of wheat. At the same time we are also producers of sugar.

In the Red River Valley of North Dakota and Minnesota, we have a soil, a rainfall, and a climate which is ideal for the production of sugar beets, and it would be quite possible for us to increase production to the extent of thousands of acres and of thousands of tons of sugar; and we can do that so efficiently and economically that we could provide the people of the United States with this sugar at a reasonable retail price.

The whole argument for this system of reciprocal-trade agreements back in 1934, when the original act was passed, centered around the proposition that the United States had burdensome agricultural surpluses which, it was said, we could sell in foreign markets if, in turn, we would permit the importation of special foreign commodities. In other words, the whole theme was that the solution of the farm problem was to find a way to export burdensome surpluses.

According to the record, a number of foreign countries have made what is called concessions to us. A very careful study of these seems to indicate that, in fact, they have been no more than gestures. In other words, some of these same foreign countries have proceeded with agreements to set up all manner of restrictions so that, in fact, there has been little or no increase in volume of our exports as a result of the concessions we are supposed to have received.

It is true, at the same time, that there have been other reasons for failure of the reciprocal-trade agreements to bring about an increase in our exports.

We must recognize the fact that we have passed through a series of very trying years, and, as a result, for several years we did not have large quantities of certain crops to export. That, however, does not apply to the years 1937, 1938, and 1939.

In other words, during that period the United States had an abundance of products to export, in my opinion largely due to underconsumption here at home; but, at any rate, we had a surplus. In the meantime, other policies were adopted in connection with the A. A. A. program, so that instead of exporting more cotton, wheat, tobacco, and other items, in most cases we have exported less, except for a short period during which a third policy was adopted—that of subsidizing exports of wheat and cotton.

Another illustration is the concessions granted by the Netherlands with reference to the quota on wheat. But it seems that while they appeared to increase the quotas of wheat from the United States, this was only on condition that the amount of wheat desired and the quality desired would be available at the time desired and at a competitive world-price level.

In other words, while we appeared to get a better quota, they reserved the right to buy in other markets if they could buy at better prices. It is true that for a short period recently we did export larger quantities of wheat to the Netherlands, but apparently this was only during the period when we paid them to take our wheat. In other words, by paying a subsidy we did succeed in exporting some wheat.

I have gone through much of the evidence submitted before the Ways and Means Committee of the House and the Finance Committee of the Senate, and other reports, and I have yet to find other gains in our agricultural export trade. In other words, the burdensome surpluses are still with us. You may call them ever-normal granary or by any other name. We have not yet solved the problem, and concessions secured from foreign countries in our reciprocal-trade agreements do not seem to have improved our export situation to any extent.

Perhaps some reference should be made to the fact that with the outbreak of the new European war, the first of last September, our position becomes even more critical because European countries have almost completely ceased purchasing farm products from the United States because of their desire to reserve all dollar exchange for the purpose of buying military materials. Thus, foreign concessions to us are all temporarily canceled while our concessions to the foreign countries continue in operation.

In contrast to the concessions foreign countries have granted to us, a very different situation exists with reference to the concessions we have made to foreign countries. It was not intended, when the original act was passed, that our tariffs on agricultural products were to be reduced and that new imports of farm products were to be encouraged. All of the talk centered around preserving our agricultural tariff rates by permitting the importation of other commodities which could be brought in without injury to American agriculture, labor, and industry.

Almost exactly the opposite situation has developed. The State Department—apparently with the approval of the Secretary of Agriculture—has proceeded to lower rates of duty on practically every manner of agricultural products. This applies to a long list of grains and seeds, including feed

and food products made from grains and seeds. It applies to all manner of fibers and textiles. It applies to a long list of special commodities, including such important ones as sugar and tobacco. It applies to cattle and meat and important dairy products like cheese, together with a long list of other livestock items and livestock products. And it applies to fruits and vegetables, and special items like potatoes, maple sugar, and sirup and honey.

I mention some of these items by name because, in the Northwest, we produce tremendous quantities of such special crops as sugar beets, potatoes, and honey in our effort to find profitable crops to take the place of wheat.

In my part of the country, quite a percentage of the land is devoted to pasture and forage crops as a basis for livestock industry. Here we produce a surplus of wheat, and are trying desperately to find some way to get rid of burdensome surpluses.

The livestock industry and the feed crops to support the livestock industry naturally are the subject of great interest.

We were building up a large business in alfalfa seed, clover seed, and so forth, and the State Department comes along and reduces the duty, and all but ruins that new branch of farming in the Northwest States where the choicest kinds of seeds can be grown.

We attempt to build up our livestock industry, and along comes the State Department and reduces the duty on cattle. It is true that in the first agreement with Canada, rather limited quotas were established, although they were far too large at that.

Then the Canadian agreement was revised, and lower tariffs were prescribed at various points, while quotas were either eliminated, or larger quotas granted. Step by step, each new trade agreement makes some new concessions which leave us literally dumfounded, and each new effort on our part to improve our own condition is destroyed by some action of the trade-agreements organization.

Some may think that the potato growers need no protection, but they do.

In the Red River Valley of the North we produce the choicest sort of seed potatoes—certified seed—and had succeeded in developing a good market especially in the Southern States for this certified seed, and also had a good market for table potatoes for fall and winter use. But apparently the State Department thinks that new seed potatoes should be imported each year from foreign countries, and apparently also it feels that new potatoes should be imported from tropical areas for use during the winter months.

In other words, tremendous damage has been done, both to our seed-potato industry, and to our table-potato producers through the trade agreements, especially with Canada and Cuba.

What I have said applies equally to the products of the dairy farmer and the poultry farmer. There is no reason why our people cannot produce as good cheese of different kinds as is produced in other parts of the world. We can grow the feed; we have the cows to produce the milk and cream; and we have the labor to produce the cheese; yet in half a dozen or more agreements the duty on cheese has been reduced, with the evident effect of keeping the price of milk and cream down below parity; evidently also with the idea that it is better to import our food from other countries even though our farmers are driven to bankruptcy. This is equally true with reference to poultry products. Surely, every kind of poultry product can be produced in the United States in sufficient quantities to provide all domestic requirements. Just why the State Department thinks it better to import poultry products is more than I can understand.

During the last year, 1939, the average price of poultry and eggs was below the price back in the pre-war days, 1909–14, yet our poultry farmers were paying 21 percent more for everything which they purchased. In other words, poultry farmers were receiving only 77 percent of parity. Many other illustrations might be cited.

I want to refer a little further to the duty on honey. Surely, the United States can produce as fine bees and as fine flowers and blossoms and as fine nectar as can be produced any place in the world. If we wish honey, there is no reason why we cannot produce literally millions of pounds so that everyone in the United States can have all of the honey he desires.

In the United States production of honey averages about 160,000,000 pounds annually. With 130,000,000 people, this means that we consume something over 1 pound of honey per capita during each year. The duty on honey from Cuba was 2.4 cents per pound. Even if that duty did help to hold the price of honey up to a reasonable level, it cannot be claimed by anyone that it resulted in an increase of more than 3 cents on the amount of honey consumed in the United States by each person during a full year.

Thus, the possible extreme effect of the tariff might be 3 cents for each consumer; but, on the other hand, it might help thousands of farmers to make a living, while bringing to the consumers a very great pleasure of having honey on the table.

But the State Department thought otherwise. They decided that the duty should be cut 50 percent. I do not know whether this saved the consumers a cent on the price of their honey or not, but I do know that it has raised havoc with our farmers who are trying to make a living while, at the same time, supplying American consumers.

The result was that the foreign farmers are finding a market in this country for honey.

Mr. President, it is mighty difficult for me to figure out any possible justification for a reduction in rate of duty on farm products, when those products are selling below parity, unless it is the determined purpose of the State Department—and apparently with the approval of the Department of Agriculture—to lower the rate of tariff protection on all farm products merely because they have failed in their effort to solve the farm problem in any other manner.

In other words, merely because they have not been able to find a way to protect the cotton growers in the Southern States, all other farmers in the United States must be brought down to the level of the cotton sharecroppers or to the level of the poorly paid farmers of foreign countries.

It is a common argument that the amount of imports of farm products is such a small percentage that it does not amount to anything. But this argument is one of the most dangerous and one of the most fallacious ever brought into an economic picture.

We know that by a very small percentage added to our regular rate of interest, it is possible for a farmer, over a period of years, completely to pay for a farm. We know, equally well, that if the farmer is receiving only relatively little below parity, it will not be long before the farm will be mortgaged and he will lose his home.

The total quantity of agricultural imports has increased through the years that the trade agreements have been in effect, and it must be conceded that imported farm products have tended to keep prices down.

So the battle goes on, and the State Department drives to bring down the prices by the importation of agricultural products, so that our farmers are being put out of business, while the Department of Agriculture proceeds along absolutely contrary lines.

The Agriculture Department asks for increased appropriations for parity payments to offset the loss to our farmers through the reciprocal-trade agreements. Our farm exports have decreased and farm imports have increased. Our losses on farm exports and imports practically balance the appropriations for parity payments.

It would not be fair to the people of my State or indeed to the farmers of the United States as a whole, if I failed to make passing reference to the effects of continuing this program. The President and Secretaries Hull and Wallace would not be fighting so hard for this trade-agreements program if they did not intend to continue to use it.

Recently, we have recognized Australia in the same way that previously we had recognized Canada, and now we exchange ministers with that great colony of the British Empire. Of course, we all know that the purpose of this is to begin the preliminary conversations necessary before a trade agreement is negotiated with Australia and New Zealand.

Undoubtedly the duty on wool and mohair will then be reduced, as well as the duty on butter and possibly many other farm products. We know that temporarily the negotiations with Argentina and Uruguay have been suspended, and why? Evidently pending the passage of this joint resolution. From all past experience, it would seem to be the definite purpose to continue the lowering of rates of duty on farm products. What possible excuse could otherwise be given for reducing one item after another?

For example, is the reduced tariff of 15 percent on honey about to bring the consumers of the United States to a state of stabilization?

Must we call on the farmers of other countries to produce honey for our own people? But if the farmer who is producing on a commercial scale is driven to bankruptcy, who then is going to support that farmer? And once the American farmer is reduced to even greater poverty than at the present time and supported by the Government, is it not perfectly clear that foreign farmers will rapidly advance their prices to such an extent that American consumers will be exploited by foreign producers?

The whole thing simply does not make sense. I sincerely hope that our action will not be based on political or partisan reasons. Let us lay aside partisan considerations for a moment and reject this proposal. Incidentally we are in the midst of world chaos.

There is no emergency which justifies blindly continuing this program—one department of Government paying the farmers to cut down production and another department letting down the bars to foreign farm products to keep down the prices.

Mr. President, in plain English that is a crazy system, and for the life of me I cannot see how anyone can conscientiously and consistently advance a principle of that kind.

Let us suspend operations for a while and give our own farmers at least a little chance to work back to a more prosperous condition.

The farmers have been promised parity prices. But there is no chance for parity for the farmers as long as these trade agreements provide for an exchange of a few favored manufactured products for foreign agricultural products at a price substantially below parity.

Mr. President, in the 1932 platform of the Democratic Party I find this statement in regard to tariff for revenue:

> We advocate a competitive tariff for revenue, with a fact-finding Tariff Commission free from Executive interference.

I do not know whether or not all Senators listening to me got that. Let me read it again. The 1932 platform of the Democratic Party had this to say about tariff for revenue:

> We advocate a competitive tariff for revenue, with a fact-finding Tariff Commission free from Executive interference.

Of course, some may say that a platform is only something on which to get in and not to be observed or carried out after one is elected. That may be true. However, if my memory serves me correctly, the present Chief Executive, who was then a candidate for office, stated that he endorsed that Democratic platform of 1932, 100 percent.

Mr. President, we are a long way from having a competitive tariff for revenue, with a fact-finding Tariff Commission free from Executive interference. What we have at the present time is a tariff-making Chief Executive, without the interference of the Tariff Commission, without the interference of the Senate or the Congress of the United States, and without the interference of the Constitution of the United States.

Mr. President, that is the situation as I see it.

Mr. PEPPER. Mr. President, is there any amendment pending?

The PRESIDING OFFICER. There is no amendment pending.

Mr. PEPPER. I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

> SEC. —. No foreign-trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, no modification hereafter made in any such foreign-trade agreement, and, after the expiration of 240 days after the date of enactment of this joint resolution, no foreign-trade agreement, and no modification of a foreign-trade agreement, heretofore entered into under such section, shall provide for, or contain any provision which permits, the importation into the United States in any one calendar year of any foreign agricultural or horticultural commodity which is in substantial competition with any like or similar domestic commodity, as determined by the United States Tariff Commission, at a rate of duty lower than that in effect with respect to such foreign commodity on June 12, 1934, after the quantity of the foreign commodity previously imported into the United States at such lower rate during such calendar year equals 125 percent of the total average annual quantity of such foreign commodity imported into the United States during the 5-year period from January 1, 1929, to January 1, 1934. As used in this section, the term "agricultural or horticultural commodity" includes any article which on the date of enactment of this joint resolution is classified as an agricultural import in the schedule of the Bureau of Foreign and Domestic Commerce, in the Department of Commerce, designated as "Schedule A, Statistical Classification of Imports Into the United States."

Mr. PEPPER. Mr. President, I am sorry that the technicalities of the amendment require it to be longer than it should be to make its intent clearly apparent on its face. All it provides, in substance, is that the executive department, which negotiates the treaties, may not allow an importation of any agricultural or horticultural commodity in excess of 25 percent more of that commodity than was permitted to come in on an average annual basis for the 5-year period prior to the adoption of the Trade Agreements Act, provided that that commodity is in competition with any agricultural or horticultural commodity domestically produced, as found by the United States Tariff Commission.

In other words, the amendment gives to the executive department power to permit a 25-percent increase in the annual quantity of an agricultural or horticultural commodity to be imported into this country, even though it be in competition with domestic production, but it limits possible competition to an increase of 25 percent.

So it seems to me that the amendment lays down a fair principle. It simply provides that if the subject of any negotiation is an agricultural or horticultural commodity, our Tariff Commission shall determine whether or not that commodity is in competition with a commodity of like character domestically produced. If it is of that character, it is the duty of the negotiator of the trade agreement to limit the quantity of increase to 25 percent more than was being annually imported, on an average, during the 5-year period prior to the adoption of the original Trade Agreements Act in 1934.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. PEPPER. I yield.

Mr. VANDENBERG. The 25-percent limitation is applied in the contract with the country with which the negotiation is made?

Mr. PEPPER. That is correct.

Mr. VANDENBERG. What happens under the subsequent application of the unconditional most-favored-nation policy? Suppose the market is flooded 100 percent with imports from other countries than the one with which the negotiation has occurred?

Mr. PEPPER. I think the question the Senator raises would be a lesser evil than is permissible under the existing law, because now, in the case of tomatoes, for example, which come into this country in competition with tomato production in my State, the increase has been 56 percent over the importations in the 5-year period prior to the Trade Agreements Act in 1934; and my amendment would limit the pos-

sible increase from all countries to 25 percent. So whatever the incidents might be as affecting our domestic production, they could not be as great as they could be under existing law.

Mr. VANDENBERG. I concede that the Senator is proceeding in the direction of a limitation; but I am trying to discover whether or not the limitation finally amounts to anything so long as we proceed under the unconditional most-favored-nation policy.

Mr. PEPPER. It only limits the scope of the bargaining of our executive department in dealing with foreign countries on this type of commodity. Under my amendment all the incidents of the existing law would apply, but the scope would be diminished.

Mr. VANDENBERG. However, the objective which the Senator seeks could be nullified by imports from other countries under the unconditional most-favored-nation policy.

Mr. PEPPER. Mr. President, generally speaking, in the cases I have principally in mind, the imports come from a relatively restricted area. For example, tomatoes in competition with domestic production come principally from Cuba. To illustrate the basis of the amendment, I read from an article entitled "Farm Imports Under Trade Agreements," by R. B. Schwenger, which was published by the Bureau of Agricultural Economics:

> Hence, it is natural to expect them to increase not only our farm exports (as data presented in the December issue of the Agricultural Situation indicate that they have) but to increase our farm imports as well. It is not desirable, however, that they should increase imports of farm products which can be produced effectively in this country, and it is especially undesirable that they should have a disruptive influence on domestic farm markets. An examination of available data indicates that the agreements have tended to increase farm imports, but that safeguards included in the texts of the agreements have prevented any increases which might have disturbed domestic markets.

That was the intent behind the action of our executive department in the negotiation of these agreements. Later——

Mr. WILEY. Mr. President, will the Senator yield for a question?

Mr. PEPPER. Mr. President, I have only 15 minutes, but I yield to the Senator.

Mr. WILEY. Along the line of the questions by the distinguished Senator from Michigan [Mr. VANDENBERG], if we should enter into the agreement with Cuba of which the Senator speaks, under the terms of his amendment, imports would be limited to 25 percent above a certain mark.

Mr. PEPPER. That is correct.

Mr. WILEY. But under the unconditional most-favored-nation clause, all the other nations of the world entitled to the benefit of the unconditional most-favored-nation clause could ship in the same quantity. That would inundate the market.

Mr. PEPPER. Mr. President, I am not expanding the existing authority. I am contracting it. So, whatever the ills are, in the cases with respect to which I have had an opportunity to look into the details, they would be diminished to at most 25 percent by my amendment.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. ASHURST. It occurs to me that the nations claiming benefits under the unconditional most-favored-nation clause must share the same fate as the other signatory to the treaty. A favored nation could not obtain any advantage. It would share the same fate as the nation with which the treaty was negotiated.

Mr. PEPPER. Of course, the able Senator is correct. It is unlikely that such an agreement would work out practically to our disadvantage. The thought I wish to convey is that under the existing untrammeled authority of the executive department a competition of 56 percent is permitted with tomato production in Florida, for example. Under my amendment no more than a 25-percent increase from all countries could be allowed over the average annual importations for the 5-year period prior to the enactment of the Trade Agreements Act. Whatever incidental benefits some other countries might obtain under the amendment would be much larger under the existing law than they would be if the amendment were adopted.

Reading further from the report of the Bureau of Agricultural Economics:

> The possibility of increased agricultural imports from trade-agreement countries disrupting domestic farm markets, however, has been carefully guarded against, not only by refusing to reduce United States farm tariffs sufficiently or in such a way as to disturb domestic markets but also by introducing specific safeguards where reductions were made on the more important so-called "competitive" agricultural imports.

Mr. President, if that had been the policy actually consummated, I should not have offered this amendment. But let us look at what has happened, for example, to tomatoes. In the year 1926–27 Mexico sent into the United States 272 carloads of tomatoes; in 1927–28, 316 carloads; in 1928–29, 335 carloads; in 1929–30, 592 carloads; in 1930–31, 395 carloads; in 1931–32, 158 carloads; in 1932–33, 77 carloads; in 1933–34, 13 carloads; in 1934–35, 9 carloads; in 1935–36, 60 carloads; in 1936–37, 137 carloads; in 1937–38, none; and in 1938–39, 12 carloads.

Between 1926–27 and 1938–39, Mexico's export of tomatoes into the New York market diminished from 272 carloads to 12. Mexican tomatoes are subject to a tariff of 3 cents a pound. In the same time, Cuban exports into New York market increased from 610 carloads in 1926–27 to 1,746 carloads in 1938–39, showing that a constantly increasing quantity of Cuban tomatoes has been coming into the United States in competition with domestic production.

As I have said, there has been an increase of 56 percent in the quantity of Cuban tomatoes coming into the United States in the 5-year period since the trade agreement was adopted as compared to the quantity that came into the United States in the 5-year period prior to the trade agreement.

During the same time Florida, in 1926–27, sent into the same market 1,080 cars, and in the year 1938–39, the same number, 1,080 cars. We have not had our natural increase.

What has been happening? As a report I have here from the Tariff Commission indicates, Cuban exports have been constantly increasing, while Florida exports of this commodity into that market have stood still or increased relatively little.

I read a moment ago from the Bureau of Agricultural Economics explanation of the trade agreement, and it said that, in the first place, they had not allowed any trade agreement to be negotiated with respect to an agricultural or horticultural commodity in a case where there is substantial competition in this country, and that where they had allowed it they had put safeguards around it and made it of no possible effect.

I read now from the figures that were given me also by the Bureau of Agricultural Economics. Tomatoes are given a tariff reduction, and for the months of December, January, and February, instead of there being a tariff of 2.2 cents a pound, it is only 1.8 cents a pound during those 3 months.

In the year 1936–37, in the month of December, Florida shipped 233 cars of tomatoes and Cuba shipped 561 cars; in January, Florida, 555 cars, and Cuba 615 cars; in February, Florida, 1,117 cars, and Cuba, 479 cars.

In the year 1937–38, in the month of December, Florida shipments were 214 cars, Cuban shipments, 607 cars; in January, Florida shipments, 181 cars, Cuban shipments, 656 cars; and in February, Florida shipments, 1,079 cars, and Cuban shipments, 691 cars.

In 1938–39, in December, Florida shipped 317 cars and Cuba, 462; in January, Florida shipped 763 cars, and Cuba, 665; in February, Florida, 1,378 cars, and Cuba, 412 cars.

Does that look as if they safeguarded the domestic production when we sent out considerably more than Cuba did in the same time? In other words, they said, "We are not negotiating these agreements except in cases where there is no substantial competition." Can it be said that there is no substantial competition when we sent in considerably more than Cuba did?

This was the intent of the law, Senators, as stated by the Bureau of Agricultural Economics:

The possibility of increased agricultural imports from trade-agreement countries disrupting domestic farm markets, however, has been carefully guarded against, not only by refusing to reduce the tariff but—

It proceeds to say—

by imposing adequate safeguards.

Yet they have allowed a competition which has been 55 percent greater in the 5-year period since the trade agreement than in the 5-year period prior to the trade agreement in respect to tomatoes from Florida. That has had a very injurious effect upon tomato production in the State of Florida. Cuba has, as the Bureau of Agricultural Economics report further says, a transportation advantage over the State of Florida. They send in their tomatoes by shipboard, about three or four shiploads at a time. They reach the New York market on Mondays, Wednesdays, and Fridays ordinarily. We quite generally ship by rail, and, as soon as our commodity is fed into that market, it meets the flooded situation that has already been caused by the great accumulation of tomatoes from Cuba.

I pick out that case because it is illustrative.

I have been to the State Department about it; I have been to the Bureau of Agriculture about it, but have not secured satisfaction to which I believe the people of Florida are entitled. This amendment is fair to all and I hope will be adopted.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The time of the Senator from Florida has expired.

Mr. PEPPER. I suggest the absence of a quorum, preliminary to having a yea-and-nay vote.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Reynolds
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Lundeen	Sheppard
Bankhead	Gerry	McCarran	Shipstead
Barkley	Gibson	McKellar	Smathers
Bilbo	Gillette	McNary	Smith
Bone	Green	Maloney	Stewart
Bridges	Guffey	Mead	Taft
Brown	Gurney	Miller	Thomas, Idaho
Bulow	Hale	Minton	Thomas, Okla.
Byrd	Harrison	Murray	Tobey
Byrnes	Hatch	Neely	Townsend
Capper	Hayden	Norris	Tydings
Caraway	Herring	Nye	Vandenberg
Chandler	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Clark, Mo.	Holt	Pepper	Walsh
Connally	Hughes	Pittman	Wiley
Danaher	Johnson, Calif.	Radcliffe	
Davis	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Eighty-two Senators have answered to their names. A quorum is present. The question is on the amendment of the Senator from Florida [Mr. PEPPER].

Mr. PEPPER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the demand of the Senator from Florida for the yeas and nays seconded?

The yeas and nays were not ordered.

The amendment was rejected.

Mr. DAVIS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. —. (a) There is hereby established a Nonpartisan Foreign Trade Commission to be composed of five members, to be appointed by the President after consultation with the President of the Senate, the Speaker of the House of Representatives, and the Secretary of State. One such member shall represent agriculture, one shall represent labor, one shall represent industry, one shall represent investment, and one shall represent government. Each member shall be a person of broad practical experience. The members of the Commission shall receive compensation at the rate of $25 a day for time spent in attending and traveling to and from meetings of the Commission or in otherwise exercising the functions of the Commission.

(b) It shall be the duty of the Commission to make a full and complete study and survey of tariff problems, foreign currency, and international trade problems in general, with a view to determining whether the trade-agreements program of the United States should be continued, modified, or terminated. The Commission shall report to the President and to Congress not later than January 3, 1941.

(c) The Commission shall have power to hold hearings and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems advisable. Subpenas shall be issued under the signature of the Chairman of the Commission and shall be served by any person designated by him. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpena, or to testify when summoned, under authority of this section.

(d) The Commission shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties, without regard to the provisions of other laws applicable to the employment of officers and employees of the United States, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The Commission is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government.

(e) The Commission may authorize any one or more persons to conduct any part of such study and investigation on behalf of the Commission, and for such purpose any persons so authorized may hold such hearings, and require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, and take such testimony, as the Commission may authorize. In any such case subpenas shall be issued under the signature of the Chairman of the Commission and shall be served by any person designated by him.

(f) No foreign trade agreement shall be entered into under section 350 of the Tariff Act of 1930, as amended, until after the Commission has made its report as provided in subsection (b) of this section.

(g) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $——— to carry out the provisions of this section.

(h) All authority conferred by this section shall terminate on January 3, 1941.

Mr. BARKLEY. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Kentucky?

Mr. DAVIS. I yield.

Mr. BARKLEY. Mr. President, while there is a good attendance of Senators, may I suggest that there are only two or three more amendments, as I understand, and we are anxious to conclude the consideration of the joint resolution and have a final vote on it as early as possible this afternoon, and then adjourn over until Monday. I hope Senators will remain here, if they can, so that quorum calls may be avoided.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Pennsylvania [Mr. DAVIS].

Mr. DAVIS. Mr. President, I wish to speak briefly concerning my amendment which calls for the establishment of a nonpartisan foreign-trade commission.

It must be evident that the issues before us transcend the boundaries of party politics. There is no place for political partisanship in a subject so truly national and international in scope.

I have asked for the establishment of a nonpartisan foreign-trade commission which will give a thorough opportunity for all the facts related to foreign trade and our tariff policy to be assembled, with a view to helping the Government set up a definitive and clearly formulated foreign-trade policy. At the present time there are so many conflicts between our foreign policy and our domestic policy that most people are thoroughly bewildered. They do not know what course of action our Government should take, and the same confusion of thought seems to mark the current discussions of this problem wherever heard.

Mr. President, under my amendment, if agreed to, no further trade agreements would be entered into until the commission had reported its findings, which would not be later than January 3, 1941.

There have been those who have contended that our desire is to interject politics into tariff making. My amendment is clearly designated to avoid any such action. The amendment calls for a commission to be composed of five members, to be appointed by the President after consultation with the President of the Senate, the Speaker of the House of Representatives, and the Secretary of State.

Secretary Hull is reported to have said that there is a tariff lobbyist behind every post in Washington. If so, no doubt he was referring to representatives of American labor, agriculture, and industry who have been exercising their right to petition the Government. These persons have a right to be heard. They have a right to come to Washington and let Congress know the actual facts of foreign trade as they see and know them. They have a right to support or oppose our administrative negotiation of trade treaties if they desire to do so, and as best meets their needs.

Surely the representatives of business and agriculture have just as much right to be in Washington as have the Government-paid agents of the State Department who use Government funds to sustain a special governmental point of view. If there is anything more ridiculous than trying to beat down the representatives of American principles by indiscriminate remarks about tariff lobbyists, I do not know what it is.

The real trouble is that we do not have enough true representatives of our national rights in Washington. We have too many people here who think the rights of foreign governments come before the rights of Uncle Sam. I am not for that.

To listen to the remarks of some ill-informed persons, one would think our Government had set up a high tariff on everything that enters our borders. Of course, that is not true. The United States has one of the largest free-trade lists of any nation. Sixty percent of our total imports come in duty-free. I refer to such items as rubber, tin, coffee, tea, silk, and others. All during this long discussion of trade agreements very little has been said about our free list. That list means that we are already leaning over backward on the side of free trade. We permit more goods to enter duty-free than those on which we collect a tariff, and yet very little is said about it.

The trade treaties concern themselves solely with articles which are highly competitive, and for that reason are subject to duty. The extent to which this country or any other country can permit a permanent increase of competitive imports is strictly limited if national disaster is to be averted. Our country is the only great Nation in the world that does not insist on drawing a sharp national line around our foreign trade to protect our national interests; and yet both here and abroad it is customary for those who would undermine our market to refer to the American people as "Uncle Shylock." Could anything be more unfair?

We have heard much irresponsible talk about closing down the inefficient sectors of American industry. During the past 6 years the trade revisionists have been constantly lowering the tariff. They could have raised it, but instead they chose to lower it. Their argument has been that they were justified in bringing in certain imports of a highly competitive nature because these articles could be more efficiently produced in other lands. By that they mean that the goods can be purchased for less money elsewhere; and, of course, they can. The foreign labor that is sweated to work for 4 to 10 cents an hour can always underbid American labor that works for from 40 to 65 cents an hour.

Secretary Wallace referred to the American lace industry as one of these inefficient industries. That means that our Pennsylvania lace makers are better paid and work shorter hours than those of Britain and France. Judged by that standard, Pennsylvania lace makers might be called inefficient, although I should never, never refer to them in that way. I believe that our foreign-trade policy should be based upon our need for materials that we do not produce. If there is any lace which American lace makers cannot make, I am willing to vote to have it come in; but, first of all, I want to be thoroughly sure that our workers cannot make it here.

If we want to increase our foreign trade, there is one sure way to do so: That is, to make our domestic trade profitable. It has been clearly shown over a long period of time that when domestic trade is prosperous in this country we have our fullest volume of foreign trade. It is not difficult to explain this, for when we have a larger domestic trade we have a greater natural demand for many of the products coming from abroad which are noncompetitive in character and which can easily be geared into our domestic economy. That is the true way to build up foreign trade. That is the proven and accepted way of the past, and the only way in which we can conduct foreign trade without committing national suicide. Other nations operate on this basis. It is only reasonable that we should follow these proven principles, which have temporarily and tragically been abandoned during recent years.

All of this talk concerning our hope of building up an export trade by giving away our American markets to low-wage-policy importers is nothing less than ridiculous. The only way we can be sure that our foreign-trade dollar spent abroad will be returned to us is to have it earmarked. Otherwise we may be sure that the American dollar spent for imports will be spent by those who get it in world markets, where prices are quite generally below our own. The buyer always is looking for the lowest market price, and the foreign buyer will not find that in this land of high wages, which go to make up a large part of our high prices.

We expect to do some additional trading with South America. I hope we shall do so. But I believe that when we extend credits to Latin American governments we should be sure that the money we send down there, at least a substantial part of it, is earmarked for buying American goods. We must be sure that a fair return is made to our own country. Otherwise our people will be taxed to raise funds with which our neighbors to the south may go shopping across the Atlantic or the Pacific.

It is to be expected that countries which obtain credit from us will use that credit where it will buy the most. If we advance credits to South America, we should make certain that definite arrangements are made for the purchase of a sizable amount of American-made goods.

In the extension of credits guarantees should be written into the agreements to make sure that the money will be spent for goods manufactured under fair labor standards. It is unfair to American labor and industry to compel our fellow countrymen to observe certain fair standards of wages and hours and then to allow the State Department to make negotiations for goods which have no labor standards whatever written into their production. The conditions of labor in regard to health, wages, hours, and collective bargaining must be maintained.

I take second place to no one in firm insistence on these rights, and certainly I will not remain silent while these standards are being unmercifully beaten down by a foreign-trade program negotiated by the State Department without reference to the will of the American people through their representatives in Congress. Our best hope of maintaining our fair labor standards in foreign trade is with South American countries, and we shall be doing our sister Republics to the south a great humanitarian service by insisting on the maintenance of these standards there as a condition for effective foreign trade.

I do not know anyone in Congress who would not like to see the Government made more efficient. I do not know anyone who is opposed to a scientific tariff. Personally, I favor giving tariff specialists the first chance to work out the schedules. After they have done their work, congressional hearings should be conducted so that the representatives of the people may have a full right to be heard. Finally, Congress should take action; for tariff treaties, tariff agreements, or whatsoever the name, are of concern both to the House and the Senate under the Constitution.

Some say that this would make for logrolling and would curtail tariff efficiency. I do not wish to attempt to deny this assertion. In fact, I am sure that under our representative form of government various pressure groups will be present with us. That is to say, we should frankly admit that the

American Federation of Labor, the Congress of Industrial Organizations, the American Legion, the National Grange, the National Association of Manufacturers, the National Education Association, and many other organizations have representatives in Washington. They have a right to have them here. When they no longer have this right, we shall have a Fascist government here, and that is the last thing I want. So I say it is better to keep our Government accessible to the representatives of the people, even though tariff making may not be 100 percent efficient, than to erect in the State Department a high-handed dictatorship which is determined to rule or ruin.

Trade-agreement propagandists say that these treaties or agreements make for peace. If they did make for peace I should regard that fact as in their favor. Unfortunately, we have nothing tangible to show that the agreements have made peace. It is a fact that the nations with which we concluded some of the agreements are at war. It is also a fact that the agreements almost exclusively concern items of commerce that are highly competitive; and when the sale of highly competitive products is increased, it increases the sources of economic friction and international ill will.

An increase of foreign trade, and a scramble for trade markets lies back of more than a score of wars during the nineteenth century. It was a mad race for markets that caused Germany and Great Britain to battle during the World War. The same struggle is going on today. Who can say that attempts to increase the exchange of highly competitive products among the markets of the world will make for peace? All the force of history and contemporary experience rises up to deny this theory.

These trade treaties have not brought peace in the past. We have no assurance that they will bring peace in the future. At this time we are in no position to say what the future will bring.

Mr. President, in his address of March 25, my colleague [Mr. GUFFEY] quoted Frank Knox, Republican Vice Presidential candidate of 4 years ago, as saying last year:

> To sell American farm products abroad, we must buy some of what our foreign customers have to sell. You cannot always sell and never buy in foreign markets.

Mr. President, this is a point of view which I would not attempt to contest. Assuredly we have a responsibility in foreign trade, and it is one that we should not neglect. At no time have I taken any opposite point of view. I agree with the statement of Mr. Knox which my colleague quoted. However, the point under consideration at that time was not our belief in foreign trade, but rather the right of Congress to ratify trade agreements. Since this was the issue at stake, I wrote to Frank Knox asking his judgment in this matter just prior to the vote that was taken on the Pittman amendment. He honored me with a reply, and made a statement relative to our relations with South America which is of great importance.

I have traveled through this great continent. It reminds me of our own country back in 1881, over half a century ago, when so many of our citizens went to find a new life for themselves in the great open spaces of the West. Such is the challenge of South America today.

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, my letter to Mr. Knox and his letter of March 30, 1940.

The PRESIDING OFFICER (Mr. HATCH in the chair). Without objection, the letters will be printed in the RECORD.

The letters referred to are as follows:

MARCH 27, 1940.

Mr. FRANK KNOX,
Chicago Daily News, Chicago, Ill.

DEAR FRANK: On Monday my colleague, Senator GUFFEY, in speaking on the reciprocal-trade agreements—the legislation now before us—made reference to your approval of this program, together with other eminent persons.

Your adherence to this point of view is well known. I am wondering, however, if you are opposed to having each treaty referred back to the Senate or to Congress for confirmation before it is actually put in operation. I should like to have your thought in this matter.

Most cordially yours,

JAMES J. DAVIS.

THE CHICAGO DAILY NEWS,
Chicago, March 28, 1940.

Senator JAMES J. DAVIS,
United States Senate, Washington, D. C.

MY DEAR JIM: Thanks for your inquiry of March 27.

I have been favorable to the principle of reciprocal-trade agreements right along. Reciprocity is, as you know, definitely a Republican doctrine, being first enunciated by James G. Blaine, endorsed in his last speech by President McKinley, and being a part of four or five national Republican platforms. Likewise the principle of flexible tariff is of Republican origin.

I am very loath to have the Republicans in Congress identify themselves with the idea of opposition to reciprocity. However, I am also emphatically opposed to enlargement of the executive authority beyond the limits of the Constitution. I think that the power to make treaties should be retained where it is. And you don't make a reciprocity treaty any less a treaty by calling it an agreement. The principle of confirmation by the Senate of all treaties is a principle which ought not to be disturbed. So far as the statement of general principles go, I don't believe any significant number of Republicans will differ from these which I have made, but here is where constructive legislative ability is required—to maintain the authority of the Senate to approve or reject treaties with other nations and at the same time to prevent the selfish log-rolling which usually characterizes any effort to change tariff rates. One suggestion I heard to prevent this was to provide for a majority approval of future reciprocity treaties by majority vote in both Houses and to limit action by Congress on such treaties to either approval or rejection, that is, providing against their amendment when up for action by Congress. I have not thought this latter suggestion through, but it seems to me worthy of study.

As a matter of fact, Jim, in the present state of world affairs, the promotion of the conventional sort of reciprocity by treaty or otherwise is largely impractical while the war lasts, and will probably continue to be impractical for some time after the war ends. We ought to face this situation realistically and study what our relations with South America, at least, ought to be. I spent most of the winter a year ago down there, and I came to be completely convinced that South America offered us a marvelous opportunity for expansion of foreign trade if we would only constructively help to develop those countries down there.

I think it might be true statesmanship to announce to the world that since the whole of the Western Hemisphere hereafter must be regarded as a single unit for its defense against aggression, that we have decided to treat it as a unit in an economic sense and will seek to promote, without regard to our relations with other parts of the world, the freest possible intercourse with the United States and the removal of every possible barrier to a free interchange of goods and services. Having notified the rest of the world that what we did in South America bore no relation to our course of action elsewhere, I would then proceed to make the most liberal possible arrangements with those nations down there, taking them into our economy and using their raw materials and farm products and selling to them our manufactured goods. Of course, a lot of short-sighted people would immediately cry out that this would be subjecting some producers and some farmers in the United States to foreign competition. The answer to this is that we can, if we choose, make the whole continent of South America a part of our economic community, just as the great West before the Civil War was made a part of the economic community of the United States, then confined to a strip along the Atlantic coast. Taking the great West into our economic orbit made the East rich and the West prosperous. Indeed, it was while this was going on that the United States enjoyed its greatest era of prosperity. South America, if handled wisely, would serve exactly the same purpose to the whole United States as the great West did for the eastern United States 75 years ago. It may take a little imagination and a little knowledge of history to visualize this, but the basis for such a vision is there.

Since I have been quoted by some of your distinguished Democratic colleagues on this subject, I would have no possible objection to your having this letter made a part of the CONGRESSIONAL RECORD.

Yours sincerely,

FRANK KNOX.

Mr. DAVIS. My colleague the Senator from Pennsylvania [Mr. GUFFEY] also blamed the Hawley-Smoot Tariff Act for the economic difficulties since 1930. However, it is common knowledge that these difficulties reach back much further than that date. Surely my colleague knows that the stock-market crash preceded the enactment of the Hawley-Smoot Tariff Act. Surely, also, he is informed that the attack on our economic system by the long-hour, low-wage countries had begun much before 1930. Surely he knows that the 4 to 10 cents an hour wage countries had been at work undermining American standards of from 50 to 60 cents an hour for a period long before 1930. Surely also he knows that all during the twenties we had subsidized foreign trade through large-scale loans to foreign countries which were never repaid. The policy started then is being continued today in another form, when through the share-the-wealth program of diminished tariff agreements we adopt the communistic ideal of giving away what we have, with the naive belief that

by giving what we have others will automatically come to have more.

Let me assert that I should be willing to compete without tariff protection with the nations of the world if their cost of production were the equivalent of our own. If these agreements are so fair, why should not the representatives of the people have a right to review them in Congress?

My colleague, when talking in the Senate Finance Committee, made remarks that are not a part of the record, at which time he referred to the prosperous condition of this country under the low-tariff scales of Woodrow Wilson. It must not be forgotten, however, that the effect of the war in those years was to bar our foreign imports, because the nations of the world were using up their own production at that time, and not exporting. The highest tariff wall we ever have had, in reality, was the effective prevention of imports in the economic crisis caused by the World War, when we were called upon to export in large quantities while our imports were comparatively small.

Again, my colleague referred to the history of the American tariff; but he did not make clear the fact that the low tariff of the period from 1892 to 1896 brought a great victory for the high-tariff cause in the election of William McKinley. He did not mention the great industrial prosperity that arose in this country with the coming of tin-plate protection, which advanced in an amazing way after this infant industry was given the protection it deserved. Indeed, what my colleague failed to say about the benefits of the protective tariff would fill 10 volumes.

My colleague also quoted from President McKinley. He made clear that he believed in reciprocity treaties, and of that there can be no doubt. In fact, Mr. President, that is not the issue concerning which we are contending. My colleague did not attempt to say that President McKinley ever would have endorsed a proposal to have trade agreements which are properly the concern of both Houses of Congress enacted without their consent in each individual instance. If ever there was a President who was fully devoted to the Constitution of the United States and our accepted form of American government it was William McKinley. Surely he would not have given his consent to the administrative enactment of trade treaties without the full knowledge and participation of Congress.

I also desire to have printed in the RECORD a statement from the department of commerce at Harrisburg, Pa., with reference to the imports which have entered into competition with our workers in Pennsylvania.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF COMMERCE,
Harrisburg, March 29, 1940.

Hon. JAMES J. DAVIS,
United States Senate, Washington, D. C.

DEAR SENATOR DAVIS: In accordance with your telephone conversation with Mr. Brown this afternoon, he has asked me to send you the following facts regarding the negative effects of reciprocal-trade agreements on Pennsylvania.

Steel: The total amount of steel products, including bars, rods, ingots, billets, sheets, pipes, tubes, wire, and strips—all Pennsylvania products—admitted in 1937, under trade-agreement rates, from Sweden, was 46,218,309 pounds.

From Belgium, in that same year, and omitting minor items, 36,857,777 pounds of steel and iron products were admitted under trade-agreement rates.

The total from these two nations of steel and steel products admitted into the United States at reduced tariff rates was 83,076,082 pounds of steel products competitive to United States steel manufactures.

In 1937, this same year, the United States census of unemployment reported 37,597 iron and steel workers in Pennsylvania as totally unemployed and 54,432 as partially unemployed; and the 1937 unemployment census was shown by later samplings to be a considerable understatement of the unemployment of that year.

In addition to this major Pennsylvania industry, the following facts will be of interest.

Under reciprocal-trade agreements, the duty on lime was reduced from 7 to 5 cents a hundred pounds; on Portland cement from 6 to 4½ cents; on glass sand from $2 a ton to $1 a ton; on glassware, including bottles and jars, from 75 percent to 37½ percent; on glass tableware and kitchen utensils from 60 to 30 percent; on plate glass from a range of 12½ to 17½ percent to a range of 8.3 to 11.7 percent.

In 1939, by agreement with Great Britain, the duty on electrical apparatus of various types was reduced from 35 to 25 percent, and this reduction will affect all other favored nations. On X-ray apparatus the reduction was from 35 to 17½ percent.

The duty on apples was reduced from 25 cents a bushel to 15 cents a bushel, and by agreement with Canada, sulphuric acid, in which product Pennsylvania leads the United States, was put on the free list.

In the matter of anthracite coal, while Russia, on account of internal difficulties on the Continent, has not been able to supply the 400,000 tons she thought she could produce, the intent of the agreement made by the Secretary of State was to admit that much coal into our country duty free.

I hope these additional facts will be helpful to you.

Sincerely yours,

RAYMOND H. SMITH,
Assistant Director, State Planning Board.

Mr. DAVIS. Mr. President, in conclusion I wish to say that there has never been a time when a political use of the tariff has not brought its inevitable reaction. When the Democratic Party has tinkered with the tariff, tariff for revenue only, there have been results unfavorable to that party, and when Republicans have overstretched their bow, there have been political casualties. If, now, this shall become a sharply defined partisan issue, I feel confident that, next to the cause of peace, this question will bring to the Republican Party its largest measure of support. In my campaign for reelection in 1938, I strongly stated my determination to uphold protection for workers, farmers, and businessmen from unfair cutthroat competition from abroad, and I attribute the decisive results of that election in no small measure to the stand which I took on that issue, for I am thoroughly convinced that the citizens of my State and my fellow countrymen throughout the Nation are unalterably committed to the proposition that the rights of Americans shall not be unfairly and carelessly sacrificed on the false altar of international greed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was rejected.

Mr. ELLENDER. Mr. President, I ask that the amendment I proposed on March 26 be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to insert the following new section at the proper place:

SEC. —. (a) No foreign-trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, and no modification hereafter made in any such foreign-trade agreement, shall provide for a rate of duty on sugar imported from any foreign country which will be lower during any period than the rate applicable on September 1, 1934, to sugar imported from such foreign country, unless during such period (1) the quantity of imported sugar which may be marketed annually in the United States is by act of Congress restricted to a quantity no greater than the quantity of imported sugar which may be marketed annually under the provisions of the Sugar Act of 1937, and (2) benefits for domestic producers of sugar are provided which are substantially equivalent to those provided for in the Sugar Act of 1937.

(b) As used in this section, the term "sugar" includes any article to which the provisions of paragraph 501 of the Tariff Act of 1930 were applicable.

Mr. ELLENDER. Mr. President, I desire to preface my remarks on this amendment by assuring Senators that the pending amendment is not related to, and is not in any manner connected with, the amendment that I presented to the Senate about 2 weeks ago in connection with the agricultural appropriation bill.

I am of the firm belief that this amendment is entitled to special attention by the Congress. Sugar has always been the subject of special legislation because of its involvement in national, international, and insular policy. I desire to point out to the Senate at this time a few salient facts in the history of sugar legislation in our country.

As Senators are aware, rates of import duty on sugar have been provided in all tariff acts. In 1876 Hawaiian sugar was admitted to the United States free of tariff duty. In 1890 a bounty on domestic production of sugar at the rate of 2

cents per pound replaced the tariff duty, but this provision was replaced in 1894 by an ad valorem tariff. In 1899 Hawaii and Puerto Rico were annexed as part of the United States.

In 1900 Puerto Rican sugar was admitted at an 85-percent reduction, and in 1901 it was admitted free of duty.

In 1902 the tariff on Philippine sugar was reduced 25 percent; then in 1903 the tariff on all Cuban sugar was reduced 20 percent under a reciprocal preferential agreement with Cuba. In 1909 Philippine sugar was admitted free of duty, but the amount limited to 300,000 tons; in 1913 all Philippine sugar was admitted free, with provision for placing sugar on the free list effective May 1, 1916.

On April 27, 1916, the free-sugar clause of the Underwood Tariff Act was repealed.

In 1933 Congress passed the Philippine Independence Act, which limited to 850,000 long tons the amount of Philippine sugar which can be entered free of duty. Also in 1933 the Department of Agriculture invited the domestic areas to submit a plan for stabilization of the sugar market, but the stabilization agreement drafted by the sugar industry was rejected by the Secretary of Agriculture. In 1934 the President requested Congress to make sugar beets and sugarcane basic agricultural commodities and to provide a quota system, which became law under the Jones-Costigan Act. Also in 1934 the tariff on Cuban sugar was reduced by Presidential proclamation under the flexible-tariff provisions to 1.50 cents per pound and all other foreign sugars to 1.875 cents per pound.

After the Jones-Costigan Act became law the Cuban trade agreement went into effect, providing for a further reduction in tariff from 1.50 cents to 0.90 cent per pound on Cuban sugar.

In 1936 the United States Supreme Court invalidated processing taxes and benefit payments, but the sugar-quota system remained in effect. In 1937 Congress passed the Sugar Act, restoring processing taxes, conditional payments, and establishing a new basis for quotas. Later in 1937 the United States Senate ratified the international sugar agreement, which does not affect domestic sugar areas but contains provisions in connection with Cuba, the Philippines, and the import of other foreign sugars into the United States.

The amendment I have proposed to the pending resolution merely provides that, so long as there is sugar legislation on our statute books, a trade agreement may be entered into between our State Department and foreign nations with respect to lowering the tariff on sugar. But in the event there is no sugar legislation, then the Department is barred from negotiating any trade agreement looking toward the lowering of the tariff on that commodity. It must be remembered that the present Sugar Act is not dependent upon the existence of a tariff. The Sugar Act sets up a system of quotas, whereby the amount of sugar which is permitted to enter and that which is produced in this country is to be equal to the amount of sugar which we consume, with allowances made, of course, for normal carry-overs and abnormal and emergency conditions. In other words, the philosophy of the quota system is based on the theory that the amount of sugar we are permitted to produce in this country, plus the sugar which is allowed to be sent in by our insular possessions, plus what we purchase from Cuba and the Philippines, and also from other foreign nations, under certain restrictions, will supply us with sufficient sugar to meet our domestic consumptive requirements. And by prorating our sugar market among the various sugar-producing areas and possessions and countries, the price of sugar in the United States will remain stable, and both producer and consumer will benefit. This system of quota regulation will expire on December 31, 1940, unless new legislation is enacted.

As I have previously stated, the amendment I am offering merely provides that should there not be a sugar bill enacted after the present law expires, then the tariff which now exists on sugar cannot be lowered by the State Department. I will read the amendment, and I will point out to the Senate the rate of tariff provided in the amendment, as well as the amount of sugar that is to be imported under the amendment. I read from the amendment:

No foreign-trade agreement hereafter entered into under section 350 of the Tariff Act of 1930, as amended, and no modification hereafter made in any such foreign-trade agreement, shall provide for a rate of duty on sugar imported from any foreign country which will be lower during any period than the rate applicable on September 1, 1934—

The rate on that date was $1.50 on Cuban sugars and $1.87½ on all other foreign sugars.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. JOHNSON of Colorado. And that rate was established by proclamation by the President, setting forth that it protected the cost of production in this country as against the cost of production in Cuba and other countries.

Mr. ELLENDER. That is correct. I read further from the amendment—

to sugar imported from such foreign country, unless during such period (1) the quantity of imported sugar which may be marketed annually in the United States is by act of Congress restricted to a quantity no greater than the quantity of imported sugar which may be marketed annually under the provisions of the Sugar Act of 1937, and—

Now, let me read the provision of the 1937 Sugar Act with reference to continental production and importations from our insular possessions. Section 202 of the act provides, in part:

SEC. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas or revise existing quotas—

(a) For domestic sugar-producing areas by prorating among such areas 55.59 percent of such amount of sugar (but not less than 3,715,000 short tons) on the following basis:

Area:	*Percent*
Domestic beet sugar	41.72
Mainland cane sugar	11.31
Hawaii	25.25
Puerto Rico	21.48
Virgin Islands	.24

The important provision of the 1937 Sugar Act, insofar as my pending amendment is concerned, is section 202 (b), which reads as follows:

(b) For foreign countries and the Commonwealth of the Philippine Islands, by prorating 44.41 percent of such amount of sugar (except if such amount of sugar is less than 6,682,670 short tons, the excess of such amount over 3,715,000 short tons) on the following basis:

Area:	*Percent*
Commonwealth of the Philippine Islands	34.70
Cuba	64.41
Foreign countries other than Cuba	.89

As I have pointed out to the Senate a few minutes ago, the pending amendment provides that the importation of sugar shall be no greater than the quantity that is provided for in the present sugar law; and in addition thereto, the amendment carries this further condition—

(2) benefits for domestic producers of sugar are provided which are substantially equivalent to those provided for in the Sugar Act of 1937.

Mr. President, I believe that the amendment is very plain, and really speaks for itself; I do not feel that the subject requires any further discussion. I hope Senators will vote for its adoption. It vitally affects the constituents of every Senator in whose State sugar is produced, because I am satisfied that if there is no sugar law enacted at this session of Congress, and if trade agreements should be entered into whereby the present sugar tariff were reduced one iota from its present rate, that action would mean the death knell to sugar production in this country. Thousands of American farmers and agricultural workers are involved. Therefore I urge the Senate to adopt my amendment. It is a worthwhile and constructive amendment.

Mr. President, I ask for the yeas and nays.

Mr. JOHNSON of Colorado. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Reed
Ashurst	Donahey	Johnson, Colo.	Reynolds
Austin	Ellender	King	Schwartz
Bailey	Frazier	Lee	Schwellenbach
Bankhead	George	Lodge	Sheppard
Barkley	Gerry	McCarran	Shipstead
Bilbo	Gibson	McKellar	Smith
Bone	Gillette	McNary	Stewart
Bridges	Green	Maloney	Taft
Brown	Guffey	Mead	Thomas, Idaho
Bulow	Gurney	Miller	Thomas, Okla.
Byrd	Hale	Minton	Tobey
Byrnes	Harrison	Murray	Townsend
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Clark, Idaho	Hill	Overton	Wagner
Clark, Mo.	Holman	Pepper	Walsh
Connally	Holt	Pittman	Wiley
Danaher	Hughes	Radcliffe	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. HARRISON. Mr. President, has the Senator from Louisiana concluded?

Mr. ELLENDER. Yes. I have asked for the yeas and nays.

Mr. HARRISON. I merely desire to say, before the vote is taken, that I understand that next week legislation will be begun in the House dealing with the quota basis for sugar, and we look for such a measure to come to the Senate. As I stated when a question affecting sugar was before us, those interested in sugar will have our cooperation in the effort to secure the passage of that legislation before the adjournment of Congress.

In view of all the circumstances, I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Louisiana, on which the yeas and nays are demanded.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed as to how he would vote on this question. Therefore I withhold my vote.

The roll call was concluded.

Mr. BRIDGES (after having voted in the negative). I have a pair with the junior Senator from Utah [Mr. THOMAS]. I transfer that pair to the junior Senator from Maine [Mr. WHITE], and permit my vote to stand.

Mr. BILBO. On this vote I have a pair with the senior Senator from Florida [Mr. ANDREWS]. If he were present, he would vote "yea"; if I were at liberty to vote, I should vote "nay."

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Arizona [Mr. ASHURST], the Senator from Washington [Mr. BONE], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

I announce the following general pairs:

The Senator from California [Mr. DOWNEY] with the Senator from Georgia [Mr. RUSSELL]; and

The Senator from New Mexico [Mr. CHAVEZ] with the Senator from Missouri [Mr. TRUMAN].

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Illinois [Mr. SLATTERY];

The Senator from Wisconsin [Mr. LA FOLLETTE] with the Senator from Illinois [Mr. LUCAS]; and

The Senator from North Dakota [Mr. NYE] with the Senator from New Jersey [Mr. SMATHERS].

The result was announced—yeas 21, nays 52, as follows:

YEAS—21

Adams	Holman	O'Mahoney	Thomas, Idaho
Bulow	Johnson, Calif.	Overton	Vandenberg
Clark, Idaho	Johnson, Colo.	Pepper	Wiley
Ellender	King	Pittman	
Frazier	McCarran	Schwartz	
Gurney	Murray	Taft	

NAYS—52

Austin	Danaher	Hill	Radcliffe
Bailey	Donahey	Holt	Reynolds
Bankhead	George	Hughes	Schwellenbach
Barkley	Gerry	Lee	Sheppard
Bridges	Gibson	Lodge	Smith
Brown	Gillette	McKellar	Stewart
Byrd	Green	McNary	Thomas, Okla.
Byrnes	Guffey	Maloney	Tobey
Capper	Hale	Mead	Townsend
Caraway	Harrison	Miller	Tydings
Chandler	Hatch	Minton	Van Nuys
Clark, Mo.	Hayden	Neely	Wagner
Connally	Herring	Norris	Walsh

NOT VOTING—23

Andrews	Chavez	Lundeen	Smathers
Ashurst	Davis	Nye	Thomas, Utah
Barbour	Downey	Reed	Truman
Bilbo	Glass	Russell	Wheeler
Bone	La Follette	Shipstead	White
Burke	Lucas	Slattery	

So Mr. ELLENDER'S amendment was rejected.

Mr. GURNEY. Mr. President, I call up an amendment which is on the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to add the following new section:

> Any foreign trade agreement heretofore entered into under such section 350 which is applicable with respect to manganese ore shall be terminated at the earliest date possible in accordance with the terms of such agreement, with a view toward modifying or renewing such agreement in such a manner that the duties and other import restrictions applicable with respect to manganese ore will be those specifically provided for in title I of the Tariff Act of 1930.

Mr. GURNEY. Mr. President, there was considerable confusion in the Chamber at the time the amendment was read. I do not believe all Senators heard it.

I made some remarks on manganese a week ago today. At this time I wish briefly to call attention to the fact that manganese ore is the number one strategic critical mineral for our national defense; so, I wish Senators would sincerely consider the amendment, because it is so manifestly necessary for our national defense. I say it is necessary, because if the sea lanes are not kept open we must have manganese on hand in this country; and that means domestic development, which cannot start too soon.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. GURNEY. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I should like to inquire as to the possibilities of production of manganese in this country. Can the Senator briefly give us some idea of the possibilities?

Mr. GURNEY. As to the resources in this country?

Mr. LUNDEEN. Yes. I understand that in the State of South Dakota there are vast quantities of manganese ore, perhaps not of the highest quality, but ore from which manganese can be produced under favorable circumstances.

Mr. GURNEY. I thank the Senator. The surveys by the Bureau of Mines show that manganese ore is available in a number of States in the Union. In my State the surveys show 100,000,000 tons, which is sufficient for 100 years if we can start developing it.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, I hope the amendment will be rejected. The fact is that manganese production in

this country is only about 5 percent of the consumptive demand.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. GURNEY]. On this amendment the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Utah [Mr. THOMAS]. I transfer that pair to the Senator from Maine [Mr. WHITE] and will vote. I vote "yea."

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed how he would vote on this question. I therefore withhold my vote. If at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] and the Senator from Montana [Mr. WHEELER] are unavoidably detained.

The Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]. I am advised that if present and voting the Senator from California would vote "yea," and the Senator from Georgia would vote "nay."

The Senator from New Mexico [Mr. CHAVEZ] has a general pair with the Senator from Missouri [Mr. TRUMAN].

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from Wisconsin [Mr. LA FOLLETTE], who would vote "yea," with the Senator from Illinois [Mr. LUCAS], who would vote "nay."

The Senator from North Dakota [Mr. NYE], who would vote "yea," with the Senator from New Jersey [Mr. SMATHERS], who would vote "nay."

The result was announced—yeas 31, nays 47, as follow:

YEAS—31

Ashurst	Ellender	King	Reed
Austin	Frazier	Lodge	Taft
Bone	Gibson	Lundeen	Thomas, Idaho
Bridges	Gurney	McCarran	Tobey
Bulow	Holman	McNary	Townsend
Clark, Idaho	Holt	Murray	Vandenberg
Danaher	Johnson, Calif.	O'Mahoney	Wiley
Davis	Johnson, Colo.	Pittman	

NAYS—47

Adams	Donahey	Hughes	Reynolds
Bailey	George	Lee	Schwartz
Bankhead	Gerry	McKellar	Schwellenbach
Barkley	Gillette	Maloney	Sheppard
Bilbo	Green	Mead	Smith
Brown	Guffey	Miller	Stewart
Byrd	Hale	Minton	Thomas, Okla.
Byrnes	Harrison	Neely	Tydings
Caraway	Hatch	Norris	Van Nuys
Chandler	Hayden	Overton	Wagner
Clark, Mo.	Herring	Pepper	Walsh
Connally	Hill	Radcliffe	

NOT VOTING—18

Andrews	Downey	Russell	Truman
Barbour	Glass	Shipstead	Wheeler
Burke	La Follette	Slattery	White
Capper	Lucas	Smathers	
Chavez	Nye	Thomas, Utah	

So Mr. GURNEY's amendment was rejected.

The PRESIDENT pro tempore. The joint resolution is before the Senate and open to amendment. If there be no further amendment proposed——

Mr. WALSH. Mr. President, before the vote is taken I wish to make a very brief statement.

As a member of the Finance Committee I voted to report the joint resolution when it was before the committee. I reserved, however, the right to vote as I chose on certain amendments to be offered on the floor of the Senate.

I am now about to cast my vote in favor of the joint resolution notwithstanding my disappointment that the Senate has been unwilling either to shorten the term of the authority so that Congress might consider changes and modifications to meet certain objections made by Members of the Senate, or to make the agreements subject to majority approval of the Senate and House, both of which proposals, as all Senators know, I have earnestly and vigorously urged.

However, I am unwilling to vote against the joint resolution, because I think it is a good fundamental and basic principle for a foreign trade program, including the fixing of quotas and removal of vicious tariff barriers which some countries have set up, and concerning which negotiations cannot be entered into by the Congress. I believe that negotiating with foreign countries for trade agreements should not be completely scuttled. Inasmuch as I favor the basic principle and because I am unwilling to take a course which would be construed as one of censure of the entire reciprocal trade agreements program I shall vote for the joint resolution. I shall, however, continue to seek in the future, as I have during this debate, certain modifications, including provision for concurrent action by the Congress, and broader opportunities for hearings and action under the so-called escape clause.

Mr. ASHURST. Mr. President, I ask for the yeas and nays on the passage of the joint resolution.

Mr. MALONEY. Mr. President, I desire to make just a brief observation before the vote is taken.

During the past few days I have received a few letters making inquiry as to why my statement on this measure was delayed until after the vote on the Pittman amendment. To make the RECORD clear to those persons who are interested, I should like to have the RECORD show that I did try to gain recognition for an entire day before the Pittman amendment was acted on. I had advised the leaders and the Chair of my desire to secure recognition, and had been assured by the leaders that I would obtain recognition before the Pittman amendment was voted upon, but could not gain recognition or the floor until immediately thereafter. I did, of course, vote for the Pittman amendment, and shall, as I have heretofore stated, vote "no" on the joint resolution.

Mr. WILEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert a new section, to read as follows:

SEC. —. (a) Section 205 of the Public Salary Tax Act of 1939 is amended to read as follows:

"SEC. 205. No amount of income tax (including interest, additions to tax, and additional amounts) shall be collected after the date of enactment of this act for any taxable year beginning prior to January 1, 1939, to the extent attributable to compensation for personal services as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing. As used in this section the term 'compensation' means compensation paid directly or indirectly by the United States or any agency or instrumentality thereof."

(b) This section shall take effect as of April 12, 1939.

Mr. WILEY. Mr. President, I realize that ordinarily this amendment would have no place on the joint resolution before the Senate, but as this matter relates to revenue I ask the attention of the Senate for just a few moments.

Some days ago I had printed an amendment on this subject, which I ask to have incorporated in the RECORD at this point as part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution insert the following new section:

"SEC. —. (a) Section 205 of the Public Salary Tax Act of 1939 is amended to read as follows:

"'SEC. 205. Any amount of income tax (including interests, additions to tax, and additional amounts) collected on, before, or after the date of enactment of this act for any taxable year beginning prior to January 1, 1939, to the extent attributable to compensation for personal services as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing, shall be credited or refunded in the same manner as in the case of an income tax erroneously collected, if claim for refund with respect thereto is filed prior to January 1, 1941. As used in this section, the term "compensation" means compensation paid directly or indirectly by the United States or any agency or instrumentality thereof and compensation received in the form of fees or other charges authorized by State law.'

"(b) This section shall take effect as of April 12, 1939."

Mr. WILEY. Today I received for the first time an opinion from the Department in reference to this amendment, which was adverse. I ask to have it printed in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The opinion is as follows:

MARCH 29, 1940.

HON. PAT HARRISON,
Chairman, Committee on Finance, United States Senate.

MY DEAR MR. CHAIRMAN: Reference is made to your letter of March 15, 1940, requesting a report on an amendment intended to be proposed by Senator WILEY, of Wisconsin, to House Joint Resolution 407 (extension of Reciprocal Trade Agreements Act). The proposed provision would amend section 205 of the Public Salary Tax Act of 1939 to compel the refund of all taxes for taxable years beginning prior to January 1, 1939, collected on, before, or after the date of the enactment of such act upon the compensation of State officers and employees paid directly or indirectly by the United States or any agency or instrumentality thereof or received in the form of fees or other charges authorized by State law, if a claim for refund with respect thereto is filed prior to January 1, 1941.

The proposed amendment is unnecessary, insofar as it extends to officers and employees whose compensation is received in the form of fees or other charges authorized by State law the same relief which is at present afforded State officers and employees under the Public Salary Tax Act with respect to compensation received directly from the State or a political subdivision thereof. The term "compensation" as used in the Public Salary Tax Act in its present form includes such compensation and has been so interpreted by the Bureau of Internal Revenue. See Mimeograph 4916, C. B. 1939–1, 71, 74; and T. D. 4904, C. B. 1939–1, 399, 401 (copies attached). The proposed amendment, however, goes further than a mere reaffirmation of the rights such employees enjoy under the Public Salary Tax Act of 1939. By removing the restrictions contained in that act as to the time when claim for refund must have been filed it treats such employees more favorably than employees who receive their compensation directly from the State itself. No justification for such favoritism is apparent.

Insofar as the proposed amendment grants refunds to State officers and employees whose compensation was paid directly or indirectly by the Federal Government, it conflicts with the entire rationale of title II of the Public Salary Tax Act. Such title was designed to avoid retroactive taxation of the compensation of State and local government officers and employees in cases where at the time such compensation was earned it was thought to be exempt, but which, because of *Helvering* v. *Gerhardt* (304 U. S. 405 (1938)), was found to be taxable. (See H. R. Rept. No. 26, 76th Cong., 1st sess. (1939) 5; S. Rept. No. 112, 76th Cong., 1st sess. (1939) 12.) The specific exclusion from relief of compensation paid directly or indirectly by the United States or any agency or instrumentality thereof was, therefore, entirely in accord with the rationale of the enactment as a whole. Notwithstanding prior regulations, beginning with Regulations 86, issued under the Revenue Act of 1934, the Bureau took the position that such compensation was taxable. The last paragraph of article 116–2, Regulations 86, as originally issued read as follows:

"If all or part of the compensation of an officer or employee of a State or political subdivision thereof is paid directly or indirectly by the United States, such compensation (or part) is taxable, as, for example, any compensation paid by the United States to officers of the National Guard of a State, or compensation paid by a State to officers or employees of an agricultural school or college wholly or partly out of grants from the United States."

This position has been sustained in the case of *Hanson* v. *Landy* (24 F. Supp. 535 (D. Minn., 1938)). In 1935 such rule was expressly made applicable to the officers and employees of State emergency relief administrations, directly or indirectly paid from funds granted to the State by the Federal Government. (See I. T. 2859, C. B. XIV–1, 101 (1935), copy attached.)

An amendment similar to that now proposed relative to compensation paid by the United States was offered when the Public Salary Tax Act was before the House, and was rejected (84 CONGRESSIONAL RECORD 1330–1331 (1939)). At that time Mr. MCCORMACK presented the following objections to its adoption (p. 1331):

"Mr. Chairman, the amendment just offered by the gentleman from New York [Mr. CELLAR] was considered by the Committee on Ways and Means. The section he undertakes to strike out includes certain employees who have always been subject to a Federal income tax in the main. It is a case where an employee of the State is being paid out of the funds of the Federal Government. They have always been subject to the Federal income-tax law, and we simply provide that the retroactive features of this title shall not apply to them."

In the opinion of this Department, such statement is still a complete answer to any proposal of the character here being considered.

There was sound precedent for the position taken in the Public Salary Tax Act relative to compensation paid directly or indirectly by the United States. The same position had previously been taken in section 1211 of the Revenue Act of 1926, relative to liability arising under the Revenue Act of 1924 and prior revenue acts. Such section was in the following form:

"Any taxes imposed by the Revenue Act of 1924 or prior revenue acts upon any individual in respect of amounts received by him as compensation for personal services as an officer or employee of any State or political subdivision thereof (except to the extent that such compensation is paid by the United States Government directly or indirectly), shall, subject to the statutory period of limitations properly applicable thereto, be abated, credited, or refunded."

Such language serves in addition to demonstrate that Congress has always considered such compensation to be taxable. A line was also drawn between locally paid and federally paid compensation in section 116 (b) of the revenue acts beginning with that of 1928 to and including the Internal Revenue Code prior to its amendment. Such section exempted—

"In the case of an individual employed by Alaska or Hawaii or any political subdivision thereof as a teacher in any educational institution, the compensation received as such. This subsection shall not exempt compensation paid directly or indirectly by the Government of the United States."

It is to be observed that taxpayers, under existing legislation, are not prevented from presenting, in a particular case, the question whether the compensation received by them as State officers or employees is in fact and in law paid directly or indirectly by the Federal Government.

Apart from its general objections to granting refunds to this class of taxpayers, the Treasury opposes the amendment in its present form on the ground that it would place such taxpayers in a better position than those already covered by the act, in that (1) it removes the bar of the statute of limitations, which was not done by the Public Salary Tax Act, and (2) none of the restrictions applicable to other taxpayers under the Public Salary Tax Act with respect to the time within which a claim for refund must have been filed will be applicable to State officers and employees whose compensation is paid directly or indirectly by the United States. Under the amendment as drafted, refunds would be required of taxes collected prior to 1925, and the amendment would in effect repeal the exception contained in section 1211 of the Revenue Act of 1926, already quoted.

For the foregoing reasons, the Treasury is not in favor of the proposed amendment.

In the event of further correspondence, please refer to symbols IR:GC:L&R:CRP; A–342367.

The Director, Bureau of the Budget, has advised the Treasury Department that there is no objection to the presentation of this report.

Very truly yours,

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

Mr. WILEY. The Senator from Mississippi [Mr. HARRISON] kindly had the representatives of the Department go over the matter; and, as a result, there came out of the consultation the modified amendment which I have submitted to the Senate.

I ask to have incorporated in my remarks, at this point, the act passed by the Seventy-sixth Congress (Public, No. 32, 76th Cong., 1st sess., H. R. 3790), which my amendment seeks to amend.

The PRESIDENT pro tempore. Without objection, is is so ordered.

The act is as follows:

[Public, No. 32—76th Cong.—ch. 59, 1st sess.—H. R. 3790]

An act relating to the taxation of the compensation of public officers and employees

Be it enacted, etc., That this act may be cited as the "Public Salary Tax Act of 1939."

TITLE I

SECTION 1. Section 22 (a) of the Internal Revenue Code (relating to the definition of "gross income") is amended by inserting after the words "compensation for personal service" the following: ("including personal service as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing").

SEC. 2. Section 116 (b) of the Internal Revenue Code (exempting compensation of teachers in Alaska and Hawaii from income tax) is repealed.

SEC. 3. Section 22 (a) of the Internal Revenue Code is amended by adding at the end thereof a new sentence to read as follows: "In the case of judges of courts of the United States who took office on or before June 6, 1932, the compensation received as such shall be included in gross income."

SEC. 4. The United States hereby consents to the taxation of compensation, received after December 31, 1938, for personal service as an officer or employee of the United States, any Territory or possession or political subdivision thereof, the District of Columbia, or any agency or instrumentality of any one or more of the foregoing, by any duly constituted taxing authority having jurisdiction to tax such compensation, if such taxation does not discriminate against such officer or employee because of the source of such compensation.

TITLE II

SEC. 201. Any amount of income tax (including interest, additions to tax, and additional amounts) for any taxable year beginning prior to January 1, 1938, to the extent attributable to compensation for personal service as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing—

(a) Shall not be assessed, and no proceeding in court for the collection thereof shall be begun or prosecuted (unless pursuant to an assessment made prior to January 1, 1939);

(b) If assessed after December 31, 1938, the assessment shall be abated, and any amount collected in pursuance of such assessment shall be credited or refunded in the same manner as in the case of an income tax erroneously collected; and

(c) Shall, if collected on or before the date of the enactment of this act, be credited or refunded in the same manner as in the case of an income tax erroneously collected, in the following cases—

(1) Where a claim for refund of such amount was filed before January 19, 1939, and was not disallowed on or before the date of the enactment of this act;

(2) Where such claim was so filed but has been disallowed and the time for beginning suit with respect thereto has not expired on the date of the enactment of this act;

(3) Where a suit for the recovery of such amount is pending on the date of the enactment of this act; and

(4) Where a petition to the Board of Tax Appeals has been filed with respect to such amount and the Board's decision has not become final before the date of the enactment of this act.

SEC. 202. In the case of any taxable year beginning after December 31, 1937, and before January 1, 1939, compensation for personal service as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing, shall not be included in the gross income of any individual under title I of the Revenue Act of 1938 and shall be exempt from taxation under such title, if such individual either—

(a) Did not include in his return for a taxable year beginning after December 31, 1936, and before January 1, 1938, any amount as compensation for personal service as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing; or

(b) Did include any such amount in such return, but is entitled under section 201 of this act to have the tax attributable thereto credited or refunded.

SEC. 203. Any amount of income tax (including interest, additions to tax, and additional amounts) collected on, before, or after the date of the enactment of this act for any taxable year beginning prior to January 1, 1939, to the extent attributable to compensation for personal service as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing, shall be credited or refunded in the same manner as in the case of an income tax erroneously collected, if claim for refund with respect thereto is filed after January 18, 1939, and the Commissioner of Internal Revenue, under regulations prescribed by him, with the approval of the Secretary of the Treasury, finds that disallowance of such claim would result in the application of the doctrines in the cases of *Helvering* v. *Therrell* (303 U. S. 218), *Helvering* v. *Gerhart* (304 U. S. 405), and *Graves et al.* v. *New York ex rel. O'Keefe*, decided March 27, 1939, extending the classes of officers and employees subject to Federal taxation.

SEC. 204. Neither section 201 nor section 203 shall apply in any case where the claim for refund, or the institution of the suit, or the filing of the petition with the Board, was, at the time filed or begun, barred by the statute of limitations properly applicable thereto.

SEC. 205. Compensation shall not be considered as compensation within the meaning of sections 201, 202, and 203 to the extent that it is paid directly or indirectly by the United States or any agency or instrumentality thereof.

SEC. 206. The terms used in this act shall have the same meaning as when used in chapter I of the Internal Revenue Code.

SEC. 207. No collection of any tax (including interest, additions to tax, and penalties) imposed by any State, Territory, possession, or local taxing authority on the compensation, received before January 1, 1939, for personal service as an officer or employee of the United States or any agency or instrumentality thereof which is exempt from Federal income taxation and, if a corporate agency or instrumentality, is one (a) a majority of the stock of which is owned by or on behalf of the United States, or (b) the power to appoint or select a majority of the board of directors of which is exercisable by or on behalf of the United States, shall be made after the date of the enactment of this act.

SEC. 208. This title shall not apply with respect to any officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing, after the Secretary of the Treasury has determined and proclaimed that it is the policy of such State to collect from any individual any tax, interest, additions to tax, or penalties, on account of compensation received by such individual prior to January 1, 1939, for personal service as an officer or employee of the United States or any agency or instrumentality thereof. In making such determination the Secretary of the Treasury shall disregard the taxation of officers and employees of any corporate agency or instrumentality which is not exempt from Federal income taxation, or which if so exempt is one (a) a majority of the stock of which is not owned by or on behalf of the United States and (b) the power to appoint or select a majority of the board of directors of which is not exercisable by or on behalf of the United States.

SEC. 209. In the case of the Judges of the Supreme Court, and of the inferior courts of the United States created under article III of the Constitution, who took office on or before June 6, 1932, the compensation received as such shall not be subject to income tax under the Revenue Act of 1938 or any prior revenue act.

SEC. 210. For the purposes of this act, the term "officer or employee" includes a member of a legislative body and a judge or officer of a court.

SEC. 211. If either title of this act, or the application thereof to any person or circumstances, is held invalid, the other title of the act shall not be affected thereby.

Approved, April 12, 1939.

Mr. WILEY. Mr. President, my amendment proposes to insert a new section 205 in the Public Salary Tax Act of 1939. The Industrial Commission of Wisconsin has directed my attention to what it believes is a gross injustice now worked on certain State employees by the Public Salary Tax Act of 1939.

Briefly, the present Supreme Court of the United States found no constitutional limitations on the power of the Federal Government to tax State employees, and vice versa. Accordingly, the 1939 Public Salary Tax Act provided that the Federal Government would not seek to collect back taxes from State employees, which it was at liberty to do under the new interpretation. The act made one exception. That exception was the group of State employees whose salaries had been financed in whole or in part out of Federal grants. This is outlined in section 205 of the Public Salary Act.

This appears to be an unreasonable and arbitrary classification, and may work a serious injustice. This may mean that many State employees will now be called upon to make up, in one lump payment, the tax for some years back, and for a period during which they may have been immune from taxation under a court interpretation. These State employees were in the same service classification and the same salary bracket as other State employees with salary not financed by Federal grants, and a good many of them were in service before the Federal grant of funds.

Let us briefly consider this matter under two headings:

First. Number of employees affected.

Second. Considerations relating to the equities of the situation.

1. Number of employees affected: Conservatively, there are several hundred State employees in Wisconsin whose interests are, in all probability, affected by the present Federal legislation allowing assessments for past years on their income earned in State service. At this time an approximately exact number cannot be stated. However, an enumeration of the departments affected will show the wide application of the principle at stake. The employment service and the unemployment compensation department of the industrial commission have approximately 600 employees. While, of course, not all of these fall in salary brackets that would cause them to be affected by the present income-tax legislation, nevertheless there is a good proportion of this number who are affected.

The chairman of the highway commission estimates that there are approximately 200 individuals in the State highway department who may well have to pay back taxes through a considerable number of years. Many individuals on the instructional staff at the university, in the schools of engineering and of agriculture, are affected. The entire number of county agents and their staffs are concerned. The depart-

ment of agriculture and markets have some cases involved. The department of public welfare, embodying the relief and assistance agencies, have a very considerable number of individuals affected. The employees of the department of vocational education have a stake in the matter. Employees in the department of public instruction and in the conservation department are affected.

2. Considerations relating to the equities of the situation: In all save a very few cases, such as university instructors and county agents, the State employees whose salaries are derived in whole or in part from Federal grants to the State have come from the classified civil-service lists. There is absolutely no difference in job-qualification standards and general nature of work done between employees whose salaries are traceable to Federal grants and employees whose salaries are not so traceable. State employees, regardless of whether or not their income is derived from Federal grants, not only are selected with reference to identical job-qualifications standards and do the same type of work, the civil-service classification considered, but there is likewise no difference in the salary brackets; and promotions, pay increases, and so forth, are subject to identical considerations.

Illustrative of this point, there are several situations I have learned of, wherein the employees whose salaries have been derived in the past from Federal grants were without knowledge of the fact. It is not at all unusual for employees in the State service to be unacquainted with fiscal arrangements existing between the State and the Federal Government.

In a number of instances the State employees affected in the instant situation were already in State employment and performing the functions of their departments before the advent of Federal funds into the picture. As an example, the State of Wisconsin had an employment service and an unemployment-compensation department before the Wagner-Peyser funds and funds under title III of the Social Security Act were made available, respectively, to these two departments. The affected employees in these two departments had been selected with reference to personnel classifications set up before the coming in of Federal funds. Their qualifications and salary classifications in no manner related to Federal specifications. At the time Federal funds were afforded the State, there was no change in pay or salary classification of these individuals. It is quite obvious that if the Federal Government now goes back and taxes these employees, the fact that the Federal Government came in and furnished money to the State to pay the salaries of these employees means that these employees suffered what amounts to a salary waiver which is now to be made effective by one assessment for all these past years. The employees in those departments have in very many instances been selected from classifications in the civil-service list from which many other State departments draw their personnel, and hence are receiving the same rates of pay and are performing the same functions as are other State employees. Certainly to go back now and tax this restricted group of individuals on a retroactive base makes for discrimination and inequality between employees in the State doing the same type of work pursuant to State civil-service standards.

Therefore, I am offering my amendment to correct this situation. Title 2 of the Public Salary Tax Act of 1939 affords relief to certain State officers and employees from Federal income taxes for years prior to 1939. The relief so afforded did not include State offcers and employees who were paid directly or indirectly by the United States, because the Treasury Department argued that they were always subject to the tax, and it would have been inequitable to afford them such relief.

Section 205 of the present law prevents relief where the compensation is paid directly or indirectly by the United States. My amendment, as modified, repeals the present section 205 by amending it to read in a different manner.

The effect of my amendment, as modified, is to prevent the collection of taxes for all taxable years prior to 1939 if the compensation was paid directly or indirectly by the United States. It does not apply to the ordinary State officer or employee, nor to the employee engaged in an essential governmental function, as distinguished from one engaged in a nonessential function. The test to be applied is whether the compensation was paid by the United States. No money would be paid out of the Treasury as a result of adopting this amendment, as it does not authorize any refunds of taxes already paid.

No one can say that this amendment applies only to a Wisconsin baby. We have heard arguments here throughout 2 weeks to the effect that every State has a child of its own. Each Senator is interested in this matter. In my State there are from 500 to 700 public officials who will be penalized. In States such as New York the number will run up to from 3,000 to 10,000. If the Government imposes and collects this tax, as it threatens to do, it will reach back 6 years, and take the salary that the individual earns this year.

I have here a letter, which I ask to have printed in the RECORD, from a very prominent professor in Wisconsin University. By his personal efforts, because of his discovery of vitamins and their effect, he has given the equivalent of millions of dollars to the public good. He calls attention to the fact that because the Government has contributed something toward the salaries of professors in the University, his associate professors will have to pay back income taxes to the Government throughout the years.

I ask that this letter be printed in the RECORD as part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letter is as follows:

UNIVERSITY OF WISCONSIN,
COLLEGE OF AGRICULTURE,
Madison, Wis., April 1, 1940.

Hon. Senator ALEXANDER WILEY,
United States Senate, Washington, D. C.

DEAR SENATOR WILEY: It has lately been called to my attention that due to a reversal of a previous Supreme Court decision, State employees like myself will be subject to the payment of a Federal income tax on that part of our salary which for some years has been exempt because of its origin from the State treasury.

I, of course, can raise no valid objection against the payment of taxes upon income because in most instances I am convinced that income tax is a justifiable tax. But in my own particular case and in that of many of my colleagues it so happens that we received payment over a long period of years without knowing whether the money for these payments had its origin from State or Federal sources. In some cases the payments were made primarily from State sources and in other cases primarily from Federal sources. But of this we were never notified. In consequence of this if we would now have to make payment of these back taxes some of us would be affected very little and others would be affected to a critical extent. It is this injustice which prompts me to write you hoping that you will do everything you can to secure the enactment of a law which will remove the liability for these back taxes.

Thanking you, I am
Cordially yours,

HARRY STEENBOCK.

Mr. WILEY. I also ask to have incorporated in the RECORD a statement from the Industrial Commission of the State of Wisconsin, by its counsel, Stanley Rector.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

INEQUITABLE TREATMENT OF CERTAIN STATE EMPLOYEES IN THE 1939 PUBLIC SALARY TAX ACT

The 1939 Public Salary Tax Act abated the liability of State officers and employees to pay Federal income taxes on their earnings for past years, except to the extent that their compensation had been paid directly or indirectly by the Federal Government.

This analysis proposes to show that the failure to extend exemption from past liability to the class of State employees indicated above is out of accord with what Congress had in mind at the time of the passage of the act, and is premised on an erroneous understanding of the past history of the problem of Federal taxation of State employees.

It is generally regarded that the Federal Supreme Court in *Helvering* v. *Gerhardt* (304 U. S. 405 (1938)) and in *Graves* v. *O'Keefe* (59 S. Ct. 595 (1939)) has greatly restricted (if it did not, for all practical purposes, destroy) the constitutional immunities from taxation which had formerly attached to State and Federal employees. The Supreme Court in these cases decided that the constitutional immunity from taxation that had been previously supposed to exist as to a great number of State and Federal employees

had never as a fact existed. As a consequence these employees became apparently liable to pay income taxes on all their past earnings—that is, State employees became liable to pay Federal income taxes on all their past earnings and Federal employees became liable to pay State income taxes on all their past earnings. An obviously intolerable situation would have existed had not remedial action been taken. The Public Salary Tax Act of 1939 proposed to rectify the matter by waiving and abating past income-tax liability which had thus been acquired by State and Federal employees by reason of the cited Supreme Court decisions. While this remedial legislation was being discussed by Congress, representatives of the Treasury Department proposed that past liability be abated as to all State employees except those who had no legal basis for believing their compensation to be exempt. This was in accord with the President's message of January 19, 1939, which specified the need of protection because of recent Supreme Court decisions for individuals who "mistakenly and in good faith" had believed their compensation to be immune from Federal tax.

John P. Wenchel, Chief Counsel, Bureau of Internal Revenue, stated to the House Committee on Ways and Means:

"The President's recomemndations with respect to excusing now from Federal income tax for past years the compensation of those employees of States and their municipalities who honestly had good reason to believe their compensation to be immune from tax can, in my opinion, be adopted satisfactorily without at the same time excusing from tax liability those employees who have had no legal basis for believing their compensation to be exempt. For example, even before the Gerhardt decision State employees engaged in the sale of liquor on behalf of the State knew definitely they were subject to Federal income tax on their compensation (*Ohio* v. *Helvering* (1934), 292 U. S. 360); officers and employees of public utilities, such as State railways and the like, owned or operated by a State or municipality, knew their compensation was subject to Federal income tax (*Helvering* v. *Powers* (1934), 293 U. S. 214); and for 13 years it has been known that an independent contractor performing services for, or supplying materials to, a State or a political subdivision thereof is subject to Federal income tax (*Metcalf & Eddy* v. *Mitchell* (1926), 269 U. S. 514) on his compensation received therefor."

No proposed draft was before the congressional committee, and only the general content and specifications of proposed legislation were being recommended and considered. The provisions were to be later drawn by the Treasury Department. In view of all the discussion at the time of hearings on the measure, it can but be assumed that Congress intended to exclude from the abating provisions of the law only those State employees who in the past "had no legal basis for believing their compensation to be exempt."

It would appear, therefore, that those drafting the legislation considered that the class of State employees who could be properly regarded as having had reason to definitely know that they had always been subject to Federal income taxes were those State employees whose salaries had been paid directly or indirectly by the Federal Government.

In this thought there was fundamental error. It is this error relating to the class of employees who could be held as always having known that they were liable for Federal taxes that gives rise to the erroneous classification of section 205 of the 1939 Public Salary Tax Act which fails to abate the liability of State employees who have been paid in whole or in part, directly or indirectly, by the Federal Government. An examination of the state of law then obtaining will make clear that this classification made by section 205 is an erroneous one and that it visits liability for past taxes on a group of employees who as a class had no good reason whatsoever to know that they had any legal liability to pay Federal income taxes.

If the thesis set out immediately preceding can be successfully maintained, clearly Congress should in all fairness move to correct the situation which obviously has and will continue to work gross inequities and will affect in an intolerable manner the finances of a very large number of citizens. The following analysis will disclose the essential soundness of the thesis.

At the time of the passage of the Public Salary Tax Act there was, as a matter of fact, as pointed out by Mr. Wenchel (see above quotation from his testimony) a class of State employees who had full reason to know that they were subject to the Federal income tax. The cases cited by Mr. Wenchel are illustrative of the nature and limits of this classification. Nothing could be clearer than that the group who had reason to know of their liability under Federal income-tax legislation was made up of State employees whose income had been derived from services in the nonessential functions of State government or in the proprietary or group aspects of such governmental activity.

A converse analysis will, with equal clearness, show that the controlling cases and legislation defining the nature and limits of the class of employees who had full reason to know of their Federal tax liability were in no manner related to the item of the Federal payment of salaries. A chronology and summary of the decisions of the Supreme Court of the United States will clearly demonstrate the basis of the classification of federally taxable State employees and those State employees immune from Federal taxes that existed prior to the Supreme Court's decisions in the Gerhardt and O'Keefe cases.

In *Dobbins* v. *Commissioners of Erie County* (16 Peters 435 (1842)) and in *Collector* v. *Day* (11 Wall. 113 (1870)) the Court laid down the principles of the respective immunity of Federal and State employees from the taxing jurisdiction of the other sovereign. The immunity doctrine was based upon a conception of sovereignty that permitted no burdens to be imposed thereon on the theory that an allowance of the power to tax held in it the power to destroy.

In *Flint* v. *Stone Tracy Company* (220 U. S. 107, 172 (1911)) there was the first limitation on the broad doctrine of Federal and State employee immunity when certain trustees were held not to be agents of a State government in the sense which exempts them from taxation because of the execution of necessary governmental powers of the State.

In *South Carolina* v. *United States* (199 U. S. 437 (1905)) the immunity doctrine was restricted by the holding that immunity from taxation related only to governmental functions. The State in its proprietary capacity had established dispensaries for the exclusive sale of liquor, and the Court sustained the imposition of a Federal tax on such activity.

These previous cases occurred prior to the sixteenth amendment and could not, of course, have reference to the powers conferred by this amendment to the Federal Constitution. However, *Evans* v. *Gore* (253 U. S. 245 (1920)) held that the purpose of the sixteenth amendment was not to broaden the scope of taxation or bring in new subject matter for taxes, but was merely to relieve income taxes from the constitutional requirement that direct taxes must be apportioned between the States according to their respective populations.

In *Metcalf & Eddy* v. *Mitchell* (269 U. S. 514 (1926)) it was reiterated that performance of services in governmental functions was the test of immunity, and it was held that an independent contractor performing a contract relating to results was not in such relation to the State as to have Federal income-tax immunity conferred upon him.

Ohio v. *Helvering* (292 U. S. 360 (1934)) applied the doctrine of the South Carolina case to another State monopoly on liquor stores.

In *New York ex rel. Rogers* v. *Graves* (1937) (299 U. S. 401) the court, in applying the immunity doctrine, found that New York could not constitutionally tax the salaries paid the officers and employees of the Panama Railroad Co. The operation of the Canal was held to be an exercise of the war and commerce powers (p. 406), and without any question as to the distinguishing characteristics of an instrumentality of government as compared with employees engaged in the performance of services for such instrumentality, the court immediately concluded that the officers and employees of the railroad company were exempt from taxation.

In *Brush* v. *Commissioner of Internal Revenue* (300 U. S. 352 (1937)) the court concluded that water was a vital necessity to the city of New York and was auxiliary to its public functions, with the consequence that officers and employees of the city's water department were immune from Federal income taxation.

Allen v. *Regents of the University System of Georgia* (304 U. S. 590, 58 S. Ct. 1053) (rehearing denied, 304 U. S. 439, 58 S. Ct. 980) is authority for the proposition that collecting of admissions for football games by State universities is not an essential Government function and that therefore such activities are not immune from Federal taxation.

Helvering v. *Therrell* (303 U. S. 218 (1938)) is frequently cited as a support for the proposition that a State employee can claim no exemption from Federal income taxation if he is not paid by State moneys. However, the court, in holding that a liquidator of State banks was not immune from Federal tax, did so in a manner that prevents this case from being authority for such a proposition. The ratio decidendi mentions more considerations. The taxpayers were not officers of the State in the strict sense. The business of liquidating the banks and insurance companies was not a governmental function. The corporations being liquidated were private enterprises and the taxpayers were paid from private assets. It is clear that the first two considerations would have in themselves supported the court's decision.

The above-cited cases allow no contradiction to the assertion that at the time of the Gerhardt and O'Keefe cases (the implications of which formed the subject matter of remedial legislation in the 1939 Public Salary Tax Act) it was State employees engaged in the performance of nonessential or proprietary functions of government who constituted the class that had reason to know that they always had been subject to Federal income tax in the light of established law existing before the Gerhardt and O'Keefe decisions. It is significant that not a single case considered the derivation of funds out of which compensation of the employees were paid as having a controlling significance. As pointed out, the Therrell case, which is frequently cited in support of the "derivation of funds" theory, found that the services performed were nonessential to Government, and hence the case is entirely foursquare with the "essential versus nonessential governmental functions" basis of classification.

A brief reference to the history of income-tax legislation will further disclose the error in denominating State employees who would be paid directly or indirectly from Federal funds as those "who had no legal basis for believing their compensation to be exempt."

The Revenue Act of 1913 imposed the first income tax levied pursuant to the authority of the sixteenth amendment. This act contained an express exemption relating to all State officers and employees except those having their compensation paid by the Federal Government. The Revenue Acts of 1916 and 1917 continued these exemptions. However, after considerable debate on constitutional considerations, the 1918 Revenue Act as passed deleted any reference to State employees. No mention was made one way or the

other concerning them—this regardless of how their salaries happened to be derived. There was, however, an express inclusion of Federal officers and employees. Each subsequent revenue act up to the time of the 1939 Public Salary Tax Act likewise failed to make any specific mention of State employees as being taxable or nontaxable. Presumably, because of the elimination of the specific exemption language in the 1918 Revenue Act, the Secretary of the Treasury requested and received from the Attorney General of the United States an opinion to the effect that even though the act did not expressly include or exclude compensation paid State and municipal employees, it could not be assumed that there was an intent to tax salaries of State employees, because "there cannot be any doubt but that such wages and salaries are beyond the taxing powers of Congress" (opinions of Attorney General Palmer, May 6, 1919).

To those pointing out that the early Revenue Acts of 1913, 1916, and 1917 contained specific exemptions relating to State employees, it is clear that subsequent Supreme Court decisions above-cited recognize that in general the limitation was of a constitutional rather than of a statutory nature, since, as was later developed by the cases above-discussed, Congress had no power to tax State employees except those performing nonessential functions of Government. Therefore, the effect of the exemption language relating to State employees in the 1913, 1916, and 1917 acts was to exclude from taxation only these "nonessential employees," except those of this group that were paid from Federal funds. Stated another way, the early statutory language, as was finally made apparent by court decisions, achieved an exemption of State employees who were in nonessential governmental services and who were not paid from Federal funds. When this language was dropped out of the series of Revenue Acts beginning in 1918, the situation was entirely controlled by constitutional considerations. Thus, had the early statutory exemption language remained, it is an accurate statement, in the light of subsequent Supreme Court decisions, to say that an employee engaged in the performance of services in an essentially governmental function would have been exempt, regardless of the fact that he might have been deriving his salary from funds furnished the State and Federal Governments.

A reference to the series of "regulations" issued by the Treasury which relate to corresponding revenue acts will further evidence that there is little, if anything, to charge employees paid directly or indirectly by the Federal Government with a sure knowledge of their Federal tax liability. Regulations 33 and Revised Regulations 33, relating to the 1913 and the 1916–17 Revenue Acts, respectively, contain articles defining and interpreting the corresponding express statutory exclusion of State employees. When the express statutory exemption of State employees was discontinued in 1918, the regulations for that year and subsequent revenue acts down to 1926 point out that all State officers and employees were immune.

Very far from restricting immunity to those not paid by Federal funds, the regulations relating to the Revenue Act of 1916 and each Revenue Act thereafter until 1934 mentioned employees who were paid out of Smith-Lever funds (that is, Federal funds) as examples of State employees who were not liable to pay Federal income taxes. The 1926 regulations reflect the significance attached by the Treasury to the decision in the Metcalf and Eddy case, and articles of the regulations distinguished for the first time State employees engaged in nonessential governmental functions from those engaged in essential governmental functions. Specific mention of this "essential" and "nonessential" classification exists until 1938, at which time the regulations proceed to beg the question by specifying that State officers and employees were subject to tax on all compensation received by them "except that which was immune from taxation under the Constitution of the United States."

In 1934 and 1936, though, as before stated, the regulations base tax immunity on the then accepted constitutional principle of essential against nonessential governmental function. Reference is again made in the regulations—and seemingly without any basis in the statutes or court decisions—that compensation of a State employee is not immune if derived directly or indirectly from Federal money. There is no attempt made to reconcile this seemingly irreconcilable classification with the essential against nonessential" classification. Certainly State employees could not be charged with any clear understanding of a definite legal liability on their part by this reference to Federal funds in the 1934 and 1936 regulations.

After specifying that federally derived State salaries were taxable in the 1934 and 1936 regulations, as before stated, the regulations proceeded to beg the whole question in 1938 by pointing out that all State salaries were subject to tax except those that were constitutionally immune. Apparently the Treasury Department at this point gave up trying to fairly and correctly interpret the existing state of law and put taxpayers on their own in trying to ascertain what the state of law might be.

It is not necessary for the purpose of this analysis to examine as to the validity of the Treasury Department's contention set forward in the regulations of 1934 and 1936 to the effect that State employees were liable to the extent that they were paid directly or indirectly by the Federal Government. It suffices to show here that the state of existing law during this period of time certainly would not warrant the conclusion that this class had always been considered liable to pay Federal income tax and consequently "had no legal basis for believing their income to be exempt." As the preceding analysis of controlling case law, legislation, and Treasury Department regulations demonstrates, the theory of nonimmunity of State salaries because of Federal fund derivation could in no manner be considered as the accepted criteria for distinguishing State employees who were immune from Federal taxation from those who were not so immune.

The case of *Hanson* v. *Landy* (24 Fed. Supp. 535) apparently is not only the first case but the only case that tests the contention of the Treasury Department in its 1934 and 1936 regulations that State employees paid with Federal funds are subject to Federal income tax. The employee was a professor in the agricultural college of the State university of Minnesota and was paid from Smith-Lever funds. The court held that there was no immunity from taxation, since the fact that the State did not pay the salary could allow of no conclusion that a burden was imposed on the State government by the Federal tax. It is quite clear that the ratio decedendi of the case does not make taxability turn upon the derivation of funds from Federal sources merely, but rather on the fact that the salaries were derived from sources other than the State. The case was decided August 3, 1938 (less than a year before the enactment of the Public Salary Tax Act), which would hardly support the proposition that State employees paid out of Federal funds had always known that they were subject to Federal income tax.

The district court had before it the decision in the Helvering case and its interpretation of the significance of this case can be questioned. The court stated that "according to more recent decisions immunity may be claimed from taxes by persons employed by the State—engaged in the performance of an essential governmental function when it clearly appears that the burden on the State would be actual and substantial and would not be merely conjectural." It is submitted that neither the Helvering case, nor any case prior thereto, concerned itself with whether or not a burden was imposed, after it had determined that the service performed related to an essential governmental function. It is of importance to note in passing that the district court found that the Treasury Department had been in error in excluding the Smith-Lever group of State employees in their previous regulations. Certainly, if the Treasury Department had been in error all these years, how could it be said that this group of State employees or any other State employees paid out of Federal funds had had full reason to know their legal responsibility to pay Federal taxes in the past?

Whatever might have been the importance of the district court decision in the Hanson case was considerably dissipated by a decision of the circuit court of the seventh district in *Helvering* v. *Stilwell* (101 Fed. (2d) 588). It was the Government's contention that the income of a master in a chancery court in the State of Illinois who was compensated by fees paid by litigants was subject to tax because, since his compensation was not paid by the State, there could be no burden in imposing the tax. That this question of derivation of funds as a criterion of tax immunity was an original one was conceded by the Government, and the court pointing out that "the precise question here presented, that is, where the taxpayer, though he be an officer of the State government, receives his compensation from sources other than the State, or the political subdivision of which he is an officer, is immune from Federal taxation, has not been decided by the Supreme Court is conceded. We are urged, however, to adopt what is claimed to be the more modern theory that immunity from Federal tax is allowable only where there is a resultant burden upon the State, and where as here compensation of the taxpayer is payable from a source other than the State itself, there can be no such burden upon the State and consequently no immunity."

It was this more modern doctrine referred to in the above quotation that was the basis of the Government's endeavor to declare in the 1934 and 1936 regulations that State employees paid directly or indirectly by Federal funds were taxable and the basis of the Government's argument which prevailed in the Hanson case. The court denied the claims of the Government and held that the test of immunity had been and continued to be that of whether an employee is engaged in performing an essential or nonessential function of the Government. The easily recognizable significance of this case in the present matter is greatly enhanced by the fact that the court had before it the Gerhardt case. The opinion of this court was that the Gerhardt case did not destroy the old doctrine of immunity or change the basis thereof, but rather restricted its application. It is certainly pertinent to this analysis to point out that the Supreme Court refused to review the circuit court's decision (*Helvering* v. *Stilwell* (307 U. S. 644)). It would seem, therefore, that the Treasury Department's theory as to salary derivation being the test of immunity has been discredited by the highest court to which it has been brought. The decision was handed down on March 9, 1939, immediately preceding the approval of the Public Salary Tax Act on April 20. In the light of this decision alone and without reference to the other weighty considerations herein considered, it can be fairly stated that at the time of the passage of the act, State employees could not be justly charged with the knowledge that their income was subject to tax because it was derived from sources other than the State and in such a manner that a Federal tax did not place a burden on the State.

Apparently there is reliance on section 1211 of the Revenue Act of 1926 as evidence that State employees paid directly or indirectly from Federal funds have always been considered subject to Federal income taxation. (Senator WILEY, of Wisconsin, for instance, was so informed by representatives of the Internal Revenue Bureau.)

Section 1211 of the 1926 Revenue Act abated all past liability with respect to Federal income taxes imposed "upon any individual in respect of amounts received by him as compensation for

personal services as an officer or an employee of any State * * * (except to the extent that such compensation is paid by the United States Government directly or indirectly)."

Reference to the legislative history of the section shows that congressional intent was in no manner predicated on any idea that State employees receiving Federal funds had been, previous to the enactment of section 1211, any more subject to Federal income taxation than any other class.

Section 1211 was the congressional answer to the implications of the Metcalf and Eddy decision in 1926. Senators Butler and Howell pointed out the grossly inequitable situation resulting from Treasury Department action with reference to the Supreme Court decision. They asserted that State employees who had had no reason for believing that they were subject to Federal income tax were presently being apprised of their liability on their past earnings. (It is to be recalled that the Treasury regulations commencing with the Revenue Act of 1918, which deleted all reference to State employees, specified that all State officers and employees were immune—this without reference to any qualifications.)

Section 1211 represented amendments by Senators SHIPSTEAD and Butler to correct the situation. (See CONGRESSIONAL RECORD, vol. 67, pt. IV, pp. 3853–3855, incl.) Section 1211 constituted abating legislation and did not, as suggested, declare as to the Federal tax liability of any group, but rather relieved through abatement such liability as might obtain with respect to State employees generally, except a specified number of the group. The failure to relieve such liability as existed with reference to this group clearly is to be distinguished from imposing liability with respect to the group. Reference to the remarks of the sponsors and active supporters of the measure will demonstrate that they had no well-defined ideas as to what State employees might or might not be subject to Federal taxation by reason of the Metcalf and Eddy decision but were seeking only to take preventive action. There is no indication as to why possible liability was continued with respect to State employees paid out of Federal funds. The possible explanation is that section 1211, as was the 1939 Public Salary Tax Act, was drafted by the Treasury Department and premised then (as now) upon erroneous conceptions. One would have to fully understand the conception of the Metcalf and Eddy decision that existed in the minds of the drafters of section 1211 and know precisely the status, functions, and relations to State and local government of those who at that time derived their pay directly or indirectly from Federal funds and who were deemed to have been affected by the Metcalf and Eddy decision, in order to properly appreciate the situation. It is clear that there was no thought at the time that all governmental workers paid directly or indirectly out of Federal funds were, by reason of the enactment of section 1211, bound to pay the Federal tax. Subsequent to the enactment of section 1211 the Treasury continued to treat employees paid out of Smith-Lever funds as a class representative of those immune from Federal income taxation.

The treatment afforded State employees paid out of Smith-Lever funds by Treasury regulations not only constitutes proof that the Treasury Department has itself never considered all Federally paid State employees as subject to Federal income taxation but it is likewise illustrative of the very grave inequities that will be practiced by the failure to abate liability of all State employees and this without the exception presently made in the 1939 Public Salary Tax Act.

The inequities in the position of the Treasury Department are patent. After they had been treated as specific illustrations of an immune class for the period of years indicated, the recent Treasury Department release in interpretation of the 1939 salary act entitled "Taxability of Compensation Received by Federal Officers and Employees and Officers and Employees of the State (It. mimeo. col. No. 4916—R. A. No. 978)" expressly states that the employees who have received Smith-Lever funds are not entitled to abating action of the Public Salary Tax Act but are consequently liable for all back taxes—this because of their Federally derived funds.

CONCLUSION

The Supreme Court decisions in the Gerhardt and O'Keefe cases substantially altered the doctrine of constitutional immunity from taxation of the salaries of State and Federal employees. In the 1939 Public Salary Tax Act, Congress intended to relieve all State employees of liability to pay Federal income taxes that might accrue by reason of these decisions except in those instances where the State employees "had no legal reason to believe that their compensation had ever been exempt from taxation." The only class of State employees who, through the previous years, could have been charged with the knowledge of liability to pay Federal income taxes were State employees engaged in what the courts from time to time had held to be nonessential governmental functions. State employees performing essential governmental functions had no reason whatsoever to believe that constitutional immunity did not attach to their earnings merely because their compensation had been paid directly or indirectly out of Federal funds. For many years Federal tax regulations expressly exempted from Federal income taxes groups of State employees who were paid out of Federal funds. Not until 1934 did the Treasury regulations consider that there was no immunity from taxation if the funds were paid directly or indirectly by the Federal Government. The contention that the source of salary derivation was of primary importance in considering whether there was a burden on the State and consequently whether the salary was taxable was adopted by a court for the first time in 1938, and in another case the contention was expressly disallowed by the highest court which has ever entertained the issue.

The proper appreciation of section 1211 of the 1926 Revenue Act disallows it being considered as evidence that all State employees paid from Federal funds have always been considered as liable to pay Federal taxes. The section did not attempt to create liability; it was an abating provision intended to relieve liability of an undefined class of employees who might have been affected by a court decision at that time. As shown by its subsequent regulations, the Treasury Department did not itself consider that all State employees paid out of Federal funds were affected by the section. In any event, the Supreme Court decisions, both prior and subsequent to the enactment of this section, have pointed out that the matter of taxation of State employees is a constitutional question. The enactment of section 1211 was not only not premised on congressional thought that all State employees paid out of Federal funds were subject to Federal tax but Congress could not have, had it desired to, proposed such a liability in the light of the constitutional doctrine of immunity as then enunciated by the Supreme Court. It is quite clear that, at the time of the enactment of the 1939 Public Salary Tax Act, State employees paid directly or indirectly by Federal funds had no reason whatsoever to know that as a group they had been for the past period of years subject to the taxing jurisdiction of the Federal Government.

STANLEY RECTOR,
Counsel for Industrial Commission.

Mr. HARRISON. Mr. President, I hope the Senator from Wisconsin will not offer this amendment to this particular joint resolution. I assure him that at the first opportunity which the Committee on Finance has, when a revenue bill or a tariff bill comes over from the House of Representatives—and I expect one to come over here pretty soon—this matter will be considered. I say this so that no one will get the wrong impression and think that a major tax bill is coming over. It is expected that a tariff bill of some kind will come here before long, and we will then take up and consider the matter referred to by the Senator. I hope the amendment will not be adopted as a part of this joint resolution, which deals with an entirely different subject.

Mr. WILEY. I appreciate the remarks of the distinguished Senator. I should like to ask him a question. Does he approve the principle of this amendment?

Mr. HARRISON. We will get a full report regarding it from the Treasury Department and from the experts of the Joint Committee on Internal Revenue Taxation. From the reading of the amendment at the desk there seems to be something in it. I do not refer to the first draft the Senator presented, but we will consider the second draft of the amendment which the Senator has offered. The experts and the Treasury Department will go over it, and I assure the Senator that we will give it every consideration. That is all I can promise.

Mr. WILEY. I take it that the remarks of the distinguished Senator from Mississippi would apply whether or not this amendment were defeated. I have promised my constituents back home that I would attempt to have the amendment made a rider upon this joint resolution. Therefore I cannot agree to withdraw the amendment; but, if it has merit, we at least have had publicity for it, and I ask every Senator whose constituents are affected to give it consideration.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

Mr. HARRISON. Mr. President, I ask for a division on the amendment.

Mr. WILEY and Mr. McNARY called for the yeas and nays.

The yeas and nays were not ordered.

Mr. McNARY. I ask for a division.

On a division the ayes were 19, the noes were 51, so the amendment was rejected.

The PRESIDENT pro tempore. If there be no further amendment, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading and read the third time.

The PRESIDENT pro tempore. The question now is, Shall the joint resolution pass?

Mr. ASHURST. I ask for the yeas and nays.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Radcliffe
Ashurst	Donahey	Johnson, Colo.	Reed
Austin	Ellender	King	Reynolds
Bailey	Frazier	Lee	Schwartz
Bankhead	George	Lodge	Schwellenbach
Barkley	Gerry	Lundeen	Sheppard
Bilbo	Gibson	McCarran	Shipstead
Bone	Gillette	McKellar	Smith
Bridges	Green	McNary	Stewart
Brown	Guffey	Maloney	Taft
Bulow	Gurney	Mead	Thomas, Idaho
Byrd	Hale	Miller	Thomas, Okla.
Byrnes	Harrison	Minton	Tobey
Capper	Hatch	Murray	Townsend
Caraway	Hayden	Neely	Tydings
Chandler	Herring	Norris	Vandenberg
Clark, Idaho	Hill	O'Mahoney	Van Nuys
Clark, Mo.	Holman	Overton	Wagner
Connally	Holt	Pepper	Walsh
Danaher	Hughes	Pittman	Wiley

The PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present. The question is, Shall the joint resolution pass? On that question the yeas and nays have been demanded.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a general pair with the Senator from Utah [Mr. THOMAS] which I transfer to the Senator from Maine [Mr. WHITE]. If the Senator from Maine were present, he would vote "nay." If the Senator from Utah were present, he would vote "yea." I vote "nay."

Mr. BYRD (when Mr. GLASS' name was called). My colleague the senior Senator from Virginia [Mr. GLASS] is unavoidably absent on account of illness in his family. Were he present, he would vote "nay."

Mr. VANDENBERG (when Mr. NYE's name was called). The Senator from North Dakota [Mr. NYE] is necessarily absent on important business. He is paired with the Senator from New Jersey [Mr. SMATHERS]. If the Senator from North Dakota were present, he would vote "nay." If the Senator from New Jersey were present, he would vote "yea."

The roll call was concluded.

Mr. MINTON. On this vote the Senator from California [Mr. DOWNEY] is paired with the Senator from Georgia [Mr. RUSSELL]. If the Senator from California were present and voting, he would vote "nay." If the Senator from Georgia were present and voting, he would vote "yea."

The Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Missouri [Mr. TRUMAN]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Missouri would vote "yea."

I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Utah [Mr. THOMAS], and the Senator from Missouri [Mr. TRUMAN] are detained from the Senate on important public business.

The Senator from Nebraska [Mr. BURKE] is paired with the Senator from Montana [Mr. WHEELER]. I am advised that if present and voting the Senator from Nebraska would vote "yea" and the Senator from Montana would vote "nay."

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Maine [Mr. WHITE] are necessarily absent.

I announce the following pairs on the pending question:

The Senator from New Jersey [Mr. BARBOUR], who would vote "nay," with the Senator from Illinois [Mr. SLATTERY], who would vote "yea."

The Senator from Wisconsin [Mr. LA FOLLETTE], who would vote "nay," with the Senator from Illinois [Mr. LUCAS], who would vote "yea."

Mr. HILL. On this vote I have a pair with the Senator from Florida [Mr. ANDREWS]. If the Senator from Florida were present, he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. JOHNSON of Colorado. The senior Senator from Montana [Mr. WHEELER] is unavoidably detained. If he were present, he would vote "nay."

Mr. SHIPSTEAD (after having voted in the negative). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I understand that if present he would vote as I have voted, so I allow my vote to stand.

Mr. CLARK of Missouri. My colleague the junior Senator from Missouri [Mr. TRUMAN] is unavoidably detained on official business. If he were present, he would vote "yea."

The result was announced—yeas 42, nays 37, as follows:

YEAS—42

Bailey	Donahey	Lee	Schwellenbach
Bankhead	Ellender	McKellar	Sheppard
Barkley	George	Mead	Smith
Bilbo	Gillette	Miller	Stewart
Brown	Green	Minton	Thomas, Okla.
Byrd	Guffey	Neely	Tydings
Byrnes	Harrison	Norris	Van Nuys
Caraway	Hatch	Overton	Wagner
Chandler	Hayden	Radcliffe	Walsh
Clark, Mo.	Herring	Reynolds	
Connally	Hughes	Schwartz	

NAYS—37

Adams	Frazier	Lodge	Shipstead
Ashurst	Gerry	Lundeen	Taft
Austin	Gibson	McCarran	Thomas, Idaho
Bone	Gurney	McNary	Tobey
Bridges	Hale	Maloney	Townsend
Bulow	Holman	Murray	Vandenberg
Capper	Holt	O'Mahoney	Wiley
Clark, Idaho	Johnson, Calif.	Pepper	
Danaher	Johnson, Colo.	Pittman	
Davis	King	Reed	

NOT VOTING—17

Andrews	Glass	Russell	Wheeler
Barbour	Hill	Slattery	White
Burke	La Follette	Smathers	
Chavez	Lucas	Thomas, Utah	
Downey	Nye	Truman	

So the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, was passed as follows:

Resolved, etc., That the period during which the President is authorized to enter into foreign trade agreements under section 350 of the Tariff Act of 1930, as amended by the act (Public, No. 316, 73d Cong.) approved June 12, 1934, is hereby extended for a further period of 3 years from June 12, 1940.

Mr. HARRISON. Mr. President, I move that the vote by which the joint resolution was passed be reconsidered.

Mr. BARKLEY. I move to lay that motion on the table.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Kentucky to lay the motion of the Senator from Mississippi on the table.

The motion to lay on the table the motion to reconsider was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Frank S. Tavenner, of Virginia, to be United States Attorney for the Western District of Virginia, vice Joseph H. Chitwood, deceased, which was referred to the Committee on the Judiciary.

EXECUTIVE REPORTS OF THE MILITARY AFFAIRS COMMITTEE

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Capt. Karl Robin Bendetson, Judge Advocate General's Department Reserve, for appointment as captain in the Regular Army, Judge Advocate General's Department, under the provisions of law.

He also, from the same committee, reported favorably the nominations of sundry officers for appointment, by transfer, in the Regular Army.

He also, from the same committee, reported favorably the nominations of several officers (chaplains) for appointment in the Regular Army under the provisions of law.

He also, from the same committee, reported favorably the nominations (under the provisions of law) of the following general officers:

Brig. Gen. Edward James Stackpole, Jr., Pennsylvania National Guard, to be major general, National Guard of the United States; and

Brig. Gen. Ames Thorndike Brown, Adjutant General's Department, New York National Guard, to be brigadier general, Adjutant General's Department, National Guard of the United States.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of Martin O. Bement, of Buffalo, N. Y., to be collector of customs for customs collection district No. 9.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST GUARD OF THE UNITED STATES

The legislative clerk read sundry nominations in the Coast Guard.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast Guard are confirmed en bloc.

POSTMASTERS

The legislative clerk read sundry nominations of postmasters which had been favorably reported.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters which have been reported favorably will be confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk read sundry nominations in the Marine Corps.

The PRESIDENT pro tempore. Without objection, the nominations in the Marine Corps will be confirmed en bloc.

That concludes the calendar.

HARRIET E. GRAVES

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business for a few moments.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. BYRNES. Mr. President, I ask unanimous consent for the present consideration of Senate Resolution 249. I reported the resolution favorably, without amendment, earlier in the day.

There being no objection, the resolution (S. Res. 249) submitted by Mr. TOBEY on March 26, 1940, was considered and agreed to as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Harriet E. Graves, a niece and dependent of Davis S. Corser, late an employee of the Senate under the supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

ELIZABETH C. PACE

Mr. BYRNES. I also ask unanimous consent for the present consideration of Senate Resolution 250, which was reported by me favorably, without amendment, earlier today.

There being no objection, the resolution (S. Res. 250) submitted by Mr. PEPPER on March 27, 1940, was considered and agreed to as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Elizabeth C. Pace, sister of Charles F. Pace, late financial clerk of the Senate, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. BARKLEY. Mr. President, before the Senate adjourns I wish to congratulate the Senator from Mississippi for the very able and skillful manner in which he has piloted through this body the legislation which has been under consideration. I am sure that not only the Members of the Senate, but likewise the American people, appreciate his skill, diligence, patience, and persistence in fostering this legislation. Personally, I want to thank him.

Mr. HARRISON. I thank the Senator, but let it go at that. It is through now.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. I move that the Senate adjourn until Monday next.

The motion was agreed to; and (at 5 o'clock and 28 minutes p. m.) the Senate adjourned until Monday, April 8, 1940, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 5 (legislative day of March 4), 1940

UNITED STATES ATTORNEY

Frank S. Tavenner, Jr., of Virginia, to be United States attorney for the western district of Virginia, vice Joseph H. Chitwood, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 5 (legislative day of March 4), 1940

COLLECTOR OF CUSTOMS

Martin O. Bement to be collector of customs for customs collection district No. 9, with headquarters at Buffalo, N. Y.

COAST GUARD OF THE UNITED STATES

TO BE COMMANDER

Walter George Will

TO BE CHIEF BOATSWAINS

Charles A. A. Modeer	William J. Eckel
John W. Leadbetter	Patrick H. O'Donnell
Ole J. Lilleoren	William M. Gifford
Ole Eriksen	Fritz K. Schlamp

TO BE CHIEF MACHINISTS

Joseph F. Lally	Frederick W. Short
Jesus Pereira	Junius H. Fulcher
Wilfred J. Kenney	Ray A. Hansberry
George A. Snow	

PROMOTIONS IN THE NAVY

MARINE CORPS

To be brigadier general

Alexander A. Vandegrift.

To be colonels

Alphonse DeCarre	William G. Hawthorne
Samuel L. Howard	Thomas E. Watson
Lyle H. Miller	William C. James
Ralph J. Mitchell	Thomas E. Bourke
Archie F. Howard	LeRoy P. Hunt
Raymond R. Wright	Clifton B. Cates
Pedro A. del Valle	Leo D. Hermle

To be lieutenant colonels

Herman R. Anderson
Julian P. Brown
Merritt A. Edson

To be chief pay clerk

Norman C. Bates

POSTMASTERS

IDAHO

Lewis Parker Runyon, Buhl.
Elsie H. Welker, Cambridge.
Iva F. Madden, Cascade.
Mack H. Shotwell, Gooding.
Ernest L. Clinger, Shoshone.
Henry B. Jones, Wilder.

SENATE

MONDAY, APRIL 8, 1940

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O God, the everlasting Lord and Father, who art with us in all our ways, we beseech Thee, as we bow our hearts in prayer, to fill us with the strengthening peace of Thy conscious presence and with the knowledge that love is at the root of everything, for it alone can bring us back from the solitude which is haunted with perplexity into our true relationship with our fellow man and the Christ who knows the joys and sorrows of our ever-changing life. May we always place the value of the soul above the body, character above circumstance, and with simple loving worship, by continual obedience to the call of duty and by purifying ourselves, even as Thou art pure, may we creep ever closer unto Thee who art the last great certainty of life. We ask it in the name and for the sake of Jesus Christ our Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, April 5, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following act and joint resolution:

On April 4, 1940:

S. 1955. An act to authorize the Secretary of Agriculture to delegate certain regulatory functions.

On April 5, 1940:

S. J. Res. 226. Joint resolution providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Schwellenbach
Ashurst	Downey	La Follette	Sheppard
Austin	Ellender	Lee	Shipstead
Bailey	Frazier	Lodge	Smathers
Bankhead	George	Lundeen	Smith
Barbour	Gerry	McCarran	Stewart
Barkley	Gibson	McKellar	Taft
Bilbo	Gillette	McNary	Thomas, Idaho
Bone	Green	Maloney	Thomas, Okla.
Bridges	Guffey	Mead	Thomas, Utah
Brown	Gurney	Miller	Tobey
Bulow	Hale	Minton	Townsend
Byrd	Harrison	Murray	Tydings
Byrnes	Hatch	Neely	Vandenberg
Capper	Hayden	Norris	Van Nuys
Caraway	Herring	O'Mahoney	Wagner
Chandler	Hill	Overton	Wheeler
Clark, Idaho	Holman	Pepper	White
Clark, Mo.	Holt	Pittman	Wiley
Connally	Hughes	Reed	
Danaher	Johnson, Calif.	Reynolds	
Davis	Johnson, Colo.	Schwartz	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Georgia [Mr. RUSSELL], the Senator from Missouri [Mr. TRUMAN], and the Senator from Massachusetts [Mr. WALSH] are detained from the Senate on important public business.

The Senator from Virginia [Mr. GLASS] is unavoidably detained.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

ORDER OF BUSINESS

The VICE PRESIDENT. The presentation of petitions and memorials is in order.

Mr. TYDINGS. Mr. President——

The VICE PRESIDENT. The Senator from Maryland.

Mr. TYDINGS. Out of order, I ask unanimous consent for the immediate consideration of House bill 8913, the legislative appropriation bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Maryland?

Mr. BYRD. Mr. President, I inquire if the motion of the Senator from Maryland takes precedence over a resolution which has been on the desk for some time and which went over under the rule.

The VICE PRESIDENT. The Senator from Maryland is asking unanimous consent to dispense with the morning hour for the purpose of considering a certain appropriation bill.

Mr. BYRD. I will have to object. A resolution submitted by me has been on the desk for nearly 30 days, and it is very important, I think, that it should be acted on.

Mr. TYDINGS. Mr. President, would a motion be in order to proceed with the consideration of the bill to which I have referred?

The VICE PRESIDENT. No. The Senate met this morning following an adjournment, and the provision of paragraph 3 of rule VII as to the call of the calendar on Mondays is effective.

Mr. BARKLEY. Mr. President, let me say that the morning hour will probably not last long; it does not usually do so; and I think there will probably be no difficulty about having the bill of the Senator from Maryland considered.

TRIBUTE TO THE LATE SENATOR BORAH

Mr. HOLT presented resolutions adopted as a tribute to the memory of Hon. William E. Borah, late a Senator from the State of Idaho, by Townsend Club, No. 1, of Moundsville, W. Va., which were ordered to lie on the table.

RELIEF OF M. E. M'GIVERN

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation for the relief of M. E. McGivern, which, with the accompanying papers, was referred to the Committee on Indian Affairs.

RELIEF OF GUY F. ALLEN

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation for the relief of Guy F. Allen, Chief Disbursing Officer, Division of Disbursement, Treasury Department, which, with the accompanying paper, was referred to the Committee on Claims.

PETITIONS

The VICE PRESIDENT laid before the Senate a cablegram from the president of the Senate of Puerto Rico, stating that "The Senate of Puerto Rico at the meeting held on April 3, 1940, unanimously resolved to request from the United States Senate the approval of Senate bill 2547, introduced by Senator MURRAY, to impose additional duties upon the United States Public Health Service in connection with the investigation, treatment, and control of tuberculosis," which was referred to the Committee on Finance.

Mr. HOLT presented a paper in the nature of a petition from members of Local No. 25, American Flint Glass Workers' Union of North America, of Pennsboro, W. Va., praying for the imposition of higher tariff duties on glassware, and also that the control of all tariff legislation be retained in the Congress, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. CLARK of Idaho, from the Committee on Irrigation and Reclamation, to which was referred the bill (H. R. 8498) to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes, reported it without amendment and submitted a report (No. 1379) thereon.

Mr. O'MAHONEY, from the Committee on Irrigation and Reclamation, to which was referred the bill (S. 1777) granting the consent of Congress to the States of Montana, North

Dakota, South Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Little Missouri River, reported it with amendments and submitted a report (No. 1381) thereon.

Mr. ELLENDER, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3237) to amend section 301 (a) of the Sugar Act of 1937, reported it with an amendment and submitted a report (No. 1382) thereon.

Mr. FRAZIER, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 3800) to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended, reported it with amendments and submitted a report (No. 1383) thereon.

Mr. JOHNSON of Colorado, from the Committee on Military Affairs, to which was referred the bill (S. 3496) to prevent retardation in promotion and in pay and allowances of permanent professors of the United States Military Academy appointed by the President from the commissioned officers of the Regular Army, reported it without amendment and submitted a report (No. 1384) thereon.

He also, from the same committee, to which was referred the bill (S. 2888) to amend the Act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes," reported it with an amendment and submitted a report (No. 1385) thereon; and the bill, with accompanying papers, was referred to the Committee on Naval Affairs.

Mr. HATCH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3661) to amend the Perishable Agricultural Commodities Act, 1930, as amended, and for other purposes, reported it without amendment and submitted a report (No. 1386) thereon.

Mr. CHANDLER, from the Committee on Military Affairs, to which was referred the bill (S. 3575) to make better provision for the teacher of music, the leader of the Military Academy Band, reported it without amendment and submitted a report (No. 1387) thereon.

He also, from the Committee on the Judiciary, to which was referred the bill (H. R. 7737) to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, or any agency thereof, or any officers or employee thereof, and for other purposes, reported it with amendments and submitted a report (No. 1388) thereon.

Mr. NEELY, from the Committee on the Judiciary, to which was referred the bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce, reported it with an amendment and submitted a report (No. 1389) thereon.

He also, from the same committee, to which was recommitted the bill (S. 1681) to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes, reported it without amendment and submitted a report (No. 1390) thereon.

PREVENTION OF AND PUNISHMENT FOR LYNCHING—REPORT OF THE JUDICIARY COMMITTEE

Mr. VAN NUYS. From the Committee on the Judiciary, and on behalf of the majority of that committee, I report back favorably, without amendment, the bill (H. R. 801) to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching, and I submit a written report (No. 1380) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 3724. A bill to authorize the Secretary of War to exchange certain land located within the Fort Missoula Military Reservation, Mont., for certain land owned by the Missoula Chamber of Commerce, of Missoula, Mont.; to the Committee on Military Affairs.

By Mr. CLARK of Idaho:

S. 3725. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Education and Labor.

S. 3726. A bill for the relief of Fred Larsen in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 3727 (by request). A bill limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to certain counsel; to the Committee on Indian Affairs.

By Mr. JOHNSON of California:

S. 3728. A bill to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes; to the Committee on Finance.

By Mr. SHEPPARD:

S. 3729. A bill for the relief of Hjalmar M. Seby; to the Committee on Claims.

By Mr. REYNOLDS:

S. 3730. A bill to limit immigration into the United States, to establish a quota system covering all countries and areas located in North, Central, or South America and islands adjacent thereto, and for other purposes; to the Committee on Immigration.

By Mr. BRIDGES:

S. J. Res. 241. Joint resolution determining the exterior material and finish of public buildings to be erected in the northwest triangle; to the Committee on Public Buildings and Grounds.

By Mr. REYNOLDS:

S. J. Res. 242. Joint resolution providing for the maintenance of peace and protection of the United States; to the Committee on Immigration.

CHANGES OF REFERENCE

Mr. SMITH. I ask that the Committee on Public Lands and Surveys be discharged from the further consideration of the bills (S. 3532) pertaining to the management and administration of national-forest range lands, and (S. 3629) to provide for the use of 20 percent of the grazing receipts from national forests for the making of range improvements within such forests, and that they be referred to the Committee on Agriculture and Forestry. Bills of this nature have always heretofore gone to the latter committee, and the Department asks that this transfer be made.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

BUILDINGS IN THE NORTHWEST TRIANGLE—AMENDMENT

Mr. BRIDGES submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 229) determining the exterior material and finish of public buildings to be erected in the Northwest triangle, which was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

AMENDMENT TO RIVER AND HARBOR AUTHORIZATION BILL

Mr. JOHNSON of California submitted an amendment intended to be proposed by him to the bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT TO MILITARY APPROPRIATION BILL

Mr. BARBOUR submitted an amendment intended to be proposed by him to House bill 9209, the Military Establishment appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed as follows:

On page 63, line 18, after the word "immediately", and before the colon, insert a comma and the following proviso: "*Provided*, That

such of this sum as may be necessary shall be used to establish and maintain a Reserve Officers' Training Corps unit at Seton Hall College at South Orange, N. J."

ADDRESS BY SENATOR BARKLEY AT DEMOCRATIC RALLY, WEST CHESTER, PA.

[Mr. MINTON asked and obtained leave to have printed in the RECORD excerpts from an address delivered by Senator BARKLEY at a Democratic rally at West Chester, Pa., on April 5, 1940, which appear in the Appendix.]

ADDRESS BY SENATOR THOMAS OF UTAH ON OUR ARMY AIMS

[Mr. BROWN asked and obtained leave to have printed in the RECORD an address delivered by Senator THOMAS of Utah at the Army Day luncheon under the auspices of the Council of National Defense, Detroit Board of Commerce, Detroit, Mich., April 5, 1940, which appears in the Appendix.]

ADDRESS ON TELEVISION BY SENATOR LUNDEEN

[Mr. FRAZIER asked and obtained leave to have printed in the RECORD a radio address on the subject of television, delivered by Senator LUNDEEN on April 6, 1940, which appears in the Appendix.]

CENSUS QUESTIONS—SPEECH BY SENATOR PEPPER AND LETTER FROM DIRECTOR OF THE CENSUS

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a radio speech delivered by him in debate with Senator TOBEY on controversial questions with reference to the 1940 census, and also a letter addressed to him by Hon. W. L. Austin, Director of the Census, which appear in the Appendix.]

BUILDING FOR PEACE—ADDRESS BY HON. LOUIS JOHNSON

[Mr. MINTON asked and obtained leave to have printed in the RECORD an address on the subject Building for Peace, delivered by the Assistant Secretary of War, Hon. Louis Johnson, at the Military Order of the World War Army Day banquet, Waldorf Astoria Hotel, New York City, April 6, 1940, which appears in the Appendix.]

ADDRESS ON TELEVISION BY HON. JAMES LAWRENCE FLY

[Mr. HILL asked and obtained leave to have printed in the Appendix a radio address on television, delivered by Hon. James Lawrence Fly, Chairman, Federal Communications Commission, on April 2, 1940, which appears in the Appendix.]

GOLD SHIPMENTS—EDITORIAL FROM PHILADELPHIA RECORD

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an editorial from the Philadelphia Record of Saturday, April 6, 1940, on the subject of gold shipments into the United States, which appears in the Appendix.]

CONCENTRATION OF GOLD AT FORT KNOX, KY.—EDITORIAL FROM BUSINESS WEEK

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an editorial from Business Week of March 30, 1940, entitled "Our Old Kentucky Gold," which appears in the Appendix.]

POOR LITTLE RICH UNCLE SAM—ARTICLE BY CHARLES BENEDICT

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article entitled "Poor Little Rich Uncle Sam," written by Charles Benedict and published in the Magazine of Wall Street, which appears in the Appendix.]

REDUCTION OF CAPITAL FUNDS OF CERTAIN CREDIT CORPORATIONS

The VICE PRESIDENT. The Chair lays before the Senate a resolution coming over from a previous day, which will be stated.

The Chief Clerk read the resolution (S. Res. 243) submitted by Mr. BYRD on March 12, 1940, as follows:

Whereas the President, in his Budget message of January 3, 1940, estimated that it would be feasible to reduce by $700,000,000 the capital funds of certain credit corporations established by the Government at various times as emergencies have arisen; and

Whereas the credit corporations referred to in such message were not specifically enumerated, and repeated requests to have the Director of the Bureau of the Budget identify or enumerate such corporations have been denied; and

Whereas it is essential, in the public interest, that full information with respect to the reduction of the capital funds of such corporations be furnished to the Senate: Therefore be it

Resolved, That the Director of the Bureau of the Budget is hereby requested to submit to the Senate immediately a list of the credit corporations whose capital funds are proposed to be reduced, in accordance with the Budget message of the President of January 3, 1940, and the amount of the proposed reduction of capital funds in the case of each such corporation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BARKLEY. Mr. President, I have no objection to the consideration of the resolution; but I now suggest to the Senator from Virginia publicly what I suggested to him in a private conversation a few moments ago.

The Senator's resolution has three whereases. The first one refers to the fact that the President in his Budget message estimated that $700,000,000 could be turned back into the Treasury by Government credit corporations. The second whereas states that the credit corporations referred to in the message were not specifically enumerated—

And repeated requests to have the Director of the Bureau of the Budget identify or enumerate such corporations have been denied.

The third whereas states that it is essential in the public interest that full information with respect to the matter be furnished to the Senate.

I very much doubt the propriety of having a whereas state that the Director of the Bureau of the Budget has denied this information. In the first place, the Senate has not asked him for it, though I understand that the Senator from Virginia in his individual capacity has asked the Director of the Budget for the information.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Virginia.

Mr. BYRD. Is not an individual Senator entitled to information with respect to the Budget?

Mr. BARKLEY. I should think so, yes; but it ought not to be made a matter of public record that the Director of the Budget has denied this information.

Mr. BYRD. But the truth can be made a matter of public record.

Mr. BARKLEY. The Senate has made no official request of the Director of the Budget. It may be that the Director of the Budget has no authority to give the Senator that information, although I am not certain about that. It seems to me that the same purpose would be accomplished—all the Senator wants is the information—by eliminating the part of the second "whereas" which indicates that the Director of the Budget has willfully denied the information.

Mr. BYRD. I did not use the word "willfully."

Mr. BARKLEY. The language of the "whereas" carries the implication that it has been willfully denied.

Mr. BYRD. The Senator from Virginia wants the country to know that this information has been denied to him.

Mr. BARKLEY. I suppose the Senator merely wants the information. I assume that if he gets the information he does not desire to cast any aspersions on anybody, or to reflect on anybody.

Mr. BYRD. All the Senator from Virginia wants to do is to state the facts. I will say to the Senator from Kentucky that on January 12 I wrote to the Director of the Budget asking for this information. He replied on January 17 saying that the information was not available. After waiting 40 days I wrote to him again on February 28. Then the Director of the Budget came to see the Senator from Virginia, and said he could not give him the complete information, but would give certain information in confidence. The Senator from Virginia said he had no desire to be informed in confidence; that he wanted the information for the use of the Senate and the public. I then submitted, on March 12, this resolution which has been pending since then.

I decline to modify the preamble of the resolution, because it is strictly and literally true in accordance with the facts.

Mr. BARKLEY. Then, Mr. President, I move to amend the second "whereas" by inserting, after the word "repeated", the word "individual", so that it will read "repeated individual requests." Certainly the resolution ought not to carry

the implication that the Senate or the House or any official thereof in his official capacity had been denied this information. Inasmuch as the requests were individual requests, the Senator ought not to object to that amendment of the "whereas."

Mr. BYRD. But the resolution does not say to whom the requests were denied. It says, "Repeated requests to have the Director of the Bureau of the Budget identify or enumerate such corporations have been denied." He could not have denied the request of the Senate, because the Senate has not requested the information.

Mr. BARKLEY. The Senator says he has asked for the information in his individual capacity as a Senator. Has the Senator any objection to saying that it was an individual request?

Mr. BYRD. There is no need that I can see of saying that. It is a question of fact; that is all. I and others have asked for this information, and it has been denied.

Mr. BARKLEY. The "whereas" carries the implication that numerous requests have been made, perhaps by numerous Senators, and denied. Nobody has requested it except the Senator from Virginia.

Mr. BYRD. Does the Senator know that?

Mr. BARKLEY. No; I do not know it, but I do not think a number of requests have been made by those interested in the Budget.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Ohio.

Mr. TAFT. I should like to state that I made a request, which also was denied.

Mr. BARKLEY. Well, I am not concerned about whether or not the Senator from Virginia is willing to modify his "whereas." Frequently "whereases" are entirely eliminated from resolutions of this sort, because all the Senate wants is information. The Senate, I assume, is not concerned about how many individual Senators have written letters to somebody to obtain information. It is not customary to set out the unsuccessful efforts of individual Senators to obtain information as a basis for the adoption by the Senate of a resolution asking for information. I think the Senator from Virginia would be well within the proprieties even if he agreed to the entire elimination of the "whereases," because then the Senate would get the information, I presume, simply by the adoption of a resolution asking for it.

If the Director of the Budget does not furnish the information in response to this resolution, or makes a report which is not satisfactory, it will be an official matter for the Senate to deal with; but the Director of the Budget may be laboring under some restrictions as to his ability to give out this information. The statement was contained in the President's message, not in the report of the Director of the Budget.

Mr. BYRD. Does not the Senator think the information should have been furnished when the Budget was presented to the Senate on January 3?

Mr. BARKLEY. I do not know whether it should or not. I do not know whether or not it was possible to furnish it. It might not have been possible then to identify the corporations.

Mr. BYRD. If it was not possible to furnish the information I request, the statement should not have been included in the Budget, because that is a question directly involving the increase of the debt limit, as the Senator well knows.

Mr. BARKLEY. That is a matter over which we have no control. The President in his Budget message estimated that there would be that much saving.

Mr. BYRD. It is not a question of saving. The Senator is misinformed about that. It is a question of recovering into the General Treasury $700,000,000 from the assets of these corporations.

Mr. BARKLEY. I do not care anything about the term that may be used. If it is recovered, it will probably be to that extent a saving. At any rate, whether the President should or should not have included a break-down of the $700,000,000, he did not do it, and I do not know whether or not he could have done it at that time. It was an estimate. Inasmuch as this was an estimate of the President, the Director of the Budget may not feel authorized to break down the figures. I do not know.

Mr. BYRD. The Director of the Budget prepares the Budget for the President.

Mr. BARKLEY. He does in a way; but, of course, the President goes over it and has something to do with it himself. Officially, it is the President's message and not the message of the Director of the Budget.

Mr. BYRD. If that be the case, then will the Senator agree to a resolution directing the President of the United States to furnish this information immediately?

Mr. BARKLEY. No; I would not agree to a resolution directing the President to do so. I would agree to one requesting him to furnish it, if it is not incompatible with the public service to do so. I do not think we can direct the President.

Mr. BYRD. Then the Senator does not think the Congress is entitled to this information?

Mr. BARKLEY. I not only do not think it is not entitled to it, but the Senator has no basis upon which to make that statement. I have not indicated that Congress is not entitled to it. I say Congress is entitled to it.

Mr. BYRD. Again I ask, Does not the Senator think we should have had the information 3 months ago, when the Budget was first submitted?

Mr. BARKLEY. I am not going to pass on that question.

Mr. BYRD. If we are entitled to it at any time, we were entitled to it when the Budget first came in, and certainly we are entitled to it now, as otherwise the Congress cannot intelligently consider pending appropriations.

Mr. BARKLEY. I am not going to pass on the question of the time when the Senate should have had the estimate or how accurate it might have been when made, or anything of the kind. All I have suggested is that the resolution carries the implication that the Director of the Budget has willfully denied this information.

Mr. BYRD. I will say to the Senator that it carries the truthful implication. I can prove by correspondence and a personal interview with the Director of the Budget that the information has been denied.

Mr. BARKLEY. There are frequently failures on the part of subordinate officers to furnish information which they may not think they are authorized to furnish. This was not the message of the Director of the Budget to Congress. It was the President's message. The Senator may do as he pleases about it; but, it seems to me, in the interest of fairness and in the interest of obtaining the information which the Senator wants, he ought to eliminate the implication that the Director of the Budget, either on his own account or on some other person's account, has deliberately and willfully refused to give the Senator the information which he has sought.

If the Senator wants the language to remain as it is, I am not going to object to it, but I think he ought to eliminate it.

Mr. BYRD. I am not willing to eliminate it.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. CLYDE H. SMITH, late a Representative from the State of Maine, and transmitted the resolutions of the House thereon.

The message informed the Senate that, pursuant to the provisions of the foregoing resolutions, the Speaker pro tempore had appointed Mrs. NORTON, Mr. WELCH, Mr. BREWSTER, and Mr. OLIVER members of a committee, to join with such Members of the Senate as may be appointed, to attend the funeral of the deceased Representative.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 1372. An act for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows;

S. 1790. An act for the relief of the Eberhart Steel Products Co., Inc.;

S. 1856. An act conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta;

S. 2609. An act to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana;

S. 3068. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938," approved June 19, 1939; and

H. J. Res. 407. Joint resolution to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

ORDER DISPENSING WITH CALL OF CALENDAR

The VICE PRESIDENT. The calendar, under rule VIII, is in order.

Mr. BARKLEY. I ask unanimous consent that the call of the calendar be dispensed with. I may say to Senators that it is my purpose to try to arrange for a call of the calendar on Wednesday of this week.

Mr. McNARY. Mr. President, I shall not object to dispensing with the call of the calendar this morning, but I did want to have assurance that we would proceed with the call by Wednesday.

Mr. BARKLEY. That is my purpose.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

LEGISLATIVE APPROPRIATIONS

Mr. TYDINGS. Mr. President, I move that the Senate proceed to the consideration of House bill 8913, the legislative appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8913) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. TYDINGS. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Senate—office of the Secretary", on page 29, line 18, after the word "and", to strike out "$1,000" and insert "$1,500"; in line 20, after the figures "$5,000", to strike out "and $2,000 additional so long as the position is held by the present incumbent"; in line 23, after the word "and", to strike out "$1,000" and insert "$1,500"; in line 25, after the name "Journal Clerk", to strike out "$3,780" and insert "$4,000"; on page 3, line 3, after the word "librarian", to strike out "$3,360" and insert "$3,600"; in line 6, after the word "clerks", to strike out "one at $3,180" and insert "two at $3,180 each"; in line 7, before the word "at" where it occurs the first time, to strike out "four" and insert "three"; in line 10, after the figures "$2,460" and the semicolon, to strike out "press relations officer, $2,140" and insert press relations officers—one at $2,140, one at $1,900 in lieu of one of the positions authorized by Senate Resolution No. 428, agreed to February 17, 1931, which position is hereby abolished as of July 1, 1940"; and in line 17, after the words "in all", to strike out "$142,880" and insert "$144,540", so as to read:

Salaries: Secretary of the Senate, including compensation as disbursing officer of salaries of Senators and of contingent fund of the Senate, $8,000; Chief Clerk, who shall perform the duties of reading clerk, $5,500 and $1,500 additional so long as the position is held by the present incumbent; financial clerk, $5,000; assistant financial clerk, $4,500; Parliamentarian, $5,000 and $1,500 additional so long as the position is held by the present incumbent; Journal Clerk, $4,000; principal clerk, $3,780; legislative clerk, $4,000 and $1,000 additional so long as the position is held by the present incumbent; enrolling clerk, $4,000; printing clerk, $3,540; chief bookkeeper, $3,600; librarian, $3,600; assistant Journal Clerk, $3,360; executive clerk, $3,180; first assistant librarian, $3,120; keeper of stationery, $3,320; clerks—two at $3,180 each, three at $2,400 each, three at $2,640 each, clerk in Disbursing Office, $2,400, six at $2,400 each, three at $1,860 each, three at $1,740 each; special officer, $2,460; press relations officers—one at $2,140, one at $1,900 in lieu of one of the positions authorized by Senate Resolution No. 428, agreed to February 17, 1931, which position is hereby abolished as of July 1, 1940; messenger, $1,260; laborers—one at $1,740, one at $1,620, five at $1,330 each, one in Secretary's office, $1,680, one, $1,560, one, $1,260; in all, $144,540.

The amendment was agreed to.

The next amendment was, under the subhead "Committee employees", on page 6, line 19, after the figures "$2,880", to insert "assistant clerk, $2,520"; and in line 20, before the word "assistant", to strike out "four" and insert "three", so as to read:

Post Office and Post Roads—clerk, $3,900; assistant clerk, $2,880; assistant clerk, $2,520; three assistant clerks at $2,220 each; additional clerk, $1,800.

The amendment was agreed to.

The next amendment was, on page 7, line 13, to change the total appropriation for committee employees from "$505,960" to "$506,260."

The amendment was agreed to.

Mr. KING. Mr. President, I should like to ask the Senator from Maryland what change has been made in the existing law with respect to the Capitol police.

Mr. TYDINGS. None. Let me say at this time, so that Senators may understand, that the bill as it came from the House contained recommendations for appropriations of $23,907,744. The amount of the reduction by the Senate committee is, net, $202,224. The amount of the bill as reported to the Senate is $23,705,520. The Senate committee made net reductions in the bill, and only a few routine items were disturbed, involving very little money, with the exception of the appropriation for the Library of Congress, which was given $40,000 additional for the Legislative Research Bureau, and another sum to take care of some purchases of a nature which, if not made now, would mean the loss of valuable additions to the Library. Otherwise the bill is almost entirely routine.

Mr. KING. Will the Senator state whether there has been an increase or a reduction in the entire appropriation?

Mr. TYDINGS. The bill carries $202,224 less than as it passed the House, and it is under the estimates for 1941 by $2,084,092 and exceeds the appropriations for 1940 by $424,077.

The PRESIDENT pro tempore. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the subhead "Office of Sergeant at Arms and Doorkeeper," on page 8, line 12, after the word "and", to strike out "$1,000" and insert "$1,500", so as to read:

Salaries: Sergeant at Arms and Doorkeeper, $8,000; two secretaries (one for the majority and one for the minority), at $5,400 each and $1,500 additional each so long as the respective positions are held by the present respective incumbents.

The amendment was agreed to.

The next amendment was, on page 8, at the beginning of line 26, to strike out "$2,400" and insert "$2,600", so as to read:

Upholsterer and locksmith, $2,600.

The amendment was agreed to.

The next amendment was, on page 9, line 18, after the words "in all", to change the total appropriation for the Office

of Sergeant at Arms and Doorkeeper, from "$267,844" to "$269,044."

The amendment was agreed to.

The next amendment was, under the heading "Office of legislative counsel", on page 26, line 22, after the name "House of Representatives", to insert a colon and *"Provided,* That after the date of enactment of this act the rate of compensation of the legislative counsel of the Senate shall be the same as that of the legislative counsel of the House of Representatives", so as to read:

Salaries and expenses: For salaries and expenses of maintenance of the office of legislative counsel, as authorized by law, $77,500, of which $37,500 shall be disbursed by the Secretary of the Senate and $40,000 by the Clerk of the House of Representatives: *Provided,* That after the date of enactment of this act the rate of compensation of the legislative counsel of the Senate shall be the same as that of the legislative counsel of the House of Representatives.

The amendment was agreed to.

The next amendment was, under the heading "Architect of the Capitol—Capitol Buildings and Grounds," on page 28, line 11, after the word "directory", to strike out "$302,675" and insert "$304,041", so as to read:

Capitol Buildings: For necessary expenditures for the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including minor improvements, maintenance, repair, equipment, supplies, material, fuel, oil, waste, and appurtenances; furnishings and office equipment; special clothing for workmen; waterproof wearing apparel; personal and other services; cleaning and repairing works of art; purchase or exchange (not to exceed $1,000), maintenance, and driving of motor-propelled passenger-carrying office vehicle; not exceeding $300 for the purchase of technical and necessary reference books, periodicals, and city directory; $304,041.

The amendment was agreed to.

The next amendment was, on page 28, after line 11, to strike out:

Terraces of Capitol Building: For reconstruction and repair of the terraces of the Capitol Building, including all necessary work in connection therewith, and not to exceed $15,000 for personal and other services, including the employment of engineering and other professional and technical services without regard to section 35 of the Public Buildings Act approved June 25, 1910, as amended, $350,000, to be immediately available and to remain available until June 30, 1942.

The amendment was agreed to.

The next amendment was, on page 29, line 4, after the words "Revised Statutes", to strike out "$131,415" and insert "$131,991", so as to read:

Capitol Grounds: For care and improvement of grounds surrounding the Capitol, Senate and House Office Buildings; Capitol power plant; personal and other services; care of trees; planting; fertilizers; repairs to pavements, walks, and roadways; purchase of waterproof wearing apparel; maintenance of signal lights; and for snow removal by hire of men and equipment or under contract without compliance with sections 3709 (41 U. S. C., 5) and 3744 (41 U. S. C., 16) of the Revised Statutes, $131,991.

The amendment was agreed to.

The next amendment was, on page 29, line 21, after the words "in all", to strike out "$254,503" and insert "306,745, of which amount not exceeding $10,000 shall be available for painting office and committee rooms and corridors, and not exceeding $5,000 for the purchase of rugs and carpets", so as to read:

Senate Office Building: For maintenance, miscellaneous items, and supplies, including furniture, furnishings, and equipment, and for labor and material incident thereto, and repairs thereof; and for personal and other services for the care and operation of the Senate Office Building, under the direction and supervision of the Senate Committee on Rules, including four female attendants in charge of ladies' retiring rooms at $1,500 each; in all, $306,745, of which amount not exceeding $10,000 shall be available for painting office and committee rooms and corridors, and not exceeding $5,000 for the purchase of rugs and carpets.

The amendment was agreed to.

The next amendment was, on page 30, after line 2, to insert:

Not to exceed $3,000 of the unexpended balance on June 30, 1940, of the appropriation for the maintenance of the Senate Office Building carried in the Legislative Branch Appropriation Act, fiscal year 1940, shall continue available until June 30, 1941, for rewiring electrical floor ducts in the Senate Office Building.

The amendment was agreed to.

The next amendment was, on page 30, line 24, after the word "plant", to strike out "$552,690" and insert "$554,190", so as to read:

Capitol power plant: For lighting, heating, and power for the Capitol, Senate and House Office Buildings, Supreme Court Building, Congressional Library Buildings, and the grounds about the same, Botanic Garden, legislative garage, and folding and storage rooms of the Senate, and for air-conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office and Washington City post office and for light and power therefor whenever available; personal and other services, engineering instruments, fuel, oil, materials, labor, advertising, and purchase of waterproof wearing apparel in connection with the maintenance and operation of the plant, $554,190.

The amendment was agreed to.

The next amendment was, under the subhead "Library Buildings and Grounds—Mechanical and structural maintenance," on page 31, line 12, after the word "law", to strike out "$87,400" and insert "$87,900", so as to read:

Salaries: For chief engineer and all personal services at rate of pay provided by law, $87,900.

The amendment was agreed to.

The next amendment was, under the heading "Botanic Garden," on page 32, line 8, after the word "amended" and the parenthesis, to strike out "$81,330" and insert "$81,662", so as to read:

Salaries: For personal services (including not exceeding $3,000 for miscellaneous temporary labor without regard to the Classification Act of 1923, as amended), $81,662; all under the direction of the Joint Committee on the Library.

The amendment was agreed to.

The next amendment was, under the heading "Library of Congress," on page 34, line 6, after the name "Librarian", to strike out "$1,255,120" and insert "$1,263,420", so as to read:

Salaries, Library, Proper: For the Librarian, the Librarian Emeritus, Chief Assistant Librarian, and other personal services, including special and temporary services and extra special services of regular employees (not exceeding $2,000) at rates to be fixed by the Librarian, $1,263,420, of which sum $8,820 shall be immediately available.

The amendment was agreed to.

The next amendment was, under the subhead "Legislative Reference Service," on page 35, line 5, after the name "Librarian", to strike out "$102,080" and insert "$142,080", so as to read:

Salaries: To enable the Librarian of Congress to employ competent persons to gather, classify, and make available, in translations, indexes, digests, compilations, and bulletins, and otherwise, data for or bearing upon legislation, and to render such data serviceable to Congress, and committees and Members thereof, and for printing and binding the digests of public general bills, and including not to exceed $5,700 for employees engaged on piece work and work by the day or hour at rates to be fixed by the Librarian, $142,080.

The amendment was agreed to.

The next amendment was, under the subhead "Increase of the Library of Congress," on page 37, line 8, after the word "exceed", to strike out "$5,000" and insert "$10,000"; and in line 14, after the word "exchange", to strike out "$118,000" and insert "$158,000", so as to read:

General increase of Library: For purchase of books, miscellaneous periodicals and newspapers, photo-copying supplies and photo-copying labor, and all other material for the increase of the Library, including payment in advance for subscription books and society publications, and for freight, commissions, and traveling expenses not to exceed $10,000, including expenses of attendance at meetings when incurred on the written authority and direction of the Librarian in the interest of collections, and all other expenses incidental to the acquisition of books, miscellaneous periodicals and newspapers, and all other material for the increase of the Library, by purchase, gift, bequest, or exchange, $158,000, to continue available during the fiscal year 1942.

The amendment was agreed to.

The next amendment was, under the subhead "Books for adult blind," on page 38, line 8, after the word "exceeding", to strike out "$13,000" and insert "$20,000", so as to read:

To enable the Librarian of Congress to carry out the provisions of the act entitled "An act to provide books for the adult blind," approved March 3, 1931 (2 U. S. C. 135a), as amended, $275,000, including not exceeding $20,000 for personal services and not ex-

ceeding $500 for necessary traveling expenses connected with such service and for expenses of attendance at meetings when incurred on the written authority and direction of the Librarian.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments. The bill is still before the Senate and open to further amendment.

Mr. BARKLEY. Mr. President, I wish to ask the Senator from Maryland about a matter pertaining to the Library of Congress. A few days ago I received a communication from Mr. MacLeish, the Librarian, who, by the way, is giving daily evidence of his magnificent qualifications for the position which he holds, calling attention to reports which have been made by the authorities of the District of Columbia upon certain fire hazards in the old Library Building. Information to this effect came to me, I think, too late for me to go before the committee during its consideration of the pending bill. Did the committee give any consideration to that matter or was it brought to the attention of the committee?

Mr. TYDINGS. It was not brought to the attention of the committee; but let me say to the Senator from Kentucky that if there is a real danger, it would be possible to include an appropriation to take care of the matter in the next deficiency bill. It had not been developed that the documents referred to in the communication were in danger at the time the committee closed its hearings and reported the bill to the Senate.

Mr. BARKLEY. I have photostatic copies of reports of the fire department of the District of Columbia, which show certain very definite hazards in the old Library Building, and I wanted to bring the matter to the attention of the Senator from Maryland so that he might look into it and give consideration to the question of whether some provision should not be made for it in the deficiency bill.

Mr. TYDINGS. The Senator, of course, already knows that, now that the legislative appropriation bill is before the Senate, if the hazard is a great one, it would be advisable for Mr. MacLeish to go before the Committee on Appropriations on the deficiency bill and ask for such appropriation as would take care of the elimination of the hazard. That is the one thing which could be done at this session to accomplish what Mr. MacLeish has in mind.

Mr. BARKLEY. I thank the Senator.

Mr. GEORGE. Mr. President, I wish to offer an amendment, but before doing so I desire to state to the Senator from Maryland what the amendment is.

Some weeks ago the Senate ordered the compilation and publication of all the Senate contested-election cases from the date of the last publication down to the present time. It will be by far the largest volume of contested-election cases. Approximately every 10 years the publication of these cases has been brought down to date. The Senate adopted Senate Resolution 229 on February 7, 1940, and I desire to offer an amendment to the pending bill to carry out the purpose of the resolution.

Mr. TYDINGS. How much would it cost?

Mr. GEORGE. Two thousand dollars.

Mr. TYDINGS. If the Senator had brought the matter to our attention, we would have included it in the bill, no doubt.

Mr. GEORGE. I would have done so, but the work had not been quite completed.

Mr. TYDINGS. While I have no authority to speak for the committee, so far as I am individually concerned I think this is a proper item, and should be in the bill. If the Senator will offer the amendment, we will be very glad to take it to conference. If the Senator wants the money to be immediately available, he should include a provision in his amendment to that effect.

Mr. GEORGE. I move that there be inserted in the bill at the proper place the following:

For expenses of compiling Senate contested-election cases as authorized by Senate Resolution No. 229, agreed to February 7, 1940, $2,000, to be immediately available.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to insert, on page 10, after line 25, the following:

For expenses of compiling Senate contested-election cases as authorized by Senate Resolution No. 229, agreed to February 7, 1940, $2,000, to be immediately available.

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, one of the items already agreed to, for the legislative reference service, is one in which I have been greatly interested for a number of years. I do not wish to detain the Senate, but I ask unanimous consent that I may have inserted in the RECORD as a part of my remarks at this point the statement which I made before the subcommittee of the Committee on Appropriations regarding the legislative reference service.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LEGISLATIVE REFERENCE SERVICE

STATEMENT OF HON. ROBERT M. LA FOLLETTE, JR., A UNITED STATES SENATOR FROM THE STATE OF WISCONSIN

SUPPLEMENTAL ESTIMATE FOR THE LEGISLATIVE REFERENCE SERVICE

Senator LA FOLLETTE. Mr. Chairman and gentlemen, I appreciate this opportunity to appear briefly before the committee to urge upon it the favorable consideration of the supplemental estimate submitted by the legislative reference service of the Library of Congress. That amounts to $86,750, as I understand it. The legislative-reference idea, Mr. Chairman and members of the committee, originated in my own State. Starting in 1900, it was largely a glorified clipping bureau, but under the leadership of the late Dr. Charles McCarthy the service rendered such great assistance to the members of the legislature that it was established as a department of the Wisconsin Library Commission, and since that time it has grown into a service which all members of the legislature regard as literally invaluable.

INADEQUATE FUNDS FOR LEGISTATIVE REFERENCE SERVICE

In 1911 my father was instrumental in securing an original appropriation for the legislative reference service of the Library of Congress. The Congress, however, has never really given the legislative reference service sufficient appropriations to make it the effective instrumentality which it could be in service to Members of both Houses of Congress.

As we all know, our economic life has become more and more complex during the years, and as a result the problems with which Congress is confronted have grown in complexity. Congress has been overly modest, if I can phrase it in that way, about providing itself with the necessary service in the form of analysis and digestion of available material to meet these increased responsibilities. Year after year the executive branch of the Government, and I make no criticism of this, has submitted estimate after estimate to further increase their technical and expert service, and I think it has been necessary, but Congress has consistently failed, as I view it, to provide itself with the necessary expert service.

Senator ADAMS. Senator LA FOLLETTE, is not that the habit of Congress always, to be generous to every other service in the Government except those things which minister to itself?

VALUE OF JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

Senator LA FOLLETTE. I think that is true, and you have made my point in just one sentence. I think we made a big step forward, for example, when Congress created the Joint Committee on Internal Revenue Taxation and established a staff. I feel certain that every member of the Finance Committee and every member of the Ways and Means Committee recognizes the valuable service and the increased efficiency of both committees and both branches of the Congress in dealing with the complex problems that are involved in taxation as a result of the establishment of the Joint Committee on Taxation and its permanent staff.

Now, the Library of Congress is a literal storehouse of information; but with the pressure of time and the multiplicity of the duties of Members of Congress, it is literally impossible for them to do the necessary digesting and arrangement of the material which is available in order that it may be placed in a form so that it can be brought to bear upon the definite and specific problems with which Congress must deal.

Senator TYDINGS. Senator, could I interrupt you, just in line with the argument, to ask Mr. MacLeish this question?

Senator LA FOLLETTE. Certainly.

QUESTIONS AS TO FUTURE INCREASES

Senator TYDINGS. Assuming that this $86,750 was given for this service, is it your idea that there would be any considerable increase in the next, say, 5 or 10 years, or would that sum approximately run it efficiently?

Mr. MACLEISH. It is our idea that that sum would enable us to set up a service which would function along the lines that Senator La Follette is so well laying out; that is, we would be able, with that amount of money, to provide a skillful research service practically throughout the general field.

Senator TYDINGS. It would be carried as a yearly contribution so that it could function without coming for $150,000 in a year or so?

Mr. MACLEISH. I believe so.

Senator TYDINGS. Of course, it is an estimate, but I just wanted your opinion.

Excuse me, Senator.

POSITION TAKEN BY HOUSE COMMITTEE

Senator LA FOLLETTE. I am very happy to have that statement, because I think it is fair to say, from an examination of both the House hearings and the report of the committee, that members of the committee were much impressed with the testimony, but the full committee seems to have felt, as I read their report, that in view of the fact that there were experts and research activities in the executive branch of the Government, there was some question as to whether a similar activity should be undertaken by the Congress. I have the utmost respect for the type of research work, generally speaking, which is going on in the executive branch of the Government, but I do want to point out that it is not primarily directed toward the problems which confront the legislative branch of the Government. It is very naturally primarily directed toward the problems which arise after Congress has established the policy, and is related, very naturally more directly to the administrative problems which are involved.

QUESTION AS TO COMBINING LEGISLATIVE AND EXECUTIVE RESEARCH

Senator TYDINGS. Would you think it would be possible to combine the legislative and the executive research all under one head and save money?

Senator LA FOLLETTE. Senator, I doubt if there would be any saving of money, and I think that the whole point of the necessity for legislative reference service would be lost if it were merged with the executive arm of the Government. In such an event research would be certainly directed toward the problems with which the administrative branch of the Government is confronted.

Senator ADAMS. The executive branch of the Government has millions and millions of dollars to spend every year in its research work. It has a cabinet minister provided with unlimited funds for that.

Senator LA FOLLETTE. That is all true, Senator. There are two basic problems of research which relate to the respective problems confronting the legislative branch of the Government and the executive branch of the Government. This is a very modest sum to be provided which will be, I am certain, of immense value to individual Members of Congress and to the committees of Congress.

PURPOSE OF LEGISLATIVE REFERENCE SERVICE

Senator CHAVEZ. Will you pardon me there a moment? As I get your point, it is your idea that the legislative reference service now with the Library of Congress should be for the legislative branch of the Government only, in order to keep it from interfering or suggesting things that would interfere with executive functions so that we could determine ourselves either as to policy after this research has been made——

Senator LA FOLLETTE (interposing). And that it will make available this vast amount of information which is in the Library of Congress, but which no Senator or Member of the House has the time, in connection with his other duties, to go over and do the necessary job of combing the source material and relating it to specific problems.

Senator CHAVEZ. Congressional problcm?

Senator LA FOLLETTE. Legislative problems.

EXTRACT FROM HOUSE REPORT

Senator ADAMS. May I suggest that while you are making this statement you might comment on the statement of the report of the House in which they say:

"If Congress needs the services of research experts along the lines indicated in addition to those that are already to be found in the Federal Service, there is a serious question as to whether those experts should be a part of the Library of Congress."

Senator LA FOLLETTE. My answer to that comment is, in the first place, the Library of Congress, because of its other activities, gathers together and has available this material. The legislative reference service has been established there, and I believe, although not sufficiently equipped to do the job that it could do, those various Members of Congress who have availed themselves of its service have found it very useful.

Senator ADAMS. In the past some of us have rather questioned whether they would regard it as the Library, of course. I think the progress we are making is to give it that practical recognition.

Senator TYDINGS. What was that, Senator?

Senator ADAMS. Give practical recognition to the Library of Congress instead of merely a title.

Senator LA FOLLETTE. I think if I could say so without embarrassment to the present Librarian, I have complete confidence that under his administration, if this money is provided, we will find this service will be administered in a way to be extremely helpful to Members of Congress.

LEGISLATIVE RESOURCES OF NATIONAL LIBRARY

I would like to quote briefly from a statement which my father made in an editorial in La Follette's Weekly for July 4, 1914 [reading]:

"The Library of Congress is a great storehouse of information on subjects of legislation. Its collections of the laws and government reports of all countries are probably unequaled anywhere in the world, but at present the valuable material which they maintain can scarcely be said to be practically available. At great cost, the accumulated wisdom and experience of all civilized governments has been assembled here, and here session after session it lies untouched, because it is in no form for immediate use. Interpreted, classified, briefed, ready for the industrious legislator, it will enable Congress to profit by the trials, experiments, and approved judgments of all other nations. In short, the aim of the new provision is to make serviceable in suitable form for immediate use the legislative resources of our national library. By adopting it Congress has taken an important and necessary step toward rendering the business of lawmaking more efficient, more exact, economically sound, and scientific."

This excerpt from my father's editorial expresses better than I could hope to do my concept of what this service should be, but, as stated previously, Congress has never seen fit to properly staff and equip the legislative reference service. I think that the recommendations in the estimate give every assurance that the service will be properly equipped if the money is appropriated.

IMPORTANCE OF RESEARCH

In conclusion, Mr. Chairman, I would like to say that it is my firm conviction that the problems confronting the Government under the democratic process are staggering; that we must move in the direction of equipping the representatives of the people with the necessary data, information, and available material in order that they may more successfully cope with the complex problems that confront us. I make the appeal that this committee will give careful and, I hope, favorable consideration to this item, because I regard it as one of great importance for the future work of the Congress.

The PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill, H. R. 8913, was read the third time, and passed.

REIMBURSEMENT OF COTTON COOPERATIVES

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 802, Senate bill 2585, to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes. This is a bill in which the Senator from Alabama [Mr. BANKHEAD] is interested.

Mr. McKELLAR obtained the floor.

Mr. KING. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. KING. I understood the Senator from California had given notice that he intended to address the Senate this morning.

Mr. McKELLAR. I have no objection to the Senator from California proceeding.

Mr. BARKLEY. The Senator from California said he wanted to speak at about 2 o'clock. He can speak on the bill, on the motion to take it up, or on anything else.

Mr. McNARY. Mr. President, may we have some semblance of order?

The PRESIDENT pro tempore. The Senate will be in order so that business may be transacted.

Mr. McNARY. I was advised early today that the able Senator from California does not desire to address the Senate today.

Mr. DOWNEY. No, Mr. President, I do desire to address the Senate today.

Mr. McNARY. I was misinformed. I beg the Senator's pardon.

Mr. BARKLEY. The Senator from California has expressed his desire to address the Senate today, and he can now address the Senate either on the motion to consider the bill or upon the merits of the bill, although he probably does not desire to discuss the measure. The Senator can proceed now, if he wishes, on the motion that is pending.

The PRESIDENT pro tempore. The Chair will state the parliamentary situation. The Senator from Kentucky has moved to proceed to the consideration of Senate bill 2585, being Calendar No. 802, to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes. That motion is not debatable in the morning hour.

Mr. BARKLEY. Mr. President, has the Chair announced that the morning business has been concluded?

The PRESIDENT pro tempore. Morning business was concluded some time ago, but the Senate is still in the morning hour.

Mr. BARKLEY. I ask unanimous consent that the morning hour be considered to have been concluded.

The PRESIDENT pro tempore. What the Chair understood was that the Senator previously asked that the calling of the Calendar be dispensed with.

Mr. BARKLEY. I meant to ask unanimous consent to dispense with the calling of the Calendar, and I thought then that the Chair announced that the morning hour was concluded. Therefore, it does not make any difference whether it is 1 o'clock or any other hour; if the morning hour is concluded the Senate can consider any business it desires to take up.

The PRESIDENT pro tempore. There is a difference between the morning hour and morning business.

Mr. BARKLEY. I ask unanimous consent that the morning hour and the business coming under it be considered to have been concluded.

The PRESIDENT pro tempore. Is there objection. The Chair hears none, and it is so ordered.

Mr. ADAMS. Mr. President, is it possible by unanimous consent to change the time of day?

The PRESIDENT pro tempore. The rule has been dispensed with by unanimous consent. The motion of the Senator from Kentucky is before the Senate, and is now debatable. The Chair recognizes the Senator from California [Mr. DOWNEY].

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me for the purpose of placing a certain matter in the RECORD?

Mr. DOWNEY. I yield.

REAPPORTIONMENT OF DELEGATES TO THE DEMOCRATIC NATIONAL COMMITTEE

Mr. CLARK of Missouri. Mr. President, at the last national convention of the Democratic Party held in Philadelphia, Pa., I had the honor to be the chairman of the committee on rules and order of business. In that capacity I presented to the convention a report from that committee unanimously adopted by the committee, providing for the abolition of the two-thirds rule in the national Democratic conventions, and a resolution directing the Democratic National Committee to consider and report to the next national convention a proposal for reapportionment of delegates to the national Democratic conventions, on the theory that a weighted system of representation should be established to give fuller recognition to those portions of the country which are more or less permanently Democratic.

That resolution carried the mandate from the Democratic National Convention, because, following the unanimous report of the committee, it was adopted by the Democratic National Convention. Whether or not anything has ever been done by the Democratic National Committee to carry out that mandate, I do not know. If so, it has never been made known to the public, although I have myself two or three times communicated with the Democratic National Committee authorities calling attention to the existence of that mandate of the last national convention, with the provision that the committee be required to report to the next national convention.

I ask to insert in the RECORD as part of my remarks at this point a Memorandum on the Need of a Reapportionment of Delegates to the Democratic National Conventions, prepared by John Temple Graves II, one of the leading publicists of the South, connected with the Birmingham Age-Herald and the Birmingham News, and whose articles are syndicated through a large number of newspapers in the South.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The memorandum is as follows:

MEMORANDUM ON THE NEED OF A REAPPORTIONMENT OF DELEGATES TO THE DEMOCRATIC NATIONAL CONVENTIONS

Along with the resolution to abolish the two-thirds rule for making nominations, the Democratic National Convention of 1936 passed the following resolution, which, like the other, was prepared by the committee on rules and order of business:

"*Be it resolved*, That the Democratic National Committee is hereby instructed to formulate and to recommend to the next national convention a plan for improving the system by which delegates and alternates to Democratic National Conventions are apportioned; and be it further

"*Resolved*, That in formulating this plan the national committee shall take into account the Democratic strength within each State, District of Columbia, and Territory, etc., in making said apportionment."

It was generally understood that the proposed new apportionment system would serve to recompense the South somewhat for loss of the two-thirds rule, since the South is the region of greatest continuous Democratic strength, and a system of representation based in part on such strength would be expected to increase the comparative number of southern delegates to national conventions of the party.

The best way of expressing the situation against which the South is entitled to remedy is that it gives to the State of Pennsylvania, which only rarely goes Democratic, enough votes in Democratic National Conventions (72) to outvote the almost always Democratic southern States of Virginia, North Carolina, and South Carolina combined (Virginia has 22 votes, North Carolina 26, and South Carolina 16, a total of 64). Another extremely eloquent way of expressing it is that a district in Vermont, which is the least Democratic State, has exactly the same number of votes in the party's national conventions as does a district in South Carolina, which is the most Democratic State. Still another is that a district in which there existed no single Democratic voter would have as much weight in the party conventions as at present composed as would a district in which every vote was Democratic.

This unfairness in apportionment results from the fact that representation is based, for the most part, on the total population rather than on the Democratic population of the different States and districts. That is to say, it is based on representation in Congress. Each congressional district is given two votes in the party's national conventions and there are four votes from the State at large.

The Republican Party is actually more democratic than the Democratic Party in this matter of giving representation on a basis in part of party strength. Until 1912 it had the present Democratic system. In that year the quarrel between William Howard Taft and Theodore Roosevelt resulted partly from the part southern delegations played in the nomination of Taft. The injustice of giving full representation to Southern States which never did or would go Republican became so plain after the party split that a new apportionment system was used in 1916. The new system was amended somewhat in 1924 but its original principle was preserved. Today it is, roughly, as follows:

(1) Each congressional district is given 1 vote.

(2) An additional vote is given to each congressional district which gave the party as many as 10,000 votes in the preceding Presidential or congressional election.

(3) Each State is given 2 votes (two delegates at large).

(4) Three additional votes (delegates at large) are given each State which cast its electoral vote or a majority thereof for the party nominee in a preceding Presidential election.

This is how it happens today that even though the States of Tennessee and Alabama have 22 votes each in Democratic national conventions, Tennessee's greater number than Alabama's results from the fact that she has more Republicans, that Republicans cast more than 10,000 votes in 1936 or 1938 in 5 of her 9 congressional districts.

A result of the Republican Party's system is to cost the South votes in Republican national conventions. That is as it should be. It would be ridiculous to say that South Carolina, which never goes Republican, should be allowed to outvote in Republican conventions the combined States of Vermont and New Hampshire which nearly always go Republican. It is as ridiculous as it is to say that those two Republican States should have equal representation with South Carolina in Democratic conventions.

The same new system which cost the South votes in Republican conventions would increase the South's votes in Democratic conventions. If the Democrats had the Republicans' system, the South would have a bonus of 147 votes in Democratic conventions—composed of an additional delegate from each of its 111 congressional districts and 3 additional delegates at large from each of its 12 States. The original base total would be lower, of course, and other regions would have bonuses, too, but the South's proportion would obviously be greatly increased.

Under the Republican system, too, the fact that the South does not bring its full Democratic voting strength to the general election polls (because of the controlling Democratic primaries and because, too, of the poll tax) would not prevent an increase in southern representation at party conventions. Little as it comes up to real Democratic strength, the Democratic vote at general elections runs far ahead of the 10,000 needed to qualify for an additional delegate. In the Presidential election of 1936, for example, the average Democratic vote per district in Alabama was 26,466; Arkansas, 20,952; Florida, 49,823; Georgia, 25,537; Louisiana, 36,613; Mississippi, 22,474; North Carolina, 56,013; South Carolina, 18,965; Tennessee, 36,342; Texas, 34,975; and Virginia, 26,109. As a matter of fact, if the Republican system should be adopted by the Democrats, it would be better from the South's point of view to amend it to the extent of requiring 15,000 rather than 10,000 party votes

to qualify for an extra district delegate. That would let all the southern districts in and would disqualify more of the other districts.

It may be said against the benefit to the South of new apportionment on this basis that every State in the Union, saving only Maine and Vermont, went Democratic in the last Presidential election, and therefore that an apportionment based on party strength in the different States and districts as indicated in that election would not help the South's proportion much. But the election in 1940 is obviously going to be no such landslide. It is going to be much more normal in the relative distribution of votes between the two parties, and the South's strength in the Democratic Party is by that token going to be more in evidence. And it is upon the election returns of 1940 that any reapportionment enacted by the Democratic convention of 1940 will have to be based.

The foregoing memorandum is taken from the thinking and writings of John Temple Graves 2d, associate editor of the Birmingham News and columnist for several southern newspapers. Mr. Graves has studied the matter carefully and has agitated for reapportionment in a forceful and intelligent manner.

Mr. Graves makes the suggestion that a proper apportionment plan should be as follows:

(1) One delegate from each congressional district.

(2) One additional delegate from each congressional district which either elected a Democratic Congressman or cast no less than 15,000 votes for a Democratic candidate for Congress in the last preceding congressional election.

(3) Four delegates at large from each State.

(4) Three additional delegates at large from each State which cast its electoral vote, or a majority thereof, for the Democratic Presidential election.

THE TOWNSEND PLAN

Mr. DOWNEY. Mr. President, it is my purpose today to present to the Senate as briefly as I can, a résumé of the terms of the new Townsend bill, with a forecast as to its probable workings, and likwise a critical analysis of the operations of the pension provisions of the present Social Security Act.

The Townsend bill itself is so simple in its terms that it can be readily understood by any intelligent child of 16 years of age. And it is not difficult in a very brief period to state its provisions and its probable workings.

But, Mr. President, when one turns to the complicated actuarial features of the present Social Security Act, one enters a field of legislation so conflicting, so abstruse, and complicated, that I venture to say there are not five men in the city of Washington who can give you an adequate description of the terms of that bill. And even to that handful of men the present Social Security Act in its future workings is so vague and hazy that no prophecies can be made with any degree of certainty with respect to it.

As a matter of fact, Mr. President, up to date the prophecies of the social-security experts have been proved uniformly invalid by the passage of time.

Let us turn our attention first to the new Townsend bill which has been introduced in the Senate with a companion measure in the House of Representatives. That bill calls for the imposition of a 2-percent tax upon the gross income of all corporations and individuals in the United States and provides that whatever funds be raised by that tax shall be equally distributed among all American citizens who have retired from gainful employment and who are past 60 years of age.

Mr. SCHWARTZ. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. SCHWARTZ. Does the bill to which the Senator has referred exempt the first $250 per month of income?

Mr. DOWNEY. Yes; the bill exempts salaries and wages up to $250 a month, and gross incomes arising from business up to the sum of $3,000 a year.

It is our estimate, Mr. President, that we have in the United States about $365,000,000,000 of gross income that would be subject to the levy of this 2-percent tax before the exemptions are deducted. Those exemptions would amount to about $65,000,000,000, which would leave the sum of $300,000,000,000 subject to a 2-percent tax, which would raise some $6,000,000,000.

There recently have been misleading statements made in the House of Representatives as to the gross income of the United States. Indeed, within the last 2 weeks a most ill-informed statement was presented. I have at this time no particular desire to argue the 2-percent gross-income tax. I desire, however, to place in the RECORD a statement coming from the Department of Commerce showing the gross income in the United States for the calendar year 1936. That statement may be found in volume 1 of the hearings before the Ways and Means Committee of the House of Representatives in 1939, on page 83; and the figures there presented from the Department of Commerce are practically in accordance with the statement I have made.

If this tax would raise the sum of $6,000,000,000, it is expected that its benefits would be claimed by about 10,000,000 of our citizens, which would give to each one of them the sum of $600 a year, or $50 a month. The figures I have given are predicated upon a net national income of $75,000,000,000; and, of course, if and when the national income increased beyond that figure, the allocation to our retired citizens would likewise increase.

Mr. President, it is conservatively estimated that the farms and factories of America could now yield at least $110,000,000,000 of wealth; and if we have the ability and the will ever to restore our people to full employment, of course, the pension would increase materially over the $50 a month which I have indicated; and thereafter, under the Townsend plan, the retired citizens would share equally with the rest of the Nation as the national income and national wealth increased.

I desire to impress upon Senators particularly the fact that not for several years has the Townsend plan called for a payment of $200 a month. There is written in the bill, and there is written in prior bills, the provision that that shall be the maximum amount; but for several years there has been no provision that any such payment shall be guaranteed.

Mr. President, so far as I personally am concerned, the 2-percent gross-income tax is a secondary problem. The question is, considering all the social conditions existing in America, from the standpoint of Christianity, decency, and policy, what proportion of the net national income should we set aside for our retired citizens? If 10,000,000 of our people should claim the benefits of the bill, they would constitute about 8 percent of our national population; and if on a net income of $75,000,000,000 the bill should raise $6,000,000,000, that would be 8 percent of the national income. That is the reason, Mr. President, why we have fashioned the present gross-income tax as we have, with its exemptions, so that it shall, in decency, produce for the retired workers of America something near their fair share of the average income of the Nation. We cannot believe that any Christian civilization can proceed upon any other standard than that the men and women who have created this great industrial structure and this civilization are entitled to their fair and just reward in the declining years of their lives.

Mr. President, perhaps the most important respect in which the Townsend plans differs from the present Social Security Act is that it provides pensions for persons more than 60 years of age. The present Social Security Act leaves millions upon millions of our people between 60 and 65 years of age, without savings and without hope of a job, living precarious, miserable years from 60 to 65.

The Gallup poll has shown that 87 percent of our citizens believe the age limit should be dropped to 60 years. In the face of that declaration by the American people, which is common knowledge to us all, how dare we fail to obey the mandate, the common-sense wish of our people?

Let me point out to the members of the Finance Committee that whenever the age limit shall be dropped from 65 to 60, out the window must go all the astronomical actuarial calculations of the Social Security Board; for those calculations, made by thousands of men, involving millions of pages of typewriting, are based upon an actuarial system contrary to reality, contrary to decency, and contrary to the wish and the will of the American people.

Mr. President, any government which desires to maintain itself in power should soon hear the almost unanimous voice of the people of America demanding that persons more than 60 years of age shall be given annuities or pensions of some kind or other.

Mr. President, is it not strange that we spend all our ingenuity making great machines to oust men from work,

to create more wealth; we steadily make it more and more difficult for persons past 60 to obtain any job; and then we neglect and refuse to give to retired workers the means of buying the abundance which those machines, manned with younger workers, could so bountifully produce? Not only our industrial and social realities but our political realities demand that the age limit shall be dropped from 65 to 60.

That is the first important respect in which the Townsend bill differs from the present Security Act.

What is the next important difference? Well, the proposed bill would provide about $600 a year for a retired worker. Fifty dollars a month is not very much to live upon. Probably few of us could believe that a man and his wife could live upon that amount. Certainly no one would say it is too high. I ask Senators to review the unchristian, indecent amounts paid under the present Social Security Act; and I challenge contradiction when I state they are grossly insufficient. Millions of words have gone forth from the Social Security Board misleading and deluding the older people of America into the belief that at last their anguished hearts were to have some relief and they were to be provided enough to live on.

There are two basic provisions in the Social Security Act: First, the Federal-State matching plan; and, second, old-age insurance, the contributory plan. Considering all the pension recipients together, they average about the sum of $4 a week for each one; and we, in the wealthiest land of the whole world, we who love to boast to other nations of our generosity and our bounty, are content to run our factories and machines at 50- or 60-percent capacity and point to the payment of pensions of $4 a week as a generous Christian act.

Mr. President, in the past year I have received tens of thousands of letters from anguished hearts and miserable homes, from men and women who have helped to build the wealth upon which the rest of us live, who now, in their declining years, are facing conditions so intolerable and so terrible that many of them take the short suicide route to escape, and many of them die of broken hearts. I can prove it by my correspondence if proof is desired.

Mr. President, generalities and figures do not mean very much. Let us reduce the problem to one concrete case. Let us take a typical case under the social-security law to see why it is that contributory workers in America are not applying for these pensions. Because, Mr. President, that is the truth—the prophecies made by the Social Security Board that a certain number of applications would be filed and a certain amount of money would go out are not being fulfilled. In other words, the Social Security Act today is of such negligible importance that we may say that it is practically worthless so far as the great bulk of the American people are concerned.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LUNDEEN. The able Senator refers to the Social Security Board. Perhaps it might better be referred to as the Social Insecurity Board. I voted against the present Social Security Act. I exposed its fallacies. On the day after its passage I denounced this social insecurity and demanded its repeal. I then called attention to the fact that action must be by the National Government and not by States—that funds should be collected by the United States of America and disbursed under the general-welfare clause of the Constitution. These principles are fundamental and must stand. Any other course will lead to disaster. There is yet time to mend our failures by constructive legislation.

Mr. DOWNEY. I thank the Senator, and he is correct, for it is insecurity; it is not security. But in the misleading and delusive columns of newspaper propaganda that have gone forth to the aged people of America from the Social Security Board they have been led to believe that the Social Security Act is a generous, effective law, when, as a matter of cold fact, it is a futile, impotent instrument of poverty and neglect.

In the preparation of their propaganda the Social Security Board has issued this placard which I am now exhibiting. I secured this from one of the streetcar companies of Washington. It is the picture of a happy-looking man, I suppose of 65 years of age, expecting that he is soon to come into relief and security through his annuities under the Social Security Act. As a matter of fact, Mr. President, if we could bring before the Senate the portraits of those men whom this picture is supposed to represent, their faces would mirror anguish, despair, fatigue, and insecurity as they seek and fail to find any relief in present pension laws.

Let me discuss the typical case, Mr. President; let us take the average man; let us not descend into the inferno of those unfortunates living in the jungles, sleeping on gratings in the streets, existing in misery in the poorhouses and old-age farms. Let us take a fortunate case; let us take the average case of an employed worker and see what the Social Security Act does for him.

Mr. President, in the covered occupations reported to the Social Security Board, the average earning was almost exactly, though not quite, $900 a year—$890, to be exact—let us say $75 a month. Eighty-seven percent of those men who are married when they become 65 have wives under 65. These will receive no additional benefit. As a matter of fact, the average age of the average wife is about 5 years younger than her husband at that age.

Here, then, is the average American citizen who has helped to build our homes and stores, to construct our railroads and our highways, who has helped to create the abundance of this Nation by sweat and toil in his working years. He has reached 65; he is filled with delight at the thought that his Government is going to assist him and that he and his wife are to receive security and care from then on. So he goes to the Social Security Board and says, "I am married; I shall be 65 this January 1; my wife is 60. I have been employed for 3 years, making $75 a month. How much am I entitled to?"

The Social Security expert says, "Well, that is easy. Take your average earnings of $75; we give you 40 percent upon the first $50, or $20; we give you 10 percent upon the second $25, or $2.50 additional. So you will receive $22.50, plus 1 percent of that amount for each year, which for 3 years would make it about $23."

Mr. President, I sometimes think that most men who have led easy lives, most men who have been insulated against the tribulations of adversity, know but little of the great common heart of America, and the suffering and problems of our people, because the Social Security Board in its figures to the Finance Committee prophesied to the Finance Committee, in effect, that the great majority of the men thus making $75 a month would retire at 65 and live on the $23 a month.

Mr. President, have these gentlemen ever stopped to ask themselves how men can do that? Apparently not, for they are now surprised that men are not retiring, and when they send out their social-security experts to investigate—to Mike or Jim or Bill, they seem surprised to learn that 19 times out of 20 the worker will say "Mr. Social Security Expert, I have not $1 of insurance or of savings or of property and I simply cannot exist with my wife on $23 a month. As a matter of fact, the Social Security Board members should not be surprised, for their records show that of the men working at 65, earning $75 a month, 19 out of 20 of them have no savings or insurance.

As a matter of sad fact they are generally in debt two or three hundred dollars.

And the records of the Social Security Board itself show that 19 out of 20 of the men in that class have no children upon whom they can thrust themselves and gain anything thereby. Their descent upon the homes of their relatives cruelly burdens those homes and brings no relief to them. Oh, yes; many of them may go into homes already struck by poverty; many of them may bring greater misery and insecurity into the lives of their children; but the harsh fact is, Mr. President, that 50 percent of the workers of America cannot help their parents, and those are the very parents who need help.

Let us see, Mr. President, how absolutely meaningless, how absolutely worthless is this $23 a month to the elderly citizen. I take now the typical case developed by the Social Security

Board figures themselves. Mike and his wife pay $20 a month for their rent; and they have a most modest home for that rental. Their food costs them another $20 a month. Mike spends $5 a month on streetcar fare. He is paying $15 a month upon dental and medical and other bills. He has about $10 a month left for clothing and recreation and newspapers and telephone. As a matter of fact, he cannot live on that $75 a month, counting the unforeseen items of sickness, dental, and medical attention and other unforeseen burdens.

Yes, Mr. President, we may degrade him down into a home in the slums that he might rent for $14 or $15 or $16 a month; we might slowly starve him and his wife by malnutrition by cutting their food allowance down, perhaps, to $15 or $16 a month; but that man and his wife cannot possibly live upon that $23 a month. Hence, I say to the distinguished Senator who honors me here with his presence, the chairman of the Finance Committee [Mr. HARRISON], if and when he attempts to reappraise and reexamine the workings of the Social Security Act, he will find that the money the Social Security Board promised would be disbursed is not being expended, because men who are earning $75 a month cannot retire and live on $22 or $23 a month. They cannot even slowly starve to death upon that amount, but their starvation would be rapid, indeed.

Mr. President, I wish I could bring before the Senate a composite of the hundreds of thousands of letters which are now in our records, and in the records of the Townsend organization, reciting the history and the misery of the retired people of America. Less than 20 percent of those past 60 now have jobs. About 15 percent have savings. All the rest of them are thrust into a precarious and insecure existence in a land of superabundant wealth.

Well, you ask me, what are the aged people of America going to do? I reply, if there is any Senator here who can answer that question, I wish he would rise and declare himself.

Mr. LUNDEEN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from Minnesota?

Mr. DOWNEY. I do.

Mr. LUNDEEN. He might transfer himself to the mercies of the Surplus Commodities Corporation, which has recently sent food to some of our citizens, valued at 1 cent, and in some instances, 1½ cents per meal per person. See W. P. A. reports. All they get, I understand, is some old apples, onions, and inferior flour. That might make a good text for some totalitarian dictator. What a grand standard of living for a democracy.

DR. FRANCIS E. TOWNSEND

Dr. Townsend will live in history. He stirred a Nation to its very depths by his fervent appeals. For years we liberals and progressives appealed to our fellow citizens for social-security legislation. Dr. Townsend did more than all of us—he made us social-security minded. He talked not only old-age pensions—he advocated recovery legislation, and there must be sane and sensible recovery legislation—recovery before it is too late. Hats off to Dr. Townsend and the mighty host he leads onward to paths of progress and prosperity.

Mr. DOWNEY. Mr. President, it is true that Mike may go to his State and receive from his State an allocation for a portion of the charity pension if the charity pension is greater than what we call old-age insurance. And that brings us to another weird provision of the Security Act.

As I have already indicated, we have two pension phases of the present law. We have the contributory system, under which the worker is now paying 1 percent upon his wages, and his employer an equal amount, which amount will finally be raised to a total of 6 percent. We have the matching plan, under which the pensions are given as a matter of charity, the Federal Government matching the State payments up to $20 a month. Now, let us see just how strangely these plans work out when compared to each other.

The Federal Government has created a system in which, in almost one-half the States, the amount that a man may get as a matter of charity under the matching plan is greater than the amount the Government gives him under the plan which involves taxing his wages. In other words, in many States—New York, Ohio, I am not sure of Michigan, but many, many States—the amount of money which is paid out as a matter of governmental subsidy substantially exceeds the amount of money paid out on old-age insurance based on contributions.

Not only that, Mr. President, but think of this: The man whose wages are taxed, if he is married and his wife is past 65, will have his allotment increased 50 percent, while if he receives a pension as a matter of charity it will be doubled. If the man dies his wife will get 100 percent under the matching plan, the charity plan; but if he dies, under the contributory plan the wife, for some strange reason, will receive only 75 percent of the amount.

Mr. President, think to what an end we have come in the State of California. Here is the Social Security Board setting up a vast actuarial scheme to determine the pensions workers in California will receive 25, 50, yes 100 years from now; and the amount that the workers in California will receive 50 years from now under the actuarial plan is exceeded by 97 percent in the case of those now receiving charity payments. In California, the pension State, we give a single man $40. If he is married we give him $80. If he is married and his wife is past 65, under the contributory plan he will generally get around $25 or $35 a month.

Mr. President, I have talked to some persons who have seen the files of the Social Security Board at Baltimore. They tell me they never could have conceived that there could be so many files in existence. A young boy from California wrote me. He was 15 years of age. He had started to work in a covered occupation. The Social Security Board has his card, and for 50 years the Social Security Board intends to keep track of his earnings. Fifty years from now, under the actuarial scheme, it is going to allocate him less at the very maximum than we now pay as a matter of governmental subsidy in California.

Think again, Mr. President: If that boy of 15 should ultimately marry a wife 15 years younger than he, who should live to be 85, that would mean that the Social Security Board have in the present determined by an involved actuarial scheme what that widow will receive one century from now. What omniscience!

Why, Mr. President, if anybody can look back over the past 20 years, with its blood and destruction and dynamic changes; with its ever-increasing tempo of production; and then with its ever more potent machines, believe he can work out a plan that will successfully determine from wage payments over the next decades what wage earners and their widows will be paid 25, 50, 75, or 100 years from now, I must admit he has more confidence in his intellectual processes than I have in mine.

Mr. President, let us go back for a minute to the typical case we have been discussing—the man making $75 a month. Let us see what he is going to do; and if there is a Senator here who can give him a message as to how he should live from now on, I should like to be able to bear some hope and encouragement to that man, because this is what his letter tells me is happening to him:

Let us take the case of a man who is a janitor, we will say, in a private school, earning $75 a month. He is beginning to get tired and ailing. He has worked since he was 15 or 18 years of age. His heart begins to bother him when he works vigorously, when he arises early in the morning in the cold and the darkness. The spring has left his limbs; his vitality has begun to fail. He is subject to sickness and dizzy spells. The doctor has told him he has to stop working so hard. The truth is, he has worked for this civilization of ours for 50 years. Now he is old and tired and ailing. He is entitled to rest and a serene retirement. A younger man ought to take his job. But poor Mike's days are not filled with the hope of a happy and dignified retirement—only with worry for fear he may lose his job. He suffers from insomnia at night as the specters

of insecurity thrust themselves upon him, and he says to himself, "What would happen to my wife if I should die tomorrow?" And sometimes, in the gloom and fear of the night, he figures that he will do what tens of thousands of old persons do every year in the United States—kill himself. And in despair he questions, "What will happen to my wife if I do?" And he thinks, "Well, maybe she can go out to the county poor farm." So Mike takes a trip out to that dismal abode of hell, and he sees what Mrs. Roosevelt saw, what Mrs. Roosevelt should have known she would see, because you can see the same fearful, tragic sights in 9 out of 10 old-age homes and poor farms in the United States, where hundreds of thousands of persons who have been loyal, decent American citizens now exist in tragic decay that is worse than death itself. But Mike clutches at the hope that the county poor farm would be a haven for his widow if he should pass on; and he goes out, and he sees a plain building like a cantonment. He walks in over a plain pine board floor, unvarnished, with 20 or 30 beds on one side of the room and 20 or 30 beds on the other side. And there he sees to what unhappy fate his own wife may come if he should die or lose his job. As he steps into that room he is met with the nauseating odor that comes from the uncared-for bodies of human beings. And he sees the meager food those poor, doomed persons are given, in this land where food is destroyed. He sees all the tragedy of the indigent aged. Let us not paint further that tragic picture, but when the husband has seen it, he knows that if he leaves this world he would better take his wife along with him than let her go out there.

Mr. President, I realize that these are not pleasant subjects to discuss. It is much nicer to put them behind us, and think of our generosity to foreign nations, our wealth, and our great achievements. Nevertheless, there are millions upon millions of American citizens anguished and insecure not knowing where they can turn, who can think only of their own tragic plight and look only to us for relief.

And what I have said I repeat, if there is one Senator who knows how the aged of America can exist under the Social Security Act, let him tell how a man earning $75 a month and supporting a wife, can retire and take this $22.50 or $23, because the Social Security Board is now met with that very problem. And, sadly enough, they do not know how to solve it. All this vast actuarial scheme means almost nothing. For almost no money of any considerable amount is going out, because men who are working and making hardly enough on which to live cannot retire and take one-third or one-fourth of that insufficient amount.

But perhaps some of my colleagues are saying, "Will not some of them get more than $22.50 a month?" Oh, yes, Mr. President; some of them will and do. Some of them get $40 a month, plus 3 percent on that for 3 years, or $41.20 a month. Who are those fortunate people thus comparatively blessed under this strange, weird law? They are the people who are making upward of $250 a month. In other words, if one has been a wage earner at $250, $500, $1,000, or $10,000 a month, the Government will pay him a monthly pension of $41.20. If he should die and leave a widow and four children, they would be so fortunate as to get $85 a month. Consider the cruel machinations of this law. As I shall show later, the money that is paid out does not come from the workers' contributions to any substantial extent. This annuity plan will be financed chiefly by public money, as I shall demonstrate later. The Social Security Board now knows it. While in the hearings before the Finance Committee they argued to the members of the committee that this was a contributory plan, they now have dropped all pretense of that and admit it is not a contributory plan, but they justify it in this way: "Hereafter we are going to pay pensions in America whose amount will be determined by the amount of the earnings," not by the amount of contributions, but, I repeat, by the amount of the earnings.

Mr. President, I have here the reports of the Social Security Board, showing that for the next 20 years the amount of contributions paid by a worker would not by any appreciable amount contribute to the sum that is to be disbursed to him. Think of it for a moment. An employee at the present is being taxed 1 percent of his pay, and that rule holds for the past 3 years and the coming 3 years. It means that for those six years a man getting $3,000 a year would pay in only $180, and his annuity would be valued by an insurance company as worth about $10,000. As a matter of fact, the tables of the Social Security Board show that the annuities which will be earned by the workers will be paid almost wholly from public funds.

Mr. President, the question is asked, How will this system ultimately work? How much of the pensions will flow from public sources; how much from the worker's contributions? The advisory council of the Social Security Board plans that ultimately the cost be met in approximately equal shares by employers, employees, and the Federal Government.

So that the Social Security Board itself estimates that, looking ahead, say, 20 or 25 years, when the plan is fully in operation, only one-third of the annuities disbursed will come from the contributions of the workers themselves. The rest will come either from an employers' tax, which becomes a consumptive tax, or from Federal deficit appropriations.

These figures would seem to indicate that to the extent of at least one-third these annuities would be financed by the workers' contributions. But let me call attention to the fact that the workers who pay in that one-third do not comprise all of the ones who get the money. And why do I say that? Here is something which should interest to the very heart the distinguished chairman of the Committee on Finance, because under this strange law, while we tax workers receiving less than $200 a year, we do not pay them anything at all. We take their money but we exclude them from all benefits. In other words, what this strange, undemocratic, cruel law does is to take the most unfortunate, submerged groups in America, the low-paid and the part-time workers, many of whom are doing the hard, dirty work of the world, who cannot make $200 a year in money income, and we tax their hundred dollars, or $150, or $199, and, having added their contributions to this great fund, we then deny them all benefits and pay out their money to the workers who have been permanently employed and have received higher incomes.

I stated to the distinguished chairman of the Finance Committee that this argument should penetrate to his heart, because about 50 percent of the workers in Mississippi receive less than $200 a year. So we have the strange spectacle under this law of the money being drained out of the farm areas and the poorer States to pay workers' contributions in the wealthier regions and the wealthier States. The figures I have given to the distinguished Senator from Mississippi [Mr. HARRISON] hold true, though to a lesser degree, in all the other States in the South and in all the farm areas, including the State of Nebraska. The great industrial, wealthy States and cities will profit immensely by this law. The poorer rural regions suffer immeasurably.

I will make a remark which might seem exaggerated, but I make it after months of deliberation: If Thaddeus Stevens, with all his talent and vengeful fury of reconstruction days, had desired to degrade and pauperize the South, he could not have worked out with his clever mind an apter constitutional way of doing it than through the contributory plan of the Social Security Act.

I have stated to the Senate that old-age insurance would pauperize the farm States, the Southern States, the poorer States, to the advantage of the wealthy States.

Let us take one case to see why that is true. Take the State of Michigan, which is at the top because of its great body of factory and automobile workers. In the State of Michigan approximately 50 percent of the workers between 15 and 65 years of age pay contributions. In the Southern States the number runs to 12, 14, 15, or 16 percent. Consequently, in the great industrial States of the Nation about four times as many workers are subject to the terms of the act as in the farm regions and the Southern States.

Let us pass on to the next factor. In Michigan—and Michigan is to be congratulated on it—only about 15 percent of the workers receive less than $200 a year. Consequently,

85 percent of those who pay contributions will receive pensions.

As I stated, in the State of Mississippi one-half the workers receive approximately less than $200 a year, and of the pitiful percentage in Mississippi who pay contributions, only about 7 percent of the total population of the State will be paid annuities. So that the law works out in this way: Out of funds that are principally coming from public sources, $7 per inhabitant will go to Michigan for $1 per capita which will go to the State of Mississippi. I may say that South and North Dakota are deprived equally with the Southern States in that respect, and I have the figures here to show anyone who may desire to see them.

Mr. President, let me return to the point I was making a while ago. While, as a matter of fact, the Social Security Board now estimates that ultimately one-third of the money paid out to annuitants will come from the contributions of the workers, those figures must be qualified in this way: That amount includes the contribution from the partially employed and the low-income group, so that one can safely say that in the State of Michigan not 20 percent of the money which is paid out in annuities will come from the contributions of the workers receiving the annuities. In other words, if the Social Security Act is maintained upon its present actuarial base, this plan will remain 80 percent a social-dividend plan—a social-dividend plan under which we will disburse $5 and $10 to the wealthy State for every $1 for the poorer State.

Let me say, Mr. President, if there are Senators here who hold dear their farm population, in States which have both city and farm population, the Social Security Act will do this: For every dollar that will go into the rural regions, $10 or $20 will go into the city regions. In other words, I might say to the distinguished Senator from Michigan [Mr. VANDENBERG], whose high intelligence I have always admired, that if in Michigan certain counties are purely farm and rural, as compared with Detroit, on a per capita basis, Detroit under the contributary plan of old-age insurance will get $10 or $20 for every dollar paid out in the farm regions.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. VANDENBERG. Since the able Senator has been kind enough to address himself to me, I should like to make an observation. I am somewhat familiar with the intricacies and the inadequacies of the Social Security Act, to which the Senator is so ably referring. In many aspects I agree with him in his strictures. I think that in the long view it is going to be utterly impossible to satisfy the security demands of the American people with the Social Security Act, in its present prospectus; and I am completely convinced that the Senator is correct to the extent that just so soon as the resources can be safely provided to do it, without upsetting our general recovery, pensions, as a matter of right to the senior citizens of the United States, are, and should be, inevitable.

Mr. DOWNEY. Mr. President, I, of course, need not say how happy that remark makes me, coming, as it does, from one of the distinguished statesmen of America.

I want to say now that, while my attack upon the social-security law is a rather critical one, I have no criticism to make of either the House committee or the Senate committee. Many of the points which are now developing were not foreseen even by the social-security experts. It was an involved and complicated subject, and I know that every Senator and every Representative took this law believing that it was the best law that could be provided at that time.

But, Mr. President, I am compelled to say further, that the Social Security Board now is actually taking the position that, regardless of money coming from contributions, we must set up a plan in the United States under which what are virtually social dividends will be disbursed in the inverse order of the need of the recipients.

I approach this question now in the hope that I can make myself clear to the Senators who are kind enough to listen to me, but this is an involved and abstruse subject, and a person can fully understand the Security Act only after months of study, and even then there remain many uncertainties. But I desire to make this point clear, and if there is any Senator who differs with my view I would invite his participation in the discussion, so that what is the viewpoint of the Social Security Board may be frankly defended and discussed.

In the first place, Mr. President, as I have already endeavored to show, the contributory plan has degenerated into a scheme of social dividends under which the workers will receive 80 percent of their annuities from public sources. The Social Security Board defends such a policy. Tacitly admitting that the contributory plan is a social-dividends plan, they say, nevertheless, we should give out benefit in the inverse order of the need of the recipients. That is my characterization of their policy.

I think it is a fair one, because they propose to give out substantial annuities to the groups at the top and miserable and meager payments to the groups at the bottom.

Let me read to the Senate their last statement on this subject, and Senators will notice in this statement they have abandoned all pretense that this is a contributory plan. Let me quote from their own publication:

> The Social Security Act laid upon the Board an administrative responsibility probably unparalleled in the history of social insurance—the responsibility for devising a system applicable to millions of workers whereby each person who qualifies for benefits receives an amount determined by his individual wages in the covered employment.
>
> It has been generally accepted that the relation of benefits to earnings reflects American traditions and provides for adjustments to the wide differences in the wage scales and living standards within the Nation.

The Board has dropped all pretense that payments are to be proportionate to contributions, and now finds the index of amount of benefit solely in earnings.

I have the honor to have present several Senators from the South. I want to know: Are they willing to accept that standard, under which $5 or $10 will flow into the more prosperous industrial communities in the North as compared to every $1 that they will receive in their States?

Mr. President, that is the position of the Social Security Board, for its members believe that we must perpetuate in America in retirement a caste system. If a man has been harassed and driven by low wages and unemployment during his working years, he may be entirely excluded from benefits or handed $10 or $12 a month; but if he had been so fortunate as to have had steady employment and to earn $250, $500, or $1,000 a month, then we will give his widow and his orphans $85 a month.

Mr. President, is it possible that that is the viewpoint of the Chief Executive of the United States? I do not know, but he should speedily declare himself, for it is the viewpoint of the Social Security Board, whose members are appointed by him.

Is it possible that it is the viewpoint of the Senate or the House of Representatives? I cannot believe it.

Mr. President, it happens that in the past 2 months two clients of mine died in the State of California. I should like to tell about them. One of them was a man of high ability, who died worth perhaps $2,000,000 or $3,000,000. At the time of his death he was a comparatively young man and was receiving a salary of about $50,000 a year. He left a wife and three or four young children. The wife and children will now be paid $85 a month until the children reach the age of 16 or 18, and thereafter, when the wife shall reach the age of 65, she will receive three-quarters of the primary annuity of the husband. That man had paid into the system a total of $90. The annuity will pay his wife and children probably somewhere in the neighborhood of $20,000 to $25,000.

Another client of mine who died was a poor cannery worker, whose steps were always dogged by misfortune, who was always cursed by lack of the opportunity to work. Perhaps he was not as able as some other men, but in a hard world he did the best he could. His average earnings had

been $25 a month in covered employment, entitling him to a primary benefit of $10 a month. He, too, left several small children and a widow. The maximum she can receive is double what his primary benefit would have been, or $20 a month. When that husband died probably there was not sufficient food in the house. The children probably had not had sufficient medical care. Their bodies probably lacked soap and decent cleanliness. The family was probably 2 or 3 months behind in its rent. Yet we have worked out a plan which will give to the wealthy widow and children—out of public money, and not out of the contributions of the man himself—a substantial annuity of $85 a month, whereas the woman who needs help desperately will receive $20 a month, or less than a fourth of the amount paid to the wealthy widow.

Mr. President, Senators who are lawyers know that ordinarily the widow of a man who has earned $250, $500, $1,000, or $10,000 a month has the benefit of insurance, property, and savings, and usually there are wealthy relatives. Such a widow has ample protection. Her husband was among the upper 3 percent of the wage earners of America, because we have only that percentage earning upward of $250 a month. Senators also know that when some poor unfortunate in life, earning $25 or $50 a month, dies leaving a widow and small children, usually there is no insurance, and there is no money in the home. There is no property, and there are no savings.

I for one will to my dying day attack and indict this law, which has now degenerated into a scheme of fake social dividends, under which, in democratic America, we now intend to disburse public money in the inverse order of the need of those receiving it.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. VANDENBERG. The Senator has indicated that, on the average, the contributory system works to the apparent average advantage of the larger industrial States—let us say the wealthier States. But, of course, in the final breakdown, that becames a snare and a delusion, because within the so-called industrial or wealthier States we confront in turn precisely the problem to which the Senator now refers, the horrible discrimination against the less-advantaged and less-privileged people in the States. So, in the final analysis, it is not a problem invidiously between the States. It is a problem invidiously between the citizens themselves, wherever they may live. We have the same problem in Michigan as exists in Mississippi as between the citizens of our own States. Does not the Senator agree to that statement?

Mr. DOWNEY. Mr. President, I am in wholehearted agreement upon that question. If I had been able to secure the tables from the Social Security Board, I should have developed the figures showing the difference in the future flow between city and rural annuities; but if the Social Security Board has such figures, at least I have not been able to secure them.

And let me add to what the distinguished Senator from Michigan has said that what happens in the State of Mississippi is vital to us in California and to him in Michigan, because we are one Nation, one people. We shall live and prosper together or finally be all together involved in common national ruin.

Mr. President, as I have previously stated, I wish that I could read one composite letter of the millions which have come in from the older citizens of America. Sitting in Washington, it is difficult to understand what is happening in the great cities, on the farms, and in the factories of America. Marjorie Shearon, in a report to the Social Security Board after an examination, reported that of an average group of 1,000 Americans beyond the age of 65 in 1937, only 128 had current earnings; only 150, or 15 percent, had savings; and only 73 had public or private pensions, while 203 were depending in whole or in part on private or public charity, and 446 were living on the hand-outs of friends and relatives. In short, in a relatively prosperous year at least 14 percent of our senior citizens—and probably more—were gravely in need of Federal benefits.

Mr. President, I shall assume—unless some Senator rises and declares himself in opposition to me—that there is not a single Senator who does not in his heart desire to provide dignity and security of a decent kind for retired workers past 60 years of age. I assume that there is only one question in the minds of Senators, and that is, Can it be done in justice to the other segments of our population? Can it be done without injury to our general economy?

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HILL in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Calif.	Reynolds
Ashurst	Donahey	Johnson, Colo.	Schwartz
Austin	Downey	King	Schwellenbach
Bailey	Ellender	La Follette	Sheppard
Bankhead	Frazier	Lee	Shipstead
Barbour	George	Lodge	Smathers
Barkley	Gerry	Lundeen	Smith
Bilbo	Gibson	McCarran	Stewart
Bone	Gillette	McKellar	Taft
Bridges	Green	McNary	Thomas, Idaho
Brown	Guffey	Maloney	Thomas, Okla.
Bulow	Gurney	Mead	Thomas, Utah
Byrd	Hale	Minton	Tobey
Byrnes	Harrison	Murray	Townsend
Capper	Hatch	Neely	Tydings
Caraway	Hayden	Norris	Vandenberg
Chandler	Herring	O'Mahoney	Van Nuys
Clark, Idaho	Hill	Overton	Wagner
Clark, Mo.	Holman	Pepper	Wheeler
Connally	Holt	Pittman	White
Danaher	Hughes	Reed	Wiley

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. DOWNEY. Mr. President, before taking up my argument where I desisted, I ask unanimous consent to place in the RECORD, at the conclusion of my remarks a copy of gross-income table for 1936, referred to in my main argument; two newspaper articles of a statistical nature, by noted statisticians of America, showing that the burden of non-productive workers upon the productive groups is less now than it has ever been, and that it will be no greater in 1980 than it is at present, or was in 1929. A table showing the average per capita payments to participating earners under the old-age insurance plan by States; and the inscription upon the placard which I have displayed to the Senate.

The PRESIDING OFFICER. Without objection, the matters referred to by the Senator will be printed in the RECORD at the conclusion of his remarks.

(See exhibits 1, 2, 3, and 4.)

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LUNDEEN. Before the Senator resumes his very able argument may I call attention to two books so well written by the able Senator from California on the subjects, "Pensions or Penury?" and "Highways to Prosperity." I ask the attention of the American public to these books from the pen of the learned Senator from the great State of California, and I ask especial attention to the volume, Highways to Prosperity, just now off the press.

Mr. DOWNEY. I thank the Senator.

Mr. President, before the quorum call, I had stated to the Senate that it was my opinion that every Senator, without exception, would be delighted to work out some sort of a pension plan for people past 60, of an adequate nature, if they believed that such a plan could be worked out without injustice to the other segments of our population, and without injury to our economy generally. I myself am confident that that can be done, and I wish now very briefly to advert to certain figures which I gave at the beginning of my argument.

It is our opinion, though it may be subject to a certain amount of change upon further investigation, that a 2-percent gross-income tax on a national income of $75,000,000,000 would raise about $6,000,000,000, which would afford $50 a month for 10,000,000 people past 60.

As I said, 10,000,000 people constitute 8 percent of the population, and $6,000,000,000 is 8 percent of the national income of $75,000,000,000. If a 2-percent gross-income tax would raise 8 percent of the national income, one might logically expect an 8-percent increase in the cost of living to compensate for that tax; but let me show the Senate that that viewpoint overlooks the saving that will be made by this type of pension.

In the first place, the present Social Security Act is levied, roughly, upon almost $30,000,000,000 of pay rolls. In a few years it will be a 6-percent levy, which will raise $1,800,000,000. We are now paying out approximately $400,000,000 in old-age assistance, and we are paying out not less than $300,000,000 more for the benefit of workers on the W. P. A. and others on general relief rolls who are past 60 years of age.

So we may say with certainty that if a general pension law were put into effect we would save about $2,500,000,000 of present and contemplated expenditure under the pension and general relief laws. As a matter of fact, in addition to that we know that hundreds of thousands of workers past 60 would give up their jobs, which probably would make a certain saving in relief and W. P. A.; but I do not count that saving, if any there would be. But assuming a saving of $2,500,000,000, and deducting that from $6,000,000,000, we would have a net increase in the burden of taxation of $3,500,000,000, which would be something less than 5 percent of a national income of $75,000,000,000. Is there one Senator here who, if he believed that a tax which would increase his cost of living by 5 percent would solve this great and serious problem of old-age relief, would not be willing to pay that tax?

Much argument has been made, Mr. President, upon the burden which would be thrown upon the worker by a consumptive tax. Let me now advert to that point.

Under the Townsend bill there is an exemption for salaries up to $250 a month. Consequently, we may say that very probably the worker would not pay very much more in increased cost of living than the pay-roll tax of 3 percent which is designed to be levied by the present Social Security Act against his wages. As a matter of fact, as far as the worker is concerned I think it is wholly illogical to consider that levy upon his consumption as a tax at all. In reality, it is an involuntary form of savings under which he and his family pay into a social fund a volume for which he will receive at least two or three times as much as he would get if he paid the same amount of money into an insurance company; and in lieu of getting his annuity at 65, as under the present act, he would get it at the age of 60, and would escape the worries and hardships incident to the 5 precarious, desperate years between the ages of 60 and 65.

Mr. President, it is true that as far as the more prosperous groups in America are concerned, they would be taxed under this measure much more than under the present law, and they would be substantially taxed. As far as a man making $10,000 a year is concerned, it would cost him in increased living probably 5 percent, or $500 a year; if he had an income of $100,000 that he spent in consumption, it would cost him $5,000; if he were one of our fortunate multimillionaires, with a spending income of $1,000,000 a year, it would cost him $50,000, and the benefit of his payments and those of the prosperous groups in general would go largely to the workers earning less than $250 a month.

What this group of our fortunates must determine, what successful Americans must decide, is whether they are willing to give up by a consumptive tax, by way of an increased cost of living, about 5 percent of their consumption income; and I cannot conceive that there is a single American who, if he believed we could thus pay our great and tragic debt to the retired workers of America, and give them security and peace and dignity, would not be willing to do so.

Mr. President, I may say that this problem of pensions is, in an integral way, tied into the problem of excess savings. I believe that a wise and bountiful pension plan such as that provided by the Townsend bill would so tend to increase prosperity that the added consumptive tax would be absorbed in greater profits and in higher wages. For the purpose of this argument, however, I am not making that contention, although Dr. Townsend primarily conceives his plan to be one of recovery and full employment rather than relief; and I may say that Dr. Townsend, with his genius and his common-sense vision, has anticipated most of the economists in America with his theory on the effect of excess savings, and the need of greater purchasing power among all of our impoverished groups. I shall later consider Dr. Townsend's pension plan from the standpoint of national recovery. But that on some future day.

The argument may be passing through the minds of certain of my auditors, "Yes; while it is true that well-to-do America ought to be willing to tax itself 5 percent upon its living to provide decency and security for our retired workers, what of the rest of the impoverished groups of America? What of the unemployed, the W. P. A., the C. C. C., and the other great groups, desperate and insecure and hungry and unemployed?" Well, Mr. President, if there are Senators here who take the viewpoint that we must continue to live in an economy of scarcity, that we must continue to apportion out poverty, either by way of increasing the national debt or increasing taxes, that is a legitimate argument. If, on the other hand, Senators believe according to the pension philosophy not only that we have in America a sufficiency for all our people, but also that we should have the ability and will to distribute it, the argument ceases to be a legitimate one; for this particular plan will not take $1 from any of the other great groups who are in need. As far as I am concerned, my heart and mind are devoted to any fair and reasonable solution of the problems of all our impoverished groups. I am not concerned solely with our senior citizens; but I do not concede that we must sit here year after year distributing poverty among our people when our farms and factories are now working at little more than half capacity.

So, Mr. President, I should like to drive home this point: If anyone says we cannot afford, under the Townsend bill, to give this amount of wealth to our retired workers, let me say to him that there is no lack of ability in the businessmen of America, in our factories and farms and workers, to produce factory and farm products for the older citizens of America as outlined in the Townsend bill. If there is any lack, it is not in the productive power of the American Nation; it is in our ability to distribute the purchasing power under a capitalistic economy.

I am certain, in my own mind, that under a capitalistic economy we can operate our productive instruments at full capacity, and I hope there is no Senator here who is so defeatist and so dismal in his outlook that he believes we must continue to operate in an era of scarcity so long as we maintain a free civilization.

Mr. President, in 1929 I went out into the Sacramento Valley, where I was practicing law, and I talked to the poultry producer; and I found that the poultry producers, with labor that was available, could easily produce twice as many hens and twice as many eggs as he was then producing. I went to the dairy people, and I found the same thing. I went to the fruit and truck people, and I went to our factories and railroads and stores; and everywhere in the Sacramento Valley, in 1929, I found a latent capacity to double our production of wealth, and I am prepared to show the definite figures to anyone who desires to challenge that statement. Then I carried on an investigation in the State of California; and I found that our great utilities, our factories, our great stores, our farmers everywhere, could produce far, far beyond what they ever had produced, lacking only the market and the buying power to stimulate ever-increasing production.

Mr. President, as we all know, the most conservative estimate by reputable economists shows that, in the United States,

we could now produce upward of $110,000,000,000 of wealth, as compared with the sixty and seventy billion we have been producing. Consequently, I say that no one can legitimately make the argument that America is not wealthy enough to take care of its own retired citizens; of men who have been forced out of jobs by the infirmities of life, or by the oncoming power of technological development.

Mr. President, this brings me to one final point, and upon this I desire to conclude my argument. I might very honestly say that if it were not for the proprieties I would like to talk here a week upon this subject, but I am going to talk only a very few minutes longer. The complications of the Social Security Act cannot even be explained in the course of hours because its defects and contradictions are so many that the human tongue and the human brain cannot reckon with them in any brief period.

Mr. ASHURST. Mr. President, will the Senator from California yield?

Mr. DOWNEY. I yield.

Mr. ASHURST. The able Senator said he would be delighted to speak a week. I am sure that I am one out of many Senators who would not be wearied if he did speak a week.

If the Senator will pardon me for a reference—it is hardly a question—I want to interject something in his speech. I fear, however, I will mar the symmetry and strength of the Senator's remarks.

A very able citizen, not residing in my State, wrote and said to me, "I understand you are going to support the Townsend bill as it is to be introduced by Senator DOWNEY. I would like to know what you mean by such a thing. Can you explain it?" The explanation I made to that citizen was to send him the bill, with the statement, "The bill itself is the strongest argument I can make." He was fair enough to reply, "Having read the bill, I am for it."

In this life we are beset by many perplexing things, and frequently we are in doubt as to which way to turn. One of the rules of moral philosophy is that, in the effort to discover what is right and what is wrong, we should search for simplicity. Truth is generally to be identified by its extreme simplicity. A complicated matter, crisscrossed by many lines, difficult of discernment and of analysis, may be suspected. The very simplicity of the Senator's new Townsend bill indicates its truth and its strength.

If I am correct in my analysis of the Senator's bill, it does not stop any issue, rent, profit, or income any man receives. A man may be eligible for this pension at 60 years of age, provided he does not receive or earn any salary or wages. Am I correct in that?

Mr. DOWNEY. That is correct.

Mr. ASHURST. Secondly, a boy 12 years of age could figure on the back of a postal card just how much each citizen owed and should pay the Government under the new Townsend plan. Am I correct about that?

Mr. DOWNEY. That is correct.

Mr. ASHURST. Note the simplicity. They send experts from the Bureau of Internal Revenue each year so that we may forsooth have help in making out our income-tax returns. Under existing law the wisest and the keenest and most competent man must have the aid of an expert in making out his return. That is what annoys and perplexes the citizen. The American citizen is glad to pay something to his Government, but he objects to the annoyance of being constantly beset by a number of perplexing questions he must answer, with the fear that he may be entrapped, notwithstanding he is trying to be fair.

I wish to commend to the Senate and to the country this new Townsend bill which the Senator from California [Mr. DOWNEY] has proposed. Senators will be amazed at its simplicity. I repeat, a 12-year-old boy with his pencil could figure on the back of a postal card how much any citizen owed the Government under the Townsend income tax law.

Moreover, in this bill Dr. Townsend has hit upon a truth which may ultimately prove to be the solution of this country's financial troubles. We may come to it, and I think we should. The suggestion is, no appropriation without a tax side by side with it to pay for the appropriation.

Sometime, some place, somewhere, some wise man will drive through Congress a measure, or the American people will adopt a constitutional amendment, providing that there shall be no appropriation without a tax to accompany it. That will prove to be something which will aid the Government in meeting its bills in the future. It might prevent extreme inflation. Senators would find a pleasure in knowing that when they made an appropriation there would be a tax accompanying it to pay for it. Am I correct in saying the new bill so provides?

Mr. DOWNEY. The Senator is correct.

Mr. ASHURST. I have studied the new Townsend bill, to be proposed by the Senator from California, for more than 2 months. I have given it the best thought of which I have been capable, and I hope the House will send it to us; I suppose the House will have to originate it. I happened to know the Senator from California when he was a very young boy, and I inflicted a torrent of words on an occasion when he was present more than 35 years ago, in a county courthouse in the West. I happen to know that he is a very able lawyer, and his career at the bar demonstrates that he has practiced law with much success. He spoke earlier in the day about two clients, one of whom was opulent—and I do not make any point against that; I have no envy of any opulent man or wealthy man—who had paid in only $90. Is that true?

Mr. DOWNEY. That is true.

Mr. ASHURST. Whereas his beneficiaries will receive $85 a month for many years. That does not arouse any envy in my breast. The Senator adverted, in the course of his able speech, to the fact that the beneficiaries of another citizen would receive a very small sum, though it is entirely possible that the citizen of small means may have paid into the social-security fund a larger sum than the citizen of opulent means had paid in. Could that happen?

Mr. DOWNEY. That might not only happen but will occur countless times.

Mr. CLARK of Idaho. Mr. President, will it disrupt the Senator's argument if I ask him a question?

Mr. DOWNEY. Not at all, but before I yield I wish to thank the Senator from Arizona for his distinguished and happy contribution to the subject.

Mr. CLARK of Idaho. I rise merely to add a confirmatory note to the very able and eloquent address which has been delivered by the Senator from California this afternoon, and to the further illuminating interjectory comment just contributed by the distinguished Senator from Arizona. I think the Senator from California would probably have little difficulty in obtaining an agreement among Senators that when money is in circulation in the United States we have what is called prosperity, that is, we have our economic plant running at somewhere near full capacity.

In the days of laissez faire capitalism, in the twenties, private capital kept itself in circulation largely by the device of private spending and private borrowing. Then, when the crash occurred, in 1930, and the present administration took charge of the economic and other affairs of the country, the same money was kept in circulation by Government borrowing and by Government spending, in place of the old private borrowing and private spending, which has more or less dried up, due to the accumulation of savings which the Senator very well points out in his excellent books. Since then we have been maintaining the plant of the United States running at part capacity largely by Government borrowing and Government spending, which it is perfectly obvious cannot go on much longer. It has probably averted catastrophe, because it has kept money in circulation, but it has done it at the expense of increased debt.

The plan the Senator proposes in his bill, which is known as the new Townsend plan, is the only plan I have seen presented which promises to keep money in circulation, which promises to maintain our economic and industrial plants running at somewhere near capacity, without the vicious counterpart of continually going into debt.

If anyone can suggest another method of doing what everyone realizes must be done, that is, keeping money in

circulation, keeping the exchange of goods and services flowing freely, yet at the same time showing us how we can do it without going further into debt, other than by the very direct method of gross-income taxation, I think we would be more than glad to hear about that plan.

Mr. ASHURST. Mr. President, if the Senator from California will yield, the able Senator from Idaho made a statement which should not pass without more notice, although we always notice what he says. He says that if someone can devise a better plan than the bill the Senator from California [Mr. DOWNEY] is urging, the new Townsend bill, let such a bill be brought forward. If someone can devise a better bill, let it be done, and we will give it consideration.

Mr. CLARK of Idaho. Mr. President, the difficulty is that almost anything that is presented in order to keep this tottering economy of ours from completely collapsing involves deficit financing.

Mr. ASHURST. One further suggestion to the Senator. Let us assume a Senator whose salary is $10,000 a year; he and all other citizens should first be entitled to deduct $3,000 as their exemption. All citizens should be entitled to that exemption, $250 a month free from tax, or $3,000 a year. Assuming a Senator's salary is his only income, $10,000 minus $3,000 would leave $7,000, and his tax would be $140 a year.

There is not a Senator, not a Member of the House, in my judgment, if I understand my fellow Senators and Members of the House, who would not be delighted to make that contribution. The precedent set would be wholesome.

Mr. CLARK of Idaho. Mr. President, I may add further, if the Senator will yield, to say that this conception of a gross-income tax is not new. The State of the distinguished Senator from Indiana [Mr. MINTON] has a gross-income tax now and has had for some time. I assume it is working out satisfactorily. Several of the European nations, notably Italy and France, have gross-income taxes, the proceeds of which are applied to particular purposes; and what purpose could be more worthy than the retirement of the old folks to whom this Nation owes so much. So there is nothing revolutionary in this matter. It is a perfectly fine, tested theory of taxation. The only revolutionary thing is that for once we would have the proceeds of the tax earmarked and put right back in circulation and paid to those who deserve it most.

Mr. ASHURST. Mr. President, when the able Senator from California yielded to me I was fishing around in the dark recesses of my mind to find a world appropriate to express what I wished to say. I could not think of the word "earmarked." That is the word I meant to use.

If the Senator will pardon me further, I hope the time will come when every appropriation must be earmarked by a tax to accompany it.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. SHIPSTEAD. I might add that the State of Minnesota for more than 40 years has taxed its railroads on the basis of gross earnings, and many of our State taxes are earmarked for certain purposes.

Mr. DOWNEY. Mr. President, I am profoundly grateful for the contributions that have been made to this discussion by the Senators from Arizona, Idaho, and Minnesota. I hope at some future date to present a discussion of the problem of excess savings as the cause of the break-down of our economy, and I hope and trust that the Senator from Idaho at that time will enlarge upon the theory which he has adverted to here.

I cannot conclude my remarks, Mr. President, without discussing somewhat the experience I had with the Senator from Arizona [Mr. ASHURST] to which he adverted a while ago, and I must say that it is partly the example of the distinguished Senator from Arizona that makes me want to talk another week upon this subject, though I feel compelled to restrict myself to an additional 15 minutes.

Like the Senator, I come from the great and boundless West. In my younger days I spent some time around a lonely mining camp near Winnemucca, which is out on the desert of Nevada, where the great boast of the prospectors and the people generally is that one of the great statesmen and speakers and philosophers of America was born there, to wit, the Senator from Arizona [Mr. ASHURST]. I have never told the Senator that before, but many times when I have been out in the lonely mining camps in the deserts of Nevada I have found the people there still talking of Senator ASHURST. Senator ASHURST was taken to Arizona when a mere child, and his high ability there immediately manifested itself.

At one time, when I was about 17 or 18 years of age, when I had been expelled from a preparatory school, my father sent me out to labor in the world with a surveying crew and one day I came into the town of Flagstaff, Ariz. And as I approached the courthouse I saw a great crowd surrounding the building and there was a great air of excitement. As I walked up to the steps to see what the occurrence was I heard a booming, vibrant voice coming out from the courtroom. I asked one of the bystanders what was up and he told me there was a famous murder case at trial, and that a young district attorney, who was known as the silver-tongued orator of Coconino County, was making an address for the prosecution. Even then I was interested in oratory, so I decided to listen and finally wormed my way up into a crowded window and I looked out into the courtroom, where I could see the judge upon the bench, the unfortunate defendant, and the jury, and there addressing the jury was a great, broad-shouldered, fine-looking young man, I guess of 26 or 27, holding forth with powerful magnetic oratory. The first thing I heard him say, Mr. President, was this:

> Now gentlemen of the jury, as I stated to you when I began this argument 1 week ago [laughter], I had 10 points to develop. I have now covered the first 2, and I am going to proceed to the third one. [Laughter.]

I might say, Mr. President, that right there my surveying crew lost an employee, because I stayed to listen to all the points, and I lost nearly a month's salary.

Mr. MINTON. What happened to the defendant?

Mr. DOWNEY. The defendant was convicted. For Senator ASHURST had even then the great power of oratory which has made him so noted here.

When I was an amateur in the Senate several months ago, in my first session, there had been long and laborious arguments, and some of the columnists had been complaining because the Senators were taking up so much time, either stating what was obviously so, or worse what was obviously not so, and I think our most distinguished orator, the Senator from Arizona, who combines a perfect facility of language with a great philosophy and a great poetical imagination, rose and said there and then that he believed that any Senator, without exception, should be able to say all that he had in his mind in the brief space of 15 minutes. That took me back to those Flagstaff days when I had heard him talking as a young lawyer.

Mr. ASHURST. Mr. President, I would be lacking in grace and would be either less than human or more than human if I did not seek this opportunity to thank the genial and able Senator from California, whom, as I said, I have known since his boyhood, and whom I am particularly proud to call my friend, and with his kind permission, I know he will not be offended if I circulate some portions of his speech in my State in the forthcoming campaign. [Laughter.]

Mr. DOWNEY. Mr. President, our ever-distinguished colleague has the happy closing word, and I cannot close upon any happier note than he has done, so I will now again advert to the last point, which will not occupy more than a few moments.

Mr. President, one of the contentions made against the Townsend plan, and indeed any general pension law, is that it is not ethically or morally just to grant pensions to people past 60 or 65 years of age as a matter of social right, but that those pensions should be based upon what is termed need, and some of the most distinguished members of our executive branch have so expressed themselves; that we can only maintain thrift and energy and a better character by compelling the people to save, upon penalty that if they do not save they shall be consigned to the poorhouse, to insecurity, and lack of dignity and protection in their old age.

First let me say this also, Mr. President. It ill behooves any member of the executive department, or any Senator or any Representative who has voted for the social-security plan—the contributory part I am talking about now—to invoke that sort of an argument against the Townsend plan, because by figures that I employed here before, which the Social Security Board cannot deny, the present contributory plan is a fake scheme of contributions, and is in reality a thinly disguised social-dividend plan.

The only difference between the social-dividend plan of the Social Security Act, and the one embodied in the Townsend bill is that under the latter our social dividends would be paid equally from public moneys to all citizens of the United States past 60 who had retired from gainful employment, but under the present unhappy social-security plan, with its social dividends, annuities are now being distributed, but in the inverse order of the need of the recipients. Consequently, I cannot understand how any person who defends or who has voted for the Social Security Act with its socially paid pensions can raise that argument.

It is true, Mr. President, that there is a tax levied upon the wages of the contributors, and that argument is used to defend the idea that the contributory plan is one of thrift and respectability, while the Townsend plan would be one of charity and degradation.

Let me point out to Senators that a tax upon the pay rolls of the workers is an involuntary act, so far as the worker is concerned. He does not voluntarily pay that tax. The Federal Government says, "We will take a certain amount out of your wages." I appeal to Senators, is there any difference in principle in involuntarily taxing a man's wages, or taxing involuntarily his consumption? We are all consumers. We all will pay into this social-security fund. It is true that the unfortunates will receive a larger amount than the more fortunate people of the country, but many of our governmental functions are distributed on the same basis. The poor man may send many children to a public school; the rich man may not have so many children, or may send them to a private school; but does the law make any difference in that respect or in police protection, or in the protection afforded by our courts which guarantee equal service to all.

No. The Townsend plan is a wise system of national group insurance in which all classes pay according to their consumption and every man receives an equal amount, that amount depending upon the number receiving benefits and the amount raised. But in no case can it fairly be contended that the recipient who has involuntarily paid a consumption tax is in any different position than the recipient who has been compelled by national law to pay a pay-roll tax.

Mr. President, I do not desire to rest my argument upon that principle, logical and honest as it is. I appeal now to a higher principle. I take it that we still remain a Christian Nation. Suppose, then, one were traveling in some distant country among primitive tribes, and he should go into some village and see an abundance of food, shelter, and clothing for all, and then in some corral, separated from the rest of the populace, he should see elderly, suffering people, lacking food, warmth, and housing. He would say, "Who are these unfortunates whom you condemn to poverty and insecurity?" He would be told that those miserable outcasts were the elderly people who could no longer hunt, plant, and reap with the rest of the tribe, and consequently they were consigned to degredation and humiliation.

What would we think of such a primitive tribe, Mr. President? But we should not find that condition among the uncivilized. The wild tribes, lacking our Christianity and civilization, grant to the elders of the race, who have performed their work, the same food, shelter, clothing, and dignity that they give to the younger workers; but we, a Christian civilization of imperial wealth, have evolved a plan under which we use a worker's brawn and muscle until machines displace him, until we do not want him any longer, when we boot him out into idleness and then degrade him by giving him a quarter of what he has been receiving as wages.

Mr. President, a social-dividend plan can be urged upon another noble ground. It can be put on the basis of simple justice. For our older who are now in desperate need, whose savings have been wiped out by a gigantic depression for which they were not responsible, are the very ones who have built the productive instruments from which our food, shelter, and clothing now come.

Mr. President, I have often said to my children that they will never know what real work is. I refer to the work done by the last generation. The men and women who are now 60, 70, and 80 years of age were largely active in the latter pioneering stage of our Nation. They worked 10, 12, 14—yes, 18—hours a day; and if there are Senators who were boys on farms in New England, the Middle West, or the West, they will know that I speak the truth. Those are the men and women who built this great industrial empire under which the rest of us now live—warm, secure, and comfortable. Of those who were 50 years of age and upward in 1929, 9 out of 10 in the intervening time have lost their savings, their insurance, and their property. We know they were loyal, decent American citizens. We know that they helped to build the wealth which now provides for the rest of us.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. SHIPSTEAD. During the depression the people to whom the Senator refers lost their life savings because they had invested them in the orthodox instruments which had been provided by the printing machines, in the form of stocks, bonds, and so forth. They lost them in closed banks, because the banks were filled with orthodox papers that could not be liquidated. There was no security. Our national economy was ruined. I am wondering whether or not the Senator has explored the question of the extent to which such a plan as he suggests might effect a stabilization of our national economy through purchasing security. The money would go back into circulation, and those who are worried about poverty and old age would not have to take the risk of investing their savings in securities which have no security at all, in spite of the fact that we have a so-called Securities and Exchange Commission to guard the savings of investors. In this manner we might find a method of stabilizing our national economy so as to prevent calamitous collapses in our national economy due to the fact that our machinery for investment has been based upon a wrong theory. It has been based on the theory that no matter how many bonds or stocks are printed—and paper is cheap, and printing presses have immense capacity—all we need to do in order to have something for old age is to buy a piece of paper with a gold star and a pretty green border. However, we experienced a great disillusionment. The money is gone, and there is now no security for old age. It seems to me that the proposed tax would in fact be a purchase of old-age security by whomever contributed to it; and it might remove the speculative urge which has impelled our people to invest in fly-by-night enterprises for the purpose of having something for old age, only to find, when old age comes, that they have been investing in a pipe dream.

Has the Senator explored that question from the standpoint of economics?

Mr. DOWNEY. Yes. Mr. President, I have, and I am deeply grateful for the contribution made by the Senator from Minnesota. I wholeheartedly agree with him that the transfer of a great volume of purchasing power from the well-to-do groups to the relatively poor people past 60, and the regulation of its spending and velocity, would be a great instrument for stabilizing our economy.

I wish to refer to another thing which the Senator has suggested. Investigation seems to show that 9 out of 10 persons who were past 50 years of age in 1929 have lost all the savings they had at that time. I can assure Senators from personal knowledge that in the Sacramento Valley at least 90 percent of my clients, who had been loyal Americans and the best citizens of that community, lost everything they had, and have been living precarious, insecure

years ever since. As the Senator has suggested, that result was not due to anything for which they were personally responsible. They were the victims of this great industrial civilization, which struck down employment, securities, and values in 1929 with a titanic, impersonal sweep.

Mr. SHIPSTEAD. And closed the banks.

Mr. DOWNEY. And, as the Senator has said, closed the banks. The ways in which people lost money in 1929 were so myriad and weird that they can hardly be stated. I see one banker present in the Chamber. Let me tell him the strange way in which a client of mine lost everything she had in 1929.

She had been a school teacher perhaps for 30 years, and had laboriously accumulated $20,000. She used to come into my office on small business. She told me that she had $20,000 in Government bonds in a safe-deposit box, that she would never sign her name to an obligation or contract, and that she expected to be safe and secure with that $20,000.

About 1926 or 1927 she came into my office with beaming face and told me that an unknown uncle of hers had died in Detroit, Mich., leaving her $20,000 worth of bank stock. She put the bank stock in her safe-deposit box. Sometime in 1930 or thereabouts the bank whose stock she owned went broke, and Uncle Sam reached his powerful hand into her safe-deposit box, under her stockholders' liability, and took her $20,000 in Government bonds away from her.

That, of course, is an extreme case; but four out of five of our people who have lost their life savings in the past 10 or 12 years were absolutely innocent of any responsibility for such loss.

The question is, what shall we do about it? Shall we leave them in degradation and misery, with an average payment of $4 a week? If any Senators are skeptical that the present pension payments are so small, let me say that I wrote twice to Mr. McNutt, telling in a general way what my data would be, and asking him to have experts here to correct me. Evidently the Social Security Board has been compelled to accept as correct the figure of $4 a week as the average payment to our elderly people, incredible as that may seem, in view of the delusive and optimistic propaganda of the Social Security Board.

Mr. President, it is the philosophy of the Townsend movement that people past 60 who want to retire shall be regarded as elder partners who have done their life's work and are entitled from our national economy to a dividend payment from the Nation's wealth equal to the basic average payment per capita in the United States.

Let me say that I perceive one unhappy feature of the present Townsend bill. Eighty-seven percent of the men 65 years of age who are married have wives under 65. Taking the married men past 60, about 40 percent of the wives are under 60 years of age. Manifestly, it costs just as much for a man of 60 or 65 to support a wife whether she is 57 or 60 or 61 or 62. Under the present social-security law men are given $10 or $15 or $20 a month without any additional allowance for the wife when she is under 65, and are compelled to support themselves and their wives upon that amount. I believe that if and when this bill goes before the committee, some consideration should be given to that great group of citizens who are married, who are past 60, but whose wives have not yet attained that age, because the burden upon them of supporting their aged wives is just as great whether the wives be 58 or 62.

Mr. MINTON. Mr. President——

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from California yield to the Senator from Indiana?

Mr. DOWNEY. I yield.

Mr. MINTON. May I ask the Senator what is the status of his bill at the present time? What is being done about it?

Mr. DOWNEY. Mr. President, I am afraid that nothing is being done about it. It has been referred to the Finance Committee. I had intended to present a resolution asking the Finance Committee to proceed forthwith to an investigation, but I was informed today that one objection could block any consideration of such a resolution, and I knew that the objection would be made; so that the only way is to present such a resolution and have it referred to the Committee on Finance, which I shall do at some later date.

Mr. LUNDEEN. Mr. President, will the able Senator yield?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Minnesota?

Mr. DOWNEY. Certainly.

Mr. LUNDEEN. I certainly hope that the bill will be given an early hearing by the Senate of the United States, in order that we may have a full and complete discussion of this important subject.

Millions of Americans demand a hearing and full discussion before the Senate. Our 12,000,000 of unemployed demand recovery legislation and our senior citizens have a right to be heard here in the Nation's greatest forum.

Mr. DOWNEY. Mr. President, I personally am desperately anxious that the combined ability and experience of the Senators upon the Finance Committee shall again take up the problem of old-age pensions. I believe that one reason the present social-security law is so involved and so complicated is that it came from the efforts of a personnel who had not had experience in business, judicial, or public life, and I have no doubt that the combined wisdom of a Senate committee would produce a bill of much greater worth and value to the American people than is represented by the Social Security Act.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LODGE. It so happens that I am a member of the Senate Finance Committee, and, in view of what the Senator has said, I am happy to give him my assurance that, insofar as my vote counts on that committee, I shall be very much pleased to have this bill given extended hearings and study and consideration at the earliest possible moment.

Mr. DOWNEY. Mr. President, I am grateful and encouraged by the statement of the Senator from Massachusetts. I think that when the Senators learn how the present Social Security Act is not working out they will see the necessity of turning to some other law; I hope and believe that they will think that in the present Townsend bill is at least the best chance for a fair, workable pension law; and if a report could be ready at the incoming of the next Congress, I think it would be an extremely desirable development in our legislative program.

Mr. SHIPSTEAD. Mr. President, if the Senator from California will permit me, the committee, of course, would obey the desire of the Senate if expressed in a resolution adopted by a majority vote, and I have no doubt that a majority of the Senate would so vote.

Mr. DOWNEY. I feel it incumbent upon me to say that I telephoned the Senator from Mississippi [Mr. HARRISON] this morning that I wanted to present such a resolution and hoped it would have his acquiescence, and that he would not object to its consideration; but the Senator from Mississippi told me that it was a very serious matter, and he would not want to give his consent without listening to the argument and thinking it over. While I should like very much to present such a resolution now, the Senator from Mississippi is not present, and I suppose it would hardly be proper for me to do so.

Mr. McNARY. Mr. President, I inquire what is the nature of the resolution the Senator proposes to offer?

Mr. DOWNEY. I propose to offer a resolution requesting the Finance Committee, at its earliest convenience, to proceed to a reexamination of the terms and workings out of the present old-age insurance and old-age assistance features of the Social Security Act, and likewise of the new Townsend bill.

Mr. McNARY. Such a motion would not necessarily have to go to the Finance Committee. Probably that would only bring about delay. I suggest that the resolution be allowed to lie on the table, and then it could be brought up at any time and a vote had.

Mr. MINTON. As I understood the Senator, the resolution would remain at the desk and on some future day he could call it up.

Mr. DOWNEY. I would rather call it up now after I shall have finished speaking.

Mr. McNARY. Mr. President, I understand from the able Senator from California that the resolution has not been filed.

Mr. DOWNEY. No; it has not.

Mr. McNARY. The only reason I made the suggestion was that the Senator stated he would file such a resolution and have it referred to the Finance Committee. I thought that would bring about delay, whereas if the resolution were submitted and allowed to lie on the table it could be brought up at any time as a resolution coming over from a previous day.

Mr. DOWNEY. Would that involve any great delay?

Mr. McNARY. No; merely file it and have it lie on the table, and then it will come up as a resolution coming over from a previous day and it can be discussed and voted on.

Mr. DOWNEY. I am deeply appreciative of the suggestion of the Senator from Oregon, and I will take that course, then, and file the resolution later this afternoon.

Mr. President, just a few words more and I shall have concluded. It is my solemn conviction that there is no single legislative act this Congress could perform that would bring the happiness and tranquillity to a great body of American citizenry as would the passage of the Townsend bill.

I have no doubt when the actual bill is under analysis that modifications and some improvements may be made in the measure which we have presented, and, of course, we would welcome any improvements the Senate might make in the bill.

Mr. President, it seems to me that out of this chaotic era should at least come two new fundamental human rights. Which of those rights is the more important to our civilization and our people I would not attempt to say; but I would say, Mr. President, that if out of the insecurity and anguish and chaos of this era came two new American rights we might perhaps solace ourselves for all the misfortunes and ills that have afflicted our people in the past decade. The two rights to which I refer, Senators, are the right of the worker to opportunity of employment at a just wage and the right of the senior citizens of America to serenity, security, and dignity by social dividends paid them as a matter of right and not as a matter of charity.

EXHIBIT 1

[Compiled from figures presented by Robert Nathan, of the Department of Commerce]

Gross income, 1936

From security transactions	$125,000,000,000
From all of tangible goods (including real estate)	202,000,000,000
From sale of intangible goods (telephone services, insurance, professional services, etc.)	25,000,000,000
Government-tax receipts	10,000,000,000
Income from wages, salaries, and interest	62,000,000,000
Total gross income, 1936	449,000,000,000

EXHIBIT 2

BURDEN ON EARNER HELD LOWER NOW—STATISTICAL ASSOCIATION HEAD SAYS REPRODUCTIVE-AGE GROUP HAS FEWER DEPENDENTS—DROP OF 20 PERCENT IN CENTURY—PEARL SAYS GERMANS HAVE REVERSED POPULATION ADVANTAGE OF ALLIES SINCE WORLD WAR

(By Laurence E. Davies)

PHILADELPHIA, December 29.—In the face of the increasingly vocal demands of the "old folks" for adequate care, and the gains of child-labor legislation putting off the time when the juvenile population may start fending for itself, Prof. Raymond Pearl, of Johns Hopkins University, said here tonight that "the total burden" upon the "reproducer-worker" age group in America had lessened by about 20 percent during the last century.

Dr. Pearl assembled his figures, which he admitted might "prove a little surprising," in his address as retiring president of the American Statistical Association, celebrating its centenary at the present Philadelphia meeting held in conjunction with sessions of a dozen allied societies in the social-science field.

Dr. Pearl, both a biologist and statistician, accepted for his purposes the classification of the life cycle in three phases, the prereproductive stage including persons up to 14 years inclusive, the reproductive stage, 15 to 49 years, inclusive, and the post-reproductive stage, 50 years and over.

CITES RECORDS OF 30 STATES

His figures showed, he said, that in "the always harassed" second group, every 1,000 of them in 1840 "had 1,084 other persons, younger and older, besides themselves, to take care of, and in the main earn the livings for."

A century later, he declared, every 1,000 of the some 44,000,000 workers in this phase of life had only 880 persons besides themselves to take care of, "out of the total of 38,800,000 persons in the prereproductive and post-reproductive phases of life combined." His comparison was based on 30 States, for which figures were available in the two periods. The element of unemployment did not figure in the tabulation.

OF STARS, MEN, AND ATOMS—NOTEBOOK OF SCIENCE PROGRESS IN FIELD, LABORATORY, AND STUDY

(By Thomas R. Henry)

A permanent fighting manpower of approximately 26,380,000 for the United States—nearly 3,000,000 more than were available during the World War—was predicted today by Dr. Guy I. Burch, director of the Population Reference Bureau here, which includes on its council some of the foremost American experts on population trends.

With a declining birth rate and the average age of American citizens increasing due to the decline in child mortality, fears have been expressed that eventually this country may fall an easy prey to a "young nation" which encourages and maintains a high birth rate, such as Japan or Germany.

If present trends continue, it is predicted, in 1980 those born in the United States each year will about balance those who die and the population will become stationary.

"But," reports Dr. Burch, "if 20 to 45 is considered the military age, the United States will have more males of fighting age in 1980 than she had in 1930 and considerably more than she had during the World War. In 1930 there were some 23,600,000 males between these ages. In 1980 there will be 26,380,000, not including additions through immigration. The average age of the manpower will be somewhat greater, but there is no evidence to prove that this will lower the efficiency of the Army. It may even improve it.

"While 18 or 20 to 45 may be considered the military age, war affects the whole national economy, and males between the ages of 45 and 65 are needed to take the places of those withdrawn for military service. With this in mind, it is significant that there will be nearly 9,000,000 more males between the ages of 45 and 65 in 1980 than there were in 1930. Therefore, even if machines of war and industry do not have a tendency to replace the common soldier and unskilled laborer, the United States will have abundant manpower in time of war."

There is little likelihood of Americans becoming a race of dependent old people when the stabilized population is reached, Mr. Burch's calculations show.

"While the productive age group will increase for a time and then remain more or less stationary," he says, "there will be a considerable change in the age groups under 20 and over 65 years of age. Speaking in percentages, by 1980 those under 20 may decrease from about 35 percent to about 27 percent of the total population, while those over 65 may increase from 7 to 15 percent. If we receive a large number of immigrants in the near future and do not have a war, pestilence, or some other disaster that carries away a considerable number now in the productive age group, it is possible that the old-age group of the population may reach 18 percent about 2000 A. D.

"These shifts should create a number of minor problems of adjustment, but none that should weaken the national economy. The productive capacity of the Nation, so far as age is concerned, should be as great per capita as it was in our peak prosperity year of 1929, and the support of dependent old people should not cost the Nation any more, or as much, as it would cost to support and educate an equal number of dependent youngsters.

"The dependent old people over 65 can hardly hope to cast more than one-fourth of the total vote of the Nation, even if no restrictions are put upon their voting by the vast majority in the productive age, or if the voting age is not lowered to 18 years. If persons over the age of 35 or 40 are more conservative than those below that age, the Nation will become more conservative. Whether this will be good or bad for the country depends on the relative values of experience and enthusiasm. But regardless of the medical sciences, nature still eliminates old people much faster than young. Practically all the saving of life has been in the age groups under 65 years."

For a time, he says, there will be a small increase among those in the "prime of life" group between 20 and 30. In 1860, when the population of the country was undergoing one of its most rapid increases, he points out, only about 38 percent of the whole were in this group and more than half were under 20. In 1930 nearly 44 percent were in the 20 to 50 age group and by 1950 this will amount to about 46 percent. After 1950 the proportion in this age group will decrease to about 40 percent, where it will remain practically stationary. The indications are that the "prime of life" group, he says, will remain practically stationary for about 200 years. Thus no great upset in the proportion of employables need be expected.

An increase of about 25,000,000 in the total population of the Nation is to be expected before the end of the century, he says—assuming that immigration remains unchanged and there is no monumental disaster.

EXHIBIT 3

AVERAGE PER CAPITA PAYMENTS TO PARTICIPATING EARNERS [1]

Average	$6.42
Michigan	10.28
Rhode Island	10.10

[1] Based on taxable wages for 1937.

AVERAGE PER CAPITA PAYMENTS TO PARTICIPATING FARMERS—Continued

Connecticut	$10.04
New York	9.07
Massachusetts	8.68
Illinois	8.55
Ohio	8.53
Pennsylvania	8.09
New Jersey	7.83
California	7.71
Maryland	7.27
Delaware	7.26
District of Columbia	7.20
Nevada	7.12
New Hampshire	7.11
Indiana	6.76
West Virginia	6.66
Wisconsin	6.62
Washington	6.59
Maine	6.17
Oregon	6.07
Arizona	5.59
Idaho	5.53
Utah	5.30
Colorado	5.24
Wyoming	5.14
Missouri	5.11
Vermont	5.04
Minnesota	4.99
Montana	4.88
Virginia	4.14
North Carolina	4.10
Texas	4.08
Louisiana	3.89
Iowa	3.73
South Carolina	3.66
Tennessee	3.66
New Mexico	3.56
Kansas	3.48
Georgia	3.43
Nebraska	3.25
Florida	3.21
Kentucky	3.20
Oklahoma	3.14
Alabama	3.11
South Dakota	2.09
Arkansas	1.75
North Dakota	1.71
Mississippi	1.58

Compiled from: (1) Old age insurance table 61, Social Security Board; (2) Social Security Board Annual Report 1939, charts 4 and 5.

EXHIBIT 4

[Inscription on Social Security Board placard]

MONTHLY BENEFITS BEGIN IN 1940

Starting in 1940, monthly checks go to workers and their families who qualify under Federal old-age and survivors' insurance.

For information, write or call at your nearest Social Security Board field office.

Federal Security Agency—Social Security Board.

Mr. DOWNEY subsequently submitted a resolution (S. Res. 254), which was ordered to lie on the table, as follows:

Resolved, That the Committee on Finance of the Senate, or any duly authorized subcommittee thereof, is requested to investigate and report to the Senate, at its earliest convenience, with respect to (1) the provisions of the Social Security Act, as amended, relating to old-age assistance and Federal old-age and survivors' insurance benefits, with a view to determining the effect of such provisions and the manner in which they are being administered; and (2) the provisions of the bill (S. 3255) known as the General Welfare Act, with a view to determining the effect of the provisions of such bill.

THE AMERICAN FLAG AND AMERICAN CITIZENSHIP

Mr. WILEY. Mr. President, I listened with a great deal of pleasure to the distinguished junior Senator from California [Mr. DOWNEY]. I am particularly happy to compliment him upon the exposé of the Social Security Act and its ineffectiveness. I am also happy to know where he got his ability. I knew the distinguished Senator 35 years ago in the University of Michigan. I have found out now, after 35 years, where he got his start. It was looking through a courthouse window in Arizona, and listening to the silver-tongued orator whom we have all learned to love as Senator ASHURST.

Mr. President, last Saturday it was my privilege, with many other Senators, to witness a great parade. It was Army Day. I stood in the shadow of the Capitol of the United States and saw 25,000 persons march by. I can never look at a parade such as this, with American flags waving in the breeze, with men in uniform, without feeling a thrill. It takes me back through the years to many similar experiences. When I was a mere boy I saw the veterans of the Civil War march by in closed ranks. Most of them have gone into the Great Beyond. It takes me back also to the days of the War with Spain; and, of course, it brings up the stirring martial days of our war with Germany, and parades of veterans since those days.

But, Mr. President, what I really rose to say was that while this magnificent array of men and equipment, women and high-school lads in uniform marched by me, and I thrilled to the martial music and to the measured steps of the marchers, there was one discordant note in the whole picture. It was this: I have said that the flag of the Nation went by. There were groups of flags and then single flags. Every time a flag went by, I saluted; but I noticed that some men who stood by me did not salute. There were two young men, who looked to me to be about 20 or 21 years of age, standing near me. I said to them, "Were you never taught to salute the flag of your country as it went by?" They said, "No." I said, "Well, it is never too late to begin"; but there was no response to my suggestion. They simply stood and with stony faces, apparently unaffected by the sight, continued to watch the various groups go by.

After this experience I looked up and down the crowd on both sides of the thoroughfare as far as I could see. I was pleased to notice that as the flag went by, men here and there doffed their hats—that is, some did—and some saluted; but a number, it appeared to me, did not do so. I was happy to notice that every Washington policeman I saw saluted and stood at attention as the flag went by. I was happy to notice that every man in uniform who was not in the parade, but was on the side lines, stood at attention and saluted. I was happy to see two Congressmen salute, and I saw school children stand at attention and salute; and one particular little incident came to my attention when I saw a little lad 3 years old, who was standing with his father, salute as the flag went by.

I know that it is not a major offense to fail to salute the flag of one's country. Perhaps, in many instances, it was a clear case of unintentional neglect. Perhaps, in other instances, it was due to ignorance of what was proper. But, Mr. President, saluting the flag is but a symbol of a frame of mind. By the very act of saluting one pledges himself to maintain inviolate the American freedoms, the great values which were handed down to all of us by those who have gone before, which we have done nothing to bring into existence, but which, if we are true Americans, we will do whatever is necessary to preserve intact so that we can hand them down unimpaired to the generations that are to come after us.

Mr. President, I do not want America to become a great military nation; I do not want America to be dominated by a military class; but I do want my children so to love this country that they will be ready to ward off all enemies, foreign and domestic.

Mr. President, when I saluted the flag last Saturday, as did others, I also saluted the man who carried it and the men who were undergoing training and becoming the first line of defense if the occasion should ever arise to protect my America. I saluted also the veterans of former days, the living and the dead who gave, as Lincoln said, "their last full measure of devotion" to preserve this Nation. I noticed that the Legionnaires in the parade were not so young as they used to be. Their sons and daughters were marching in uniform with them.

Mr. President, I shall continue as I was taught to do away back in my school days, always to stand at attention and salute when the flag goes by. I still get a thrill out of the act. It is my hope that when I see the next parade—perhaps on Memorial Day—I shall see more people stand at attention and give the salute; for, to me, the salute is a symbol of something else, and that is that the man or woman who gives it is con-

scious of being an American, conscious that citizenship in this Nation invokes duties and obligations as well as freedoms and privileges.

In practically all of the schools throughout the land the following pledge is taught:

I pledge allegiance to the flag of the United States of America,
And to the Republic for which it stands,
One Nation indivisible.
With liberty and justice for all.

I love to see children, Boy Scouts, and grown-ups, when the occasion calls for it, stand at attention and take this pledge.

You will notice, Mr. President, that the pledge reads: "I pledge allegiance to the flag of the United States of America"—not a foreign flag, not foreign "isms" or ideologies, but the flag of the United States, which is a symbol of all that is best in America.

In the pledge there is also contained the statement, "I pledge allegiance to the Republic for which this flag stands." That is it. It is the Republic. It is not a Fascist or a Communist or a Socialistic state. It is not a democracy. It is a republic, with its checks and balances. It is a republic, with an executive limited in function, a judiciary limited in function, and a legislature limited in function; a republic, where the residue of power is lodged in the people. It is "One Nation, indivisible, with liberty and justice for all."

Mr. President, I remember that a child of mine, when a youngster, came home one day, with her eyes shining, and said to her mother: "I know what the flag is. It's not just made up of colors—red, white, and blue; but, Mother, our teacher says you're in that flag, and dad's in that flag, and I'm in that flag." That teacher had "gotten across" to the child something very important, something that it would be well for all who claim to be Americans fully to understand. The American Legion today is doing a great work in making our citizens America-conscious.

Mr. President, may I be privileged to relate another incident which comes to my mind? I speak of this matter now because the distinguished junior Senator from the great State of Kentucky [Mr. CHANDLER] will shortly call up a bill for the establishment of Citizenship Day. The bill recently passed our committee unanimously, and we think the establishment of such a day would be a wonderful thing. So I want to relate this incident—and I shall not be long—which has stuck in my memory through the years.

About 30 years ago, at Fond du Lac, Wis., the G. A. R. was holding its encampment. It was my privilege to attend the meeting, and I remember that there was present a veteran of the "boys in gray." I can recall nothing about the convention except the incident in which this American took part. He had been a colonel or a major in the Confederate Army, and he was called to the stage to address the veterans in blue. As he came up to the stage, he tripped over a part of a large American flag standing at the corner. Then occurred the incident. He reached up and caught the standard and the flag. With gray locks down upon his shoulders and deep-set eyes in a chiseled face, his eyes lighted with the light of a great faith and he cried out to the audience, who seemed to become electrified, because there was a man who was speaking something elemental. Taking the flag in his arms, he said, "Old glory, thank God, you are my flag again. You were the flag of my forefathers who fought in the Revolution, who fought in Mexico, and I fought against you, but you're my flag again." As he said this, with tears streaming down his cheeks, he cried with a voice carrying conviction and appeal such as I have seldom heard, "You're my flag again, and I pledge to you all that I have. I pledge to you my sons and daughters of generations yet unborn for the preservation of a united nation, and her ideals of freedom, equality, and justice!"

I said something electric went through that audience, of which I was a part. Some superficial thinkers would call it mere dramatics, but no one there called it that. It was the voice of a reunited America. It was the voice of a patriot, one who knew the need of standing by the flag.

In these times, when many of our people are thinking about Europe, I myself find guidance and direction in the fervent voice of this great Confederate who long ago, undoubtedly, has gone to his reward. It was this country that was uppermost in his mind; and today the address of the distinguished junior Senator from California [Mr. DOWNEY] indicated that it was his country and the aged of this country that were uppermost in his mind.

Some of us are called isolationists because we know there are many who, we believe mistakenly, are thinking in terms of involving this country in European quarrels; and I heard such a speech just the other night.

Some of us are called isolationists because we take the position that as public officials we feel that America's business is to stay in the Western Hemisphere, solve her domestic problems, do that which is necessary to provide jobs for the unemployed, and do what was suggested here today, make some provision for the aged, those who need help, to create so far as possible a self-sufficiency, so that we can, indeed, when the fighting is over in Europe, reach out a helping hand to help them over there. We feel that to become involved in the European controversy would not only dissipate our usefulness to help those "poor devils" when they need help, but by that very act of intervention or participation we would be throwing away the great American freedoms which we as trustees have no right to dissipate or be profligate with.

Mr. President, there is on the Senate calendar House Joint Resolution 437, providing for a citizenship day, the idea being that there is a need to set aside a day dedicated to the new citizens of this country—our sons and daughters who have become of age, and the naturalized citizens who have joined our ranks. My own State, Wisconsin, was a pioneer in this work. Mr. President, I ask to have inserted in the RECORD an article prepared by Hugh S. Bonar, superintendent of schools of Manitowoc, Wis., entitled "New voter preparation and recognition."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE STREAM OF NEW LIFE

Some two and a half million young men and women in the United States each year reach the age of 21 and come into their heritage of sovereign citizenship to exercise authority that was once the privilege only of kings. Along with thousands of naturalized citizens they become new voters. To them we must look to safeguard the foundation principle of our democracy—universal suffrage with the secret ballot. Should they not be prepared with great care for this high office and recognized with impressive ceremonies which they will remember all their lives? How can America make the most of the possibilities of this great body of new voters? Citizenship Day as it began in Manitowoc County, Wis., in 1939, has become the starting point for a Nation-wide movement which makes a strong appeal to everyone interested in the future of America.

Mr. CHANDLER. Mr. President, the distinguished junior Senator from Wisconsin [Mr. WILEY] has just brought to the attention of the Senate a joint resolution which has already been ordered reported from the Committee on the Judiciary and which seeks to have a day set aside and observed as new voters day in America, and a day upon which naturalized citizens shall become citizens of the United States. Inasmuch as we have so many days to observe in the United States, so many of which are passed over almost unobserved, the committee suggested the 14th day of June, because that is Flag Day.

Inasmuch as the junior Senator from Wisconsin has so appropriately brought to the attention of the Senate the obligation we owe to this special class of citizens, I wish to tell the Senator from Arizona [Mr. ASHURST], the distinguished chairman of the Committee on the Judiciary, a story which no doubt he will recall.

I first came as a visitor to the Senate of the United States in 1928. At that time one of the Senators from Alabama was Mr. Heflin, and a debate was proceeding on the floor of the Senate with respect to the courtesy to which the flag was entitled from the people of America. I recall something he said which appealed to me, and I will have to quote it from memory, although it has been 12 years since I heard

that beautiful speech on the floor of the Senate. Among other remarks Senator Heflin made upon that occasion he recited this beautiful piece of poetry:

Here's to the blue of the wind-swept North
When we meet on the fields of France,
May the spirit of Grant be with you all,
As the sons of the North advance.

Here's to the gray of the sun-kissed South
When we meet on the fields of France,
May the spirit of Lee be with you all,
As the sons of the South advance.

And here's to the blue and gray as one
When we meet on the fields of France,
May the spirit of God be with you all,
As the sons of the flag advance.

Mr. ASHURST. Mr. President, before the junior Senator from Kentucky [Mr. CHANDLER] yields the floor I wish to congratulate him upon his memory of the event to which he has referred. It is remarkable to have a memory which registers so truly as does the memory of the able junior Senator from Kentucky.

I suppose, of course, that the chairman of every committee thinks his particular committee is important, and while I realize that there are other important committees in the Senate, I somehow feel a deep affection for the various members of the Senate Committee on the Judiciary, of which committee I am the chairman. They can bear testimony as to the diligence with which we labor, having so many refined distinctions to consider in connection with two or three hundred different bills. I seize this opportunity to thank the junior Senator from Kentucky and the junior Senator from Wisconsin [Mr. WILEY] for the diligence and the zeal with which they applied themselves to House Joint Resolution 437, authorizing the President of the United States of America to proclaim citizenship day for the recognition, observance, and commemoration of American citizenship.

The subcommittee held hearings and took the testimony of a number of patriotic citizens. It then reported to the main committee, and the main committee have reported the joint resolution with some amendments. I hope the able Senator from Kentucky at the earliest opportunity will seek recognition for the consideration and passage of the House joint resolution through the Senate. It is a most worthy measure. It will result in no expense to the Government. It lays an emphasis, a just and a timely emphasis, upon the fact that American citizenship is a high privilege, that no greater opportunity and no greater honor can come to a person in this world today than to be an American citizen.

I am particularly indebted to the able senior Senator from California [Mr. JOHNSON] for the zeal and the ability with which he applied himself to this joint resolution, and for the help he gave to the Senate Committee on the Judiciary in its consideration of this important resolution.

Some may say this joint resolution is merely a gesture. Very well, Mr. President. Although I cannot speak French, I will say that it is a beau geste, it is a beautiful gesture, a timely one, and I hope the Senator will secure recognition to have his joint resolution passed at an early date.

Mr. CHANDLER. Mr. President, I may say to the distinguished Senator, the chairman of the Committee on the Judiciary, that we will seek recognition and an opportunity at the earliest possible moment to advance this very important piece of legislation. I am sincerely hopeful that the distinguished senior Senator from California will offer a suggested amendment which has been provided. There is a poem entitled "I am an American," and I think it would be an exceedingly fine thing for the people of America if all the young men and young women who attain voting age, and approximately 180,000 who voluntarily become citizens of the United States of America, would join on the 14th day of June each year, in a broadcast, which could be heard around the world, and would say, "I am an American, and from this time henceforth, God being my helper, I will protect and defend the Constitution of the United States."

Mr. HOLT. Mr. President, I am glad to tell the Senator from Kentucky that in the city of New York last summer such a meeting was held in Central Park, and over 25,000 boys and girls of New York City who had become 21 years of age that year met in the park that afternoon in a patriotic celebration, and ended the celebration with the statement, "I am an American." So it is not a gesture. It is already on the way.

AIR BASE AT ANCHORAGE, ALASKA

Mr. SCHWELLENBACH. Mr. President, within the next few weeks there will be presented to the Senate a question which I consider of extreme importance. An issue raised in an editorial in this morning's Washington Post involves the question of an appropriation for the construction of an air base at Anchorage, Alaska, which was, I think through misapprehension, eliminated from the appropriation bill at the other end of the Capitol.

In these days we hear many people saying that the United States is protected by two oceans, one on the east side 3,000 miles in width, the other on the west 5,000 miles in width. It seems to me important that there be a realization that a portion of the territory of the United States comes in almost direct contact with one of the other nations of the world. I refer to the Territory of Alaska.

I wish to read from this editorial, which I will insert in its entirety at the conclusion of my remarks. I read:

During recent months reports have reached Washington of intensified Russian military activity in northeastern Asia. At least three fortified areas are under construction at Kamchatka. Gun and plane installations are reported to have been completed on Sakhalin Island and the north-central shore of the Sea of Okhotsk. A naval air station has been created on the Komandorski Islands, which are only 260 miles northwest of Attu Island in the Aleutians.

To be sure, Russian activity in this area can be explained wholly in terms of its rivalry with Japan and the possibility at some time or other of a Russo-Japanese conflict. But, whatever its present purpose, the fortification of regions in Siberia not far removed from Alaska cannot be safely ignored by the United States. Nor can we close our eyes to the fact that, with Alaska relatively unprotected, an enemy might outflank the great defensive system at Pearl Harbor, Hawaii, by an attack on Alaska.

The War Department has asked for an appropriation of $12,700,000 for the creation of an air base at Anchorage.

I wish it were possible for every Member of the Senate fully to appreciate the way the Aleutian Islands extend over into the Pacific Ocean to a point where they are almost within sight of the Russian Islands, which, as described in the morning Washington Post, are being fortified.

I wish we could also appreciate the fact that Japan is a distance of only 2 hours away by airplane at the present rate of traveling by large bombing planes from the Aleutian Islands, which are a part of the United States.

The proposed base is to be at Anchorage. Last year an appropriation was made for a base at Fairbanks, which is merely a part of the completed work. Anchorage is complementary to the Fairbanks base. In view of the location of the various islands and the various points in the North Pacific which are being fortified by Russia, I cannot see how there can be any other explanation than that they have the thought in mind that at some time in the future the Alaskan Territory may be available to them alone or available to joint action by Russia and Japan.

Mr. President, I think it is a most serious mistake for the Appropriations Committees of Congress to neglect this important expenditure. We have been spending billions of dollars for the purpose of creating defensive weapons; we have been spending billions of dollars for the construction of warships. Here we have a place where we are almost in direct contact with another nation that is at the present moment engaged in intense activity in constructing bases for defense, as it says, but which might easily be used for offense.

I wish to serve notice now that when the appropriation bill for military work is presented to the Senate I shall ask for the reinstatement of the item of $12,700,000 for the construction of the air base at Anchorage.

Mr. HILL. Mr. President, I wish to say in reference to what the Senator from Washington has said that I was a member of the Committee on Military Affairs of the House at the time the committee held hearings, and reported the so-called Wilcox bill. That bill provided for the establishment of various air bases. One of the bases which the bill author-

ized was the air base of which the Senator from Washington has been speaking, the base at Anchorage. We sat for a good many weeks taking testimony of all kinds, hearing from many different experts, not only experts from the War Department and the Navy Department, but experts outside these departments, and we were fully convinced that this was a very important base, one that ought to be developed without delay. As the Senator from Washington has so well shown here this afternoon, the situation today is even more compelling from the standpoint of the development of this base than it was when we had the hearings several years ago, because of the fact that Russia now has seen fit to proceed with the development of fortifications and air bases so close to the Aleutian Islands. We must remember that so far as our air defense is concerned, the farther out we can put these bases, the better off we are. If we have to fight an enemy we do not want to fight him over continental United States. We want to fight the enemy just as far away from the continental United States as possible. Therefore it is important that a base such as the proposed Anchorage base be established, far off in Alaska.

Mr. JOHNSON of California. Mr. President, I simply wish to say to the Senator from Washington that I am in hearty accord with him in his proposal, and when he brings up the bill, if he shall bring it up soon, I shall do whatever I can in its behalf.

Mr. SCHWELLENBACH. I appreciate what the Senator from California has said. The Senator realizes that the item will come in on the appropriation bill. I am hopeful that the Appropriations Committee of the Senate will insert this item. There is a Budget estimate for it.

Mr. JOHNSON of California. If it is not included in the appropriation bill we will try to insert it ourselves.

Mr. SCHWELLENBACH. We will try. I thank the Senator from California.

Mr. President, as a part of my remarks I ask to have printed in the RECORD at this point the editorial in this morning's Washington Post to which I referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial is as follows:

[From the Washington Post of Monday, April 8, 1940]

THE ANCHORAGE BASE

In eliminating an Army Budget item of $12,734,000 for the construction of an air base at Anchorage, Alaska, the House last week allowed laudable zeal for economy to ride roughshod over a vital necessity.

Alaska is far away, but the American people are now beginning to realize that this Territory may some day be called upon to play an important role in defense of the American Hemisphere. For, while most of the New World is thousands of miles removed from the islands and the mainland of Asia, at Alaska only a narrow gap of water divides the two continents and that gap can easily and quickly be bridged by airplane.

In his testimony before the House Appropriations Subcommittee, the Chief of Staff, Gen. George C. Marshall, advocated establishment of an operating air base in Alaska as a "project of major importance." He did not suggest, as the House apparently took for granted, that the landing field being completed at Fairbanks would suffice. On the contrary, since that project was undertaken the world situation, particularly developments in Asia, have shown the inadequacy of the improvements at Fairbanks. The proposed air base at Anchorage is a minimum necessity for defense of Alaska.

During recent months reports have reached Washington of intensified Russian military activity in northeastern Asia. At least three fortified areas are under construction at Kamchatka. Gun and plane installations are reported to have been completed on Sakhalin Island and the north-central shore of the Sea of Okhotsk. A naval air station has been created on the Komandorski Islands, which are only 260 miles northwest of Attu Island in the Aleutians.

To be sure, Russian activity in this area can be explained wholly in terms of its rivalry with Japan and the possibility at some time or other of a Russo-Japanese conflict. But, whatever its present purpose, the fortification of regions in Siberia not far removed from Alaska cannot be safely ignored by the United States. Nor can we close our eyes to the fact that, with Alaska relatively unprotected, an enemy might outflank the great defensive system at Pearl Harbor, Hawaii, by an attack on Alaska.

Under the circumstances, the elimination of the Anchorage base item from the Army appropriations bill was unfortunate. It is to be hoped that the relatively small sum needed to begin that project will be restored by the Senate.

ATTITUDE OF AMERICA TOWARD EUROPEAN WAR

Mr. REYNOLDS. Mr. President, frankly I could not have fallen upon a more opportune hour, one more suitable for the observations I am about to make, than this. The distinguished junior Senator from Wisconsin [Mr. WILEY], the junior Senator from Kentucky [Mr. CHANDLER], and the senior Senator from Arizona [Mr. ASHURST], and other Senators have this afternoon made remarks on the floor of the Senate which to my ears are thoroughly inspirational and are directed toward keeping America out of the unfortunate affairs of Europe, affairs which are merely a continuation of those that have taken place there for the past 300 years, in sequence, I might add.

Furthermore, I do not believe I could have found a happier time to make mention of that which was in my mind in regard to adequate national defense, insofar as our northwestern territory is concerned. By that I mean the frontier of the United States of America which may be described by making employment of but one word, "Alaska."

The junior Senator from the State of Washington [Mr. SCHWELLENBACH] has expressed precisely my attitude in reference to appropriations for construction of bases in that particular portion of our territory, and I may say that his attitude has been backed by the distinguished junior Senator from Alabama [Mr. HILL], with whom I have the honor to serve on the Military Affairs Committee of the Senate of the United States, and likewise by the able senior Senator from the great State of California [Mr. JOHNSON].

Mr. President, I am strongly in favor of establishing an air base at Anchorage. Everyone who is familiar with the situation pertaining to the Arctic will, in my opinion, unhesitatingly and unquestionably agree that it would be an appropriation well made and money well spent to make expenditure of the $12,700,000 which has been suggested for Anchorage, or, as some know that point to be, Dutch Harbor.

Lying across the broad waters of the Pacific is Japan, with its 97,000,000 people located on its some hundreds of islands, in Manchukuo, in parts and portions of Mongolia, and in the coastal regions of China, wherein Japan's latest conquests have been accomplished, as well as in Formosa. In view of the fact that the Japanese have evidenced that they are aggressors, we know that if ever trouble comes to us from the west it will come from Japan, and if not from Japan, trouble can come only from Soviet Russia, with its 180,000,000 Communists.

We also know that Russian territory, as a matter of fact, is only one-half mile from the territory of the United States of America. When we made purchase of Alaska many years ago for the price of $7,200,000, we made then the best purchase and the best trade that we ever made outside the great Louisiana Purchase. We purchased a vast territory, according to my recollection, of more than 700,000 square miles, which today is populated by about 60,000 people.

In the purchase of Alaska from the Russian Government at that time, when we paid $7,200,000—a mere drop in the bucket when we take into consideration the vastness of that potentially rich territory—we not only acquired the mainland of Alaska, which reaches northward from the northern line of British Columbia to Point Barrow, the northernmost point in the Western Hemisphere, and stretches from east to west in the Bering Sea, where we obtained a number of important islands from which we now derive annually several hundred thousand dollars as the result of our fur trade, but in addition we obtained the Aleutian Islands.

The Aleutian Islands, as my colleagues will very readily recall, extend from Unalaska, mentioned a moment ago by our distinguished colleague the junior Senator from Washington [Mr. SCHWELLENBACH], or from Dutch Harbor, to the westernmost island of Attu. They are a string of islands extending in the direction of Japan. As a matter of fact, the island of Attu is only about 2 hours by airplane from Japanese territory. I therefore say that in the interest of adequate actual national defense we should spend $12,700,000 properly to fortify our possessions by way of establishing an aviation base at Dutch Harbor or Unalaska, which are in the

immediate proximity of each other; and after the establishment of such a base there we should unquestionably develop Coast Guard bases upon virtually every one of the 10 or 12 islands of considerable size between Unalaska and the island of Attu. Next year we should make a suitable appropriation for the establishment of an air base on the island of Attu. Our island of Attu is in the immediate proximity of Japan. Many Americans are afraid that in a few years we shall be involved in war with the Japanese. However, I entertain a contrary idea, because I believe that after the Japanese shall have finished their present undertaking they will not be looking for any further trouble, if they ever look for trouble in our section of the Western Hemisphere.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. REYNOLDS. I am happy to yield to the distinguished Senator from Michigan.

Mr. VANDENBERG. I merely wish to observe that if we get into a war with Japan it will be solely because of the bankruptcy of statesmanship at one end of the line or the other.

Mr. REYNOLDS. I thank the Senator for that observation.

So much for our fear of Japan and suggestions as to fortifications in the immediate proximity of Japanese territory.

Let us now take into consideration what has been said by the Senator from Washington [Mr. SCHWELLENBACH]. In addition to the Aleutian Islands, together with the mainland of Alaska, in the Russian purchase we acquired Little Diomede Island. There are the Little Diomede and the Big Diomede Islands. The Diomedes are to be found in the Arctic Ocean between Nome, Alaska, and Ouellen, Siberia, which is a bit to the north at an angle. The Russians own the Big Diomede, which is near the mainland of Siberia, and we own the Little Diomede, which is only a few hours' ride by boat from Nome, Alaska. The Little Diomede, which belongs to the United States, is only about one-half mile from the Big Diomede, which is owned by Soviet Russia. Therefore, the territory of the United States is separated from the territory of Russia by only half a mile of water.

On the north of the Diomedes we find Wrangell Island. Wrangell Island is about 60, 75, or 80 miles in length. There is a fine harbor there. It can be very well used for an airplane base. In view of the fact that it is in immediate proximity to Russian territory, and particularly Siberia, that portion of the Soviet Union where so many Russians are being sent from the East—that is to say, Odessa, Moscow, Stalingrad, and Leningrad—for the purpose of gold-mining and agriculture, I am of the opinion that we should now ascertain for ourselves the status of the ownership of Wrangell Island.

Historians claim that the first flag of any nation ever to be placed upon Wrangell Island was placed there around 1862 by Captain De Long, or some of his associates on the *Jeannette* Expedition. From time to time we have in a sense claimed possession of the island, but I understand that the island is now in the possession of some Siberian Eskimos and about a dozen Soviet soldiers, who are claiming possession and saying that we are not now entitled to possession, in view of the fact that they have been pleased to apply the statute of limitations.

If one should fly an airplane from New York to Manila, one would of necessity pass directly over Wrangell Island. Twenty-five years from now, Wrangell Island will be one of the most important bases in all the world for us and for the Russians for the reason that it is located only a short distance from our Alaskan Territory and, on the other hand, only a short distance from Siberian territory, and particularly that part of Siberian territory which Stalin's commerce department is now endeavoring to populate by sending great numbers from the east to that section of that vast empire, which covers one-sixth of the entire surface of the earth.

Some day we may become involved with Russia. One never knows. We do not know what will happen in the future, and I think it would be well now to call upon our State Department to ascertain the legal status of Wrangell Island. I am of the opinion that we can establish legal ownership thereof.

Mr. President, rather than take up the time of the Senate, this morning in my office I dictated a description of Wrangell Island and something about its history and the facts concerning certain expeditions in the immediate proximity thereof. I ask that the statement which I prepared about Wrangell Island be published in the Appendix of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REYNOLDS. Wrangell Island is about the size and area of Jamaica, which is just south of Cuba. I think we ought to have Jamaica for the protection of the Western Hemisphere under the Monroe Doctrine, and particularly for the protection of the Panama Canal. Certainly we ought to have it if we are to spend an additional $300,000,000 to establish a second set of locks in the Panama Canal, about which I heard some conversation this morning in the Appropriations Committee.

Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an article which appeared in the Washington Post of February 26, 1939, in respect to some arguments upon the floor of the Senate last year, when Wrangell Island was mentioned.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD.

Mr. REYNOLDS. Preceding my statement in regard to Wrangell Island and the article from the Washington Post, I should like to have printed in the RECORD the resolution which I now submit, and which reads as follows:

Resolved, That the Secretary of State is requested to make a report to the Senate at the earliest practicable date with respect to whether or not the United States has a valid claim to sovereignty over Wrangell Island.

The PRESIDING OFFICER. The resolution submitted by the Senator from North Carolina (S. Res. 253) will be referred to the Committee on Foreign Relations, and will also be printed in the Appendix, as requested.

Mr. REYNOLDS. Mr. President, as I stated a moment ago, I am of the opinion that we can establish legal ownership of Wrangell Island, which will be tremendously valuable within a few years if a controversy should arise and this matter were turned over to some international body, committee, or court. In that event it might be shown that the property is now that of the Russians by way of occupancy. We might suggest to the Russians that they let us have the island in liquidation of their indebtedness to the United States of America.

My recollection is that prior to the time the Russians took over half of Poland, just a few months ago, the Russian Government owed us more than $300,000,000.

Mr. ASHURST. Nearly $400,000,000.

Mr. REYNOLDS. Nearly $400,000,000. I am very grateful to my distinguished friend, the Senator from Arizona. In addition to that, since the Russians took two-thirds, or certainly more than one-half, of Poland a few months ago they, I think, should be called upon to assume the Polish debt; and the Poles at that time owed us about $300,000,000 or some such sum. In view of the fact that the Russians took over a large portion of Poland, lock, stock, and barrel, they must, of necessity, assume at least half of the Polish indebtedness to the United States at the time they took it over. Therefore, the Russians owe us $150,000,000 on that account, which would make a total of $450,000,000, and the Germans owe us $150,000,000. I hope we will be able to collect from both of them.

Mr. President, the remarks of distinguished Senators a moment ago on the flag of our great country and the vivid description given by the Senator from Wisconsin [Mr. WILEY] of the thousands of uniformed men parading under arms so majestically on last Saturday, April 6, within the shadow of this great Capitol Dome, reminded me that 23 years ago last Saturday the United States Congress declared war upon Germany. I recall reading in the columns of the local press the very vivid description of that parade of last Saturday, which, unfortunately, I was not able to see. At the end of one of the newspaper stories there was a paragraph of about four lines that struck me with more force than anything I have read in the newspapers, interesting itself, in geniune Americanism. There were three or four lines which fell from the lips of one

of the greatest patriots, one of the greatest statesmen this country has ever known or will ever know so long as we remain a republic. I wish the statement of that great statesman, of that great beloved man, could reach the ears of every single mother of America who will be called upon to give her son's life in case we should become involved in the European war, because if those few words could be brought to the attention of the mothers of our land there would never be participation by America in Europe's squabbles, according to the desires of Mr. William Frederic Wile, columnist of the Evening Star.

What were the words of that patriot who does me the high honor to listen at this hour, and who provides me with inspiration at this moment when I speak of my country, the Honorable GEORGE W. NORRIS, the senior Senator from the great State of Nebraska, when according to my recollection, he said in remarking about that parade that there should be mourning crepe on the highways. Doubtless a number of other Senators read the statement of the distinguished patriot from Nebraska.

I am regretful to state that there are people in this country today who believe it to be the duty of the United States of America to spill the red, ripe, racing blood of our sons upon foreign fields at this hour; but there is one man in the Senate toward whom I am looking now and from whom I am deriving my inspiration, the only living Member of the Senate who voted on April 6, 1917, not to send the sons of American mothers to Europe to stop all wars for all time, to rescue Christianity and save democracy, and that one man in America today above all, thank God, GEORGE W. NORRIS, has lived to see the fallacy of our participating in the quarrels of Europe then, which, prior thereto, had continued for more than 300 years. Thank God for that patriot!

I want to say, in perfect frankness, that, for the life of me, I cannot yet understand and do not know what they are fighting for over yonder in Europe. Certainly England and France have not declared war on Germany because Germany aggressed upon and conquered Czechoslovakia and old Austria, and parts of Poland, because, if that had been the reason for France and England to declare war, France and England would have declared war upon Russia, because Russia took the lives of thousands upon thousands of people of Finland when Russian soldiers bombed the women and children of the populations of the section where war was raging.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. CHANDLER. While I would not take from the distinguished Senator from Nebraska one iota of credit for the many achievements which he has performed for the benefit of the people of the country, I should like to ask the Senator from Nebraska or the Senator from North Carolina, if, perhaps, the Senator from Minnesota [Mr. LUNDEEN], who now serves in the Senate, did not also cast a vote against America's participation in the war in 1917?

Mr. REYNOLDS. I am very happy to answer that question. I said a moment ago that our distinguished and beloved friend, the Senator from Nebraska, was the only living Member of this body who voted against war; but another distinguished colleague of ours, the junior Senator from Minnesota, the Honorable ERNEST LUNDEEN—and I am very grateful to my delightful friends for mentioning the incident—at that time, April 6, 1917, was a Member of the House of Representatives, and he, too, voted against our participation in the war. Since the junior Senator from Kentucky has mentioned that, it might be interesting for him to learn that at that time this country was burned up with propaganda of all sorts in the effort to get us into the war, and a man then, of course, of necessity, had to be possessed of a great deal of courage and daring to resist that propaganda, for propaganda is more deadly than all the swords in the world; as the Senator knows "the pen is mightier than the sword."

I am told upon good authority that propaganda was so strong in this country, and feeling so ablaze and aflame, that when the Senator from Minnesota [Mr. LUNDEEN] went back to Minnesota and proceeded to his law office and sat down, it was not long until a mob came, dragged him out of his office, placed a rope around his neck, yelled, "Hang him"; brought his furniture out on to the street, saturated it with oil, lighted and destroyed it, and ran him out of town; and he was lucky to escape with his life. But the years passed, and the American people realized that they had been tricked, and that our participation in the war had not ended all war for all time, spared Christianity, or saved democracy, and they recognized the fact that they had done to the Senator from Minnesota, Mr. LUNDEEN, a great injustice.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. BARKLEY. I do not think the Senator's expression that the American people had been "tricked" into war ought to be allowed to go unchallenged. There are many Members of the present Congress who were here at that time, and I happen to be one of them. I was a Member of the House of Representatives at the time. I voted on the 6th of April, 1917, for the joint resolution which acknowledged a state of war which was already in existence because of the ravages of the German Government upon American lives and property.

Many men had honest differences as to the wisdom of that course. I share the Senator's encomiums upon the Senator from Nebraska [Mr. NORRIS] and other Senators and Members of the House who had the courage to vote against the declaration of war; but the declaration of war occurred 2 years after President Wilson had done everything within the range of human possibility to persuade the German Government not to violate the rights of the American people, and it is not quite fair to say that we were tricked into a declaration of war. We entered the war in defense of a policy which for 100 years and more, ever since the War of 1812, the American people had not only declared and advocated, but had been willing to fight for.

Whether that may now be considered a mistake is a matter for anybody to satisfy his own conscience about. It is sufficient to say that when the present war came on we were not willing even to take the chance of sustaining and defending the rights of the American people, the violation of which had caused us to enter the war in 1917. It is my belief that by the enactment of the Neutrality Act which is now the law, keeping our people out of the war zones, keeping our flag from the belligerent territories, keeping our ships away, and preventing our people and our commerce from entering regions which for 100 years they have always been supposed to have the right to enter, we have made at this time a proper and yet the greatest sacrifice that any nation ever made to avoid war.

I am thoroughly in sympathy with that policy. I think the European war which we entered cost us infinitely more than we could ever get out of it by any stretch of the imagination, and that while we are making sacrifices to keep out of this war, those sacrifices will not be as great and are not as great as those we would make if we should get into it; and I am in sympathy with everything anybody says or does to keep us out of this war.

Surely, however, the Senator from North Carolina did not mean that those of us who felt that under our oaths of office, under the leadership of the great President of the United States, Woodrow Wilson, we should vote for a declaration of war, had tricked the American people into the war; and I do not think it is quite accurate to say, also, that the American people got into the war because of propaganda.

Of course there was propaganda. There is no very accurate definition of propaganda. What anybody writes about anything may be described as propaganda; but the thing which dragged us into the war and made the American people finally willing to go into it was the outrages committed against our people, the murder of American citizens

against all the protests of the President of the United States, the Secretary of State, and Congress, and everybody else.

I do not think my good friend the Senator from North Carolina meant by what he said to the effect that we were tricked into the war, to intimate that Congress, or the President, or the people themselves who felt that that was the only course we could pursue, had tricked anybody into a declaration of war.

Mr. REYNOLDS. I thank the Senator very much. I am really, genuinely very happy that our leader, the Senator from Kentucky, took occasion to make those observations now, for fear someone might have misconstrued my remarks. Of course, it would be far from me, as the Senator knows, to cast the slightest reflection upon any man in this body. It was simply a question of opinion. I believe that every Member of this body always votes his conscientious convictions. Some of us divided on the question of neutrality. Some of us were for lifting the embargo; some of us were against it; but we all know that we were entirely conscientious, and were voting our conscientious convictions. So, if anything I said would lead anybody to believe to the slightest degree that I had in the slightest way cast an aspersion or insinuation upon any Member of this body or of the other body of Congress, I want that thought eliminated; and I thank the Senator from Kentucky very much.

Mr. President, I have before me extracts from the columns of the Washington Star of Friday last, by the pen of Mr. Frederic William Wile. I desire to read to you his remarks, and make comments thereupon. Then I want to compare what he says with the attitude taken by the Scandinavian countries. In making that comparison I believe I shall be able to show that Norway, Sweden, and Denmark, the Scandinavian lands in the immediate vicinity of the warring factions, are not only desirous of keeping out of the present European squabble, but they are going to keep out of it; whereas on the other hand in this country, 3,000 miles away from the base of conflict, there are persons in the capital of our country who are insisting that we get into the war.

Let me read parts of this article and see about that. After Mr. Wile had commented upon the primary election which took place in Wisconsin the other day, in which our friends President Roosevelt, Vice President Garner, District Attorney Dewey, and the Senator from Michigan, Mr. Vandenberg, were involved, he said:

> In other words, the suggestion is ventured that nationally significant as these local political developments may be, they are small potatoes alongside the issue which demands vastly more of the United States attention, viz, the danger that Germany may win the European war. Such a disquieting possibility is reluctantly but realistically envisioned in authoritative American quarters. Its implications and perils for the Western Hemisphere overshadow the Presidential campaign as completely as the Washington Monument obscures Steve the Greek's White House popcorn and peanut stand.
>
> Whether the next President's name is Roosevelt or Dewey, whether the Budget is balanced, whether or not farm-parity prices are fixed, whether the relief allotment is $1,000,000,000 or $2,000,000,000, whether the Hull reciprocal-trade agreements should or should not have congressional approval, whether officeholders should participate in politics, whether the next House has a Democratic or Republican majority—I contend that no one of these issues, or all of them put together, today amount to a hill of beans, compared to what will happen to us and the rest of the world if the Nazis defeat Great Britain and France.
>
> Even without HAM FISH, of New York, and BOB REYNOLDS, of North Carolina, screaming isolationist sophistries from the Capitol rooftop, it is difficult enough to persuade the American people to extend their international thinking beyond the 3-mile limit, or to contemplate the world in terms of anything but the next 30 or 60 days. Until someone with a claim on the country's ear and without November votes in mind thinks up a more vertebrate sentiment than "stay out of war at any cost," the chances are slender that we shall be pried loose from the fool's paradise we now inhabit, cease imitating the ostrich, and generally act like men instead of mice.

In other words, Mr. Frederic William Wile says we are acting like mice instead of like men. He says the American people are a lot of ostriches, sticking their heads in the sand so that they cannot see what the world sees, and Mr. Frederic William Wile says we should do something about it.

I disagree with Mr. Wile. He says we are living in a fool's paradise, because we cannot see beyond the length of our noses; because we cannot envision anything beyond the declared 3-mile limit from American shores. In other words, Mr. Wile says that we should all become interventionists, that we should all become internationalists, that we should go over there now, that we should send American sons to man the guns which we have already sent and are now sending. Mr. Frederic William Wile said we are living in a fool's paradise while we continue to assume the position we now are assuming.

Mr. President, before Mr. Frederic William Wile wrote that he should have consulted the poll which, I am informed, was taken by the Ladies' Home Journal of the mothers of America, the result of which was that more than 90 percent of the mothers of American boys voted to stay out of this war. The mothers are going to control the Nation. Despite what Mr. Frederic William Wile say, I cannot help but believe that the mothers are right and that Mr. Wile is wrong.

Mr. CLARK of Missouri. Mr. President——

The PRESIDING OFFICER (Mr. BROWN in the chair). Does the Senator from North Carolina yield to the Senator from Missouri?

Mr. REYNOLDS. I yield.

Mr. CLARK of Missouri. Does the Senator think that there are more real Americans in this country, including fathers and mothers, than there are Wiles, or does he not?

Mr. REYNOLDS. Yes; Mr. President, there are a great many more. But, I wish to say to my distinguished friend, the Senator from Missouri, that there are many Wiles in this country. Like the Senator from Missouri, I read many magazines, I read many newspapers, and letters which are sent to the public forums published in the various newspapers throughout the country. Thousands and thousands of people in the United States today believe that right now this Government, our Democracy, should send its young boys to Europe to be murdered, and to bleed to death upon foreign fields, in order to save the situation for some other country.

Mr. CLARK of Missouri. I agree with the Senator that there are certain very potent forces moving in this country in the way the Senator suggests. My only thought is that the Senator is attaching too much importance to an exploded, old interventionist such as Frederic William Wile.

Mr. REYNOLDS. I thank the Senator. I probably should not even have given Mr. Wile the credit of recognition, but I thought it would provide me with an excellent opportunity to bring to the attention of the Members of this body the widespread propaganda which is honeycombing this country from the Atlantic to the Pacific and from the heavily timbered forests of Michigan to the pine-clad slopes of Florida.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. I am glad to yield to the Senator from Wisconsin.

Mr. WILEY. I have been listening with a great deal of attention to the distinguished Senator from North Carolina, and my only contribution to this subject is that I think he is doing a fine work in demolishing the very idea that Frederic William Wile has brought into the open. I cannot agree with the distinguished Senator who just spoke that the Senator from North Carolina is attaching too much importance to that matter, for the reason that Saturday night at an Army Day banquet I heard substantially the same sentiments spoken by an Army officer.

Mr. President, the trouble is that such persons are endeavoring to cause the American people to become conscious of something which is not a fact. In the first place, England and France are not going under. In the next place, these persons draw the conclusion that if England and France should go under we could better the position of America and the position of the mothers of America and their sons by intervening. That in itself is a wrong conclusion.

Mr. President, what we must do is simply to see that people everywhere keep their mental apparatus working calmly. That is the point I wanted to make. I believe that the American people should keep calm, no matter what may happen in the future. Last night at midnight the voice of Europe

spoke again of oncoming events that will be tremendous in their significance. When they do come on, if we remain calm and not subject to hysteria, we shall see the clear American way.

The Senator suggested that we were tricked back in 1917. I cannot agree to that, but I can agree that we were blinded back in the days of 1917, thinking we were going to save the world for democracy, and we went out and shed our blood, and gave our money without getting anything in return.

The best part of it is that now we know that one war does not prevent another war. So if we can keep America thinking straight we will go straight.

Mr. REYNOLDS. Mr. President, I thank the Senator very much, and I think he has stated the situation very plainly and clearly. It looks to me as though we were rather blinded into entering the last war. Our Representatives in Congress conscientiously felt—we all did, as a matter of fact, whether we were in Congress or not—that by entering that war we would stop all wars for all time. We felt that we would thereby save Christianity and save democracy. But fortunately for this hour and for this time, the passage of time has revealed to us that we were blinded to the situation, and that our participation did not have the result which our brothers across the sea told us it would.

Let us see about that. It did not stop all wars, for since the World War, Italy conquered about 15,000,000 people in Ethiopia. Since the World War there raged in Paraguay and Bolivia a tremendous war which took as its toll about eight-tenths of the male population. In addition to that there raged a civil war in Spain which began in July 1936, and lasted until last year, in which more than 2,000,000 people were killed. In addition to that, there has raged in Asia a war between the Japanese and the Chinese, and up to date more than 1,000,000 Japanese have been killed, and more than 3,000,000 Chinese have been killed, and more than 100,000,000 Chinese have been rendered homeless out of a population of from 450,000,000 to 500,000,000. So much for the hope of ending all wars. Our intervention did not do so.

Furthermore, our intervention certainly did not result in sparing the temples of God, because in Russia every single one was razed to the ground. The same thing took place in Spain during the raging of the civil war there. And as for democracy, since the World War it has been much weaker.

Speaking of democracy, I wish to say that, in my humble opinion, if we are sucked into the present war in Europe, democracy in this country will be destroyed.

Referring to the great American flag, as did the able junior Senator from Kentucky a moment ago, that flag of red, white, and blue, which provides the inspiration for all Americans, I much prefer to see that flag upon the soil of America than elsewhere. I do not desire to see that flag leading regiments of young Americans to their death and to their destruction in Europe, and to the destruction of democracy in the United States of America.

But Mr. Frederic William Wile says that we ought to go over there now, that it is our duty to do so, that we are living in a fool's paradise, and we are like ostriches.

What did he say further?

Winston Churchill, now civilian generalissimo of Britain's combined fighting services, might have had our FISHES, REYNOLDES, NYES, TINKHAMS et al. in mind the other day when he said: "There are thoughtless, dilettante, or purblind worldlings who sometimes ask, What is it that Britain and France are fighting for? To this I answer: 'If we left off fighting, you would soon find out.'" Britain and France do not intend to leave off fighting until every free nation in Europe is liberated from the grip of insecurity and fear. The Allies believe that even distant and disinterested bystanders, like ourselves, in the event of Nazi victory, would soon be confronted by the jungle law for which Hitlerism stands. It is for that reason that Ontario's attorney general dares to suggest that "Canada's duty is to do everything within her power to enlist the active support of the United States in the cause of the Allies." This observer—

Mr. Wile—

believes millions of Americans share corresponding views, are only waiting for courageous and farsighted leadership to beat their sentiments into deeds.

In other words, Mr. Wile tells the mothers of America that they and their husbands, the parents of American children, who should serve as cannon fodder, are ostriches. He also says that America is looking for a courageous leader; that some man of courage should rise in all his might and lead the youth of America to slaughter upon foreign shores.

Mr. President, let us see what that gentleman, the attorney general of Ontario, had to say. I read from an article which was sent to me:

URGES CANADA TO ENLIST AID OF UNITED STATES IN WAR

CANNINGTON, ONTARIO, April 3.—The Ontario attorney general, Gordon Conant, today told an audience of farmers and businessmen that it is Canada's duty to "do everything within our power to enlist the active support of the United States in the cause of the Allies."

Saying the success of the allied cause "may be very doubtful" unless active participation of the United States is made effective at an early date, Conant declared:

"No sacrifice on our part will be too great if that can be accomplished."

In other words, Mr. Conant, the attorney general of Ontario, insists that the United States participate actively, which means physically.

Mr. HOLT. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from West Virginia?

Mr. REYNOLDS. I yield.

Mr. HOLT. Does not the Senator think more of the attorney general of Ontario for that statement than he does of certain people in the United States who are trying to get us into the war? Mr. Conant's country is in the war, and there are some individuals in the United States who are trying to get us in, and have no particular basis for their effort like that on which Mr. Conant stands.

Let me say that if I thought as Mr. Wile thinks—that there was a battle on to save the world for democracy—and I believed in that, I would be the first man to enlist and go over instead of sending some boy. But I imagine that when the time comes he will claim exemption on the ground of his age.

Mr. REYNOLDS. I have never had the pleasure of meeting Mr. Wile. I occasionally read his column. He is very fluent with the pen, but this is a time when I cannot agree with him.

Mr. CLARK of Missouri. Mr. President, in line with what the Senator from West Virginia has said, I might suggest that, while Mr. Wile might be too old to lead the boys to slaughter on this occasion, we have had war several times in the history of the United States during Mr. Wile's lifetime—at least twice, when he probably was of military age, in 1898 and 1917. If the Senator knows of Mr. Wile leading anybody to slaughter anywhere, I should like to have him recall the occasion.

Mr. REYNOLDS. I do not know of Mr. Wile leading anybody to slaughter.

Mr. CLARK of Missouri. The Senator's suggestion was that the articles of Mr. Wile were calculated to develop the fact that there was no great leader to lead anybody to slaughter. Mr. Wile had two chances before to lead soldiers to slaughter.

Mr. REYNOLDS. He had an opportunity, and perhaps did not take advantage of it.

In reply to what the Senator from West Virginia has said, of course, we must be perfectly honest and frank about these things. I do not really blame Mr. Conant. Mr. Conant is a Canadian; his first love is for the British Government, and if we were Canadians we would endeavor likewise to enlist the services of the American people, and secure the material aid of the American Government, knowing, as they know, that we are the most powerful Nation upon the face of the earth. But the point upon which I lay stress by way of directing criticism to Mr. Wile, if I may, is that Mr. Wile says that Mr. Conant is right when Mr. Conant says that they should do everything they possibly can to get the United States into the trouble, and to participate in the war.

Mr. HOLT. In other words, Mr. President, does not the Senator feel that the real danger from propaganda is because of American propagandists, who are sailing under American citizenship colors, trying to get us into a foreign war where we have no business?

Mr. REYNOLDS. This is real, genuine propaganda, designed for the purpose of getting us into the war. Mr. Wile says that we are ostriches; that we are living in a fool's paradise; that we should have sense enough to see beyond the end of our noses; that we should have sense enough to get out of this condition and look across the seas. He virtually says that we should send all our forces over there to help.

Mr. CHANDLER. Mr. President, will the Senator from North Carolina yield?

Mr. REYNOLDS. I yield.

Mr. CHANDLER. My distinguished friend speaks so eloquently that I always sit near him and listen to him. The thing that will offset this propaganda is a continuation of speeches such as those the distinguished Senator makes here. I imagine that every night all over America mothers whose boys would have to go to war, when many of the fellows who write would not have to go, and do not expect to go, ponder what the Senator says. It is all right with these writers to let someone else's boy go, but if the Senator will keep reassuring the mothers of America that they will not have to send their boys across the ocean again, he will have more stars added to his crown.

Mr. REYNOLDS. I am very grateful for that extremely high tribute paid me by my distinguished friend from Kentucky. I say with genuine sincerity that I am sure no greater tribute could possibly be paid me than the one which has just fallen from his eloquent lips.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. HOLT. If the Senator would not object, I should like to read from Saturday's Times-Herald about Mr. Conant's speech. The English had no objection to his making those remarks, but they did not want him to be caught making them. May I read from the statement?

Mr. REYNOLDS. Certainly.

Mr. HOLT. I read:

[From the Washington Times-Herald of Saturday, April 6, 1940]

BRITISH "HUSH" IDEA IT'S UNITED STATES DUTY TO FIGHT—WANT FACTS TO SPEAK FOR THEMSELVES

(By Don Campbell)

LONDON, April 5.—On the eve of the twenty-third anniversary of the United States entrance into the World War the British Government tonight put the "hush-hush" on any suggestions it is America's duty to enter the present war on the side of the Allies.

Nevertheless American sentiment on the question of entering or staying out of the war is one of the chief topics of discussion, and that is why thousands of Britons are following the course of the Presidential race in the United States with almost as much interest as if they were electing their own Prime Minister.

SOFT PEDAL ON PRESSURE

They want to know whether President Roosevelt will seek a third term, whether an Allied sympathizer will get the nomination, and whether the American isolationists will come out on top.

But the government, in accordance with Downing Street instructions, is soft-pedaling arguments on the question of whether the United States is bound by moral and humanitarian responsibilities to line up with Britain and France.

Too much high-pressure salesmanship of the Allied cause, the British have found, only generates sales resistance among the American people.

Agitation along the lines of America's "duty" have backfired in too many instances.

The new British policy is that the Allies have an excellent case, strong enough to win American support, and the facts should be allowed to speak for themselves.

In this connection the Ontario speech of Attorney General Gordon Conant saying it was the duty of Canada to do everything to draw the United States into the war on the Allied side was at odds with the official British policy. Britain has no power to dictate the policy of a Canadian or Ontario official.

FIGHTING FOR DEMOCRACY

Nevertheless, there is no reason to suppose Conant's speech was unwelcome because it provided a further opportunity to sound out American opinion without incurring any official British responsibility.

Furthermore, the Canadians are in a far better position to urge the United States to join the war than the British because, as Britons say of the Canadians, "they, too, are Americans helping the cause of the democracies in Europe."

"We are fighting for democracy and therefore we are fighting the war for the United States as well as for ourselves," many Britons complain.

HOPE UNITED STATES WILL FIGHT

The British hope that if the war becomes a long struggle and the Allies are hard pressed the United States will join in to prevent a German victory. They eagerly seize upon any suggestions or indications supporting this hope.

It is admitted generally in London that so long as the war remains unsettled, there is scant chance of bringing about any shift in American isolationist opinion.

Nevertheless the British frequently draw a parallel between now and 1916, in the days before the United States' entrance into the war 23 years ago tomorrow.

Mr. REYNOLDS. I am very much obliged to the Senator. I might remind him that it is my recollection, and probably also his, that after we sent our boys over during the World War they said, "You came too late." That is my information.

At the outset I stated that I was going to make a comparison between the attitude of Mr. Frederic William Wile and the attitude of representatives of the Scandinavian countries. Mr. Frederic William Wile lives in Washington, D. C., in the Capital of our country. He is a fluent writer, he is a well-known newspaper columnist. Mr. Frederic William Wile says that we should get into the war now, that we are living in a fool's paradise not to, and that we should send our young boys "over there" to die. For what? Not for democracy, not for Christianity, not to stop all world wars; but the "come-on" cry now is, "Come in to create a new world order." That does not have the ring the old "come-on" cries had—"save democracy; save Christianity; stop all wars for all time." Of course, such a cry appeals to all Christian people in the United States.

I have just spoken of Christians—God-fearing, God-loving people. I cut an article from a newspaper this morning headed "Joint church stand against war urged." It looks to me as if not only the Christian mothers but the other church-going people are against Mr. Wile in this matter. Mr. Wile says that the church-going people of America are wrong. Mr. Wile says that the Christian people are wrong—that they are living in a fool's paradise. Let us see. I have stated what the mothers have said. The mothers said, "No, Mr. Wile; we are not going to send our sons over there, because we love our boys." Let us see what the good church people say in answer to Mr. Wile:

JOINT CHURCH STAND AGAINST WAR URGED—DR. PRETTYMAN HONORED ON EIGHTIETH BIRTHDAY

Joint action by all American churches to keep this country out of foreign wars was urged yesterday by Dr. John F. B. Carruthers, of Pasadena, Calif., at the Church of the Covenant.

As an overflow crowd listened to his peace appeal, the wartime chaplain of the Senate, Dr. Forrest J. Prettyman, was honored in another church, the Emory Methodist, on his eightieth birthday.

ONCE A PASTOR HERE

Dr. Carruthers, a former assistant pastor of Covenant Church, declared he considered his antiwar sermon as timely because it came the day after the twenty-third anniversary of America's entry into the World War.

On April 6, 1917, the clergyman said, "the attitude of church and state on the necessity for war was the same."

"But times have changed," he added.

"Today, the church, with its 50,000,000 members and some 200,000 clergymen, will have to part with any government that would send our youth across the ocean to take part in an armed conflict.

MUST TAKE STAND

"If the church in America, as a leading force in governmental principles of American commonwealth, refused to take a stand against participation of the United States in a foreign war, it might as well be dead and buried as far as spiritual influence with our youth is concerned."

Dr. Prettyman, the father of E. Barrett Prettyman, former corporation counsel here, was lauded on his long service to humanity and the Nation by Daniel C. Roper, former Secretary of Commerce, and by Dr. Horace E. Cromer, pastor of Emory Church.

Dr. Prettyman was chaplain of the Senate during the administrations of Presidents Theodore Roosevelt and Woodrow Wilson.

Our good friend, Frederic William Wile, says we should send our sons over there to be slaughtered for Great Britain and for France. But the mothers of America say "No." Mr. Frederic William Wile says that the mothers and the church people of this country are wrong. But 50,000,000 Christian church people say Mr. Frederic William Wile is wrong. Whom do I prefer to believe? I prefer to believe the mothers of America and the 50,000,000 Christians who attend church every Sunday, rather than to believe the warmonger, the

man who would bring death to the sons of America to satisfy his hatred for Hitler and Germany.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. REYNOLDS. I gladly yield.

Mr. HOLT. Would it not be far better if the individuals who want American boys to die for an ideal should join the Foreign Legion and fight for the ideal, instead of sending some other boys across?

Mr. REYNOLDS. Certainly.

Mr. HOLT. They may join the Foreign Legion of France.

Mr. REYNOLDS. Certainly. There is nothing illegal about it. I do not think the State Department has taken any action to prohibit it. Certainly they may go to Canada and enlist, or they may go to Algiers, which is a French colony, or to any of the Allied countries, and enlist.

Mr. HOLT. Does the Senator know of any propagandists who are accepting pay for their writings who have enlisted in active service?

Mr. REYNOLDS. I noticed in a newspaper a couple of days ago that American aviators are being sought and offered high prices to enlist in Europe. I had the clipping in my office, and intended to bring it with me.

Getting back to the comparison of attitudes, I have told the Senate about Frederic William Wile. He wants to get us into war. He is right here in our Capital. Let us see the difference between the attitude of Mr. Frederic William Wile, an American citizen who wants to get his own country into war, and the attitude of representatives of countries within a stone's throw of Germany. We are 3,000 miles away from the war, and yet many persons are afraid we are going to be in it. Many persons want to get us into it. The letters in the public forum columns of the press say that we ought to go over there.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. HOLT. Mr. Wile ought to define the word "we" as meaning someone else, when he says "we" ought to go over there. He is not speaking in the first person.

Mr. REYNOLDS. I think the Senator is absolutely correct.

Mr. President, let us see the attitude of the representatives of the Scandinavian governments. We recall that Norway, Sweden, and Denmark did not get into the last World War. They were within a stone's throw of the war for more than 4 years, and they did not get into it. We were 3,000 miles away, but we got into it. Norway, Sweden, and Denmark are today within a stone's throw of a repetition of the same thing, and they are not going to get into it. Let us see what their representatives say about it, in order to compare attitudes. I want the Senate to listen very carefully to this. This article is entitled "Norway Defies Allied Blockade; Warns of War. Oslo Vows to Fight for Independence."

OSLO, NORWAY, April 6.—Premier Johan Nygaardsvold and Foreign Minister Halvdan Koht today strongly reemphasized the determination of Norway to carry on normal trade with belligerent nations, to defend this nation's neutrality and to avoid any one-sided action by which "our country would be immediately involved in war."

Their statements assumed particular significance as a result of delivery of communications from Great Britain and France regarding the Allied interest in the position of Scandinavia toward Germany and Russia and of statements at Berlin that the Nazis were watching the alleged efforts of the Allies to force Norway and Sweden to aid the blockade of the Reich.

Judging from the way this man talks he must be a statesman, because his remarks impress me as coming from a man who is interested in the people of Norway and only in the people of Norway. What does he say?

POSITION OF NATION

Three developments outlined Norway's position:

1. Koht, speaking to Parliament, said Norway was not interested in aiding any belligerent, that she would fight only for her liberty and independence and that "our country would immediately be in the war" if Norway contradicted her own neutrality policy by favoring one side or the other. He said he did not believe Britain would violate Norwegian neutrality.

This statesman is interested in Norwegians, and not in Germans, British, French, or anybody else.

2. Nygaardsvold, in an interview with the United Press, said he believed the belligerents "understand that we must carry on normal trade relations with all sides and that they must respect international law regarding our territorial waters."

3. The newspaper Sjoefarts Tidende said Norway could disprove any Allied charges that she had abused her neutrality and that Norwegian and British representatives should meet to exchange opinions on questions raised by the Allied communication to Norway and Sweden.

STRESSES NEUTRALITY

Koht's speech before Parliament was devoted to emphasizing the neutral position of Norway despite pressure from both Allies and Germany, and it was taken to mean the Government was determined to avoid involvement in the conflict except in extreme circumstances that would threaten this country's independence. Such a policy was regarded as meaning that Norway would oppose with armed force any violation of her neutrality, but even if such an incident occurs she would still try to limit it to an incident and avoid being drawn into war.

In this connection one passage of the foreign minister's speech was of particular importance. He said:

ONLY STRIVES FOR PEACE

"If the Allies should demand that we halt our general independent trade and cooperation which is now being carried on according to international law and which we ourselves by our own desires have confirmed, then it would either be terrible for them, or, if we favor one side, it would be in open contradiction to the neutrality which we are obliged to maintain. Thus our country would be immediately involved in war."

It was against any one-sided action which would result in Norway being "immediately involved in war" that Koht warned.

Norway, he said, is not interested in who wins the war and is only striving to maintain her neutrality and keep out.

Listen to this statement. He is interested only in his people. Let me repeat:

Norway, he said, is not interested in who wins the war and is only striving to maintain her neutrality and keep out.

"Norway has never been interested in joining any belligerent in a great war," he continued. "I emphasize that the Norwegian Government also in its commercial policy has strictly maintained a neutral attitude, and we desire to retain trade connections with all countries. We are trying to maintain a normal, peacetime level of our trade with foreign countries.

"So far no belligerent has charged that Norway has been unneutral, except Germany in the *City of Flint* incident.

"However, as soon as Germany was informed by the Norwegian Government they opined that Norway's attitude was satisfactory."

SWEDEN CLINGS TO NEUTRALITY

STOCKHOLM, SWEDEN, April 6.—Scandinavia steeled itself tonight to withstand Allied and German pressure that aroused the gravest fears for the neutrality of Norway and Sweden.

Official and private sources in Stockholm and Oslo no longer attempt to conceal their concern. Unconfirmed rumors were adding to the tension which was brought to a head by a communication from Great Britain and France and by German warnings that Scandinavia must resist any pressure to aid the Allied blockade of the Reich.

Both Sweden and Norway emphasized they were determined to maintain the strictest neutrality and acknowledged that any one-sided action regarding trade with the belligerents would be almost certain to draw them into the war.

In Oslo, Premier Johan Nygaardsvold declared Norway would insist on carrying on normal trade with both Germany and Britain, and in Stockholm official circles said that Sweden adopted the same attitude.

Mr. President, this morning, in the Washington Times-Herald, I read one of the finest editorials I ever read in my life. Evidently it was originally published in the editorial columns of the New York Daily News, because in italics at the bottom is the notation "Copyright, 1940, News Syndicate Co., Inc."

I shall not take the time to read the entire editorial to the Senate, but I hope every Member of this body will read it, because it is one of the finest I have ever read. The editorial is entitled "Invincible Uncle Sam," and it concludes with these words:

For Uncle Sam, the best advice ever thought up is still "Mind your own business"—by staying home and cultivating democracy in a land which cannot be successfully attacked as long as its people do mind their own business.

There never was a truer saying upon the face of the earth. Instead of going over to Europe to fight for democracy against communism, I think we ought to stay at home and fight against communism in this country, for the maintenance and continued life of democracy.

Mr. President, in addition to asking that this very excellent editorial be published at this juncture in my remarks, I ask also that the printed words in italics preceding the editorial

be printed, because they are a warning that we should hear every day. They are from George Washington, the Father of his Country. What does he say?

Excessive partiality for one foreign nation and excessive dislike for another cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other.

Mr. President, as we all recall, those words are from the Farewell Address of the Father of his Country, who, fortunately for this land then and now, was possessed of good old common horse sense.

The PRESIDING OFFICER. Without objection, the editorial will be printed in the RECORD.

The editorial is as follows:

INVISIBLE UNCLE SAM

Americans who want us to go directly or indirectly into the European war on the Allied side split up into two main schools of thought.

There are the idealists who, like Woodrow Wilson and his friends in 1917, feel that we ought to fight because democracy somewhere in the world is in danger, and in order to bring about "a firm, just, and lasting peace."

That sounds too much like old times. It is a mere rewrite of the 1917–18 slogans about "making the world safe for democracy" (which we didn't do), and fighting "a war to end war"—which war ended only in an infirm, unjust peace which lasted 3 months short of 21 years.

The other school of interventionist thought is the more practical one, if you accept its major premise.

This school believes that if Germany and Russia win this war our own country will be in danger of conquest by this alliance of totalitarian nations. Hence, this school feels that it would be much better and cheaper for us to fight for democracy on French, Scandinavian, and Asiatic fronts now than to chance having to fight for its defense on our own territory at some later time.

The chief trouble with this second class of interventionists, we believe, is that their major premise is wrong. We don't think American democracy is in such danger as all that.

WILL EXHAUSTED NATIONS FIGHT?

For one thing, the Germans, if they win this war at all, are 999 chances to 1 not going to win it by any such relatively cheap blitzkrieg as they performed in Poland. It promises to be a long, exhausting, and costly war for all concerned. Afterward, it will be a long time before the power politicians of the victorious nation or nations can persuade their people to go off on some new adventure of conquest, not to mention getting up the money and the materials for same.

For another and more important thing, we believe that if the Germans and any conceivable post-war allies of Germany should try an attack on the United States, we could lick the whole combination.

We have a huge land area to begin with, for the absorption and gradual killing off of any expeditionary forces that may be able to get a foothold on our shores.

Look at what the Chinese are doing to the Japanese.

AN INVASION—IS IT POSSIBLE?

But could any enemy even get an invasion of this country well started?

We have a network of the world's best motor roads, and about 30,000,000 automobiles at the present writing to travel on them. We have the best railroad system in the world. With these facilities, we could shuttle armies back and forth from coast to coast to meet any invaders, and welcome them with bloody hands to hospitable graves.

Our factories can turn out airplanes faster than any other nation's factories can; we have a big Navy to be beaten before the would-be invader can set foot on our coast line. Our natural resources make us almost self-sustaining, so that even an airtight blockade of the United States would be at worst inconvenient.

All of which adds up to this: That the United States on its home territory is invincible.

We are not, however, invincible when it comes to sticking our neck out where we have no business doing so.

HOW WE CAN BE BEATEN

Send an expeditionary force to Scandinavia, or the western front, or the front which may be forming in the Near East and the Balkans, and we can lose most or all of those men just as easily as any other nation can. Try to fight Japan on a sea front including the Philippines and Guam, and we can be trimmed by Japan, and probably will be, and will deserve to be.

For Uncle Sam, the best advice ever thought up is still, "Mind your own business"—by staying home and cultivating democracy in a land which cannot be successfully attacked as long as its people do mind their own business.

Mr. REYNOLDS. Mr. President, at this point I yield to my friend and colleague the Senator from Nebraska [Mr. NORRIS], after which I shall resume.

COMPARISON OF ELECTRIC RATES BETWEEN MUNICIPALLY OWNED AND PRIVATELY OWNED PLANTS

Mr. NORRIS. Mr. President, I desire to make only a very short statement.

I hold in my hand a comparison of electric-light rates made by the Burns & McDonnell Engineering Co., of Kansas City, Mo. The heading is:

SHOULD ELECTRIC-LIGHT RATES BE INVESTIGATED?

This is a comparison of consumers' electric-light rates as between municipally owned plants and privately owned plants. The comparison deals first with cities of 50,000 population and over; and the comparison is made on consumptions of 25 kilowatt-hours, 40 kilowatt-hours, 100 kilowatt-hours, and 250 kilowatt-hours. In every case the computation shows that the rate paid by the domestic consumer of electricity who gets his current from a municipally owned plant is a much lower rate than that paid by the consumer who gets his electric current from a privately owned plant.

For instance, in cities having a population of 50,000 or more, if the domestic consumer consumes 25 kilowatt-hours, and gets his electricity from a privately owned plant, he pays on an average $1.44 for the service. If the plant is municipally owned, he pays $1.07 for the same service.

If he consumes 40 kilowatt-hours, and the electricity is furnished by a privately owned utility, he pays $2.11 for the service. If it is municipally owned, he pays $1.61 for the service.

If he consumes 100 kilowatt-hours, and buys the electricity from private parties, he pays $4.06. If he buys it from a municipally owned plant, he pays $3.14.

If he consumes 250 kilowatt-hours, and buys his electricity from a privately owned plant, he pays $7.44. If he buys it from a municipally owned plant, he pays $5.85.

Worked out in percentages, if the consumer uses 25 kilowatt-hours, the municipal plant furnishes it to him at 25.7 percent less than the privately owned plant.

If he consumes 40 kilowatt-hours, the municipal plant furnishes it to him at 23.7 percent less than the privately owned plant would furnish it.

If he consumes 100 kilowatt-hours, the municipal plant furnishes it to him at 22.7 percent less.

If he consumes 250 kilowatt-hours, the municipal plant furnishes it to him at 21.4 percent less.

So, with the comparison of populations of 25,000 to 50,000, of 15,000 to 25,000, and of 7,500 to 15,000; in every instance, without a single exception, the consumer gets his electricity from the publicly owned plant at a very material reduction from what he would have to pay if the plant furnishing the electricity were privately owned.

The first question that is usually asked, and one which probably is in the minds of Senators who are listening to me, is, "What about taxes?" That is a fair question, an honest question. It is the first one always asked. It is said, "The municipal plant does not pay taxes." Let us see what this comparison shows. It shows that while the municipal plant cannot pay taxes as such, it pays a certain amount in lieu of taxes in service—for instance, by supplying street lights free or at a very much reduced rate, or by paving streets, or by building a city hall, or something of the kind—so that in every single instance over the United States the municipal plant on the average pays more taxes than are paid by the privately owned plant.

For instance, this statement, while not containing a division by population, compares taxes paid with money paid in lieu of taxes by municipal plants of the entire United States, covering all domestic utility rates everywhere, in every city, in every hamlet; and it shows that the private utility plants over the United States pay 14.4 percent of their income in taxes, while the public-utility properties pay 26.8 percent in lieu of taxes, making a difference in the payment of taxes in favor of the municipal plants of 12.4 percent—that much more than is paid in taxes by the privately owned utilities.

Another question will probably be in the minds of Senators as they listen to me: "Where does this information

come from? Who furnishes it?" I have said that the compilation was made by the Burns & McDonnell Engineering Co., of Kansas City, Mo. They get all their figures from public sources. They get the information from the report of the Federal Power Commission which made this investigation under a resolution passed by the Senate. From that report the compilation was made. It could have been made by a Senator or anyone else, although it would take considerable time.

Mr. President, I ask that the comparison furnished by Burns & McDonnell Engineering Co. be printed in the RECORD at this point of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

SHOULD ELECTRIC RATES BE INVESTIGATED?

Comparison of residential electric rates of all cities operating under private ownership and public ownership in the United States February 1940

Cities of—	Average rates				
	Minimum charge	25 kilowatt-hours	40 kilowatt-hours	100 kilowatt-hours	250 kilowatt-hours
Population 50,000 and over:					
183 private utilities	$0.78	$1.44	$2.11	$4.06	$7.44
21 municipal plants	$0.59	$1.07	$1.61	$3.14	$5.85
Municipal rates are lower by...percent	24.4	25.7	23.7	22.7	21.4
Population 25,000 to 50,000:					
170 private utilities	$0.84	$1.59	$2.32	$4.37	$7.34
32 municipal plants	$0.79	$1.43	$2.10	$3.85	$7.00
Municipal rates are lower by...percent	6.0	10.1	9.5	11.9	4.6
Population 15,000 to 25,000:					
234 private utilities	$0.85	$1.59	$2.32	$4.35	$7.87
53 municipal plants	$0.78	$1.43	$2.10	$3.94	$7.23
Municipal rates are lower by...percent	8.2	10.1	9.5	9.4	8.1
Population 7,500 to 15,000:					
536 private utilities	$0.86	$1.63	$2.38	$4.44	$7.90
107 municipal plants	$0.78	$1.48	$2.13	$4.18	$7.68
Municipal rates are lower by...percent	9.3	9.2	10.5	5.9	2.8

Comparison of taxes, donations, and free services in percent of base revenue[1] for all electric plants in United States

	Percent
Contributions in form of taxes, free services, and donations from municipal plants	26.8
Contributions in form of taxes from privately owned plants	14.4
Contributions by municipal plants in excess of contributions by private plants	12.4

[1] Base revenue—revenue from ultimate consumers.

All information taken from Federal Power Commission reports.
Compiled by Burns & McDonnell Engineering Co., Kansas City, Mo.

APPOINTMENT OF ADDITIONAL JUDGES

Mr. CLARK of Missouri. Mr. President will the Senator from North Carolina yield to me.

Mr. REYNOLDS. I yield.

Mr. CLARK of Missouri. I asked the Senator from North Carolina to yield at this time because it is necessary for me to leave the city this evening. It had been my hope that during the course of the day, as was originally anticipated, House bill 7079 might come before the Senate for consideration. It is a bill providing for certain additional district and circuit judges in the United States courts.

Mr. President, at this time I send forward an amendment which I intend to propose to that bill when it comes before the Senate for consideration, and since it is necessary, because of imperative matters, for me to leave the city this afternoon, and possibly I will not be able to return for a day or two, I wish to make a very brief statement in connection with the amendment. I ask that the amendment be printed and to lie on the table.

The PRESIDING OFFICER. Without objection, the amendment will be received, printed, and lie on the table.

Mr. CLARK of Missouri. Mr. President, the bill as it is reported from the Senate committee, as a substitute for the House bill, provides for one additional circuit judge in the eighth judicial circuit. I am thoroughly familiar with the reason why only one additional judge was provided for in the eighth circuit, instead of two, as was recommended by the Judicial Council of the United States. The reason is that an investigation was made somewhat over a year and a half ago by the Judiciary Committee of the Senate, of the various increases recommended by the Judicial Council. A subcommittee of one Senator, one of the most competent members of this body, I may say, was sent to the eighth circuit for the purpose of making the investigation. He reported that one additional judge was imperatively necessary in that circuit. He said that two could be very easily justified, but that it was possible that the circuit might be able to transact its business with one additional judge, and the committee, out of an excess of caution, in the recommendation of additional judges recommended only one additional judge.

Mr. President, the position of the Senator who investigated the matter of the eighth circuit was entirely justified at that time, because at the time of his investigation the eighth circuit had three retired circuit judges, who had never retired from the active performance of their duty. Although technically retired circuit judges, they performed as arduous and as efficient duties as they had when they were active judges. The three were Judge Faris, of Missouri, Judge Van Valkenburgh, of Missouri, and Judge Booth, of Minnesota.

Since the time of that investigation Judge Faris has died, Judge Booth has become totally incapacitated, and Judge Van Valkenburgh has become less able to perform the service which he had performed before his retirement.

Therefore the situation has completely changed, and I think that any investigation will disclose the fact that two judges in that circuit are imperatively needed now, as was recommended by the Judicial Council 2 years ago.

Mr. President, at this point I ask unanimous consent to insert in the RECORD as a part of my remarks a letter written to me, in response to an inquiry I made, by the Honorable Kimbrough Stone, presiding judge of the eighth circuit, together with a statement of information which he attached to his letter to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter and statement are as follows:

UNITED STATES CIRCUIT COURT OF APPEALS, EIGHTH CIRCUIT,
Kansas City, Mo., March 19, 1940.

Hon. BENNETT CHAMP CLARK,
Senate Office Building, Washington, D. C.

DEAR SENATOR: I noticed in the Kansas City Journal of last night that the Senate Judiciary Committee had reported out a bill for additional judges which apparently includes but one circuit judge for this eighth circuit. Last week the House passed a similar bill, except that it was amended to include two circuit judges for this circuit.

The need for two circuit judges in this circuit is very real and pressing. As you know, we got along for several years because we had three retired judges. Judge Faris has died, Judge Booth is totally incapacitated, and Judge Van Valkenburgh is slowing up decidedly. This loss of help from our retired judges has resulted in a liberal use of district judges on the court of appeals during the past year.

There is quite a sentiment in the bar that district judges should not be used on the appellate court but that appeal cases should be heard by appellate judges only. Irrespective of this view of the bar, all of the district judges in this circuit have so much work to do that it is not right to put upon them this extra burden.

Of course, one additional judge would help, but it would not meet the situation fully by any means. The only remedy is for two additional circuit judges.

I earnestly hope that you can take the time to contact the Senators in the seven States of this circuit and see that the court gets this needed help. I am sure that not only the circuit and district judges in the circuit will be grateful but also the litigants who have cases in any of those courts.

I am enclosing herewith a statement of some of the reasons why this help is needed and hope you can give it consideration.

With kind personal regards and best wishes,

Sincerely your friend,

KIMBROUGH STONE.

STATEMENT BY JUDGE KIMBROUGH STONE, SENIOR CIRCUIT JUDGE, EIGHTH CIRCUIT

The necessity for two additional circuit judges in the eighth circuit arises from three coacting influences which are (I) increase of work, (II) decrease in number of judges to do the increased work, and (III) method of doing work.

(I) INCREASE OF WORK

The increase of work is caused both (a) by increase in number of cases and (b) by increased difficulty in character of cases.

Effects of number of cases and of character of cases on judicial work

While the number of cases in a court has a direct bearing upon the work of the court, because each case must be separately examined and determined, yet the character of the cases is even more important. The difference between the effect of the number of cases and the effect of the character of cases arises from the time and the effort required to examine a particular case. If a case presents issues on points of law frequently before the court and has a comparatively small record, it will not require great and extended effort and time to read the record and to decide the issues. If a case presents new, unusual, or difficult law issues or has a long record, it requires, naturally, more effort and time to determine it. Where a case presents both new, unusual, or difficult law issues and also has a long record, the effort and time are, of course, still greater. Therefore, one difficult case or one having a long record, or one having both difficult issues and a long record, may require more effort and time than a dozen of the relatively lighter kind.

Let me illustrate the relative importance of number and of character of cases. All experienced appellate Federal judges know that it is the rare criminal case which requires much effort or time. This is so because the same kind of issues are presented in criminal appeals again and again (therefore the applicable law is familiar and fresh in the judges' minds) and the records are very rarely long. On the other hand, many civil cases present novel issues of law and many have long records.

Next, let us apply the above considerations of number and character of cases to the actual situation in this circuit.

(A) Increase in Number of Cases

The increase in number of cases for the fiscal year ending June 30, 1938, was about 8 percent above the average for the preceding 14 years. It was almost 14 percent above the number filed the preceding year. The increase in number of cases for the fiscal year 1939 over the year 1938 was over 7½ percent. There is every reasonable assurance that the number of cases in future years will increase—certainly there is no hope for a sustained decrease.

(B) Increase in Difficulty of Cases

The character of civil cases coming before a Federal court of appeals depends upon many factors. One of these factors is the kind of social conditions and businesses in the particular circuit. For example, the second circuit (except for Vermont, being the seaboard States of New York and Connecticut) will have a considerable number of admiralty cases which can be rather easily disposed of because the law is settled and the records not exceedingly long. On the other hand, the eighth circuit is located in the middle of the country with both large rural areas and also with large cities therein. This results in a wide diversity of kinds of civil cases coming on appeal in this circuit. This diversity is convincingly shown by the fact that in 1938 over 47 percent of the cases filed in this court were not susceptible of classification under the rather detailed table of classes (15 classes) devised by the Department of Justice—this large percentage of cases had to be placed in the catch-all class called miscellaneous. In 1939 the miscellaneous cases were almost 48 percent of the total cases—there being 17 classes.

(a) Effect of legislation: Another factor is recent legislation by Congress. Whenever Congress enacts a statute, affecting many people in their mode of life or business, the natural result is an increase in litigation. First, there come attacks upon the validity of the act. If the act is sustained by the Supreme Court, there follows an extended period of tests as to the proper construction of and as to the application of the act. In the past few years Congress has enacted a more than usual number of such statutes, which are noticeably increasing the work of the court of appeals or of the judges therein. Examples of these are the creation of various administrative boards, the Chandler Bankruptcy Act, the new rules governing trials in district courts—authorized by Congress—and the act requiring three judges, one of whom must be a circuit judge, in all district court cases attacking the validity of an act of Congress.

Administrative boards: The acts creating the various administrative boards require direct reviews or enforcement of board orders to be brought direct in the proper circuit court of appeals. The action of these new administrative agencies is in new legal fields where there is little or no precedent and, therefore, where a very considerable burden is placed upon the courts of appeals in trying to construe and apply these new laws so as to carry out the intention of Congress.

In addition to this, the records in these review proceedings are nearly always very large. Rarely are they as little as 1,000 pages—except in reviews coming from the Board of Tax Appeals. I have on my desk now one such record of more than 4,000 pages. I am informed that two such reviews have been recently filed in this court wherein the records will exceed 20,000 pages in each case.

In most of these cases, one point always urged is the sufficiency of the evidence to justify the findings and order of the board or commission. Such an issue can be determined only by a careful reading of the entire record.

Last year, 20 percent of the total cases filed in this court were reviews of administrative boards or commissions.

Chandler Bankruptcy Act: This new act—approved June 22, 1938, effective September 22, 1938—makes numerous changes in the bankruptcy act as theretofore existing. There can be no question but that these changes will result in much litigation extending over years until these changed provisions have received judicial interpretation.

In addition to this, the Chandler Act makes one change which is already being reflected in increasing litigation in the courts of appeals. Before the Chandler Act, appeals in bankruptcy matters were allowable by the district courts as of right only in certain described instances (secs. 24 and 25 of the act, secs. 47 and 48, U. S. C. A., title 11). In all other instances, allowance of such appeals was within the discretion of the courts of appeals and many appeals were denied. The Chandler Act gives appeals as of right except in the limited class of cases where the amount involved is $500 or less. Obviously, the number of appeals is being, and will be, increased.

New rules: The broad sweeping scope of these rules is stated (rule 1) as governing the procedure in the district courts "in all suits of a civil nature" with certain exceptions set out in rule 81. They make drastic changes in very many phases of procedure from the commencement of an action through to an appeal and also as to some phases of appellate procedure. Any experienced lawyer knows that there will be hundreds of appeals involving construction of these rules. Such result has followed the introduction of every code in a State. This effect is being felt already and will continue for many years—resulting in a definite increase of the number of appeals and of the work in the courts of appeals.

Three-judge cases: The act of August 24, 1937 (50 Stat. 752, U. S. C. A., title 28, sec. 280a) requires three judges—at least one of whom must be a circuit judge—to sit in all injunction cases involving constitutionality of acts of Congress. Cases under this act are not numerous but they are highly important and usually involve extended hearings for taking evidence. Each such case takes at least one circuit judge away from his regular appellate court duties—usually for some time—thus interfering with his disposition of appellate business.

(b) *Erie Railroad Co.* v. *Tompkins* (304 U. S. 64): This decision (April 25, 1938) has decidedly increased the work of the courts of appeals in circuits having several States—this circuit has seven States. Theretofore, many appeals involved applications of the so-called general law (defined by Mr. Justice Story in *Swift* v. *Tyson*, 16 Pet. 1, in 1842). In the nearly 100 years between the Swift case and the Erie case, this general law as to many recurring situations had been fairly well defined, and, therefore, was not especially difficult of statement or application. Of course, no matter in what State an appeal might arise, the rule was the same. The Erie case has reversed all of that. The general law has, at least as to substantive law, disappeared. Now, the same issue (formerly subject to general law and governed by one rule) may come up in seven cases—one from each of the seven States in this circuit—and, instead of the easy statement and application of one rule to all, we must examine the law separately as to each case so as to ascertain and apply the law of the particular State from which the case came. Thus, until the entire field formerly covered by this general law is settled, the work on this character of appeals may be multiplied seven times, because we have seven States in this circuit. It is certain that our work of this kind will be affected every year for a number of years.

(c) Generally: In outlining the above particular matters which increase the work of the court of appeals of this circuit, I have not tried to mention every such consideration, but only such as are rather outstanding. There are others. One of these only will be mentioned. While the number of appeals increases, the number of criminal appeals decreases. As said hereinbefore, criminal cases are, as a class, less difficult of examination and determination. Last year (fiscal 1939) the criminal appeals in this circuit were less than one-third of the average for the preceding 4 years. Criminal appeals have tended to fall off since the criminal appeal rules were put in force by the Supreme Court in 1934. Those rules have much discouraged criminal appeals which were frivolous or for delay. The situation is that the less meritorious—and therefore easily disposed of—criminal appeals are disappearing, while the total number of all kinds of appeals and reviews is increasing. The result is that a hundred appeals today require decidedly more time and effort than the same number did a few years ago.

The actual result is that the work of this court has materially increased in the last few years.

II. DECREASE IN JUDGES

In the past few years this court has been able to keep up with this additional work only because of the fortunate circumstance that we had additional temporary help. This help came through the valuable assistance of three experienced and able retired circuit judges. Judge Wilbur F. Booth retired on January 1, 1932; Judge Arba S. Van Valkenburgh, on May 1, 1933; Judge Charles B. Faris, on December 1, 1935.

We have now lost most of this assistance. Judge Faris died December 19, 1938. Judge Booth has not sat since September 1938, and will certainly not sit again because of defective hearing and other serious physical ailments—he will be 79 years old next August. Only Judge Van Valkenburgh remains. He does an excellent quality of work but sits only from one-third to one-half as much as a single active judge. How much longer he will want to help is problematical, as he will be 78 years old next August and is not in the best of physical health.

III. METHOD OF DOING WORK

(a) Choice of method: Wherever a court is made up of more than one judge and where more than one must sit in every case, there is a choice of method which affects both the rights of the litigants and speed of the work and, therefore, the number of cases

which can be disposed of within any given period of time. This choice is between doing the work properly or doing it quickly.

The same judges can turn out much more work if they want to sacrifice good, thorough work to speed. Some courts do just this thing. For example, there are courts of three or more judges where, at the adjournment of court for the day, the judges talk over for an hour or more the three to six cases heard that day. They reach a decision in each case and the cases are assigned for opinions. Each judge then writes the opinions assigned to him. By the time these opinions get to the other judges (who have been busy writing the other opinions assigned to them) these other judges have more or less hazy remembrances of the cases they do not write. If an opinion reads well they concur without more. Such a method results, in essence, in a one-man decision. By this method more cases are disposed of but the litigants have not had their rights because they have really not had the mature, careful consideration of each of the judges who sat. Thus the substantial rights of all of the litigants have been sacrificed for the sole end of speed.

Our method of work: The act of Congress creating the circuit courts of appeals provides that each of such courts "shall consist of three judges" (U. S. C. A., title 28, sec. 212). This court has always construed this language to mean that Congress would not have required three judges unless it intended that litigants should have the careful consideration and determination of each one of the three judges and that the judgment of the court should be the result of the real work of three men.

Our entire method is designed solely to get the careful consideration of each judge and therethrough to have every judgment of this court represent the best thought which three men—not just the thought of the one judge who might write the opinion—can bring to bear. To secure this result—sought by Congress—we have evolved the following method:

Our unit of work is our week during which the same three judges usually sit. (1) At the end of each day there is an informal discussion of the cases heard that day. This discussion has two purposes: First, to ascertain if the decision in any case is so clear that it needs no further consideration (this rarely occurs); and, second, to fix the oral argument in our minds. (2) Next, each judge independently investigates each case—reading the record and briefs—and prepares his written memorandum thereon. (3) When all three judges have prepared such memorandum, a conference is held. At this conference memoranda are read and there is a full discussion as to how each case shall be decided and as to the grounds for each decision. (4) The cases are then for the first time assigned for opinions—usually such assignments are made to the judge who seems to have the best and clearest grasp of a particular case (as shown by his memorandum and discussion during conference).

The above method absolutely secures the independent thought and investigation of each judge. These memoranda are usually quite complete, and frequently are extended discussions of every point in the case necessary to be decided. I have one now on my desk of 24 typewritten pages of legal-cap paper. Thus, when the three judges gather for conference, each is thoroughly informed and prepared on each case and, therefore, can discuss it intelligently. The result is that every decision is the product of three minds which have investigated separately and thereafter discussed together every point presented by counsel. Through years of experience, this is the best method we have been able to develop to put into the decision the informed judgment of every judge who sat—a result intended by Congress and, therefore, one to which the litigants are entitled.

Clearly this method involves an enormous amount of work. We could reduce our work by two-thirds if only the one judge who wrote the opinion made this thorough investigation. Also, opinions could be gotten out faster and more cases disposed of if we did not do the work this way. But such gain in dispatch of business would be at the sacrifice of good work. When Congress required three judges, it did not intend that two of them should be mere "yes" men and figureheads.

We have regarded it as our first and great duty to be as near right as possible. This is the basis of our method.

IV. NEED FOR TWO ADDITIONAL JUDGES

The net result of all the above is that the court of appeals of this circuit has for the past few years had more work than the five active judges alone could possibly have done; that this work has been kept up to date only because of the help of the three retired circuit judges and, later, by use of district judges. The help from retired circuit judges has now, in large part, finally ceased. Either the docket must fall behind, district judges must be used, or the court must have additional circuit judges to help do the work. The necessary man power can come only from one of two sources—by use of district judges on the court or by additional circuit judges.

Use of district judges: There has been substantial objection by the bar to having the determination of appeals participated in by trial judges. This is not the place to discuss the advantages or disadvantages of such practice, but I merely call attention to this attitude of the bar as an existing fact.

A more important thing is the practical situation in the circuit. That situation is that the district judges in this circuit have all they can do to look after the work in their own district courts, and some of them are overburdened. To place upon them the further work of service on the court of appeals is obviously unfair to them and to the litigants in their courts. While it may be better to have some districts fall behind rather than to have the court of appeals fall behind, yet this is but a choice between two evils, neither of which should be permitted and both of which can be avoided by the simple expedient of increasing the man power of the court of appeals itself.

I have been a member of this court of appeals for more than 23 years and the senior judge for almost half of that time. During that period I think I have gained experience which is useful in estimating the situation of the appeal litigation in the circuit and in gaging the man force necessary to take proper care of that litigation. All of the present judges work hard and intelligently. They cannot do more than they are doing. I am certain that the court needs these two additional judges. I hope the Congress will see its way to provide them during this session, so that the work will not fall behind or the district courts be badly affected—either result is bound to affect litigants harmfully.

I will be happy to aid in any way in further understanding our problems.

Mr. CLARK of Missouri. Mr. President, I may say in this connection that, in view of these facts, the House of Representatives has already provided in the bill for two additional judges, and I may say that I have been privately informed by the Senators who in all likelihood will be the conferees on the part of the Senate that the Senate will accede to that in conference.

Mr. President, it seems to me desirable from every standpoint that there be no disagreement between the two Houses upon this very simple essential proposition; and if I am not present at the time the bill comes before the Senate for consideration, the amendment will be offered on my behalf by another Senator, and I hope it may receive favorable consideration by the Senate.

I thank the Senator from North Carolina very much for his courtesy in yielding to me at this point.

LIMITATION OF IMMIGRATION OF ALIENS FROM MEXICO

Mr. REYNOLDS. Mr. President, I wish to say that I am very happy to have had the opportunity to yield to the distinguished Senator from Missouri, in particular view of the fact that we have at this time been discussing propaganda from all sources, and I wish to state that I hope that the Senate will pass favorably upon the Senator's resolution, which calls for an appropriation of $25,000 for investigating propaganda in this country, because now of all times we should make an investigation of those forces that may aid in sucking us into the present unfortunate situation in Europe.

Mr. President, during the last session of Congress there was much discussion concerning the condition of affairs in Mexico. Everyone knows that the Government of Mexico, having adopted the doctrines of Moscow, has been stealing property from American citizens on a grand scale, secure in the belief that the Government of the United States would do nothing about it. Trouble is brewing. Thousands of Spanish anarchists and communists have already entered Mexico. Many of these, I am advised, are leaving Mexico for the United States, entering this country as Mexican citizens.

Our Government has favored Mexico in too many ways. A time of reckoning is at hand. By acts and conduct, Mexico is essentially a colony of Soviet Russia.

Our nationals working and owning property in Mexico have been driven out. They have had their farms and means of livelihood taken from them. In many cases they have been returned to the United States penniless and destitute.

Compared to this, it is reported there are residing in the United States approximately 1,000,000 Mexicans. Many of these have conveniently become American citizens to be eligible for relief. Others displace American labor and thereby add to our unemployment rolls.

The unemployment question alone is not so important as the fact that subversive political doctrines adopted by Mexico are dangerous to the peace and welfare of our Nation. To avoid danger to our own country and its institutions, and to protect American interests in Mexico, some consideration of this problem must be given by Congress. With 1,000,000 Mexicans in the United States, presumably loyal to the Mexican Government and in accord with its communistic policies, danger impends to the welfare of our Nation. Its peace and safety may be disturbed. I am, therefore, introducing a resolution dealing with the subject. It limits the

number of Mexican aliens residing or engaged in occupations, business, or work in the United States to an equivalent number of Americans residing or engaged in similar activities in Mexico.

I send the resolution to the desk and ask that it be referred to the proper committee, but I desire to read the last paragraph thereof:

Resolved, etc., That all Mexican aliens residing in or engaged in occupations, business, or work of any character in the United States shall hereafter be limited to an equivalent number of citizens of the United States gainfully engaged in Mexico; and all Mexican citizens who have within the last 12 months signified their intention of becoming naturalized American citizens shall be accepted by the United States unless they are or are likely to become public burdens in any manner; and all Mexican aliens in excess of Americans in Mexico as provided herein shall be deported within 1 year after the date of the enactment of this resolution.

(The joint resolution introduced by Mr. REYNOLDS (S. J. Res. 242), which was referred to the Committee on Immigration, appears under the appropriate heading "Bills and joint resolutions introduced.")

Mr. REYNOLDS. Mr. President, in pursuance of my statement in regard to our relations with Mexico, I dare say Mexico has no better friend upon the entire face of the earth than the United States. To the south of us, lying across the muddy waters of the Rio Grande, there is a vast area populated by 15,000,000 people, who have been aided in many ways by the people of the United States. For instance, annually we are buying from Mexico more silver than we are buying from any other country in the world. As a matter of fact, despite the great development of the silver mines which men have dug in the bowels of the earth in the silver-mining areas of Peru, we continue to be the best purchaser of silver Mexico has ever had.

In addition to that, during the past year more than 300,000 American tourists took millions upon millions of American dollars into the Republic of Mexico, by way of that great and finely engineered highway leading from Laredo, on the border of Texas, to beautiful Mexico City, the capital of Mexico, 700 miles southward, which lies more than 7,200 feet above sea level.

I think there are in this country too many Mexicans. They are coming here to take, and they are taking jobs which rightly belong to American citizens. I like the Mexican people immensely. Once upon a time I had the honor conferred upon me of being invited to address the Mexican Senate, which invitation I accepted; but, at the same time, I do not They have confiscated about $450,000,000 worth of our oil properties, and, in addition to that, they have confiscated thousands upon thousands of acres of fertile land which had been bought and was being tilled through American dollars.

When we speak of those tremendous haciendas, when we speak of the oil investments there, we are not actually referring to great and powerful corporations, but we are speaking of the American people, because innumerable widows and orphans have their funds invested in the stocks of companies that were organized for the purpose of buying those lands, and companies, such as some of the large oil companies, for the purpose of developing the resources which are found south of the Rio Grande. I like the Mexicans very much. They are very hospitable and kindly people, and Mexico is the most colorful country lying to the south of us, perhaps, with the exception of Guatemala.

Speaking of Mexican labor coming into this country daily, weekly, monthly, and yearly to take the jobs of American citizens, I am very happy to be able to see to the left of me my friend from the great Rocky Mountain area, the distinguished junior Senator from Colorado [Mr. JOHNSON], who was the chief executive of that State for a number of years. In pursuing this subject I recall to mind the fact that several years ago, when he was Governor of the State of Colorado, thousands upon thousands of Mexicans came from the Republic to the south into his State and pushed out of employment thousands upon thousands of Americans who were there engaged in gathering beets for the sugar-beet industry of the State. So thoroughly interested was the junior Senator from Colorado in the people of his own State having the jobs which rightly belonged to them, that he said:

No; I am interested only in the people of Colorado; I am interested in seeing to it that my constituents in this State get the jobs first; and if there are any left over, I want the people of the adjoining States to have them; and then, if there are any left over, the Mexicans can come in and take them.

But the chief executive at that time, Governor JOHNSON, did not by that statement halt the Mexicans. So what did he do? He called out the National Guard and placed them at the border, and he told the Mexicans they could not come in, and they did not come in. The result was that, instead of the unfortunate labor in his State being ground down, Governor JOHNSON found work for his people, and he turned the faces of the Mexicans southward to their own land.

Let us see about this. Here is another article:

SPANIARDS IN MEXICO PUSH "RED" ACTIVITIES—GOVERNMENT IS UNDISTURBED—HASTENS THEIR CITIZENSHIP

MEXICO CITY, February 5.—Various Rightist and anti-Communist organizations have been protesting from time to time against the activities of Spanish émigrés here. Two principal complaints are made against them.

Thousands of the Loyalists from Spain are making their way over the seas to Mexico with a view to eventually entering the United States and joining in activities with the Communists in this country in an endeavor to overthrow our Government. And the Communists are exceedingly bold. I notice that they are defying unhesitatingly Mr. MARTIN DIES, of that great all-American committee which has done so much for our country for some time past and has brought out from under cover those who have been doing the devilment in this country for the past several years. The article continues:

The first is that they are actively spreading Communist ideas, in defiance of article XXXIII of the Mexican Constitution, which lays down the rule that no foreigner may meddle in domestic politics. The second is that those of them who have military experience are being trained to act as officers of the "workers' army" in the event that internal trouble should break out.

These protests, however, are usually directed against specified individuals and not against the Spanish refugees as a whole. The Mexican Government does not appear to be in any way disturbed by the Communist activities of a part of these Spanish refugees or to anticipate any difficulties in this respect.

So far the Government has refused to take any measures. Indeed, the Diario Official on January 23 published a decree declaring that all Spanish residents of Mexico were immediately eligible for Mexican citizenship. This means that an easy way has been afforded to the Spaniards to carry on in perfect legality the Communist activities that they hitherto carried on in violation of the constitution.

This decree, incidentally, raises an interesting question in connection with American immigration restrictions. It is evident that any Spaniard can now enter the United States by the simple expedient of coming to Mexico, acquiring Mexican citizenship, and crossing the frontier into the United States on a Mexican passport. The American immigration quota has, therefore, virtually ceased to exist where Spaniards are concerned.

As a matter of fact, there is no immigration quota existing between the United States and Mexico, or any of the Central and South American countries. The article concludes:

It is worthy of note that the number of Spanish émigrés in Mexico is not great and that only a very small part of them is engaged in political activities. The last time an official count was made—early in September of last year—the total number was given as 5,787. Some hundreds have arrived since then, but the total now probably does not exceed 6,500.

Mr. President, in further pursuance of this subject, I desire to read from another article which appeared in the New York Times, as follows:

FIFTEEN HUNDRED SPANIARDS SEEK MEXICAN CITIZENSHIP—CHANCE FOR THEM THEN TO ENTER UNITED STATES IS NOTED

MEXICO CITY, April 5.—Applications for Mexican naturalization have been made for 400 families of Spanish refugees, comprising about 1,500 persons, or almost a quarter of the total of Spanish Republican émigrés in this country. It is expected that most of them will be granted soon.

The émigrés are eligible for citizenship, provided they can prove they were born in Spain and have now taken up residence in Mexico. Naturalization is then granted without further formalities at the discretion of the Ministry of Foreign Affairs.

Fears have been expressed in the senate here that this simplified procedure for granting citizenship to Spaniards might result in Washington's withdrawing the privilege Mexicans now have of entering the United States without being subjected to the immigration quotas that apply to citizens of all nations except those of the American continents.

The Mexican naturalization law, in fact, is regarded in some quarters as having the effect of canceling the United States immigration quota on Spain, since any Spaniard apparently might come to Mexico, acquire Mexican citizenship almost immediately, and then enter the United States on a Mexican passport.

A group of senators is debating the advisability of demanding an extraordinary session of congress to reconsider the naturalization law, which became operative only 3 weeks ago.

Mr. President, I have here another article, entitled "Ten thousand Spanish refugees already in the country."

This dispatch is from Veracruz. By the way, I might add that, according to my information, the greatest number of Spanish Loyalist refugees, many of whom are Communists, or they would now be in Spain, are entering through the port of Veracruz, and from Veracruz, of course, they go up by railway to Mexico City, and spread out to other sections of the country. I understand that a number are now at Acapulco, on the West Coast, and many are at Tampico, where it is said they are causing much trouble.

This article is dated Veracruz, July 9:

TEN THOUSAND SPANISH REFUGEES ALREADY IN THE COUNTRY

VERACRUZ, July 9.—The total number of Spanish refugees already in Mexico amounts to 10,000, for to the 944 who arrived yesterday on the steamship *Ipamena*, and the 1,000 who came before on the steamship *Sinai*, there must be added those who have come into Mexico through the northern frontier. Two thousand more are expected on the 21st of this month on the steamship *Mexique*, and it is estimated that in the course of 2 months, within which term the immigration must be completed, the total number of refugees will be 40,000.

The above information was obtained by the special correspondent of Excelsior from officials of the Department of the Interior who are now in Veracruz.

Excelsior is a daily newspaper published in the city of Mexico; and the investigation and estimation of 40,000 were made by one of the members of the Department of the Interior.

It is to be noted that from the total of 10,000 refugees already in our country there should be deducted a large number who are not leftists, and who formerly lived here but left the country to join the forces of Gen. Francisco Franco.

The majority of the 944 refugees who have just arrived are technicians and industrial workers, and only 400 of them will engage in agricultural activities.

None of these refugees will be taken to Mexico City, since it has been decided to send them to the States of Aguascalientes, Coahuila, Colima, Morelos, Nuevo Leon, San Luis Potosi, Sinaloa, and Tamaulipas.

Representatives of the various State governments are now in Veracruz awaiting final distribution by the officials of the Department of the Interior.

I assume that if the 400 agriculturists are allowed to enter, it will be to till the soil which was stolen from American nationals who had invested their money down there.

I have before me a clipping entitled "Refugees." This is a letter to the public-forum column. The writer says:

SIR: Los Angeles County alone in a 2-year period spent $2,358,088.21 in hospitalization of Mexicans. Our Nation, holding the world's unemployment record, cannot afford to admit more immigrants—Mexicans from the south, Japanese from the Orient, or Europeans—despite sob-stuff propaganda about refugee children.

E. E. G.

That man, like myself, does not want a single alien from any part of the world to come to the United States until every employable unemployed worker in the United States has been provided an opportunity to earn a living.

The next article to which I refer I cut out some days ago and saved for the proper opportunity. It is entitled "DIES Checks 'Red,' Nazi Bases Beow Border. DEMPSEY To Report on Alien Agents Using Mexico."

WASHINGTON, February 28.—Representative JOHN J. DEMPSEY (Democrat), of New Mexico, directed by the Dies Un-American Activities Committee to investigate reports that Communists and Nazi agents are using Mexico as a base of operations, plans a special trip to the border within 10 days.

I shall be very happy indeed when the subcommittee of that committee makes an investigation of affairs down there, because I am told, in letters written to me and by individuals who advise me in person, that hundreds of Mexicans are coming across the border daily in violation of our law. If a Nazi base exists there, we ought to knock it out. If a Communist base is operating there, to the detriment of the American people and the American Government, that fact should be known; and if it can be ascertained, I am sure the excellent members of the committee can do so without much difficulty.

DEMPSEY was constituted a subcommittee of one to make the investigation.

I recall that because I spoke to Mr. DEMPSEY day before yesterday when I made inquiry as to when he was going there.

DEMPSEY was constituted a subcommittee of one to make the investigation. Preliminary investigation already had been conducted by George Hurley of the Dies committee staff.

Decision of the committee to embark on a thorough inquiry of the Mexican situation followed repeated reports to Chairman DIES (Democrat), of Texas, of the committee that both Communist and Nazi agents are extremely active in Mexico.

EVADE ALIEN LAW

These reports, DIES disclosed, not only indicate that the totalitarian agents are seeking control of Mexico—

It is my recollection that much of the oil was sold to the Nazis—

but make it a base of operations to carry on espionage and propaganda in the United States, thus evading the alien propaganda registration law.

The committee not only rejected proposals designed to curb DIES, but approved his proposal for a sweeping investigation of the Pacific coast, including the Hollywood movie colony, and consumers' organizations.

Mr. President, in conclusion so far as the resolution is concerned, I have before me a clipping from a Washington newspaper, the Times-Herald, entitled "Speaking Mexico's Language," in which I note that one of our colleagues in the House, Hon. THOMAS C. HENNINGS, Jr., of Missouri, is about to take some action to bring about justice for the American investor and the American people. I ask that this article be printed in the RECORD at this juncture.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SPEAKING MEXICO'S LANGUAGE

If there are any Mexicans left who can understand that their country's success depends on decent, peaceful relations with the United States, they had better read and take seriously House Resolutions 454 and 455, introduced Wednesday by Representative THOMAS C. HENNINGS, Jr., of St. Louis, Mo.

These provide for a congressional investigation to determine whether it is true, as charged, that Mexico has been violating international law and denying justice to American citizens by seizing American property, and if these charges are true (the resolution reads):

"The Congress may take any and all means available under the Constitution to the end that commensurate justice be obtained."

Mr. HENNINGS' idea of commensurate justice, the Mexicans may be interested to know, is to exercise the powers granted Congress in article I, section 8, of the Constitution, specified as follows:

"Congress shall have the power to * * * declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water."

He is very frankly working to convince Congress that the only way the people of the United States will ever get justice in their claims for damages in Mexico is by congressional letters of marque and reprisal.

WE HAVE BEEN THE GOAT SINCE 1905

Intelligent Mexicans ought to be grateful to learn that the number of Senators and Representatives who are about done listening to the President and the State Department on how to deal with Mexico is rapidly growing. They are eager to take their exclusive direct action.

It is not mere impatience with the run-around we have been getting on both silver and oil that has them aroused. It is resentment at the abuse we have been taking ever since the Mexicans went crazy in 1905 and began to seize foreigners' property right and left. They haven't stopped since, but have only got worse.

Now this Hennings resolution could be just the thing to tip Congress into independent action. And don't think that the phrase "letters of marque and reprisal" is a mere quaint relic of 1776 power politics. As late as 1895, the British exercised the right of reprisal to collect claims against Nicaragua; the Dutch smacked Venezuela the same way in 1908; and we did it to Mexico ourselves in 1914, when the marines landed at Veracruz. The Villa expedition of 1916 was also a form of reprisal.

These are touchy times in the world and Congress is in a black mood with Mexico anyhow. It wouldn't take much to get this Hennings investigation going on. And if it ever does, reprisal in some form is certain.

Mr. REYNOLDS. Mr. President, in connection with Mexican immigration, I have a bill to limit immigration into the United States and to establish a quota system covering all countries and areas located in North, Central, and South America, and the islands adjacent thereto, and for other purposes. It will be recalled that we have no quota system for

Mexico, Central America, South America, or the West Indies. That fact is important in view of the fact that residing south of us, in the countries of Central and South America and the West Indies, is a population equal to that of the United States of America, which I believe our census this year will show, is about 135,000,000 to 140,000,000 people The bill has to do with restricting immigration, and I have prepared remarks in particular reference to the bill.

Mr. President, Members of the Senate are thoroughly aware that I believe that the most satisfactory way to deal with the alien problem in the United States is definitely and positively to suspend all entries into our country for a term of years, but as an alternative to that proposal, if the Senate will not agree to suspend all immigration for a period of 10 years, I offer a bill which in simple terms establishes a quota system for the Western Hemisphere. It establishes this system with due regard to the good-neighbor policy, of which our President is an ardent advocate, and in which I gladly and happily join our President, because I have always been very much impressed with the friendliness of the people of all the countries to the south of us.

Let me digress at this point to say that I am very happy indeed to note that in some of the countries to the south of us our trade within the past year has increased 33 percent, and in some instances as much as 52 percent. I hope the State Department and our Commerce Department may succeed in continuing that increase in trade with our neighbors to the south.

The bill takes as a basis the average entries of immigrants admitted from countries of the Western Hemisphere and islands adjacent thereto for the 4 fiscal years 1936 to 1939, during which the good-neighbor policy has been in effect. For this reason it cannot in any way be construed as discriminating against our friends to the north of us or to the south of the Rio Grande; but, at the same time, my quota proposal establishes a very definite safeguard against an influx of alien refugees who are making Mexico, the West Indies, Central and South America a mere stepping-stone to cover their entry into the United States by naturalization in those countries against which we now have no quota limitations.

(At this point Mr. REYNOLDS introduced Senate bill 3730, which was referred to the Committee on Immigration, and appears under the appropriate heading, "Bills and Joint Resolutions Introduced.")

Mr. REYNOLDS. I am perfectly aware that our existing statutes have written into them a safeguard that only persons born in the Western Hemisphere are eligible for entry as nonquota immigrants, but I need hardly say that the enforcement of the existing law is not of such a character as to give any assurance that the place-of-birth provision will be adequate to protect us. As a matter of fact, there are often very grave difficulties in establishing the birthplace of an alien seeking to enter our shores.

I think my esteemed colleague, the Senator from Pennsylvania [Mr. DAVIS], will assure the Senate that I am in no way exaggerating by saying that aliens in transit through Canada have succeeded in entering the United States by obtaining duplicate birth certificates of Canadian citizens by the simple practice of paying a small fee for a copy. The danger of the situation is well exemplified by the facts set forth in a letter from a high official of one of the countries to the south of us. I refer to Haiti, the capital of which is Port-au-Prince, and which has as its territory a part of the island on which the Dominican Republic is located.

Mr. President, I should like to read that letter at this time. I do not read French——

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. BARKLEY. Does the Senator hope to conclude his remarks this afternoon?

Mr. REYNOLDS. Yes; I am about to conclude.

I sent this letter to the Library of Congress and asked that it be translated. I send to the desk the letter from the Haitian Government and its translation, and also the translation from the State Department, of the letter in regard to the purchase of citizenships in Haiti; and I may add that I had a very prompt and very courteous reply from the Secretary of State of the Haitian Government in reference to the sale of citizenships.

I ask unanimous consent that the letter and translations be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matters referred to are as follows:

REPUBLIQUE D'HAITI,
SECRETAIRERIE D'ETAT DES RELATIONS EXTERIEURES,
Port-au-Prince, 17 Janvier, 1940.

Monsieur ROBERT R. REYNOLD:,
Sénator des Etats-Unis d'Amérique,
United States Senate, Washington, D. C.

MONSIEUR: J'ai reçu votre lettre du 6 janvier en cours me priant de vous dire si les conditions indiquées par M. Edouard Horelle dans une lettre dont copie en ma possession sont exactes relativement à l'acquisition de la nationalité haitienne.

Il y a lieu de noter, à cet égard, que désireux de soulager sans trop nuire aux intérêts nationaux, le malheureux sort fait aux israélites ou autres refugiés, mon Gouvernement avait décidé de leur permettre d'obtenir la nationalité haitienne en s'adressant à un agent haitien à l'étranger. Mais de tels abus sont survenus dans l'exécution de cette décision que le Gouvernement a décidé de rapporter le décret-loi du 29 mai 1939 qui régissait la matière.

Veuillez agréer, Monsieur, les assurances de ma considération distinguée.

———.

[Translation of the foregoing letter]

SIR: I have received your letter of January 6, in which you ask whether the conditions indicated by M. Edouard Horelle, in a letter of which I have a copy, are correct relative to the acquisition of Haitian nationality.

It is to be noted on this point that my Government, being anxious to alleviate without too much injustice to the national interest the unhappy lot of the Jews and other refugees, had decided to permit them to acquire Haitian nationality upon application to a Haitian agent abroad. But so many abuses were discovered in the execution of this decision that the Government has decided to cancel the decree law of May 29, 1939, which regulated the matter.

Respectfully,

———

The Haitian Government, having decided to increase the number of social organization of publics utility, has voted a new law on naturalization. Any foreigner not living in Haiti at the present time can become Haitian citizen in making a special vow at a Haitian consulate and the new Haitian citizen will come to Haiti at any moment. The foreigner after the vow will have the Haitian nationality—Haiti will be great open for same.

In order to give to the foreigner willing to become Haitian citizen the necessary authorization of making, at any Haitian consulate, the Government vow requested by the law, the Haitian Government will take as contribution to the social government organizations of publics utility from any foreigner a gift of $1,500 for single person and $2,000 for a married couple, and the wife then become also Haitian citizen, and for the children of 18 years the gift shall be of $1,000 each.

Each individual beside the gift shall pay to the Government a register tax of $300 per individual.

Any organization that my proposition say to look for foreigner willing to become legally Haitian citizen will be free to ask to the individual for any amount within commercial limits which they will think necessary to cover expenses and fees.

The cable expenses, my special expenses, and fees for the complete success of this transaction will be $500 per each individual.

I beg you again to excuse the liberty taking by me, say to write you regarding this special business; but not having a real good adviser in United States of America, I believe you will be kind enough to help me.

Always at your entire disposal in Haiti, and hoping to hear from you soon, I beg to remain,

Yours very truly,

(Signed) EDOUARD HORELLE,
General Secretary of the Government of Haiti Post Office Department. Ex-Chief of Immigration Department of Haiti.

Mr. REYNOLDS. Mr. President, I am about to conclude. I may say that in the particular country from which this letter emanated I am advised that the situation has been cured, at least temporarily, because I wrote to the Secretary of State of that country and received a most courteous response advising me that such grave abuses had arisen under the provisions of the law referred to in the letter I have just had printed in the RECORD that the law had been repealed.

I am casting no aspersions on any country in our Western Hemisphere, because I recognize the fact that in our own country we are none too careful about the way in which per-

sons circulate under false names and obtain official documents certifying to their identity under the false names they are utilizing. In this connection I recall to your minds the fact that Earl Browder was recently convicted as a result of his ability to obtain from our State Department a passport under a false name.

In the light of these facts it is only reasonable that the Congress of the United States should respond to a widespread desire, which has been growing over a period of many years, that the great gap in our immigration laws be closed and that we establish at least quotas which will prevent the entry of any flood of immigrants which may arise as a result of the extraordinary conditions now existing throughout the world.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BROWN in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

He also, from the same committee, reported adversely the nomination of Alva M. Beers to be postmaster at Alburtis, Pa., in place of W. P. B. Gery, deceased.

Mr. NEELY, from the Committee on the Judiciary, reported favorably the nomination of Frank S. Tavenner, Jr., to be United States attorney for the western district of Virginia, vice J. H. Chitwood, deceased.

Mr. CONNALLY, from the Committee on the Judiciary, reported favorably the nomination of Adrian J. Caillouet, of Louisiana, to be United States district judge for the eastern district of Louisiana, to fill a new position.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

That concludes the calendar.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

DEATH OF REPRESENTATIVE CLYDE H. SMITH, OF MAINE

The PRESIDING OFFICER laid before the Senate the following resolution from the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES,
April 8, 1940.

Resolved, That the House has heard with profound sorrow of the death of Hon. CLYDE H. SMITH, a Representative from the State of Maine.

Resolved, That a committee of four Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. HALE. Mr. President, I send to the desk a resolution which I ask to have read.

The PRESIDING OFFICER. The resolution will be read. The resolution (S. Res. 255) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CLYDE H. SMITH, late a Representative from the State of Maine.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDING OFFICER. Under the second resolving clause the Chair appoints as the members of the committee on the part of the Senate the senior Senator from Maine [Mr. HALE] and the junior Senator from Maine [Mr. WHITE].

RECESS

Mr. HALE. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and (at 5 o'clock and 45 minues p. m.) the Senate took a recess until tomorrow, Tuesday, April 9, 1940, at 12 o'clock meridian.

NOMINATIONS

(Executive nominations received by the Senate April 8, 1940)

UNITED STATES PUBLIC HEALTH SERVICE

Senior Surg. Clarence H. Waring to be medical director in the United States Public Health Service, to rank as such from August 22, 1940.

The following-named surgeons to be senior surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

William Y. Hollingsworth, May 24, 1940.

Leo W. Tucker, June 15, 1940.

PROMOTIONS IN THE REGULAR ARMY

To be colonels

Lt. Col. William Edmund Larned, Ordnance Department, from April 1, 1940.

Lt. Col. Franklin Kemble, Coast Artillery Corps, from April 1, 1940.

Lt. Col. Karl Slaughter Bradford, Cavalry, from April 1, 1940.

Lt. Col. Herbert Arthur Dargue (brigadier general, wing commander), Air Corps, from April 1, 1940.

To be lieutenant colonels

Maj. Richard Grant Hunter, Field Artillery, from March 28, 1940.

Maj. Cyril Bassich, Field Artillery, from April 1, 1940.

Maj. John Henry Milam, Field Artillery, from April 1, 1940.

Maj. Emil Charles Rawitser, Judge Advocate General's Department, from April 1, 1940.

Maj. Wade Woodson Rhein, Coast Artillery Corps, from April 1, 1940.

Maj. Harry Herman Young, Air Corps (temporary lieutenant colonel, Air Corps), from April 1, 1940.

Maj. Frank Alfred Jones, Infantry, from April 1, 1940.

To be majors

Capt. Anderson Thomas William Moore, Corps of Engineers, from March 28, 1940.

Capt. Reginald Whitaker, Corps of Engineers, from April 1, 1940.

Capt. Eugene Mead Caffey, Judge Advocate General's Department, from April 1, 1940.

Capt. James Milligan Gillespie, Air Corps (temporary major, Air Corps), from April 1, 1940, subject to examination required by law.

Capt. Milo Benson Barragan, Field Artillery, from April 1, 1940.

Capt. Paul Ludwig Deylitz, Ordnance Department, from April 1, 1940.

Capt. Ernest William Gruhn, Infantry, from April 1, 1940.

Capt. Edwin Luther Sibert, Field Artillery, from April 1, 1940.

Capt. Joseph Stubbs Robinson, Coast Artillery Corps, from April 1, 1940.

Capt. John Haleston, Infantry, from April 1, 1940.

Capt. Charles Clifton Blanchard, Field Artillery, from April 1, 1940.

Capt. Clyde Beauchamp Bell, Cavalry, from April 3, 1940.

MEDICAL CORPS

To be captains

First Lt. Delmar Eichler Domke, Medical Corps, from February 14, 1940.

First Lt. Louis Harmon Jobe, Jr., Medical Corps, from February 14, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 8, 1940

APPOINTMENTS IN THE REGULAR ARMY

Roger Dace Russell to be chaplain with the rank of first lieutenant.

John Alphonsus Dunn to be chaplain with the rank of first lieutenant.

John Frederick Gaertner to be chaplain with the rank of first lieutenant.

William Donald McLean, Jr., to be chaplain with the rank of first lieutenant.

Karl Robin Bendetson to be captain, Judge Advocate General's Department.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

Capt. Dresden James Cragun to Finance Department.

Capt. Edgar Elliott Enger to Finance Department.

First Lt. George Rushmore Gretser to Finance Department.

First Lt. Albert Edward Reif Howarth to Finance Department.

Capt. Horace Speed, Jr., to Quartermaster Corps.

Col. Howard Kendall Loughry to Finance Department.

Capt. Joseph Horridge to Ordnance Department.

Maj. Stewart Franklin Miller to Adjutant General's Department.

PROMOTIONS IN THE REGULAR ARMY

Gustav Henry Franke to be colonel, Field Artillery.

John Everard Hatch to be colonel, Field Artillery.

Charles Anderson Walker, Jr., to be colonel, Ordnance Department.

Bethel Wood Simpson to be colonel, Ordnance Department.

Harold Floyd Nichols to be colonel, Coast Artillery Corps.

Harry James Keeley to be colonel, Infantry.

Charles Philip Hall to be colonel, Infantry.

Alexander Day Surles to be colonel, Cavalry.

Ernest Louis McLendon to be lieutenant colonel, Infantry.

Rhodes Felton Arnold to be lieutenant colonel, Infantry.

Aln Dudley Warnock to be lieutenant colonel, Infantry.

Eugene Nelson Slappey to be lieutenant colonel, Infantry.

Stephen Garrett Henry to be lieutenant colonel, Infantry.

Harwood Christian Bowman to be lieutenant colonel, Field Artillery.

Rosenham Beam to be lieutenant colonel, Air Corps (temporary lieutenant colonel, Air Corps).

Harry McCorry Henderson to be lieutenant colonel, Infantry.

Pleas Blair Rogers to be lieutenant colonel, Infantry.

Clarence Lionel Adcock to be major, Corps of Engineers.

John Leon McElroy to be major, Infantry.

Henry Morehead Underwood to be major, Corps of Engineers.

James Bryan Newman, Jr., to be major, Corps of Engineers.

James Creel Marshall to be major, Corps of Engineers.

Walter Ernest Lorence to be major, Corps of Engineers.

Lucius Du Bignon Clay to be major, Corps of Engineers.

Lloyd Ernst Mielenz to be major, Corps of Engineers.

Pierre Alexander Agnew to be major, Corps of Engineers.

Alexander Murray Neilson to be major, Corps of Engineers.

Hoel Smith Bishop, Jr., to be major, Corps of Engineers.

Robert Habersham Elliott to be major, Corps of Engineers.

Samuel Davis Sturgis, Jr., to be major, Corps of Engineers.

Raymond Harold Bunshaw to be captain, Medical Corps.

Leonard George Tate Perkins to be captain, Medical Administrative Corps.

Harold Lincoln Gard to be captain, Medical Administrative Corps.

Joe Edward McKnight to be captain, Medical Administrative Corps.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES

Ames Thorndike Brown to be brigadier general, Adjutant General's Department, National Guard of the United States.

Edward James Stackpole, Jr., to be major general, National Guard of the United States.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 8, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our most merciful Father, in a world which is exhausting itself in stupidity and passion, we pray for the Lordship of the Man of Galilee. In this bleak period of humanity may He stand among us in His moral and spiritual leadership, with a glowing warmth of enthusiastic faith in man and his destiny. Dear Lord, as energies are limited and needs appalling, in Thy risen power grant us the guidance of Thy truth and wisdom. With true conscience and deepening understanding, and enriched with the finest privileges, help us to labor for those cleansing and redeeming relationships. Hold us in fellowship with the life spiritual that we may never allow ourselves to make dreary selfishness the prison of our souls. Inspire us with an expanding, world-wide vision that unites all men in the tasks of education, social reform, and religion; help us in those aims which are worth serving and which will win response in the heart of this vindictive world. In these days of his absence, bless and abide with our beloved Speaker. In the Redeemer's name. Heavenly Father, again we are reminded that in the midst of life we are in death. In the valley may we fear no evil. Give Thy comforting presence to the loved one who is to follow on. Amen.

The Journal of the proceedings of Thursday, April 4, 1940, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on April 6, 1940, the President approved and signed a bill of the House of the following title:

H. R. 8641. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 407. Joint resolution to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1372. An act for the relief of W B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows; and

S. 1790. An act for the relief of the Eberhart Steel Products Co., Inc.

FEDERAL COMMUNICATIONS COMMISSION

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, an attack is being made upon the Federal Communications Commission on the ground that the Commission is retarding the development of television. The investigation I have made discloses the fact that the reason for the attack is that the Commission will not permit the Broadcasters' Trust to exploit the public through the sale of near-obsolete television sets. What we probably need more than anything else is an investigation of the Broadcasters' Trust. It is time they were stopped from monopolizing the air.

PERMISSION TO FILE MINORITY VIEWS

Mr. HEALEY. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Utah [Mr. MURDOCK] and myself may have until midnight Thursday to file minority views to the Smith committee report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Texas, Mr. MANSFIELD, may be permitted to extend his remarks in the RECORD and to include therein certain rates and statistical information.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FORMULATION OF TARIFF AND FOREIGN TRADE PROGRAM AND POLICY

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, I have introduced today, on behalf of the Republican members of the Ways and Means Committee, a joint resolution calling for the creation of a special committee, representing both the Congress and the general public, to formulate and recommend to Congress a permanent tariff and foreign trade program along certain specified lines, to be administered by an independent Government agency in compliance with clearly defined instructions from the Congress.

It is our thought that such agency should take over the tariff and foreign trade functions now exercised by the Tariff Commission and the State Department, and become the administrative agent of the Congress in carrying out the joint resolution's declared purpose of "promoting the greatest possible trade with foreign nations" while at the same time protecting domestic producers "from unfair foreign competition in the home market."

The joint resolution provides that the proposed investigating committee shall be composed of five Senators, to be selected by the President of the Senate; five Representatives, to be selected by the Speaker of the House; and five members selected by the President to represent affected interests, including agriculture, labor, industry, and consumers. The committee would be directed to report its recommendations to Congress not later than January 15, 1941, and such recommendations would be expected to conform to the broad policies laid down in the joint resolution.

The joint resolution which we offer gives effect to the suggestion made in our recent report in opposition to the extensions of the existing Trade Treaty Act, wherein we said:

> We believe that the Congress should immediately authorize an investigation of the whole question with a view to working out a combined tariff and reciprocity policy (1) that protects our vital interests, (2) that is truly flexible, and (3) that is geared to deal with foreign trade upon a realistic basis along constitutional lines.

Our proposal represents a constructive effort to set up a tariff and foreign-trade program which will accomplish these objectives and be free from the fundamental criticisms which have been raised against the tariff policy of the present administration. In our opinion, no foreign-trade program can be defended which is not reciprocal, constitutional, and beneficial to the Nation as a whole. Any program which increases importations of goods which we already produce for ourselves in abundance simply aggravates our pressing national problems of farm surpluses, industrial stagnation, and unemployment.

We believe with President William McKinley that the end in view under reciprocity should always be—

> The opening up of new markets for the products of our country by granting concessions to the products of other lands that we need and cannot produce ourselves, and which do not involve any loss of labor to our own people but tend rather to increase their employment.

Reciprocity of that kind goes hand in hand with the maintenance of reasonable tariffs on competitive foreign products as a means of assuring domestic producers at least an equal opportunity with low-cost foreign producers in selling their products in the American market. Under our proposal, improved flexible tariff procedure would be worked out for the prompt and scientific adjustment of general tariff rates.

The fact that the resolution to extend the present Trade Treaty Act passed the House by a vote of only 216 to 168 and the Senate by a vote of only 42 to 37 shows that there is widespread dissatisfaction with the foreign-trade program of the present administration. Moreover, the fact that 20 Democratic Members of the House and 15 Democratic Members of the Senate joined the Republican minority in opposition to the extension of the present program indicates that such opposition is a matter of principle and not partisanship.

The Trade Treaty Act has been extended, but the issue is not settled. There is real need for the study proposed by the joint resolution I have introduced.

In conclusion, I may say that our purpose in proposing a committee study rather than a detailed substitute program is that the matter is one of such great importance to the Nation that it should be carefully formulated after full investigation and after receiving the suggestions of all those concerned.

The text of the resolution follows:

House joint resolution providing for the creation of a Committee on Tariff and Foreign Trade Policy

Resolved, etc., That it is hereby declared to be the purpose of the Congress to establish and maintain a tariff and foreign-trade policy which, while promoting the greatest possible trade with foreign nations, will at the same time protect domestic agriculture, labor, and industry from unfair foreign competition in the home market, and be in harmony with domestic governmental policies.

SEC. 2. There is hereby created a temporary Committee on Tariff and Foreign Trade Policy (hereinafter referred to as the "Committee"), to be composed of 15 Members, as follows:

(1) Five Members of the Senate, three from the majority and two from the minority party, to be designated by the President of the Senate;

(2) Five Members of the House of Representatives, three from the majority and two from the minority party, to be designated by the Speaker; and

(3) Five members (none of whom holds any office in the Government of the United States or is engaged in the activities of any political party) to be designated by the President, by and with the advice and consent of the Senate, of whom at least one shall be representative of agriculture, one of labor, one of industry, and one of consumers.

SEC. 3. (a) It shall be the duty of the Committee to carefully study all phases of the domestic and foreign trade of the United States with a view to recommending to the Congress proper legislation for carrying out the purpose declared in section 1 hereof.

(b) The Committee shall make such investigations as it may deem necessary or advisable, and shall report to the Congress from time to time, and in any event not later than January 15, 1941, the results of its investigations, together with such recommendations as it may have to make.

(c) In its study, the committee shall give special consideration to the following:

(1) The recommendation of a permanent tariff and foreign-trade policy designed to carry out the purpose declared in section 1 hereof.

(2) The creation of a nonpartisan independent government agency to give effect to such policy.

(3) The setting up of definite, intelligible, and practicable legislative standards for the prompt and scientific adjustment of tariff duties by such independent agency in accordance with such policy.

(4) The promotion, under the direction of such independent agency, of the exchange of the Nation's surpluses for the foreign products it needs but does not itself produce, by every available means (including tariff reciprocity) consistent with constitutional limitations, and with the purpose declared in section 1 hereof.

SEC. 4. (a) The committee shall meet and organize as soon as practicable after at least a majority of the members have been chosen, and shall elect a chairman and a vice chairman from among its members, and shall have power to appoint and fix the compensation of a secretary and such experts and clerical, stenographic and other assistants as it deems advisable. A vacancy on the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as the original selection.

(b) The committee is authorized to hold hearings, and to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to have such printing and binding done, and to make such expenditures, as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words. Subpenas for witnesses shall be issued under the signature of the chairman or vice chairman.

(c) The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government, and of the office of the legislative counsel of the Senate and House of Representatives.

(d) The members of the committee shall serve without compensation for such services, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the committee.

(e) There is hereby authorized to be appropriated so much as may be necessary to carry out the purposes of this joint resolution. Amounts appropriated for the expenses of the committee shall be disbursed by the Division of Disbursement, Treasury Department, upon vouchers approved by the chairman or vice chairman.

(f) All authority conferred by this joint resolution shall terminate January 15, 1941.

EXTENSION OF REMARKS

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to make two insertions in the RECORD, the first one relative to Federal aid to highways and the second one a brief letter from former Senator Owen, of Oklahoma.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to make two insertions in the RECORD, first to publish a letter from the Maritime Commission in answer to the gentleman from Wisconsin [Mr. KEEFE]; the other is an article which appeared in Equality, having to do with the poll tax.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial appearing in the Washington Post.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. KELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two short editorial on the subject of our new Librarian, Dr. Archibald MacLeish.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a study on the cost of producing milk in the Detroit milkshed, prepared by Edward E. Kennedy.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short editorial from the Evening Star of Washington.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JENKS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an article that appeared in the April edition of the Sphere, carrying an address delivered on March 4 by Mr. Wendell L. Willkie.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a copy of a speech I delivered at the annual dinner of the New York University on Thursday evening.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a radio address delivered by Hon. Howard A. Gray, Director of the Bituminous Coal Division, on the matter of the minimum price in the coal industry.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimuos consent to extend my remarks in the RECORD and to include a brief editorial appearing in the Washington Post this morning concerning military defenses at Anchorage, Alaska.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address I delivered over the radio last week.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address delivered by the distinguished newspaper editor Mr. Frank Gannett.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to have printed in the RECORD, for the information of the House, the proposed amendment to the good-behavior bill that is supposed to come up tomorrow.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COURTNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address delivered by Mr. James A. Farley at the laying of the cornerstone in my district of a new Federal building, and also some brief remarks made by myself at the time.

The SPEAKER pro tempore. Is there objection?

There was no objection.

VETERANS' COMPENSATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANKIN. Also, Mr. Speaker, I ask unanimous consent to extend my remarks and to include an order issued by the Veterans' Administration and a letter I received this morning from representatives from the veterans' organizations.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of the RECORD.]

FEDERAL TRADE AGREEMENT

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I rise to emphasize what the gentleman from Massachusetts [Mr. TREADWAY] said a few moments ago. He has introduced in the House today a resolution which is of tremendous importance. By way of emphasis, let me repeat that

the resolution he has introduced is of tremendous importance. My reason for making this statement and emphasizing it is that his resolution provides for the appointment of a special committee to make a study and to make recommendations with reference to the tariffs levied under our laws and regulations and under the reciprocal-trade agreements that our Government has entered into with foreign nations. The tariff is, and has been, one of our most important national policies, from the very beginning of the Government. Reciprocity between our country and foreign countries, and reciprocal-trade agreements likewise have been important questions for the last 40 years. These matters have now become so confused that there is no question but that a thorough study should be made of them, so that as a Nation, and as a Congress representing the Nation, we can better determine what is best to do and how it should be done.

To be more specific, let me call your attention to the fact that just 2 or 3 weeks ago we had a very close and vigorous fight in this House over the question of whether we should extend for 3 years the present reciprocal trade agreements law. Those of you who are serving your first term no doubt were as much interested in that controversy and contest as were some of the older Members. As you know, this measure came before the House from the Ways and Means Committee.

The Democratic membership of the Ways and Means Committee had recommended the extension of the law while the Republican members had opposed it on various grounds. The report made by the majority of the committee at that time and the report made by the minority were both very lucid and comprehensive documents. I commend them to your consideration. In them you will find all the arguments for and against the extension of the law. The House voted on that measure on February 23, 1940. The vote was 216 in favor and 168 opposed. Of those 216 only 5 were Republicans, while about 20 or 25 Democrats voted with the Republicans in opposition to the extension of this law. Some of the Democrats who voted against the extension of the law are Democrats who have recognized the fact that protection of our industries through a tariff has been the greatest factor in causing our Nation to become the greatest manufacturing Nation in the world. Others who voted against the extension of this law realized its detrimental effect on the agricultural industries of the Nation. They understood and appreciated the fact that the reciprocal-trade agreements as executed by the Secretary of State were nothing more or less than agreements that would tend to carry out the free-trade ideas of the Secretary of State.

The majority of the Democrats over Republicans in the House is not nearly as large as it is in the Senate. In other words, the majority in the House is about a 2-to-1 majority, while the majority in the Senate is more than a 3-to-1 majority. The fact that the Democrats in the House failed to rally and respond to the demands of their constituents with the same enthusiasm as the Senators did would argue that a larger number of the Members of the House have failed to respond to the wishes of their constituents. There are several instances where Democratic Congressmen from a State voted with the President while the Democratic Senators from the same States voted against him, and there is an inconsistency that will call for explanation. In one case both Democratic Senators voted against the extension while the three Congressmen voted the other way.

I take this occasion to state that in my judgment the passage of this bill to extend the law giving to the Secretary of State the power to enter into these agreements will be one of the principal issues in the next campaign. The fact that the President of the United States, with the Secretary of State, who will probably succeed him as a Democratic candidate for the Presidency, were unable to force this legislation through the Senate except by the very smallest possible margin indicates conclusively that the Senate of the United States may at least not be in favor of this extension. I congratulate those Members of the House who were courageous enough to put their loyalty to constituents above their party fealty. I am sorry that many other Members of the House were unable to free themselves, but felt obligated to go ahead and support their President even though they felt that he was wrong. I want to congratulate the Senators who were able to free themselves from the domination of the President and the free-trade ideas of the Secretary of State. The President surely cannot take much consolation in this so-called victory. A change of three votes in the Senate would have defeated this bill.

Again I saw that this bill, extending the authority to execute these trade agreements for 3 more years, does not meet with the approval of the majority of the Senators and Congressmen. It should not have been passed. Public sentiment does not support it. At the next election those who failed to record the sentiment of their constituents will, I am afraid, be called to make explanation. While I feel sorry for these splendid Democratic friends of mine who have failed to properly interpret the sentiments of their constituents and may be carried out of office by reason of their unfortunate vote, still I feel that I am not in any way to blame, because I did the best I could to proclaim in the most convincing language that I could command that this bill was wrong in principle and unconstitutional and that it was destructive of the best interests of the Nation.

While the President and the Secretary of State are claiming that they have won a victory, it is not a victory on principle. It is simply another instance where Members of Congress and Members of the Senate have felt their party loyalty to be stronger than their loyalty to their constituents.

You may rest assured that this will be an issue in the next campaign and that, if a Republican administration is elected, some steps similar to these provided for in the Treadway resolution will be taken so as to take these two great important subjects out of partisan politics and place them on a higher basis, where the best interests of the country is the only consideration. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

AGRICULTURAL ADJUSTMENT ADMINISTRATION

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PIERCE. Mr. Speaker, I have just introduced in the House a bill (H. R. 9273) amending the present Agricultural Adjustment Administration Act to provide for the certificate plan on wheat, cotton, rice, tobacco, and peanuts. It does not take in corn. Coming from a wheat section I realize that the time is close at hand when we cannot get even partial parity payments from the Treasury. I am therefore anxious to have legislation making permanent a farm price above that fixed by world markets. This bill has been in process for many months and represents the best thought of the most experienced and competent men who have been administering the Triple A Act, and of those who have been operating under it. I ask that it be carefully read and carefully considered by the House.

INCOME CERTIFICATE PLAN FOR BASIC EXPORT CROPS

In introducing a bill to carry out an income-certificate plan I feel that I am taking a step toward an increased and stabilized income for farmers. The measure I am proposing would raise funds to substitute for and augment parity payments and would thus strengthen the program we now have.

As I see it, however, the proposal has at least three important advantages over the program as it now stands.

First. It would raise more money for wheat and the other commodities named in the act than is being raised at present through appropriations for parity payments;

Second. It would be self-financing; and

Third. It would assure farmers a continuing source for income which they must have if they are to continue farming.

The principle of the certificate plan is the same principle as that of the processing tax. Because of factors over which neither the Government nor farmers have control, wheat today is not bringing parity prices. It is now about 75 percent of parity, or 40 cents below a parity price. Under this bill a tax would be levied upon wheat, and the levy, minus the cost of administration, would be passed back to the farmers. In effect, the Government would be saying to millers and other wheat processors, "Pay farmers a fair price for their wheat."

The principle of the processing tax and the certificate plan is the same, but the certificate plan has some very definite advantages over the processing tax. It would be simpler to administer and the certificate plan, from the legal standpoint, would not involve a tax.

The money raised by the certificates on wheat, for example, would not go into the Treasury and then be paid out to farmers, as was the case with the processing tax. The funds raised by the certificate plan would go directly to farmers, and would not appear as appropriations. Through this short-cut one of the most frequent complaints in connection with the present program—that it takes too long for farmers to get the payments due them—would be largely eliminated.

CROPS COVERED

This bill would apply to wheat, tobacco, cotton, rice, and peanuts. The certificate plan can be used effectively for any crop which has a substantial export market, or has some outlet which would serve a similar purpose, such as the use of peanuts for oil.

I believe the certificate plan would be effective for all the crops named in the bill. I am certain it would be so for wheat. Since that is the commodity with which I am most familiar, my explanation of the bill is from the standpoint of the wheat farmer, although I believe that the same explanation holds good in the case of the other four crops.

Specifically, so far as wheat is concerned, the bill has as its aim the insurance of a parity price on that portion of the crop which is consumed domestically. Thus the value of the certificates for wheat would aggregate the difference between the actual price and parity price on the domestically consumed portion of the crop. Suggested minimum and maximum prices for the wheat certificates would be 10 and 25 cents per bushel.

COMPLIANCE NECESSARY FOR PAYMENTS

The certificates would be issued to farmers who cooperate in the Triple A wheat program. This would greatly strengthen the whole program and materially assist in bringing about much-needed acreage adjustment. From more than one standpoint this is desirable. Despite a series of short crops during the past few years, there has been no shortage of wheat in this country. Given normal weather, our tendency is to grow much too much instead of too little. Farmers should keep in mind that the domestically consumed portion of the wheat crop; that is, the portion consumed for food, is about 500,000,000 bushels annually.

Increasing the production of wheat would not result in more wheat consumption domestically, but it probably would decrease each individual farmer's share of the total domestic allotment. Every new wheat grower or every other increase which had to be taken into account in making the allotments would mean spreading the total thinner. In addition, the more wheat, the greater the surplus, the cheaper the price, the higher the value of the certificate, the greater the resistance from the processors, and the more difficult to sell the surplus abroad. If we encourage the expansion of wheat production, we will have to raise the maximum value of the certificates or abandon the idea of getting parity price on domestic consumption. There is too much unnecessary competition now among wheat farmers. I can see no reason to add to that competition.

PROCESSORS' CERTIFICATES

Processors would have to buy the certificates from farmers to cover the first sale of the commodity. To sell flour, for example, a miller would have to have certificates covering the quantity of wheat in the flour. The coverage of these first sales in the domestic market would require certificates corresponding to the number and value of the certificates issued to farmers.

Let us say, for example, that certificates valued at $119,000,000 were issued to wheat farmers, approximately the expected amount based on mill grindings. To cover first sales of the products manufactured from this wheat, wheat processors would have to buy $119,000,000 in certificates.

The yardstick to measure the value of certificates to be issued to an individual producer would be the normal yield of his acreage allotment under the farm program. Since the domestic consumption of wheat would be less than this normal yield of the allotted acres, the value of a wheat certificate per bushel would be somewhat less than the full difference between the farm and parity prices.

Importers of commodities made from wheat would have to purchase certificates to sell their products, but certificates would not be required for the export of wheat or wheat products. This would effectually eliminate imports.

To facilitate administration, a certificate pool would be set up by the Department of Agriculture, and this would make available and accessible an adequate supply of certificates.

ILLUSTRATION FOR WHEAT

The following illustrates how the marketing-certificate plan would operate for wheat:

ON NATIONAL BASIS (Assume this situation)	ON BASIS OF INDIVIDUAL FARMER (Assume this situation)
Normal production of allotment (bushels), 750,000,000.	Wheat-acreage allotment for farm (acres), 100.
Part of production consumed domestically for food (bushels), 500,000,000. The remainder of the production is exported or used for feed and seed.	Normal production per acre on farm's allotment (bushels), 12.
Market price of wheat per bushel ..... $0.75 Parity price of wheat per bushel 1.13	Wheat-conservation payment, 10 cents.
On basis of this assumed situation, the price is 38 cents below parity. In order to increase the income from the production consumed domestically, the 38 cents is applied to the 500,000,000 bushels. This would amount to $190,000,000, and would be the amount which the certificates would have to raise.	Since the normal production from the farmer's allotment is 1,200 bushels, he would receive 1,200 certificates, each worth 25 cents. He would receive these as soon as it was established that he had seeded within his acreage allotment.
Since the certificates would be issued on basis of the 750,000,000-bushel normal production (assuming 1 certificate for each bushel), the value of each certificate would be determined by dividing $190,000,000 by 750,000,000. This would be 25 cents—the value of the certificate received by the farmer.	On basis of figures used in this example, domestic consumption (excluding feed and seed) is two-thirds of the Nation's normal production. Likewise, the part of the farmer's crop going for domestic consumption as food is two-thirds of his normal production, or, in this case, 800 bushels. Under the certificate plan, this is what he would receive:
Since manufacturers and importers must buy 750,000,000 certificates in connection with the sale or importation of articles manufactured from 500,000,000 bushels of wheat, this means they will buy 1½ certificates for every bushel sold. Thus, the total cost per bushel of wheat for domestic consumption would be:	
Market price ..... $0.75 1½ certificates at 25 cents ..... .37½ Total 1.12½	Sale in market (1,200 bushels at 75 cents) ... $900 1,200 certificates at 25 cents ..... 300 Conservation payment at 10 cents 120
This is approximately the parity price.	In other words, on his entire production, the farmer would receive $1,320, or $1.10 a bushel, which is 97 percent of parity. On just the portion of his crop consumed domestically as food, he would receive, in addition to his conservation payment, a total of $900, or $1.13 a bushel, which is parity.

ARGUMENTS REFUTED

The arguments against the certificate plan are familiar. The principal expressed opposition is that it would increase the cost to the consumer. In the case of wheat, this argument has little merit. In the first place, a tax of 30 cents a bushel on wheat—the rate under the processing tax and 5 cents more than the maximum rate proposed in the bill—added only about one-half cent a pound loaf to the cost of bread.

As anyone familiar with the subject knows, the cost of wheat is a relatively insignificant item in the cost of bread. During the price declines that sent wheat down to 25 cents a bushel back in 1932, the prices of bread remained comparatively high. At that time the millers emphasized that the cost of wheat did not amount to very much as a part of the cost of bread, and they called attention to other items. Now some of them want to change their tune.

In 1939 the average farm price paid to farmers for wheat was 64 cents per bushel. This price could have been doubled and farmers could have been paid approximately $1.25 per bushel without raising the cost of a loaf of bread more than 1 cent.

I propose that it should be required by law that every bread wrapper should contain a definite statement as to what part of the cost of the loaf of bread was due to the price of the wheat contained therein.

Generally speaking, consumers want farmers to get a fair price for their products. They know that this is best for everyone concerned, from the long-time viewpoint. The farm market is the best market industry has. If we bring out the fact that the certificate plan is simply an effort to raise to parity the price of wheat consumed in this country, and nothing more, I have no fear of consumer opposition.

It seems to me that those who oppose the certificate plan on the grounds that it would increase costs to consumers would oppose any increase in farm prices for the same reason. The demand for cheap food regardless of the welfare of American agricultural producers is not consistent with democracy.

The farmers must have parity payments or their equivalent if they are to continue to produce food. So far Congress has voted partial parity, but only after a struggle, and there is much uncertainty as to the future. With conditions as they are now, failure to get parity payments, or their equivalent, would mean ruin to many wheat farmers. The certificate plan would assure the equivalent of parity payments.

All of us have heard much talk about economy during the past few years. The certificate plan represents a genuine move toward economy. Without injury to anyone and with benefit to all, it would help make farm programs self-financing. The sooner this program is enacted the better for the farmers, the consumers, and the entire country.

In proposing this legislation I am assured the earnest support of the Washington State Farm Bureau and the Eastern Oregon Wheat League, both organizations of wheat farmers who have given much thought to the problems of the wheat sections, and who have repeatedly endorsed the certificate plan for financing the farm program.

My illustrations have applied to the production of wheat. The same arguments are applicable to all other basic commodities mentioned in the bill—cotton, tobacco, rice, and peanuts. I have, in introducing this important bill, referred to wheat because I am so familiar with wheat farming and marketing.

This bill is not an entirely new bill in itself, but it amends the 1938 Farm Act under which we have been operating so successfully.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks and insert two separate articles: One, an editorial from the Washington Post, and the other from the New York Herald Tribune.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FORD of Mississippi. Mr. Speaker, I ask unanimous consent to have printed in the Appendix of the RECORD a copy of a short resolution recently adopted by the United States Attorneys' Association while in conference in the city of Washington.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address made by my colleague the gentleman from Ohio [Mr. SMITH] over the Columbia Broadcasting System on last Thursday evening entitled "Free Enterprise Is the Issue."

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my remarks by including a short statement from the Detroit Free Press.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXPENDITURES IN GOVERNMENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, I cannot help but call attention to a statement made by the acting chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] on last Thursday when he said:

> We have made a record not only in efficient and expeditious manner in which we have reported the supply bills—and what is more important—in economy in appropriations carried by these bills.

I want to say that the acting chairman of the Committee on Appropriations does not know what economy means, after he says that the bills were economical, when we find that we have appropriated $6,776,658,767.57, and the income next year will be $5,703,000,000, as estimated by the President. Where is there any economy when our appropriations are now over a billion dollars more than our receipts will be? Where can any Member of Congress laud this radical spending? Why, Mr. Speaker, you have been in the red from a billion and a half a year up since the New Deal hit the Capital. Every year you have been in the red. Economy where? Not with the New Deal. They are the squanderers of the world; more waste, more extravagance, more promises than any party has ever had. The New Deal is busted, and it will bust all our people.

A list of the 11 regular appropriations bills appropriates out of the Federal Treasury to date, as follows:

Agriculture (passed the Senate)	$922,911,213.00
District of Columbia (reported to the House)	48,291,717.00
Independent offices (passed the Senate)	1,139,783,528.00
Interior (passed the House)	118,578,187.05
Labor-Federal Security (passed the House)	1,021,639,700.00
Legislative (passed the House)	23,907,744.00
Navy (passed the House)	965,779,438.00
State, Justice, and Commerce (passed the Senate)	107,079,000.00
Treasury and Post Office (law)	1,032,801,095.00
War Department, civil (passed the House)	203,472,567.00
Emergency, supplemental (law)	252,340,776.00
Urgent deficiency (law)	57,541,300.00
First deficiency (passed the Senate)	91,533,408.52
District of Columbia	6,000,000.00
War	784,999,094.00
Total	6,776,658,767.57

Mr. Speaker, we want to chase the money changers out of the White House and out of Congress if we are going to save this Nation of ours. Now, where are the economic royalists? We are putting the financial skids under this Nation. We soon will be a bankrupt nation. Oncoming generations will not be able to carry on the folly that this New Deal administration is heaping upon their heads. [Applause.]

[Here the gavel fell.]

MINORITY VIEWS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to have 10 days within which to file minority views on the so-called Norton bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

LETTERS, MANUSCRIPTS, AND PERSONAL PAPERS OF ABRAHAM LINCOLN

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CHURCH. Mr. Speaker, I have just introduced a joint resolution authorizing the appropriation of $150,000, or so much thereof as may be necessary, for the Library of Congress to purchase the William H. Herndon collection of manuscripts, letters, and other personal papers of Abraham Lincoln.

It has been the uniform policy of the Congress to place in the Library of Congress all documents of historic value. Last year $55,000 was appropriated for the purchase of the papers of Charles C. Pinckney, an important figure in the early days of our history. By this policy we seek to preserve for posterity all papers, objects, and effects connected with the lives of our great statesmen.

When Lincoln left Springfield, Ill., for Washington to assume the office of President of the United States he asked his law partner, William H. Herndon, to keep the old shingle, "Lincoln & Herndon," until he returned. Fate decreed that the martyred Lincoln would not return to the practice of law he loved.

Shortly after the death of Abraham Lincoln, Herndon began collecting all available material relating to the life of the martyred President. In the Herndon collection there are precious mementoes of Lincoln's boyhood. For instance, it contains one of the early arithmetic lessons.

The collection also contains something like 750 legal papers executed by Lincoln in his own handwriting, all of which throw light on his skill as a laywer in handling cases and clients.

I do not desire to take the time of the House now to enter into the details of the documents and papers in the Herndon collection. I simply desire to call the attention of the House to the fact that I have introduced this resolution because I am convinced that we should take appropriate steps to preserve these valuable manuscripts and papers. I sincerely hope the Committee on the Library will look into this particular matter.

It is hardly necessary to say that we, in Illinois, cherished every paper and every object that pertains to our native son, Abraham Lincoln. He was the embodiment of the American spirit—patience, courage, humility, and belief in the rights of the common man. Everything that touches upon his life and work is dear to the American people and should be placed where it may be preserved for all time.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include an editorial concerning the Wheeler-Lea railroad bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative program tomorrow and following the statement to be made by the gentleman from Pennsylvania [Mr. RICH], I may be allowed to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Times Picayune, of New Orleans, on the question of airplane investigation.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MAY. Mr. Speaker, I also ask unanimous consent to extend my remarks and include an address by the Secretary of War, delivered to the Military Order of the World War on last Saturday night.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks on the agricultural situation and include an excerpt from an editorial on that subject.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

COMMITTEE TO INVESTIGATE UN-AMERICAN ACTIVITIES

Mr. DIES. Mr. Speaker, by direction of the Special Committee to Investigate Un-American Activities, I present a privileged report (Rept. No. 1936) and ask that it be read.

The Clerk read as follows:

The Special Committee to Investigate Un-American Activities authorized by the House of Representatives by House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, caused to be issued a subpena directing one Philip Frankfeld to appear before the said Special Committee to Investigate Un-American Activities and to produce all records regarding Communist Party and activities, the subpena being set forth in words and figures, as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to the Sergeant at Arms, or his special messenger: You are hereby commanded to summon Philip Frankfeld to be and appear before the Special Committee on Un-American Activities, committee of the House of Representatives of the United States, of which the Honorable MARTIN DIES, of Texas, is chairman, and bring with you all files, records, and correspondence pertaining to the business of the Communist Party which are in your possession and under your control for the period from January 1, 1935, to date. These records should also include the following: Membership books, cards, receipts for payment of dues, receipts for contributions, membership lists. Receipts for monies or services from any and all other sources. Mailing lists and correspondence lists, ledgers, journals, and any and all records pertaining to receipts and disbursements. In their chamber in the city of Washington, forthwith, at the hour of, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and seal of the House of Representatives of the United States, at the city of Washington, this 29th day of March 1940.

"W. B. BANKHEAD, *Speaker.*

"Attest:

"SOUTH TRIMBLE, *Clerk.*"

Said subpena was, on March 29, 1940, served upon the said Philip Frankfeld by George F. Hurley, an employee of the said Special Committee to Investigate Un-American Activities, and duly authorized to serve the said subpena. The return of a service by the said George F. Hurley being endorsed thereon, which is set forth in words and figures, as follows:

"Subpena for Philip Frankfeld before the committee of the Special Committee on Un-American Activities. Served by George F. Hurley, investigator, March 29, 1940. Sergeant at Arms, House of Representatives."

Said Philip Frankfeld, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony and to produce such records as required under and by virtue of House Resolution 282, Seventy-fifth Congress, and con-

tinued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress.

Said Philip Frankfeld, after being duly sworn by the chairman, gave testimony before the said committee on the 4th day of April 1940 concerning certain matters and things, but refused to give testimony and to answer certain questions propounded to him on the following matters and things:

"Mr. MATTHEWS. Will you please state your full name?

"Mr. FRANKFELD. I will not answer a single question until you permit those 10,000 citizens to be heard.

"The CHAIRMAN. Shall we hold the witness in contempt? The witness is held in contempt. Let the record show that. You are not making any other statement. You are directed to answer questions, and you have declined to answer.

"Mr. FRANKFELD. And you declined to listen to 10,000 citizens of our country.

"The CHAIRMAN. You decline to answer any question. Remove the witness."

Because of the foregoing the said Committee to Investigate Un-American Activities has been deprived of the testimony of said Philip Frankfeld, relative to the subject matter, which under House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, said Special Committee to Investigate Un-American Activities was instructed to investigate, and the willful and deliberate refusal of the witness to testify further as hereinbefore set forth is a violation of the subpena under which the witness had previously appeared and testified, and his willful refusal to testify further, without having been first excused as a witness deprives the said Committee to Investigate Un-American Activities of necessary and pertinent testimony, and places the said witness in contempt of the House of Representatives of the United States.

House Resolution 457

Resolved, That the Speaker of the House of Representatives certify the report of the House of Representatives Committee to Investigate Un-American Activities as to the willful and deliberate refusal of Philip Frankfeld to testify before the said Committee to Investigate Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States Attorney for the District of Columbia, to the end that the said Philip Frankfeld may be proceeded against in the manner and form provided by law.

Mr. DIES. Mr. Speaker, I move the immediate consideration of a resolution which I send to the desk.

The Clerk read as follows:

House Resolution 457

Resolution to certify report of the House of Representatives Committee to Investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against Philip Frankfeld for contempt

Resolved, That the Speaker of the House of Representatives certify the report of the House of Representatives Committee to Investigate Un-American Activities as to the willful and deliberate refusal of Philip Frankfeld to testify before the said Committee to Investigate Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Philip Frankfeld may be proceeded against in the manner and form provided by law.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. DIES. Mr. Speaker, by direction of the Committee on Un-American Activities, I present a privileged report (Rept. No. 1937) and ask that it be read:

The Clerk read as follows:

The Special Committee to Investigate Un-American Activities, authorized by the House of Representatives by House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, caused to be issued a subpena directing one Dr. Albert Blumberg to appear before the said Special Committee to Investigate Un-American Activities and to produce all records regarding Communist Party and activities, the subpena being set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to the Sergeant at Arms or his special messenger: You are hereby commanded to summon Dr. Albert Blumberg, 501 B North Eutaw Street, Baltimore, Md., to be and appear before the Special Committee on Un-American Activities, committee of the House of Representatives of the United States, of which the Honorable MARTIN DIES, of Texas, is chairman, and bring with you all documents, records, and/or correspondence pertaining to the business of the Communist Party and/or to the activities of individual members of the Communist Party; all membership books or cards, receipts for payment of dues, receipts for contributions, receipts for moneys or services from other sources; all records of membership, mailing, and/or correspondence lists; ledgers, journals, and all records of all receipts and disbursements, in their chamber in the city of Washington forthwith, at the hour of ———, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 29th day of March 1940.

[SEAL] "W. B. BANKHEAD, *Speaker.*

"Attest:

"SOUTH TRIMBLE, *Clerk.*"

Said subpena was on March 29, 1940, served upon the said Dr. Albert Blumberg by United States Deputy Gustavus H. Ward. The return of a service by the said Gustavus H. Ward being endorsed thereon which is set forth in words and figures as follows:

"Summoned the within-named Dr. Albert Blumberg, at 501 B North Eutaw Street, Baltimore, Md., and a copy of subpena duces tecum handed to him personally at 1:30 p. m. this 29th day of March 1940.

"AUGUST KLECKA, *United States Marshal,*
"By GUSTAVUS H. WARD, *Deputy.*"

Said Dr. Albert Blumberg, pursuant to said subpena and in compliance therewith, appeared before a subcommittee of the said committee to give such testimony and to produce such records as required under and by virtue of House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress.

Said Dr. Albert Blumberg, after being duly sworn by the chairman, gave testimony before a subcommittee of the said committee on the 29th day of March 1940 concerning certain matters and things, but refused to give testimony and to answer certain questions propounded to him on the following matters and things:

"Mr. MATTHEWS. Is Barbara Hutton, known as such by her party name, a member of the Communist Party in Baltimore?

"Mr. BLUMBERG. Mr. Chairman, for reasons previously given, I decline to answer any question designed to identify any individual as a member of the Communist Party.

"The CHAIRMAN. What I am trying to get you to do is to say whether you decline to answer this particular question.

"Mr. BLUMBERG. I decline to answer this question, and any such question designed to identify——

"The CHAIRMAN. We will get to the others. Do I understand you to decline to answer this particular question for the reasons you previously stated?

"Mr. BLUMBERG. Yes. I decline to answer any question regarding the party status of an individual, and this is such a question.

"The CHAIRMAN. I am asking you, do you decline to answer this particular question for the reasons stated?

"Mr. BLUMBERG. Yes; since this question relates to alleged party membership.

"The CHAIRMAN. The Chair requires you to answer the question. Do you still decline?

"Mr. BLUMBERG. Yes; I decline (Mar. 29, 1940, record, pp. 87–88).

"Mr. MATTHEWS. Who is the secretary of the Young Communist League in Baltimore?

"Mr. BLUMBERG. Mr. Chairman, I decline to answer——

"Mr. MATTHEWS. Isn't that a matter of public record?

"Mr. BLUMBERG (continuing). On the ground that this question is not germane to the purposes of the inquiry.

"The CHAIRMAN. The Chair requires you to answer the question. Do you still decline?

"Mr. BLUMBERG. I decline (Mar. 29, 1940, record, pp. 88–29).

"Mr. MATTHEWS. This morning there was introduced into evidence before this committee, Dr. Blumberg, a memorandum which had to do with the removal of Joan Davis from the post of regional administrative secretary of the Young Communist League in Baltimore on the ground that Joan Davis had had dinner with her brother and had then invited him to stay overnight in her home, and furthermore that her brother was identified by this memorandum as being on tour for a Trotskyite organization.

"Do you know the Joan Davis referred to in this document?

"Mr. BLUMBERG. Mr. Chairman, for reasons previously stated, I decline to answer any question concerning documents taken from the office.

"The CHAIRMAN. You decline to answer this question?

"Mr. BLUMBERG. I decline to answer this question, or any question——

"The CHAIRMAN. The Chair requires you to answer this question. Do you still decline?

"Mr. BLUMBERG. I decline, because I believe them to have been improperly seized (May 29, 1940, record, p. 89).

"Mr. MATTHEWS. I show you a canceled check dated January 25, 1938, on the Drovers & Mechanics Office, Maryland Trust Co., 'Pay to the order of A. Benson, $161.87,' signed by the Communist Party of Maryland, Joan Davis, secretary, district office.

"Will you identify that check?

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer any questions concerning that material taken from the office yesterday, on the ground——

"The CHAIRMAN. You decline to answer this question?

"Mr. BLUMBERG. I decline to answer any question——

"The CHAIRMAN. The Chair requires you to do so.

"Mr. BLUMBERG. I decline to do so on the grounds previously stated (Mar. 29, 1940, record, pp. 89–90).

"Mr. MATTHEWS. Do you identify this check as having gone through your office?

"The CHAIRMAN. What check is it?

"Mr. MATTHEWS. The check is dated Baltimore, Md., October 28, 1938, payable to A. Benson, for $167.27, signed Joan Davis, secretary, Communist Party, Maryland.

"The CHAIRMAN. What question are you asking with reference to that check?

"Mr. MATTHEWS. If he will identify this check.

"The CHAIRMAN. That doesn't purport to have any signature of his on it?

"Mr. MATTHEWS. It is a check which was obtained from the files of the Communist Party in Baltimore.

"The CHAIRMAN. I understand. Let me ask you this, Doctor: did you ever see that check before?

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer any question in relation to the documents taken yesterday, on the grounds previously stated.

"The CHAIRMAN. If you will just confine it to the particular question. I am asking you did you ever see that check before. You decline to answer?

"Mr. COHN. He declines to answer.

"The CHAIRMAN. Although the Chair requires you to do so?

"Mr. BLUMBERG. I decline to answer (Mar. 29, 1940, record, pp. 90–91).

"Mr. MATTHEWS. I hold a check dated Baltimore, Md., October 8, 1938, payable to A. Benson, for $382.70, signed Communist Party of Maryland, Joan Davis, Secretary, District Office.

"Have you ever seen that check?

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer the question on the grounds previously stated.

"The CHAIRMAN. The Chair requires you to do so, and you decline?

"Mr. BLUMBERG. On the grounds previously stated.

"The CHAIRMAN. May I ask you if you know who A. Benson is?

"Mr. BLUMBERG. Mr. Chairman, I decline to answer any question relating to individuals other than myself.

"The CHAIRMAN. The Chair requires you to answer this particular question. Do you know who A. Benson is?

"Mr. BLUMBERG. I decline to answer (Mar. 29, 1940, record, pp. 91–92).

"The CHAIRMAN. Yes. Will you read the last question?

(Whereupon the reporter read the question referred to, as follows:)

"You don't know in October, you mean to say, that William Wiener was the financial secretary of the Communist Party of the United States?

"The CHAIRMAN. You decline to answer that question?

"Mr. BLUMBERG. I decline to answer the question.

"The CHAIRMAN. The Chair requires you to answer. Do you still decline?

"Mr. BLUMBERG. I still decline (Mar. 29, 1940, record, p. 94).

"Mr. MATTHEWS. Do you mean to say, Dr. Blumberg, that the Communist Party of Maryland, of which you are the responsible head, would make out a check for $10 to a person about whom you have no recollection?

"Mr. BLUMBERG. Mr. Chairman, I again refuse to answer any questions with regard to the material——

"The CHAIRMAN. Do you decline to answer the question?

"Mr. BLUMBERG. Taken from our office yesterday.

"The CHAIRMAN. Stick with the particular question. Do you decline to answer this particular question?

"Mr. BLUMBERG. This particular question has to do with material taken yesterday.

"The CHAIRMAN. The Chair requires you to answer. Do you decline?

"Mr. BLUMBERG. Yes (Mar. 29, 1940, record, p. 96).

"Mr. MATTHEWS. I have here a check dated February 1, 1940, made payable to J. Fields, in the sum of $100, by the Communist Party of Maryland, Carl Brenner, administrative secretary, and likewise endorsed 'J. Fields, Workers' Library Publishers, Inc.'

"Did you authorize the payment of that sum?

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer any questions with regard to material taken from our office yesterday.

"The CHAIRMAN. The Chair requires the witness to answer. The witness refuses.

"Mr. BLUMBERG. I decline to answer (Mar. 29, 1940, record, pp. 96–97).

"Mr. MATTHEWS. Do all expenditures made by the Communist Party of Maryland have to be O. K.'d by you?

"Mr. BLUMBERG. As the State secretary of the organization, I am acquainted with the expenditures that are made.

"The CHAIRMAN. That doesn't answer his question. The question is, Do expenditures have to be authorized by you?

"Mr. BLUMBERG. The expenditures have to be authorized by a committee, of which I would be one member.

"The CHAIRMAN. What committee is that?

"Mr. BLUMBERG. Most major expenditures would be authorized by the State executive committee.

"The CHAIRMAN. The State executive committee?

"Mr. BLUMBERG. That is right.

"The CHAIRMAN. And you are a member of the committee?

"Mr. BLUMBERG. I am a member of the committee.

"The CHAIRMAN. And as secretary of the organization, does the committee control your actions?

"Mr. BLUMBERG. It does.

"Mr. LYNCH. Who are the other members of the committee, Mr. Blumberg?

"Mr. BLUMBERG. Mr. Chairman, I decline to answer any question which has for its purpose the identification of any individual——

"The CHAIRMAN. Stick with this particular question.

"Mr. BLUMBERG. As a member of the Communist Party, or any——

"The CHAIRMAN. The Chair requires you to answer that particular question. You decline to do so?

"Mr. BLUMBERG. I do (Mar. 29, 1940, record, pp. 97–98).

"Mr. MATTHEWS. Did the payment of $100 to J. Fields come before the State executive committee for authorization?

"Mr. BLUMBERG. I refuse to answer, Mr. Chairman, any questions regarding material taken unlawfully and unconstitutionally——

"The CHAIRMAN. The Chair requires the witness to answer the question.

"Mr. BLUMBERG. From our office in Baltimore yesterday.

"The CHAIRMAN. The witness declines to do so?

"Mr. BLUMBERG. I decline to answer (Mar. 29, 1940, record, pp. 98–99).

"Mr. MATTHEWS. Dr. Blumberg, I show you a check dated September 29, 1939, made payable to the order of William Wiener, for $197.35, by the Communist Party of Maryland, Carl Brenn, administrative secretary.

"Will you identify that as a payment made by your office?

"Mr. BLUMBERG. Mr. Chairman, I again refuse to answer any question with regard to material taken unlawfully and unconstitutionally from our office in Baltimore yesterday.

"The CHAIRMAN. The Chair requires the witness to answer. The witness declines?

"Mr. BLUMBERG. I do (Mar. 29, 1940, record, p. 99).

"Mr. MATTHEWS. Dr. Blumberg, do you know A. Landy?

"Mr. BLUMBERG. Mr. Chairman, I decline to answer any questions relating to any individuals and myself.

"The CHAIRMAN. The Chair requires the witness to answer the question. The witness declines; is that correct?

"Mr. BLUMBERG. I decline (Mar. 29, 1940, record, p. 100).

"Mr. MATTHEWS. What payments would be made by the Communist Party of America to A. Landy? Would they be payments for the Daily Worker?

"Mr. BLUMBERG. The Communist Party of Maryland makes payments to New York for literature, copies of the Daily Worker, and similar supplies of material.

"The CHAIRMAN. Do you make these payments to Mr. Landy?

"Mr. BLUMBERG. I again refuse to answer any questions with regard to any individuals——

"The CHAIRMAN. You refuse to state whether or not in making payments to the Daily Worker the checks are made payable to Mr. Landy?

"Mr. BLUMBERG. Yes; I refuse to answer any questions with regard to any individual.

"The CHAIRMAN. The Chair requires the witness to answer. The witness declines. is that correct?

"Mr. BLUMBERG. That is right (Mar. 29, 1940, record, pp. 100–101).

"Mr. MATTHEWS. I show you a check dated Baltimore, Md., October 26, 1940, payable to the order of A. Landy, in the sum of $50, signed Communist Party of Maryland, Carl Brenn, administrative secretary, and the check is endorsed by the stamped signature of A. Landy.

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer.

"The CHAIRMAN. He hasn't asked anything.

"Mr. MATTHEWS. Will you please identify this as a payment made by the Communist Party of Maryland to A. Landy?

"Mr. BLUMBERG. I decline to answer any questions relating to materials taken unlawfully and unconstitutionally from the office yesterday.

"The CHAIRMAN. Will you answer the question as to whether or not the Communist Party of Maryland has made any payment to A. Landy?

"Mr. BLUMBERG. Mr. Chairman, I previously stated I decline to answer any questions with regard to individuals other than myself.

"The CHAIRMAN. The Chair requires you to answer the question. The witness declines; is that correct?

"Mr. BLUMBERG. Yes (Mar. 29, 1940, record, pp. 101–102).

"The CHAIRMAN. Do you remember any month?

"Mr. BLUMBERG. I do not. I personally do not take care of the Daily Worker account.

"Mr. MATTHEWS. Who does?

"Mr. BLUMBERG. I decline to answer any question with regard to the identification of any particular individual.

"The CHAIRMAN. You decline to answer the question as to who has charge of taking care of the payments to the Daily Worker?

"Mr. BLUMBERG. I do.

"The CHAIRMAN. The Chair requires you to answer. You decline; is that correct?

"Mr. BLUMBERG. That is correct, for the reasons previously stated (record, Mar. 29, 1940, p. 103).

"Mr. MATTHEWS. Dr. Blumberg, isn't that person Ben Field?

"Mr. BLUMBERG. What person?

"Mr. MATTHEWS. The person who has charge of the Daily Worker accounts?

"Mr. BLUMBERG. I have previously declined to answer any questions——

"The CHAIRMAN. The Chair requires you to answer. The witness declines; is that correct?

"Mr. BLUMBERG. I do (record, Mar. 29, 1940, pp. 103–104).

"Mr. MATTHEWS. Mr. Blumberg, I show you a letter dated March 15, 1940, addressed to Albert E. Blumberg, 501–D North Eutaw Street, Baltimore, Md., on the letterhead of the Daily Worker, 50 East Thirteenth Street, New York City, signed 'Solomon, Circulation Department.'

"Did you receive that letter?

"Mr. BLUMBERG. Mr. Chairman, I decline to answer any question with regard to material taken from our office yesterday.

"The CHAIRMAN. You decline to answer this particular question?

"Mr. BLUMBERG. Yes.

"The CHAIRMAN. The Chair requires you to answer it. Do you still decline?

"Mr. BLUMBERG. That is correct (record, Mar. 29 1940, p. 104).

"Mr. MATTHEWS. I have another letter on the letterhead of the Daily Worker, addressed to Albert Blumber, 501–A North Eutaw Street, Baltimore, Md., signed 'Solomon.'

"Did you receive that communication?

"The CHAIRMAN. What is the date of the communication?

"Mr. MATTHEWS. March 4, 1940.

"The CHAIRMAN. Did you receive that letter?

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer any question with regard to material taken from our office yesterday.

"The CHAIRMAN. The Chair requires you to answer this particular question. You decline; is that correct?

"Mr. BLUMBERG. Yes (Mar. 29, 1940, record, pp. 104–105).

"Mr. MATTHEWS. I have here a letter dated March 13, 1940, addressed to the Communist Party, Albert E. Blumberg, 501 D North Eutaw Street, Baltimore, on the letterhead of the Daily Worker, signed 'Comradely yours, Ira Wallach, circulation manager.'

"Did you receive that letter?

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer any question with regard to material taken unlawfully and unconstitutionally from our office in Baltimore.

"The CHAIRMAN. The Chair requires you to answer and you still decline?

"Mr. BLUMBERG. I do (Mar. 29, 1940, record, p. 105).

"Mr. MATTHEWS. Is H. J. Lawler a member of the Communist Party in the State of Maryland?

"Mr. BLUMBERG. Mr. Chairman, I refuse to answer any questions with regard to any individual other than myself.

"The CHAIRMAN. You refuse to answer this particular question although the Chair directs you to do so?

"Mr. BLUMBERG. I do (Mar. 29, 1940, record, p. 106).

"Mr. MATTHEWS. Dr. Blumberg, here is a copy of a letter which was introduced into the record this morning, addressed 'Dear Dr. Blumberg, Monday evening.' It is signed H. J. Lawler.

"Looking at that letter, can you identify it as having been received by you?

"Mr. BLUMBERG. Mr. Chairman, I decline to answer any questions with regard to any material which I contend was unlawfully and unconstitutionally taken from our office in Baltimore yesterday.

"The CHAIRMAN. The witness refuses to answer this particular question, although the Chair directs him to do so. Is that correct?

"Mr. BLUMBERG. I do (Mar. 29, 1940, record, pp. 106–107).

"Mr. MATTHEWS. Who is the membership director of the Communist Party of Maryland?

"Mr. BLUMBERG. Mr. Chairman, I decline to mention or otherwise designate any individual other than myself.

"The CHAIRMAN. The witness declines to answer the question, although the chairman directs him to answer; is that correct?

"Mr. BLUMBERG. That is correct (Mar. 29, 1940, record, pp. 107–108).

"Mr. MATTHEWS. Now, I show you two communications, one dated March 21, 1940, and the other March 22, 1940, 'To all districts:

" 'Dear Comrades.'

"These letters are signed, 'Comradely yours, National Office, C. P., U. S. A.'

"I will read the one dated March 22, 1940:

" 'Dear Comrades: If you have not already done so, please send us immediately the date of your State convention. So far we have heard from very few districts.

" 'We have been informed that several party membership books have been legally confiscated in raids in Kansas and Missouri. The names of these books and their numbers are: Leroy Henderson, No. 46812, Marie Alexander, No. 46935. Be on the lookout for such books.'

"Did your office receive that communication, Mr. Blumberg?

"Mr. BLUMBERG. Mr. Chairman, I have previously declined to answer any question with regard to material taken from our office yesterday.

"The CHAIRMAN. The Chair requires you to answer the question. You decline to do so; is that correct?

"Mr. BLUMBERG. Yes; on the assumption it is part of the material taken yesterday. I have no personal knowledge of this particular document (Mar. 29, 1940, record, pp. 117–118).

"Mr. MATTHEWS. Is Carl Brenn the district administrative secretary at the present time?

"Mr. BLUMBERG. Mr. Chairman, I refuse to answer any question with regard to any individual other than myself, for reasons previously stated, that these questions are immaterial.

"The CHAIRMAN. The Chair directs the witness to answer the question, and the witness declines; is that correct?

"Mr. BLUMBERG. I do (Mar. 29, 1940, record, p. 124).

"The CHAIRMAN. Let me ask you this; do you know Carl Brenn?

"Mr. BLUMBERG. I again decline to answer, Mr. Chairman, any question with regard to individuals other than myself.

"The CHAIRMAN. You decline to answer, although the Chair directs you to do so?

"Mr. BLUMBERG. Yes (Mar. 29, 1940, record, p. 125).

"Mr. MATTHEWS. This is an analysis of new members, recruited during the week ending Saturday, March 1, 1940, submitted by A. E. Blumberg, 501 B North Eutaw Street.

"Dr. Blumberg, did you submit that report to the national headquarters?

"Mr. BLUMBERG. Mr. Chairman, I again decline to answer for reasons previously stated, on the assumption that this is part of the material taken from the office.

"The CHAIRMAN. All right; the witness declines to answer, although the Chair directs him to answer (Mar. 29, 1940, record, p. 126).

"Mr. MATTHEWS. Did you submit that report to the national headquarters?

"Mr. BLUMBERG. I again decline to answer the question with regard to any material removed unlawfully and unconstitutionally from my office yesterday.

"The CHAIRMAN. All right; the witness declines to answer, although directed to do so by the chairman (Mar. 29, 1940, record, p. 126).

"Mr. MATTHEWS. I ask you, Dr. Blumberg, if you can identify this as the card about which you have been speaking?

"Mr. BLUMBERG. Mr. Chairman, I refuse to answer any questions with respect to material that was unlawfully and unconstitutionally taken from the offices in Baltimore.

"The CHAIRMAN. All right; the witness declines to answer, although directed to do so (Mar. 29, 1940, record, p. 131).

"Mr. MATTHEWS. Don't you know, as a matter of fact, Dr. Blumberg, this is the standard card used throughout the United States for such purpose?

"Mr. BLUMBERG. I decline to answer any questions relating to materials unlawfully and unconstitutionally taken from the office in Baltimore yesterday.

"The CHAIRMAN. All right; he declines to answer, although directed to do so (Mar. 29, 1940, record, pp. 131–132).

"The CHAIRMAN. Who takes the place of section organizers?

"Mr. BLUMBERG. We have city secretaries for the two cities.

"The CHAIRMAN. A city secretary for Washington and the city secretary for Baltimore?

"Mr. BLUMBERG. Baltimore; yes, sir.

"The CHAIRMAN. Who is the city secretary for Washington?

"Mr. BLUMBERG. Mr. Chairman, I decline to answer any question identifying any individual.

"The CHAIRMAN. The Chair directs you to answer the question. You know who he is?

"Mr. BLUMBERG. I decline to answer the question (Mar. 29, 1940, record, p. 139).

Because of the foregoing the said subcommittee of the said Committee to Investigate Un-American Activities has been deprived of the testimony of said Dr. Albert Blumberg, relative to subject matter which, under House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, said Special Committee to Investigate Un-American Activities was instructed to investigate, and the willful and deliberate refusal of the witness to testify further as hereinbefore set forth is a violation of the subpena under which the witness had previously appeared and testified and his willful refusal to testify further without having been first excused as a witness deprives the subcommittee of the said Committee to Investigate Un-American Activities of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

Mr. DIES. Mr. Speaker, I move the immediate consideration of a resolution which I send to the desk.

The Clerk read as follows:

House Resolution 458

Resolution to certify report of the House of Representatives Committee to Investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against Dr. Albert Blumberg for contempt

Resolved, That the Speaker of the House of Representatives certify the report of the House of Representatives Committee to Investigate Un-American Activities as to the willful and deliberate refusal of Dr. Albert Blumberg to testify before a subcommittee of the said Committee to Investigate Un-American Activities together with all of the facts in connection therewith, under seal of the House of Representatives to the United States attorney for the District of Columbia to the end that the said Dr. Albert Blumberg may be proceeded against in the manner and form provided by law.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. DIES. Mr. Speaker, by direction of the Special Committee to Investigate Un-American Activities, I present a privileged report (Rept. No. 1938) and ask that it be read.

The Clerk read as follows:

The Special Committee to Investigate Un-American Activities authorized by the House of Representatives by House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, caused to be issued a subpena directing one Thomas F. P. O'Dea to appear before the said Special Committee to Investigate Un-American Activities and to produce all records regarding Communist Party and activities; the subpena being set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to the Sergeant at Arms, or his special messenger: You are hereby commanded to summon Thomas F. P. O'Dea, 15 Essex Street, Boston, Mass., to be and appear before the Special Committee on Un-American Activities Committee of the House of Representatives of the United States, of which the Honorable MARTIN DIES, of Texas, is chairman, all correspondence, etc., in their chamber in the city of Washington, forthwith, at the hour of, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 29th day of March 1940.

"W. B. BANKHEAD, *Speaker.*

"Attest:

"SOUTH TRIMBLE, *Clerk.*"

Said subpena was on March 29, 1940, served upon the said Thomas F. P. O'Dea by Charles A. Randall, an employee of the said Special Committee to Investigate Un-American Activities and duly authorized to serve the said subpena. The return of a service by the said Charles A. Randall being endorsed thereon, which is set forth in words and figures, as follows:

"Subpena for Thomas F. P. O'Dea, before the Committee on the Special Committee on Un-American Activities. Served March 29, 1940, by Charles A. Randall. Sergeant at Arms, House of Representatives."

Said Thomas F. P. O'Dea, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony and to produce such records as required under and by virtue of House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress.

Said Thomas F. P. O'Dea, after being duly sworn by the chairman, gave testimony before the said committee on the 3d day of April 1940 concerning certain matters and things, but refused to give testimony and to answer certain questions propounded to him on the following matters and things:

"Mr. MATTHEWS. Who is the secretary of the Harvard Young Communist League?

"Mr. O'DEA. I refuse to answer that question, because I believe by answering that question I will expose this person to economic persecution. He will be unable to get a job, and getting a job is the only way he will be able to live, and I think, under the fourteenth amendment, that is due process; his only property will be his scholarship and his job, and he will lose that. * * *

"The CHAIRMAN. The Chair will take under advisement the question of whether a witness can state the reasons for his declining to answer. The Chair is not familiar with the decisions with respect to that, but for the time being we will take that under advisement. The Chair now directs you to answer the question that was asked you. Do you decline to do so?

"Mr. O'DEA. I do, for the reasons stated.

"The CHAIRMAN. You have already said that. You decline to answer the question?

"Mr. O'DEA. I do, for the reasons stated (Apr. 3, 1940, record, pp. 14–16).

"Mr. MATTHEWS. Who is the 'Charlotte' referred to in your article prepared for the Review, on page 4?

"Mr. O'DEA. A member of the Young Communist League.

"Mr. MATTHEWS. He refers to 'Charlotte,' such as the one that Charlotte described.

"What is Charlotte's last name?

"Mr. O'DEA. For the same reason as before, I feel that I will not give her last name.

"The CHAIRMAN. The Chair directs you to give her last name and you decline to do so; is that correct?

"Mr. O'DEA. For the reason I stated in the previous case (Apr. 3, 1940, record, p. 37).

"The CHAIRMAN. You stated that you knew the names of 25 of the members of the Young Communist League in Harvard. You stated that?

"Mr. O'DEA. Approximately; I think that I do.

"The CHAIRMAN. Will you state to the committee the names of those that you do know?

"Mr. O'DEA. I refuse to state those names.

"The CHAIRMAN. The Chair directs you to do so and you decline to do so; is that correct?

"Mr. O'DEA. I decline for the reason that I stated (Apr. 3, 1940, record, p. 42).

"The CHAIRMAN. In the event of a war between the United States and Russia, would you support the United States?

"Mr. COHN. I object to this question on the ground that it is hypothetical.

"The CHAIRMAN. Do you decline to answer it?

"Mr. O'DEA. I decline to answer it. I don't think it is at all a realistic question.

"The CHAIRMAN. You decline to say whether or not you will support this country in the event we were to enter war with Russia on the opposite side; is that correct?

"Mr. O'DEA. I decline to answer the question. It is a matter of opinion, and I don't see how I can have an opinion on hypothetical question (Apr. 3, 1940, record, p. 42–43).

"Mr. LYNCH. Can you give us the names of any of the branch presidents?

"Mr. O'DEA. I refuse to give those names for the reason I stated when I refused to give other names.

"The CHAIRMAN. Do you know what their names are?

"Mr. O'DEA. Most of them.

"The CHAIRMAN. And you decline to give the committee any of the names of any of the branch presidents that you know about?

"Mr. O'DEA. For the reasons I stated before.

"The CHAIRMAN. The Chair directs the witness to answer the question and the witness declines to do so; is that correct?

"Mr. O'DEA. For the reasons stated before (Apr. 3, 1940, record, p. 52).

"Mr. MATTHEWS. The notation in this letter is 'Her book number is H–224.'

"Is 'P' the secretary of the Worcester Young Communist League or the President of the Worcester Young Communist League?

"Mr. O'DEA. President, I think.

"Mr. MATTHEWS. The letter 'P' is given as the author of this letter, and he described 'P' as the president of the Worcester Branch of the Young Communist League. I have not asked him for further details about 'P's' name.

"Mr. O'DEA. I decline to give that name.

"The CHAIRMAN. The Chair directs the witness to answer the question, and the witness declines to do so.

"Mr. O'DEA. For the reasons stated before (Apr. 3, 1940, record, p. 58).

"The CHAIRMAN. How many members of the board do you have?

"Mr. O'DEA. About 10.

"The CHAIRMAN. Ten members of the board?

"Mr. O'DEA. Yes.

"The CHAIRMAN. Do you know who they are?

"Mr. O'DEA. Yes.

"The CHAIRMAN. Will you state to the committee who the members of the board are?

"Mr. O'DEA. I refuse for the reasons stated before.

"The CHAIRMAN. The Chair directs you to answer that question, and you decline to do so; is that correct?

"Mr. O'DEA. The giving of these people's names will result in their economic persecution, and I am not going to be a party to that.

"The CHAIRMAN. Do you decline?

"Mr. O'OEA. I decline to answer that on my constitutional rights (Apr. 3, 1940, record, p. 73).

Because of the foregoing the said Committee to Investigate Un-American Activities has been deprived of the testimony of said Thomas F. P. O'Dea, relative to the subject matter, which under House Resolution 282, Seventy-fifth Congress, and continued by House Resolution 26, Seventy-sixth Congress, and House Resolution 321, Seventy-sixth Congress, said Special Committee to Investigate Un-American Activities was instructed to investigate, and the willful and deliberate refusal of the witness to testify further as hereinbefore set forth is a violation of the subpena under which the witness had previously appeared and testified, and his willful refusal to testify further without first having been excused as a witness deprives the said Committee to Investigate Un-American Activities of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

House Resolution 458

Resolved, That the Speaker of the House of Representatives certify the report of the House of Representatives Committee to Investigate Un-American Activities as to the willful and deliberate refusal of Thomas F. P. O'Dea to testify before the said Committee to Investigate Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia to the end that the said Thomas F. P. O'Dea may be proceeded against in the manner and form provided by law.

Mr. DIES. Mr. Speaker, I move the immediate consideration of a resolution which I send to the desk.

The Clerk read as follows:

House Resolution 459

Resolution to certify report of the House of Representatives Committee to Investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against Thomas F. P. O'Dea for contempt

Resolved, That the Speaker of the House of Representatives certify the report of the House of Representatives Committee to Investigate Un-American Activities as to the willful and deliberate refusal of Thomas F. P. O'Dea to testify before the said Committee to Investigate Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia to the end that the said Thomas F. P. O'Dea may be proceeded against in the manner and form provided by law.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered; but the Chair will state that the Chair does not desire to recognize any other Member to speak today.

There was no objection.

Mr. FISH. Mr. Speaker, I have asked for 1 minute to inquire of the chairman of the Special Committee to Investigate Un-American Activities what that committee proposes to do by way of investigating and exposing foreign propaganda in the United States, whether that propaganda be British, French, Nazi, or Communist.

Mr. DIES. Mr. Speaker, I may say in answer to the gentleman from New York that we have been doing considerable work on that over a long period. We have men working on it now, investigating organizations that are disseminating propaganda which originated from a foreign source, who are investigating newspaper stories that purport to have a foreign date line but in fact are manufactured in the United States. We are investigating lecturers who come to the United States who formerly received from $500 to $1,000 to lecture but who now come to the United States and lecture for nothing in order that through the medium of our forums and other public institutions they may disseminate their views with respect to this present conflict in Europe.

Mr. FISH. The gentleman proposes to carry on this investigation?

Mr. DIES. Yes.

[Here the gavel fell.]

VETO MESSAGE OF THE PRESIDENT OF THE UNITED STATES—DEPORTATION OF ALIENS

The SPEAKER pro tempore laid before the House the following veto message from the President of the United States, which was read:

To the House of Representatives:

I am returning herewith, without my approval, a bill (H. R. 6724) "To provide for the prompt deportation of aliens engaging in espionage or sabotage, alien criminals, and other undesirable aliens."

This bill provides for the deportation of three classes of aliens, irrespective of whether they entered the United States before or after passage of the act.

In the first group are aliens who have been convicted or have voluntarily admitted in writing that they have engaged in espionage or sabotage affecting the national defense or the foreign relations of the United States, since entering into the United States.

I am in full accord with the view that the Government should be empowered to deal firmly and effectively with persons guilty of espionage or sabotage. With that end in view, several months ago I instructed the Federal Bureau of Investigation of the Department of Justice to coordinate and take charge of the investigation of offenses of this character, in conjunction with the Military and Naval Intelligence Services. A few days ago I approved a bill that substantially increased the maximum penalties that may be imposed on persons convicted of such crimes. Ample authority is found in the existing law for the deportation of aliens guilty of such activities, for the Secretary of Labor is already authorized to deport them if, after hearing, it is found that they are undesirable residents of the United States (U. S. Code, title 8, sec. 157). Further legislation on this subject appears to be unnecessary and superfluous.

The second group of aliens to which the bill relates are those who, at any time, have been convicted of a violation of any Federal or State narcotic law. At present, only such alien narcotic violators are subject to deportation as have been convicted under Federal statutes. I have no criticism of this provision of the bill.

The third group of aliens whose mandatory deportation would be required, if this bill were approved, comprises those who at any time, either before or after the passage of the act, have been lawfully committed to a public or private institution as habitual users of narcotic drugs. While severe treatment should properly be meted out to purveyors of narcotics, enlightened consideration of the entire subject inescapably leads to the conclusion that this principle does not necessarily apply to the unfortunate addicts of drugs, who do not participate in peddling them to others. Addiction to narcotics is to be regarded as a lamentable disease, rather than as a crime. It does not seem clear why aliens who acquire this weakness should be singled out for deportation. The rigor and harshness of the proposal is enhanced by making no distinction between aliens who acquire the habit after their arrival in this country and those who had it previously; between aliens who are cured of the habit as a result of treatment in an institution and those who prove incurable; or between those who have been treated in such institutions at some time in the past and those who may be committed to institutions hereafter. It is not improbable that the mandatory character of this legislation, coupled with its retroactive features, as well as lack of consideration for persons who are cured after treatment, may result in hardship not commensurate with the benefits to be derived from this legislation by the community.

In the light of these considerations, I am constrained to return this bill without my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 6, 1940.*

The SPEAKER pro tempore. The objections of the President will be spread upon the Journal.

Mr. KRAMER. Mr. Speaker, I move that the message and the bill be referred to the Committee on Immigration and Naturalization and ordered printed.

The motion was agreed to.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There was no objection.

DISTRICT OF COLUMBIA DAY

Mr. RANDOLPH. Mr. Speaker, this is the regular day for the consideration of legislative matters having to do with the District of Columbia, but the Committee on the District of Columbia, and especially the chairman, desires to defer consideration of the committee's business until the next District day, 2 weeks from now. We do this to cooperate with the leadership in the legislative situation due to the death of our friend the gentleman from Maine [Mr. SMITH]. He was one of my close personal friends in this body and one of the most conscientious Members of the House.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 407. Joint resolution to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1372. An act for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows;

S. 1790. An act for the relief of the Eberhart Steel Products Co., Inc.;

S. 1856. An act conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta;

S. 2609. An act to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana; and

S. 3068. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain personnel or former personnel

of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938," approved June 19, 1939.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Thursday, April 4, 1940, present to the President for his approval a bill of the House of the following title:

H. R. 8641. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, to provide supplemental appropriations for such fiscal year, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. O'LEARY, for an indefinite period, on account of illness.

To Mr. FADDIS, for 4 days, on account of important business.

HOUR OF MEETING

Mr. HOBBS. Mr. Speaker, having consulted with the leadership on both sides of the aisle, I ask unanimous consent that when the House adjourns today it adjourn to reconvene at 11 o'clock tomorrow morning.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

There was no objection.

The SPEAKER pro tempore. The Chair may say that the so-called judges' conduct bill will be called up for consideration at that time.

THE LATE THOMAS S. WILLIAMS

Mr. PARSONS. Mr. Speaker, I ask unanimous consent to proceed for 3 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. PARSONS]?

There was no objection.

Mr. PARSONS. Mr. Speaker, I know that the House will hear with profound sorrow of the passing of the Honorable Thomas S. Williams, judge of the United States Court of Claims, who passed away Friday morning at his home here in Washington.

Judge Williams, a former Member of Congress from the Twenty-fourth Illinois District, has served 42 years of public service for his State and Nation. He graduated from law school and was admitted to the Illinois bar in 1896. Two years later he was elected to the Illinois State Legislature, where he served for one term. He was afterward elected State's attorney of Clay County, Ill., for two terms, and in 1914 was elected a Representative in Congress from the Twenty-fourth Illinois District. He was reelected seven times, serving 15 years in this body.

When he was appointed by President Herbert Hoover as a member of the Court of Claims, he was ranking member of the Agricultural Committee of the House, a member of the Rules Committee, and ranking member of the Republican Committee on Committees. He wielded a great deal of influence in the Congress, and it was because of his influence that he was named by President Hoover to the Court of Claims.

He was an authority on agriculture while a Member of the House because he represented an agricultural district. As a member of the Court of Claims his chief justice, Richard S. Whaley, had this to say of his service as a member of the court:

> Mr. Williams' decisions were distinguished for their clarity with which his opinions were stated and the broad knowledge of law which they displayed.

He leaves surviving him his wife, Mrs. Mabel S. Williams; his son, Harold S. Williams, a practicing attorney of Taylorville, Ill.; and two daughters, Mrs. Ruth Hanson, of New Orleans, La., and Mrs. Alice Browne, of Falls Church, Va.

Southern Illinois has lost a great native son and the Nation a judge and a statesman.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a radio speech delivered by Mr. Phil T. Rich, editor of the Midland News-Times, Midland, Mich., on the development of the chemical industry in my congressional district.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

Mr. DOXEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD with regard to the activities of the Joint Forestry Committee appointed by the Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. DOXEY]?

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein a resolution adopted by American citizens of Polish origin or descent of Buffalo, N. Y.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. HARTER]?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter that I have received.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Maine [Mr. OLIVER].

THE LATE CLYDE H. SMITH

Mr. OLIVER. Mr. Speaker, it is with the deepest regret that I rise this morning to announce the passing into the Great Beyond of our colleague, CLYDE H. SMITH, of Maine. His passing was gentle and merciful and for that we are and shall be thankful, but, because of its suddenness, it is a great shock to all, especially those of us who knew him intimately and well.

Clyde was a fine soldier in the interests of the rank and file of the people. During his many years of public service which have extended over nearly half a century he has constantly and consistently stood firmly for the principles in which he so ardently believed. Always a valiant fighter for those who labor, he sought an appointment to the House Committee on Labor and for the past 4 years has been in the midst and the thick of all the many legislative controversies which have been under the consideration of that congressional group during that period. Having been a pioneer in the principle of old-age pensions, he has made his name more than familiar to the people of our State and the Nation who are particularly interested in this phase of our economic life. He has always shown in his legislative career a fine sense of balance and proportion which has enabled him to do good service for all in the light of the many extreme demands which are often made by those most ardent on both sides of any issue.

Clyde has always been a humble man, unassuming and unpretentious; he has been extremely conscientious and devoted to duty; at his desk almost until the very moment of his untimely passing, he, through his actions, has epitomized his determined consecration to the best welfare of his constituents.

I have learned through personal contact with him during the past several years to lean heavily upon his judgment, and I feel that in his passing away I have suffered the loss of a true friend. I know that literally thousands in our State of Maine have suffered a similar loss.

The following few words taken from the pen of a great son of Maine, Henry Wadsworth Longfellow, characterize with peculiar appropriateness the real personality of our

deceased colleague in always thinking in terms of the best for others:

A man of such a genial mood
The heart of all things he embraced
And yet of such fastidious taste,
He never found the best too good.

On Tuesday, April 9, at 1 p. m., brief and informal services will be held in his memory at his Washington home, located at 3028 Newark Street NW. It is our wish that Members of the House who may desire to do so, will attend these services.

Mr. Speaker, I offer a resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 460

Resolved, That the House has heard with profound sorrow of the death of Hon. CLYDE H. SMITH, a Representative from the State of Maine.

Resolved, That a committee of four Members of the House with such Members of the Senate as may be joined be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of this resolution and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate this resolution to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to, and the Speaker pro tempore appointed the following as members of the funeral committee on the part of the House: Mrs. NORTON, of New Jersey; Mr. WELCH, of California; Mr. BREWSTER, of Maine; and Mr. OLIVER, of Maine.

The SPEAKER pro tempore. The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to; accordingly (at 1 o'clock and 8 minutes p. m.), under its previous order, the House adjourned until tomorrow, Tuesday, April 9, 1940, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings at 10 a. m. on the following dates on the matters named:

Tuesday, April 9, 1940:

H. R. 7637, relative to liability of vessels in collision.

Tuesday, April 16, 1940:

H. R. 8475, to define "American fishery."

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON THE JUDICIARY

On April 10, 1940, at 10:30 a. m., there will be continued before subcommittee No. 4 of the Committee on the Judiciary a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m. on Wednesday, April 10, for consideration of House Joint Resolution 487.

The meeting is to be held in room 1304 New House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 10, 1940, at 10:30 a. m., for the consideration of private bills (reports of subcommittees), H. R. 7239, to naturalize Filipinos.

COMMITTEE ON FLOOD CONTROL

SCHEDULE OF HEARINGS ON FLOOD-CONTROL BILL OF 1940 BEGINNING APRIL 1, 1940, AT 10 A. M. DAILY

The hearings will be on reports submitted by the Chief of Engineers since the Flood Control Act of June 28, 1938, and on amendments to existing law. The committee plans to report an omnibus bill with authorizations of approximately one hundred and fifty to one hundred and seventy-five million dollars, covering the principal regions of the country.

Maj. Gen. Julian L. Schley, Chief of Engineers, the president of the Mississippi River Commission, the assistants to the Chief of Engineers, the division engineers, and the district engineers will be requested to submit additional statements as individual projects are considered and as desired by the committee.

1. Monday, April 1: Sponsors and representatives of the Corps of Engineers for projects on the White River and tributaries.

2. Tuesday, April 2: Sponsors and representatives of the Corps of Engineers for projects in report on rivers in Texas and the Southwest.

3. Wednesday, April 3: Sponsors and representatives of the Corps of Engineers for projects in the Los Angeles area and in the Pacific Northwest.

4. Thursday, April 4: Sponsors and representatives of the Corps of Engineers for projects in Colorado and other western areas.

5. Friday, April 5: Sponsors and representatives of the Corps of Engineers for the lower Mississippi River and other tributaries.

6. Saturday, April 6: Sponsors and representatives of the Corps of Engineers for other drainage-basin areas for other projects in other parts of the country.

7. Monday, April 8: Representatives from the Department of Agriculture and other governmental agencies.

8. Tuesday, April 9: Senators and Members of Congress.

COMMITTEE ON THE CENSUS

The Committee on the Census will hold hearings on H. R. 9174, to consider a bill to amend an act entitled "An act authorizing the Director of the Census to collect and publish statistics of cottonseed and cottonseed products, and for other purposes," approved August 7, 1916, in room 312, Old House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1525. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 27, 1940, submitting a report, together with accompanying papers, on a preliminary examination of Beach Haven Inlet, N. J., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

1526. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 27, 1940, submitting a report, together with accompanying papers, on a preliminary examination and survey of Herring Creek, St. Marys County, Md., authorized by the River and Harbor Act approved June 20, 1938; to the Committee on Rivers and Harbors.

1527. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 25, 1940, submitting a report, together with accompanying papers, on reexamination of Pollock Rip Shoals, Nantucket Sound, Mass., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted July 28, 1938; to the Committee on Rivers and Harbors.

1528. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 27, 1940, submitting a report, together with accompanying papers, on a preliminary examination and survey of waterway to connect Tenakee Inlet and Port Frederick on Chichagof Island, Alaska, authorized by the River

and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

1529. A letter from the Secretary of the Interior, transmitting the draft of a bill authorizing the payment of $465 to M. E. McGivern; to the Committee on Claims.

1530. A letter from the Secretary of the Interior, transmitting the draft of a bill to provide relief for the chief disbursing officer covering payment of the purchase of registry stamps by the General Land Office where the General Accounting Office has disallowed the voucher because previous specific authorization for the purchase was not obtained; to the Committee on Claims.

1531. A letter from the Archivist of the United States, transmitting report of the Archivist on lists of papers from those recommended to him for disposition by the Post Office Department; to the Committee on the Disposition of Executive Papers.

1532. A letter from the Archivist of the United States, transmitting report of the Archivist of the United States on a list of papers consisting of one item heretofore placed in his official custody by the Department of the Interior, and recommended by him for destruction or other effective disposition; to the Committee on the Disposition of Executive Papers.

1533. A letter from the Archivist of the United States, transmitting report of the Archvist on lists of papers consisting of 38 items from those recommended to him for disposition by the Department of Agriculture; to the Committee on the Disposition of Executive Papers.

1534. A letter from the Archivist of the United States, transmitting report of the Archivist on lists of papers consisting of 36 items from those recommended for disposition by the Department of Commerce; to the Committee on the Disposition of Executive Papers.

1535. A letter from the Archivist of the United States, transmitting report of the Archivist on lists of papers consisting of 165 from those recommended to him for disposition by the Veterans' Administration; to the Committee on the Disposition of Executive Papers.

1536. A letter from the Archivist of the United States, transmitting a list of papers consisting of 52 items from those recommended to him for disposition by the Federal Works Agency, Work Projects Administration; to the Committee on the Disposition of Executive Papers.

1537. A letter from the Archivist of the United States, transmitting report of the Archivist on lists of papers consisting of 65 items from those recommended to him for disposition by the Department of War; to the Committee on the Disposition of Executive Papers.

1538. A letter from the Archivist of the United States, transmitting a list of papers consisting of four items recommended to him for disposition by the clerk of the United States District Court for the Northern District of California, with the approval of the senior judge of that district; to the Committee on the Disposition of Executive Papers.

1539. A letter from the Archivist of the United States, transmitting a list of papers consisting of three items recommended to him for disposition by the United States marshal for the northern district of Ohio; to the Committee on the Disposition of Executive Papers.

1540. A letter from the Archivist of the United States, transmitting a list of papers consisting of one item recommended to him for disposition by the United States marshal for the district of North Dakota with the approval of the Department of Justice; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Washington: Committee on Pensions. H. R. 2874. A bill to provide that pensions otherwise payable for a child of a deceased veteran of the Spanish-American War, Boxer Rebellion, or Philippine Insurrection shall continue until the child reaches the age of 21 where he is attending accredited school, and for other purposes; without amendment (Rept. No. 1934). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Washington: Committee on Pensions. H. R. 5180. A bill to provide Spanish War veterans wartime pension rates for service-connected disability or death of certain veterans of the Spanish-American War recognized by veterans regulations as "veterans of any war," and for other purposes; with amendment (Rept. No. 1935). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIES: Committee to Investigate Un-American Activities. House Resolution 457. Resolution to certify report of the House of Representatives Committee to Investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against Philip Frankfeld for contempt (Rept. No. 1936). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIES: Committee to Investigate Un-American Activities. House Resolution 458. Resolution to certify report of the House of Representatives Committee to investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against Dr. Albert Blumberg for contempt (Rept. No. 1937). Referred to the Committee of the Whole House on the state of the Union.

Mr. DIES: Committee to Investigate Un-American Activities. House Resolution 459. Resolution to certify report of the House of Representatives Committee to Investigate Un-American Activities to the United States attorney for the District of Columbia to proceed against Thomas F. P. O'Dea for contempt (Rept. No. 1938). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 7371) granting a pension to Charles Lenard Ray and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BALL:

H. R. 9260. A bill authorizing the construction of public works on Thames River and its tributaries, Connecticut, Massachusetts, and Rhode Island, for flood control, and for other purposes; to the Committee on Flood Control.

By Mr. BELL:

H. R. 9261. A bill to extend the times for commencing and completing the construction of a railroad bridge across the Missouri River at or near Randolph, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND:

H. R. 9262. A bill to provide for the examination of civilian nautical schools and for the inspection of vessels used in connection therewith, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COCHRAN:

H. R. 9263. A bill to permit the Secretary of State to authorize disbursements of appropriated funds under a State account of advances; to the Committee on Expenditures in the Executive Departments.

H. R. 9264. A bill to provide for uniformity of allowances for the transportation of household goods of civilian officers and employees when transferred from one official station to another for permanent duty; to the Committee on Expenditures in the Executive Departments.

By Mr. CRAVENS:

H. R. 9265. A bill to amend an act entitled "An act to provide for the general welfare by establishing a system of Federal old-age benefits, and by enabling the several States to make more adequate provision for aged persons, blind persons, dependent and crippled children, maternal and child

welfare, public health, and the administration of their unemployment-compensation laws; to establish a social security board; to raise revenues; and for other purposes," approved August 14, 1935, as amended; to the Committee on Ways and Means.

By Mr. DARDEN:

H. R. 9266. A bill providing for the reorganization of the Navy Department, and for other purposes; to the Committee on Naval Affairs.

By Mr. EDWIN A. HALL:

H. R. 9267. A bill authorizing the transfer of land owned by the United States back to the Spring Park Club, of Richfield Springs, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. HARRINGTON:

H. R. 9268. A bill relating to the eligibility of certain projects under the Public Works Administration Act; to the Committee on Appropriations.

By Mr. KEFAUVER:

H. R. 9269. A bill to authorize the selection, construction, installation, and maintenance of bases, stations, and depots for the air corps and frontier defense, and replacement bases generally, and for other purposes; to the Committee on Military Affairs.

By Mr. LEA:

H. R. 9270. A bill to amend an act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes"; to the Committee on Flood Control.

By Mr. MAGNUSON:

H. R. 9271. A bill to extend the existence of the Alaskan International Highway Commission for an additional 4 years, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MASON:

H. R. 9272 (by request). A bill to provide for civil-service status of substitute rural letter carriers; to the Committee on the Post Office and Post Roads.

By Mr. PIERCE:

H. R. 9273. A bill to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of further regulating interstate and foreign commerce in basic agricultural commodities, and for other purposes; to the Committee on Agriculture.

By Mr. WARREN:

H. R. 9274. A bill to amend the act entitled "An act to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes," approved August 17, 1937 (50 Stat. 669); to the Committee on the Public Lands.

By Mr. VOORHIS of California:

H. R. 9275. A bill to require the registration of certain organizations carrying on activities within the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. CHURCH:

H. J. Res. 507. Joint resolution authorizing and directing the Library of Congress to purchase certain manuscripts and other papers formerly belonging to Abraham Lincoln; to the Committee on the Library.

By Mr. TREADWAY:

H. J. Res. 508. Joint resolution providing for the creation of a Temporary Committee on Tariff and Foreign Trade Policy; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUGUST H. ANDRESEN:

H. R. 9276. A bill for the relief of Lucille E. Knight; to the Committee on Claims.

By Mr. FLAHERTY:

H. R. 9277. A bill to correct the naval record of Martin Joseph Connelly; to the Committee on Naval Affairs.

By Mr. HALLECK:

H. R. 9278. A bill for the relief of Oran W. Robbins; to the Committee on World War Veterans' Legislation.

By Mr. McANDREWS:

H. R. 9279. A bill to enable Ernest Hermann Schmidt to remain permanently in the United States; to the Committee on Immigration and Naturalization.

By Mr. MAAS:

H. R. 9280. A bill for the relief of Julia Neville; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 9281. A bill for the relief of Roy A. Frost; to the Committee on Claims.

By Mr. MILLER:

H. R. 9282. A bill granting a pension to Alfred A. Abel; to the Committee on Invalid Pensions.

By Mr. PITTENGER:

H. R. 9283. A bill for the relief of Marie Sirophin Rivard; to the Committee on Claims.

By Mr. RAYBURN:

H. R. 9284. A bill to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. A. L. Ridings; to the Committee on the District of Columbia.

By Mr. SCHUETZ:

H. R. 9285. A bill for the relief of Samuel Jacobsen; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7320. By Mr. BLAND: Petition bearing 60 signatures of Local 123, United Federal Workers of America, supporting House bill 7708 and Senate bill 3376; to the Committee on Expenditures in the Executive Departments.

7321. By Mr. CULLEN: Petition of the New York State Legislature, urging Congress to reenact the provisions of the legislation known as the Sugar Act of 1937 and/or other suitable legislation for the protection and preservation of the cane sugar refining industry in the continental United States which would protect the jobs of the sugar refinery workers of New York State and States adjacent thereto; to the Committee on Agriculture.

7322. Also, petition of the New York State Legislature, urging Congress to enact the Gavagan bill, which will prevent the punishment or destruction of persons accused or suspected of crime in any other way or by any other authority than by due process of law and by a duly constituted court of justice; to the Committee on the Judiciary.

7323. By Mr. MARTIN J. KENNEDY: Petition of Local No. 46, Wood, Wire and Metal Lathers' International Union, New York City, urging support of the Wagner-Steagall housing bill (S. 591); to the Committee on Banking and Currency.

7324. Also, petition of the National Public Housing Conference, New York City, urging support of Senate bill 591; to the Committee on Banking and Currency.

7325. By Mr. KEOGH: Petition of the Roanoke Regular Democratic Club, Inc., Richmond Hill, N. Y., favoring sugar legislation that will protect the jobs of the Brooklyn sugar refinery workers of Brooklyn, N. Y.; to the Committee on Agriculture.

7326. Also, petition of the Federation of Architects, Engineers, Chemists, and Technicians, Metropolitan Chapter 31, New York City, favoring the passage of the Wagner housing bill (S. 591); to the Committee on Banking and Currency.

7327. Also, petition of the New York Joint Council of the United Office and Professional Workers of America concerning the Smith amendments to the National Labor Relations Act; to the Committee on Labor.

7328. Also, petition of the National Public Housing Conference, New York City, favoring the passage of Senate bill 591; to the Committee on Banking and Currency.

7329. Also, petition of the United Office and Professional Workers of America, Local 16, New York City, concerning proposed Norton amendments to the National Labor Relations Act; to the Committee on Labor.

7330. Also, petition of the Chamber of Commerce of the State of New York, concerning the Wagner Labor Act; to the Committee on Labor.

7331. Also, petition of the Chamber of Commerce of the State of New York, concerning Bureaucracy versus Business Enterprise; to the Committee on the Judiciary.

7332. Also, petition of the Brooklyn Lodge, No. 32, I. B. P. O. E. of W., Brooklyn, N. Y., favoring the passage of the antilynch law; to the Committee on the Judiciary.

7333. Also, petition of the Wald Manufacturing Co., Maysville, Ky., concerning Senate bill 2009; to the Committee on Interstate and Foreign Commerce.

7334. By Mr. KRAMER: Resolution of the Tulare Lake Basin Water Storage District, Kings County, Calif., relative to the Pine Flat Reservoir in the Kings River, Calif.; to the Committee on Flood Control.

7335. Also, resolution of the International Brotherhood of Electrical Workers of Los Angeles, relative to the National Labor Relations Act; to the Committee on Labor.

7336. By Mr. PFEIFER: Petition of Joseph D. Tunison Council, No. 180, Junior Order United American Mechanics of the United States, Richmond Hill, N. Y., concerning the Reynolds bills (S. 409, S. 410, and S. 411); to the Committee on Immigration and Naturalization.

7337. Also, petition of the Assembly and the Senate of the State of New York, urging reenactment of the Sugar Act of 1937 for the protection of the cane-sugar-refining industry workers in continental United States; to the Committee on Agriculture.

7338. Also, petition of the Roanoke Regular Democratic Club, Inc., Richmond Hill, N. Y., urging that the new Sugar Act of 1940 protect those engaged in the refined-sugar industry of Brooklyn; to the Committee on Agriculture.

7339. By Mr. PITTENGER: Petition of John B. Richards and others, relating to General Welfare Act; to the Committee on Ways and Means.

7340. By the SPEAKER: Petition of the Assembly, State of New York, memorializing Congress to reenact the provisions of the legislation known as the Sugar Act of 1937 and/or other suitable legislation for the protection of the cane-sugar-refining industry; to the Committee on Agriculture.

7341. Also, petition of the Assembly, State of New York, memoralizing Congress to enact the Gavagan bill; to the Committee on the Judiciary.

7342. Also, petition of the United Automobile Workers of America, New Castle, Ind., supporting Senate bill 591; to the Committee on Banking and Currency.

7343. Also, petition of the Townsend Club, No. 1, Muscatine, Iowa, requesting the Congress to give its attention to the distress of industry, continuing and increasing unemployment, etc.; to the Committee on Ways and Means.

7344. Also, petition of the Padraic Pearse Council, Hartford, Conn., and others, petitioning Congress to give consideration to the appeals for justice and sympathy from the people of Ireland and the Irish race in their efforts to establish a united and independent nation; to the Committee on Foreign Affairs.

7345. Also, petition of the Women's Auxiliary No. 20, International Union of United Automobile Workers of America, Indianapolis, Ind., supporting Senate bill 591; to the Committee on Banking and Currency.

7346. Also, petition of the International Union, United Automobile Workers of America, Connersville, Ind., supporting Senate bill 591; to the Committee on Banking and Currency.

7347. By Mr. MICHAEL J. KENNEDY: Memorial of the Legislature of the State of New York, urging the Congress to reenact the provisions of the legislation known as the Sugar Act of 1937 and/or other suitable legislation for the protection and preservation of the cane-sugar refining industry in continental United States; to the Committee on Agriculture.

7348. Also, petition of the National Public Housing Conference, urging an early and favorable vote on Senate bill 591, the housing bill; to the Committee on Banking and Currency.

7349. Also, petition of the Workers Alliance of New York State, urging enactment of the American standards work and assistance bill (H. R. 8615), which would provide 3,000,000 jobs for Work Projects Administration; to the Committee on Appropriations.

7350. Also, petition of the Chamber of Commerce of the Borough of Queens, urging enactment of the Barry 2-cent postage bill; to the Committee on the Post Office and Post Roads.

7351. Also, memorial of the Legislature of the State of New York, urging the Senate of the United States to enact with all convenient speed the Gavagan bill, or any appropriate legislation which will prevent the punishment or destruction of persons accused or suspected of crime in any other way or by any other authority than by due process of law and by a duly constituted court of justice; to the Committee on the Judiciary.

7352. Also, petition of the United Office and Professional Workers of America, Local 16, New York City, opposing Norton amendments to the National Labor Relations Act; to the Committee on Labor.

7353. Also, the Women's Equal Opportunity League, urging support of the equal rights amendment; to the Committee on the Judiciary.

7354. Also, petition of the New York Joint Council of the United Office and Professional Workers of America, expressing opposition to the Smith amendments to the National Labor Relations Act; to the Committee on Labor.

7355. Also, petition of Brooklyn Lodge, No. 32, Improved Benevolent Protective Order of the Elks, urging Congress to pass an enforceable, constitutional, and unconditional antilynch law; to the Committee on the Judiciary.

SENATE

TUESDAY, APRIL 9, 1940

(Legislative day of Monday, April 8, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Mystery of God, before which we kneel and are silent, breathe on us with quickening breath from Thy secret holy place, that our spirits may be warmed with new throbs of aspiration and our hearts made to kindle and to glow within us, as we meditate and muse upon the way by which Thou art leading us.

We dare not pray only for ourselves, our leaders, and our citizens, for unto Thee all nations are dear, and so we beseech Thee especially to look upon those who are plagued by this terrible scourge of war, and grant to them and to us the blessing of an enlightened mind. Do Thou forgive the wrongs men suffer at each other's hands, and quicken their consciences with a vision of the true destiny to which Thou dost call them in friendship and fellowship with all the peoples of the earth. So move upon the minds of all of us that hatred and malice, all pride and vain ambition may be set aside, to the creating of a new and better order for our world, wherein we shall show forth a zeal for justice transfigured by the spirit of Christ's love for all his brethren. We ask it in His name and for His sake. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, April 8, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Reynolds
Ashurst	Ellender	La Follette	Schwartz
Austin	Frazier	Lee	Schwellenbach
Bailey	George	Lodge	Sheppard
Bankhead	Gerry	Lundeen	Shipstead
Barbour	Gibson	McCarran	Smathers
Barkley	Gillette	McKellar	Smith
Bilbo	Green	McNary	Stewart
Bone	Guffey	Maloney	Taft
Bridges	Gurney	Mead	Thomas, Idaho
Brown	Hale	Miller	Thomas, Okla.
Bulow	Harrison	Minton	Thomas, Utah
Byrd	Hatch	Murray	Townsend
Byrnes	Hayden	Neely	Tydings
Capper	Herring	Norris	Vandenberg
Caraway	Hill	Nye	Van Nuys
Chandler	Holman	O'Mahoney	Wagner
Chavez	Holt	Overton	Walsh
Clark, Idaho	Hughes	Pepper	Wheeler
Danaher	Johnson, Calif.	Pittman	White
Donahey	Johnson, Colo.	Reed	Wiley

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Georgia [Mr. RUSSELL], and the Senator from Virginia [Mr. GLASS] are unavoidably detained.

The Senator from Texas [Mr. CONNALLY] is absent on official business.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is unavoidably absent, and the Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Finance:

Whereas for the purpose of preserving the domestic cane sugar refining industry against the inroads of tropical competition, Congress, in the year 1934 and again in the year 1937, enacted certain legislation designed to accomplish this purpose; and

Whereas the legislation enacted in the year 1937, commonly known as the Sugar Act of 1937, has greatly aided in preserving and protecting the cane sugar refining industry in continental United States, and particularly in New York State and States adjacent thereto where many citizens and residents of New York State are employed, thereby directly relieving, to a great extent, the unemployment situation prevalent in the State of New York, as well as in the United States; and

Whereas the said Sugar Act of 1937 will expire and cease to be of effect during the year 1940: Now, therefore, be it

Resolved (if the senate concur), That Congress be, and it hereby is, respectfully memorialized to reenact the provisions of the legislation known as the Sugar Act of 1937 and/or other suitable legislation for the protection and preservation of the cane sugar refining industry in continental United States; and be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, the Vice President of the United States, to the Speaker of the House of Representatives, and to each Member of the present Congress from the State of New York, and that they be urged to use their best efforts to accomplish the purpose of this resolution.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of New York, which was ordered to lie on the table:

Whereas the Legislature of the State of New York has previously memorialized the Congress of the United States to enact such legislation as will effectively prevent lynching outrages which continue to occur from time to time in some of the Southern and Southwestern States; and

Whereas such legislation is urgently needed to restore in our people respect for law and order; and

Whereas one branch of the Congress of the United States, to wit, the House of Representatives, has already passed such legislation, namely, the Gavagan bill, H. R. 801, which, in the judgment of the people of the State of New York, would accomplish the desired results; and

Whereas this bill is now pending in the Senate of the United States: Now, therefore, be it

Resolved (if the senate concur), That the Senate of the United States be, and is hereby, respectfully memorialized to enact with all convenient speed the Gavagan bill, any appropriate legislation which will prevent the punishment or destruction of persons accused or suspected of crime in any other way or by any other authority than by due process of law and by a duly constituted court of justice; and be it further

Resolved (if the senate concur), That a copy of this resolution be transmitted to the Secretary of the Senate and to each Member of Congress elected from the State of New York, and that the latter be urged to use his best efforts in obtaining the passage of the legislation referred to herein.

The VICE PRESIDENT also laid before the Senate a telegram in the nature of a memorial from David Blatt, president of Local No. 45, S. C. M. W. A. (C. I. O.), of New York City, N. Y., remonstrating against reduction in appropriations for the National Labor Relations Board and the Wage and Hour Administration, which was referred to the Committee on Appropriations.

REPORTS OF COMMITTEES

Mr. SCHWARTZ, from the Committee on Military Affairs, to which was referred the bill (S. 3654) to amend section 10, National Defense Act, as amended, with relation to the maximum authorized enlisted strength of the Medical Department of the Regular Army, reported it with an amendment and submitted a report (No. 1391) thereon.

Mr. GURNEY, from the Committee on Military Affairs, to which was referred the bill (S. 3636) to amend the National Defense Act, as amended, so as to provide for retirement of assistant chiefs of branches and of wing commanders of the Air Corps with the rank and pay of the highest grade held by such officers as assistant chiefs and wing commanders, and for other purposes, reported it without amendment and submitted a report (No. 1392) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 2980) providing for the sale of certain lands to the Arizona State Elks Association Hospital, reported it without amendment and submitted a report (No. 1393) thereon.

Mr. MURRAY, from the Committee on Public Lands and Surveys, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2191. A bill authorizing the Secretary of the Interior to grant to the State of Montana for the use and benefit of the Montana School of Mines a patent to a certain tract of land (Rept. No. 1394); and

S. 3262. A bill to authorize the Secretary of the Interior to grant a right-of-way to the Highway Commission of the State of Montana (Rept. No. 1395).

Mr. VAN NUYS, from the Committee on the Judiciary, to which was referred the bill (H. R. 8702) to amend the Judicial Code with respect to the continuation of grand juries to finish investigations, reported it without amendment and submitted a report (No. 1396) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Appropriations, to which was referred the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, reported it with amendments and submitted a report (No. 1397) thereon.

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (H. R. 7989) to legalize a bridge across the Nestucca River at Pacific City, Oreg., reported it without amendment and submitted a report (No. 1398) thereon.

Mr. NEELY, from the Committee on the Judiciary, to which was referred the bill (H. R. 8822) to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory, reported it without amendment and submitted a report (No. 1399) thereon.

Mr. OVERTON, from the Committee on Commerce, to which was referred the bill (S. 2305) relating to hours of work of licensed officers and seamen on tugs operating in certain inland waters of the United States, reported it with amendments and submitted a report (No. 1400) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 2111. A bill to amend the act entitled "An act granting additional quarantine powers and imposing additional duties

upon the marine hospital service," approved February 15, 1893, as amended (Rept. No. 1401); and

H. R. 7420. A bill to amend laws for preventing collisions of vessels (Rept. No. 1402).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on April 8, 1940, that committee presented to the President of the United States the following enrolled bills:

S. 1372. An act for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows;

S. 1790. An act for the relief of the Eberhart Steel Products Co., Inc.;

S. 1856. An act conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta;

S. 2609. An act to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana; and

S. 3068. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938," approved June 19, 1939.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 3731. A bill for the relief of Everett O. Bradford; to the Committee on Claims.

By Mr. WHEELER:

S. 3732 (by request). A bill to provide for the cancelation of certain assessments charged against certain land in the Crow Indian Reservation, Mont.; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma:

S. 3733. A bill for the relief of Oscar G. Jones; to the Committee on Claims.

S. 3734. A bill authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder of deeds building in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. NEELY:

S. 3735. A bill to prohibit producers and distributors of motion-picture films engaged in interstate commerce from owning, controlling, managing, operating, or having any interest in motion-picture theaters in the United States; to the Committee on the Judiciary.

By Mr. CHANDLER:

S. 3736. A bill for the relief of the estate of Henry H. Denhardt, deceased, of Bowling Green, Ky.; to the Committee on Claims.

By Mr. BROWN:

S. 3737. A bill for the relief of Patrick James O'Connor; to the Committee on Immigration.

By Mr. BULOW (for himself and Mr. GURNEY):

S. 3738. A bill for the relief of the estate of Dr. H. R. Kenaston; to the Committee on Indian Affairs.

By Mr. WHEELER:

S. 3739. A bill to amend the act providing for Federal aid to the States in the establishment of wildlife-restoration projects, for the purpose of clearly indicating that such projects are to be owned by the respective States and maintained by them in accordance with the provisions of their laws; to the Committee on Agriculture and Forestry.

By Mr. STEWART:

S. 3740. A bill for the relief of Mrs. C. A. Lee; to the Committee on Claims.

By Mr. KING:

S. 3741. A bill for the relief of Charles P. Madsen; to the Committee on Claims.

By Mr. GIBSON:

S. J. Res. 243. Joint resolution to provide for the purchase of certain manuscripts and other papers formerly belonging to Abraham Lincoln; to the Committee on the Library.

By Mr. FRAZIER:

S. J. Res. 244. Joint resolution authorizing the erection of a statue of Leif Ericson in the District of Columbia; to the Committee on the Library.

NATIONAL AVIATION DAY

Mr. BONE. Mr. President, I ask unanimous consent to introduce a joint resolution authorizing the participation of Government employees in the celebration of National Aviation Day, and ask that the joint resolution be referred to the Committee on Military Affairs. A number of Senators have joined in sponsoring the resolution, which merely authorizes the participation of Government units in the celebration of National Aviation Day. Those Senators, in addition to myself, are: The Senator from New Hampshire [Mr. BRIDGES], the Senator from Virginia [Mr. BYRD], the Senator from Kansas [Mr. CAPPER], the Senator from Kentucky [Mr. CHANDLER], the Senator from Missouri [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Alabama [Mr. HILL], the Senator from Colorado [Mr. JOHNSON], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Nevada [Mr. McCARRAN], the Senator from New York [Mr. MEAD], the Senator from Florida [Mr. PEPPER], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from Tennessee [Mr. STEWART], the Senator from Utah [Mr. THOMAS], the Senator from Delaware [Mr. TOWNSEND], and the Senator from Massachusetts [Mr. WALSH].

The VICE PRESIDENT. Without objection, the joint resolution will be received and referred as requested by the Senator from Washington.

The joint resolution (S. J. Res. 245) authorizing Government employees' participation in the celebration of National Aviation Day, and for other purposes, introduced by Mr. BONE (for himself, Mr. BRIDGES, Mr. BYRD, Mr. CAPPER, Mr. CHANDLER, Mr. CLARK of Missouri, Mr. GILLETTE, Mr. GUFFEY, Mr. HILL, Mr. JOHNSON of Colorado, Mr. LA FOLLETTE, Mr. McCARRAN, Mr. MEAD, Mr. PEPPER, Mr. REYNOLDS, Mr. SHIPSTEAD, Mr. STEWART, Mr. THOMAS of Utah, Mr. TOWNSEND, and Mr. WALSH), was read twice by its title and referred to the Committee on Military Affairs.

AMENDMENT TO RIVER AND HARBOR AUTHORIZATION BILL

Mr. MEAD submitted an amendment intended to be proposed by him to the bill (H. R. 6264) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL

Mr. McCARRAN. Mr. President, pursuant to an action of the Committee on Appropriations this morning, I submit a notice in writing of a motion to suspend the rule with reference to an amendment having a legislative feature to House bill 8668, the War Department civil functions appropriation bill.

The notice in writing submitted by Mr. McCARRAN is as follows:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, the following amendment, namely:

At the proper place in section 2 insert the following:

"(5) This entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government".

Mr. McCARRAN also submitted an amendment intended to be proposed by him to House bill 8668, making appro-

priations for civil functions administered by the War Department, 1941, which was ordered to lie on the table and to be printed.

For text of amendment referred to, see the foregoing notice.

JAMES D. REILLY

Mr. MEAD submitted the following resolution (S. Res. 256), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms of the Senate be, and he is hereby, authorized and directed to appoint James D. Reilly a messenger (acting as an additional assistant doorkeeper), who shall be paid at the rate of $2,400 per annum from the contingent fund of the Senate until otherwise provided by law.

ARTICLE BY SENATOR O'MAHONEY ON BUSINESS AND GOVERNMENT

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an article entitled "Business and Government" written by Senator O'MAHONEY and published in the Democratic Digest, which appears in the Appendix.]

SEVEN EVENTFUL YEARS UNDER ROOSEVELT—ADDRESS BY SENATOR MEAD

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by Senator MEAD before the Democratic National Club of New York City on April 6, 1940, on the subject Seven Eventful Years Under Roosevelt, which appears in the Appendix.]

ADDRESS BY SENATOR MEAD ON THE CREDIT UNION

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address on the subject The Credit Union, delivered by him on April 4, 1940, which appears in the Appendix.]

ADDRESS BY FORMER SENATOR BERRY BEFORE WASHINGTON PRINTING PRESSMEN'S UNION

[Mr. SCHWARTZ asked and obtained leave to have printed in the RECORD a synopsis of an address delivered by former Senator Berry on the occasion of the golden anniversary celebration of the Washington Printing Pressmen's Union, No. 1, March 30, 1940, which appears in the Appendix.]

ADDRESS BY HON. GIFFORD PINCHOT ON THE FARMER AND THE FOREST SERVICE

[Mr. PITTMAN asked and obtained leave to have printed in the RECORD a radio address on the subject The Farmer and the Forest Service, delivered by Hon. Gifford Pinchot, former Governor of Pennsylvania, on February 17, 1940, which appears in the Appendix.]

ADDRESS BY SUPREME PRESIDENT, ORDER OF AHEPA

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. V. I. Chebithes, the supreme president of the Order of Ahepa, on the occasion of welcoming the guests of the order to its fifth biennial national banquet at Washington, D. C., March 4, 1940, which appears in the Appendix.]

PAYMENT OF RURAL ELECTRIFICATION LOANS BY FARMERS

[Mr. SHIPSTEAD asked and obtained leave to have printed in the RECORD a statement issued by the Rural Electrification Administration concerning the payment of loans by farm cooperatives to the Rural Electrification Administration, which appears in the Appendix.]

SENATE BILL 785 AND DOMESTIC SILVER

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD a letter written by him to the editor of the Spokane (Wash.) Spokesman-Review, and the article in the newspaper referred to in his letter, relative to the purchase of domestic silver, which appear in the Appendix.]

AMERICA'S POSITION IN PRESENT WORLD AFFAIRS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an editorial relating to America's position in world affairs today, published in the Daily News of Washington, D. C., which appears in the Appendix.]

REIMBURSEMENT OF COTTON COOPERATIVES

The VICE PRESIDENT. The question before the Senate is the motion of the Senator from Kentucky [Mr. BARKLEY] that the Senate proceed to the consideration of Senate bill 2585, to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes.

Mr. McKELLAR. Mr. President, does the Senator from Alabama desire to explain his bill?

Mr. BANKHEAD. I first want it taken up.

Mr. McKELLAR. Mr. President, I desire recognition.

The VICE PRESIDENT. The Senator from Tennessee.

Mr. McKELLAR. Mr. President, we have a very remarkable situation growing out of this bill. This is the second time it has come before the Senate. The first time it came before the Senate was about 5 years ago, when the distinguished Senator from North Dakota [Mr. FRAZIER]—a well-known Senator, a perfectly splendid man, gentle, kindly, devoted to the farmers; there is not a finer man anywhere in the world—introduced a bill which included this claim for the relief of the American Cotton Cooperative Association. The bill at that time proposed to give them about $5,000,000 in addition to the amount they had already received from the Government.

Why the American Cotton Cooperative Association should have gone to the well-known cotton-growing State of North Dakota to find a cotton-growing Senator to introduce their to me. It was done, however, and I had to fight the bill for bill for relief on cotton has not been quite fully explained about 3 or 4 years; and it was finally defeated so far as the cotton cooperatives were concerned. However, so far as the wheat growers were concerned, that bill passed after being modified. As passed, the bill sent to the Court of Claims the claims of wheat farmers for reconsideration of an agreement of 10 years ago by which the wheat farmers had settled their matters with the Government. A few days ago the Court of Claims entered an order dismissing that claim.

So much for the wheat claim.

The cotton-cooperative claim took another turn. The cotton cooperatives—not the present American Cotton Cooperative Association at all, but what was then known as the American Cotton Growers' Exchange—in 1929 lost the little sum of $139,000,000, largely in gambling on cotton. The American Cotton Cooperative Association, which now presents this claim to the Congress of the United States, was not then in existence. It did not have a charter; but the American Cotton Growers' Exchange did have a charter, and was some kind of an association. When it lost for the Government the sum of one hundred and thirty-seven or one hundred and thirty-nine million dollars—I do not remember the exact amount, but I think it was the latter—it got the Federal Farm Board to settle with it. The American Cotton Growers' Exchange and the Federal Farm Board settled all their differences, and it cost the Government in round numbers $139,000,000.

The American Cotton Growers' Exchange then got my good friend the Senator from North Dakota [Mr. FRAZIER]—a fine cotton Senator from the great cotton-producing State of North Dakota—to introduce a bill to do what? To disregard, to open up the compromise agreement which had been made in 1930 by which the Government lost $139,000,000, and to allow the American Cotton Growers' Exchange two items: Its cost of operation from August 1 to the close of the cotton season, and the carrying charges on cotton. Why those particular two items were selected I do not know, but they were; and, as I stated a few minutes ago, the Senator from North Dakota agreed first to an amendment to his bill leaving out cotton, and later on his bill was passed in a form which sent the claim to the Court of Claims.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. FRAZIER. I did not introduce the bill for the cotton cooperatives. The bill which I introduced was for the wheat cooperatives. Then the cotton cooperatives came in and wanted to be included in the bill, and I agreed to their inclusion, because their organization was along similar lines.

Mr. McKELLAR. I thought it was exceedingly peculiar that, although there were 30 Senators from cotton-producing States on this floor—and I am looking in the face of the chief

mogul of them all, my friend from South Carolina [Mr. SMITH], chairman of the Committee on Agriculture and Forestry, one of the finest men in this body—the cotton cooperatives passed them all by and got the Senator from North Dakota to introduce the bill; and the bill failed. Later on, however, they got one of the dearest friends I ever had in my life to introduce their bill, the same bill for the same claim that the Senator from North Dakota had put forward. They got my good friend from Alabama [Mr. BANKHEAD] to introduce a bill to give them about four and a quarter or four and a half million dollars—I shall refer to that bill for particulars in a few moments—on account of the cost of operation of their own business, and carrying charges of their own business, from August 1 to the close of the season.

As a matter of fact, that claim is based on this particular situation: The celebrated Farm Board were in operation at that time; and prior to October 1929 they had authorized a loan of 12 cents a pound on cotton. Cotton was then selling at about 17 cents a pound. That was the situation prior to October 21, 1929. C. O. Moser—not E. F. Creekmore, who is now presenting this claim, but C. O. Moser, I believe of Texas—wrote a five-page letter to Mr. Carl Williams, of the Farm Board, asking that the Farm Board enter an order increasing to 16 cents a pound the loan which farmers might make on cotton. It is commonly known in the history of cotton in those years as the 16-cent loan. Mr. Moser urged that the loan be made a joint affair between the Farm Board and the cooperatives. So not only Mr. Moser but a number of other gentlemen connected with the so-called cooperative movement—which is not a cooperative movement at all, but is nothing in the world but a cotton-merchant company—recommended it, and every so-called State cotton cooperative association acting under the American Cotton Cooperative Association recommended the same thing.

I have the letters here, and I will read some of them in a moment, letters in which they recommended it, and recommended it in the strongest terms. Mr. Moser, the president of the American Cotton Growers' Association, wrote such a letter. The letter was dated October 11, 1929. It took about 3 days to reach Washington. I suppose it took about 3 days more to reach Mr. Williams, the head of the Cotton Division of the Farm Board. That would make 6 days.

On October 21, 1929, 10 days after the letter was written, a day or two before all the letters from all the State organizations recommending the same thing came, the Farm Board entered an order authorizing the cooperatives and the Farm Board to use Government money to lend on cotton $80 a bale, or 16 cents a pound. The price of cotton continued to go down after that loan was made, and as it continued to go down the losses of the cotton cooperatives continued—not the present concern at all, not the American Cotton Cooperative Association, which was not then in existence, but the American Cotton Growers Exchange; they and the Government continued to sustain losses, cotton going down in price. They loaned money on 1,300,000 bales, and thereby lost $139,000,000; and a settlement was entered into later on by the cooperatives and the Government.

The purpose of the bill at this time, 10 years afterward, is to go back and rip up that agreement. Is it in order to pay the American Cotton Growers' Exchange loan, to pay those who lost or who were then in control of the cotton cooperatives? No; to pay, ostensibly, the State associations, but really the American Cotton Cooperative Association; in other words, to pay E. F. Creekmore, who controls the whole thing. He has no more of a cooperative association than has the man in the moon; he never had a cooperative association since one was formed in 1930. This is what Mr. Creekmore did. Mr. Creekmore was called by another great cotton expert, Mr. Alexander F. Legge, of Chicago, who I believe was engaged in the harvester business, or some other manufacturing business, and knew nothing about cotton. Mr. Creekmore came here. I do not know whether Mr. Creekmore and his associates, who are now making this claim on the United States Government, are sitting in the gallery or not, but they probably are. There are here, but it is not the first time Mr. Creekmore and his associates have been here asking money at the hands of the Government. They have been here constantly since 1930. On behalf of farmers? No. On behalf of cooperatives? No. But for E. F. Creekmore and company, unlimited; unlimited in their desire to get money from the Government. I propose to show now that they have engaged in this project during those 10 years; that they have committed at least seven different acts of fraud upon both the Government and upon the farmers; and I shall take those charges up in order.

I will ask Senators to remember that they are asking us to disregard their own agreement and their own settlement. Incidentally, Mr. Creekmore, who has testified a number of times—he testifies on all occasions, for Creekmore—testified that he had no legal claim against the Government. He does not make the claim that he has even an equitable claim against the Government. He says it is some sort of a moral claim. I propose to show the Senate this morning that it is one of the most immoral, dishonest, and corrupt claims that was ever made against the Government, and when I say that I do not not refer remotely or indirectly, or in any possible way, to the splendid gentleman who has introduced the bill. I have known JOHN BANKHEAD for over 50 years. He and I were schoolboys together. We were in the same class. We graduated the same year. There never was a more honest or a more correct man than JOHN BANKHEAD. But Mr. Creekmore is one of the smoothest, oiliest, eeliest men, if I may say so, who ever scuttled a ship or robbed a Congress of the United States. He is, in my judgment, utterly dishonest and corrupt. I say that because I have examined into his affairs.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. ELLENDER. Will the Senator from Tennessee please be more specific in his charge against Mr. Creekmore with reference to fraud?

Mr. McKELLAR. I shall be very happy to do that. I am about to proceed to it right now.

The first fraud he committed against the Government was in the way he got the money from the Government. He claims to represent farmers, mind you. Away back yonder, when he first took hold of the A. C. C. A., in some way he learned that the Shipping Board, under a provision of law—which might have been a little doubtful, although I never thought so—had been authorized to lend money to shipping companies at the lowest rate of interest the Government had ever paid for money. He needed the Government's money. He took over the remnants, the bankrupt remnants, of his own association, local and national, which went into bankruptcy in 1930, and everyone that was connected with the kind of cotton affected by the bill. The Long Staple Cotton Co., of Mississippi, did not go into bankruptcy, but it was not a member of this group, not interested one way or the other.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McKELLAR. I will ask the Senator to wait a moment. He asked for the specific charges of fraud, and I am going to give them to him.

First, when he came here, some lawyer advised him—I do not know who the lawyer was—or someone else advised him that that interest rate could be applied to cooperative associations. Mr. Mellon, who was Secretary of the Treasury at the time, or shortly before that time, had entered an order that the Shipping Board could get money at the lowest rate of interest the Government had paid. The Treasury Department had to borrow on short-term notes at that time, 90-day notes, or some 30-day notes, and they borrowed money at one-eighth of 1 percent, sometimes at two-eighths, or one-quarter, of a percent, sometimes at 3/8 percent. The lowest rate at which they borrowed was one-eighth of 1 percent, the highest rate was 1/8 percent, so there was a spread of from one-eighth of 1 percent to 1/8 percent.

Mr. Creekmore and his associates got the Farm Credit Association to agree that that applied to cotton cooperatives, and, under that holding and with that excuse, they borrowed the money from the Federal Government at from

one-eighth of 1 percent to 1⅛ percent. Did they give it to the farmers? No; the farmers never got a thin dime out of the interest charges. What did they make out of those interest charges?

According to the record, Mr. Creekmore, with the Central Association—that is, Creekmore and company, unlimited—got 2 percent profit on their money when they lent it to their subordinates, and then their subordinates, according to the testimony, got 2 percent more. The farmers never got anything. The record shows that the amount involved was 6,000,000 bales, and the profits in interest alone were about $841,000 a year; and then the associates made a great deal because the farmers received no cheaper rates, in spite of the fact that Creekmore and his associates were getting the money from the Government for virtually nothing.

Mr. ELLENDER. Mr. President——

Mr. McKELLAR. Wait a minute. The Senator has asked for proof of the charges, and I am going to give it.

Mr. ELLENDER. Before the Senator proceeds with another charge, will he not permit me to ask him a question?

Mr. McKELLAR. Yes.

Mr. ELLENDER. Who got the benefit of this $800,000 interest of which the Senator speaks?

Mr. McKELLAR. E. F. Creekmore and company, composed of the board of directors, who were the only cotton cooperatives that were ever known after Mr. Creekmore took hold of the situation. The organization had no members. It was developed in a hearing at Memphis about 5 years ago that it had no membership. It had a certain kind of membership, by the way, if it could be called such, but that membership was fraudulent.

Mr. ELLENDER. The Senator——

Mr. McKELLAR. Wait 1 minute. I decline to yield. The Senator from Louisiana asked me for proof of charges of fraud, and I am going to give it.

Mr. ELLENDER. But I do not think the Senator is fair in going from one charge to another unless he permits me to ask him a few questions with respect to such a charge as has been presented by him.

Mr. McKELLAR. I will give the Senator every opportunity to ask questions later.

Mr. ELLENDER. If the Senator makes assertions and charges blindly, it is rather difficult to keep up with him. Mr. President, since the Senator refuses to yield, I am not going to interrupt him any further.

Mr. McKELLAR. No; I will give the Senator an opportunity to ask any questions in the world he wants to, but I am going to submit this matter to the Senate in accordance with the request of the Senator for proof of the charges.

Mr. Creekmore not only received this money——

Mr. ELLENDER. I deny that he received the money in an individual capacity.

Mr. McKELLAR. Well, Mr. Creekmore swore to it. I do not know whether he——

Mr. ELLENDER. He was general manager——

Mr. McKELLAR. I do not know whether he swore to the truth or not. The Senator may be right. He may not have sworn to the truth.

Mr. ELLENDER. Was he not general manager of the A. C. C. A.?

Mr. McKELLAR. If the Senator will just compose himself——

Mr. ELLENDER. I believe the Senator needs to compose himself. Was Mr. Creekmore not manager of the A. C. C. A.?

Mr. McKELLAR. Yes; at $75,000 a year, until Congress made him reduce his salary to $35,000 a year. I think an attempt was made to hold him down to $17,500, the amount other magnates of the country receive, but not Creekmore. He finally got about $35,000 for managing the cooperative, which was nothing in the world but a merchandising firm which Mr. Creekmore controlled entirely.

Mr. ELLENDER. Mr. President——

Mr. McKELLAR. The Senator wants to hear the facts, so please let him withhold his question for a little while.

He said the membership owned the concern. The membership never got a thin dime out of it. What happened? When the hearing was called it was desired to learn something about the membership. It was developed that the cooperative had officers but no membership. So after that whenever a bale of cotton was sold a receipt was delivered indicating that the man was a member, before the cooperative would pay him the money. Before it would pay the farmer the money for his cotton, after it had bought it from him, it made him sign a statement in connection with the waybill or the check given to him, saying that he was a member of the American Cotton Cooperative Association, or whichever one was dealing in that locality. That was a fraud.

In the Memphis hearings Mr. Creekmore was challenged to bring a list, or any list he had, of membership. He promised to do it but never did bring any list of any kind of membership. The only members were Creekmore, at the head; a man by the name of Williamson, in Louisiana, as the vice president; and then he had the heads of the various local or State cooperative associations on his board of directors, and he controlled the whole business himself, as shown by this proof. That worked very well as long as he kept borrowing the money.

Mr. President, I do not see the Senator from Michigan [Mr. VANDENBERG] in the Chamber at the moment; later on, in connection with a shipping bill, when it was developed that the Government of the United States was lending money at one-eighth of 1 percent to the shipping companies to build ships, the Senator from Michigan brought out on the floor that the cooperatives were borrowing money at the same figure, and the Senator, as I recollect—I am having the clerk make a thorough search for the bill, and I will be able to show it a little later—introduced a bill, and it was passed, requiring all similar organizations to lend money at not exceeding 3¼ percent. That cramped Mr. Creekmore's style. He had been borrowing money at one-eighth of 1 percent up to 1⅛ percent. He did not like it. I do not know where he is.

Mr. ELLENDER. He is up in the gallery.

Mr. McKELLAR. He is up there?

Mr. ELLENDER. It is a pity that our rules will not permit him to come in and defend himself, Senator.

Mr. McKELLAR. He has had every opportunity to defend himself. He has appeared before hearing after hearing and has convicted himself.

Mr. ELLENDER. Now, will the Senator yield to me for a question?

Mr. McKELLAR. If the Senator will not undertake to argue, I shall be glad to yield.

Mr. ELLENDER. The Senator made an exhaustive report, did he not, after he held the hearings in Memphis about which he spoke?

Mr. McKELLAR. Yes; and I shall refer to it in a moment.

Mr. ELLENDER. Did not the Senator from Alabama [Mr. BANKHEAD], who was a member of that committee, file a minority report which was diametrically opposed to that made by the Senator from Tennessee?

Mr. McKELLAR. Yes.

Mr. ELLENDER. Yes. And it was based on the same hearings.

Mr. McKELLAR. I am sure the Senator from Alabama will agree with me that he was present 1 day.

Mr. BANKHEAD. Two days.

Mr. McKELLAR. Oh, well, look at the record, Senator, and find what it shows.

Mr. ELLENDER. The record will show that the Senator from Tennessee was the only Senator present, except a day or two when the Senator from Alabama [Mr. BANKHEAD] appeared. Is that not a fact?

Mr. McKELLAR. There is a report signed by myself and the Senator from Delaware [Mr. TOWNSEND], the other member of the committee. The Senator from Alabama [Mr. BANKHEAD] filed a minority report. But let us not chase rabbits. I am talking about fraud; I am talking about dishonesty; I am talking about robbing the Government and robbing the farmers of the South, and I think the Senate

ought to be very much more interested in that right now than in chasing rabbits.

That was the first fraud. When that bill passed, and Creekmore lost the Government pap which he had been getting for several years, he then undertook another scheme.

Mr. ELLENDER. Mr. President——

Mr. McKELLAR. Just a minute please.

Mr. ELLENDER. The Senator is proceeding with another charge.

Mr. McKELLAR. I love my friend, Mr. President, but I have to decline to yield.

Mr. Creekmore came here exactly as he had done every time he was interested in getting money from the Government. He came here, and what did he do? He went to the Farm Credit Administration and got it to waive the Government's first lien on the cotton which he had, so that he could go to the New York banks and borrow money cheaper. That Government bureau was misled, and without any authority of law that I have ever been able to find, and over my earnest protest, it waived the Government's first lien on that cotton. With that waiver in his pocket, he went to New York and borrowed the money at $1^{11}/_{16}$ percent.

Mr. BANKHEAD. Mr. President, may I ask the Senator, when was that transaction made?

Mr. McKELLAR. I will give it to the Senator in a minute. I will have to get it for him. I will give him the exact date.

Mr. ELLENDER. It was in 1932.

Mr. McKELLAR. The Senator from Louisiana says 1932. It was about that time. It was just after the Vandenberg bill was passed, which prohibited anyone from borrowing money from the Government for less than 3¼ percent. So Mr. Creekmore got the Farm Credit Administration to waive the Government's interest in that cotton, making it subordinate to the bank's liens, and he borrowed money at $1^{11}/_{16}$ percent. That would be $1^{65}/_{100}$ percent. What did he do? Did he divide that with the farmers? Oh, no, not a thin dime. He took 2 percent as before, and farmed the money out to the cooperative organizations, and according to the best evidence, they got 2 percent. They may have got more. That was the second fraud that this man perpetrated upon the Government, but that was not all.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McKELLAR. I hope the Senator will wait.

Mr. ELLENDER. I will not interrupt the Senator further.

Mr. McKELLAR. The Senator interferes with my train of thought, and I want to get these facts before the Senate of the United States. It is my duty to do it.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The Senator from Tennessee has declined to yield to the Senator from Louisiana.

Mr. McKELLAR. When that situation came to my attention I protested to the Farm Credit Administration against subordinating the Government's lien, and the Administration recognized that it had no power to do it and refused to do it.

So much for that charge of fraud.

Being deprived of the low interest, what did Mr. Creekmore do? Needing money all the time, gambling in cotton, trading in cotton just like anyone else, carrying on big operations, what did he do the third time? The third time he evolved another plan. At that time, by the way, more than half of the reorganized cooperative associations were in bankruptcy. Where are the Senators from Georgia? The Georgia local organization was in bankruptcy. The Alabama association was in bankruptcy. The Tennessee and the Arkansas organizations had been in bankruptcy but had reorganized. Where are the Senators from Oklahoma? The Oklahoma cooperative was in bankruptcy. Even the cooperative association in the State of my good friend the Senator from South Carolina, ED SMITH, was in bankruptcy. They were all in bankruptcy, with perhaps one exception, the Mid-South Association, to which I shall refer in a few moments.

What happened then? Mr. Creekmore again came to his friends in Washington. What was his scheme this time? He always had a plan. He is one of the smoothest, most ingratiating, most corrupt men ever to come to Washington—and a great many corrupt men come to Washington. What did he do then? He came here with a novel plan. He asked that the Farm Credit Administration lend $5,000,000, not to the American Cotton Cooperative Association, but to his subordinate members, more than half of whom were members of his board of directors. They were merchants, just like any other merchant. He came and asked the Farm Credit Administration to lend them $5,000,000, to be divided up among them, taking the obligations of the various cooperatives. In just a moment I shall tell the Senate how this loan was made. I have the details before me, if Senators will bear with me for just a moment. I will show how easy it is to borrow money. It is the easiest thing in the world if one has the gift of gab and is absolutely unscrupulous. There is no way in the world to prevent it.

The Alabama Cotton Cooperative Association, in bankruptcy, borrowed $400,000. Where are the Senators from Texas? The Brazos Valley Cotton Cooperative Association, which, I have been informed, was also in bankruptcy, borrowed $425,000. The California Cotton Cooperative Association—my distinguished friend from California [Mr. JOHNSON] could tell us about that, perhaps—could borrow only $175,000. The Louisiana Cooperative Association borrowed $800,000. The Mid-South Cotton Growers Association, in Arkansas and Tennessee, borrowed $800,000. I am coming to the Mid-South Association. I shall give it special attention in a few minutes. The Mississippi Cooperative Cotton Association borrowed $800,000. The Oklahoma Cotton Growers Association, which had been in bankruptcy twice, and had sold out just about the time this loan was made, borrowed $500,000. I suppose the amount in that instance was reduced about $300,000 because that organization was so freshly in bankruptcy, and so obviously had nothing. The South Carolina Association got only $200,000. Shame on you, Senator SMITH. The South Texas Association got only $200,000. The Southwest Irrigated Cotton Growers got $200,000. The West Texas Cotton Growers Association got $500,000—a total of $5,000,000.

What was done with the money? Did the associations get the money? Oh, no. One does not know Mr. Creekmore if he supposes the associations got it. They never got a thin dime of it. The $5,000,000 was borrowed in the name of the associations and then turned over to the American Cotton Cooperative Association. As I understand the stock of these insolvent concerns was put up with the Government to secure the loan. I never had a particle of doubt about the American Cotton Cooperative Association being insolvent. I protested against that loan. It was a palpable fraud. It was dishonest. It was corrupt. It was nothing more or less than stealing from the American Government.

That is the third item of fraud.

Ah, but there were some other items which made very delightful pickings for Creekmore and company, unlimited. One of them was that the Government at that time had about 6,000,000 bales of cotton in the warehouses of the country. Senators will remember how much trouble we had in selling our cotton. The farmers could not sell it. The Government could not sell it. No one could sell it. We had to put it in warehouses and lend the farmers money on it.

What happened? My heavens, the Farm Credit Administration had been given suzerainty—I cannot say sovereignty, but suzerainty, at any rate—over the cotton. So again Mr. Creekmore came to Washington. He could not bear the idea of all that cotton floating around in the South and him not getting what was coming to him out of it. What did he do? He came to Washington and got the Farm Credit Administration to do what? To "reconcentrate"—that was the big word. He got the Farm Credit Administration to reconcentrate that cotton.

What do I mean by reconcentration? Suppose there were 500,000 bales of cotton in Charleston, S. C. This is just an illustration, because I do not recall exactly how the cotton was moved each year, but the cooperative association—Mr. Creekmore and company—was authorized by the Farm Credit

Administration, over whom he seemed to have a remarkable influence, to superintend the moving of the cotton. He got the Farm Credit Administration to reconcentrate the cotton—merely move it from one warehouse to another. He was to superintend the moving. For 5 years there was a constant reconcentration and moving of the cotton from one warehouse to another, out of which the American Cotton Cooperative Association drew in compensation for superintending the job the tidy little sum of about $750,000 a year. The cooperatives "cleaned up" out of moving the cotton, "reconcentrating" the cotton, moving it from one warehouse to another one year, and perhaps changing it back the next year, but moving it. I have the exact figures before me. The American Cotton Cooperative Association averaged not quite $750,000 for the years 1931, 1932, 1933, 1934, and 1935, a total of $3,700,000 for 5 years, representing charges against the cotton. That fact was testified to on page 751 of volume 2 of the record taken in the hearings.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HATCH. What did the $750,000 include?

Mr. McKELLAR. So much a bale for superintending the reconcentration.

Mr. HATCH. Did it include expenses of transportation and things of that kind?

Mr. McKELLAR. Oh, no; the cotton had to bear that expense. There was a charge of so much a bale. This was lagniappe—I believe that is what it is called in Louisiana—to the American Cotton Cooperative Association.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHANDLER. I wonder if my distinguished friend the Senator from Tennessee, can give to the Senate the name of the Government official responsible for making these loans.

Mr. McKELLAR. I cannot do so now, but I shall attempt to obtain it and give it to the Senator.

That was the fourth fraud. Think of it! Six million bales of cotton, and Mr. Creekmore got only $3,700,000 out of it. According to the testimony, the Cotton Cooperative Association got only $3,700,000 for moving the cotton. What a trial it was for the farmer. Suppose I were a farmer at Corinth, Miss., and had put three bales in the warehouse at Corinth, Miss., and borrowed money on it. I was not consulted as to whether or not it was proper to move that cotton to another warehouse. Perhaps 3 years afterward, when I wanted to sell it, I would go to the Corinth warehouse, and I would be told, "We do not have your cotton." If I asked, "Where can I get it?" I would be told, "Well, you will have to take it up with the American Cotton Cooperative Association." When the matter was taken up with the American Cotton Cooperative Association, it would be found that that particular cotton was in New Orleans. The farmer had to hunt his cotton, which had been moved from one warehouse to another, for no other reason under God's heaven than to make perquisites for the American Cotton Cooperative Association.

What comes next? That is the fourth charge. Cotton was still lying around—3,700,000 bales of it. Was not that a very "hefty" amount for the American Cotton Cooperative Association, controlled absolutely by Mr. Creekmore? That was not enough. What else did they get?

Mr. ELLENDER. Mr. President——

Mr. McKELLAR. In a moment I will yield to the Senator.

Mr. ELLENDER. Is not the Senator now entering on the fifth charge?

Mr. McKELLAR. Yes; on the fifth charge.

Mr. ELLENDER. I should like to ask the Senator one question with respect to the fourth charge.

Mr. McKELLAR. If the Senator will ask me the question, I will be glad to answer it, if I can.

Mr. ELLENDER. When the A. C. C. A. handled the cotton to which the Senator has just referred, was it not done by contract entered into as the result of the association being the lowest bidder?

Mr. McKELLAR. I do not know how it was done. I know that Creekmore came here to the Farm Board and he went back and handled it all. I know that a distinguished gentleman from New Orleans, in the State of the Senator from Louisiana, former Governor Parker of that State, came here and testified that he had underbid the A. C. C. A., but that did not do a particle of good, and the A. C. C. A. got it just the same.

Mr. ELLENDER. Mr. Parker happened to be a cotton factor, and, of course, the cotton factors and merchants are against cooperatives.

Let me ask the Senator further, Is it not a fact that every transaction with reference to this cotton was supervised by the Farm Credit Administration, and its own auditors audited the books of the association?

Mr. McKELLAR. Not at all was that a fact. I will give an illustration from the testimony. I was trying to think of the initials of the gentleman I have in mind, though I will not give his initials, only his nickname, but he is one of the finest gentlemen we have in Memphis, "Red" Taylor. He testified that he offered to move the cotton much cheaper than did the A. C. C. A. He was a large warehouseman. He would have preferred to move it himself; as I remember his testimony, he said he would prefer to move it for nothing rather than have somebody else superintend it. The Department here turned him down cold.

Now let me go to the next charge. There were 6,000,000 bales of cotton there. My heavens, they were not going to let it get away for $3,700,000. Cotton is sold by samples. When that cotton was first put in the warehouse there was a sample pulled out of it. A sample weighs from 1 pound to a pound and a half. But when Mr. Creekmore moved the cotton he took another sample out, and when he moved it again, or when it was sold, a third sample came out of it.

The lowest estimate of a sample is a pound and the highest estimate is about 2 pounds. Let us suppose it to be a pound, and that cotton is worth 10 cents. So three samples for each bale is equivalent to 30 cents a bale for 6,000,000 bales, or the tidy little sum of $1,800,000 toll out of all this cotton, which is a sum sufficient to keep many poor farmers out of the poorhouse if they could get a few dollars of it, but they never got any part of it. That is the fifth charge.

I come to the next, and this one overtops them all. Of all the dishonest, all the mangy deals I have ever known, this takes precedence over all, and I believe everyone of the Members of the Senate will agree with me.

The Senator from South Carolina [Mr. SMITH] has taken the lead for a number of years in having passed what are known as seed-loan bills for the farmers. Seed loans are secured by the humblest farmers in the land, by poor white people who have lived on farms all their lives, by poor Negroes who have lived on farms all their lives, who are contented with very little, who are not willing to go on relief because they can work and their families can work. We established the seed-loan office, where they could borrow fifty or sixty dollars, or $80—I think the highest permitted was $200; the law did not allow them to borrow more than $200 with which to make a crop. Many of them were sharecroppers; many of them were white; many of them were colored. I could not pay them a higher compliment than the records pay them. The Seed Loan Bureau in my section of the country has collected more than 97 percent of all the money that was loaned these small farmers.

One would think that any honest man, however much he may be willing to take advantage of his fellows of a similar station in life, would keep his slimy hands off loans of this sort. Did Mr. Creekmore do it? Oh, no. You do not know Mr. Creekmore if you think he kept his slimy hands off this. What did he do? He knew exactly what to do to get the money. He came to Washington and got the Farm Credit Bureau to issue an order that every bale of cotton grown by borrowers from the Seed Loan Office should be turned over to the American Cotton Cooperatives Association for sale.

Mr. HUGHES. Mr. President, may I ask the Senator a question? I did not understand what he said he turned it over for?

Mr. McKELLAR. He turned it over because the Farm Credit Bureau here apparently did anything that Creekmore asked them to do. He came here and got through orders to do it. I protested at the time against it being done. I now have the facts to show the Senate.

I went to the seed-loan office in Memphis and asked them to furnish me a number of cases, running through the year 1934, illustrating the charges that were made by the so-called Cotton Cooperative Association, but, as a matter of fact, by E. F. Creekmore and company. I asked them to give me the figures of their charges and they gave them to me and a man by the name of C. G. Henry, of Memphis, formerly of Arkansas, but when they combined the Arkansas so-called cooperatives with the Tennessee cooperatives he moved to Memphis. I will discuss him in a little while. I myself put him on the stand. I presented this statement to him and he testified as to its accuracy. It is taken from his testimony in volume 1, pages 192 to 203, of the record. I desire to read how the managers of the so-called cooperative association operated and what they charged the poor, humble, poverty-stricken people who borrowed from the seed-loan office. I take actual cases. The first one is:

Loan No. 21733.
Mid-South contract No. 7603700.
Date of payment February 27, 1934.
Number of bales 1—

One—

Gross proceeds, $51.31.

Keep that figure in mind, $51.31.

Here are the deductions:

"Previous cash advance"—which was never explained, but which I propose to explain in a moment—

Previous cash advance, $5.59.
Interest on cash advance, 60 cents.

Mr. ELLENDER. Mr. President, how much was the interest?

Mr. McKELLAR. Fifty-nine cents.

Mr. ELLENDER. On how much money?

Mr. McKELLAR. On $5.59.

Mr. ELLENDER. For how long a time?

Mr. McKELLAR. That is not stated.

Interest on cash advance, 60 cents.
Insurance, $1.30.
Storage, $4.55.

Listen to this:

"Charges other than regular seasonal charges"—nobody under heaven knows what they were—"$1.40."

Ah, but that is not all:

Membership fee in the American Cotton Cooperative Association, or in the local association, $5.

A $5 membership fee because the man had to sell his cotton through this feeding concern.

Association news subscription: They got out a newspaper at the expense of the Government; and this poor colored farmer—this happened to be a colored man—was charged 50 cents for that. I do not know whether he could read or not. I doubt if he ever read the newspaper if he could read. There was nothing in it that any decent man would ever undertake to read. That made 50 cents more.

Interest on cash paid out for freight, storage, etc., 40 cents.

Or a total of $19.34.

Well, you might say that if cash was advanced to this colored man it would be proper to take that out; but do you notice that there is not an item for commission? There is not an item for commission, and my own judgment is that they did not want to put in "commission" because that would look bad, so they just charged the farmer with "cash advanced" for their commission; and they charged him 51 cents interest on the commission because they did not get it soon enough.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McKELLAR. Just a minute. In all, these items aggregated $19.34 to be taken out of a $51.31 bale of cotton.

Here are 49 bales of cotton taken at random. All these charges were admitted except the $5.59 for cash advanced and interest. No commission was charged, as you will see. The idea of advancing a man $5 on a bale of cotton when it was turned over. Why, it is the most improbable thing in the world. They certainly were entitled to a commission, and in my judgment the commission was covered up in this $5.59.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the table to which I have been referring, and the act of February 2, 1931, with reference to interest rates on loans, and so forth.

There being no objection, the table and act were ordered to be printed in the RECORD, as follows:

Résumé of typical settlements made on 1931 loans by Mid-South Cotton Growers' Association

(Henry, vol. I, pp. 192-203)

Our loan No.	Mid-South contract No.	Date of payment	Number of bales	Gross proceeds	Previous cash advance	Interest on cash advance	Deductions			Charges other than regular seasonal charges	Membership fee	Association news subscription	Interest on cash paid out for freight, storage, etc.	Gross deductions
							Light bale	Insurance	Storage					
21733	7603700	Feb. 27, 1934	1	$51.31	$5.59	$0.60	-------	$1.30	$4.55	$1.40	$5	$0.50	$0.40	$19.34
74769	3117500	Feb. 2, 1934	1	53.97	5.88	.65	-------	1.30	4.55	1.47	5	.50	.40	19.75
63420	2437400	Feb. 1, 1934	1	54.75	5.30	.52	-------	1.30	4.55	1.33	5	.50	.40	18.90
64006	6113100	Feb. 19, 1934	2	94.91	42.52	4.57	-------	2.65	9.25	2.54	5	.50	.80	67.83
26770	6165800	----do----	1	48.44	5.00	.42	-------	1.30	4.55	1.28	5	.50	.40	18.55
30362	2378200	Jan. 26, 1934	1	37.72	4.00	.42	-------	1.30	4.55	1.00	5	.50	.40	17.17
8696	5917200	Feb. 16, 1934	1	44.98	16.81	1.84	-------	1.35	4.70	1.23	5	.50	.40	31.83
130299	2434200	Feb. 1, 1934	1	53.95	5.65	.62	-------	1.30	4.55	1.39	5	.50	.40	19.41
14228	5021000	Feb. 10, 1934	1	45.30	4.68	.50	-------	1.25	4.40	1.17	5	.50	.40	17.90
33849	2132500	Jan. 23, 1934	1	59.65	7.50	.83	-------	1.25	4.40	1.52	5	.50	.40	21.40
6219	5405700	Feb. 13, 1934	1	42.63	4.56	.52	-------	1.25	4.40	1.14	5	.50	.40	17.77
68771	2389200	Jan. 26, 1934	2	64.36	6.60	.62	$2	2.10	7.60	1.65	5	.50	.80	26.87
36672	5950100	Feb. 16, 1934	3	142.77	31.12	3.22	-------	3.90	13.65	3.89	5	.50	1.20	62.48
98745	2136200	Jan. 23, 1934	2	98.16	8.45	.88	-------	2.60	9.10	2.56	5	.50	.80	29.89
10828	5915100	Feb. 16, 1934	3	154.40	75.44	8.05	-------	4.00	13.95	3.90	5	.50	1.20	112.04
3006	5915800	----do----	2	101.20	14.00	1.46	-------	2.60	9.10	2.63	5	.50	.80	36.09
128313	2352400	Jan. 26, 1934	2	82.46	8.30	.85	1	2.60	9.10	2.07	5	.50	.80	30.22
91063	2231800	Jan. 23, 1934	2	86.11	10.00	1.04	-------	2.60	9.10	2.30	5	.50	.80	31.34
89077	10104000	Sept. 20, 1933	2	87.40	11.97	.97	-------	2.10	7.60	5.30	5	.50	.80	34.24
17402	5010000	Feb. 10, 1934	2	82.28	8.90	.94	-------	2.60	9.10	2.17	5	.50	.80	30.01
59817	5728700	Feb. 16, 1934	2	114.15	11.60	1.25	-------	2.50	8.80	2.79	5	.50	.80	33.24
18171	6154400	Feb. 19, 1934	3	149.43	19.79	2.08	-------	3.95	13.80	3.82	5	.50	1.20	50.14
4073	6116000	----do----	5	247.39	61.99	6.67	-------	6.55	22.90	6.30	5	.50	2.00	111.91
18176	6169800	----do----	3	144.09	6.00	.62	-------	3.75	13.20	3.88	5	.50	1.20	34.15
457	6128800	----do----	4	191.17	72.51	7.89	-------	5.25	18.35	5.06	5	.50	1.60	116.16
Total			49	2,332.97	454.16	48.13	3	62.65	219.80	63.79	125.00	12.50	19.60	1,008.63

[Public—No. 603—71st Cong.—H. R. 7998]

An act to amend subsection (d) of section 11 of the Merchant Marine Act of June 5, 1920, as amended by section 301 of the Merchant Marine Act of May 22, 1928

Be it enacted, etc., That subsection (d) of section 11 of the Merchant Marine Act of June 5, 1920, as amended by section 301 of the Merchant Marine Act of May 22, 1928 (U. S. C., title 46, sec. 871; 45 Stat. L., pt. 1, p. 691), is amended to read as follows:

"(d) All such loans shall bear interest at rates as follows, payable not less frequently than annually: During any period in which the vessel is operated exclusively in coastwise trade, or is inactive, the rate of interest shall be as fixed by the Board, but not less than 5¼ percent per annum. During the period in which a vessel is being constructed, equipped, reconditioned, remodeled, or improved; and/or during any period in which such a vessel is operated in foreign trade, the rate shall be as fixed by the Board, but provided, however, that on all contracts hereinafter entered into the interest rate shall be not less than 3½ percent per annum. The lowest rate of interest shall not be granted for the construction, equipment, reconditioning, remodeling, or improvement of any vessel for the foreign trade unless it is contracted that such vessel upon completion shall not be operated exclusively and under enrollment in the coastwise and/or intercoastal trade for more than 3 months in any calendar year; and if such vessel shall be operated exclusively and under enrollment in such trades for more than 3 months in any calendar year, the Board shall collect the difference between the low rate of interest charged and 5¼ percent per annum during the period of construction, equipment, reconditioning, remodeling, or improvement. The Board may prescribe rules for determining the amount of interest payable under the provisions of this paragraph."

Approved, February 2, 1931.

Mr. McKELLAR. I now yield to the Senator from Louisiana, because I want a minute to myself in a moment.

Mr. ELLENDER. Mr. President, will the able Senator inform us whether or not the association was supposed to collect from this farmer the money for the seed?

Mr. McKELLAR. I have no idea. I am talking about cotton, not about seed.

Mr. ELLENDER. What was the interest charge? I am just wondering if it was for money advanced.

The reason why I ask the question is that under date of June 7, 1938, the Senator from Alabama [Mr. BANKHEAD] and I made a report from the Committee on Agriculture and Forestry, pursuant to Senate Resolutions 137 and 205, and our committee went into the question of seed loans——

Mr. McKELLAR. I see that the Senator from Louisiana is trying to make a speech in my time. I hope he will not do that. Will not the Senator be good enough to defer his remarks until he has the floor in his own right? I like the Senator from Louisiana; I am very fond of him, but will he not let me continue my argument, and then make his own? If the Senator desires to ask a question, I shall be glad to answer it; but, he is making an argument, and I do not want him to do that in my time.

Mr. President, I want to say one thing: The French have a word which describes the sort of fraud that has been committed by Mr. Creekmore and his company. I do not think Albert B. Fall, who took a bribe of $100,000 for the sale of oil lands, committed a greater wrong than Mr. Creekmore has committed against the farmers of the Nation and against the Government of the United States. The amount involved, in the case of Mr. Creekmore, is a great deal larger. He has had the handling of over $200,000,000 which the Government has lost under his management and control; and yet, after all these frauds have been committed, both upon the farmer and upon the Government, he now comes back here asking to open his acccunts of 10 years ago to get carrying charges and cost of operation from August 1 to the close of the cotton season.

Mr. President, I am intensely interested in this matter, though I have no other interest in it than that of a citizen of the United States and an honest man. It seems to me that if there is in hades one place deeper than another, it should be reserved for a man who will rob under this guise a lowly, hard-working southern farmer, whether white or colored, by deducting from the price of his cotton subscription price of a so-called newspaper that was no newspaper, by deducting a $5 admission fee into the cooperatives, and deducting from the poor devil's cotton these other undisclosed sums; and I do not see how any Senator can vote for a bill of this kind.

I now come to the bill itself for just a moment, to show you what it means. Let me call attention of the Senate to the bill. It is supposed to be a farmers' bill, and has been reported out of the Committee on Agriculture and Forestry. As a matter of fact, it is not a farmers' bill at all. It is a claim bill pure and simple. It provides for the payment of an immoral and an unjust and a dishonest claim against the Government. These people have a claim of four and a half million dollars for the expenses of running their business from August 1 until the close of the season; and do you know what they did with this cotton? Will Senators listen for just a moment to what they did with it? They got 1,300,000 bales of cotton under the 16-cent loan. They sold on the spot market 800,000 bales and bought futures in their place—gambling with this very cotton; no carrying charges—and yet they come here and make a claim for carrying charges and for operating costs for the 1,300,000 bales. If this were an honest claim, it could not be more than five-thirteenths of what they allege; but I say it is a dishonest claim. And why do I say it? Does the bill propose to pay the farmers anything? I ask the Senator from Alabama [Mr. BANKHEAD] and the Senator from Oklahoma [Mr. THOMAS], who are members of the committee which reported out this bill, is a dime of this money to be paid to farmers?

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. Yes; I yield. I asked the Senator a question, and I wish to yield to him.

Mr. BANKHEAD. The bill shows on its face that it is to pay cotton cooperatives in various States listed in the bill. It is not even to pay the American Cotton Cooperative Association, as the Senator from Tennesseee has been arguing, but to pay the State cooperatives; and, of course, the cooperative is the property of the farmers. It is their agency and instrumentality for doing the work of marketing cotton.

Mr. McKELLAR. Mr. President, I challenge the Senator from Alabama to show that a single farmer not included in the officials of the association ever got a thin dime of profit out of this particular cooperative association. On the contrary, I sent a telegram to Memphis, where the most prosperous of all the cooperatives is located. I saw Mr. Henry in the gallery here the other day, ready to use this money to pay those debts. He has never paid them. The debts I last mentioned have never been paid. The $400,000 and the $800,000 debts, all of which were turned over to the American Cotton Cooperative Association, have never been paid; and I could see on his face that he was looking forward to the time when Congress would appropriate this money, and he could pay those debts and divide up the balance between the cooperatives—not between the farmers. I will tell you why.

A short time ago, when most of the cotton dealers in my section of the country were in bankruptcy, or nearly bankrupt, I noticed on the corner of Monroe and Front Streets, two of the principal streets in my city of Memphis, a magnificent building of stone, as I recall it, being erected, and I was told the Mid-South Cooperative Association was erecting that building—a great office building—one of the best in our city. I telegraphed this morning to ascertain whether there was any encumbrance on it, and in whose name it stood. It stands in no farmer's name; it stands in the name of the Mid-South Association, and there is no encumbrance on it. Mr. Henry owes the Government right now $800,000, and has not paid any of it, and is waiting for Creekmore to get this bill through, to use the money for the purpose of paying the debt he owes the Government, representing money which should never have been loaned to him at all. But I understand that his association is better off than any of the others. Many of the others are in bankruptcy. I have no doubt that if they paid their honest debts the American Cotton Cooperative

Association and every one of its affiliates would be in bankruptcy this very minute, and that is why they are here. They have come to the Government time after time. They came first when they could get money from the Government at one-eighth or one-quarter of 1 percent. They came next when they could get the Government to waive its right to priority. Third, when the association came here to borrow money; then again when it got permission to move the cotton from one place to another at practically no cost but tremendous profit; fifth, when they sampled the cotton; and, lastly, when they took as expenses and charges about two-thirds of the poor farmers' cotton, which they actually handled individually.

Let me read the bill—not all of it but part of it. Mind you, none of these men are members of the American Cotton Growers Exchange; they are members of the American Cotton Cooperative Association, if they are members of anything. Among the payments provided for is the following:

Four hundred and nineteen thousand five hundred and ninety-one dollars and seventeen cents, Alabama Cotton Cooperative Association, successor to Alabama Farm Bureau Cotton Association.

That association went into bankruptcy. They are not going to pay the money to an association in bankruptcy. Farmers who compose the American Cotton Growers' Association had to go into bankruptcy, and, of course, they are not considered by Mr. Creekmore any further.

All the various beneficiaries are set out. The four million and a half is divided up, but there is a surplus. Where does that go? Listen to the following provision in a so-called farmers' bill. Farmers, my eye!

SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,512,068.07 to be available to the Farm Credit Administration to make the payments authorized and directed by this act.

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. I yield.

Mr. BANKHEAD. I have an amendment which will be offered, when the bill is taken up, to substitute for the language the Senator has read, the following:

The payments authorized to be made by the Farm Credit Administration under this act shall be made from the revolving fund established pursuant to section 6 of the Agricultural Adjustment Act as amended, and so much of such fund as may be necessary for the purpose of making such payments is hereby made available for such purpose.

Mr. McKELLAR. I think the amendment is more involved than the other language.

Mr. SCHWARTZ. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. SCHWARTZ. Under section 5 of the bill, what is the privity between the old association and those who are described as members who would "otherwise be entitled under this act shall be paid to the cotton cooperative association now doing business in said State"?

Mr. BANKHEAD. Mr. President——

Mr. McKELLAR. I am perfectly willing to have the Senator from Alabama explain it first. I have an explanation of it.

Mr. BANKHEAD. I am sure the Senator from Wyoming is familiar with the cooperative program.

Mr. SCHWARTZ. Yes, and I want to know the privity between the old association and the present one.

Mr. BANKHEAD. They continued an old association. New members came and old ones went. This is for the payment of the cooperative itself, not the members. The cooperative is continuing along from time to time.

Mr. McKELLAR. If the Senator from Wyoming will yield a moment so that I may ask the Senator from Alabama a question, It is not claimed, is it, that any of this money is to go direct to farmers?

Mr. BANKHEAD. I stated a while ago that it went to the cooperatives.

Mr. McKELLAR. To the cooperatives, but not to the farmers.

Mr. BANKHEAD. Indirectly to the farmers, all of it, because they own the cooperatives——

Mr. McKELLAR. Not a single cent——

Mr. BANKHEAD. If the Senator is not going to let me answer, is going to drown me out, I will ask him not to ask me a question.

Mr. McKELLAR. I am merely telling the Senator that the farmers themselves have not gotten a cent out of these cooperatives. Now, I ask the Senator from Wyoming for his question.

Mr. SCHWARTZ. I merely wanted to get the matter clear in my mind. I assume that the original associations went into bankruptcy.

Mr. McKELLAR. They did.

Mr. SCHWARTZ. Were their affairs closed up?

Mr. McKELLAR. Oh, no; many of them are in the hands of receivers, through Federal courts. For instance, the Georgia organization was closed up in the courts, and practically all of them are closed up in the courts. Either that, or they were sold out and bought by the officers of the cooperatives.

Let me explain to the Senator, these losses occurred, not during the life of the American Cotton Cooperatives Association, but before it was organized. The losses they claim were made by the American Cotton Growers Association, and the cotton cooperatives came about 6 or 8 months later, and took up the remains and followed on. There was never any transfer. They merely took the same officers in the State. The Senator must remember that there are no cooperatives, in the true sense of the word, in this whole organization. It is merely a lot of officers. They took the officers from the Georgia association and created another one. They took the officers, not the association, and they did likewise in Tennessee and Arkansas. In Mississippi they let the old one go, and those who were connected with it started another one. They are a new regime. If this case were in a court the first thing I would do would be to move to dismiss because they have no possible legal or moral claim because of the frauds they have perpetrated upon the Government and upon the farmers. But, aside from that, there is no connection between the old organizations and the new except that they were established in the same States, and in many cases Mr. Creekmore merely took some of the men connected with the old institution, and started a new one in each State. That is the whole story.

Mr. SCHWARTZ. Will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. SCHWARTZ. Without considering at all the merits of the bill, I assume that the original associations had a moral or legal right to receive what is here given to recompense for losses, then I should like to know under what rule of law or any other rule that right passed on to the present association.

Mr. McKELLAR. The Senator is correct; there is no rule of law by which the right could be passed on to the other association, because there was no connection between them except that Creekmore took the remnants of the old ones and built new ones around them where he could; and Mr. Creekmore is a very smart, a very able man. He is a very crafty man, as I have said, and, in my judgment, a very dishonest and corrupt man. I know that from having examined into his affairs; and I have been examining witnesses for many years and I think I know a dishonest man when I run across one.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. ELLENDER. Since the Senator has had so many dealings with Mr. Creekmore and in his judgment found him dishonest, has he ever made any criminal charge against him?

Mr. McKELLAR. I have discussed this matter time and again on the floor of the Senate.

Mr. ELLENDER. Persons guilty of such charges as the Senator makes should not be permitted to be at large.

Mr. McKELLAR. If the Senator would look at the hearings which have been held——

Mr. ELLENDER. I have read all of the hearings, and in my opinion they are not responsive to the charges preferred by the Senator.

Mr. McKELLAR. He would find all kinds of charges.

Mr. ELLENDER. I may further state that I read the hearings on Senate Resolutions 103, 125, 172, and 182, Seventy-fourth Congress, held by the Senator from South Carolina [Mr. SMITH], and of course those in which I participated with respect to Senate Resolutions 137 and 205, Seventy-fifth Congress, and all the charges which the Senator is now urging before the Senate were ventilated and the committee found no basis for the charges preferred by the able Senator.

Mr. McKELLAR. Talk about hearings. I have before me a report known as Report No. 1819, Seventy-fourth Congress, second session, and virtually every charge I have made on the floor today was made in that report, in substance, one way or another.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. ELLENDER. As I pointed out awhile ago, is it not a fact that the minority report filed by the Senator from Alabama [Mr. BANKHEAD] contradicts the report of the Senator from Tennessee, and both reports are based on the same hearings?

Mr. McKELLAR. If the Senator takes it that way, it may be. The Senator from Alabama appeared once, as I recall, although he says he appeared twice, and I take his word for it, because he is a perfectly honest and straightforward man and would not mislead anyone for the world. But it seems to me he has too much confidence in the honesty and integrity of some people who come in contact with him, and I think the Senator from Louisiana stands in the same category. That is just my judgment about it.

Mr. ELLENDER. The minority report of the Senator from Alabama shows that he did read the record. I want to say, further, if the Senator will permit me, that we held hearings pursuant to resolutions 137 and 203, Seventy-fifth Congress, as I have previously indicated, on the same questions raised, and the entire Committee on Agriculture and Forestry seems to be in disagreement with the position of the Senator from Tennessee.

Mr. McKELLAR. How many members of the Committee on Agriculture were present when the pending bill was reported out?

Mr. ELLENDER. I do not know, but I am confident there was a quorum present.

Mr. McKELLAR. I am sorry to hear that, because if they had understood the facts I am quite sure they never would have reported it out.

Mr. President, at this time I shall yield the floor, and leave to other Senators the discussion of this matter, and I shall hereafter reply to any arguments or suggestions that may be made.

Before I take my seat I wish to say that I cannot conceive how it is possible for the Senate to pass the bill in the face of these flagrant frauds on the part of Creekmore, the head of the organization, running over a period of 10 years. First, he undertook, by way of a technicality, to borrow money at cheap rates, and then defraud the farmers by withholding from them the benefit of those cheap rates. Later he came before the Farm Credit Administration Bureau and had the Government's first liens waived on this cotton so he could borrow money in New York at 1½ percent, but he never shared that advantage with the farmers at all, but took the benefits to himself, and gave part of them to his colaborers in the so-called cooperatives. He chiseled the farmers, with the consent of the Bureau here, out of $3,700,000 for overseeing the changing of cotton from one warehouse to another, the income from that source during a period of 5 years aggregating over $700,000 a year. He sampled the cotton, at a rate of 30 cents a bale at the lowest, the charge in connection with 6,000,000 bales amounting to $1,800,000. Then he swindled the farmers by charging them $5 for admission to a cooperative which never existed, and charging 50 cents a subscription for a newspaper which no one ever read. With all those charges made against him, it is impossible for me to see any equity in the measure. It is immoral; it is unjust; it is dishonest; it is rotten to the last degree, and I hope the Senate will vote it down.

Mr. President, this would ordinarily be considered as a private claim. It is not a claim on the part of farmers. The Senator from Alabama [Mr. BANKHEAD] has admitted that the farmers did not get anything out of it, but these cooperatives got a part of the four and a half million dollars. Why should the Senate of the United States pass such a bill? The bill has never been before the Committee on Claims. I hope the bill will be withdrawn. It ought to be withdrawn. It ought not to go any further. If it is not withdrawn, however, I shall move to refer it to the Committee on Claims, and let that committee look into these things and pass judgment on them.

If that is not done, then I shall move to do what the Senator from North Dakota [Mr. FRAZIER] did with respect to the wheat growers. I shall move to send the claim to the Court of Claims and let it pass on the matter. That is the tribunal which we have created to pass on such claims as this, and all other claims, good or bad. If any man has an honest claim, he is willing to submit it to a court. Why come here snooping around, lobbying around this body, and afterward in the House of Representatives, to get through Congress what, in my judgment, is a dishonest and a corrupt claim?

Mr. President, I have no personal interest in this matter. I have been fighting this band of racketeers for a number of years. I fought them when it was very unpopular to fight them in my State, because in the early days of the State cooperatives the farmers thought they were the top of the world, that they were helping them, but they have since come to know that the cotton cooperatives have not helped them at all.

Mr. President, I hope my good friend, my splendid, honest friend in the highest degree, who has taken an active hand in connection with this bill, will withdraw it. Turn the rascals out. Someone said they, dishonest and corrupt, are now in the gallery of the greatest lawmaking body, trying to obtain this money, after defrauding the Government of hundreds of thousands of dollars, trying to defraud it of four and a half million dollars more.

Mr. President, I yield the floor.

Mr. BANKHEAD obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. BANKHEAD. I yield.

Mr. McKELLAR. I desire to call attention to one other matter, and that is the report of the committee in this case. It is quite remarkable that the Farm Credit Administration has not recommended the passage of the bill. They say in their report that it is a matter for Congress, and that Congress should do whatever it desires to do. They simply presented the figures in connection with the matter, but they have passed no judgment on it. That is the first thing. Then, to the honor of the chairman of the committee who reported the measure, let it be said that in his report he made the following statement:

> The action of your committee was based primarily on the information contained in reports submitted by the Farm Credit Administration, which are set forth below.

The Farm Credit Administration refuses to recommend the bill. The committee says it reports the bill to the Senate based on the statement made by the Farm Credit Administration.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Alabama yield to me?

Mr. BANKHEAD. I yield.

Mr. THOMAS of Oklahoma. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Barkley	Byrd	Clark, Idaho
Ashurst	Bilbo	Byrnes	Danaher
Austin	Bone	Capper	Donahey
Bailey	Bridges	Caraway	Downey
Bankhead	Brown	Chandler	Ellender
Barbour	Bulow	Chavez	Frazier

George	Hughes	Murray	Smith
Gerry	Johnson, Calif.	Neely	Stewart
Gibson	Johnson, Colo.	Norris	Taft
Gillette	King	Nye	Thomas, Idaho
Green	La Follette	O'Mahoney	Thomas, Okla.
Guffey	Lee	Overton	Thomas, Utah
Gurney	Lodge	Pepper	Townsend
Hale	Lundeen	Pittman	Tydings
Harrison	McCarran	Reed	Vandenberg
Hatch	McKellar	Reynolds	Van Nuys
Hayden	McNary	Schwartz	Wagner
Herring	Maloney	Schwellenbach	Walsh
Hill	Mead	Sheppard	Wheeler
Holman	Miller	Shipstead	White
Holt	Minton	Smathers	Wiley

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

The question is on agreeing to the motion of the Senator from Kentucky [Mr. BARKLEY].

Mr. BANKHEAD. Mr. President, the question now pending is the motion by the majority leader, the Senator from Kentucky [Mr. BARKLEY], to take up Senate bill 2585 for consideration. I do not think it advisable or necessary on that motion to enter upon a detailed discussion of the merits of the bill. That will come in due course.

A bill along this line has been pending, off and on, for a number of years. It is, of course, known and admitted by the senior Senator from Tennessee [Mr. MCKELLAR] that from time to time efforts have been made by the cooperatives to obtain an adjustment of the claim involved in the bill. A bill for the purpose was introduced in 1938, I believe, by the senior Senator from South Carolina [Mr. SMITH]. The Senator from Tennessee [Mr. MCKELLAR] has stated that the Senator from North Dakota [Mr. FRAZIER] introduced a cotton bill. He has stated that the cotton people went to the Senator from North Dakota to persuade him to introduce such a bill. That statement is not in line with the record, Mr. President. The Senator from North Dakota introduced a bill relating to wheat. It went to the Committee on Agriculture and Forestry, and during its consideration before that committee, Senators on the committee included cotton. The cotton growers did not go to the Senator from North Dakota to persuade him to introduce the bill, but as the Senator from South Carolina well knows, cotton was included at the instance of members of the Senate Committee on Agriculture and Forestry.

By reason of the very strenuous opposition of the Senator from Tennessee, that bill did not come to final action by the Senate. Last year, because of the absence for most of the year of the Senator from South Carolina, due to illness in his family, I agreed to introduce the bill for the cooperatives. Since last year the bill has been on the calendar. The committee conducted long and full hearings on the bill, and favorably reported it. Weeks and weeks ago the majority leader assured the proponents of the measure that so far as he could control the procedure, the bill would be given the right-of-way after the Hatch bill and the reciprocal trade agreements measure had been disposed of.

The simple question is whether the motion to take up the bill, which has been made by the majority leader, in conformity with the regular and orderly procedure, shall be voted down and the bill left suspended on the calendar as it will be in that event, or whether the motion shall be adopted. I have never before really known of a contest on a motion made by the majority leader merely to take up a measure on the calendar for consideration. So, without going into the merits of the bill, I think it is fair to those interested in the measure, to a large number of its supporters in the Senate, who know much about this transaction and are familiar with it, and it is fair to the cooperatives to let the bill come before the Senate and be considered and finally acted on.

With that statement, Mr. President, I am ready to take a vote on the pending motion.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky [Mr. BARKLEY] to proceed to the consideration of Senate bill 2585. [Putting the question.]

The motion was agreed to, and the Senate proceeded to consider the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes.

Mr. MCKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MCKELLAR. Is this the proper time to move to refer the bill to the Committee on Claims? It is a private claims bill.

The PRESIDING OFFICER. The Chair is of the opinion that a motion to refer the bill to the Claims Committee would be in order.

Mr. MCKELLAR. Then I move that this bill be referred to the Committee on Claims, and I desire to argue that motion.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. MCKELLAR. Mr. President, it will be recalled that when the Senator from North Dakota [Mr. FRAZIER] had pending a bill to reimburse the wheat cooperatives for similar charges he included the cotton cooperatives. Finally, when that bill was passed, the whole matter was referred to the Court of Claims. Perhaps this bill ought to take the same course; certainly it should not take any lesser course. The Senator from Nebraska is the chairman of the Committee on Claims, and——

Mr. SCHWELLENBACH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Washington?

Mr. MCKELLAR. I will yield in a moment. The Committee on Claims has jurisdiction of all claims. I was told by the parliamentarian, Mr. Watkins, that this bill ought to have been referred to the Claims Committee in the first instance. I think it ought to be referred there now, and that is why I have made the motion. I now yield to the Senator from Washington.

Mr. SCHWELLENBACH. As I understood, the Senator moved to refer the bill to the Committee on Claims, but he mentioned also referring it to the Court of Claims.

Mr. MCKELLAR. The two, of course, are not at all the same; but the rules of the Senate permit at all times a motion to refer to the Court of Claims any private claim against the Government; and it may become necessary to make such a motion. That was the course that was taken in regard to the wheat-cooperatives measure, and I see no reason why we should make fish of one and fowl of the other. So I am perfectly willing that this measure be referred to the Committee on Claims. The Committee on Agriculture and Forestry did not properly have jurisdiction of this bill. There is no farm matter connected with it; it is a private claim by a cotton merchandising firm for four and a half million dollars, which is a very large amount. It seems to me that the measure might well be referred to the Committee on Claims, where all such private claims go. If I had been present at the time the bill was introduced, I would have asked that it be referred to that committee; but it seems I was not present at the time, and therefore such a motion was not made.

I asked the Parliamentarian, Mr. Watkins, a day or two ago about it, and he said that the proper reference was to the Committee on Claims, as I understood him at that time. I also think the bill ought to go to the Committee on Claims. I do not believe this matter ought to be disposed of in the way proposed. It embraces a very important matter. The evidence is very lengthy; it requires a most careful examination; it ought to be examined by a court; but the reason the cooperatives do not want it to go to the Court of Claims is that they admit, at the very outset, that they have no legal claim against the Government.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield further?

Mr. MCKELLAR. I yield to the Senator from Washington.

Mr. SCHWELLENBACH. I have been a member of the Committee on Claims since I have been in the Senate. When I first came I thought that all bills which involved claims had to go to the Committee on Claims. During the first year I was here the Committee on Claims passed on certain types of bills and rejected them. Then, much to my astonishment, the next year the bills were reintroduced and

referred to another committee which reported them favorably. I thought that was wrong, and I protested against it, but my protest did not do very much good. I have not found that the fact that a bill should naturally go to one committee would prevent it going to another committee, and I have repeatedly seen bills involving claims which I thought should have gone to the Committee on Claims go to other committees, and then seen them reported by those committees and passed by the Senate.

Mr. McKELLAR. I cannot give the history, but I can give the Senator the experience I have had with this bill. I know that all private claims go to the Claims Committee. This is a private claim. This is a claim for the payment of money by the Government on some kind of moral ground. In my opinion, it is an immoral claim. I think it is a very immoral and a very dishonest and a very corrupt claim, and I think the Committee on Claims, before the Senate acts on it, should be required to go into the matter and report to the Senate. I am more inclined than ever to that opinion when I read the report of the Committee on Agriculture and Forestry, which states that they based their report on the facts as coming from the Department. The Department makes no recommendation about this matter. The Department knows that this is a dishonest claim; it knows perfectly well that if it had been an honest claim the Department would have recommended it. If it were an honest claim, every Senator would recommend it. Whether on moral or legal grounds, if it were a good, honest, moral claim, this body would properly pass it beyond any doubt, in my judgment. But this is a dishonest and corrupt and immoral claim against the Government. It is a travesty upon justice, and I think before we act on it it ought to go to the Committee on Claims. I have asked that the Parliamentarian, to whom I first submitted the matter, be sent for—he does not seem to be present at the moment—and as soon as he is here I will ask the Chair——

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Oregon?

Mr. McKELLAR. I yield.

Mr. McNARY. What is the status in regard to this bill? Has the Senator moved to recommit the bill?

The PRESIDING OFFICER. The Senator from Tennessee has made a motion to refer the bill to the Committee on Claims.

Mr. McKELLAR. I move to refer the bill to the Claims Committee, which has jurisdiction of the matter. It was reported by the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. The motion of the Senator from Tennessee is the question before the Senate.

Mr. BILBO. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Mississippi?

Mr. McKELLAR. I yield.

Mr. BILBO. I do not know what disposition will be made of the Senator's motion to refer the bill to the Claims Committee, but, before the motion shall be disposed of, I ask that an amendment which I have be read. I think the Senator from Alabama, who is the author of the bill, will accept the amendment. I do not think the Senator from Tennessee will object to the amendment.

The PRESIDING OFFICER. The amendment intended to be proposed by the Senator from Mississippi will be read for the information of the Senate.

The CHIEF CLERK. On page 5, line 16, after the semicolon, it is proposed to insert:

$93,373.15, Staple Cotton Cooperative Association, Mississippi.

And on page 6, to strike out lines 8 to 12, inclusive, and in lieu thereof to insert:

SEC. 6. The payments authorized to be made by the Farm Credit Administration under this act shall be made from the revolving fund established pursuant to section 6 of the Agricultural Marketing Act, as amended; and so much of such fund as may be necessary for the purpose of making such payments is hereby made available for such purpose.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Mississippi.

Mr. BILBO. The Staple Cooperative Association——

Mr. McKELLAR. That is the Long Staple Cooperative Association.

Mr. BILBO. Yes; they were a separate unit, operating in a different way; but they suffered the same fatalities under the operations of the old Farm Board as the short-staple people did, and if one claim is just the other is just.

Mr. McKELLAR. Did not all the farmers of the country suffer in exactly the same way?

Mr. BILBO. All of them.

Mr. McKELLAR. Every cotton farmer.

Mr. BILBO. All of us who were involved in the cooperatives; yes.

Mr. McKELLAR. All whether they were involved in the cooperatives or not. They suffered from the conditions brought about by the cooperatives and the Government in 1929–30. All the farmers did.

Now may I proceed for a few moments?

Mr. BILBO. The point I am making is that if the claim of the cooperatives involved in the bill introduced by the Senator from Alabama is just, and they are entitled to relief, most certainly the long-staple people, who suffered as a result of the same act on the same ground, are entitled to it. I am sure the Senator will not object to my amendment going along with the bill.

Mr. McKELLAR. Not at all.

Mr. BILBO. Very well. Now, I ask the Senator from Alabama if he will not accept my amendment?

Mr. BANKHEAD. Mr. President, so far as I am concerned, I am willing to accept it. I have here a letter from Governor Black stating that the claim has been audited, and that the amount is correctly shown; but he did not recommend it, as he did not recommend the others, because he thought that was a question of national policy to be settled by Congress. I think this matter occupies the same status as the other.

Mr. McKELLAR. Mr. President, I am very happy that the Senator from Mississippi has brought forward that claim. It shows how ridiculous all these claims are. If the cooperatives—the A. C. C. A. and those under them—are entitled to receive a gift from the Government, of course the long-staple cooperatives of Mississippi or any other cotton cooperatives of any kind, nature, or description, or any other farmers who lost by reason of the transaction, are entitled to it. I see no distinction. The present companies, the subsidiaries of the A. C. C. A., are no more entitled to it than are the Mississippi long-staple cooperatives, which had nothing to do with it, and the present concerns had nothing to do with it either. It was lost by subsidiaries of the old American Cotton Growers' Exchange. So, if one cooperative is entitled to it, another cooperative is entitled to it. I say that none of them are entitled to it. It is merely a matter of a gift primarily to a number of dishonest and corrupt men who are profiteering at the expense of the Government.

Mr. WILEY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator from Wisconsin will state the point of order.

Mr. WILEY. I desire to know if at this time the presentation of amendments is in order under the motion.

Mr. BILBO. No, sir; it is not. I was asking the Senator from Alabama if he would accept the amendment.

Mr. McKELLAR. It was done by unanimous consent.

The PRESIDING OFFICER. The motion of the Senator from Tennessee is the question before the Senate, and it takes precedence over any amendment at this time. The Senator from Tennessee yielded to the Senator from Mississippi.

Mr. BILBO. I ask that the amendment go with the bill.

The PRESIDING OFFICER. The amendment has been presented by the Senator from Mississippi, and has been read for the information of the Senate. The question before the Senate is the motion of the Senator from Tennessee.

Mr. BILBO. Mr. President, by unanimous consent the amendment may be accepted. The Senate may do anything by unanimous consent.

The PRESIDING OFFICER. The Chair has a different opinion from the Senator from Mississippi on that point until the pending motion is disposed of.

Mr. McKELLAR. Mr. President, I will not concent to it at this time; but the Senator may brings up the amendment later on. I think, as a matter of fact, the claim of the Mississippi Cotton Growers' Association is probably the cleanest claim that has been made by any such association.

Mr. BILBO. They are very fine people.

Mr. McKELLAR. They have been honest. The other associations have not any members. The Mississippi association has some members. Why do I say the others have not any members?

Mr. BARKLEY. They have character.

Mr. McKELLAR. No; they have not character either. They are utterly destitute of character. The reason why I say that the Mississippi association is more deserving than the others is that it has some members. The others have not any members. When Mr. Creekmore was before the committee at Memphis, I challenge him to produce any members that he has, and he never produced one. He said he was going to do it, but he never produced any members except the officers of the association.

Now I ask unanimous consent to ask the Senator from Alabama a question. Is he not willing to submit this case to the Court of Claims?

Mr. BANKHEAD. Mr. President, that is simply the request of a special pleader.

Mr. McKELLAR. Oh, no; I am not pleading for anything.

Mr. BANKHEAD. Oh, yes. The Senator knows that this claim has been pending here not only during the last Congress but during all of this Congress, and that it has been before the Committee on Agriculture and Forestry—which has handled all these matters—without heretofore being challenged, and that full hearings were had before the committee, and the claim has had thorough and full consideration. The Senator knows that the cotton shippers of his city had a representative here who appeared before the committee and not only testified but asked questions, and put into the record everything they wanted to put in. So the whole matter has had open and fair and full consideration by the Committee on Agriculture and Forestry. I do not see any reason at this time to start all over again with a different committee.

Mr. McKELLAR. Mr. President——

Mr. BANKHEAD. The Senator asked me a question. In fairness, let me get through answering it.

Mr. McKELLAR. Very well, go ahead.

Mr. BANKHEAD. The Senator knew that the Committee on Agriculture and Forestry was considering this claim. He knew it because this man from Memphis was around his office. He knew that the whole hearing was going on there. He did not make any objection at the time. He did not come in and make any motion to recommit the bill. He took chances, I assume, on what the Committee on Agriculture and Forestry would find.

Mr. McKELLAR. There never was a chance about that.

Mr. BANKHEAD. Now, after the hearings have been completed, and the bill has been on the calendar for nearly a year, we are confronted with this motion, which I think is entirely unreasonable.

Mr. McKELLAR. Mr. President, I am sorry the Senator from Alabama is not willing to submit this claim to the Claims Committee. The reason why I say that is that this claim has been turned down not once but several times by the Senate. It was brought up time and again while the Senator from North Dakota [Mr. FRAZIER] had charge of the bill, and finally it was omitted. The Senator from North Dakota gave it up and let it go, after years of struggle. The Senator from Alabama knows that this bill was reported on the 19th of last July, and has come up on the calendar time and again, and every time it has been objected to by me. Of course, it has been objected to by me. I know what the facts are. I know how dishonest and corrupt this claim is, and I have objected to it every time, and I shall continue to object to it.

I think the fair thing to do is to let the claim go to the Committee on Claims at this time. I submit the motion for a vote, and ask for the yeas and nays. Let us have the yeas and nays. May we have them?

The PRESIDING OFFICER. The yeas and nays are requested. Is the request seconded?

The yeas and nays were ordered.

Mr. SMITH. Mr. President, I am sorry the Senator from Tennessee has taken occasion to discuss the character of the men who have charge of this matter. Of course, he believes what he has stated about them; but this matter is not in the nature of a private claim. It is an adjustment of what, in my opinion, is a fair and just payment by the Government for the agents who worked for it in an emergency.

I have before me a statement from Mr. Legge and Mr. Stone to the effect that when the Farm Board was in operation they assumed the responsibility of saying to the cooperatives and to the cotton growers, regardless of whether or not they were members of a cooperative association, that they could get a loan of 16 cents a pound. Of course, they wanted someone who would take charge of assembling the cotton and handing out the loan. They chose the cooperatives, which all of us have been sedulously trying to establish throughout the farming area, not only in the case of cotton but in the case of all other staple farm crops. They have been mercilessly and bitterly fought by those who were in the business of buying and selling agricultural products. The history of that fight might interest the Senate, but that does not pertain to this particular case.

The cooperatives, those of my State included, assumed the agency for the Farm Board to lend this 16 cents a pound.

Mr. McKELLAR. Mr. President, did they not go into bankruptcy in the Senator's State?

Mr. SMITH. I am not talking about bankruptcy or any other "ruptcy." [Laughter.] I am talking about what the Farm Board, an agent of the Government, did. Now, mark you, the national organization of which Mr. Creekmore is the head, was not then formed.

Mr. McKELLAR. No.

Mr. SMITH. And in my time I will read the statements from the Farm Board and from the Department. They met and agreed that the losses sustained by the cooperatives in their expense accounts were legal and just, and the Farm Board officials met and agreed on a settlement. The Attorney General said that they had no legal right; that is, that there was no specific statute which warranted them in paying their agents for the losses sustained by the agents in assembling the cotton, and it was suggested that it would take a legislative act to do justice to the agents who had acted for the Farm Board. If necessary, I shall read more or less the history of this transaction.

Mr. Stone and Mr. Legge talked to me about the matter. Mr. Stone particularly said that this was a just claim, but was not stipulated in any contract and, therefore, he could not justify the payment of it as legal.

I think that the Committee on Claims have no right in this matter, in that it involves what we are to do with what we have spent two-thirds of the time since I have been a Member of the Senate in trying to build up, namely a reasonable, practical, efficient cooperative program amongst the farmers. Only those who have taken occasion to study the proposition know the difficulties which are encountered. Those attempting to accomplish this object are handicapped by two almost insuperable difficulties. First, there is the ignorance of the average producer as to what cooperation means. There must be a slow educational process. On the other hand, cooperatives are fought by a virulent, powerful organization of those known as buyers and speculators. I think it can be substantiated that Memphis, Tenn., raised $100,000 to fight cooperatives. That was the object. If the cooperatives succeeded they might take away a very rich field of pickings.

This matter was before our committee. We had the original Farm Board law before us, which I want to say, in passing was one of the best ever enacted, and the reason for its failure

to succeed was that the speculators determined to destroy it. There must be an educational process.

The committee have gone into all the facts, and I do not believe there is a more honest or just claim on the Federal Government than that involving the reimbursment of its agents, who spent their reserves, and who occupied the relation of responsible agents to an arm of the Government.

The 16-cent loan kept the market at 16 cents or above until 89 percent of that year's crop was sold. The cooperatives gathered the cotton, loaned the money, spent their time, and now they are supposed to pay the warehouse charges, the grading and stapling charges, and all the charges incident to handling, millions of bales of cotton, as agents acting for the Farm Board.

I think it is up to this body to decide whether we will, in good faith, reimburse the agents of the Farm Board. I will not refer to anything else until my time comes to make my statement about the matter.

It does not make any difference to me whether those who are engaged in this activity are as pure as angels or as corrupt as the devil, the thing for us to decide is our duty in the matter. Are we justified in reimbursing the agents of an arm of the Government for doing the things they were asked to do. I do not care who instigated the Farm Board, they say, officially, "We assume the responsibility of being the initiators of the 16-cent loan."

Mr. President, no one can calculate the benefit of that loan to the cotton growers. After 89 percent of the cotton crop was disposed of, cotton went down to about 13 cents a pound, which meant a difference of $15 a bale. That would have occurred had not this loan been extended through the cooperative organizations. They might have gotten someone else to do it. It seems to me the question for us to decide is whether we are going to meet what, in my opinion, in this particular case is an honest obligation of the Government to reimburse those who in good faith did the job for the Farm Board. That is all that is involved.

As to the other transactions, I spent my vacations for 6 years trying to organize cooperative associations. I knew what we were up against—ignorance on the part of the farmers as to the workings of cooperatives and the desire and the determination on the part of those who buy and sell the farmers' crops to show that the Government had no right to come in and try to support, to place on its feet and set to work some kind of resistance to the almost insuperable power of the few who were organized, as those who deal in the market are.

I think this particular debt on the part of the Federal Government to reimburse these people for what they spent is one which should be met. They acted whether they were bankrupt or not. Every cooperative in the South was the agent of the Farm Board to get the cotton and to see that a loan was obtained. Then when the settlement came they were denied reimbursement for the expenses they incurred in bringing about the salvation of the cotton farmer at that particular time.

Mr. President, I sincerely hope that the motion of the Senator from Tennessee to refer this bill to the Committee on Claims, as though it were some drummed-up claim on the part of certain individuals, will be defeated. It is acknowledged by the Farm Board, by the Farm Credit Administration, as being a just obligation to those who did the work and incurred the expense, some of whom who have not organized are now bankrupt.

I would not like to see the Senate go back on the effort to organize those who offer the least resistance among all those in the productive area of organized society. No defense? Every man here knows there is not a cotton grower or a wheat grower who ever sold a bushel of wheat or a pound of cotton at a price he could establish. He simply produced it and delivered it. Others fixed the price.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. McKELLAR. I wish to ask the Senator if he thinks there is any difference between our treatment of the wheat cooperatives and of the cotton cooperatives?

Mr. SMITH. I think the different sections of the country will answer the Senator's question. The Senator comes from a cotton-growing region, and he knows we have had one devil of a time getting anything. It is not so in connection with other political areas.

Mr. McKELLAR. I will merely say to the Senator that wheat and cotton went together at first, and then the measure presented by the Senator from North Dakota [Mr. FRAZIER] was referred to the Court of Claims. Why should not this claim be referred to the Court of Claims?

Mr. SMITH. Because it is a different character of claim entirely.

Mr. FRAZIER. Mr. President——

The PRESIDING OFFICER (Mr. BYRD in the chair). Does the Senator from South Carolina yield to the Senator from North Dakota?

Mr. SMITH. I yield.

Mr. FRAZIER. The statement of the Senator from Tennessee is not quite correct. The bill was not referred to the Court of Claims. The bill was passed here, and then the wheat cooperatives had to go into the Court of Claims and establish their claim against the Government.

Mr. McKELLAR. That is what I said. And has not the court decided against the claim? I read an article in the newspaper a day or two ago stating that the court had held against the claim.

Mr. FRAZIER. No.

Mr. McKELLAR. What did the court hold? That information can easily be obtained.

Mr. FRAZIER. The court held that the cooperatives were out so much money by reason of the action of the Farm Credit Administration; that they had lost that much money through their cooperation with the Farm Board.

Mr. McKELLAR. The court held that they could not recover. If that is not a judgment, I do not know what a judgment is.

Mr. FRAZIER. The court held in one case that there was no legal way in which they could recover, but that it was a moral claim. A bill has been introduced to pay the claim.

Mr. McKELLAR. Does the Senator think that the cotton people should be treated in a more favorable manner than the wheat people?

Mr. SMITH. Mr. President, one moment. A bill was passed in that connection, and that is all I am asking for now.

Mr. McKELLAR. If the Senate will accept such a bill as was passed for the wheat cooperatives, I will accept it right now.

Mr. FRAZIER. I wish to say that I think the Senator from Tennessee made a mistake in insisting on the cotton cooperatives being stricken out of my bill. If he had let them stay in the bill, their claim would have gone to the Court of Claims just as did the claim of the wheat cooperatives.

Mr. BANKHEAD. Mr. President, did I understand the Senator from North Dakota to say that there is a bill here now to pay the wheat claims?

Mr. FRAZIER. There are two such bills.

Mr. SMITH. Mr. President, God knows I have tried to be honest in this matter. I have no brief for the cooperatives. Of course, I wish them to succeed, but I would not stand here and plead for a thing I did not believe was just and honest. No man on this floor can ever successfully accuse me—and I hate to make a personal allusion—of being an advocate for a dishonest thing. I would not have been here for 30 years, coming from South Carolina, if I had done so.

Mr. McKELLAR. The Senator surely does not think that I have accused him, because I did not. The Senator from South Carolina is one of the most honest and upright men I know.

Mr. SMITH. I thank the Senator for that.

Mr. McKELLAR. I am not accusing the Senator at all.

Mr. SMITH. I listened to the Senator from Tennessee this morning, and in what he said there was an implication of an indictment against his Government.

Mr. McKELLAR. Will the Senator yield?

Mr. SMITH. I yield.

Mr. McKELLAR. I cannot let that statement go by. There is no man in the world who believes in the American Government more than I do, and I am here today fighting for the integrity of my Government and fighting against dishonest claims put up by these cooperatives against my Government.

Mr. SMITH. I said that it was an indictment, and I repeat it, because if Creekmore is the scoundrel he is portrayed to be, he certainly was smarter than the Government, because he could not have gotten the money from the Government if the Government had not been willing to let him have it.

Mr. McKELLAR. I think he was smarter than some of the agents of the Government. I very cheerfully accede to that part of the statement.

Mr. SMITH. I should like to know what the Government is if it has no agents. I think the President of the United States is a temporary agent of the people of America, with his duties defined, and we are agents of the people, and you cannot reflect on an agent of the people without reflecting on those who create the agent.

I will say it is a pretty serious indictment to say that this man could get by with all those frauds by and with the cooperation of the Government. But I do not want to get into a discussion of that matter. What I want to say is that I think we should here and now, without any prejudice for or against any man, settle a just claim against the Government, settle what I believe to be due the agents operating under the Farm Board.

I hope the Senate will vote down the proposal to send the matter to the Court of Claims. Everyone knows what that motion is for. Therefore let us defeat it.

Mr. THOMAS of Oklahoma. Mr. President, as a member of the Committee on Agriculture and Forestry I reported this bill on behalf of the committee. For some 3 hours from one Senator we have heard that the bill is a dishonest one; that it is a bill in behalf of racketeers. There is but one implication that can come from that charge, Mr. President, and that is that the Committee on Agriculture and Forestry has reported a dishonest bill in favor of racketeers.

This bill has been before the committee for years. Extensive hearings were held upon the bill by the Committee on Agriculture and Forestry. Different administrations have come and gone, but because of the opposition of one Senator, who under the rule has objected to the bill, it took a motion to bring it before the Senate.

I have no criticism of any action taken by any Member of this body, but under the implication that the bill is a racketeer bill, and that one of the Senate committees has reported a racketeer's bill—I having made the report—I desire to place in the RECORD a portion of the report from one of the Federal agencies that likewise has been criticized on the floor today.

Mr. President, the bill was prepared and reported on the basis primarily of a report submitted by the Farm Credit Administration, of date June 24, 1939. After several pages of factual information this agency of our Government made a report, and in the report it made the following statements of conclusions. The first is:

> The formulas used and the methods of computation seem to us to be fair.

That has relation to the formulas and computations upon which this settlement is suggested, and the amounts recommended by the committee are based upon this formula, and the Farm Credit Administration makes the positive statement on page 6 of the committee report that these formulas and the methods "seem to us", the agency of this Government, "to be fair."

That is the first conclusion.

The second is that the Farm Credit Administration admits that there is no legal claim against the Government.

If there was, Mr. President, such a claim could be asserted in the proper court. No bill comes before the Claims Committee or before the Court of Claims when a legal claim exists for remuneration or for relief. It is only in cases when no legal claims exist that we have claims coming before the Senate, and other claims are, by the Congress, referred to the Court of Claims.

I continue to read—

> The record does not show that there is any legal responsibility on the part of the Government in regard to the claims in question.

That is admitted.

> However, it is clear that the associations did sustain losses in connection with the 16-cent loan program, and there is evidence to show that the Federal Farm Board would have considered a settlement which would have provided for some of the carrying charges and operating expenses had it been legally possible for the Board to do so.
>
> The question of whether the associations should now be reimbursed because of the stabilization features of the 16-cent loan is, in our view, one for the Congress to decide.

The agency of our Government has not admitted that this bill is a racketeer's measure. This agency has admitted that the associations sustained losses.

Mr. President, I come from a State which produces 1,000,000 bales of cotton a year when conditions are favorable to our farmers in Oklahoma. In my State the farmers growing cotton are strongly organized. The name of their organization is the Oklahoma Cotton Growers' Association. I have received many letters from members of that association importuning me to do what I can to obtain consideration of the bill and to promote its passage. In my State the cotton growers are organized. I cannot speak for the other States. I cannot speak for Louisiana, Mississippi, Alabama, or any other State, but I can speak for my State. The cotton producers of Oklahoma are organized, and they are behind the proposed legislation.

The Farm Credit Administration states that it does not recommend the proposed legislation because there is no legal claim against the Government, but that the claim is honest, fair, and just. The associations sustained losses, and, in my opinion, the Farm Credit Administration indicated that the losses should be adjusted and paid. The bill has for its purpose the adjustment and payment of the losses.

I read further from the letter of the Farm Credit Administration:

> The question of whether the associations should now be reimbursed because of the stabilization features of the 16-cent loan is, in our view, one for the Congress to decide, and we have felt that we should not go further than to present to your committee such factual information as we were able to find in the records of the Federal Farm Board or to develop from examination of the statements prepared by the associations in support of their position.

Mr. President, on the basis of the report of this Federal agency, the Committee on Agriculture and Forestry had the bill prepared. Hearings were held and the bill has been considered by the committee and has been reported for the consideration of the Senate. I submit that the motion to refer the bill to another Senate committee should not be approved.

Mr. ELLENDER. Mr. President, it is not my desire to speak at length on the merits of the bill. However, I wish to answer a few of the arguments advanced by the senior Senator from Tennessee [Mr. McKELLAR].

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BANKHEAD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Reynolds
Ashurst	Ellender	La Follette	Schwartz
Austin	Frazier	Lee	Schwellenbach
Bailey	George	Lodge	Sheppard
Bankhead	Gerry	Lundeen	Shipstead
Barbour	Gibson	McCarran	Smathers
Barkley	Gillette	McKellar	Smith
Bilbo	Green	McNary	Stewart
Bone	Guffey	Maloney	Taft
Bridges	Gurney	Mead	Thomas, Idaho
Brown	Hale	Miller	Thomas, Okla.
Bulow	Harrison	Minton	Thomas, Utah
Byrd	Hatch	Murray	Townsend
Byrnes	Hayden	Neely	Tydings
Capper	Herring	Norris	Vandenberg
Caraway	Hill	Nye	Van Nuys
Chandler	Holman	O'Mahoney	Wagner
Chavez	Holt	Overton	Walsh
Clark, Idaho	Hughes	Pepper	Wheeler
Danaher	Johnson, Calif.	Pittman	Wiley
Donahey	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

The Senator from Louisiana.

NIAGARA FALLS BRIDGE, NEW YORK

Mr. MEAD. Mr. President, will the Senator from Louisiana yield to me for a moment?

Mr. ELLENDER. I yield.

Mr. MEAD. Mr. President, I ask unanimous consent for the consideration of House bill 9016, provided the consideration of the bill will not change the status quo of the measure now before the Senate.

The reason for asking to have this bill considered at this time is that it involves an emergency with reference to the construction of a bridge at Niagara Falls; and the bill must be passed and signed by the President by Friday of this week. So, by unanimous consent, I should like to have the bill considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the Senate proceeded to consider the bill (H. R. 9016) to amend the joint resolution creating the Niagara Falls Bridge Commission.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield to the Senator from Michigan.

Mr. VANDENBERG. I am familiar with the situation to which the Senator from New York refers. For whatever it may be worth, I should like to say that I think the Senator is justified in asking for the immediate consideration and passage of the bill.

Mr. MEAD. I thank the Senator.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. MEAD. I thank the Senator from Louisiana.

REIMBURSEMENT OF COTTON COOPERATIVES

The Senate resumed the consideration of the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes.

Mr. ELLENDER. Mr. President, I am sure my good friend the Senator from Tennessee [Mr. McKELLAR] did not mean to cast any reflection on the members of the Senate Committee on Agriculture and Forestry when he moved to refer the pending bill to the Committee on Claims.

Mr. McKELLAR. The Senator from Tennessee will say most assuredly not.

Mr. ELLENDER. I am glad to hear the Senator say that; yet, judging from the statements made by him in reference to this bill, it would seem that the members of the Committee on Agriculture and Forestry are parties to a steal.

The affairs of the Federal Farm Board have been the subject of investigation by the Senate on many occasions. The Senator from Oregon [Mr. McNARY], the minority leader, held hearings with respect to the Federal Farm Board; on another occasion another hearing was held by a Senate committee headed by the distinguished Senator from Tennessee [Mr. McKELLAR]; and on two occasions the affairs of the Board have been investigated by committees headed by the able Senator from South Carolina [Mr. SMITH]. In connection with all of those investigations, charges were made against the American Cotton Cooperative Association, and testimony was taken in detail, with reference to the affairs of the said association.

As was pointed out by the Senator from Oklahoma, the A. C. C. A. was organized for the express purpose of taking care of the cotton which was then on hand and which was to be handled by the Federal Farm Board.

It is true that the A. C. C. A. has no individual members, for the reason that the A. C. C. A. is composed of associations that are organized in the various cotton-producing States of the Union.

Speaking for the Louisiana Cotton Cooperative Association, I can assure the Senator from Tennessee that ever since its inception it has had a large membership. That membership is not a membership in the A. C. C. A., except indirectly. The Louisiana association is a member organization of the A. C. C. A.

Mr. President, there have been various attempts made ever since 1930, by cotton factors and by cotton merchants to disrupt the affairs of A. C. C. A. I quote from a letter, written back in 1930, which was sent out to various cotton factors. The letter is self-explanatory, and is as follows:

DECEMBER 8, 1930.

Messrs. HARRISS & VOSE,
60 Beaver Street, New York City.

GENTLEMEN: At the request of Mr. Chauncey W. Butler, chairman, finance committee of the American Cotton Shippers' Association, the undersigned have consented to act as a committee to receive subscriptions from cotton merchants and others in New York who would like to contribute to a fund of $100,000 being raised by the American Cotton Shippers Association in furtherance of two major activities: (a) To endeavor to secure amendment or repeal of the Agricultural Marketing Act through Congress; and (b) a country-wide publicity campaign to enlighten the public as to the activities of the Federal Farm Board as at present conducted, and to promulgate the policy of the American Cotton Shippers Association as declared in the following resolutions.

I will not take the time of the Senate to read the resolutions, but I ask that they be incorporated in my remarks at this point.

The PRESIDING OFFICER (Mr. BROWN in the chair). Without objection, the resolutions will be printed in the RECORD.

The resolutions are as follows:

1. The intrusion and operation of the Federal Government through its subsidiaries in private business is entirely foreign to the principles of American democracy.

2. We assert that the Agricultural Marketing Act, politically created and politically operated, is unsound in principle and dangerous in practice not only to the business of this Nation, whose rights it seeks to destroy, but to the very interests it seeks to aid.

3. We accordingly express our continued opposition to the use of Government funds for the buying and selling of commodities for the purpose of attempted stabilization or otherwise. We condemn as a temporary or permanent policy of government the employment of public funds for the purpose of participation in business in competition with established agencies and support the proposal for an amendment of the Agricultural Marketing Act to modify the bill in this respect. We are not opposed to, and never have opposed, any cooperative movement owned, controlled, and financed by the producers themselves.

4. We have set up an organization with these aims in view, which the committee feels will eliminate these features which have proven and will prove so unsound, uneconomic, and costly to the cotton farmer, namely, the Government in business. Our methods will include educational publicity through every legitimate avenue; lawful efforts to secure the repeal of or amendments to the Agricultural Marketing Act; and many other forms of activity, including cooperation with kindred interests and the farmer himself.

Mr. ELLENDER. I read from a telegram which was sent to cotton merchants for subscriptions to a lobby fund:

NOVEMBER 14, 1930.

You gentlemen are requested to act as a committee to solicit contributions from cotton factors and dealers at Savannah to support a movement fostered by the A. C. S. A. to raise funds to either amend or repeal the Agricultural Marketing Act with special reference to functions of the Farm Board. The amount to be raised from the Georgia shippers and factors is $4,000. In addition to this amount, the firms of Clayton & McFadden will be solicited direct. The quota assessed on Dallas was $10,000, and they raised the amount in 30 minutes. Houston's quota was $10,000, all of which has been pledged. Dameron Williams wires that the interest in the Memphis meeting is spreading and other States are reporting excellent progress. Please be good enough to phone or wire result of your efforts as early as possible, as I am obliged to make a report of the State to Dameron Williams this afternoon. We feel that our existence is at stake and that something must be done immediately and will be done if we have the moral and financial support of the cotton trade.

Terms of subscription: Fourth cash, balance as and if needed.

D. T. MANGET,
Cotton Merchant, Newnan, Ga.

Mr. President, this telegram simply illustrates the effort on the part of cotton factors to do away with—what? With the A. C. C. A., the American Cotton Cooperative Association. The association had trampled on their toes in forcing them to

pay more money to the farmers for their cotton. The association offered free information to farmers on cotton prices and helped to grade their cotton so that they could obtain top prices for their staple.

I now quote, in furtherance of my charge that this subject is or was being investigated for the benefit of cotton factors, from a report made by the president of the Memphis Cotton Exchange under date of November 30, 1935. Listen to this, Senators: I am now reading from this report:

Upon taking office last January our president began a movement for the investigation of the cotton cooperatives. For months he has worked tirelessly at this seemingly impossible task. He was finally rewarded, however, when Senator McKELLAR introduced and the Senate passed Senate Resolution 185, authorizing the appointment of a Senate committee to "investigate the expenditures of the Federal Government for cotton cooperatives and the operations of the old Federal Farm Board." On September 19 a general meeting was held, at which time the president was empowered to "communicate with other exchanges and to meet with representatives of these exchanges if necessary; to take all steps necessary to fight the matter to a conclusion and should he decide it necessary, to take the fight into the courts and be advised by legal counsel." Never was work better or more thoroughly done. Your president literally devoted his full time, both day and night, with the result that for the first time the Senate will have a full and true picture showing the activities of the cooperatives.

And in a financial statement rendered to the association by the president appears the following expenditure:

McKellar investigation expense, $5,834.

If one will examine the hearings held in Memphis, it will be apparent that very few farmers testified. Those who appeared were mostly cotton factors, cotton merchants, and, of course, some of the members of the A. C. C. A.

This question was again investigated by the Senate under Senate Resolutions 137 and 205 of the Seventy-fifth Congress. The Agricultural Committee of the Senate went into details in order to get to the bottom of this matter. We had summoned before us many farmers; we had summoned before us members of the State associations that belonged to the A. C. C. A.; and Senators have but to read that record to be convinced that there is absolutely no basis for the charges made by the Senator from Tennessee.

As I pointed out a while ago, the Senator from Tennessee was the sole member of the committee which held hearings at Memphis. I do not believe the Senator from Delaware [Mr. TOWNSEND] was there at all, from what I can understand. The Senator from Alabama [Mr. BANKHEAD] was there for a day or two; and, strange as it seems, the report made by the Senator from Tennessee is directly opposed to the minority report made by the Senator from Alabama; and yet both reports were founded on the same hearings held in Memphis.

In connection with this part of my remarks, Mr. President, I ask unanimous consent to insert in the RECORD the minority views of the Senator from Alabama [Mr. BANKHEAD].

The PRESIDING OFFICER. Without objection, it is so ordered.

The minority views are as follows:

My approval is withheld from the report submitted by Senator McKELLAR pursuant to the authority of Senate Resolution No. 185, authorizing an investigation into the expenditures by the Federal Government for cotton cooperatives.

The testimony taken comprises 654 printed pages. Therefore, a detailed analysis of this testimony would unnecessarily prolong this report, but the following conclusions seem to me to be warranted:

1. The American Cotton Cooperative Association and its affiliates are farmer-owned and farmer-controlled, and that they are organized and operated in accordance with the letter and spirit of cooperative marketing laws.

2. The Government twice attempted efforts in the nature of stabilization operations, once in the 1929–30 cotton season when an advance of 16 cents per pound was made on cotton delivered through the cooperatives, and again in the 1930–31 cotton season when 90 percent of the market value of cotton was advanced to growers through the cooperatives. The Government has assumed and paid some of the losses incident to these stabilization operations but has not paid all losses.

3. The record shows that in performing the ordinary functions of cooperative marketing associations, exclusive of stabilization operations, American Cotton Cooperative Association and its affiliates on the whole have rendered satisfactory service. Out of over a quarter of a million producer members, less than 20 appeared to protest any grievance or criticism.

The evidence does show that the cotton cooperatives lost certain reserves and were put in debt to the Federal Government as a direct result of stabilization efforts conducted at the instance and under the direction of the Federal Government acting through the Federal Farm Board. The record further shows that since the cessation of these stabilization activities by the Government the operation of the cotton cooperatives as a whole have been conducted in accordance with sound business and cooperative principles. As illustrative of this the evidence conclusively shows the following facts: American Cotton Cooperative Association was organized in 1930 by 13 State and regional cotton cooperative associations with a paid-up capital of only $76,950. This association has accumulated a substantial capital and surplus reserve through earnings. At the close of the 1933–34 season the capital and surplus amounted to $2,355,658.59, and all of this, except the original $76,950, was a result of earnings. These earnings are held for the benefit of the producers whose patronage has contributed to it. At the close of the 1933–34 season, $480,058.20 was distributed by this association as patronage dividends. These results have been accomplished in spite of some testimony by the cotton trade to the effect that the American Cotton Cooperative Association and its affiliates were paying more to producers than the trade could afford to pay, and were selling cotton to the mills at lower prices than the trade could afford to take.

I am impelled to the conclusion that during these years the operations of the cooperatives have reduced the spread between the producer and the consumer to the benefit of both.

4. The record does not justify the assumption that capital loans to the cooperatives are worthless, or that the Government will ultimately lose thereby. I find no basis for reflecting upon the officials of Farm Credit Administration appointed by the President pursuant to the law passed by Congress. None of these officials were called by the subcommittee; and certainly there is no evidence indicating that these capital loans were recklessly, improvidently, or illegally made. I see no reason to believe that the Government's loans are likely to be lost in whole or in part.

5. As to membership relations, the element of coercion is absent. The membership contracts introduced in the record give the members the right to withdraw from membership and cancel the contract. Hence, I am unable to join in the view that the cooperatives retain their membership by coercion or duress.

6. The record shows that the cooperatives have rendered a noteworthy service. Through means of local offices and receiving agents, classing service is widely provided, to the end that farmers who do not know the grade or staple of their cotton, and may not understand its value, are advised in these respects.

A basis sheet is made available throughout the Cotton Belt, and every producer of cotton in the South can ascertain what the cooperatives will pay for his cotton on any date.

Various sales options are provided, including the seasonal pool, the daily fixation pool, and other pools. In the seasonal pool, cotton is sought to be sold in an orderly manner at the average seasonal price received from sales rendered to growers. In the daily fixation pool, the current day's price is given to the farmer. Under the marketing contracts, he has exclusive option control in determining whether to sell through a daily pool or seasonal pool. There is no evidence that the judgment of the association's officials is substituted for his judgment in these particulars.

7. The immediate fixation or daily pool is a natural development of cooperative marketing. If only seasonal pool were offered, financed on a basis of advancing 60 percent of the market value at time of delivery, with subsequent distribution as sales are made from this pool, the effect would be to deny the advantages of cooperative marketing associations and their facilities, to the weakest and neediest of the producers. With more than one-half of the American cotton crop produced under landlord's lien, crop mortgage, or furnishers' lien, the immediate fixation or daily pool is a necessity.

8. The evidence warrants the conclusion that the cooperatives have rendered noteworthy services in the marketing of cotton. To mention only a few, they have eliminated in large areas the purchase of cotton without taking into consideration in price fixing the grade and staple of cotton. The old method is commonly referred to as hog-round buying; they have narrowed the differentials between interior country points and central marketing points; they have contributed to cutting down the spread between the price paid to the producer and the price paid by the mills; and they seek to make the marketing of cotton as direct as can be economically done. The record supports the conclusion that the cooperatives aim to pay to the producer the highest price possible, not to buy his cotton at the lowest price and sell it for the highest price.

9. The record shows that in the operation of the cotton cooperatives, there have been mistakes made. Handling never less than 1,000,000 bales per year since the organization of American Cotton Cooperative Association, it would be well nigh impossible to market so large a volume of cotton without errors and perhaps injustice. But occasional errors should not call for a sweeping condemnation of the entire cooperative marketing system in cotton.

The public policy of the United States is committed to cooperative marketing. It was endorsed in the platform of both political parties in the last Presidential campaign. The cooperatives are seeking, to their credit, out of their own reserves, to

build a solid financial structure. To expect the cotton producers immediately to contribute all of the capital needed to finance their operations is vain; and therefore, both major political parties pledged financial aid of the Government to the cooperatives.

It does not appear, as stated, that capital loans to American Cotton Cooperative Association and its affiliates have been recklessly or wantonly made, or that those whom the President has entrusted with responsibility for the affairs of the Farm Credit Administration have been recreant to their trust.

It is a fair deduction, as heretofore pointed out, that the cooperatives lost reserves, which they held for their farmer members, as a direct result of stabilization operations initiated by the Federal Government. The former Chairman of the Federal Farm Board, who was responsible, in part, for the policy initiated and the conduct of the operations, testified that the cooperatives and their members were penalized as a result of these operations. He frankly stated that the Federal Farm Board, at the close of the operation, was compelled to make a harsh and unfair settlement with the cooperatives based upon a legal interpretation of existing statutes. I am forced to the conclusion that the Congress, who alone can right the wrong, should, by appropirate legislation, restore to the cotton cooperatives and to their producer members the reserves which were thus appropirated.

J. H. BANKHEAD.

Mr. ELLENDER. The reason why I asked that the minority views of the Senator from Alabama be inserted at this point is that I propose to read into the RECORD the report which was made by the Senate Committee on Agriculture and Forestry on June 7, 1938, and to show the similarity of findings in the minority report by the Senator from Alabama and the majority report made by the Senate Committee on Agriculture and Forestry under date of June 7, 1938.

I may say that in the resolution which was considered by the Senate Committee on Agriculture and Forestry in 1938, practically the same charges were made that were made in the resolution of the Senator from Tennessee. If anything, more charges were preferred against the association in the resolutions I have just referred to; that is, Senate Resolutions 137 and 205 of the Seventy-fifth Congress. The Senate committee held hearings for over 4 weeks here in Washington, investigated every detail of the situation, and brought out a report.

The Senator from Tennessee stated, in one of his fraud charges, that the association had reconcentrated 6,000,000 bales of cotton; and he figured that the amount of cotton extracted from those 6,000,000 bales for purposes of regrading would average 3 pounds to the bale, or 30 cents a bale, and left the inference that the association had pocketed $1,800,000. There is absolutely no basis for such a charge.

If the Senator will read the hearings which were held by virtue of the two resolutions I have just referred to, I am sure he will discover that his statement is not correct, that he has made a misstatement of fact, though I am sure that when the Senator made that assertion he must have considered he had some basis for it; but if he will read the hearings he will note that they show that only 1,600,000 bales were handled by the Commodity Credit Corporation for purposes of reconcentration, and not 6,000,000 bales, as he stated.

Mr. McKELLAR. Mr. President, if the Senator will examine the exhibits furnished by Mr. Creekmore on pages 751 and 752 of the hearings on Senate Resolution 185, he will find the figures stated there.

Mr. ELLENDER. Mr. President, we received our figures from the Commodity Credit Corporation itself; and, from those figures, this is what the committee found:

The Commodity Credit Corporation entered into a contract with the American Cotton Cooperatives Association for the reconcentration and reclassification of approximately 1,600,000 bales of 12-cent loan cotton.

That was the amount given to us by the A. C. C. A., and corresponded to the figures supplied to us by the Commodity Credit Corporation.

Mr. McKELLAR. Mr. President, if the Senator will permit me, all I can say about that matter is that these figures were furnished by Mr. Creekmore himself. Of course, Mr. Creekmore may not have been telling the truth about the matter. I do not know.

Mr. BANKHEAD. Mr. President, may I refer both Senators to page 499 of volume 1 of the hearings under what is known as the McKellar resolution? At the top of the page the Senator asked the witness, Mr. Creekmore, or whoever it was:

So I am going to ask you a question by which you can help me out. Assuming that 1,600,000 bales have been reconcentrated, what would that have cost under your offer of 40 cents a bale?

So that is where the figure of 1,600,000 bales seems to have been accepted.

Mr. McKELLAR. Mr. President, that was just 1 year. This was going on for 5 years.

Mr. ELLENDER. I beg to differ with the Senator from Tennessee about that matter. The only time the A. C. C. A. handled this cotton for reconcentration and reclassification was after 1932.

Mr. McKELLAR. They handled it for 5 years.

Mr. ELLENDER. It was cotton that was left over.

Mr. McKELLAR. A good deal of cotton was left over. Quite 6,000,000 bales, and more than that, was left over; but they handled 6,000,000 bales, and it was sampled three times. Three times the poor farmer had to have it pulled out, and the A. C. C. A. got it. That is all there is about it.

Mr. ELLENDER. I will state to the Senator from Tennessee that the record does not show that; and if anybody should know I believe the Commodity Credit officials ought to know, because they are the ones who paid the bills.

Mr. McKELLAR. They were here in Washington.

Mr. ELLENDER. And I desire to state to the Senator that when the matter of handling this cotton was taken up, bids were submitted, at the suggestion of the Commodity Credit Corporation, by the various cotton factors who could handle it.

The A. C. C. A. made the lowest bid, and, as a matter of fact, the entire cost to the Government of handling this cotton was from 35 to 40 cents a bale.

Let me read from the report, because it demonstrates exactly what the committee found. It is not very long; I am sure Senators will be interested in listening to it:

The Commodity Credit Corporation entered into a contract with the American Cotton Cooperative Association for the reconcentration and reclassification of approximately 1,600,000 bales of 12-cent-loan cotton. The committee find that there was no deliberate or intentional overclassing or underclassing of this cotton.

By the way, one of the additional charges made in the resolution to which I just referred was that there was overclassing. I continue reading from the report:

The evidence shows that the classing was reasonably accurate, considering the inexactness of the existing methods of classifying and grading cotton. The testimony indicates that there was considerable difference with respect to the reclassing and regrading of cotton located in South Carolina, but experienced witnesses agreed and the record indicates that where the same cotton is classed by two competent classers at different times, at different locations, on different samples and under varying conditions as to light, humidity, etc., wide differences in classifications may and do often result. Several witnesses testified that a difference of as much as 30 points was not unusual and their testimony was borne out by actual figures presented to the committee with respect to the regrading of some 40,000 bales in South Carolina. One classification of one-thousand-seven-hundred-and-some-odd bales of certain cotton in South Carolina made by Government classifiers showed little difference when compared to the original classification of American Cotton Cooperative Association. Later on a portion of that same lot of cotton was again regraded and reclassed under Government supervision and differences in classification ranged from 1.7 over to as much as 86.2 under.

On the other hand, the evidence discloses that a comparison made by the Commodity Credit Corporation of the class placed on 64,724 bales of reconcentrated cotton by the Bureau of Agricultural Economics board of examiners and the class placed on the same cotton by American Cotton Cooperative Association showed a difference of less than one point, or less than 5 cents per bale in value. The committee finds that the classification and regrading of cotton made under ordinary trade conditions and in the usual course of business were fairly accurate. There may have been instances where errors occurred in classing individual bales, but on the whole there is little or no cause for complaint.

The committee was unable to discover any motive for the alleged underclassing of said cotton by American Cotton Cooperative Association. Several witnesses testified that the only way by which American Cotton Cooperative Association could have benefited by underclassing was to purchase this underclassed cotton and sell it for a better grade. The evidence discloses that American Cotton Cooperative Association did purchase 135,398 bales, 30 to 40 percent of which was reconcentrated cotton, and an average of $2.05 per bale was paid to the farmers by American Cotton Cooperative Association in addition to the payment of all of the loans with interest, storage, and other carrying charges.

The evidence further discloses that American Cotton Cooperative Association did not buy any of this cotton except at the request of and for the benefit of certain of its associations' farmer members. The evidence does not show that American Cotton Cooperative Association benefited in any of these transactions, except by such profits as may have accrued in the ordinary and usual course of its business. There is no evidence to the effect that any of the members of the association profited through any of these transactions or in fact in any of the dealings of the association.

The Senator from Tennessee has made a charge that exorbitant interest rates were placed on the backs of the farmers by the A. C. C. A. As a matter of fact, the bylaws of the association contain a provision that the association cannot charge more than 1 to 2 percent over and above any rate at which the association is able to get money from the Government. As was pointed out by the Senator from Tennessee, some of the money was obtained at three-eighths of 1 percent, but the rate charged to the farmers was as low as 1⅜ percent and, in some cases, 2⅜ percent.

Mr. McKELLAR. I challenge the Senator to find a record of that being done in any case.

Mr. ELLENDER. I will ask the Senator to read the hearings held by the Committee on Agriculture and Forestry pursuant to Senate Resolutions 137 and 205, Seventy-fifth Congress. If he will consult the report he will see that what I have stated is a fact. The evidence was produced not only from officers of the A. C. C. A. but from farmers themselves in answer to a direct charge that the farmers were being mulcted out of thousands of dollars because of high interest rates. In answer to the charge, I repeat, much evidence was produced to show that there was no truth to the accusation.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ELLENDER. Let me proceed for a moment.

Mr. McKELLAR. Very well.

Mr. ELLENDER. I read from what the committee found with reference to interest rates:

During the 1930–31 and 1931–32 seasons the Federal Farm Board loaned money to American Cotton Cooperative Association at rates of three-eighths of 1 percent, and during subsequent seasons at rates of from 3 to 4 percent. During the 1936–37 and the 1937–38 seasons the Central Bank for Cooperatives charged a rate of interest of 2 percent on commodity loans fully secured.

Prior to 1933–34 American Cotton Cooperative Association made loans to State and regional associations and charged an interest spread of from 1 to 2 percent in accordance with its bylaws. Proceeds from the interest spread have accrued to the State cooperatives. Since the beginning of the 1933–34 season few loans to individual associations have been made and the interest rates ranged from 3 to 5 percent.

In no case has the interest rate been greater than from 1 to 2 percent over the rate of interest the association had to pay for the money. The record shows, as a matter of fact, that the accountants of the Commodity Credit Corporation found that, and one of the accountants so testified before our committee.

With reference to the charge of fraud as to the waiver of prior liens, to which the Senator has referred, those waivers were made at the request of the Board itself so as to facilitate the borrowing of money, and were made only as to a very small amount of cotton. The Association did not ask for that, but the Board itself made the request so as to facilitate bank loans.

With reference to the third charge of fraud made by the Senator from Tennessee, that is, as to the $5,000,000 loan that was made by the Commodity Credit Corporation, the loan was made in good faith. If the A. C. C. A. were to liquidate today, the Federal Government would get every penny it has loaned under this $5,000,000 loan. And I——

Mr. McKELLAR. How much of the $5,000,000 has been paid back up to date?

Mr. ELLENDER. Three hundred and sixty thousand dollars.

Mr. McKELLAR. Four million six hundred and forty thousand dollars is still due.

Mr. ELLENDER. That is correct.

Mr. McKELLAR. And the purpose of the bill is to provide for paying that off, is it not?

Mr. ELLENDER. Part of it will be used for that purpose, yes; the amount now being asked as reimbursement is to cover losses made by various State associations in 1929–30, when said associations, acting through the A. C. C. A., lost the money. The A. C. C. A. went into this deal in good faith in order to help the Government, and the Government took advantage of the facilities offered by these various cotton associations, which operate through the A. C. C. A. The Government desired the services of experienced cotton men to handle such a huge amount of cotton.

Mr. McKELLAR. Mr. President, does the Senator remember when Congress passed a measure turning over to the Red Cross certain amounts of the cotton which it had on hand to be manufactured into cotton goods and distributed to the poor? Does he remember that?

Mr. ELLENDER. I remember something about it. A small amount was involved.

Mr. McKELLAR. Does the Senator remember how much Mr. Creekmore charged the poor people or the Government for looking after that matter?

Mr. ELLENDER. Mr. Creekmore did not charge them a penny. The American Cotton Cooperative Association, of which he was manager, handled that cotton and every penny of profit, if any was made, was reported back to the association, and if any profits were made they were distributed back to the member associations throughout the various States of the South.

Mr. McKELLAR. Mr. President, the Senator recalls that time and again in the testimony, Mr. Creekmore and other members of the Creekmore firm, their subordinates in each State, were asked to submit lists of any members they had, and they could not do so. How could they distribute sums of money when they had no members?

Mr. ELLENDER. Let me repeat that the A. C. C. A. has no individual membership.

Mr. McKELLAR. I know that.

Mr. ELLENDER. The A. C. C. A. is composed of State associations; I can tell the Senator that the association in Louisiana is composed of many cotton farmers in my State. I do not know exactly what its membership is, but I do know its membership is large, and that the majority of our cotton people are behind the Louisiana association.

As I have just said, the amount of money that was loaned by the Government is safe. It holds as security for the loan the capital stock of the A. C. C. A. Because of the fact that this money was loaned to the association, and for other reasons, the Commodity Credit Corporation audits the books of the A. C. C. A. It keeps tabs on what happens to the money. And I repeat that if the A. C. C. A. were liquidated today every penny would be repaid to the Government, and there would be a surplus to return to the various State associations, composing the A. C. C. A.

It is true that if the pending bill becomes law, whatever amount is due the Government by these various associations will be deducted from such amounts as will come to them.

Mr. President, with reference to the fifth charge, or perhaps the sixth charge which the Senator made concerning the seed loans, here is what the committee found.

The evidence shows no irregularities in the handling of seed-loan cotton. It was disposed of in accordance with rules and regulations of the Farm Credit Administration, and there was no complaint made by seed-loan borrowers.

I repeat that as to those loans, the Farm Credit Administration examined them, and its accountants made reports and audited them, and in fact, did likewise on every transaction that was entered into by the A. C. C. A.

Mr. McKELLAR. Mr. President, will the Senator again yield?

Mr. ELLENDER. I yield for a question.

Mr. McKELLAR. Does the Senator think that that is an answer to the figures submitted by one of the cooperatives himself, Mr. Henry, that these charges were made to the farmers; that they took $19.50 out of a $51 bale of cotton?

Mr. ELLENDER. Does the Senator know that some of that cotton was in storage for as long as 30 months, and that the figure that he gave was for handling cotton that had been stored for 2½ years? Of course the charges would amount to that.

Mr. McKELLAR. Some cotton was in storage not for 30 months but for 60 months, and some of it had been in storage for 90 months. By the same rule, the poor farmer would not have a red cent in his cotton.

Mr. ELLENDER. The facts show that when that cotton was placed in storage the price was 5 cents or 6 cents a pound. That is all that the farmer would have gotten for his cotton had he sold it then and there. But by keeping it for 30 months, as in the case cited by the Senator, or perhaps 24 months, that cotton sold for 10 cents, and the farmers realized as much as from $10 to $15 a bale more by keeping the cotton in storage. Of course, these various carrying charges, and so forth, had to be paid.

Mr. McKELLAR. There were 1,300,000 bales turned over to the A. C. C. A. out of the 16-cent-loan cotton.

Mr. ELLENDER. One million six hundred thousand.

Mr. McKELLAR. Some of it is still there. But the A. C. C. A. sold 800,000 bales of that cotton and bought futures, and now is claiming expenses on futures—a purely gambling transaction.

Mr. ELLENDER. With all due respect to the Senator from Tennessee, the record does not support his statement.

Mr. McKELLAR. Go ahead. Let the Senator proceed with his speech, and I will give him the record and page in a moment.

Mr. ELLENDER. This may be what the Senator has in mind—the cotton-producers' pool. Let me read what the committee found with respect to that charge:

That the Secretary of Agriculture acquired 2,500,000 bales of cotton, of which 600,000 bales were futures, thereby leaving 1,900,000 bales of actual cotton. Hon. Oscar Johnston was appointed by the Secretary as pool manager and later he entered into a contract with American Cotton Cooperative Association for the handling of said cotton under his direction. The evidence does not show that said cotton was underclassed. The adjustments made on said cotton as a result of underclassing or overclassing were negligible, considering the fact that the classing of cotton is a very inexact science.

The committee wish to quote from the testimony of Mr. Johnston, appearing on page 173 of the transcript, as follows:

"In my experience in handling cotton thirty-odd years, I have never seen nor have had done a nicer marketing job nor more satisfactory marketing job than was done by American Cotton Cooperative Association and their personnel in the handling of that 1,900,000 bales of actual cotton."

The committee believe that Mr. Johnston was fully justified in making the above statement.

Mr. McKELLAR. Mr. President, the Senator will find that evidence on page 739 of the hearings to investigate the decline of cotton prices, which I believe was called Senator SMITH's hearings. The Senator from South Carolina [Mr. SMITH] himself reported as follows in those hearings:

The cooperatives, in conducting a seasonal pool, had the responsibility of selling that cotton throughout the season, and if in their judgment they thought it should be carried without fixing the price, they had the right. I feel that in that operation, when they thought it was advantageous to sell the spot cotton, stop carrying charges, and repurchase with futures, that it is as legitimate an operation as is the hedging of cotton, as it is now understood.

They are claiming carrying charges on 800,000 bales of futures that they bought in place of the spot cotton. They had sold the spot cotton at a good price. They wanted to stop carrying charges on it, and they bought 800,000 bales of futures to take its place, and they still want carrying charges on futures.

Mr. ELLENDER. That is not what the report of the Commodity Credit Corporation shows.

Mr. McKELLAR. I am reading from the report made by the Senator from South Carolina [Mr. SMITH], and he is on the same side. I know the Senator from South Carolina is correct. I will take his statement before that of the Commodities Credit Corporation or any other corporation.

Mr. ELLENDER. Let me read to the Senate what the committee found with reference to the financial statement of the A. C. C. A., and to show that if that association were liquidated today the assets would be more than enough to pay the Government, and leave a handsome surplus for the member associations.

The financial statements furnished to the committee and the evidence of several witnesses, some from the Farm Credit Administration, indicate that American Cotton Cooperative Association is solvent, that its capital and surplus as of June 30, 1937, the close of its fiscal year, amounted to $6,166,245.96. As of February 28, 1938, it had a paid-up capital of $6,154,700 and a surplus of $227,684.76. Five million dollars of this amount represents paid-up capital by the various State associations that own the capital stock of American Cotton Cooperative Association. This latter sum was borrowed from the Farm Credit Administration, repayable over a period of years. To this date, the State associations have repaid $360,000. Seven of the stockholder members have net assets of $1,368,558.08, and five have a combined deficit of $109,859.74.

On March 8, 1938, the State and regional associations owed the Farm Credit Administration a total of $4,640,000. The sum is secured by 57,155 shares of American Cotton Cooperative Association preferred stock, valued at $5,715,500.

During the season 1937–38, the Central Bank for Cooperatives loaned to American Cotton Cooperative Association $5,250,000, of which amount $1,500,000 has been repaid and the balance is not yet due. American Cotton Cooperative Association makes loans from private banks each season ranging from $25,000,000 to as much as $75,000,000. At the request of the Central Bank for Cooperatives, 20 percent of these loans secured by cotton were made from it by American Cotton Cooperative Association.

The evidence discloses that American Cotton Cooperative Association is operated for the benefit of its members and there is no evidence whatever of any speculation in cotton. The cooperatives have handled and hedged cotton received according to normal trade practices. We quote from the testimony of Governor Myers:

"Question. You consider the American Cotton Cooperative Association now fully in accordance with the idea of a cooperative association?

"Mr. MYERS. I think it is fully in accordance with the law. I think like all organizations it falls short of our ideals. I believe intelligent effort has been made and is being made more closely to obtain the ideals of what is expected in a farmer cooperative organization. * * *

Mr. McKELLAR. Mr. President will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McKELLAR. The Senator has been talking about $6,000,000 of paid-up stock. Of course, the Senator knows that $5,000,000 of that came from the Federal Government.

Mr. ELLENDER. I so stated.

Mr. McKELLAR. It was loaned by the Federal Government. But does the Senator know that Mr. Creekmore testified—I do not know whether or not he testified to the truth—that only $76,500 had ever been put up by any cooperative of the A. C. C. A. or by all of them together, and that $40,000 of that $76,000 had afterward been withdrawn, leaving only $36,500? That is what they lost when they went into bankruptcy. But at the same time, unfortunately, they lost $207,000,000 of the money of the people of the United States.

Mr. ELLENDER. I challenge that statement.

Mr. McKELLAR. The Senator may challenge it, but it is the truth nevertheless.

Mr. ELLENDER. The Federal Farm Board lost the money.

Mr. McKELLAR. The cooperatives recommended it.

Mr. ELLENDER. It was the Federal Farm Board which induced, as it were, the A. C. C. A. to handle the cotton. At the time the price of cotton was pegged at 16 cents. That was done in order that cotton might sell at a better price. The Farm Board contracted with the A. C. C. A. to handle the cotton deal, and it loaned money to the farmers through the A. C. C. A. in order that the cotton could be stored and kept off the market, so as to maintain the 16-cent price previously established. Mind you, all of this was done at the instance and request of the Federal Farm Board itself. Certainly the Senator cannot attribute such losses as were made to the A. C. C. A.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McKELLAR. The Senator asked me a question. I recall the testimony of Mr. Creekmore as to how he got into the picture, how Mr. Alexander Legge, a manufacturer from Chicago, came and pleaded with him to take the management of the A. C. C. A. at $75,000 a year out of the money of the American people. Yes; according to Mr. Creekmore, Mr. Legge had a hard time persuading him to take the job at $75,000 a year.

Mr. ELLENDER. It would have cost the American people much more than the $75,000 to which the Senator refers had

the cotton been handled by inexperienced managers. These State cooperative associations had been in existence for years and most of them had accumulated fairly large surpluses. They had handled thousands of bales of cotton.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. ELLENDER. Just a moment, Senator.

The bill provides for a return to the State associations of money which was actually theirs and which was lost in these operations. That is all the associations ask for, and I think they are entitled to it.

Mr. McKELLAR. Mr. President, will the Senator yield on the question of experience?

Mr. ELLENDER. I yield for a question.

Mr. McKELLAR. The Senator remembers the firm of John M. Parker, of New Orleans, does he not?

Mr. ELLENDER. They were big cotton factors, cotton merchants.

Mr. McKELLAR. They are very reliable men. Mr. Parker was formerly Governor of the State.

Mr. ELLENDER. Yes.

Mr. McKELLAR. And he would carry out any contract he made.

Mr. ELLENDER. Yes; he was a very honorable man. He made a good Governor. I supported him.

Mr. McKELLAR. On page 495 of the record Mr. John M. Parker testified that when he learned that the A C. C. A. was to handle the cotton at an average of 43 cents a bale he wrote to Mr. Lynn P. Talley, president of the Commodity Credit Corporation, and offered to do the same work for 40 cents a bale and that they turned him down and took the higher price.

Mr. ELLENDER. As far as I know, neither Mr. Parker nor any other factor put in such a bid. The bid of the A. C. C. A. covered expenses for regrading. As I pointed out a while ago——

Mr. McKELLAR. I shall read the bid.

Mr. ELLENDER. As I pointed out a while ago, the Commodity Credit Corporation asked for bids from factors to handle the cotton, and the lowest bid was that of the A. C. C. A., which got the contract. The cost to the Government was from 35 to 40 cents a bale for handling the cotton, plus the cost of regrading in some instances.

Mr. McKELLAR. If the Senator will permit me to do so, I shall read an excerpt from the bid of Mr. Parker:

> Our headquarters are in New Orleans, but we have an office in Shreveport, La., and another in Natchez, Miss., and have a traveling representative in Arkansas, and feel that we are capable of giving you very prompt and efficient service, and hereby agree to handle all reconcentration of cotton in the above three States, performing all necessary details in connection with same, for a service charge of 40 cents per bale, and trust you will see your way clear to favor us with this portion of the reconcentration, and await your advices accordingly.
>
> Yours very truly,
>
> JOHN M. PARKER CO.

The Senator will see that the higher bid, and not the lower bid, was accepted. The Senator himself has already testified to the high character, fitness, and ability of Parker & Co. to carry out their bid.

Mr. ELLENDER. Mr. President, I am not familiar with the figures just quoted by the Senator, but I note that the service charge was 40 cents per bale. That bid evidently did not include the cost of regrading.

Mr. McKELLAR. I am sure the Senator was not aware of those figures.

Mr. ELLENDER. My recollection is that this offer was made by the Parker Co. after the contract was entered into with the A. C. C. A. In any event the bid of the A. C. C. A. covered service charges, as well as the cost of regrading. As I recall the cost of regrading amounts to 5 cents per bale.

Mr. President, as I have just pointed out, this is a just claim. This amount is not to be paid to the A. C. C. A., as has been alleged by the distinguished Senator from Tennessee [Mr. McKELLAR], but it is to be credited to each State association whose assets were lost back in 1929 and 1930, when their funds were used to help the Federal Government dispose of cotton which belonged to the farmer. The whole idea of the Farm Board was to peg the price of cotton at 16 cents, and in order to try to do that it was necessary that the cotton be kept from the markets. The Board selected the A. C. C. A. to handle all these cotton transactions. The A. C. C. A. acted as an agent, as it were, for the Government; and all that is now being asked is a return to the State associations of the money which was actually lost by them in this transaction.

Let me say in conclusion that it is my belief that the Federal Government should encourage these cooperative associations. They save millions of dollars each year for the farmers; they serve as backlogs and are not in the business to make money. They keep the farmers posted with respect to the cotton market and also help them to grade their staple so that the best prices obtainable can be secured. Let me quote from a report of the Federal Trade Commission, 1937, Agricultural Income Inquiry, page 48:

> Although a measure of proof in the terms of dollars and cents of the value of cooperative associations is difficult to obtain, the Commission desires to add its opinion to the vast body of opinion to the effect, namely, that true cooperative associations have been of great value to the producers of farm products. These cooperatives have significantly increased the bargaining strength of producers and have reduced the spread between producers' and consumers' prices. In the marketing of cotton, for example, the cooperative serves its members in the classing, assembling, and sale of cotton in merchandisable quantities of each grade and staple, thus enabling its members to sell their cotton on the basis of actual grade and staple, rather than to sell it without classing or on the unfavorable classing of the country buyer. Moreover, the financial strength of the cooperative makes possible the orderly marketing of crops and more favorable prices for its members.

Mr. President, I ask unanimous consent that there may be printed following my remarks a memorandum for Farm Credit Administration from Mr. C. G. Henry, dated March 6, 1940.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

> Any appraisal of the cooperative movement as it applies to cotton must deal not only with such things as volume handled, profits made or lost, extent of membership, and other details common to any cooperative enterprise, but above and beyond all of that must come an estimate of the benefits and services which such organizations provide and what effect these have on cotton farmers in general. In other words, service for the common good.
>
> In the belief that efficient marketing and increased farm income for all cotton farmers is one of the justifications for present cooperative law and the assistance and support financially by the Farm Credit Administration of the cotton cooperatives, we review briefly below some of the broader benefits which accrue to cotton farmers generally because of the operations of the cotton cooperative associations.
>
> We have always felt that the main object of cooperative marketing was to reduce the spread between the producer and the consumer, thereby giving the producer a greater percentage of the consumer's dollar. I quote here from a Government bulletin issued this year, which gives some discouraging figures. I do not know just what commodities are included in the report nor how many of them are handled by cooperatives, but it is a serious statement and a challenge to the agencies responsible for the cooperatives:
>
> "In the face of all the growth of cooperative marketing, this spread between producer and consumer, instead of decreasing has increased. As shown in a recent release by the Bureau of Agricultural Economics, dated February 1939, the cost of distributing 58 selected foods has been greatly increased since before the war. The percentage of the consumer's food dollar which was paid for transportation, processing, distribution, and all other marketing costs, has increased from an average of 45 percent for the 8 years from 1913 to 1920 to 54 percent for the decade from 1921 to 1930, and to 60 percent from 1931 to 1938."
>
> In contrast with that record we believe and claim that the existence and operation of the cotton cooperatives, covering the entire Cotton Belt, had decreased this spread and had increased the price to all cotton producers, or, in other words, raised the level of prices paid to the farmer a minimum of one-half cent a pound, which means $30,000,000 or $40,000,000 per annum.
>
> In support of this statement, I quote here from the last number of the Progressive Farmer. Dr. Clarence Poe is generally recognized as the leading agricultural authority of the South and he has been in touch with the cotton cooperative movement from its beginning. Says Dr. Poe:
>
> "Many take for granted the revolutionary changes that have occurred in the handling of cotton during the last 15 years. Do you remember what it cost you to market a bale of cotton 20 years ago? It didn't just happen that the trade is now handling cotton for a

small fraction of what it formerly charged. It came about as a result of the competition of the cotton co-ops.

"Now that the 'water' has been squeezed out of cotton handling charges, cotton co-ops are no longer able to announce the large cash savings to their patrons as in old days. It is perhaps accurate to say the present value of cooperatives to farmers is not so much what they themselves are able to do, but rather what they are keeping the other fellow from doing."

To substantiate this statement, I quote a report made by Senator BANKHEAD after the McKellar investigation of the cotton cooperatives. No official of the Government is better posted on cotton cooperative operations than this Senator:

"The evidence warrants the conclusion that the cooperatives have rendered noteworthy services in the marketing of cotton. To mention only a few, they have eliminated in large areas the purchase of cotton without taking into consideration in price fixing the grade and staple of cotton. The old method is commonly referred to as hog-round buying. They have narrowed the differentials between interior country points and central marketing points; they have contributed to cutting down the spread between the price paid to the producer and the price paid by the mills; and they seek to make the marketing of cotton as direct as can be economically done. The record supports the conclusion that the cooperatives aim to pay to the producers the highest price possible; not to buy their cotton at the lowest price and sell it for the highest price."

To further substantiate our statement, I quote below from a report of the Federal Trade Commission, 1937, Agricultural Income Inquiry, page 48:

"Although a measure of proof in the terms of dollars and cents of the value of cooperative associations is difficult to obtain, the Commission desires to add its opinion to the vast body of opinion to the effect, namely, that true cooperative associations have been of great value to the producers of farm products. These cooperatives have significantly increased the bargaining strength of producers and have reduced the spread between producers' and consumers' prices. In the marketing of cotton, for example, the cooperative serves its members in the classing, assembling, and sale of cotton in merchandisable quantities of each grade and staple, thus enabling its members to sell their cotton on the basis of actual grade and staple, rather than to sell it without classing or on the unfavorable classing of the country buyer. Moreover, the financial strength of the cooperative makes possible the orderly marketing of crops and more favorable prices for its members."

During this marketing season, on account of finances, we were compelled to reduce our operations over 50 percent and to such a low volume that our influence and effect on prices was negligible. The basis or premiums and discounts as compared to the New York future market are this year the lowest in 20 years, and we feel that our being out of the market is one of the major causes of this price situation. The basis is down from 1.25 to 3.75 below normal, which means a loss to the farmers of about $30,000,000 on this crop.

If our contention is correct that the existence of the cotton cooperatives has materially increased the income of cotton farmers by narrowing the spread between the price paid by the mill and that received by the farmer, then it follows that the United States Department of Agriculture, the Farm Credit Administration, and other agencies are justified by law and by a common objective in the public interest in aiding and financing the operations of the cotton cooperative set-up in order to help maintain farm income.

In addition, the cotton cooperatives have taken a prominent part in the reduction of freight rates on cotton, reduction of warehouse and compress rates, improved ginning, warehousing, and handling methods, which has resulted in definite financial benefit to all cotton producers.

This material is too long and detailed for the purposes of this memorandum, but will be the subject of a supplemental memorandum filed with the Farm Credit Administration at a later date.

SEVERAL SENATORS. Vote! Vote!

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WILEY in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Johnson, Colo.	Reed
Ashurst	Ellender	King	Reynolds
Austin	Frazier	La Follette	Schwartz
Bailey	George	Lee	Schwellenbach
Bankhead	Gerry	Lodge	Sheppard
Barbour	Gibson	Lundeen	Shipstead
Barkley	Gillette	McCarran	Smathers
Bilbo	Glass	McKellar	Smith
Bone	Green	McNary	Stewart
Bridges	Guffey	Maloney	Taft
Brown	Gurney	Mead	Thomas, Idaho
Bulow	Hale	Miller	Thomas, Okla.
Byrd	Harrison	Minton	Thomas, Utah
Byrnes	Hatch	Murray	Townsend
Capper	Hayden	Neely	Tydings
Caraway	Herring	Norris	Vandenberg
Chandler	Hill	Nye	Van Nuys
Chavez	Holman	O'Mahoney	Wagner
Clark, Idaho	Holt	Overton	Walsh
Danaher	Hughes	Pepper	Wheeler
Donahey	Johnson, Calif.	Pittman	Wiley

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, I was taken to task by my distinguished friend from Louisiana [Mr. ELLENDER] a while ago for saying that 6,000,000 bales of cotton were handled by the A. C. C. A. I was mistaken to a slight degree. Instead of being 6,000,000, the number was 5,927,116 bales, so that there were a few thousand bales lacking to make the number 6,000,000 bales. Of this amount, 1,600,000 bales were of 12-cent-loan cotton; 200,000 bales were 10-cent-loan cotton, and there were 69,000 bales of other cotton, making a total of 1,869,000 bales. However the A. C. C. A. handled in addition 494,940 bales for the Farm Credit Administration; they also handled 1,768,840 bales for the Agricultural Adjustment Administration and 1,794,336 bales for the Oscar Johnston pool, which will be recalled. Those amounts added to the reconcentrated cotton made the total 5,927,116 bales.

So I made a mistake of 72,884 bales out of 6,000,000 bales; that is all.

They sampled all this cotton. They sampled it every time they used it. They took a sample when they first put it into the warehouse; when they would change it to another warehouse they would take another sample from it; and finally, when the cotton was sold, it was sampled again. They took out, according to the testimony, from 1 pound to 1 pound and a half every time. It was sold as what we call loose cotton. All Senators from the South understand that term. Loose cotton sells for a little less than ordinary cotton of the same classification, but it brings about 10 cents a pound when cotton is worth about 10 cents a pound, or in that neighborhood. So that 30 cents a bale was a very small estimate; it may have been as much as 45 cents a bale, and it would amount to a neat little income for the A. C. C. A. of $1,800,000 at the lowest calculation.

That is just one of the things that were done.

Mr. President, I call the attention of the Senate to the fact that this never was a cooperative association. A cooperative association has been defined by the book as follows:

> Business cooperatives are created by farmers as agencies through which they collectively sell their products or purchase their supplies. Such cooperatives, being owned and controlled by the members, should at all times have the wholehearted participation of these members in risks, gains, and losses.

This association never took any part of the risks. Although the Government lost $207,000,000, the Government bore the loss. Not a farmer bore it, and he should not have borne it. The cooperatives did not bear it. They had made money at times. They were in the gambling business. They were in the futures business. They bought 800,000 bales of futures in 1 year out of a total of 1,300,000 bales of cotton they had. They are claiming carrying charges on 1,300,000 bales of cotton, when as a matter of fact they sold that cotton at around 17 cents a pound and bought futures and had no carrying charges; or, if they had, they were gambling charges. Surely the Government is not going to permit any organization created under its laws to go into the gambling business—and it was just a pure gambling business from beginning to end, and is today. They are gambling with the Government's money, not with theirs. They never put any money into this undertaking, so far as it has been ascertained. There is no record evidence of a dollar ever being put in by the cooperatives themselves.

The A. C. C. A. was formed, so Mr. Creekmore has said, with $76,500 of capital. It was doing hundreds of millions of dollars of business on $76,500 of capital; and after that was paid in, so he says, $40,000 of it was withdrawn. That left $36,500 of the amount they originally put in, if they ever put in a cent. There is no record evidence that they ever put a single dollar into this business. They were not cooperatives, because cooperatives take part in the risks, the gains, and the losses of the business operations. Therefore, the members, in building such cooperatives, should invest therein substantial amounts of their own funds, commensurate with the needs of the business.

They never invested their own funds. The Government has been behind this undertaking from the very beginning. It was started in 1923, and incurred loss after loss, loss after loss. When there were gains we never heard anything from them, but only when there were losses, and the Government paid them.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. McKELLAR. I yield.

Mr. ELLENDER. Has the Senator any testimony to show how much the Government lost through the A. C. C. A. since the Federal Farm Board transaction?

Mr. McKELLAR. Yes. My recollection is, taking it all together——

Mr. ELLENDER. No; I am talking about the time since the Federal Farm Board transactions.

Mr. McKELLAR. My recollection is that the predecessor of this Association lost $139,000,000, and since that time the A. C. C. A. has lost enough to make the total $207,000,000. Now we are called on to lose more, for what?

If you have some money you want to give away, I ask you, in the name of the hard-pressed cotton farmers of the South, to give it to them. Do not give it to these piratical men, these racketeers; give it to the farmers. If you want to give it to anybody—it is absolutely a gift—in God's name give it to the farmers that these people have been robbing. Give it to the poor people who borrowed 50 or 60 dollars each from the seed-loan office with which to make a crop; and, by the way, they paid back every bit of it. They pay their debts. In God's name, why not give it to them, if you are going to give it to anybody? Why single out these pirates, these racketeers, these smooth, slick, ingratiating, slimy men? Why give it to them? Why do you not give it to the farmers?

If anybody proposed to give $4,500,000 to the farmers, or any considerable body of them, I might be induced to vote for it; but do not vote to give it to these men who have been working the farmers for the past 10 years, who have been despoiling the farmers, charging a poor producer of a bale of cotton, who sold it for $51.37, nineteen dollars and some odd cents as commissions and expenses, and all that.

As the Senator from South Carolina [Mr. SMITH] said a while ago, the southern cotton farmer has been hard-pressed. I think the wheat farmer in the West has been hard-pressed, and the corn farmer, too; but I know that the southern cotton farmer has been hard pressed. If we are going to give away the Government's money, for Heaven's sake let us give it direct to the farmers, and not give it to those who have been despoiling the farmers for all these years.

Mr. ELLENDER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Louisiana?

Mr. McKELLAR. Yes; I yield.

Mr. ELLENDER. I desire to repeat the question I have just asked the Senator: How much money has the Government lost through the association since its dealings with the Federal Farm Board?

Mr. McKELLAR. I shall have to speak from recollection. Before the cooperatives came, the old ones had lost $139,000,000 of good money. Since that time the Government has lost up to $207,000,000, and the cooperatives have been managing the transactions for the Board all the time.

Mr. ELLENDER. The Senator, of course, is referring to the losses made by the Farm Board.

Mr. McKELLAR. Oh, well, these persons were the agents of the Farm Board. They had control of the matter. They were using the Government's money. They are responsible for it. When the Board was Republican I used to take a few shots at it, because I thought the Republicans were very unwise to allow these racketeers to run the Board; but they did run it, and they lost over $200,000,000 of the people's money. I am opposed to paying those gentlemen for losing the people's money, and it shall never be done so long as I can help it.

Mr. ELLENDER. If the Senator will permit me to comment, other than the association's transactions with the Federal Farm Board, on all of its dealings with the Federal Government in borrowing money through the various agencies of the Federal Government, the Federal Government has not lost one thin dime through the A. C. C. A. The record shows that, Mr. President.

Mr. McKELLAR. The Senator from Louisiana and I disagree about that. All you have to do to ascertain the facts is to look at the Government's financial report. They lost the money. It went to the cooperatives, and they lost it. It has been taken out of the Treasury.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from South Carolina?

Mr. McKELLAR. I yield.

Mr. SMITH. May I ask the Senator a question?

Mr. McKELLAR. Yes, sir.

Mr. SMITH. When the Farm Board asked the cooperatives to be their agents, and said to them, "The amount of money you need will be forthcoming," the cooperatives throughout the country acted as the agents of the Farm Board to take in this cotton, to sample it—that is, to get the grades and staple—and insure it, and store it. They loaned 16 cents a pound on it, but they assumed the responsibility of furnishing the money to pay the incidental charges; and they thought, as every other man would think, that the Farm Board, through their own business, would reimburse them for these charges. Now the Senator says he is willing to reimburse the farmer.

I have had some personal experience with this matter. There was a reserve fund in a cooperative association in my State. The farmers had put in their money and created the reserve fund. The reserve fund was used for paying interest and storage and insurance charges. When the cooperatives went to settle, they said to the Board, "What about your paying us back for these incidental expenses, which will just about take up our reserves?" The Board said, "Well, we will get together," and they did; and they had about reached an agreement when the Attorney General said, "But there is no law which enables you to be reimbursed for an absolutely honest outlay of the farmer's money."

That happened in the case of every association; and all that this bill asks is to let us by law reimburse the persons who, in the honest discharge of their relationship as the agents of the Farm Board, assumed this responsibility, thinking the Government would reimburse them, and they lost all their reserves, and it practically put them out of business. Some of them have reorganized so as to start anew. The money is not to go to the A. C. C. A., except as the central agent, but they are obligated to every association which cooperated in handling the cotton.

I do not like to see my friend from Tennessee get clear off the track, and charge racketeering and thievery and such things. I subscribe to the adage that a man is innocent until he is proven guilty. I hold no brief for any of the members of the A. C. C. A., but I believe they are just as honest as I am, or they could not have been reelected by a board of honest men, recognized by the Government, treated by the Government as honest men, and have had money loaned to them. They are charged with the performance of a duty, and I do not like to hear a man denounced as a thief and a racketeer, when he is an honorable citizen, until he is actually proven guilty by a court of competent jurisdiction.

I think the Senate should recognize that these men have worked hard to establish some kind of a buffer between the buyers of farm products, the brokers, the merchants, and the farmers. They do not want an organization which will not get what is justly due them. I do not think my friend from Tennessee wishes to rise here and join forces with those who from time immemorial have preyed upon the helpless, unorganized, and defenseless producers of the food we eat and the raw material which goes into the clothes we wear. We are entitled to see that they have some kind of permanent relief, and the nearest approach to it has been our attempt to form cooperative organizations which will

pool their products and put competent men in charge to act for them, as they are incompetent to act for themselves. We do not get anywhere by charging them with being thieves and robbers. I do not see any evidence of it.

If there were more Senators present, and I thought I might influence some of them to see the truth, I might speak further on this matter. Of course, these men may have made some mistakes, but this bill does not refer to the general transactions of the cooperatives; it refers to their relation to the Farm Board. The Government established the Farm Board. I was a member of the committee which framed the law; it was one of the best prepared acts ever passed by Congress, and it failed because the farmers, themselves not understanding what it was for, the shrewd businessmen who did not want it to interfere with their sweet pickings of the farmers destroyed it. The Senator from Tennessee knows that as well as I do. The Senator recalls that his friends in Memphis raised a fund of some sixty thousand or a hundred thousand dollars to defeat the very effort the Government was making in trying to organize the farmers, the Government doing all it could, suffering losses in order to help the farmers to understand that unity and organization were their only hope of anything like a return to them for the labor they put in.

As to the men whom the Senator charges with being racketeers, I do not believe they are. I have come in contact with them, and I bear testimony to the fact that after I made an investigation of charges which came from my State, I found that some mistakes had been made, but I did not believe those responsible benefited $1 by them. I was thought an enemy of cooperation, and some were hardly speaking to me, and were looking at me askance, when the only object I had was to find out whether or not there had been malfeasance in their responsibility. I am glad to testify that I believe they are just as honest as is the Senate.

All I am asking for is that the Government pay back to the cooperatives throughout the South what is justly due them. They used their money as the agents of a governmental function, and then they met with the officials of the Government and it was decided that it was a just debt. I have evidence right here to show that Government officials did say, "We think this is a moral obligation." To come here now and say they are trying to chisel and cheat someone is covering a lot of territory. It is tantamount to saying that the Committee on Agriculture and Forestry of the Senate is backing racketeers, that the financial agents of the Government cooperated with them in stealing money. Perhaps we had better disband the Government and the Senate and everything connected with it, and start from Tennessee and get things right. [Laughter.] Why not?

Mr. President, I have always tried to be on the side of clean, clear-cut, decent business. But there is no use talking further; there are very few Senators present, though I think those who are present and listening to me are the best samples of the membership of the Senate.

Mr. McKELLAR. Mr. President, if the Senator desires to make a speech, I will yield to him, then I will make mine later.

Mr. SMITH. I thought the Senator had made three.

Mr. McKELLAR. I may have, but I am going to make some more.

Mr. SMITH. So will I.

Mr. McKELLAR. Mr. President, the predecessors of those who made the 16-cent loan—and that is what is involved here—recommended the very thing of which they now complain. I will ask Senators to listen to what I am about to read. This is from C. O. Moser, who at the time to which I am about to refer, was president of the cooperatives, the old American Cotton Growers' Exchange.

Question. Now, Mr. Creekmore, will you permit me to read just a short paragraph from Mr. C. O. Moser, president and general manager of the cooperatives at that time? If you will note, the Federal Farm Board's announcement appeared on October 21, 1929—

That was the announcement increasing the price from 12 cents to 16 cents—

just 10 days before the Farm Board made this announcement, and this is the recommendation of Mr. C. O. Moser.

I wish to read it, as it is short.

It is therefore at a time like this that it is possible for us to advance nearer the market price—

Cotton was selling at about 17½ cents when this letter was written—

It is therefore at a time like this that it is possible for us to advance nearer the market price than it would be earlier in the season, when the size of the crop is less a calculable thing than it is now.

I believe—

This is Moser, head of the cooperatives, head at the time of the transaction it is desired to set aside—

I believe the cotton cooperatives, with the aid of the Farm Board—

Not the Farm Board with the aid of the cotton cooperatives—

I believe the cotton cooperatives, with the aid of the Farm Board, may with safety, and they should, immediately, advance 16 cents a pound, or $80 a bale, on unfixed cotton, basis ⅞-inch middling; and that wide publicity to such advance should be given as being the joint program of the cotton cooperatives and the Farm Board.

A joint program of the cooperatives and the Farm Board, being recommended by the Chairman of the Farm Board! Mr. Creekmore, who sits in the gallery, was not even connected with the cotton cooperatives at that time, according to his own testimony—

and that the difference between 65 percent advanced at the time of delivery and the $80 a bale should be paid to the members as soon as weight and grade of cotton is established.

That letter left some place in Texas on the 11th of October; it reached Washington about the 14th or 15th; it reached Mr. Legge a day or two later; and now listen to this, the order of the Farm Board in reply to this letter:

The Federal Farm Board believes that the prevailing prices for cotton are too low.

Using the very words of Mr. Moser:

The Board will make supplemental loans to the cooperatives in amounts sufficient to make the average loan 16 cents a pound.

This is what Mr. Creekmore said about that. Mr. Creekmore has been investigated many times, and he has testified to a great deal. I asked him if that was not the letter:

Mr. CREEKMORE. I had never heard of such a letter, and I am going to have to go into a little personal history to get this picture before you.

Incidentally, he afterward admitted that the letter was sent to everyone of the cooperatives. It was published throughout the Nation in the succeeding testimony. Here is what he said about it then:

I was not with the cooperatives at that time. But let me explain.

Question. Yes, sir.

Mr. CREEKMORE. I had never heard of such a letter, and I am going to have to go into a little personal history to get this picture before you.

And here is the picture he gave of himself at that time:

Mr. CREEKMORE. Because it is not a matter of personal gain to me. It is a matter of whether or not these farmers were unduly penalized.

He is talking about farmers now. He was not asking for money for the cooperatives. He was asking for money for the farmers. It was on that pretext that he always came here to get money.

I am first going to mention that Mr. Moser's letter, a copy of which I had made yesterday, and read for the first time last night, states my inner thoughts.

He approved it.

In other words, it indicates all the way through that it was a personal communication from him to Carl Williams. Frankly, I did not believe the directors of the A. C. C. A. or the directors of the various associations had received such a letter, but I was very busy on the telephone last night, and I find that that letter was sent to the various associations.

Incidentally I have the letter here from the association to Mr. Williams urging that this order be put in.

Whether or not they read it I don't know, but the reason I believe that it was never given to the Federal Farm Board is because I was on intimate terms with Alexander Legge, which was

because when I first was approached to take the managership of this position, which I now hold, I was told the story, and told the directors of the A. C. C. A. at that time who asked me to take the position that I did not want it, but in appreciation of the fact that they had considered me—

He did not say anything about the $75,000 a year, the salary he was to get, at that time—

and in consideration of my belief that the Farm Board in their attitude at that time, in January or February 1930, was so unfair, that if they cared to have me do so, I would go to the Farm Board, and I believed I could present the situation to them in a way that they would correct the injury that was being proposed.

I went to the Farm Board. I stated my case as I understood it, merely in return for the compliment which had been paid me. I had no idea of taking the position. I told the cooperatives first, and I told them several times later that I would not take it. When I finished, Mr. Alexander Legge, whom I had met for the first time that morning, asked me if I would stay over and talk with him that night, and in the belief that I might by a conversation convince Mr. Legge of the injustice of the settlement which was then being made, I agreed to say, and instead of staying 1 night I stayed 2 days. Mr. Legge was very busy in the daytime, and I would breakfast with him in the morning and would have dinner with him in the evening, and generally I would stay with him until 10 or 11 o'clock. My argument to Mr. Legge was this—and if I argued it once I argued it a hundred times, because it was several months before we reached a settlement which, in effect, the Frazier bill, if adopted, gives us.

He was testifying in favor of the Frazier bill then.

Mr. Legge, without consultation on the part of the cooperatives, announced the 16-cent loan.

I have before me a letter from the president of the cooperatives urging that this loan be made of which complaint is now made. Now, after 10 years have passed, it is proposed to rip up a solemn agreement made between the judges and the various cooperatives, and pay these people four and one-half million dollars more out of the Treasury of the United States. That is what is proposed to be done 10 years after the transaction occurred, and after they had solemnly settled the matter.

Mr. SMITH. Let me read a paragraph to the Senate.

Mr. McKELLAR. Certainly.

Mr. SMITH. I read as follows:

James C. Stone, Chairman of the Federal Farm Board, succeeding Alexander Legge, its first Chairman, testified at the McKellar hearing in Memphis, Tenn., in part, as follows:

"The original thing we did, which we agreed to do, which we thought was the fair thing to do, and which was agreed to by Mr. Legge and myself and Mr. Stanley Reed and the balance of the Board, was the agreement which the Attorney General turned down as not being legal. * * * I figure it was never fair to hold the members of the cooperatives responsible for an act which was done for the purpose of maintaining a price for all cotton."

That is from Mr. Stone, the Chairman of the Federal Farm Board, who succeeded Mr. Legge.

Mr. McKELLAR. That contradicts the testimony of Mr. Creekmore, and I do not know which one was telling the truth. I am frank to say I am not passing judgment on that. Here is what he said to Mr. Legge at that time.

I said not only to Mr. Legge, but I said it to the members of the Federal Farm Board not once but dozens of times, "You did not consult the cooperatives."

And he did not consult them.

Let me read some of the letters that were sent out prior to that time. I have before me a letter from Mr. Jones, at that time Commissioner of Agriculture, and other letters, all of which requested that this loan be increased to make the price of cotton go up. It was then 17½ cents a pound, and when they got to fooling with it, what did it do? Did the price go up? No; it went down, and reached a point very much lower. Who bore the loss? Did those who bought the futures, or those who had the cotton? No; they did not bear the loss. The United States Government bore the loss to the tune of $139,000,000. And then, when confronted with that loss, a solemn settlement was made with the Government of the United States, after the settlement had been examined by the Attorney General of the United States, and an agreement was signed, the Government assuming the losses. The officials of the cooperatives had received big salaries all that time from Government money. The presidents of the various State organizations received about $6,000 a year. Mr. Creekmore received $75,000 a year while presiding over the central organization, until the Congress by an act reduced it. It took an act of Congress, a solemn act of Congress, to reduce Mr. Creekmore's salary. He was being paid out of Government funds, and it took an act of Congress to reduce his salary from $75,000 to $35,000 a year. I think he still gets his expenses in addition to his salary, and probably gets along fairly well. Other officers get their salaries, but from Government money.

Mr. President, I do not believe that is right. Senators here have defended this situation. My friend the Senator from Alabama [Mr. BANKHEAD], my friend the Senator from Louisiana [Mr. ELLENDER], my friend the Senator from South Carolina [Mr. SMITH] have defended the claim. Assuming all they say to be absolutely correct, why should not the Senate want to know more about this thing before it gives these gentlemen four and a half million dollars? Does not the Senate think some accountant ought to pass on the question? Does not the Senate think some organization ought to pass on the claim and report the facts to us? Mr. President, I do. I think it should be done by all means.

I wish to call attention to the peculiar kind of organization we are dealing with. It is called by some a farm organization. It is not anything of the kind. It is an interlocking directorate. I shall explain the situation to the Senate. Six of the managing directors of the State organizations are also directors of the central body, the American Cotton Cooperative Association. They are C. C. Selden, California Association; W. R. Squires, Southwestern Irrigated Association; P. E. Harrill, Oklahoma Association; A. D. Stewart, Mississippi Association; J. A. Beatty, Alabama Association; J. S. Hathcock, South Carolina Assocaton. These gentlemen, with Mr. Creekmore, absolutely control this mercantile association. It is not a cooperative at all. It has no semblance to a cooperative organization. It is a mercantile corporation buying and selling cotton.

Creekmore controls it, just as one controls the knife in his pocket. He is the cooperative. He is Creekmore and company. He is in control of every operation of the A. C. C. A.

To these six must be added Mr. N. C. Williamson, of the Louisiana Association, who receives no salary, but a per diem of $25 is paid him; also Mr. Charles G. Henry, of the Mid-South Association at Memphis, who does not draw a salary from the A. C. C. A., but who is one of the directors, and it is easy to see from his testimony and from Mr. Creekmore's testimony the close cooperation between them.

I do not know whether or not Mr. Henry is present today. He was here a few days ago, when the bill was expected to come up, and is probably now in the gallery, anxiously waiting for the Senate to vote him his share of four and a half million dollars of Federal money.

The other six directors seem to be beyond the pale and certainly have no potential vote, as they receive no salary either from the central association or their own organizations.

They do not receive any salary unless they are in the Creekmore crowd. Creekmore controls it. Creekmore dominates it, just as Hitler dominates Germany today—even more so. He absolutely controls the thing. He is the brains behind it. He is the scheming, crafty man behind this alleged cooperative movement, which has no semblance of cooperation about it.

The officers of the cotton cooperatives claim that their membership in the United States in these 15 associations numbers 259,000. A list of the members was requested by the committee, but the same was refused unless the committee would keep it confidential.

Why? Because they did not have it. The only members they had were those they claimed by reason of selling cotton to a man whom they had never seen before, and not paying the check until he signed a receipt saying he was a member of the cooperative association. It is practically undisputed that there is no association. The whole thing is Creekmore. Creekmore is the one outstanding figure in it.

Many years before the organization of A. C. C. A. it seems there were associations formed in various cotton localities of the United States. Since the A. C. C. A. came into existence, there have been few members obtained except under what may be termed substantial duress.

I think there is no doubt that there was duress.

Now, Mr. President, I wish to give just a little history of this matter under our present administration. This thing was started under the Hoover administration.

The foregoing is a history of the operations of the cotton cooperatives with the Farm Board up until March 4, 1933. The Congress meeting that year repealed the Farm Board Act and passed what is known as the Agricultural Adjustment Act, which set up the Farm Credit Administration in place of the Farm Board. At that time the cotton cooperatives owed the Government $207,418,246.48. (See McNary report, p. 35.)

Two hundred and seven million dollars, according to the report made by the Senator from Oregon [Mr. McNARY], who examined into the question.

Talk about examination. These people have been examined ever since they started. Why? Because they were dishonest and corrupt. Examination after examination has been made of them; and while they have occasionally obtained a clean bill of health, for the most part the figures entirely condemn them.

At that time cotton was worth somewhere around 5 or 6 cents a pound, and the Farm Board, which had had appropriations to be used as a revolving fund of $500,000,000, and the A. C. C. A., which had been financed by the Farm Board, were all in a state of bankruptcy and their debts had to be assumed by the Government, amounting to $27,376,998.06, as outlined in the 90-percent loan loss. Also the State associations benefited under the terms of the A. A. A. adjustment by additional payments authorized by Congress in connection with the settlement of the 1930–31 operations. Seven hundred and thirty-two thousand four hundred and fifty-six dollars and eighty-seven cents were paid in this adjustment (S. Rept. No. 1456, p. 22).

In that adjustment the Government paid them money; and now they ask for carrying charges for 800,000 of the 1,300,000 bales of cotton handled by them in that loan. They sold 800,000 bales of spot cotton, and substituted futures for it. They had a membership on the cotton exchange, which everybody knows is a gambling transaction so far as cotton is concerned. They were gambling with the Government's money. They had everything to win and nothing to lose. Why should they not gamble with the Government's money so long as the Government allowed them to gamble?

In other words, the new administration of Mr. Roosevelt started off by wiping the slate clean and taking over all the cotton into what was known as the Oscar Johnston pool.

Senators will remember that pool.

Thus the cotton cooperatives were again saved from bankruptcy and the Government, through Mr. Johnston, took over about 1,300,000 bales of actual cotton and approximately another million bales of futures which the A. C. C. A. had gathered in during the years of their speculation.

Mr. President, I exceedingly regret to differ with some of my colleagues. It is no pleasant task for me; but, unfortunately for me—if I may so express it—I made an examination of this crowd of what I call racketeers, and I know that I am right about the matter. I know how they preyed upon and swindled the Government during all these years. I should be recreant to my duty as a Senator if I did not bring the facts before the Senate; and I intend to bring all the facts before the Senate.

I ask the Senator from Alabama to allow the bill to go to the Claims Committee. I am perfectly willing to have the matter go to the Court of Claims. I am perfectly willing to have it settled in any court. I want it to be examined into. I want the facts to come out. If I am wrong, I want to know it; but, in my judgment, I am not wrong.

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, the report from which I have just read. I think it will be very enlightening to all Senators who are considering this matter.

There being no objection, the report (No. 1819, 74th Cong., 2d sess.) was ordered to be printed in the RECORD, as follows:

[S. Rept. No. 1819, 74th Cong., 2d sess.]

Your subcommittee heretofore appointed under authority of Senate Resolution 185, which is as follows:

"Senate Resolution 185

"*Resolved*, That the Committee on Appropriations, or any duly authorized subcommittee thereof, is authorized and directed to investigate the expenditures by the Federal Government for cotton cooperatives and their losses heretofore sustained. The committee shall report to the Senate, at the earliest practicable date, the result of its investigations, together with its recommendations.

"For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ clerical and other assistants, to acquire by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents, to administer oaths, to take testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report hearings shall not be in excess of 25 cents per hundred words, and the expenses of the committee, which shall not exceed $1,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman."

Met in the city of Memphis, Tenn., on Monday, October 28, 1935, where it proceeded to take the testimony of some eighty-odd witnesses concerning the expenditures of the cotton cooperatives and the losses of such cooperatives and other matters allied, connected with, and pertaining to such cooperatives and their losses, and having considered the same, beg leave to report to the full committee as follows:

ORGANIZATION

The American Cotton Cooperative Association is a Delaware corporation and was incorporated January 11, 1930, with an authorized capital stock of $30,000,000, of which $76,950 was paid in, $40,600 of which was capital stock, this being afterward withdrawn and returned to the marketing associations, leaving an actual net capital of $36,350 (vol. II, exhibit 25). The capital was supposed to be paid in by the cotton cooperative marketing associations under the Capper-Volstead Act (vol. I, pp. 33–34 to p. 38).

Prior to that time the cooperative marketing associations had been established under a previous act of Congress. In the 1929–30 season the A. C. C. A. handled no current cotton; it merely looked after cotton that the Government had previously acquired. The Federal Farm Board, with a $500,000,000 revolving fund created by Congress in the Agricultural Marketing Act, approved June 15, 1929, authorized the establishment of this cotton cooperative association (vol. I, p. 34).

Mr. Creekmore became associated with the American Cotton Cooperative Association in April or May 1930 (vol. I, p. 6). Previous to that time the head of the cotton cooperatives was C. O. Moser, who acted prior thereto in a similar capacity to Mr. Creekmore (vol. I, p. 402). The plan of organization was that the several marketing associations, amounting to some 14 or 15 in number, or State or regional associations, or affiliates as they have sometimes been called, became stockholders in the A. C. C. A. (vol. I, p. 34). These marketing associations, like the Mid-South at Memphis, were rather loosely formed organizations, but each one under the practical control of its managing officer. In addition to that, the managing officer was usually a member of the board of directors of the American Cotton Cooperative Association. These other cooperative associations, some 15 in number, were all more or less insolvent when the Farm Board began making loans to them at nominal rates of interest (vol. I, pp. 303–305; vol. II, exhibit 26). The names of these several State or regional marketing associations are as follows: Alabama Cotton Cooperative Association; Brazos Valley Cotton Cooperative Association; California Cotton Cooperative Association, Ltd.; Georgia Cotton Cooperative Association; Louisiana Cotton Cooperative Association; Mid-South Cotton Growers Association (Memphis); Mississippi Cooperative Cotton Association; North Carolina Cotton Growers Cooperative Cotton Association; Oklahoma Cotton Growers Association; South Carolina Cotton Cooperative Association; South Texas Cotton Cooperative Association; Southwestern Irrigated Cotton Growers Association; Texas Cotton Cooperative Association; Texas Cotton Growers Association; West Texas Cotton Growers Association.

In exhibit G to Mr. Creekmore's deposition, the common stock of these several associations, owned by the several State or regional associations, was shown as $100 each or $1,500 in all, and this indicates, in the absence of proof, that all of the $76,950 had been returned, and in lieu thereof one share of common stock had been allotted to each constituent association; so, insofar as capital invested in the A. C. C. A. is concerned, it may have been $36,350, or it may have been $1,500, or it may have been none at all. It is true that afterward preferred stock was issued, but that will be considered later. Suffice it to say that this mammoth concern had no substantial capital paid in by those who controlled it, and only a nominal capital, if any.

A. C. C. A. NOT A COTTON COOPERATIVE ASSOCIATION

The A. C. C. A. and its affiliates above-named are not cotton cooperatives within the spirit and letter of the Capper-Volstead Act, or in any other sense cotton cooperatives, for the following reasons:

The commonly accepted definition of cotton coperatives, as disclosed by the undisputed evidence, is that it is an organization of cotton farmers for the purpose of selling their cotton for better prices and at a lower handling cost, and of otherwise marketing their cotton to mutual advantage, in which organization, where there are profits all the members shall share in them, and where there are losses each member will be assessed for its or his respective share of the losses. This definition is in keeping with that stated by the National Cooperative Council, of which President Williamson, of the A. C. C. A., is a member:

"Business cooperatives are created by farmers as agencies through which they collectively sell their products or purchase their supplies.

Such cooperatives, being owned and controlled by the members, should at all times have the wholehearted participation of those members in the risks, gains, and losses of the business operations. Therefore, the members, in building such cooperatives, should invest therein substantial amounts of their own funds commensurate with the needs of the business" (vol. I, p. 166).

Now, under this definition and under the proof taken by your committee, it is perfectly clear that the American Cotton Cooperative Association is in no sense, except in name, a cotton cooperative association at all. This is apparent by applying the following facts to this definition:

1. The profits are not divided equally or proportionally, even assuming that there have been profits, and this is a doubtful assumption (Henry, vol. I, pp. 204–205; vol. II, exhibit 6).

2. The losses are not made good by the so-called member (Creekmore, vol. I, pp. 18, 47, 159, 282; Williamson, vol. I, p. 330).

3. The so-called members do not invest therein substantial amounts of their own funds and have never done so (membership fee only, Cannon, vol. I, p. 458; Smith, vol. I, p. 624; Stewart, vol. I, p. 336).

4. The so-called members have not the slightest control over the marketing of their cotton (Henry, vol. I, p. 228).

5. The so-called members take no risks. The only risk taken in the business at all is the risk taken by the Government (Henry, vol. I, p. 191).

6. They do not sell collectively (vol. II, exhibit 20; Henry, vol. I, p. 205; Creekmore, vol. I, p. 157).

7. The A. C. C. A. is not owned or controlled by its so-called members (Creekmore, vol. I, pp. 155–156).

8. It is owned and controlled by its officers (Creekmore, vol. I, pp. 155–156).

9. The members are not directly responsible for losses which the cotton cooperatives may incur as a result of operations (House, vol. I, p. 492; Creekmore, vol. I, p. 47).

10. Profits, if any, have not been distributed to the individual producer members except in one instance, and even then not to the members of all the affiliated associations, during an existence of 5 years (Creekmore, vol. I, p. 26).

11. The methods of securing members are of doubtful legality and oftentimes of plain duress (Baker, vol. I, pp. 530–533; Waddell, vol. I, p. 537; Lattimer, vol. I, p. 552; Salvo, vol. I, p. 547).

12. Operating on Government money, which forms the basis of its credit, the A. C. C. A. makes loans to its affiliated associations, which have gone through an evolution as its officers claim (Hutchinson, vol. I, p. 374), whereby all cooperative features have been eliminated and the cotton cooperatives are simply operating as cotton merchants (Thompson, vol. I, p. 542; Valentine, vol. I, p. 478; Reed, vol. I, p. 483; Mitchell, vol. I, p. 544; Everett, vol. I, p. 479).

13. In dealing with its so-called members, the organization frequently resorts to what may be called duress in padding its so-called membership rolls (Creekmore, vol. I, p. 14).

14. The prices paid by the A. C. C. A. to its so-called members are not higher than those paid by private cotton merchants (Gibson, vol. I, p. 545).

15. The cost of handling is greater than when sold by private cotton merchants (Salvo, vol. I, p. 548; Henry, vol. I, p. 196).

16. The A. C. C. A. is not cooperative in fact, but is composed of a closely knit organization with an interlocking directorate largely composed of its affiliates, all of which makes it simply a cotton merchant, buying from substantially any seller at the cheapest price possible and charging the farmer a very high cost for handling his cotton (Creekmore, vol. I, pp. 155–156; Valentine, vol. I, p. 478).

17. It has no county or local organization which meets and passes on their problems and since the organization of the A. C. C. A. has not had (Everett, vol. I, p. 481).

18. It violates the Capper-Volstead Act in that it has bought more bales of "futures" than it has bought actual cotton, and "futures" were not bought from the so-called members (Creekmore, vol. I, pp. 107–109).

19. It violates the Capper-Volstead Act in that it has formed a closely knit corporation with its affiliates by which a minority of the members completely controls and dominates the other members of the association, and this is contrary to the first requirement that no member shall have more than one vote (Creekmore, vol. I, p. 155).

20. It is of no more value to the farmer than is Weil & Co., McFadden & Co., Anderson-Clayton & Co., or any other large cotton merchant (Reed, vol. I, p. 483; Sanders, vol. I, p. 486; Hermes, vol. I, p. 489).

21. Finally, in essence, it is simply the Government, acting through a few favored persons, engaging in the cotton business, competing with other private cotton merchants, sometimes putting such other merchants out of business and reducing many of them to penury and want, the Government taking continued, drastic, and almost inconceivable losses, due in many instances to gambling in cotton, without the slightest benefit to the farmer or to the Government, the only benefits going to the small coterie of officers and agents of the A. C. C. A. and its affiliates.

It is true that it was claimed that the so-called members were indirectly assessable for losses in that the American Cotton Cooperative Association and its subsidiaries had accumulated reserves which belonged to the farmer-members, one-half of which was put in a reserve fund to be used to pay such losses if such reserve fund was sufficient. In the opinion of the committee, there were no reserves and are not now any reserves and have not been any at any time.

It was undisputed that the Government had saved these cotton cooperatives in 1929 at a cost of $79,286,384.13 and had saved them again in 1933 to the extent of $27,376,998.06, and, Mr. Creekmore, the vice president and general manager, and the dominating official of that organization, testified that if the Government withdrew its support now, all operations would practically cease. His exact testimony is as follows: "I don't see how the cooperatives could continue." Under these circumstances, the reserves can at best be called, in formal banking parlance, "window dressing."

The same is even more true of the affiliated associations.

It is quite clear that the American Cotton Cooperative Association and its affiliates are not cotton cooperatives, but with the practically unlimited backing of the Federal Government constitute simply another great cotton buyer or merchant.

It may be said in closing this paragraph that the business and operation of the American Cotton Cooperative Association not only violates the definition of cotton cooperatives heretofore stated, but it is in no sense such a cooperative association as is provided for in the Capper-Volstead Act under which it was organized.

INTERLOCKING DIRECTORATES

Six of the managing directors of six of the State organizations are also directors of the American Cotton Cooperative Association. Half of the salaries of these six directors are paid by the central organization of the A. C. C. A. These are: C. C. Selden, California association; W. R. Squires, Southwestern Irrigated Association; P. E. Harrill, Oklahoma association; A. D. Stewart, Mississippi association; J. A. Beatty, Alabama association; J. S. Hathcock, South Carolina association.

To these six must be added Mr. N. C. Williamson, of the Louisiana association, who receives no salary, but a per diem of $25 is paid him, also Mr. Charles G. Henry, of the Mid-South Association at Memphis, who does not draw a salary from the A. C. C. A., but who is one of the directors, and it is easy to see from his testimony and from Mr. Creekmore's testimony the close cooperation between them (vol. I. p. 155).

The other six directors seem to be beyond the pale and certainly have no potential vote, as they receive no salary either from the central association or their own organizations (vol. I, p. 156).

It thus appears that the American Cotton Cooperative Association constitutes, with its affiliates, a close corporation managed solely for the benefit of the central association and the officers and employees of the favored members of its directorate.

MEMBERSHIP

The officers of the cotton cooperatives claim that their membership in the United States in these 15 associations numbers 259,000.

A list of the members was requested by the committee, but the same was refused unless the committee would keep it confidential. Although the committee called for a complete list, it was furnished with a list of only two associations—that of the Mid-South and the Mississippi Cotton Cooperative Associations. The list of the two associations was accepted but has not been opened (Creekmore, vol. I, p. 172). However, there was much evidence concerning membership. That evidence is practically undisputed.

Through the fiction of the immediate fixation pool, which is in effect an outright purchase of cotton by the cotton cooperatives, they sign up as a member every individual who sells them a bale or more of cotton and the bulk of their deliveries are secured through this immediate fixation pool.

Many years before the organization of the A. C. C. A., it seems there were associations formed in various cotton localities of the United States. Since the A. C. C. A. came into existence, there have been few members obtained except under what may be termed substantial duress. Since the organization of the A. C. C. A., they have come to adopt the following methods in obtaining members: Whenever a bale or a number of bales of cotton were delivered to the cotton cooperatives, there was included in the bill of sale, and afterward in the check by which the cotton was paid for, a statement to the effect that the seller or deliverer, by reason of his bill of sale, and of his receipt of the money, became a member of the cooperative association (Baker, vol. I, pp. 530–531; Black, vol. I, p. 437).

To put it in the language of one of the witnesses, after the purchase was made and everything completed except the delivery of the money, the seller would be informed by the cotton cooperatives' agent that he would be paid only by the statement in writing that he was a member, and if he dealt for others, that by the signing of the draft he made his principals members of the cooperative association.

A membership obtained in this way, in the opinion of the committee, is substantial coercion, and it is exceedingly doubtful if by any such proceeding membership in the organization could be legally or morally brought about. In the absence of local organizations where members met, and in the absence of any meeting for consideration of the cotton cooperatives' problems, it is perfectly apparent that such a membership is not real in any sense and doesn't make the seller of the cotton a member at all, although he states in his bill of sale or check that he becomes a member.

The fact is, however, that the undisputed evidence shows that with a few exceptions in certain counties in Mississippi and Greer County, Okla., and perhaps one or two more, there are no local organizations of cotton cooperatives anywhere, and even in Mississippi, judging from the testimony of the head of the A. C. C. A. in that State, whatever organizations there are were controlled by the

same cotton cooperative association (Windle, vol. I, p. 367; Orr, vol. I, p. 592; Garner, vol. I, p. 604).

The proof shows that the actual membership of the organization is largely confined to those in the employ of the A. C. C. A. and its affiliates. While the membership was challenged time and again, the cotton cooperatives made no effort to show an actual membership except in the way above stated, and while the record is not at all clear, your subcommittee believes that the actual membership in the association amounts to only a few interested people.

FINANCIAL STRUCTURE

The original financial structure of the American Cotton Cooperative Association is exceedingly interesting. The evidence of the cotton cooperatives was that $30,000,000 was the authorized capital, of which $800,000 was subscribed, and of this amount only $79,950 was actually paid in, as stated. Of the $76,950 paid in cash, the A. C. C. A. refunded in cash payments of the Oklahoma and other of the affiliated associations in the aggregate sum of $40,600, so the actual paid-in capital was $36,350; however, the revolving fund of $500,000,000 had been set up by the Hoover administration to be loaned the farmers, and it seems that a capital of $36,350 was ample to get a Government loan.

When the A. C. C. A. was organized, and put under the direction of Mr. Creekmore, all of the cooperatives were in financial straits, and the most of them were in actual bankruptcy, as testified to by Mr. Legge, the then Chairman of the Farm Board, in January of 1931.

The first operation of the A. C. C. A. after its organization in 1930, was the Cotton Stabilization Corporation. By this operation, 1,300,000 bales, in round numbers, of cotton owned by the A. C. C. A. and its affiliates were sold to the Cotton Stabilization Corporation, and that corporation agreed to hold the cotton at its original cost, plus charges, for the purpose of holding it off the market and to keep the various cotton cooperatives out of bankruptcy (Creekmore, vol. I, p. 34).

This Stabilization Corporation was a Delaware corporation, but its officers, agents, and offices were the same officers, agents, and offices as those of the American Cotton Cooperative Association. This was a matter of bookkeeping and of high finance, and in a short time about $80,000,000 was lost (Creekmore, vol. I, pp. 34–36).

Your committee will now consider these several losing operations of the American Cotton Cooperative Association.

THE STABILIZATION CORPORATION AND THE 16-CENT LOAN

The first major operation with regard to cotton after the Agricultural Marketing Act was passed on May 15, 1929, was the formation of the Stabilization Corporation and the 16-cent loan, taken together.

The Stabilization Corporation was organized in May of 1930, with an authorized capital stock of $15,000,000, all of which was advanced from the revolving fund of the Farm Board (Creekmore, vol. I, p. 35). The first major operation with regard to cotton was announced by the Federal Farm Board on October 21, 1929. Exactly 10 days before this announcement, Mr. C. O. Moser, the then president and general manager of the American Cotton Growers Exchange (the central cotton-cooperative organization which preceded the American Cotton Cooperative Association), wrote a long letter to Mr. Carl Williams, cotton member of the Federal Farm Board, in which Mr. Moser urged the adoption of 16-cent loan as the joint policy of the cotton cooperatives and the Farm Board.

The price of cotton steadily declined, and by the early spring of 1930, the cotton cooperatives were again confronted with bankruptcy. The losses, according to Mr. Creekmore's estimate, of the A. C. C. A. in its Stabilization Corporation and 16-cent loan, amounted to the enormous sum of $79,286,384.13. The Stabilization Corporation not only had this 1,300,000 bales of actual cotton, but it also had a large number of bales of futures which had been acquired from time to time.

THE DOLLAR AND A HALF PER BALE LOANS

Although the Stabilization Corporation took over the 16-cent loan cotton at the amount of the loan, plus carrying charges, it was discovered that liens of private banks and balances due farmer members had to be paid before the Government could acquire title to the cotton. In order to do this, the Stabilization Corporation assumed $2,462,351.81 as an added cost of the cotton, and the Farm Board loaned the cotton cooperatives $1.50 per bale, in the aggregate sum of $1,704,047.46.

Incidentally, the funds loaned under the $1.50-per-bale plan were lost by the Government in making compromise settlements of indebtedness with the Oklahoma, South Carolina, and Alabama cooperatives. Thus for the second time within a few weeks the Government produced funds to save the cotton cooperatives from bankruptcy.

THE 90-PERCENT ADVANCE

Despite the efforts of the cotton cooperatives and the Farm Board, the price of cotton continued to decline; whereupon in August 1930 the cotton cooperatives and the Farm Board entered into an agreement whereby the members of the cotton cooperatives would be advanced 90 percent of the market price of cotton at the time of delivery (Creekmore, vol. I, p. 37). Although Mr. Creekmore testified at the agricultural conference and Farm Board inquiry in 1931 that he entered into the plan with a full realization of its hazards, he stated that he was optimistic as to its ultimate outcome (Creekmore, agricultural conference and Farm Board inquiry, p. 310).

The facts are that this operation again rendered the cotton cooperatives bankrupt, and in order to rescue them, the Government in 1933 had to assume another loss, which Mr. Creekmore testified amounted to $27,376,998.06 (Creekmore, vol. I, p. 37). According to Mr. Creekmore, he estimates that the losses on the two transactions (the 16-cent loan of 1929–30 and the 90-percent advance of 1930–31) aggregated $107,113,441.54 (Creekmore, vol. I, p. 37). However, Mr. Creekmore's estimate is based on his exception to the statutory allowances made for the cotton donated to the Red Cross. The actual loss sustained by the Government on the two transactions has been approximately $140,000,000.

THE FRAZIER BILL

Senate Joint Resolution 38, introduced by Senator LYNN FRAZIER, of North Dakota, proposes a reopening of the settlements made by the Farm Board with the wheat and cotton cooperatives on the theory that the various stabilization operations were done on the authority of the Farm Board, which made the cooperatives, both wheat and cotton, its unwilling agents in carrying out these operations.

As far as the cotton cooperatives are concerned, such an argument is not sound, because the 16-cent loan was made at the earnest solicitation of and on the basis suggested by the cotton cooperatives; and by Mr. Creekmore's own admission he entered into the 90-percent loan with a full realization of its hazards but with the hope it would work out eventually.

Now, it must be remembered that Mr. C. O. Moser was the predecessor of Mr. Creekmore, he being president of the American Cotton Growers Exchange. The evidence discloses an announcement by the Farm Board on October 21, 1929, as follows:

"The Federal Farm Board believes that the prevailing prices for cotton are too low * * *. The Board will make supplemental loans to the cooperatives in amounts sufficient to make the average loan total 16 cents per pound."

Just 10 days prior to this announcement, Mr. C. O. Moser, president of the American Cotton Growers Exchange (which was the predecessor of the A. C. C. A.), wrote a long letter to Mr. Carl Williams, the cotton member of the Federal Farm Board, setting out the conditions as he saw them in reference to cotton, and strongly urging the Farm Board order just set out above.

Among other things, Mr. Moser said:

"It is therefore at a time like this that it is possible for us to advance nearer the market price than it would have been earlier in the season, when the size of the crop is less a calculable thing than it is now. I believe the cotton cooperatives, with the aid of the Farm Board may, with safety, and they should immediately, advance 16 cents a pound, or $80 a bale, on unfixed cotton, basis ⅞-inch Middling; and that wide publicity to such advance should be given as being the joint program of the cotton cooperatives and the Farm Board, and that the difference between 65 percent advanced at the time of delivery and the $80 a bale should be paid as soon as weight and grade of the cotton is established" (Creekmore, vol. I, p. 34; Williams, vol. I, p. 399 through to 402).

The evidence discloses that the cotton cooperatives and the Federal Farm Board were consulting daily just prior to the issuance of the Farm Board order, and no person who was then connected with either the Farm Board or the cotton cooperatives has testified to the contrary.

Mr. Stone, the tobacco member of the Farm Board, who was put on the stand by the cotton cooperatives, testified that there were daily conferences. It is apparent from the evidence that this order of the Board, if not directly secured by the cotton cooperatives, was issued with the full knowledge, consent, and approval of the cotton cooperatives, and issued at the earnest solicitation of the cotton cooperatives (Stone, vol. I, p. 570). Copy of this Moser letter was sent to all members of the regional or State cotton cooperatives (Creekmore, vol. I, p. 522).

Shortly after this operation began, the price of cotton began to go down. Within 6 months it had dropped from 18.23 cents per pound to 12.41 cents per pound and continued to drop. The cotton cooperatives' loss on this cotton was something like $79,000,000 on the 16-cent loan (Creekmore, vol. I, p. 35).

In view of the Moser letter, relating to the 16-cent loan, and Mr. Creekmore's statements at the agricultural conference and Farm Board inquiry, and his letter to Mr. Carl Williams, under date of November 16, 1932, with regard to the 90-percent loan, the Frazier bill must fail as far as cotton cooperatives are concerned.

It will thus be seen that every attempt of the cotton cooperatives backed by the Farm Board to benefit the farmers by increasing their prices in these various ways was a failure; however, each one, it was developed, was advertised to the whole country as a panacea for the low price of cotton, with the result that not only were the cotton cooperatives, then controlling about 15 percent of the cotton, rendered bankrupt, but the mills and the dealers and the farmers were all affected in the same way and their losses were tremendous.

These outside farmers and outside dealers and mills handled 85 percent of the cotton, and of course 85 percent of the loss fell on them, and neither the old Farm Board nor the cotton cooperatives was of any value or aid in the stabilization of the price of cotton, notwithstanding the enormous sums of money that were used in the various operations.

A year or two ago a bill was introduced by Senator FRAZIER of North Dakota which provided that the settlement of the Farm Board with wheat cooperatives be reopened for the purpose of giving the wheat farmers an opportunity of showing that their cooperative losses were the result of the action of the Farm Board and not of the cooperatives.

Later on another bill was introduced in which cotton was added, and that bill has been pending in Congress for some time. The bill provided as follows:

[S. J. Res. 38, April 15, 1935]

Joint resolution for the adjustment and settlement of losses sustained by the cooperative marketing associations

Resolved, etc., That for the purpose of adjustment and settlement of losses sustained by the cooperative marketing associations dealing in grain during the stabilization operations of the Federal Farm Board in the years 1929 and 1930, when such cooperative marketing associations were induced and requested by the Federal Farm Board to withhold grain and/or cotton from the market and to make advances to their members in order to stabilize prices, the Federal Farm Credit Administration is hereby authorized and directed to make such adjustments and settlements in accordance with the understanding that such cooperative marketing associations had with the Federal Farm Board, and on the basis of a price or a sum equal to the amount directly loaned or advanced to such associations, plus carrying charges and operation costs in connection with such grain and/or cotton from the date of the loans or advances to the date that such grain and/or cotton was finally taken over by the Federal Farm Board or delivered pursuant to its instructions.

This bill has been delayed in the Senate from time to time.

It is perfectly apparent from the facts brought out in the investigation that the cotton cooperatives, through Mr. Moser, the predecessor of Mr. Creekmore, recommended this loan and urged the Farm Board to adopt it, and after they had urged such adoption they cannot now be heard to say that further losses by them should be paid by the Farm Board or by the Government.

It was also developed in the hearings that this claim for a reopening of the settlements heretofore made by the Farm Board with the cotton cooperatives was first made by Mr. Creekmore on the 16th day of November 1932, when he wrote Mr. Carl Williams, cotton member of the Farm Board, making the claim that the cotton cooperatives were entitled to certain losses which they sustained on the 16-cent cotton (Stone, vol. I, p. 573).

It is perfectly apparent, therefore, that Mr. Moser, the predecessor of Mr. Creekmore, acting for the cotton cooperatives, having in like manner recommended the settlement between the Government and the cotton cooperatives on the 16-cent loan, the cotton cooperatives are now bound by the action taken by Mr. Moser as set out in his letter. The letter of Mr. Moser was sent to all of the cotton cooperatives (Creekmore, vol. I, p. 522).

Besides, in the memorandum put in the record by Mr. Creekmore, he states:

"After many conferences regarding a settlement, a compromise agreement was reached in May 1930 by a representative of the cooperatives with the chairman of the Farm Board, in the presence of the Vice Chairman, the cotton member, and the general counsel of the Board; whereby the cooperatives were to be reimbursed by a stabilization corporation, to be later organized, on the basis of the loan value on all cotton on hand, plus carrying charges, plus $1 per bale overhead on deliveries received during the 1929 season" (Stone, vol. I, p. 578).

This agreement was disapproved by the Attorney General and later on a settlement was made as follows:

"The general basis of settlement, as finally worked out by the Farm Board, resulted in the Cotton Stabilization Corporation taking over the cooperatives' cotton on the basis of the loan value, with an allowance of not to exceed $2.50 per bale for carrying charges, payable only to the extent necessary to meet the obligations of the cooperatives after borrowing from the Farm Board $1.50 per bale listed on prior seasons' deliveries. This loan was to be repaid by deductions of 50 cents per bale from the members' proceeds on deliveries in future years" (Stone, vol. I, p. 578).

UNDER THE NEW ADMINISTRATION

The foregoing is a history of the operations of the cotton cooperatives with the Farm Board up until March 4, 1933. The Congress meeting that year repealed the Farm Board Act and passed what is known as the Agricultural Adjustment Act, which set up the Farm Credit Administration in place of the Farm Board. At that time the cotton cooperatives owed the Government $207,418,246.48. (See McNary report, p. 35.)

At that time cotton was worth somewhere around 5 or 6 cents a pound, and the Farm Board, which had had appropriations to be used as a revolving fund of $500,000,000, and the A. C. C. A. had been financed by the Farm Board, were all in a state of bankruptcy and their debts had to be assumed by the Government, amounting to $27,376,993.06, as outlined in the 90-percent-loan loss. Also, the State associations benefited under the terms of the A. A. A. adjustment by additional payments authorized by Congress in connection with the settlement of the 1930–31 operations. Seven hundred and thirty-two thousand four hundred and fifty-six dollars and eighty-seven cents were paid in this adjustment (S. Rept. No. 1456, p. 22).

In other words, the new administration of Mr. Roosevelt started off by wiping the slate clean and taking over all the cotton into what was known as the Oscar Johnson pool. Thus the cotton cooperatives were again saved from bankruptcy and the Government, through Mr. Johnson, took over about 1,300,000 bales of actual cotton and approximately another million bales of futures which the A. C. C. A. had gathered in during the years of their speculation.

AGRICULTURAL ADJUSTMENT ADMINISTRATION

The Government continued to loan money to the cotton cooperatives, but under the provisions of the A. A. A., acreage was reduced through voluntary action, and Government rentals on land not cultivated in cotton were established.

Then the Bankhead Act was passed to regulate the number of bales produced.

Also the processing tax was put on to pay the cotton farmer for the rentals on land not used in producing cotton.

The above three enactments, passed in 1933, did what the Farm Board and the cotton cooperatives had tried in vain to accomplish since July 1929; namely, the price of cotton began to rise and the general trend has been upward ever since.

In March 1933 cotton was selling at between 5 and 6 cents a pound. By July 1933 cotton had risen to 9½ cents. By September 1933 it was 10 cents. By January 1934 it was 11½ cents, and by March 1934 it was 12½ cents. In July 1934 it was 13.15 cents.

In the fall of 1933, under the Agricultural Adjustment Act, Secretary Wallace announced a Government loan of 10 cents a pound on cotton, and this operated throughout the year 1933–34.

In August 1934 that loan was increased to 12 cents. The 10-cent loan did not seem to interfere with the movement of cotton. Indeed, it was under that loan that the price went from 10 to 13 cents, and it was thought that if the Government made a loan of 12 cents it would still further increase the price, but it did not have that effect and cotton went down some in 1934 and 1935, and in the summer of 1935 the loan offered by the Government was reduced again to 10 cents. Cotton is now selling at figures ranging from 11½ cents to 12½ cents.

This is the history of what has been done under the Agricultural Adjustment Act.

THE A. C. C. A. UNDER THE A. A. A.

Under the Agricultural Adjustment Act the A. C. C. A. has continued to borrow money from the Government; however, it and its affiliates have from time to time discarded practically all of their cooperative features until now, through their central organization, the cotton cooperatives have become one of the largest cotton dealers in the country.

It will be remembered that Mr. Creekmore testified that the cotton cooperatives and affiliates would have failed in 1929 and 1930 and that they would have been bankrupt if the Government had not assumed their debts. He testified that again in 1933 the A. C. C. A. and its affiliates were bankrupt and would have gone into bankruptcy if the Government had not assumed their debts (Creekmore, vol. I, p. 16).

He also testified that at the present time without Government subsidies and bounties they could not continue to operate (Creekmore, vol. I, pp. 120–121).

THE A. C. C. A. UNDER THE ROOSEVELT ADMINISTRATION

The cotton cooperatives, under the present administration, have undergone what one witness described as an "evolution." No longer do they advance money to their producer members on his cotton which is pooled with other cotton of like description and character. By means of the immediate fixation pool, the cotton cooperatives buy cotton just as any other merchant does, and the immediate fixation pool is simply a fiction whereby they can make outright purchases.

Under the present administration the A. C. C. A. has made, or claims to have made, approximately $2,500,000 from the handling of cotton owned or controlled by the Government, but during the same period it has lost about $1,500,000 on its operations for its own account.

INTEREST RATES AND PROFITS

But the Government continued to lend money to the cooperatives in 1933 and 1934 at ridiculously low rates of interest, and they were relending the money to their affiliates at a much higher rate of interest and making great profits thereby (Creekmore, vol. I, pp. 52–53). They also made profits from the handling of the old stabilization corporation cotton and in the 10-cent loan and in the 12-cent loan, and also on what is known as the Oscar Johnston pool cotton, which was the cotton accumulated by the A. C. C. A. under the 90-percent advance in 1930–31. They now claim to have made very substantial profits in 1933–34, that they had losses in 1934–35, and for the present it isn't clear whether they are making money now or not.

The American Cotton Cooperative Association borrowed money from the Government under a joker statute—that is to say, at rates of interest ranging from one-eighth of 1 percent to 1¾ percent. A statute had been passed by the Congress allowing money to be loaned to farmers at the same rate of interest that the Government paid for money.

The purpose of this statute was this: At the time of its passage the Government was borrowing money on its bonds at from one-eighth of 1 percent to 1¾ percent and the Congress did not wish to have the farmer charged any more for the money than the Government was paying for it; however, Mr. Andrew Mellon was Secretary of the Treasury at the time and he gave this statute a different construction from that intended by the Congress. He held that the lowest rate of interest meant any low rate, and he had been borrowing money on some classes of temporary certificates at as low as one-eighth of 1 percent; therefore, the farmers got some of their money at rates of interest as low as one-eighth of 1 percent. This was never intended by the Congress and when the matter came out, an act was promptly passed allowing the cooperatives to borrow money at 3 percent. As long as this statute was on the books, however, it seems that the American Cotton Cooperative Association borrowed money from the Government, of course, but when the new statute of 3 percent was passed, Mr. Creekmore looked about to see if he couldn't get the money at a small rate and he made an agreement with the Chase National and other banks in New York to borrow the money at 1⅛ percent (Creekmore, vol. I, p. 53).

FINANCIAL OPERATIONS

Mr. Creekmore testified that the cotton cooperatives had a line of credit with the Farm Credit Administration of about fifteen and one-half millions of dollars, and that he had a line of credit with private banks of something like $75,000,000, and that he had actually borrowed in 1 year $55,000,000. This Government credit, coupled with a practice by the Washington office of subordinating the Government loans to private loans, brought about an immense change in the cotton cooperatives' business.

The cotton cooperatives gave up their seasonal pools and their optional pools and their long-time holding of cotton and began what Mr. Creekmore termed the "immediate fixation pool," and the proof clearly shows that the immediate fixation pool is nothing in the world but a purchase of the cotton from the farmer by the cotton cooperatives.

It is true that it was claimed that they held out to the farmer when they bought his cotton that if there was any profit made by the cotton cooperatives the member would later receive what was called a patronage dividend. It developed that only one patronage dividend had been declared in 5 years, and that patronage dividend was 56 cents per bale in some districts, notably in Mississippi.

In one district, notably in Tennessee and Arkansas, the patronage dividend was credited on a debt due by the Mid-South (Henry, vol. I, p. 205).

It is very clear that when the farmer sold his cotton and when the cooperatives purchased his cotton under the so-called immediate fixation pool, the farmer regarded it as a sale and the cotton cooperatives regarded it as a purchase, and the American Cotton Cooperative Association and its affiliates became nothing but a huge cotton-buying concern with Government aid.

The so-called patronage dividend might well be likened to a transaction by which when a person enters a drug store or any other store and buys an article he is frequently given a coupon with his purchase, with the statement on the coupon that when the purchaser gets a million coupons he will be entitled to a prize box of candy.

This patronage dividend did not deceive the farmers at all, as appears from the proof, because they never expected to get anything further; but apparently it has deceived the executives in charge of the Farm Credit Administration up to this time.

ALADDIN'S LAMP

The Federal Government has been a veritable financial Aladdin's lamp to the American Cotton Cooperative Association. When the cotton cooperatives could borrow money from the Government at from one-half of 1 percent to 1 percent interest and lend it out to their subordinates at from 5 to 6 percent, this was pretty easy financial picking. When the Congress passed the 3-percent loan, however, it was necessary to do some refinancing, and then the plan was adopted to borrow from private banks at 1 11/16 percent, with the Government at Washington subordinating its liens to those of the private banks. By what right the Government at Washington did this has not been disclosed, but it was done, and the cooperatives borrowed as much as $55,000,000 in 1 year, with the Government's liens on the cotton made subordinate to those of the private banks.

Even with all this money, the American Cotton Cooperative Association had to have working capital, and how to get it was the next problem. The private banks would not lend to them at 1 11/16 percent unless the Government subordinated its liens. The Government, in the second year, decided it would not subordinate its liens, and thereupon the following plan was adopted: The A. C. C. A. in some manner that has not been fully explained caused its State associations, each one individually, to borrow from the Farm Credit Administration sums aggregating $5,000,000, to be turned over to the American Cotton Cooperative Association, and the State associations to receive preferred stock in the American Cotton Cooperative Association for the money (Daley, vol. I, p. 93).

In other words the American Cotton Cooperative Association did not borrow the money and, remarkable to tell, the individual State associations borrowed this money and took stock in the American Cotton Cooperative Association for it.

Exhibit C to Mr. Creekmore's testimony shows that the following companies borrowed from the Farm Credit Administration the $5,000,000 and turned it over to the A. C. C. A.:

Alabama Cotton Cooperative Association	$400,000
Brazos Valley Cotton Cooperative Association	425,000
California Cotton Cooperative Association	175,000
Louisiana Cotton Cooperative Association	800,000
Mid-South Cotton Growers' Association	800,000
Mississippi Cooperative Cotton Association	800,000
Oklahoma Cotton Growers' Association	500,000
South Carolina Cotton Growers' Association	200,000
South Texas Cotton Cooperative Association	200,000
Southwestern Irrigated Cotton Growers	200,000
West Texas Cotton Growers' Association	500,000

Now, let's analyze these transactions.

The Alabama Cotton Cooperative Association had been wound up in receivership, and of course it is inconceivable that the Government would lend to this bankrupt concern $400,000.

The Brazos Valley Cotton Cooperative Association had no assets of any kind and this was admitted by its officers (McCrary, vol. I, p. 356).

The California Cotton Cooperative Association, Ltd., there was no proof about.

The Georgia Cotton Cooperative Association is now being wound up through a receivership (Creekmore, vol. I, p. 9; Williams, vol. I, p. 386).

The Louisiana Cotton Cooperative Association, there was no evidence concerning ($365,000 stock in A. C. C. A.; Williams, vol. I, p. 291).

The Mid-South Cotton Growers' Association has quite a history. It had failed in 1929 and was in an expiring condition when the Government lent money to it. It is true that Mr. Henry, its manager, stated in his testimony that the Mid-South had $100,000 of Government bonds and $100,000 in cash and a building that he had bought for $35,000, and that it had some equities in the stock of the A. C. C. A. in stock dividends, but taking all these, it wasn't in a financial condition to borrow $800,000 and the Government will probably not get 10 percent of its loan back from the Mid-South (Henry, vol. I, p. 205).

The Mississippi Cotton Cooperative Association is supposed to be a going concern, but its assets were not disclosed (about $360,000; Stewart, vol. I, p. 342).

The Oklahoma Cotton Growers' Association had recently been sold by the Government, lock, stock, and barrel to the A. C. C. A. itself, and the Government had lost something like half a million dollars by it, and yet this bankrupt concern was allowed by the Commodity Credit Corporation to borrow $500,000 and invest it in the stock of the A. C. C. A. (Creekmore, vol. I, pp. 27–29).

The South Carolina Association likewise had to compromise its affairs at a great loss to the Government (McCutcheon, vol. I, p. 152).

The South Texas Association, its assets were not disclosed.

The Texas Cotton Cooperative Association, its assets were not disclosed.

The West Texas Cotton Growers' Association admitted that they had no assets of any kind (Lee, vol. I, p. 361).

Thus we see that the enormous sum of $5,000,000 was loaned by the Government to the several associations, none of which were able to borrow any such sums with any expectation of paying them back, and none of which borrowed for themselves, but for the benefit of the A. C. C. A.

The whole transaction, in the opinion of your subcommittee, was a fraud upon the Government.

What was the purpose of this transaction? Although the A. C. C. A. had failed twice, costing the Government something like $140,000,000, and although it admits that it is now insolvent unless the Government continues its aid, yet it claims to have put some $4,000,000 in reserve and issued stock therefor, and that it has a line of credit, as testified to by Mr. Creekmore, of $15,500,000 with the Farm Credit Administration, and $75,000,000 with private banks; and under these circumstances the question naturally arises: Why did the A. C. C. A. have to erect this amazingly peculiar financial structure in order to obtain working capital?

It is the opinion of your subcommittee that these loans are virtually worthless and the Government will be unable to collect them.

THE COOPERATIVES AND THE SEED-LOAN BORROWERS

The Congress having passed a law that cooperatives should be encouraged in every way possible, the Federal Farm Credit Administration recommended that the seed-loan cotton should be turned over as far as possible to the cotton cooperatives, and this was done.

And look at the charges that were made: $1.30 per bale other than seasonal charges. What they were nobody knows; $5 for membership fee; 50 cents for a newspaper publication (Henry, vol. I, pp. 197 through 202).

These charges were unconscionable and indefensible. Take the poor seed-loan borrower who can get credit nowhere else to make a crop, who was the poorest of the poor, and who in order to maintain himself and family had to borrow the pitifully small sum that he was allowed to borrow from the seed-loan office; and think of charges other than storage, insurance, and interest, mounting up to him of more than $11 per bale—more than 13 percent of the value of the cotton—taken out of the cotton for this enormous trust in the cotton-buying business known as the American Cotton Cooperative Association (Henry, vol. I, p. 232).

To my mind, the most condemning fact brought out was the treatment of the seed-loan borrower by the A. C. C. A. and its affiliates.

GOVERNMENT BOUNTY AND FAVORITISM

Remember that the American Cotton Cooperative Association has been in existence for 5 years.

The following sums have been paid to the American Cotton Cooperative Association by the Government on Government-controlled cotton as services and expenses, by years:

1930–31	$531,710.32
1931–32	907,909.87
1932–33	883,032.84
1933–34	789,060.65
1934–35	724,499.33

Totaling $3,836,213.01, or an average per year of $767,499.33.

All of this is obtained from Mr. Creekmore's exhibit Q and his testimony.

It is true that expenses apportioned to the Stabilization Corporation out of the above amounted to $1,278,967.43, but since that corporation was officered and serviced by exactly the same people

as the American Cotton Cooperative Association, that was a mere matter of bookkeeping (Creekmore, vol. 2, p. 215).

Over and above this income the A. C. C. A. made enormous sums out of interest annually by charging the member associations more than they paid the Government for the money. The interest sheets have not yet been furnished, but Mr. Creekmore says he will furnish them and the amount that the Government gave them under interest transactions will be shown and made a part of this paragraph. Over and above the income which the American Cotton Cooperative Association made, the affiliated associations made additional interest on the loans made by them to individual members (Creekmore, vol. I, p. 57).

In other words, the farmer paid the bill, except when there was a loss, and kindly Congress assumed these enormous losses.

RECONCENTRATION OF COTTON

Much of the $3,836,213.01 was for reconcentrating and otherwise handling Government cotton. But last spring or early summer another reconcentration of cotton was ordered. Announcements were made by the Federal Farm Credit Administration that bids would be received for reconcentration of cotton on which the Government had a lien, for the purpose of making room for the new cotton crop of 1935–36. It was estimated that it would be necessary to reconcentrate some 3,000,000 of bales. Bids were put in to do this handling by the A. C. C. A. by John M. Parker & Co., of New Orleans, and others.

Mr. Parker testified that they put in a bid to reconcentrate this cotton for 40 cents per bale flat (Parker, vol. I, p. 495).

The A. C. C. A. put in a bid for reconcentrating the first 500,000 bales at 48 cents; the second 500,000 at 45 cents; the third 500,000 at 40 cents; and any additional bales for 35 cents (Parker, vol. I, pp. 498-499).

Up to the time of the hearing only 1,600,000 bales had been reconcentrated. Whether there would have been any more was not known. But it must be remembered that the A. C. C. A. had received 48 cents a bale on the first 500,000 bales, 45 cents on the second 500,000 bales, and 40 cents on the third 500,000 bales—and then they handled very little more. So that the average price of handling the cotton was more than 43 cents per bale, while Mr. Parker offered to reconcentrate the cotton for 40 cents per bale, and if the Parker bid had been accepted—and he represented a responsible firm—the Government would have saved some fifty to seventy thousand dollars by giving the bid to him. But the A. C. C. A. got the job.

Some question was raised as to whether the Department had the right to let this contract without advertising for bids. No bids were advertised for.

In connection with this reconcentration of cotton Mr. R. L. Taylor, president of the Federal Compress Co., which warehouses the cotton in the Memphis district, or a large part of it, stated that he offered to reconcentrate all of the cotton in his district necessary to be reconcentrated without charge. The bid to do it for nothing was declined (Taylor, vol. I, p. 420).

Mr. Parker testified that the reconcentration of this cotton was very expensive to the farmer, and this testimony was not in any way denied (Parker, vol. I, p. 502).

When the cotton goes in the warehouse it is sampled, and when it was reconcentrated the Government required it to be sampled again, and by regulation these second samples were destroyed so far as the use of them was concerned; but it was said that the A. C. C. A. credited the value of them to the Federal Farm Credit Administration. However, Mr. Parker testified that when the cotton is sold it must again be sampled.

Now, the amount taken out at each one of these sampling operations ranges from three-quarters of a pound to a pound, and thus the farmer is deprived of these three samples, at the present price of cotton, on 3 to 35 cents per bale (Parker, vol. I, p. 501).

In addition to that, when the cotton is sold under the third sampling the cost of that sample is from 35 to 50 cents.

It will thus be seen that the reconcentration movement cost the farmer something like 65 to 75 cents per bale. But what is the poor farmer if he is not to be mulcted in this way? Who cares for him, anyhow?

In addition to that, quite frequently the cotton was moved from warehouse to other points hundreds of miles away, without the consent of the farmer, without the knowledge of the farmer, and how much delay and expense he may be put to to find his cotton in some far-off warehouse is yet to be seen.

In connection with this last reconcentration of cotton, Southern Senators, almost to a Senator, and many Southern cotton Congressmen, protested as vigorously as they knew how against this reconcentration of cotton. There was in their opinion no reason for it. It is doubtful if there was any reason for it, and the only one to benefit by it was the cotton cooperatives, and the only ones to lose by it will be the farmers—unless the loss is so great that the Government will have to come forward for a third time and assume it.

FUTURES AND SPECULATION

The committee has tried very zealously to obtain figures on the total number of bales of futures that were bought or sold during the existence of the cotton cooperatives. Mr. Creekmore said it was very difficult to get these figures, but exhibits H and I of his deposition indicate the amounts that he paid the futures brokers for 2 years, namely, for 1931–32 and 1932–33. For these 2 years, commissions alone amounted to $1,246,815.24 (Creekmore, vol. I, pp. 108–109).

Each year shows futures brokers' total commissions, being separated into two divisions, namely, "Brokers' commissions" and "Brokers' commissions earned." What is meant is not shown.

The figure of $1,246,815.24 shown above constitutes commissions on some 8 million plus bales of futures based on the brokerage as testified to, of 15 cents a bale. In other words, the cotton futures dealt in by the cotton cooperatives must have been many times the number of bales of spot cotton dealt in by them. Speculation at one time was freely admitted, and, of course, cannot be denied.

COMPARISON OF CHARGES

It is undeniable, and for a large part undisputed, that the charges for handling cotton, and collected out of the cotton by the cooperatives, are considerably larger than similar charges made by private merchants and buyers. No better illustration of these charges can be given than the following typical statement from the seed-loan office:

Résumé of typical settlements made on 1931 loans by Mid-South Cotton Growers' Association

(Henry, vol. I, pp. 192-203)

Our loan No.	Mid-South contract No.	Date of payment	Number of bales	Gross proceeds	Previous cash advance	Interest on cash advance	Deductions			Charges other than regular seasonal charges	Membership fee	Association news subscription	Interest on cash paid out for freight, storage, etc.	Gross deductions
							Light bale	Insurance	Storage					
21733	7603700	Feb. 27, 1934	1	$51.31	$5.59	$0.60	-------	$1.30	$4.55	$1.40	$5	$0.50	$0.40	$19.34
74769	3117500	Feb. 2, 1934	1	53.97	5.88	.65	-------	1.30	4.55	1.47	5	.50	.40	19.75
63420	2437400	Feb. 1, 1934	1	54.75	5.30	.52	-------	1.30	4.55	1.33	5	.50	.40	18.90
64006	6113100	Feb. 19, 1934	2	94.91	42.52	4.57	-------	2.65	9.25	2.54	5	.50	.80	67.83
26770	6165800	----do----	1	48.44	5.00	.52	-------	1.30	4.55	1.28	5	.50	.40	18.55
30362	2378200	Jan. 26, 1934	1	37.72	4.00	.42	-------	1.30	4.55	1.00	5	.50	.40	17.17
8696	5917200	Feb. 16, 1934	1	44.98	16.81	1.84	-------	1.35	4.70	1.23	5	.50	.40	31.83
130299	2434200	Feb. 1, 1934	1	53.95	5.65	.62	-------	1.30	4.55	1.39	5	.50	.40	19.41
14228	5021000	Feb. 10, 1934	1	45.30	4.68	.50	-------	1.25	4.40	1.17	5	.50	.40	17.90
33849	2132500	Jan. 23, 1934	1	59.65	7.50	.83	-------	1.25	4.40	1.52	5	.50	.40	21.40
6219	5405700	Feb. 13, 1934	1	42.63	4.56	.52	-------	1.25	4.40	1.14	5	.50	.40	17.77
68771	2389200	Jan. 26, 1934	2	64.36	6.60	.62	$2	2.10	7.60	1.65	5	.50	.80	26.87
36672	5950100	Feb. 16, 1934	3	142.77	31.12	3.22	-------	3.90	13.65	3.89	5	.50	1.20	62.48
98745	2136200	Jan. 23, 1934	2	98.16	8.45	.88	-------	2.60	9.10	2.56	5	.50	.80	29.89
10828	5915100	Feb. 16, 1934	3	154.40	75.44	8.05	-------	4.00	13.95	3.90	5	.50	1.20	112.04
3006	5915800	----do----	2	101.20	14.00	1.46	-------	2.60	9.10	2.63	5	.50	.80	36.09
128313	2352400	Jan. 26, 1934	2	82.46	8.30	.85	1	2.60	9.10	2.07	5	.50	.80	30.22
91063	2231800	Jan. 23, 1934	2	86.11	10.00	1.04	-------	2.60	9.10	2.30	5	.50	.80	31.34
89077	10104000	Sept. 20, 1933	2	87.40	11.97	.97	-------	2.10	7.60	5.30	5	.50	.80	34.24
17402	5010000	Feb. 10, 1934	2	82.28	8.90	.94	-------	2.60	9.10	2.17	5	.50	.80	30.01
59817	5728700	Feb. 16, 1934	2	114.15	11.60	1.25	-------	2.50	8.80	2.79	5	.50	.80	33.24
18171	6154400	Feb. 19, 1934	3	149.43	19.79	2.08	-------	3.95	13.80	3.82	5	.50	1.20	50.14
4073	6116000	----do----	5	247.39	61.99	6.67	-------	6.55	22.90	6.30	5	.50	2.00	111.91
18176	6169800	----do----	3	144.09	6.00	.62	-------	3.75	13.20	3.88	5	.50	1.20	34.15
457	6128800	----do----	4	191.17	72.51	7.89	-------	5.25	18.35	5.06	5	.50	1.60	116.16
Total			49	2,332.97	454.16	48.13	3	62.65	219.80	63.79	125	12.50	19.60	1,008.63

KENNETH MCKELLAR.
JOHN G. TOWNSEND, Jr.

ORDER FOR CONSIDERATION OF CALENDAR TOMORROW

Mr. McKELLAR. Mr. President, I think the Senate might well recess at this time until tomorrow. I ask the Senator from Kentucky whether or not he is agreeable to recessing at this time and permitting me to continue in the morning.

Mr. BARKLEY. Mr. President, on Monday I announced to the Senate that we should endeavor to call the calendar tomorrow. Therefore, I ask unanimous consent that when the Senate convenes tomorrow the pending unfinished business be temporarily laid aside, and that the Senate proceed to a call of the calendar for the consideration of unobjected-to bills, after which the consideration of the unfinished business will be resumed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. WILEY in the chair) laid before the Senate a message from the President of the United States submitting the nomination of MARVIN JONES, of Texas, to be judge of the United States Court of Claims, vice Thomas S. Williams, deceased, which was referred to the Committee on the Judiciary.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

THE JUDICIARY

The legislative clerk read the nomination of Adrian J. Caillouet to be United States district judge for the eastern district of Louisiana.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Frank S. Tavenner, Jr., to be United States attorney for the western district of Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS—NOMINATIONS ADVERSELY REPORTED

Mr. McKELLAR. I ask that the nominations of postmasters adversely reported go over.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTMASTERS—NOMINATIONS FAVORABLY REPORTED

Mr. McKELLAR. I ask that the nominations of postmasters favorably reported be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters favorably reported are confirmed en bloc.

That concludes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until tomorrow, Wednesday, April 10, 1940, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 9 (legislative day of April 8), 1940

JUDGE OF THE UNITED STATES COURT OF CLAIMS

MARVIN JONES of Texas to be judge of the United States Court of Claims, vice Hon. Thomas S. Williams, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 9 (legislative day of April 8), 1940

UNITED STATES DISTRICT JUDGE

Adrian J. Caillouet to be United States district judge for the eastern district of Louisiana.

UNITED STATES ATTORNEY

Frank S. Tavenner, Jr., to be United States attorney for the western district of Virginia.

POSTMASTERS

OHIO

Noah H. Overturf, Granville.
Earl F. Reeb, Newark.

PENNSYLVANIA

Frank M. O'Connell, Gilbertsville.
James Bentley Candy, Langhorne.
William Frederick Clevenstine, Mingoville.
Joseph R. Roach, Petrolia.
Clair A. Wamsley, Phoenixville.
Grace E. Tressler, Pleasant Gap.
Cora B. Rufe, Riegelsville.
Frederick S. Magargal, Spring House.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 9, 1940

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Merciful Father, grant that we may welcome this new day as Thy gift—taking up our duties and following the light which Thou dost give us. Conscious of the meaning and the purpose of life, may we consecrate ourselves anew to a strong, courageous, adventurous faith, realizing that we enter into fellowship with all who have been workers together with Thee. As Thou hast been interpreted by the glorified cross, O make it real to all hearts. By accepting the Christ, we accept the life He lived, making His aims and ambitions our own; exalted when inspired by Him, love and faith in Him make the perfect man. Today guide our feet in the way of Thy commandments and fill our souls with Thy presence. We praise Thee that Thou art the Lord of life and Thy life is the light of men. We thank Thee and complain not—in the name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed the following resolution:

Senate Resolution 255

IN THE SENATE OF THE UNITED STATES,
April 8, 1940.

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CLYDE H. SMITH, late a Representative from the State of Maine.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12 o'clock meridian tomorrow.

The message also announced that pursuant to the foregoing resolution the presiding officer had appointed Mr. HALE and Mr. WHITE as the members of said committee on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8913. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes.

THE LATE CLYDE H. SMITH

Mr. BREWSTER. Mr. Speaker, I ask unanimous consent to address the House and to revise and extend my remarks.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. BREWSTER. Mr. Speaker, I wish to join my colleagues in expressing a profound sense of personal, as well as public, loss in the passing of Representative CLYDE H. SMITH.

Far more than a perfunctory tribute is the due of Representative CLYDE H. SMITH of the Second Maine Congressional District, who has completed his labors after a most extraordinary career.

Forty-nine times he submitted himself to the suffrage of his fellow citizens, and every time his record brought him merited success.

Rarely, if ever, has such a record been duplicated in the entire history of American democracy.

Not only in the duration of his service, but also in its variety, his record is unique: Selectman of a New England town, with all the exacting requirements of daily contact with the myriad interests he must serve; superintendent of schools in the days when it had not yet become a position for professionals but was still the task of a layman who took seriously his community responsibilities; high sheriff of his county in a time when practically all responsibility for law enforcement rested in his hands; representative to the legislature at the age of 23; 6 years a member of the Senate of Maine; chairman of the State highway commission during my administration as Governor of Maine; 4 years a member of the Governor's council, a position second only in importance and responsibility to the office of Governor in Maine; completing now 4 years of service in the Congress of the United States.

In each of these positions he labored without ceasing, and each laid the foundation for a further broadening of his service that brought him finally to represent his congressional district here in the Capitol of the most powerful Nation the world has ever seen.

Yet this constant succession of honors revealing the continued confidence of his fellow citizens of all degrees left him untouched and unspoiled by the sometimes corroding compliment of success.

His heart was still with the great number of people in humble circumstances with whom he loved to live.

As a fellow member of the Maine Senate in 1923 I heard our colleague deliver one of the great speeches of a century in the Maine Senate in behalf of his proposal for old-age pensions in a period when this topic was scarcely thought of by the great mass of his fellowmen. When that speech was finished, prophetic in its vision, there was not a single dry eye in the chamber nor a single dissenting vote.

A decade later, when challenge was made as to his position on old-age pensions, it was my privilege to use that historic address as an entirely adequate reply.

As an executive and a legislator alike he brought to his work the most detailed and unremitting attention that undoubtedly contributed to his untimely end.

As a lifelong champion of good roads he had the satisfaction of seeing his legislative plans reach fruition under his administration as chairman of the highway commission and Maine roads become one of the chief cornerstones in the development of our State.

But in later life, in the problems of labor, his talents and his interests found their fullest scope. Coming to Congress, his lifelong record of service to the interests of labor and industry alike gave him the unique distinction of being endorsed for a position on the highly responsible Committee on Labor of the House by both the Maine State Federation of Labor and the Associated Industries of Maine.

In the 4 years of his service the Committee on Labor became the center of the most heated controversies in each session. Always Representative SMITH was found in the midst of the battle, seeking, in his strategic position on subcommittees dealing with these contentious issues—a position accorded him by the confidence of his colleagues on both sides—to adjust and harmonize the issues in the interest of both his State of Maine, to which he recognized a primary allegiance, and the cause of American industrial progress, in which he believed was bound up the hope not only of labor and capital in America but the hope of humanitarian progress throughout the world.

Many of his labors bore fruit in adjustments in legislation that meant much to New England and to labor and industry everywhere. On other problems he was still at work with high hope that he would find a solution that was just and helpful to all alike.

His untimely end was clearly a result of his unceasing labors far beyond his strength.

A host of friends in Congress and in Maine will be deeply saddened by his passing as they will be inspired by his life.

MICHIGAN APPLES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, in order that the country may know that we not only produce the finest automobiles in the world in the State of Michigan, and about 80 percent of all the automobiles produced in this world, I have placed in the cloakrooms today—both the Republican and Democratic cloakrooms—samples of some of the finest apples produced in this world. They were produced in the Seventeenth Congressional District of Michigan, which I have the honor to represent. We have had samples of various kinds of fruit—oranges, grapefruit, pineapples—pies, shrimp, and fish, and each Member has delighted in showing to the country the excellence of the things produced in his district. The two varieties provided are the Northern Spys and Delicious. These apples may not show to the best advantage at this late season of the year; they may not have the richness of color of the apples raised on irrigated land in the great Northwest, but in point of quality of flavor they are unexcelled by any apples produced anywhere on earth. My colleagues, I ask you to join me in helping yourselves to them. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to make two insertions in the RECORD, first, a radio address I delivered last night over a national network from station WOL on Americanism, and, second, a statement I am making today before the Committee on Flood Control.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

COMMITTEE ON MILITARY AFFAIRS

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs may be permitted to sit during the session of the House today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to place in the Appendix of the RECORD an article in the Springfield Republican written by Hon. Joseph A. Conry, a former Member of Congress from Massachusetts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein quotations from two letters and from the Washington Post.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Milwaukee Journal.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, yesterday the House gave consent for me to place in the RECORD a statement showing the cost of production of milk in the Detroit milk shed. I am advised by the Superintendent of the Government Printing Office that this material will require three pages of the RECORD, and therefore, under the rules, it is necessary for me to obtain additional consent, if I may do so, to insert this matter in the RECORD.

The SPEAKER pro tempore. What is the material?

Mr. CRAWFORD. It is a cost study on the production of milk in the Detroit milk shed, which covers several counties in Michigan. I believe it will be valuable information for the Members of the House who are interested in milk products primarily, because it is an unusual study. Therefore, Mr. Speaker, I ask unanimous consent to insert this material in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CALL OF THE HOUSE

Mr. COX. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 62]

Allen, Ill.	Elliott	Lesinski	Patman
Andresen, A. H.	Elston	McArdle	Patrick
Barden	Evans	McGehee	Rabaut
Bates, Mass.	Faddis	McGranery	Ramspeck
Beam	Fish	McKeough	Reed, Ill.
Bell	Flannagan	McLaughlin	Romjue
Bradley, Pa.	Gifford	Maciejewski	Sabath
Buckley, N. Y.	Gilchrist	Magnuson	Seger
Burch	Grant, Ala.	Mansfield	Shafer, Mich.
Burdick	Green	Marshall	Sheridan
Burgin	Halleck	Martin, Ill.	Smith, Ill.
Clark	Healey	May	Smith, W. Va.
Claypool	Hook	Merritt	Somers, N. Y.
Cole, N. Y.	Jarman	Mitchell	Starnes, Ala.
Collins	Johns	Monkiewicz	Steagall
Creal	Johnson, W. Va.	Monroney	Sutphin
Crowther	Kelly	Moser	Taylor
Culkin	Kerr	Murdock, Utah	Terry
Darrow	Kirwan	Myers	Weaver
Doughton	Kleberg	Osmers	Wheat
Douglas	Kocialkowski	O'Toole	Whelchel

The SPEAKER pro tempore. On this roll call 345 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

GOOD BEHAVIOR TENURE BILL FOR FEDERAL JUDGES

Mr. COX. Mr. Speaker, by direction of the committee——

Mr. SUMNERS of Texas. Mr. Speaker, by consent of the gentleman from Georgia, I am permitted to request the privilege of making a suggestion.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SUMNERS of Texas. Everyone will agree, I am sure, that this bill is one of the most important bills we will consider. The debate on the bill is to be concluded in 2 hours, and my suggestion is that the Members of the House try to remain in attendance during that time in order that they may understand this important measure which is to be considered.

Mr. GUYER of Kansas. Mr. Speaker, will the gentleman from Georgia yield?

Mr. COX. Certainly.

Mr. GUYER of Kansas. Mr. Speaker, the chairman of the Committee on the Judiciary has referred to the fact that this is a very important matter, and for that reason the Members should remain on the floor. For this reason also we should have more time to debate this question. One hour is not enough on this bill. I am flooded with requests for time and I ask unanimous consent that the time be extended to 2 hours on the bill.

The SPEAKER pro tempore. The rule has not been presented. The rule could be amended if the House desires to do so.

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 237 and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 237

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 5939, a bill to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. COX. Mr. Speaker, in view of the feeling that prevails on both sides of the aisle with respect to time for debate, I ask unanimous consent that the rule be amended to provide for general debate of 2 hours instead of 1.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

This is a bill making in order the so-called good-conduct bill reported by the Judiciary Committee.

I yield 20 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, I yield 20 minutes to the gentleman from Alabama [Mr. HOBBS].

The SPEAKER pro tempore. The gentleman from Alabama [Mr. HOBBS], is recognized for 20 minutes.

Mr. HOBBS. Mr. Speaker, before beginning to discuss this most important and wise piece of legislation, a manifestation of the real statesmanship of the author of the bill, please permit a tribute to him who is considered one of the major prophets of constitutional law in this Nation—yea, in the world today—the gentleman from Texas, the Honorable HATTON W. SUMNERS. [Applause.]

Many of us love the distinguished chairman of the Committee on the Judiciary. All have the utmost confidence in his legal opinion on any subject. He is the only man who has ever lived who participated in as many as three impeachment trials before the Senate of the United States. Possessed of a wealth of thinking power and absolute integrity of thought out of the incomparable richness of his experience, the gentleman from Texas, HATTON SUMNERS, takes the floor today and leads the fight for the passage of this bill a second time. Essentially, the same bill was passed by the House of Representatives in 1937.

The passage of this bill would not change one jot or tittle of the law of impeachment. Not if we would, could we. We would not if we could.

No part of the power of this House will be taken away or diminished when this bill becomes law. The same deliberation must be a condition precedent to this mode of procedure that is necessary in impeachment. But, by this new mode of accomplishing the same result, after a complaint has been made by a responsible person, and after the Judiciary Committee has weighed it on the scale of its judgment with the

utmost of its scrupulous care, it will then report to the House which of the two roads is, in its opinion, indicated as the better.

Then the House has the choice between the two roads of trial, before the Senate or before a special court. Or, of course, the House may decide to take neither road.

Impeachment is a ponderous procedure. It is a mechanism so unwieldy that it has probably not been used as often as it should have been, and because of its inherent defects it has repeatedly failed. Impeachment is a 16-inch gun. A gun of that size is not needed to shoot the twig from under a sparrow. We laboriously load this Big Bertha. Occasionally it is fired. After many shots have failed, once in a while a twig falls. But, such a big gun is unnecessary and a waste of time, effort, and ammunition. This bill provides a better way—a smaller gun with a surer aim.

Is the removal of a judge who has disgraced his bench of such moment to the Nation that the usual functions of the Senate and Senators should be paralyzed for weeks? Is it necessary that we spend from five hundred to a thousand dollars per witness to bring them across the continent, as we did in the Louderback case? Or shall three judges be designated to go where the judge sits and there try the case and dispose of it in an orderly and expeditious manner?

The first great reason for the enactment of this bill is for the sake of the bench; for the sake of the men who are now adorning "the woolsack" and who lend glory to the administration of justice. Not one in a hundred judges have ever disgraced themselves, or their office or brought administration of justice into disrepute. For those honored judges, the ninety and nine, we plead for the enactment of this bill. We need a more expeditious, a more certain remedy than that which is provided by the impeachment power. In all the history of the American Nation there has been only one conviction of a United States district judge in a contested impeachment trial. One hundred and fifty years are gone, and with all the hundreds of complaints that have been registered in that time only 12 impeachment trials have been ordered by this House. There have been two convictions of judges in contested cases, one a judge of the commerce court and the other a district judge. Another resigned under fire.

Does this bill imply criticism of the Senate? No; certainly not. That august body has measured up splendidly under the handicaps with which it has contended. It has done as much of its duty as those men who have always been worthy to sit in the seats of the mighty have been able to perform, as beset as they are with public business and their multifarious official duties. This bill might well be entitled "For the relief of the Senate." The Senators need the relief which this bill gives them. When the Constitution was written, that body had only 26 Members. There were only 15 district judges in the United States. Now we have 96 Senators and some 160 United States district judges. When the impeachment power was written into our Constitution, each district judge loomed large on the national horizon because they were few. Now they are lost in the crowd, so to speak.

CONSTITUTIONALITY

The most serious argument advanced against the constitutionality of this bill is expressio unius, exclusio est alterius. From this Latin maxim opponents argue that because the impeachment power provides a mode of removing a judge and no other mode is expressly set forth in the Constitution no other mode may be provided by law. In other words, the expression of the one excludes all others. The Constitution has this and nothing more to say on the subject of impeachment:

> The House of Representatives * * * shall have the sole power of impeachment.
>
> The Senate shall have the sole power to try all impeachments.
>
> The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, and other high crimes and misdemeanors.

That is all. There is no hint that judicial ouster is interdicted. In fact, the impeachment power and all provisions relating thereto are found in articles I and II of the Constitution, which are separate and distinct from article III, which deals with judicial power and prescribes that "the judges of both the Supreme Court and inferior courts shall hold their offices during good behavior."

There are five reasons why the maxim expressio unius, exclusio est alterius can have no application whatever to this bill:

1. STARE DECISIS, CONTRA

The Supreme Court of the United States has repeatedly decided that the expression in the Constitution of the impeachment power over all civil officers did not exclude the removal from office of civil officers by other means. These decisions fall into three classes. None of them relate to the removal of judges, for the removal of no judge has ever been attempted by any other way than impeachment, because there has never been any law for such a procedure. We are trying to pass such an enabling act now. Mark you, "all civil officers" means "all." It means all civil officers, including judges. There is no special reference to judges in either article I or article II. Article II, section 4, says "all civil officers" shall be removed from office on impeachment for and conviction of treason, bribery, and other high crimes and misdemeanors. Therefore, if any civil officer is excepted from its operation, all must be excepted. Civil officers appointed by the President, with the advice and consent of the Senate, are removable by the President alone—*Myers* v. *United States* (272 U. S. 52, 57); *Wallace* v. *United States* (257 U. S. 541); *Shurtleff* v. *United States* (189 U. S. 311, at 317); *Parsons* v. *United States* (167 U. S. 324); *Blake* v. *United States* (103 U. S. 227).

The following quotation from the Shurtleff case is quite in point:

> By the fourth section of article II of the Constitution, it is provided that all civil officers shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors. No one has ever supposed that the effect of this section was to prevent their removal for other causes deemed sufficient by the President. No such inference could be reasonably drawn from such language.

Quoting again from the same case, page 316:

> The maxim, expressio unius est exclusio alterius, is used as an illustration of the principle upon which the contention is founded. We are of opinion that thus used the maxim does not justify the contention of the appellant. We regard it as inapplicable to the facts herein. The right of removal would exist if the statute had not contained a word upon the subject.

The second class of cases involving civil officers are unanimous in their holding that the heads of departments have the implied power of removal of their own appointees. Typical of this class of cases are *United States* v. *Perkins* (116 U. S. 483) and *Keim* v. *United States* (177 U. S. 290).

The third class of cases involving civil officers and their removal are unanimous in holding that courts of law have implied power of removal of all of their appointees. Typical of this class of cases are *Ex parte Hennen* (30 U. S. (13 Pet.) 230); *Regan* v. *United States* (182 U. S. 419). Therefore, inasmuch as these nine cases, in three different categories or classes, have held that certain civil officers are subject to removal otherwise than by impeachment, it cannot be held that article II, section 4, of the Constitution means that impeachment is the only mode of removal of civil officers. And that is the only section that applies to judges with respect to the claimed expression of the one excluding the other.

2. HAD THE FRAMERS OF THE CONSTITUTION INTENDED TO GRANT EXCLUSIVE POWER TO REMOVE CIVIL OFFICERS VIA IMPEACHMENT, THEY WOULD HAVE SAID SO

Why did they not use the word "remove" or "removal" instead of the word "impeach" or "impeachment"? Certainly they knew words and how to use them. They were the greatest minds of the age and they were thoroughly familiar with British precedents and British law. The impeachment proceeding was well known. The Hastings case was in its final throes at the time of the adoption of our Constitution. There had been no change in impeachment law in the world in the last century preceding the adoption of our Constitution. It was well known and definitely fixed in all of its aspects. So, if the framers had meant to establish an exclusive mode of removal of civil officers from office, they would have said so.

3. THE MAXIM HAS NO APPLICATION TO AN EXPRESS PROVISION SELECTING ONE OF SEVERAL COMMON-LAW REMEDIES

The common-law ouster proceedings in England, which were known to every member of our Constitutional Convention, were: First, three types of legislative removal—the bill of attainder which is specifically outlawed in our Constitution; second, impeachment, which we adopted almost literally, minus their punishment provisions; and third, an address to the Crown, joined in by both the House of Lords and House of Commons. That fails here, of course, because we have no crown and, therefore, no possibility of an address to the crown; for the crown is not in this sense even remotely akin to the office of President. The second type of removal was executive. Removal by the Crown of those who held their positions under his patent, which read, "for the pleasure of the King." Hence, of course, the King had that power over his own patentees. Our President has and exercises much the same power over his appointees.

The third class of removals in Great Britain were the judicial removals—scire facias, in the King's bench, limited to the judges of higher courts, and quo warranto, for the removal of the lower strata of judges.

So all that the framers did in writing the impeachment provisions of our Constitution was to select one out of the five existent and used methods of removal employed in England. Their common law became the law of America, and only by limitation of use and by failure to use have these other methods of removal—which are still available in England—fallen into disuse in this country, and possibly into extinction because of nonuse.

4. WITHOUT AN EXPRESS PROVISION, IMPEACHMENT WOULD HAVE BEEN IMPLIEDLY PROHIBITED BY THE DOCTRINE OF SEPARATION OF POWERS

The reason the impeachment power was written into our Constitution was that without an express provision granting that power to the legislative branch of our Government that branch would have had no right to control or to attempt to control the judicial or executive branch, even in this single respect.

The case of *Humphrey's Executor* v. *United States* (295 U. S. 602) supports that proposition. Humphrey was a man who occupied a quasi judicial as well as quasi legislative position, a member of the Federal Trade Commission. This body is not within the Executive Department, and must be free from executive control. To show that the doctrine of separation of powers is still a living force, the following quotation from pages 629 and 630 of the Humphrey decision is made:

> The fundamental necessity of maintaining each of the three general departments of government entirely free from the control or coercive influence, direct or indirect, of either of the others, has often been stressed, and is hardly open to serious question. So much is implied in the very fact of the separation of the powers of the departments by the Constitution; and in the rule which recognizes their essential coequality. The sound application of a principle that makes one master in his own house precludes him from imposing his control in the house of another who is master there. James Wilson, one of the framers of the Constitution and a former Justice of this Court, said that the independence of each department required that its proceedings "should be free from the remotest influence, direct or indirect, of either of the other two powers."

The main purpose of writing impeachment power into the Constitution was to supply a check in the legislative branch of our Government against the Executive, and also over the judiciary, to the extent of that impeachment power. If that was the purpose, the power must have been granted in express terms, else it would have been impliedly prohibited by reason of the clear enunciation and understanding of our theory, doctrine and practice of separation of powers among three equal and coordinate branches of our Government.

5. THE FRAMERS DID NOT WISH TO MAKE EXECUTIVE AND JUDICIAL OFFICERS COMPLETELY DEPENDENT UPON CONGRESS

They wanted to give the legislative branch a check against the other two departments, but they did not wish to make the legislative branch supreme and completely dominant. They wished to confer a power of removal by impeachment, but the desired limitations on the right to punish had to be explicitly stated. If they had conferred the full power of impeachment, it would have carried with it the right to inflict the punishments imposed in impeachment trials in England. So, desiring to limit the legislative branch of our Government in the exercise of the power of impeachment they said: "But you cannot go beyond the punishment of ouster and future disqualification to hold office." In other words, they wished to give one independent branch of the Government a limited, supervisory control over the others, but not the right to hang, draw, and quarter.

TRIAL BY JURY

Another question as to the constitutionality of this bill is that it denies to the accused the right of trial by jury.

What are the constitutional guaranties of trial by jury?

> The trial of all crimes, except in cases of impeachment, shall be by jury (art. III, sec. 2).
>
> In all criminal prosecutions the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed. * * * (Sixth amendment.)
>
> In suits at common law, where the value in controversy shall exceed $20, the right of trial by jury shall be preserved (seventh amendment).

Impeachment in England was a criminal prosecution, for in addition to removal from office punishments including fines, forfeitures of estates, and even hanging, drawing, and quartering could be inflicted. But when the impeachment power was written into our Constitution it was specifically provided that:

> Judgment in cases of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust or profit under the United States; but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law (art. I, sec. 3).

So it is apparent that from the beginning of the power in this country all criminal elements were removed from the impeachment proceeding. In fact, it was specifically provided that for any crimes of which the accused might have been guilty, he could be prosecuted under the criminal law in addition to and wholly separate from any impeachment proceeding that might be brought against him. *Ex parte Milligan* (4 Wall. 2).

Aside from criminal prosecutions the constitutional guaranty of trial by jury extends only to suits at common law. Therefore, as proceedings to remove an incumbent from his office in the absence of other punishment than ouster and future disqualification cannot be said to be criminal prosecutions, the only question remaining is, Is a civil ouster suit a suit at common law?

"Suits at common law" was a phrase, the meaning of which was clearly known to the framers of our Constitution, and each of the common-law suits was also well known. Assumpsit, detinue, replevin, action on the case, and the others were as familiar as the A B C's. All of them, including scire facias and quo warranto were triable by jury in England because there, an office was held by the courts to confer contractual and property rights. But in the United States, except in one State, this doctrine has never found any favor whatsoever. The Supreme Court of the United States, in the case of *Crenshaw* v. *United States* (134 U. S. 99) has given as clear an expression to the American view as could be wished:

> Public office is a public trust, which confers as against the Government no contract or property rights.

For many years trial by jury has been unknown in the United States in scire facias and in quo warranto actions. Neither of these actions has ever been used here for the removal of any judge. Neither can now be so used.

The trial of the justiciable issue of good behavior, vel non, provided for in the pending bill, was utterly unknown to the common law. By no stretch of the imagination, therefore, can it be said to be included within our constitutional guaranty of trial by jury. It is entirely new, and the Congress in creating it has unquestionable right to make it triable by the court, without a jury.

The power granted by implication in article III of the Constitution is nonetheless potent because it has lain dormant, awaiting this enabling act to implement it. The right,

of removal of Federal judges under it is to be vitalized by the passage of the pending bill. Such a procedure has never been possible before, hence, there are no court decisions with reference to the exercise of it by Federal authority. But substantially the same thing has been done by States, and not only the State courts but the Supreme Court of the United States have upheld the procedure and ruled that it squares with the requirements of due process of law and all other provisions of the fourteenth amendment, and that—

Nothing in that amendment was intended to secure a jury trial in a case of this nature (*Wilson* v. *North Carolina*, 1069 U. S. 586, at 594).

In the proceedings for trying the right to office in the case of *Kennard* v. *Louisiana* (92 U. S. 480), the statute provided for a hearing without a jury, and the Supreme Court of the United States held it was not objectionable for that reason.

In *Foster* v. *Kansas* (112 U. S. 201), the Kennard case was approved.

So, by clear analogy, the procedure provided in this bill, including the stipulation that the trial shall be by the court rather than by jury has been approved by the Supreme Court.

Having disposed of the only two bases for questioning of the constitutionality of this bill, let us consider the dormant power implicit in article III of the Constitution. If every word relating to impeachment were stricken from the Constitution, we would still have section 1 of article III. This stands by itself, completely separated from articles I and II—

The judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges of both the Supreme and inferior courts shall hold their offices during good behavior.

It cannot be held by any stretch of the words or by any stretch of the imagination that this means that judges are to hold office for life. They are to hold office only during good behavior. Who is to say whether or not a judge has failed to maintain such demeanor and thereby forfeited his right to continue in office? This bill is founded upon the bedrock principle that good behavior, vel non, is a justiciable issue which a court would be fully qualified to determine if so authorized by appropriate enabling legislation. The passage of this bill would provide just that.

This legislation will give assurance of an even better judiciary. It will increase the respect of the Nation for its courts. It will tend to preserve and improve our democracy. Justice must be kept pure. The spring from which the stream of justice flows must not be even slightly contaminated. All men should be able confidently to drink therefrom, tasting the sweetness of its purity, while slaking the thirst of their souls for the essence of truth, for righteousness saturated with mercy.

Statesmen will give this measure their most serious consideration. It challenges to the long view, the high view. Opportunity knocks at our door today. We have a chance to strike a blow for the salvation of the soul of our institutions and the administration of justice. [Applause.]

Mr. MICHENER. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, I am very happy indeed to concur in what my colleague the gentleman from Alabama [Mr. HOBBS] has said about the ability and the character of our chairman, the gentleman from Texas [Mr. SUMNERS]; but I am not willing to concede that all wisdom and all knowledge is wrapped up in the intellect of one individual. While I am very happy to, and usually do, follow the gentleman from Texas on purely legal problems, I feel that I would be doing myself and the House an injustice if I were to let my love and affection for our chairman lead me astray when I feel that a great constitutional question is involved. I agree with some of the things the gentleman from Alabama has said with reference to jury trials. He devoted much of his time debating whether or not a jury trial was necessary in this new-fangled ouster proceeding. I concede—yes, I contend—that if the Congress has the constitutional right to adopt a method other than impeachment of removing judges or civil officers, then it has the right to provide the type of court—one judge or more, a jury or no jury. I do not agree with the gentleman from Alabama that any such right exists. If you follow his words, if not his logic, then if the Congress has the right to provide another method of removal of judges, it has that same right to name another method for removal of the President, the Vice President, and all other "civil officers" under the Constitution.

In my remarks I am not going to quote any Latin; I am not going to cite any court cases. I believe the gentleman from Alabama [Mr. HOBBS] was correct, when in debate on a similar bill before the House 2 years ago, he said that there was no law other than the Constitution on this proposition. In substance, he said: "We are pioneers, we have no guide posts. We are blazing a new trail, and it was our illustrious chairman who has discovered this new remedy." Today the gentleman from Alabama brought in a wealth of legal lore. He cited a lot of cases having to do with the removal of postmasters, like the Meyers case, and the removal of incumbents from other similar administrative offices. The law books may be impressive and no doubt he called attention to some good law. The difficulty is that the court decisions to which he refers are not germane to the issue we are now considering. I do not believe that this irrelevant law will have much effect on the House. This is not the proverbial justice of the peace court where the court visualizes rather than digests.

There is a minority report signed by six members of the Judiciary Committee—and, believe me, Mr. Speaker, it would be much easier to go along with our good chairman. I am sure that every member of the committee who signed the minority report, takes the position he does because he sincerely believes this act unconstitutional and ill-advised.

The purpose of this bill is to provide an additional method of removing from office certain—not all—Federal judges.

The Congress can be engaged in no more serious or fundamental work than the impeachment or removal from office of the judiciary. The importance of the task warrants deliberation and solemnity of treatment. As we approach the consideration of this measure two questions necessarily present themselves.

First, has the Congress the constitutional power to do that which is contemplated?

Second, is the policy embarked upon in this bill desirable and advisable?

In reaching an answer to the first question it is well that we have before us the pertinent provisions of the Constitution, which are as follows:

Section 2 of article I of the Constitution provides that—

The House of Representatives * * * shall have the sole power of impeachment.

Section 3 of article I provides that—

The Senate shall have the sole power to try all impeachements.

Section 4 of article II provides that—

The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors.

Section 1 of article III provides that—

The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior.

As said by the gentleman from Alabama in debate 2 years ago, all the law on the subject is right here in the Constitution. It is no place else. It is not in the Supreme Court decisions he has cited today.

It is conceded by the proponents of this bill that section 4 of article II, which provides for the impeachment of the Federal judiciary, cannot in any way be changed by congressional action without constitutional amendment. Therefore the Federal judges are civil officers within the meaning of the Constitution and removable by impeachment only. Regardless of any legislation enacted by Congress, the right to try Federal judges impeached in the House remains in the Senate. That is admitted.

It is the contention, however, that section 1 of article III limits the tenure of office of the Federal judiciary to a term "during good behavior," and that article III has no relation whatever to section 4 of article II, but that in the judicial section another method is provided for removing these civil officers. The chairman of the committee says "this is to be a suit by the United States against a judge for violating the conditions of his contract," and that the question of good behavior is a justiciable issue and, therefore, can be tried and disposed of by the judiciary.

This bill goes so far as to provide that the prosecution shall be by the Attorney General, the legal arm of the executive department, and shall be before a court selected by the Chief Justice, who is appointed by the Executive, from the circuit court of appeals. The most appealing thing about this proposal is its novelty. At best it is a sacrifice of fundamentals to expediency.

In view of what actually happened in the Constitutional Convention, I find no warrant for the conclusion reached by the advocates of this bill.

Alexander Hamilton, one of the framers of the Constitution, in the Federalist—No. LXXIX—speaking about the judiciary, wrote:

> This independence of judges is equally requisite to guard the Constitution and the rights of individuals. * * * The precautions for their responsibility are comprised in the article respecting impeachments. They are liable to be impeached for malconduct by the House of Representatives and tried by the Senate, and if convicted may be dismissed from office and disqualified from holding any other. This is the only provision on the point which is consistent with the necessary independence of the judicial character, and is the only one which I find in our own Constitution in respect to our own judges.

I doubt not that further evidence will be produced today indicating that the Constitutional Convention intended that judges should be removed by impeachment only, and had no idea that 150 years after the adoption of the Constitution, in the name of expediency, a microscopic examination of the Constitution would bring to light a hidden power, always present but never visible, whereby a short cut might be adopted to remove from the judiciary members whose conduct was other than good.

If this were a new question, that would be different; but the master legal minds for more than a century and a half have given study to the same proposition, and up to this time none have been bold enough to contend that this type of legislation is constitutional.

A well-established practice, based upon precedent, is now available as a guide in the trial of impeachment cases in the Senate. There is no difficulty in understanding what treason or bribery comprehend, but there once was a question as to whether or not behavior other than good behavior constitutes high misdemeanors within the meaning of section 4 of article II. This question, however, has finally been settled, as expressed by the late Chief Justice Taft, speaking before the American Bar Association in 1913, when he said:

> Under authoritative construction by the highest court of impeachment, the Senate of the United States, a high misdemeanor for which a judge may be removed is misconduct involving bad faith or wantonness or recklessness in his judicial actions, or in the use of his official influence for ulterior purposes. By the liberal interpretation of the term "high misdemeanor" which the Senate has given there is now no difficulty in securing the removal of a judge for any reason that shows him unfit.

It seems strange that the late Chief Justice, in his study of the Constitution in connection with the removal of Federal judges for misbehavior, overlooked this power which is here proclaimed, and which the gentleman from Texas has so recently discovered.

There is another thing that makes this procedure impossible to me. Section 1 of article III provides that:

> The judges, both of the Supreme and the inferior courts, shall hold their offices during good behavior.

I repeat this language to call your attention to the fact that the Supreme Court and the inferior courts are treated as a class and as a group. Even though the Congress has the right to establish some new tribunal to try the justiciable question of good behavior. Certainly the Constitution does not give the Congress the power to set up one type of tribunal to try district judges, another type to try circuit judges, and another type to try Supreme judges. It takes all of these judges to compose the Federal judiciary. Any one of them may be impeached under the Constitution. That is, the Constitution provides like treatment for all of them when it comes to ouster proceedings. If the Congress has the power to set up this new court provided for in this bill, then it has unlimited power and discretion so far as setting up different tribunals, boards, and different courts to provide for the ouster and dismissal of all Federal judges regardless of whether they are Supreme Court judges or United States district court judges.

In all the past 150 years only 12 impeachments have been voted by this House against judges, and only two convictions have been had in the greatest Court of Impeachment in the Senate. We may complain because the Senate does not convict. But let us take the last two or three cases where the judges were impeached in the House by a small majority. This House itself was divided as to whether or not there was even reasonable cause to try the judges. The cases went to the Senate, and only 2 out of 12 were convicted. If we have judges on the bench who should be removed, as suggested by the gentleman from Alabama [Mr. HOBBS], it is my privilege, it is your privilege, it is my duty, and it is your duty, if we know of such, to come upon the floor of the House and make our charges known. Then it is the privilege and the duty of this House under the Constitution to determine whether or not reasonable cause has been shown to believe that the things charged are true. If there is just and reasonable cause, then the House votes the impeachment, and the case goes to trial in the Senate, as provided in the basic law of the land. We already have sufficient remedy. This is no time to be tinkering with the courts. We should respect the law and not try to circumvent it.

Bear in mind that no definition of good behavior is to be found in this bill, and its proponents will refuse to accept any amendments attempting to set up any standards. Yet it is insisted that punishment shall be meted out to a judge whose conduct does not meet the approbation of the specific tribunal happening to be called to determine his case. If this same judge was charged with murder, embezzlement, or robbery, the statutes would define the crime. The court would have a yardstick or guidebook. Here all is left to the discretion of the particular forum operating on the particular judge. Is this reasonable or constitutional? If the Congress can do this, then it can create any partisan court it sees fit to try any judge. The forefathers never intended anything of the sort.

This procedure would make possible the simultaneous trials of two judges on exactly the same charges. One prosecuted by the House in the Senate, where a two-thirds vote would be required to convict. The other prosecuted by the Attorney General, tried in this new court without a jury and convicted by a majority of the court. The judge convicted in the Senate could be deprived from ever holding office again in addition to being removed from office. The judge convicted by the court could only be removed from office.

If it is desired to change the method of removing unworthy judges, let us follow the prescribed method and amend the Constitution. That is the right way. The country will resent an unlawful short cut, it matters not how well intended. There were those who attempted a "short circuit" to control the Supreme Court, but the people insisted on the constitutional formula being followed if the Court was to be changed. By the same token, the people will resent the passage of this bill now before us. The integrity of the three independent branches of our Government requires the defeat of this measure.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. LEWIS].

Mr. LEWIS of Ohio. Mr. Speaker, I rise with much trepidation to oppose a measure that is sponsored by the gentleman from Texas, the chairman of the Committee on the Judiciary. I hold him, as I know this House does, in the highest esteem, both as a man and as a lawyer; but I am impelled to speak against this measure because I have a

sincere and a profound conviction that in passing this measure, if that should be done, the House of Representatives would violate the Constitution of the United States in a most important and perhaps most serious manner.

The Constitutional Convention, called in those days the Federal Convention, assembled in Philadelphia for the purpose of framing the structure of this Government, had under consideration many measures for the removal of both judicial and administrative officers. In the Virginia plan Governor Randolph suggested that there should be a trial by a court. Impeachment of national officers, his proposal provided, was to be a part of the jurisdiction of the judicial power of the Government. All sorts of variations on this proposal were considered and at times approved by subcommittees, and once by the whole committee, but finally rejected. How can it be said that this instrument, which lays down the framework of our Government and is the basis of all our rights, can now be changed by action of this one body, or by action of both bodies of the legislative branch?

The truth of the matter—and all lawyers know this and it is fundamental in the law—is that when the law speaks and provides one method it impliedly excludes all other methods. Expressio unius est exclusio alterius. That is a well-known proposition of law. It applies to the Constitution, as well as to statute law.

Here we are asked to extend this power of impeachment to a court of circuit judges of the United States. This writing on the blackboard here states the law:

The Senate shall have the sole power to try all impeachments.

The meaning of this language is unmistakable. It provides a full and a sufficient remedy, and having provided it by the express purpose and will of the Constitutional Convention, because other methods were debated in that Convention and discarded—methods similar to this one were proposed and considered, and, having provided this one method of removing from office the officers of the United States, it impliedly excludes all others.

When anyone professes to find in the language of the Constitution a hitherto-undiscovered method or the authority for such a method, I submit to you that he is going against not only the express language of the Constitution but its generally accepted interpretation by the courts and constitutional authorities universally.

Therefore, Mr. Speaker, I oppose this measure. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I, too, regret that I must oppose the views of the distinguished chairman of the Committee on the Judiciary on this bill. I have always appreciated his opinion on all matters with reference to constitutional questions, and know that his judgment on questions of legislation has won the profound respect of our membership.

This bill provides that a United States district judge may be charged by resolution in the House of Representatives with misbehavior in office, and the House may hear the resolution in the same manner as provided for impeachment cases. If the House finds there are reasonable grounds for believing the judge committed the acts of misbehavior, then his case shall be tried, by three judges of the United States circuit court, who are appointed by the Chief Justice of the Supreme Court. The Attorney General prosecutes the case, with the assistance of Members of the House that he may choose to assist him. If the judge is found guilty of misbehavior, he would be removed from office, except that he may have a right to appeal to the Supreme Court.

I do not believe this measure, if enacted into law, would be constitutional. However, I am not going to argue that point. Even if this measure is constitutional, I do not believe it should become a law. The Constitution does provide that the President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes or misdemeanors, and that the United States Senate shall try such impeachment cases.

This particular bill is directed to the section of the Constitution that has to do with the question of good behavior, of whether or not judges are guilty of misbehavior. The bill says that if—

In the opinion of the House of Representatives, there is reasonable ground for believing that the behavior of a judge, within the meaning of section 1, article II, of the Constitution, has been other than good—

Then the judge shall be subjected to a trial by three judges of the United States circuit court. Certainly, all district judges should be men of good behavior. They should be above reproach. We do not have a given criterion as to the meaning of "good behavior" as interpreted under this bill.

It is my candid judgment that if we enact this measure into law and put it into effect we will have all kinds of questions raised about the misbehavior on the part of the judges of this country. Any person who becomes aggrieved at a district judge may charge that he is guilty of misbehavior. Any kind of a charge may be brought against a judge, a resolution proposed to the House of Representatives, and it would be for the House to determine whether the charge made against the judge affects his good behavior. The House would then have to define the term "good behavior" as it applies in that particular case. Of course, if the House finds there is reason to believe the judge may be guilty of misbehavior, the case is submitted to a court of three circuit judges appointed by the Chief Justice of the United States Supreme Court. They may or may not have any feeling or interest in the trial of the case. Generally speaking, I hardly believe it is good practice for one set of judges to determine what is "good behavior" on the part of another.

If there is need for such a law, then why not make provision concerning the good behavior of the judges of the United States Circuit Court as well as the members of the Supreme Court of the United States?

Since the adoption of our Constitution hundreds of district judges have come and gone. Only 12 have been impeached and tried during this period, and a smaller number were convicted. Mr. Speaker, I see no demand for such legislation at this time.

We have always tried to keep the three departments of our Government as separate and distinct as possible. We have also tried to keep our courts free from undue pressure of all kinds. Today you are giving consideration to a bill that will provide a little more chance for individuals to bring pressure against our judges because they may be aggrieved on account of decisions that a particular judge has rendered against them.

This bill is an innovation, but not an improvement. I think this legislation is harmful and opens the way for legislation that might be still more harmful. It may be possible that our present method of trying judges for misbehavior in office is rather slow. All democratic processes are comparatively slow, but that does not mean that they are not right.

Some criticism was made by the author of this bill that when impeachment cases were tried in the Senate not all Members of that body were present. Mr. Speaker, that is not a criticism of the law. It is a criticism against the Members of the Senate who have not taken the interest they should in the trial of these judges.

Mr. Speaker, as I have said before, if this procedure is fundamentally right, it should include all of the other judges of the courts of the United States. Throughout the entire land—in all of the 48 States of the Union, where provision is made for the impeachment of judges in our State courts—we have nothing of this kind.

This legislation, in my judgment, is not in the interests of our democratic form of government. It is unwise. It might be subject to abuses of all kinds, and it is unnecessary. The bill should be defeated. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I am not entirely, speaking for myself, satisfied with this bill, the consideration of which the pending rule is intended to make in order. The bill raises a most

interesting question. I am particularly eager that the chairman of the Committee on the Judiciary have full opportunity to develop his thoughts on the subject, and I trust that there will be no determined opposition to the pending rule.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. RAYBURN). The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5939) to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5939, with Mr. COOPER in the chair.

The first reading of the bill was dispensed with.

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I appreciate tremendously the generous remarks of my friends on the committee. I like to be bragged on, but I would a little rather they would vote with me and brag on me privately. We have a great committee and we get along well. I believe we may proceed to consider this matter, understanding thoroughly that everybody in the Chamber wants to do what is right about it.

I have a very deep conviction, both with reference to the constitutionality of the proposed measure and with regard to the necessity for its enactment. I do not know how anybody can attend upon the Senate, and I mean no disrespect—and I speak of the Senate now not as a part of the legislature, but as a high court of impeachment—I do not see how anybody with common sense can go over there and attend upon the Senate trying an impeachment and feel that the proceeding there is in any way to try any issue where the interest of the individual or the public is involved. That is the first proposition.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. No; I am just getting started.

Mr. CHURCH. I think we ought to have such a Senate.

Mr. SUMNERS of Texas. I do not know whether you would help it or not, but you might.

Mr. CHURCH. I thank the gentleman from Texas, our distinguished chairman of the Judiciary Committee. I regard him as one of the leaders of the American bar, and have always enjoyed his friendship, his ability, and leadership.

Mr. SUMNERS of Texas. I say this as not any reflection upon the Senate, but we are asking the Senate to do a perfectly ridiculous thing. It is not fair to the Senate. We are asking the Senate of the Unted States to turn its back on all of its general responsibility and sit and try an issue that ought, of itself, to be tried in a court in the first instance, and the Members of the Senate—and I say this not in criticism, but to state a fact—they take a solemn oath to try that case and if they were trying any judge before them who would try a case before him as the Senate would try an impeachment case, they would all impeach him right away. I do not say this in criticism. I say it in criticism of the legislative branch of the Government that has a chance to do something else besides standing here and talking about "the fathers." We need some sons that have as good sense as our fathers who sat in the Constitutional Convention had and do our job as well as they did theirs, and then we would stop that perfect farce in the Senate.

Now, what would you feel like in this situation? Suppose you would go over here to the Supreme Court to argue a question before the Supreme Court and you would look up and there would be one judge sitting on the bench, and then directly he would move off and two more would come on, and you would look up directly and those two would be gone and there would be a couple more sitting there. You would know, as a matter of common sense, something ought to be done about it if you could do it. Now, what is the use of being foolish about this. As a lawyer, suppose you were trying a case before a jury and they would all walk out except one or half of them walk out, moving in and out. We introduced evidence over there in the Senate from witnesses whom we had brought from California, from across the continent, and three Senators were sitting on the floor. Can we then get up here and brag about that as a method of doing business? We ought to be ashamed of ourselves. I cannot say that about my colleagues who brag on me like they have. They have cut me off from that. They are the finest fellows on earth. I would swim the river for any of them.

I am convinced that something has got to be done about this and sooner or later it is going to be done. Do you mean to tell me that the common sense of the Nation, looking on a farce like these impeachment trials, will continue to stand for it? I want to continue to repeat I am not holding the Senate primarily responsible. It is just a situation where human beings, these Senators with their many duties, have imposed upon them an additional responsibility which it is unfair and ridiculous to impose.

Those men in order properly to try one of these cases have got to turn their backs on the business of the Nation while they sit there and try to act as judges, when they are not. Their duties will not permit them to do other than set a bad example for the judges over whom they have the power to try and to impeach.

Now, can we do anything about it? This is the first question.

Something has got to be done about it, sooner or later. Now is the time to act. We are going to move from where we are either toward a greater control of the judiciary over the judges or we are going to move toward a greater control of the Department of Justice over the judges. We are moving in that direction now. I say this without any reflection on the Department of Justice. Government is an agency of human beings, but human beings are the agents of government and have got to do its business. Whenever the people who are clothed with the power to do the job will not do it, government turns to some other agency to do its business. There will be no use to complain if Government, moving away from its present instruments which are inadequate, moves in the direction we do not like if we give to Government no other choice. I realize the difficulties confronted in trying to have this bill considered on its merits. In the first place there is the inherited notion that there is some provision in the Constitution about judges being removed by impeachment. The average person in America believes there is something said in the Constitution about impeaching a judge. If I should ask this audience, largely made up of lawyers, if there is anything in the Constitution in regard to the impeachment of judges, many of them would answer yes. There is, however, not one single word in the Constitution about impeaching judges.

This is the applicable language:

> The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of, treason, bribery, or other high crimes and misdemeanors.

If this language means that judges may be removed only by impeachment, it means that other civil officers may be removed only by impeachment.

The converse of it is true, of course. If other civil officers, despite that language in the Constitution, may be removed by means other than impeachment, then that language in the Constitution does not prevent other judges being removed by methods other than impeachment. That is as sound as can be, and none of my distinguished friends on the committee or elsewhere will be able to controvert that statement.

I am not unmindful of the difficulties we confront in trying to get the Members really to consider on its merits this proposed legislation. We have inherited the notion in this

country that judges may be removed only by impeachment, and that notion is in our heads, or rather in our systems, just as our inherited religion and our inherited politics. We have inherited it. You never figured it out for yourself. There are very few, if any, lawers here who ever figured it out. It is harder to get out of your head a notion that has been acquired like that than it is to get out of your head some error that got in there by an erroneous functioning of your own mind. Gentlemen continue to talk about impeachment and changing the methods of impeachment. We are not talking about impeachment. I make this statement, and you examine it.

Impeachment never was one of the ordinary regulatory processes or powers of any government, and, what is more, it never can be. Impeachment arose in the fourteenth century as a method of bringing to justice great offenders in England who were greater than the ordinary processes of government could deal with. When this process was put into operation in England by the House of Commons it was a real trial before a real court. Do not forget that. Never in all the history of England was impeachment other than a trial before a court the highest court of the realm, the House of Lords. It was a real trial with the usual processes and the procedure of a trial by a court. The Commons appeared at the bar of the court, appearing in behalf of the people of the realm before the highest court of the realm, against some great offender who was bigger than the ordinary machinery of government could deal with. That was not a procedure in some foreign realm under some alien constitution. That was our Government. That proceeding was in our court under our Constitution.

Mr. CHURCH. Does the gentleman from Texas want the English method? I want the American method and under its Constitution.

Mr. SUMNERS of Texas. Let me make a statement about that. I want to get this proposition across. The Constitution of the United States was not fashioned on the American Continent. Our Constitution has come down through the ages. The so-called revolution in America was not a revolution in any explosive sense; it was a territorial secession on the part of the American people and a resort to arms, to preserve their own Constitution, which they claimed King George and the Parliament were violating. This very provision in our Constitution with regard to good behavior of judges was put in our Constitution in 1701 in the act of settlement of the succession with William and Mary.

I want to say something else to the lawyers in this House. There is nothing better understood than when a provision in the law of a people is brought from any other jurisdiction—as a matter of fact we did not bring it from any other jurisdiction, it was ours as much on this side of the Atlantic as it was of those on the other; anyway, when we came to write our Constitution, we wrote into the document the arrangement with regard to impeachment and of good behavior and many other provisions, if we may use a figure, around which the battles of the Revolution had been fought. The fathers did a good job, because they did not try to mess up what had been proven by the ages. [Applause.] They brought this identical provision into our Constitution, and when that provision came into the American Constitution, it came in with the construction which had been placed upon it in the jurisdictions from whence it was taken, or rather Great Britain, when we were yet a part of that government.

This is that construction. Before the Acts of Settlement, as the gentleman from Alabama [Mr. HOBBS] has stated, notwithstanding the power of impeachment, it was the construction under the British Constitution, from which the applicable provisions of our Constitution were taken, that any office, including judges, could be ousted by conviction of crime in the ordinary courts, by conviction in the highest court, the House of Lords, impeachment; removal by a judgment of a civil court establishing bad behavior. The acts of settlement destroyed the arbitrary power of the King and left conviction of crime, impeachment, joint address, and civil suit on account of bad conduct as the grounds for removal.

Thus construed, the applicable provisions of our Constitution now being considered were written into our Constitution. It would help us in this consideration to bear in mind that only as a civil officer may a judge be removed by impeachment and that the impeachment powers apply equally to all civil officers.

You gentlemen come from States having constitutional arrangements, speaking generally, identical with these Federal provisions. You know that under these identical provisions you can impeach a public officer or you can oust him for bad conduct by a civil suit in an ordinary court.

Not one of you comes from any State but where the State may by an ouster suit by quo warranto or scire facias oust any public official notwithstanding the fact that he may be impeached also. I wait for anybody to rise in this Hall, who comes from a State with an identical constitutional arrangement, who will contend that because of that provision in the Constitution that is the sole method of removing a public officer.

Now, let us look at this good-behavior provision for a minute. Here is a contract between the judge and the people that the judge will behave himself well. Judges in America are not appointed for life. They are appointed during good behavior, and their right to hold office every single day is dependent on whether they behave themselves well or not. There is not a lawyer here who does not know that good behavior is a justiciable issue.

It is the sort of issue that is being tried in the courts every day. It is the sort of issue that ought to be tried in the courts. This pending bill makes it possible to try that issue where it ought to be tried, except in extraordinary circumstances where some official may be too powerful to try in a court, except the Senate sitting as a court of impeachment. Such a situation would justify asking the Senate to turn aside from their usual duties to try the matter. It was triable in the court in the jurisdiction from which we took that provision in our Constitution, and it is triable in the court now. There is no force in the statement as against this bill that we have not heretofore attempted to avail ourselves of this provision or power in the Constitution. Constitutions are for all the ages. The powers in the Constitution, it is expected, shall be brought into operation as generation after generation comes to responsibility, and as changing conditions may require. Changed conditions make desirable that which this bill is proposing. There is not anybody who does not know that the Senate of the United States does not have the time to try these impeachments that could just as well and better be tried by a court. I submit it is ridiculous to ask the Senate to do it as a matter of orderly sensible governmental procedure.

Mr. CHURCH. Mr. Chairman, will the gentleman from Texas yield? The gentleman asked for a reply.

Mr. SUMNERS of Texas. I yield.

Mr. CHURCH. If the gentleman would only respect the Senate. The people want it to take the time, and the gentleman should respect the Senate. To take away its responsibilities would take away its importance and place in our American form of government under our Constitution.

Mr. SUMNERS of Texas. Never mind about lecturing me. I do not yield for a lecture, Mr. Chairman. Let the gentleman lecture out in his own State where he is trying to be elected Senator.

Mr. CHURCH. The primary is today.

Mr. SUMNERS of Texas. What are you fooling with me for now? It is too late.

Mr. CHURCH. I am not fooling. I am right here with you, and I have the highest regard for the distinguished chairman of the Judiciary Committee. I cannot agree with him on this bill.

Mr. SUMNERS of Texas. I thank my friend. There is nobody who can say the Senate has got the time to try these impeachment cases except in most extraordinary circumstances as I have indicated. There is nobody who has followed one of the recent impeachment trials in the Senate who will say the Senate discharges properly that responsibility.

I say that not in criticism of the Senate. I criticize the Congress for not having done the sensible, practical thing of trying these ordinary impeachments in a court where ouster suits by their nature are universally sent by the intelligent public policy of our States for trial.

Now, why not do this thing? The issue is justiciable. Why not establish a court to try the issue like it should be tried? I realize the opposing sentiment today, but it is a sentiment to which judgment should not yield. We had better do something about this situation when calm judgment can control.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself 10 additional minutes.

Mr. KEEFE. Mr. Chairman, will the gentleman yield for a little information?

Mr. SUMNERS of Texas. Yes; I yield for a question.

Mr. KEEFE. Would you be kind enough in this splendid statement you are making to explain your conception as to just what article II, section 4, includes, under the heading "Civil officers"? Who are the civil officers that you contend are contemplated by that section?

Mr. SUMNERS of Texas. It is a very difficult thing.

Mr. KEEFE. I, of course, asked the question, I think the gentleman will realize, in view of the citations of authority that were presented.

Mr. SUMNERS of Texas. It is very difficult. I could name many who I know are civil officers but they shade off to where it is difficult to say whether a given Federal employee is an officer within the meaning of the impeachment provision or merely an employee.

May I direct your attention to the fact that recently we enacted legislation providing for administrative officers, with the machinery under the control of the Supreme Court and the presiding judges of the circuit court. Those officers, among other things, check in on the courts.

This proposed legislation fits in with that legislation. If enacted, it would go far not only to more firmly establish an independent judiciary without lessening in any degree the power of the House and Senate under the impeachment provisions but would strengthen the judiciary in its great duty and interest to keep the judiciary fit to be independent. There is nothing more dangerous now to the independence of the judiciary than to swing to a great extreme in a mistaken zeal for a so-called independence of the judiciary.

I am giving you my views and the reasons for them. I have worked out the best bill I can. The responsibility is yours. We want to preserve the independence of the judiciary, but we want to—and I think all agree we have got to—keep the judiciary fit to be independent if it is to remain independent. I do not think there is any doubt about that. One or two people, just a few bad people on the bench can do great hurt to the confidence in the bench. That is a bad thing. I do not like to take time to repeat but I feel that, in this case, I should say again that we know the present method of getting rid of judges who ought to be gotten rid of is a perfectly ridiculous sort of method. The procedure is not a procedure that any judge, on trial, has the right to have, or that the Government has a right to have, and I say this in no criticism of the Senate, as I have tried to make clear. The Senators sitting as a high court of impeachment under their oaths responsible largely for the standards of judicial conduct among the judges have a duty which ought not be required. We have got to do something about it, sooner or later. You all know it. There is not a human being on this floor who does not know that we have got to go somewhere from where we are; somewhere from these senatorial proceedings as the only remedial possibility. Public necessity and the common sense of the people will compel it. That is the proposition before us, as I see it. This is not unfair to the judges.

In the bill we make provision, first, that before the judge can be harassed by anybody, before he can be compelled to go to his defense, the House of Representatives, which is the nearest that can be had under our form of government to all the people assembled—we are the people of the Nation assembled here as nearly as so populous a people can assemble—that the House of Representatives shall initiate the proceedings. That is right. It ought to be provided somewhere in this machinery that the people of the Nation should have a right to complain with reference to a Federal official whom they cannot get at through an election, as they can get at us. Not only that, but the judges ought to have a buffer between them and the possibility of a disgruntled litigant forcing him to his defense. We interpose the House of Representatives as that buffer. When the House of Representatives have concluded that the matter ought to be litigated, we send the judge to have that issue tried before three judges. That is moving in the direction of a chance for judicial control over judicial conduct. There is no surrender of the power to impeach. We want to try that out and see how it works.

I believe in the three coordinate branches of government. I believe that the judges ought to be given an opportunity to do the thing that the Senate cannot do properly either to the Government or to the judges or in fairness to themselves or the Nation, which needs their time as legislators, instead of doing a poor job trying to act as judges while innumerable matters attract and divert their attention.

Then we provide that after these three judges shall have acted, an appeal lies as a matter of right to the Supreme Court, made up of nine judges.

I do not see how any judge fit to be on the bench who makes a contract with his people that he will behave—and that is a condition in that contract if there ever was a condition in any contract—I do not see how any judge fit to be on the bench would deny to the people with whom he has made the contract an opportunity to litigate the question before the judges. I would be suspicious of any judge who was afraid of that. We give him a chance to go to the Supreme Court, not to have a chance to go to the Supreme Court, but we direct in this bill that he may as a matter of right go to the Supreme Court on both the law and the facts.

Mr. KEEFE. Mr. Chairman, will the gentleman yield for one question?

Mr. SUMNERS of Texas. I yield, but because of the limited time I hope the gentleman will not revert to the question of civil officers.

Mr. KEEFE. No; this is a different question. Is it the gentleman's conception that the House in initiating procedure would act in the character of an examining magistrate to ascertain whether there were reasonable ground for believing the behavior of a judge to be other than good behavior?

Mr. SUMNERS of Texas. Very closely akin to it, I would say.

Mr. KEEFE. That would mean, then, that a resolution would be adopted in the House, would it not?

Mr. SUMNERS of Texas. Yes; we would vote on it.

Mr. GAVAGAN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. GAVAGAN. Does the gentleman maintain that there is no constitutional provision for the removal of a judge because of the character of his behavior?

Mr. SUMNERS of Texas. I do not.

Mr. GAVAGAN. That is the crux of the gentleman's argument.

Mr. SUMNERS of Texas. We are setting up here—and I think I ought to make this statement in view of the gentleman's question—the thing that we are trying to do is to supplement the powers of impeachment. This bill is not a substitute for it.

Mr. GAVAGAN. Mr. Chairman, will the gentleman yield further?

Mr. SUMNERS of Texas. I yield.

Mr. GAVAGAN. Then where is the power to remove a judge of the circuit court or of the Supreme Court?

Mr. SUMNERS of Texas. The circuit court judges are included. We do not touch the Supreme Court at all.

Mr. GAVAGAN. Then, where is the power to remove a judge of the Supreme Court?

Mr. SUMNERS of Texas. It is not in this bill. The exclusive power would remain with the Senate.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MICHENER. Would not this be true? One Member of Congress might move to impeach a judge, and if the House saw fit they would send the case to the Senate under the impeachment provision of the Constitution, which the gentleman concedes we cannot touch without a constitutional amendment. Another Member of Congress might offer a resolution of impeachment in the case of another judge, charging exactly the same grounds of misconduct, yet the Congress could send that judge to this court that is set up in the pending bill. There is nothing in the law anywhere to define what behavior is. So a court of judges sitting in California would determine one standard there and the Senate might determine another standard here for the other judge.

Mr. SUMNERS of Texas. I think the control is within the people as they are represented in the House.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes; briefly.

Mr. O'CONNOR. Bad behavior on the part of a judge may not rise to the dignity of treason, bribery, a high crime, or misdemeanor. Is that right?

Mr. SUMNERS of Texas. That is right.

Mr. O'CONNOR. Then as a matter of fact, if there is no connection between the two, there is no connection between article III, section 1, and article II, section 4.

Mr. SUMNERS of Texas. There is not any connection at all between article III, section 1, and what goes before.

Mr. O'CONNOR. Then, as a matter of fact, does not this bill simply vitalize or give life to section 1 of article III?

Mr. SUMNERS of Texas. I thank the gentleman for that question. This is a test which anybody who knows anything about our Constitution agrees to. Everybody agrees there are no dead words in the American Constitution. Nobody doubts that unless a court vitalizes the words "good behavior" in our Constitution they are dead.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I am going to take very little time, but will defer to the other members of the Judiciary Committee in this respect. I sympathize with the distinguished chairman of the Committee on the Judiciary, who tried these impeachment cases before the Senate. I was one of the board of managers. The trouble with those cases was they were based upon sort of petit larceny, and you could not expect the Senate to sit there and listen like a justice of the peace to a petit-larceny case. These judges should never have been impeached. It reminds me of Tom Heflin's story about the two horse traders. They looked at the horses' eyes. They knew all about horses. So they traded horses. One of the horses ran into three trees in about a half minute after he was turned loose. The other fellow says, "Your horse is blind." "No; he is not blind," was the answer, "he just don't give a damn." That is the way with the Senate about those cases. They were based on trivialities.

Mr. KELLER. Will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from Illinois.

Mr. KELLER. The gentleman would not stand up here and say that a judge who is guilty of petit larceny should continue as a judge?

Mr. GUYER of Kansas. If a judge is guilty of petit larceny, he can be impeached by this House. There never has been a judge charged with misconduct here that the House has not voted to impeach since I have been a Member of Congress. It requires very little provocation to induce the House to vote for impeachment.

I regret, like every member of the Judiciary Committee, to differ from the viewpoint of our distinguished chairman. This is not a personal matter, of course. We all love him, and as far as we can we are going to forget everything we know about law and depend upon common sense, as he suggested.

First, I oppose this bill because I believe it is repugnant to the Constitution. Second, I oppose it, even if it were constitutional, because it is a bad method. The Government of the United States was founded upon the principle that we have three separate and independent departments of government, which means that the judiciary shall be independent. Our fathers so framed the Constitution with its checks and balances that the judiciary could be independent. It is a good thing to remember what old John Marshall said about the independence of the judiciary, because it was he who galvanized the judiciary department of the United States into the greatest legal system in Christendom.

He said:

> Is it not to the last degree important that the judge should be rendered perfectly and completely independent with nothing to control him but God and his conscience? * * * I have always thought from my earliest youth till now that the greatest scourge an angry Heaven ever inflicted upon an ungrateful and a sinning people was an ignorant, a corrupt, or a dependent judiciary.

That is what you are going to do if you pass this bill. Of all the commentators upon the Constitution, none of them has referred to any other manner of taking care of a bad judge except by impeachment. Alexander Hamilton, who had a mind that was as quick as an electric flash, would have found it if there was any place for it.

This is what happened in the Constitutional Convention:

> Mr. Dickinson moved as an amendment to sect. 2 art. XI after the words "good behavior" the words "provided that they may be removed by the Executive on the application by the Senate and House of Representatives."
>
> Mr. Gerry 2ded the motion.
>
> Mr. Gov. Morris thought it a contradiction in terms to say that the Judges should hold their office during good behavior, and yet be removable without a trial. Besides it was fundamentally wrong to subject Judges to so arbitrary an authority.
>
> Mr. Sherman saw no contradiction or impropriety if this were made part of the constitutional regulation of the Judiciary establishment. He observed that a like provision was contained in the British Statutes.
>
> Mr. Rutledge. If the Supreme Court is to judge between the U. S. and particular States, this alone is an insuperable objection to the motion.
>
> Mr. Wilson considered such a provision in the British Government as less dangerous than here, the House of Lords & House of Commons being less likely to concur on the same occasions. Chief Justice Holt, he remarked, had successively offended by his independent conduct, both houses of Parliament. Had this happened at the same time, he would have been ousted. The Judges would be in a bad situation if made to depend on every gust of faction which might prevail in the two branches of our Gov.

Page 474:

> Mr. Randolph opposed the motion as weakening too much the independence of the judges.
>
> Mr. Dickinson was not apprehensive that the Legislature composed of different branches constructed on such different principles, would improperly unite for the purpose of displacing a judge.

On the motion to agree to Mr. Dickinson's motion, all the States except Delaware and Maryland voted "no."

Let us examine the second objection to the proposed court for the trial of judges on the question of "good behavior." If the Congress can set up a tribunal of circuit judges to try district judges, it certainly has power to set up a court of district judges to try circuit judges. In fact, if the Congress may set up a court of one set of judges to try other judges, it can with equal constitutional authority set up a court consisting of justices of peace, or of members of the N. L. R. B., or any other persons it is disposed to appoint. You answer that Congress would not. But if you set a precedent, who can prophesy what future Congresses may do? It seems to me an easy short cut to reduce the district courts to an abject status of subserviency and dependence which would constitute a most calamitous retrogression. I can think of nothing more to be avoided than a court that bows in abject servility to a small group of circuit judges in whose hands has been placed arbitrary power to separate district judges from their positions because these three judged certain behavior bad or not good. I can think of nothing more calculated to destroy the independence of the judiciary. Even if convinced of its constitutionality, which I sincerely doubt, I could not favor this act.

This Government is based upon the sound principle of three separate and independent departments. That is a fundamental principle of our Government and upon it we

depend for a balanced government where no person or group of persons may ever trample upon the rights of the individual. To preserve that form and system of free government, the people decreed fidelity to the Constitution. The Constitution provided a method of disposing of bad judges and in doing so duly protected the rights of the judges.

Having done that in the Constitution by the provisions of impeachment by the House of Representatives and trial by the Senate requiring a two-thirds majority before a judge could be found guilty, For 150 years, that method has been adequate both for the independence of the judges and the safety of the country.

We have no adequate time to go into the argument concerning the constitutionality of this proposed law. But we insist that the Constitution provided impeachment as the method of trying the matter of the conduct of Federal judges, and that this is the sole method within the Constitution. Many other plans were proposed but all were rejected except impeachment, in which the House of Representatives "shall have the sole power of impeachment" and the Senate "shall have the sole power to try all impeachments."

In all the discussions in the Federalist no attention to the disposal of judges charged with misconduct is paid to any process except impeachment. Had there been other available methods contemplated they would hardly have escaped the minds of Hamilton, Jay, and Madison.

Mr. Chairman, I can think of nothing that would tend more to render our judges dependent than the enactment of this revolutionary method of holding a sword of Damocles over the head of every district judge in the United States. In my opinion, the only constitutional method of obtaining such an innovation is by means of an amendment to the Constitution. There should be no short cuts to the abrogation of the Constitution.

Mr. O'CONNOR. Will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from Montana.

Mr. O'CONNOR. Suppose that a judge's conduct does not amount to a high crime or misdemeanor, but he does get drunk; he is seen drunk on the street and his behavior is bad, or suppose it is something else; would the gentleman feel that in order to rid the bench of such a character the Government should be put to the expense of going through a trial by impeachment, as contemplated by article II, section 4?

Mr. GUYER of Kansas. Coming from a dry State, I should say he ought to be impeached. In such a case the judge would probably resign as soon as the House had passed impeachment charges. I must admit that in times past some very good judges got drunk—but not in Kansas.

Mr. O'CONNOR. Does not the gentleman feel that the punishment provided in article III, section 1, is entirely disconnected from the punishment provided in article II, section 4?

Mr. GUYER of Kansas. I see no connection.

Mr. GAVAGAN. Will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from New York.

Mr. GAVAGAN. What is the gentleman's opinion as to the constitutional power of removal of a judge for violation of section 1, article III?

Mr. GUYER of Kansas. By impeachment.

Mr. GAVAGAN. That is the only one?

Mr. GUYER of Kansas. Yes.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. Aside from the question of the constitutionality of the measure, I am very much concerned about the wisdom of the policy of judges trying judges.

Mr. GUYER of Kansas. I am too. I agree with the gentleman entirely.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Who is to try them, then? Who better could try them?

Mr. GUYER of Kansas. In my opinion, the Senate of the United States is the best place, if you have a case against them.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from Illinois.

Mr. BARNES. Is it not true that you can still follow the old procedure as well as this procedure if this bill is passed?

Mr. GUYER of Kansas. Yes; you cannot take away the power of impeachment unless you amend the Constitution. That is true.

Mr. BARNES. Then it is still up to a resolution of the House of Representatives as to which method they will proceed with?

Mr. GUYER of Kansas. Yes; the Senate might fail to convict by a two-thirds vote and after that, by a majority vote, be removed by the proposed court of three judges.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from Texas.

Mr. RAYBURN. I am very much interested in the statement of the gentleman about the independence of the judiciary. I should like to hear the gentleman discuss his reasons for making the statement that this is an attack on the independence of the judiciary. What independence of the judiciary is lost under this bill, if it is enacted into law?

Mr. GUYER of Kansas. If this Congress can constitute a court of three circuit judges to try a judge, they can constitute a court of three justices of the peace to do it. Who can foretell what future Congresses may do?

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield myself 2 additional minutes.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman from Texas [Mr. SUMNERS] remarked that it was an incongruous proceeding for the Senate to try a case when the Members were often absent. It seems to me it is no worse to try the case of a judge, whose only object is to retain his job and his prestige, while Members are absent, than it is for the House or the Senate to try the rights of entire groups of people while Members are absent from the Chamber.

Mr. GUYER of Kansas. In conversation with the late Senator Borah, who was not going to vote on the Lauderback impeachment case because he had voted against his confirmation, I said, "What do you know about it, Senator? I have not seen you on the floor." He said, "I read every word of the evidence the next day in the morning before the case comes up at noon, and I know other Senators who do." They can do that and I found that most of them read the record of the trial which was before them each morning.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. GUYER of Kansas. I yield to the gentleman from Michigan.

Mr. JONKMAN. Assuming that good behavior cannot be defined by legislative enactment and is a term on which various bodies might differ, is it not true that the Constitution has under its germane provisions designated the Congress as the sole arbiter to determine what is not good behavior?

Mr. GUYER of Kansas. I think so. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. HANCOCK].

Mr. HANCOCK. Mr. Chairman, like every other Member of this House, I have the highest respect and the deepest affection for the gentleman from Texas [Mr. SUMNERS]. I

dislike very much to take issue with him on any question, and when I do I doubt my own judgment.

I have talked about this bill with the gentleman from Texas many times and discussed it with other members of the committee and of the House. I just cannot persuade myself that this bill is constitutional, that it is wise, or that it is necessary to accomplish the purpose the gentleman from Texas has in mind.

Probably it is reaching into the grave, as my friend from Texas says, to quote the authors of the Federalist on the point at issue, but I do not believe there are any higher authorities, living or dead, on the intent and meaning of the Constitution than the three great American statesmen, Madison, Hamilton, and Jay. As to the exclusiveness of the remedy of impeachment for the removal of judges let me quote the Federalist:

The precautions for their responsibility—

That is, the judges—

are comprised in the article respecting impeachments. They are liable to be impeached for malconduct—

Not high crimes and misdemeanors—

by the House of Representatives and tried by the Senate; and, if convicted, may be dismissed from office and disqualified for holding any other. This is the only provision on the point, which is consistent with the necessary independence of the judicial character.

The proponents of this bill have focused their minds on the section of the Constitution which provides that a judge shall hold office during good behavior. They ask you to concentrate on that provision and to divorce your thoughts from any other provision which touches upon the tenure of office of judges. It is not good sense and it certainly is not good law to try to construe any instrument or any letter or any speech by a single phrase in it without regard to the context. If you are going to reach a proper construction of any document, including the Constitution of the United States, you must consider all the provisions touching on the same point and fit them together.

It is the thought of the proponents of this measure that, since the judges hold office during good behavior, their tenure of office ceases when good behavior ceases and, therefore, some court must be set up to determine the issue of good behavior.

Did the framers of the Constitution use the words "good behavior" in the sense of the dictionary's definition?

Do they mean good manners, good deportment, good demeanor? Would anybody contend that a judge could be removed for eating potatoes with his knife, or for violating any of the other conventions of polite society? Obviously those words do not mean good behavior in the dictionary sense.

Will anyone contend that the crimes and misdemeanors that are referred to in the previous sections of the Constitution, the last section of article II, include only indictable offenses, crimes, and misdemeanors as specified in the penal code? We know that is not so. Judge after judge has been impeached for malconduct in office amounting only to a violation of the code of judicial ethics. One was impeached and removed from office for insanity, which has never been regarded as a crime, a misdemeanor, or a misdeed.

There may have been a judge or two impeached for actual crime, but I do not remember such a case. The only judge I can recall in recent years who was convicted of a crime was Judge Manton, and he resigned from office. I do not remember any impeached judges who were fined or imprisoned for the offense charged against them in their impeachment trials.

In my estimation, and I would hesitate to advance this if it were not fortified by substantial authority, the two provisions for the termination of a judge's tenure of office mean exactly the same thing as used in the Constitution, that is, bad behavior has the same meaning as high crimes and misdemeanors. It cannot mean any more. If it does, you get to this situation. Obviously, if a judge is guilty of accepting a bribe, he comes within the provisions of section 4 of article II, and he must be impeached. There is no gap in the law there and there is no alternative. He must be impeached. But suppose a judge is guilty of trying a case in which he has bias or in which he has an interest. That is not a high crime or misdemeanor within the understanding of the proponents of this bill, but it is misbehavior, and therefore a judge could be tried by a court of three circuit judges if this bill becomes law. If we prefer, we can set up a court of one judge and make that offense triable by one judge. So you have the ridiculous situation, if the logic of my friends on the other side is correct. A judge accused of accepting a bribe must appear before the Senate and be declared innocent unless found guilty by two-thirds of that body, whereas a judge guilty of a minor offense could be removed from office by the judgment of a single judge. In other words, you would make it far more difficult to convict the serious offender than the minor one, although the penalty for both is the same, namely, removal from office.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield at that point?

Mr. HANCOCK. I yield.

Mr. O'CONNOR. Suppose this bill were amended to apply only to section 1 of article III, then would the gentleman have any objection to it?

Mr. HANCOCK. I do not quite get the gentleman's point.

Mr. O'CONNOR. Suppose the bill was made positive and clear that it applies only to cases of misbehavior and has no connection at all with treason, bribery, high crimes, or misdemeanors, and I will instance a case of this kind. Suppose this bill was directed simply at a person who is a district judge and whose conduct would not amount to moral turpitude but at the same time be contrary to what is generally accepted as good behavior, such as being seen on the street drunk to the extent that it would affect his competence to serve as a judge. Confessedly he is not guilty of treason, bribery, high crimes, or misdemeanors.

Mr. HANCOCK. I think he is. I think he is, within the meaning of the Constitution as interpreted by the commentators, by the interpretation given to such conduct in impeachment trials, and in the light of the historic background of the section we are discussing.

Mr. O'CONNOR. Then let us get at it in this way——

Mr. HANCOCK. I do not think article III, section 1, enlarges the power of impeachment or removal from office at all, and if the gentleman will permit me, I would like to read some authorities on that point.

Mr. O'CONNOR. If I may make just one observation, I am not clear on this point. If I thought that bad behavior was involved in section 4, article II, I would not be for this bill, but on the surface it appears to me that this bill simply tries to put life into section 1 of article III by giving some sort of machinery whereby a man can be removed from office even though he is not guilty as provided in section 4 of article II, and yet his conduct is such as to amount to bad behavior.

Mr. HANCOCK. I contend that he can be impeached under section 4 of article II.

Mr. O'CONNOR. There is no doubt about that, probably, but what I am getting at is that it does not seem to me that this bill invades, if I may use that word, the right of the Senate to impeach for treason, bribery, high crimes, and misdemeanors. My thought is it does not seem to invade that territory.

Mr. HANCOCK. I cannot agree that "good behavior" are dead words. I think you must read section 1, article III, in connection with section 4, article II, and I do not believe that the former affects the jurisdiction of the Senate in impeachment trials one iota.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. I yield.

Mr. McCORMACK. May I call the gentleman's attention at this point to his statement that if you could provide for removal by trial by three qudges you could by one judge just as well?

Mr. HANCOCK. That is, if we can pass a statute to that effect.

Mr. McCORMACK. Yes; and in that case the man who is charged with a crime would have to have a two-thirds vote of the Senate against him in order to be found guilty, whereas

in the case of bad behavior just one judge would have the power to find him guilty. In other words, you are imposing a different procedure in respect of crime than bad behavior.

Mr. HANCOCK. Yes.

Let me quote from a scholarly study of this subject, written by Judge Otis, of the United States district court, and I wish everybody in the House had time to read it. It has been very helpful to me in understanding the questions involved in the pending bill. And may I also commend to your careful reading the minority report prepared by our able colleague from Iowa, Mr. GWYNNE?

> Section 4 of article II, "The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors" makes it clear that within the constitutional meaning of the word "impeachment" is a charge of "treason, bribery, or other high crimes and misdemeanors." But only those who have read the Constitution superficially have ever thought that the words "high crimes and misdemeanors" as they are used here, refer only to offenses against positive criminal laws, to murder, burglary, embezzlement, and the like.

And that is the argument for this particular bill. To continue with the quotation:

> The framers had no such narrow view. Said the author of the Federalist, speaking of the Senate as the Court provided in the Constitution for the trial of impeachments: "The subject of its jurisdiction are those offenses which proceed from the misconduct of public men or, in other words, from the abuse or violation of some public trust."

Then he quotes from a speech made by the late Chief Justice Taft, and these are his thoughts on this point:

> Under authoritative construction by the highest Court of Impeachment, the Senate of the United States, a high misdemeanor for which a judge may be removed is misconduct involving bad faith or wantonness or recklessness in his judicial actions, or in the use of his official influence for ulterior purposes. By the liberal interpretation of the term "high misdemeanor" which the Senate has given there is now no difficulty in securing the removal of a judge for any reason that shows him unfit.

If I am right, it clears up some of the doubt which may be in your minds. The power of impeachment is not a narrow restricted authority given the Senate to remove judges for such offenses only as treason, bribery, high crimes, or misdemeanors as defined in penal codes; it is something much broader. It embraces the misconduct meant when "good behavior" ends. Therefore the impeachment authorized by section 4, article 2, is an exclusive remedy, and the argument of the proponents falls to the ground.

The framers of the Constitution gave a great deal of thought to the question of the removal of judges and other civil officers. They considered lodging that power in the Chief Executive, and rejected the plan because it would tend to make the judges subservient and make it possible for the President to become an absolute monarch. They considered giving that power to the Supreme Court of the United States, but they rejected that proposal because it would tend to make the Court an oligarchy without any accountability to the people or their representatives. They realized that somewhere the power must lie to remove an unfit judge, and they said, Let us give that power to the representatives of the people themselves; let the House, which is directly responsive to the people, make the charge, and let the Senate, which is a conservative body, be the court. At that time gentlemen must realize the Senate occupied a higher, or at least a different, place in the estimation of the general public than it does today. The Senators were the ambassadors of the States, they were the conservative body, they were thought to be immune from the influences of pressure groups, the passing whims, prejudices, and demagogic appeals of the moment. Therefore, the framers deliberately put the power of impeachment and the power to remove judges in the hands of the Senate of the United States alone.

Mr. Chairman, we all sympathize with the objectives of our good friend from Texas. He wishes to provide a more expeditious way of getting rid of bad judges, but that is perfectly possible without any legislation whatever. The remedy lies in the hands of the Senate. When the Senate tries an impeachment case against a judge or any other official, they are not acting in a legislative capacity, but they are acting as a court, and as a court they have the attributes and rights of a court. Furthermore, they can make their own rules. There is no reason in the world why the Senate could not do as every other court in the land does, appoint referees or commissioners or special masters to take testimony and make findings of fact as a guide and help to the Senate, and report back to the Senate. So long as the final judgment is made by the Senate of the United States, the Constitution is not violated. It might be desirable to have simpler means provided for getting rid of bad judges than that provided by the Constitution, and I am not entirely convinced in my own mind about that, but I maintain that we cannot do it without amending the Constitution. I would like to follow the way my chairman points out, because I am genuinely fond of him and I have the greatest admiration for his legal ability, but according to my logic, this bill is unconstitutional, unwise, and unnecessary. [Applause.]

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. Yes.

Mr. KEEFE. Can the gentleman state why judges of the circuit courts of appeals, for instance, are eliminated from this bill?

Mr. HANCOCK. A new draft has been prepared, I understand, which will be offered as a substitute, and it includes the judges of the circuit courts of appeals. Of course, if we can impeach district judges in this manner, we can impeach circuit judges, the President of the United States, the Supreme Court, and every other civil officer of the Government.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HANCOCK. Yes.

Miss SUMNER of Illinois. Does the gentleman not think it makes for stronger character in the judiciary if impeachment should lie in the Senate of the United States rather than with fellow judges of the judge accused?

Mr. HANCOCK. I think so, and I think the present procedure insures, so far as it can be safeguarded, independence of the judiciary, without which our form of government cannot long survive. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE of Idaho. Mr. Chairman, in studying the provisions of the bill before the House, H. R. 5939, and the provisions of the Constitution, I find it difficult to reconcile the language of the bill with the provisions of the Constitution if we are not to transfer some of the powers that are conferred upon the Congress of the United States. I say "transfer," when it really is a surrender. The language of this bill, as I read it and interpret it, is a surrender of the power that is conferred upon this House of Representatives, which under article I, section 2, of the Constitution, provides that the House of Representatives shall have the sole power of impeachment. I wonder how the eminent gentleman from Texas reconciles that language with the language of his bill on page 4, section 5, line 10, where it reads:

> Such appeals shall be subject to and governed by the rules of practice and procedure now regulating appeals to the Supreme Court of the United States, or such rules as may hereafter be adopted by the Supreme Court of the United States. The judgment appealed from shall remain in full force and effect, and shall be final and binding, unless or until it be reversed by the Supreme Court of the United States upon appeal.

Now, what appeal is there from a final judgment by the Supreme Court of the United States, and what power will the House of Representatives have for impeachment if this bill is adopted and found to be constitutional? I submit that proposition to the Members of this House in all sincerity. We have seen a gradual surrender of the powers conferred on the legislative branch of the Government, and now it is proposed to surrender the power to impeach corrupt Federal judges to Federal judges; we are to ask lawyers to convict lawyers. The legal machinery for removing venal judges from the Federal bench is clumsy enough, but in extreme cases it can be made to work as it has worked since I have been a Member of this House, and as difficult as it is to remove a corrupt Federal judge, I am firm in my conviction that plans devised by the Constitution are better and safer than

the plan proposed in this bill and shall adhere to the plan laid down in the Constitution. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE. Mr. Chairman, I am sorry I cannot support this bill. I consider it to be unconstitutional. I shall make a very brief statement outlining the reasons why I believe it to be unconstitutional, and I shall be pleased to yield for any questions or suggestions as I go along.

The constitutional provision for this type of legislation is said to depend upon this phrase: "The judges shall hold office during good behavior."

If it does not hang there, it hangs nowhere in the Constitution. We are told by the proponents of this bill that unless we construe the Constitution the way they construe it, the words "good behavior" are dead words in the Constitution. But nothing could be further from the truth. The tenure of a judge is fixed nowhere in the Constitution except in those words that "he shall hold office during good behavior." In other words, it means that he shall hold office after he is appointed until he dies or until removed by impeachment proceedings. Of course, it is clear that the framers of the Constitution meant that a judge should hold office as long as he behaves well. That is clear, and it is my firm conviction that the method of deciding whether or not he has misbehaved, and the method of removing him is completely contained in this impeachment provision.

The first reason which leads me to believe that impeachment is the sole remedy for removal of a judge is a matter of legal construction. All lawyers know of the principle, and you can read it in a thousand cases, that where in a statute or in a constitution a certain obligation is laid down and a certain remedy provided for the enforcement of the obligation, that remedy is deemed exclusive. That is a well-known principle of law. Another well-known principle of law is that all provisions of a constitution are not directory but mandatory. In order to have this principle of legal construction applied, we must first determine whether or not the remedy is as broad as the obligation. In other words, may a judge be impeached for everything which is not good behavior? The gentleman from New York [Mr. HANCOCK] has given the correct answer to that.

We are confused a little bit by the words "high crimes and misdemeanors." They were not used in the Constitution in their ordinary criminal sense. They were used in a social sense. They mean that a judge may be removed from office for any malconduct or for anything which renders him unfit to hold the office of Federal judge. He may be impeached if he is insane, and we have impeached a judge for insanity.

The next reason is historical and has been gone into, so I will simply pass it over with a single statement. If you will read the debates in the Constitutional Convention and the Federalist, and the debates which took place in the legislature of every Colony on the question of ratification, you will not find a single person who said, or even intimated, any such power was given to Congress to pass a law of this character.

Bear in mind, Mr. Chairman, impeachment is not legislative. It is entirely judicial. May I remind you of the fact that in giving this impeachment power to Congress, it was not given without restriction. They laid down carefully every plan and every procedure under which we would operate. The only legislative power of removal given to Congress you will find in section 2, article II, where it says that if we give to the President, for example—and we may, of course—the right to appoint a certain official without his being confirmed by the Senate, we may set up the machinery for their removal of that officer. That is absolutely the only legislative power of removal vested in this Congress. Of course, the House and Senate individually has the right to remove its own Members and its own officers.

Mr. Chairman, what would we do if we passed this bill? If we adopt the principle contained in this bill—that is, that we have legislative authority in this matter—what governs or what limits our authority? Nothing but the judgment of the Congress, that is all. The constitutional ambition to provide for three separate and independent branches of government is gone forever. Make no mistake about that, because if we can pass this bill we can pass any kind of a bill on this subject. For example, we could pass a bill creating a special court to consist of one judge who had only one duty, and that to roam up and down the land to see whether or not judges were behaving properly or not.

Mr. MASSINGALE. Will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. I have a great deal of confidence in the gentleman's ability to discuss this question. I would like to have him speak a little bit on one point. The Constitution, of course, provides that tenure of office shall be on good behavior.

Mr. GWYNNE. That is right.

Mr. MASSINGALE. There is no provision that I know of anywhere in the Constitution which defines good behavior as used in section 3, I believe it is. Does the gentleman think it would be beyond the province of the Congress to put the breath of life in the Constitution itself by defining or making provision for determining what shall constitute good behavior?

Mr. GWYNNE. You would not be putting the breath of life in the Constitution if you did that. You would be giving it the kiss of death. The framers of the Constitution were very careful to give very limited legislative authority to Congress in the matter of removal of officers.

Mr. MASSINGALE. The gentleman may be clear, but I am a little bit confused along that line, because there is a vast difference between removal from office and the right to hold office and impeachment in the discharge of your duties as an individual.

Mr. GWYNNE. May I say to the gentleman that they meant, of course, that a judge should hold office during good behavior, and they themselves set up the machinery by which that question would be determined and by which the judge could be ousted. This machinery is all-exclusive. It has been argued here that it is not exclusive, and the case of Myers against United States has been cited. It is true the Court has held that the executive branch of the Government, having the right to appoint certain appointees, has the right to remove them. That is all in the Constitution. The legislative branch has the right to remove its employees. But the point I make is that there is nothing in the Constitution which indicates any intention on the part of the framers to give this Congress any legislative authority with reference to removals from the executive or judicial branches, except that set out in article II, section 2.

Mr. O'CONNOR. Will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Montana.

Mr. O'CONNOR. Let us assume for the sake of argument that the gentleman has placed the proper interpretation upon this bill. Does not section 1 of the bill afford protection to any judge charged with misbehaving?

Whenever a resolution of the House of Representatives is directed to the Chief Justice of the United States stating that in the opinion of the House there is reasonable ground.

The House must first find there is reasonable ground for impeachment. Up to that point under this bill we have the same machinery that covers impeachment proceedings now. In other words, this House must pass upon the merits of a given case before the resolution is adopted. It is true that convictions in the Senate do not always result where the House votes the articles of impeachment, but under this bill the House stands between the accused and the forum of trial. Under these circumstances are the rights of the person accused of misbehaving protected?

Mr. GWYNNE. Yes, indeed; that is some protection, but the point I make is that if we can pass this kind of a bill some future Congress can pass a different kind of a bill. They may pass a bill which may absolutely destroy the independence of the judiciary. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. THORKELSON].

Mr. THORKELSON. Mr. Chairman, H. R. 5939 is a most vicious and unconstitutional piece of legislation, which, if passed by Congress, should bring about public revolt against the Congress of the United States.

It is the beginning of a kind of legislation that will, step by step, remove the power of Congress in order to make it obsolete. It is the first step toward dictatorial government, and I hope to God that Congress will realize what it is doing today.

This legislation is no doubt promoted by the same interests that are now busily engaged in sabotage and destruction of this Government in order to bring about a so-called democracy under a despotic ruler. The masses might think that they rule in a democracy, but such is not the case, for all such governments end, like Russia, in a most vicious form of oligarchical despotism. Such governments are ruled by the firing squad and imprisonment of those who believe in the freedom and rights of the people.

H. R. 5939, a bill which is introduced by the gentleman from Texas [Mr. SUMNERS] and reported out from the Judiciary Committee, is a piece of legislation that rightfully belongs in the wastepaper basket and is certainly not evidence that would lead one to believe that the proponents had knowledge of constitutional law. It is instead far from that, for the legislation attempts to do something that can only be done by a constitutional amendment.

I have often said that if we keep on enacting legislation we will in such procedure finally convert this Nation into a totalitarian state, along a road paved by the legal talent in Congress. I hope, as I have already said, that the bill will not pass, and that Congress will arise in full cognizance of its responsibility to the people of our Nation. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. SPRINGER.]

Mr. SPRINGER. Mr. Chairman, at the outset of what I have to say may I express my deep appreciation of my distinguished colleague, the chairman of the Committee on the Judiciary, Judge SUMNERS of Texas. Sometimes all of us err respecting the matters which we promote. It is but human to err. In this particular matter which is presented by the distinguished chairman of the Judiciary Committee before this body this afternoon, I am confident this legislation which is sought, if it should be passed, would be wholly unconstitutional.

There are two or three observations I should like to make. In the first place, I am thinking of the particular group of judges to whom the bill now before us applies. If this measure should be passed as written it would apply to the inferior judges, the district judges of the Federal courts of the United States of America; it would not apply to the judges of the circuit courts of appeals, by reason of section 6, nor would it apply to the Justices of the United States Supreme Court. May I ask the Members of this body why we should have legislation which provides a new and distinct course of procedure with respect to a certain class of judges but does not apply to other judges of our Federal courts and to the Justices of the United States Supreme Court? Is there any reason for this variance respecting our judges and their removal? They are all in the same status, except the inferior judges conduct the trial of cases, and the judges of the circuit courts of appeals and the Justices of the Supreme Court are the appellate divisions.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the distinguished gentleman from North Dakota.

Mr. BURDICK. I can see a distinction in regard to the district judges, because the district courts are entirely creatures of this Congress, and if Congress can create the courts, inferentially, therefore, the Congress has the right to make rules and regulations with regard to their removal.

Mr. SPRINGER. I thank the gentleman for his contribution, but may I suggest that the judges of the circuit courts of appeal are appointed in the same manner as the district judges are appointed. They stand in the same situation, and they are responsible to this body respecting their behavior and to the people of this country in the same manner and in the same fashion as the district courts themselves. There is no difference existing respecting the judges. If the pending bill relates to one class of judges, it should relate to all Federal judges.

In this connection let me make this further observation: When we think of the appointment of our Federal courts we realize they are appointed not for any particular period of time, "but during good behavior"; that is the one standard which is before those courts and which is the determining power with respect to their term of office.

When we think of the two constitutional provisions which were written on the board which was before us, and which all the Members of this Committee could read, I think of the provision which relates to the power and authority of the House and the Members of this House. Our Constitution provides that the sole power of impeachment is vested in the House of Representatives.

There is another point that I desire to express respecting the power of the House of Representatives. Just immediately preceding the sentence which gives the sole power of impeachment to the House of Representatives there is a provision which states that the House of Representatives shall have the "sole right to elect their Speaker" and to "choose their officers." Would any Member of this body or any Member of this Committee raise his voice and say that we could pass legislation, which would be constitutional, which would give to this body the right to delegate to some one individual or to some group of individuals, regardless of number, the right to elect the Speaker of the House of Representatives or to select our officers?

There is another thought that impresses me, and I want to refer to it just briefly, in connection with that section of our Constitution which relates to the power of the United States to try all impeachment proceedings. The language of this section reads, as you will recall it, that—

> The Senate shall have the sole power to try all impeachments.

I wonder what the word "sole" means in that connection? Can anyone say that these provisions of the Constitution are not clear? Can anyone say there is anything ambiguous with regard to the language? We realize that impeachment is difficult; but the framers of the Constitution knew of the very high importance involved in impeachment proceedings. They made it difficult because of that fact. An impeachment must pass through the two bodies. Our forefathers so provided when they wrote the fundamental law. The House impeaches by providing the indictment, and the Senate hears and tries the impeachment proceeding and determines that question. These are the functions of the House and the Senate. Are we ready to surrender this constitutional power to some other group or some other body? Are we ready to transfer that inherent right to a court composed of three judges—and thereby take that right and power away from the representatives of the people?

If this bill should pass creating this three-judge court, to be appointed by the Chief Justice, this court would then have the sole right to hear, try, and determine the question of behavior of judges. What is that question of behavior? It is the basis of the impeachment; that is all. In other words, this bill would transfer to this three-judge court the right and power to hear, try, and determine impeachments, whereas our Constitution, in no uncertain terms, vests in the United States Senate the sole right and the sole power to hear, try, and determine impeachments. Thus this right would be taken away from the representatives of the people themselves. May I say, as a succeeding step in this connection, that if this power were taken away from the United States Senate, where it is vested under the express provisions of our Constitution, this bill, which seeks to do that, would be in direct violation and in contravention of our constitutional provisions. To my mind, this bill, if it should pass, would be entirely and wholly unconstitutional.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Missouri.

Mr. COCHRAN. Can the gentleman find anything in the provisions of this bill which would, if it should become law, deny the right of a Member of this body to rise in his place, on his own responsibility and impeach a member of the judiciary?

Mr. SPRINGER. I believe perhaps the gentleman is right in that respect, but let me say that our Constitution was written in no uncertain terms. The framers of the Constitution adopted those provisions many years ago, and during all these intervening years we have marched, step by step, following these positive and certain constitutional provisions, because every Federal judge who has been tried in the past on the question of misbehavior, has been tried under our Constitution and under the method prescribed thereby. The House has instituted the impeachment proceedings and the United States Senate has tried and determined the case. I cannot lend my voice or vote to aid in the passage of any legislation which is, in my opinion, in direct violation of the Constitution of the United States of America. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, I must confess I am one of those that the gentleman from Texas, Judge SUMNERS, refers to who upon first impression had the idea that the only way we could get rid of improper judges was by impeachment. I think it is a splendid thing that we have a chairman of our Committee on the Judiciary like the gentleman from Texas, Judge SUMNERS, as well as others in the House, who will analyze and reason about the meaning of our Constitution in order to make it meet a present-day situation.

In the first place it must be fairly apparent that if the framers of our Constitution had had in mind that the only way for removal of a Federal judge was by the impeachment process, then they would have defined article II, section 4, which relates the matters for which you can impeach a judge, the same as they did with respect to good behavior in article III, section 1.

You will notice that article II, section 4, recites the specific crimes for which a civil officer may be impeached. If they had meant to limit the removal of a judge to those matters, they would have named the same ones in connection with good behavior and said, "Good behavior shall mean this."

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. Yes; I yield.

Mr. MICHENER. Rather than conjecture about what they thought, has the gentleman read the proceedings of the Constitutional Convention, and is he familiar with the fact that they discussed these various things and reached the conclusion that impeachment was the course that they preferred and the one which they intended?

Mr. KEFAUVER. I have read a good many of the proceedings, I will say to the gentleman from Michigan, but I have never heard anybody contend that you must be guilty of treason, bribery, or high crimes and misdemeanors in order to be guilty of bad behavior.

Mr. MICHENER. But right there, the Senate of the United States—way back yonder—held, and repeated in the Archbald case, and every case they have had with which the gentleman from Texas, Judge SUMNERS, has been connected, that the bad behavior or misbehavior does come within the purview of "high misdemeanors."

Mr. KEFAUVER. Of course, no one would say that high misdemeanors and treason would not be bad behavior. Certainly the gentleman from Michigan would not say that in order for a judge to be of such behavior that he should not try cases that he must be guilty of treason, high crimes, and misdemeanors.

Mr. MICHENER rose.

Mr. KEFAUVER. I cannot yield further.

Here is another point you cannot get away from in considering this matter. The only right of removal of any civil officer, as specifically provided for by our Constitution, is by article II, section 4, the impeachment process, and yet if you will examine the statutes passed by the Congress, you will find some twelve or thirteen instances where the right of removal of civil officers has been provided for, and I may say that in those instances they have been sustained by our Supreme Court. As one instance, an act was passed in 1877, which gave the President of the United States the right to remove a district attorney, even though that district attorney may have been appointed by the President with the advice and consent of the Senate, in the same manner that a district judge is appointed, and the Supreme Court in the Parsons case, in One Hundred and Sixty-seventh United States Reports, sustained the right of President Cleveland to remove that district attorney. Now, if a law is constitutional which gives the President the right to remove a district attorney, who comes under the same classification as a civil officer, why is not a law constitutional that will enable the legislative branch to set up some other agency to try the issue of good behavior of judges?

However, we do not have to guess about the matter. Our own Supreme Court has already said that a law like this would be constitutional, and I refer to the case of *Shurtleff* v. *United States* (189 U. S. 311).

In this case the Supreme Court had before it the power of the President to remove an officer under the Customs Administrative Act of June 10, 1890. The point was raised that inasmuch as definite impeachment proceedings were set out in the impeachment clause of our Constitution, the law which gave the President the right to remove this customs officer, who was a civil officer, was unconstitutional.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. KEFAUVER. The Supreme Court, speaking through Mr. Justice Peckham, had these words to say:

> By the fourth section of article II of the Constitution it is provided that all civil officers shall be removed from office on impeachment for and conviction of treason, bribery, or other high crimes and misdemeanors.

Now, that is the basis for the impeachment of a judge, just as it is the basis for the impeachment of any other civil officer. Quoting further from the Court:

> No one has ever supposed—

I might add, parenthetically, that evidently this judge had not been in the House, because apparently some people have supposed otherwise, but he said:

> No one has ever supposed that the effect of this section was to prevent their removal for other causes deemed sufficient by the President. No such inference could be reasonably drawn from such language.

Now, Mr. Chairman, if the legislative branch can give the President the right to remove a civil officer, and if that does not violate the impeachment clause of the Constitution, how, by any stretch of the imagination, can you say that a court set up to try a district judge, who is of the same classification or legal position as some other officers, cannot constitutionally remove a district judge from office? [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I believe I am the only Member of this Congress who ever tried an impeachment case. I was convinced at that trial that after the House of Representatives had found cause for trial and the matter came before the Senate, it was more of a political trial than a judicial trial. I find in the Constitution of the United States this language:

> The judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish.

In other words, we have established the district courts and the circuit courts long after the Constitution referred to was adopted.

The Congress shall have power—

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

If we can create district courts and circuit courts, there is no question in my mind as a lawyer but that we can make these rules and regulations because of the implied power I have just read, and it seems to me as a general proposition there would be less political convictions if the matter were tried before judges than if tried before the Senate. From my own experience I know that to be true. It seems to me there should not be a judge in the United States unwilling to be tried by his own class if cause is found to make a charge against him. I know that no State in the Union ever got anywhere with the removal of objectionable lawyers until the State turned that job over to the lawyers themselves; and today I think that in about 40 States the conduct of a lawyer is tried by the other lawyers, and as a result the profession has increased in power and respect before the American people. [Applause.]

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. GUYER of Kansas. Mr. Chairman, I yield 3½ minutes to the gentleman from New Jersey [Mr. VREELAND].

Mr. VREELAND. Mr. Chairman, unfortunately I was not a member of the committee at the time this matter was discussed and did not have the benefit of the constitutional argument presented at that time. However, it is most interesting to hear the difference of opinion on the floor today between such eminent members of the bar and students of the Constitution. I have an amendment which I shall present at the proper time and explain more fully when I do present it, which I believe might clarify the question on the constitutionality of the law. In the limited time I have I shall speak on the practical angle of this particular bill and the situation as it now exists. In the stress of economic conditions of the country, the attorneys of the House will agree with me, I know, that litigation has increased perhaps 10 times over that of former days, and with the increase in litigation naturally everyone who loses a lawsuit is dissatisfied. According to that person, it cannot be because of his attorney or of his case, but it must be the court, and with the criticism that is naturally coming upon the courts through the losing of lawsuits and the increase in litigation, I feel we should with all possible expediency cover the courts with some cloak of security so that they will not be the brunt of passion or prejudice. I know many times in my own experience in appearing before the courts I have felt very much aggrieved because of some decision of that particular court.

On the other hand, we do not want to have the judges on such a high pedestal they feel that they can, to use a vernacular phrase, ride roughshod over some litigant. A judge who is appointed for life is beyond the question of being tried every time someone is dissatisfied. In the Committee on the Judiciary, in the short time I have been there, there have been many letters presented by litigants who in some instances have not completed their right of appeal and yet they complain about the court and the action of the court in trying their particular case. If we make a judge easily accessible through some similar tribunal, because of some whim or passion or because of some erroneous judgment, the trial of the judge alone would be a dreadful blow to his integrity and his character, even though he might be absolved of the charge brought against him. Under the present provisions, where it is necessary for him to be impeached by this House and the Senate, he can do his duty, knowing that there is an appellant tribunal in case he should make error, and feel that passion or prejudice will not affect him. [Applause.]

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I want to join in with the remarks of the gentleman from New Jersey [Mr. VREELAND]; continue from where he has ended. I want to compliment him. I appreciate the attitude of the gentlemen of the opposition. I wish I had time to thank each of you personally for the kind things you have said about me.

I have no feeling of responsibility for results. I am only responsible for doing my best, just as you are. I have no pride of authorship. If I could, I would persuade nobody against his best judgment. If I can help, I should do it. That is what I am trying to do.

One of our distinguished colleagues has just said that if we could pass this sort of law we could pass laws of a similar sort, the argument seeming to be that we might go to extremes. I have the same danger in mind. I do not want extreme things done, but my observation has taught me that the way to avoid such measures is to do the practical, sound thing required when it ought to be done. Extreme measures, extreme attitudes usually result from the failure to do what ought to be done when it could be done deliberately and sanely.

Therein is the danger in not doing something, at least attempting to provide a better method of enforcing the good-behavior condition in the judiciary tenure clause of the Constitution than impeachment affords. I would like to see Congress attempt to do that when it is under no pressure about the matter. I am certain in my judgment that if Congress does not pass this sort of law—some sort of law like this—now when we have a chance, and give to the judiciary the responsibility and power which this bill confers, retaining the degree of control and supervision which this House now proposes under this bill to reserve, you are going to have a radical swing, and you will not be able to control it. You mark my word. I want to put that in the RECORD.

We had a situation like this before when we had the big row about the Supreme Court. That row had its genesis in the legislation of 1919, when we denied Supreme Court Justices the right to retire instead of resign, and in the act we passed when Justice Holmes resigned when we cut his salary in half.

By the same sort of combination of opposition we have here today, a bill to correct that condition was defeated in the House in 1935. It was passed 2 years later, but under great pressure of circumstances. We have made a good start with a judicial administrative agency, located over in the Supreme Court Building. This is needed, supplementary legislation. We do not do away with the power of impeachment. What more could a decent judge want? The gentleman from New Jersey [Mr. VREELAND] is correct about it. There ought to be a buffer between the judge and the necessity to go to trial. We provide that now in this bill. The time may come when it cannot be done. We can do it now. As I see it, it is an inexcusable thing, a failure of duty not to do it now. We can put the House of Representatives between the judges now and the necessity to make any defense. In addition to that, we provide that those judges may be tried by judges. At the same time we give to the House the right to initiate proceedings just as they have in the Senate in impeachment. We leave to the Senate its impeachment powers intact. We protect the Senate against the necessity to turn aside to exercise them except in circumstances which would warrant the House to go to the Senate, and which would warrant the Senate in really trying the matter as a court would proceed.

The proposed arrangement might not work perfectly, but we could change it. We would have to do a little experimentation; but this is the soundest proposition I can work out. I have not been trying to work it out for myself, but I have been trying to work it out for my country; for the independence of the judges of this country; for the benefit of the public interest, which requires a clean as well as an independent judiciary. I want to turn over this duty to the judges as nearly as we can, giving them a chance at it; retaining the power of impeachment, of course, and reserving in the House of Representatives the power to initiate the proceedings and leaving the House of Representatives also as a buffer between the judge and the necessity of even having to go to a court of judges to be tried, just as we have the House with reference to impeachments. Nobody can get to

a judge, under this bill, to the court made up of three judges, until this House of Representatives exercises its sworn responsibility and says in its judgment that the judge ought to be tried. What more can anyone want? What better arrangement can you make if you want an independent judiciary? An independent judiciary does not mean a judge that can do just as he pleases.

It means a judge that cannot be harassed and that cannot be controlled, that cannot be dominated; but not a judge that can violate his contract with the people to behave himself well, and be beyond the reach of even the courts to enforce that contract to behave himself well. I cannot understand some of the argument of the opposition. Some of them seem to be so enthusiastic over the independence of the judiciary, so sold on the idea that they are not willing to trust to the integrity and ability of members of the judiciary to try these judges. How can it be held that we are imperiling the judiciary now when we propose to turn the opportunity to control judges over to judges, let them see what they can do about it, with the right to appeal to the Supreme Court of the United States, made up of judges? I cannot understand it. I cannot understand how gentlemen, in their responsibility today, when we can do the job and do it deliberately, and have time to observe and correct any mistakes, imperil the independence of the judiciary, by waiting until some radical movement sweeps into this country and finds no arrangement, no machinery to enforce the condition of good behavior except a perfectly inadequate, ridiculous arrangement.

We have the pressure coming into our committee a little stronger and a little stronger, to cut down the tenure of the judges. It is valuable to have a judge on the bench for life, subject to good behavior. It makes him independent. I want to retain the independence of the judiciary. But these judges cannot be kept on the bench for life without some efficient, sensible method of enforcing that condition of good behavior. We do not have it now.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes, I yield.

Mr. MASSINGALE. I wish the gentleman would advise me particularly, and I am sure other Members of the House, is there not confusion in the arguments we have heard here today between the two remedies of getting rid of a judge——

Mr. SUMNERS of Texas. Yes; I get the point. Impeachment and this remedy have no more to do with each other than if one existed and the other did not. We all know that every State of the United States has this power to impeach. Yet there is also recognized the power to oust by lawsuit.

I do not know of a single jurisdiction where that is not true. The power to impeach never was any part of the ordinary functioning machinery of any government. As I said earlier, it had its origin under a situation which made it necessary to reach and punish certain individuals too powerful to be dealt with by the ordinary machinery of the law.

I am not trying to do a partisan thing. I am trying to save an independent judiciary and preserve for the people at the same time the opportunity to clear their judiciary of the few men who are not fit to be on the bench and who are the real threat to an independent judiciary. [Applause.] It is nothing to me. I have worked for years, I have figured this thing out for years, trying to see how it could be done, and this is the best I can do. I cannot force you to accept it. I would not if I could.

Men of America sitting under the dome of the Capitol, you have a chance to make the judiciary of this country independent. Turn the inquiry as to the conduct of judges over to judges. Why do you hesitate?

At the danger of being tedious I emphasize that power to impeach never in the history of any government was an ordinary power of government. It was never depended upon to do the ordinary work of government. It had its birth in those conditions when powerful persons were beyond the reach of the ordinary functioning machinery of government, and as a matter of last necessity it was appealed to. They have not exercised it in the land of its origin six times in two centuries, yet we are still hanging onto that perfectly absurd remedy in America. Absurd! You know it is absurd. These Senators do not have the time.

It is going to get more and more impossible. You know and I know that the Senate is getting busier all the time. Every session we are adding more judges, and the jurisdiction of these judges is extending deeper and deeper into the affairs of the American people. We have got to do something about it. It is just a question of your doing it now, when you can do it deliberately, or waiting until some wild-eyed sentiment sweeps this House. You take the responsibility. I have done the best job I can. I have given years of time to work this thing out, and I bring you today the results of the best efforts of which I am capable.

No man yet, nobody yet, has stood on the floor of this House and at all challenged the statement that if the language in the impeachment provision of the Constitution is exclusive with regard to judges it is exclusive with regard to all the other civil officers, because the word "judge" is not mentioned in those provisions. A judge can be impeached only because he is a civil officer. If a judge may not have any other proceeding with reference to him because he may be impeached, no other civil officer may be ousted except by impeachment; and if there is anything in human language that conclusion cannot be shaken. They can stand here from now until doomsday, and it cannot be done. [Applause.]

The CHAIRMAN. The time of the gentleman has expired; all time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That whenever a resolution of the House of Representatives is directed to the Chief Justice of the United States, stating that in the opinion of the House there is reasonable ground for believing that the behavior of a judge to whom this act applies, as provided in section 5, has been other than good behavior within the meaning of that term as used in section 1 of article III of the Constitution, the Chief Justice shall convene, or cause to be convened, the circuit court of appeals of the circuit in which the judicial district of the judge—

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry at this point, if the Chair will permit.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. MICHENER. As I understand it the Clerk is reading the bill H. R. 5939.

The CHAIRMAN. The Clerk is reading the bill H. R. 5939.

Mr. MICHENER. I understood that the gentleman from Texas had asked unanimous consent that H. R. 9160 be substituted in lieu of H. R. 5939.

The CHAIRMAN. The Chair had not heard any such request.

Mr. SUMNERS of Texas. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Texas rise?

Mr. SUMNERS of Texas. To submit a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SUMNERS of Texas. The bill, H. R. 9160, contains provisions which the members of the committee agreed might be considered in lieu of the bill made in order by the rule.

The CHAIRMAN. Permit the Chair to make this statement in reply to the observation made by the gentleman from Michigan and what the Chair anticipates will be the request of the gentleman from Texas.

The rule, House Resolution 237, adopted by the House makes in order consideration of the bill H. R. 5939. Certainly the Committee of the Whole would not have authority to change that action of the House.

Mr. SUMNERS of Texas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SUMNERS of Texas. Would it be in order to submit a unanimous-consent request that the bill, H. R. 9160, may be considered in lieu of the bill the Clerk is now reading?

The CHAIRMAN. The Committee of the Whole would not have authority to change the action of the House by

making in order a bill different from the one the consideration of which was provided for by the rule adopted by the House.

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Would not the gentleman be able to obtain the result he desires by offering an amendment striking out all after the enacting clause and inserting in lieu thereof the body of the bill H. R. 9160?

The CHAIRMAN. The Chair is of the opinion that the gentleman might do that by unanimous consent.

Mr. MICHENER. That would save going back into the House.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent that I may make the motion to strike out all after the enacting clause of the bill (H. R. 5939) and to insert in lieu thereof all after the enacting clause of the bill (H. R. 9160).

Mr. DIRKSEN. Mr. Chairman, reserving the right to object, is it my understanding that only the last paragraph of these two bills differ?

Mr. SUMNERS of Texas. That is not quite correct. The bills differ in that there is an inclusion of circuit judges in the bill (H. R. 9160).

Mr. DIRKSEN. That is in the last section?

Mr. SUMNERS of Texas. That is the only material difference, I may say to the gentleman. I think that is true.

Mr. DINGELL. Mr. Chairman, reserving the right to object, and I shall not object, I would like to make an observation at this point. The Congress is the court of last resort for the American people. I am wondering whether it is the purpose of this bill to deprive the people the right to be heard through the Congress, and I am sorry I was not here at the time the distinguished gentleman from Texas expressed himself on the bill. Is it intended to put the matter of control over the Federal judiciary into the hands of Federal judges or is the Congress to reserve this function and right of impeachment unto itself? We must in order to protect the people exercise some measure of control and exercise some restraint over the Federal judiciary.

Mr. SUMNERS of Texas. It does not disturb that right.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas [Mr. SUMNERS].

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Strike out all after the enacting clause and insert:

"That whenever a resolution of the House of Representatives is directed to the Chief Justice of the United States, stating that in the opinion of the House there is reasonable ground for believing that the behavior of a judge to whom this act applies, as provided in section 5, has been other than good behavior within the meaning of that term as used in section 1 of article III of the Constitution, the Chief Justice shall convene, or cause to be convened, the circuit court of appeals of the circuit in which the judicial district of the judge is situated in special term for the trial of the issue of good behavior and the right of such judge to remain in office. The Chief Justice shall designate three judges of the circuit courts of appeals (one of whom shall designate as presiding judge) to serve on such court. Any one or more of such judges may be judges of circuit courts of appeals of circuits other than the one convened in special term, but, if the judge whose good behavior is in question is a judge of a circuit court of appeals, no judge from the same circuit shall serve. Such designation shall be made only after the Chief Justice has notified the judge whose good behavior is in question of the names of the judges whom he intends to designate to serve on the court and has given the judge notified an opportunity to present to the Chief Justice a statement of reasons why any such judge should not serve. If such reasons appear adequate to the Chief Justice he shall notify the judge of another intended designee and the foregoing procedure shall be repeated until three judges can be designated to serve on the court.

"SEC. 2. Thereupon it shall be the duty of the Attorney General to cause to be instituted, on behalf of the United States, a civil action in such court to determine the right of such judge to remain in office. In any such action the United States shall be a party to such controversy and shall have all the rights and duties of a plaintiff in a civil action in the Federal courts and the judge shall have all the rights and duties of a defendant in such an action. In any such action the Attorney General is authorized to avail himself of the services of such Members of the House of Representatives as may be designated by resolution of the House of Representatives to aid in the prosecution of the action. All matters of procedure in any such action shall be governed by rules prescribed by the Supreme Court, but the trial shall be without a jury.

"SEC. 3. If the court determines that the behavior of the judge has been other than good behavior within the meaning of that term as used in section 1 of article III of the Constitution, the judgment of the court shall be that of removal from office, but no other penalty shall be imposed by the court. Upon rendition of such judgment and until such judgment is reversed on appeal as provided in section 4, the defendant shall cease to have any power, authority, or right to act as judge, but his salary shall be paid him until the expiration of the 30-day period allowed for an appeal under section 4 if no appeal is taken, or until the determination of such appeal, if appeal is taken.

"SEC. 4. From the judgment of any such court, either the United States or the defendant may, within 30 days after its rendition, but not later, appeal to the Supreme Court of the United States. Notice in writing of the taking of such appeal must be filed in the office of the clerk of the trial court and also of the Clerk of the Supreme Court of the United States, and a copy thereof must be served on opposing counsel. Such appeals shall be subject to and governed by the rules of practice and procedure now regulating appeals to the Supreme Court of the United States, or such rules as may hereafter be adopted by the Supreme Court of the United States.

"SEC. 5. (a) This act shall apply to all judges of courts of the United States, the District of Columbia, and the Territories and possessions, who hold their offices during good behavior, except the Justices of the Supreme Court of the United States.

"(b) For the purposes of this act, the term 'circuit court of appeals' shall include the United States Court of Appeals for the District of Columbia, and the District of Columbia shall be deemed a judicial circuit."

Mr. SUMNERS of Texas. Mr. Chairman, I have some minor amendments to offer to correct the text.

Page 1, line 5, after the word "House" insert "of Representatives."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 1, line 5, after the word "House", insert "of Representatives."

The amendment was agreed to.

Mr. SUMNERS of Texas. On page 1, line 11, strike out the words "judicial district of the."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 1, line 11, strike out the words "judicial district of the."

The amendment was agreed to.

Mr. SUMNERS of Texas. Page 2, line 1, strike out the words "is situated" and insert the word "resides."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 2, line 1, strike out the words "is situated" and insert "resides."

The amendment was agreed to.

Mr. SUMNERS of Texas. Page 2, line 3, after the word "three" insert "circuit."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 2, line 3, after the word "three", insert "circuit."

The amendment was agreed to.

Mr. SUMNERS of Texas. Same page, same line, strike out the words "of the circuit court of appeals."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 2, line 3, after the word "judges", strike out "of the circuit court of appeals."

The amendment was agreed to.

Mr. SUMNERS of Texas. Line 6, after the word "be", add the word "circuit."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 2, line 6, after the word "be", insert the word "circuit."

The amendment was agreed to.

Mr. SUMNERS of Texas. Line 8, after the word "a", insert the word "circuit."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 2, line 8, after the word "a" and before the word "judge", insert the word "circuit."

The amendment was agreed to.

Mr. SUMNERS of Texas. Line 8, strike out "of a circuit court of appeals."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 2, line 8, after the word "judge", strike out "of a circuit court of appeals."

The amendment was agreed to.

Mr. SUMNERS of Texas. Page 3, line 25, after the word "States", insert "on the law and the facts."

The Clerk read as follows:

Amendment offered by Mr. SUMNERS of Texas: Page 3, line 25, after the word "States" and before the period, insert "on the law and the facts."

The amendment was agreed to.

Mr. VREELAND. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. VREELAND: On page 3, line 10, after section 3, strike out down to the period in line 21, page 3, and insert "Upon completion of the trial the court shall certify to the Senate of the United States, with a complete transcript of the proceedings, the findings and recommendations. The Senate shall thereupon proceed as in an impeachment under the provisions of article I, section 3, of the Constitution."

Mr. VREELAND. Mr. Chairman, as I stated in general debate, some question was raised on the floor as to the constitutionality of taking away the right of impeachment, that sole power given in the Constitution to the Senate. At the same time, we must realize that the judges at the present time know they have that safeguard of trying to get by both Houses before their integrity can be questioned. I know of nothing that would make persons tend to radicalism more than to believe a judge was beyond complaint or criticism in dealing with some action of theirs. We have seen considerable in the newspapers lately of the few judges in the country who have been tried.

Under the bill as presented by our eminent chairman, as I understand, upon passage of a resolution of the Houses of Congress the Chief Justice appoints three circuit judges who shall try the particular judge concerning whom complaint is made. In the bill as it now stands their judgment shall be that of removal, with the right of appeal to the Supreme Court. My amendment merely proposes that these three judges instead of sitting in sole trial of the conduct of the defendant judge will merely sit as masters at a hearing, to take testimony and report to the Senate their findings and their determination and recommendations, which the Senate may reject or accept and go through with the impeachment proceedings.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. VREELAND. I yield to the gentleman from Iowa.

Mr. GWYNNE. Does not the gentleman believe that under the present set-up the Senate has authority to refer this question to the masters substantially as the gentleman's amendment provides?

Mr. VREELAND. I am not familiar enough with the Senate's rules to state, but the wording of the Constitution is such that they have the sole right to try the issue. After all, any defendant, whether he is a judge or a layman, has the right to be confronted by his witnesses and tried before a court that is impartial. We all know in transacting the business of the Senate the Senators do not have time to sit in during an entire trial and listen to all the witnesses who may be presented against the defendant.

Under my amendment the judges who may be defendants will have the opportunity to be heard by three judges of the circuit court, to be heard impartially, and to have the judges sit during the entire trial, and not have the present system under which Senators may, if they feel the occasion warrants, run over to the Senate Chamber to listen for a few minutes.

Mr. ROUTZOHN. Mr. Chairman, will the gentleman yield?

Mr. VREELAND. I yield to the gentleman from Ohio.

Mr. ROUTZOHN. In order to make the gentleman's amendment effective, will it not be necessary to strike out section 4 as well?

Mr. VREELAND. Yes; it will; and that is another amendment I have on the Clerk's desk. I believe my amendment does away with the question that has been raised by the minority as to the constitutionality of taking away from the Senate that right and that safeguard of our judges as the buffer between the public and the courts. After all, our courts should not be in a position to be criticized by anyone who decides they should be criticized; neither should a judge be on such a high pedestal that he cannot be reached by a citizen who may justifiably feel aggrieved at some decision.

I hope the amendment will be agreed to.

Mr. GAVAGAN. Mr. Chairman, will the gentleman yield?

Mr. VREELAND. I yield to the gentleman from New York.

Mr. GAVAGAN. Would the effect of the gentleman's amendment be to make this trial board of three judges advisory to the Senate in an impeachment proceeding?

Mr. VREELAND. It is the same as in a court of law, where the judge refers a matter to a master to take testimony and make findings.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. VREELAND. I yield to the gentleman from Michigan.

Mr. DONDERO. Is there any authority in law now to delegate the power of the Senate to three judges, or even to one judge, to sit as a master in a case?

Mr. VREELAND. Of that I have no knowledge.

Mr. DONDERO. If there is no such authority, of course, the gentleman's amendment would be wholly invalid as unconstitutional.

Mr. VREELAND. I really do not know. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am in great sympathy with what my distinguished colleague has in mind, but I am compelled to oppose the amendment for this reason: When the House and Senate operate under the impeachment powers, they do not function as a part of the legislature; they each are entirely separate entities. The House of Representatives as a part of the Congress cannot at all control the machinery brought into play by the Senate sitting as a court of impeachment. As I say, I have much sympathy with what my friend has in mind, but this is an attempt on the part of the Congress to select a master in chancery for the Senate, which has the responsibility of trying this matter.

I mean that Congress absolutely has no power over either the House or the Senate as they exercise their constitutional powers with regard to impeachment.

If I have not made myself clear, I shall be pleased to yield for any question on that point, because I believe there is no uncertainty about it.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. As I understand, the amendment offered by the gentleman from Texas [Mr. SUMNERS] provides a new method of trying such cases, whereas the amendment now before the House would mix the impeachment method and this new method.

Mr. SUMNERS of Texas. My point is that there is no power in the Congress to designate a master in chancery for the Senate in discharging its constitutional responsibility under the impeachment provisions of the Constitution.

Mr. ROUTZOHN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Ohio.

Mr. ROUTZOHN. Would not the Senate be obliged to pass this bill in order to make it applicable?

Mr. SUMNERS of Texas. The point I am trying to make is that neither the House nor the Senate, nor the House and the Senate and the President combined, can at all control the Senate in the exercise of its constitutional powers under the impeachment provision.

Mr. ROUTZOHN. Does the Senate, as has been contended here, have the authority now to delegate that power?

Mr. SUMNERS of Texas. I believe the Senate could appoint an agent. Of course, I cannot go into that. I must

devote myself to the amendment now pending. I believe that when my friend who has offered the amendment, who is a very excellent lawyer, thinks about the matter from that standpoint, he will agree that the Congress cannot control the Senate, exercising its impeachment powers. In the Constitutional Convention when they came to determine where the impeachment powers should be lodged, all sorts of places and agencies were suggested where these extraordinary powers should be lodged, and finally they were lodged in the persons who constitute the House and the Senate, but not in the House and the Senate, and when the House functions under its impeachment powers it is entirely independent of the Senate and independent of the Congress. The same is true of the Senate.

It gets its warrant directly from the Constitution. When the Senate sits as a trier of the issues presented to it under an impeachment by the House, it sits as a body that entirely controls its procedure, except as the Constitution directs, and neither the House nor the Senate nor any other agency can interfere in the exercise of its discretion.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. MICHENER. And neither the House nor the Congress has any authority to change that right.

Mr. SUMNERS of Texas. They cannot do it; neither the House nor the Senate nor the House and the Senate and the President. The House could vote for this thing unanimously and the Senate could vote unanimously and the President could approve it, and it would have no effect upon the Senate, sitting not as a part of the legislative branch of the government but as a trier of the issues involved in an impeachment.

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is with some trepidation I step in here at this time in opposition to the judgment of able lawyers with whose premises and conclusions I disagree, but as a lawyer of some 35 years of experience, I think we are putting a lot of feathers onto a bird that do not belong on that bird.

The question which confronts us today is whether, as the Congress of the United States, we will undertake to delegate a nondelegable power specifically reserved to the Congress under the Constitution. It never has been done. It never can be done under the Constitution and under the decisions of the courts. You cannot amend the Constitution by statute. There is an orderly way to do it, if it should be done. I doubt if this bill accomplishes its desired purposes. I am sure it does not insure the integrity of the court. I know it is unconstitutional. [Applause.]

Mr. LEWIS of Ohio. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, again I rise with trepidation to make any suggestion to this eminent group of lawyers concerning a constitutional matter, but I submit to you that this whole matter can be decided by the use of the power of the Senate, inherent in the Senate, to delegate to committees of its own Members and of its own choosing the power to take testimony, to make findings of fact, and report conclusions of law and recommendations to that body.

As I understand it, the basis for this whole bill is the fact that the Senate, as a body, does not attend hearings on impeachment. What is to prevent the Senate from delegating to a committee of three of its Members the power to sit and take the testimony of witnesses, make findings of fact, and report conclusions of law back to that body, who thereupon should consider the whole matter upon the record made by this special committee of the Senate, with the right reserved to both the managers on the part of the House and to the accused to appear on final hearing before the entire Senate when the matter is submitted to the entire Senate, either in person or by attorney, or both, and submit the matter finally to the judgment of the entire body?

To make use of the power to submit testimony to a special committee is only to do what is familiar legislative procedure in every legislative body in the world, and especially in this body, and to decide such matters after a record has been presented to such a special committee is not new, either to legislative procedure or to the jurisprudence of our country. Special masters are customarily designated by courts for the taking of testimony in intricate matters, such as in actions for accounting and other equity matters, and such special masters report back to the court. The judgment of the court is based upon the record so made. If my plan were followed, the judgment, after the report of its special committee, would be the judgment of the Senate of the United States, which body, under the Constitution, has the sole power to try and convict on a bill of impeachment.

I submit that this matter can be handled in that way within the terms of the Constitution without crosscutting the corners, as this bill would do, and without resorting to hidden powers that have remained hidden, according to the proponents of this measure, for 150 years and have been but recently discovered, and would be within the terms of the Constitution of the United States and within the generally accepted procedure of legislative bodies everywhere.

I submit, Mr. Chairman, this is the way to proceed on this matter. This is the method to be used in solving the difficulties here presented, and it can all be done within the limits of the Constitution and by an exercise of the inherent powers of the Senate.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Ohio. I yield.

Mr. SUMNERS of Texas. May I say to my friend that I appreciate the spirit in which we are considering this matter. Does it not occur to the gentleman that this matter is so closely akin to a criminal action in its consequences that the judge has the right or ought to have the right to have the persons who are to render judgment look at his witnesses when they testify? I may say, if I may take just a little time, I have considered that very thing and I suggested one time that the Senate appoint a committee of its own. If the Senate would appoint a committee of its own to take the testimony and then the Senate would feel itself bound to follow the judgment of, say, a dozen Members, that is getting pretty close to what I have tried to do.

One difficulty is that you have to get a two-thirds majority. It is a pretty bad thing to have a judge serving on the bench when more than a majority of the Senate has said that he probably ought not to be there.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent that my friend, the gentleman from Ohio, may have 3 additional minutes, because I have taken up his time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. And the question is, inasmuch as we are dealing with this informally in a way, do you not think a judge has the right to have his triers look at his witnesses when they testify?

Mr. LEWIS of Ohio. In answer to the gentleman, I wish to say that either this is a criminal proceeding or it is not a criminal proceeding. I understood the gentleman's statement in his opening argument on this bill to be that impeachment is not a criminal proceeding, and with that statement I agree. Now, if it is not a criminal proceeding, then no constitutional right of the accused has been violated by this method.

Mr. SUMNERS of Texas. My question is whether or not, sitting as a policy-fixing agency of the Government when we can vote in either direction, we ought not to make not only possible but certain that the judge who may be kicked out should have a trial with the opportunity for his triers to look into the faces of the witnesses who appear against him.

Mr. LEWIS of Ohio. Mr. Chairman. Of course he would have that right before the committee. I suggested that when this matter is finally submitted to the whole Senate by the special committee, the accused, as well as the managers on the part of the House, shall have the right to appear in person

and present their arguments for and against the impeachment, and I think that such procedure would preserve certainly every right that any judge who is accused could reasonably ask.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of Ohio. I yield.

Miss SUMNER of Illinois. My concern in this debate is that the Congress shall not hastily take a bypath away from the traditional method of judging judges which was the wisdom of our forefathers. Great authorities on jurisprudence have said that the quickest way to wreck a democracy is to abandon too hastily the wisdom of the ages. For that reason I point out to the gentleman that this does not involve the question of a criminal trial; it is a question of whether the people of the United States through their agents, the Senate and the House of Representatives, wish to dismiss a judge because his behavior is not sufficiently good. The real question is whether this type of trial urges on and encourages integrity in judges because they fear public exposure in the Senate of the United States.

Mr. LEWIS of Ohio. I agree with the gentlewoman entirely.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. KELLER. Mr. Chairman, I rise in opposition to the amendment. This bill has intrigued me very largely because it includes a number of matters that ought to come before this body for free and fair discussion. Legally, I think the gentleman from Tennessee [Mr. KEFAUVER] has answered any possible legal objection, when he called attention to the fact that the judges of the United States outside of those on the Supreme Court are created by act of Congress under provision of the Constitution. The Congress of the United States under this provision has created 265 judicial offices by statute, which are filled by Federal, district, and appellate judges, and it seems to me perfectly clear that if we have the right to create the office we have certainly the right and the power to remove the man who fills that office. It would be contrary to all reason, as I understand it, if that is not true. Therefore, I have referred to the contention of the gentleman from Tennessee [Mr. KEFAUVER] as complete justification of this bill H. R. 9160, now under consideration.

But there are other things that I desire to call to the attention of the House that seem to my mind to meet completely and entirely the contention of the author of this proposed amendment, the gentleman from New Jersey, because we have this right, and have the right to follow our own judgment and our own methods and plans in relation to carrying them cut. It seems to me that when we raise any objection on the part of judges themselves to being tried by their fellow judges, that we forego completely and entirely our own contention about the entire jury system. Because, as I remember, it provides that a man shall be tried by a jury of his peers. That is the intention of the entire jury system, and if a judge is judged by judges, he is being tried by a jury of his peers. And there can be no possible contention against that insofar as I am able to see.

Some of us apparently look upon the Constitution as an instrument to provide for remaining in status quo, and for no other purpose. Is it not the universal rule that all constitutional provisions are carried out by statute both in the Nation and in the States? It seems to me that this is perfectly evident. Why then may not courts apply this rule to this question as well as to all others?

There are 82 percent of lawyers in the House and the Senate and have been on an average for the past 150 years. I hope you will note that fact and permit me to make this comment upon it: Of the most of the men elected to Congress, 82 percent then are elected because they are or are supposed to be the best lawyers in their districts.

They are the best lawyers because they have devoted their whole time and attention to the study and practice of the law as it is. That simply means that they have devoted their time to what the law is and have devoted practically no time to what the law ought to be. But when a man is elected to this body, that order ought to be reversed, and the men who make up this body ought to be not only willing but anxious to devote their time to the study, not of what the law is but what the law ought to be. I present this thought for the most serious consideration of my colleagues, because, when an intriguing legal point is raised on the law as it now is on the floor of this House, 50 men sometimes respond and an intelligence distinguished for its unusual keenness and ability often ensues. But when the question as to what we are going to do to provide jobs for men comes up on this floor, these same highly developed legal-minded men often sit open-mouthed, apparently without an idea of what action may be taken to remedy this condition. I cite this fact, not in criticism, but because I believe that the mind that can traverse the intricacies of legal lore can, with the same effort, undoubtedly go far toward the solution of this our No. 1 responsibility in American Government at the present time—that of unemployment.

This question of unemployment can be solved—it must be solved. It will be solved. And it can only be solved by the Congress of the United States. I repeat that I believe that if these lawyers of paramount legal ability will devote themselves as ardently and as intelligently to consideration of the question of what the law ought to be for providing jobs for men as they did in learning what the law was, that they can go far in solving this paramount problem. I appeal to them in behalf of suffering humanity to make this one supreme effort in the service of their country.

I am for this bill because it does "mess up" that old, worn-out custom and practice for the past 150 years, ending up with the picture of 2 out of 96 Members of the Senate sitting solemnly listening to the presentation of testimony against an unjust judge.

Every lawyer knows that generally too much consideration is given to the importance of judicial precedent. They seem to forget that the principal advantage to be had from judicial precedent ought to be the fact that it establishes a stepping stone from which we may step forward for new precedents and new legislation to meet conditions as they arise in a changing, growing country like our own.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. KELLER. Yes; I yield for a question.

Mr. COX. In the event that the pending measure should become law, does the gentleman understand that it would be obligatory upon the House of Representatives to take the procedure set up under the bill, or would it be optional to employ the old constitutional method of impeachment before the Senate?

Mr. KELLER. I think that clearly we may follow either course we see fit. I see nothing against that. That seems to be the legal and constitutional decision that ought to be made on that subject. [Applause.]

[Here the gavel fell.]

Mr. DINGELL. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have no objection to correcting the procedure as regards impeachment and the trial of Federal judges, but, because it is fundamentally wrong, I have a very definite objection to this bill. I think if we are going to change the procedure at all we should do it within the structure and within the practice now existing. I think if there is any reform necessary, if we are going to make more efficient the practice of trying impeached judges, it should be done through and within the Senate. We can provide by law for the selection of three or five or seven Senators to act as a trial court, but I do not think the right and privilege should be taken out of the hands of the Congress. It may be necessary, on occasion, to discuss the behavior of a certain Federal judge in your district. And there are some who are mighty arrogant and haughty, who care naught about the average citizen or public official, who ought to be talked about. My distinguished friend from Texas can now go and talk to his Senator, on behalf of a constituent as regards a grievance pertaining to an accused judge, but only God Almighty will be able to talk to a circuit judge sitting in a trial of this kind.

I personally am not going to give up any rights or privileges that I might enjoy in this particular instance. I am going to insist that the present practice continue, with such refinements as might help in carrying out the procedure intended by the Constitution.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. In just a moment I will yield.

Mr. COCHRAN. But the gentleman stated——

Mr. DINGELL. I do not care to argue the matter. I might yield later.

Here we have presented to us for consideration on page 2 a provision which is to permit judges to sit in judgment of accused judges. We also grant the impeached judge the very special and unique privilege, after the Supreme Court Justice designates the trial judges, to exercise veto over this panel or to disapprove of any one of them. The judge—the accused judge, mind you—passes upon his own court and jury. They must be to his liking. An ordinary citizen does not have that right. Is that not a fine state of affairs? Is it not a joke? It cannot be a serious proposal. For this great committee to bring in a bill like this before this House and plead for its adoption I think is ridiculous. Just imagine the idea of submitting a list of the trial judges for approval to the impeached judge. I have taken part in impeachment action on this floor more than once. I have taken my part seriously. I have cast my vote, very reluctantly. The most priceless possession of an official, his reputation, was at stake. I remember one judge who sat in that gallery. Judge Ritter I believe was his name. I gave him every benefit of any doubt. I did not vote to impeach him the first time. They had to convince me at the second time that he should stand trial. Whether or not he was convicted by the Senate was no concern of mine. The fact of the matter is, the Senate should not have its privileges abridged. The House does not or ought not to originate a curb against the Senate. I do not think the Senate will submit supinely to the abridgement of its rights.

More than that, Mr. Chairman, this is the people's forum. This is the last stronghold of the people. Let us not go back to our districts and tell our people that we have given up and surrendered the people's rights to a group of judges to run wild and then permit them to try themselves. This is where control belongs. This is where the fathers of the Constitution placed it. We have the right of impeachment and the Senate should have the right of trial. The accused will get a fair trial in the Senate, even more. The liberal and experienced Senators will give those impeached miscreants every benefit of doubt. If things are not being done properly, then in my estimation we should put certain refinements into the procedure, but the trial should be at the hands of the Senate and judges should not be passing upon the misdeeds of judges. I, for one, will not permit it. I will not go along with it.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Yes; I yield.

Mr. MAY. I would like to ask the gentleman this question: It is set out on page 3 that the President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for and conviction of so-and-so. As I understand it, the court that is set up does not have the power of impeachment but merely the power of trial.

Mr. DINGELL. That is right; I understand that.

Mr. MAY. But the Constitution originally placed it in the Senate.

Mr. DINGELL. That is right; the right of trial was given to the Senate; and that is exactly where it should continue to remain. As I said, if it is a crude method which we employ in impeachment, if the Senators are not satisfied with the method or finesse in trial, they can change their procedure.

[Here the gavel fell.]

Mr. DINGELL. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DINGELL. If the procedure is wrong, if the Senate is neglectful of its duties, then I think the procedure should be changed so that a thoroughgoing, prompt, and fair trial might be had by any judge who is impeached; but it should not, even if possible, be taken out of the hands of the Senate. I say to you again, this is the last stand of the people. This is the people's forum, and this is where that power should remain.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman from Michigan stated a moment ago that he might be able to talk to a Senator but only God Almighty could talk to a circuit judge.

Mr. DINGELL. Yes.

Mr. COCHRAN. Does he think it would be ethical for a Member of this House to talk to a Member of the Senate about a case when the Senator was sitting as a judge?

Mr. DINGELL. It is always ethical for a Member of the House to talk to a Senator, and it is well that it should continue to be.

Mr. COCHRAN. Under such condition?

Mr. DINGELL. Under any condition, I will say to my friend.

Mr. COCHRAN. I do not agree with the gentleman.

Mr. DINGELL. That is where the gentleman and I differ. When the people's interests are at stake, I will talk to my Senator any time.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. KELLER. Does the gentleman not agree that since the Congress has the power to create these judgeships it ought also to have the power to dismiss the judges?

Mr. DINGELL. Precisely. There is no argument here about that. The gentleman and I are in agreement on the point.

Mr. HANCOCK. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield.

Mr. HANCOCK. I think a clear distinction should be made between the creation of an inferior court and the removal of a member of the court. If Congress has the power to create an inferior court it likewise has the power to eliminate that court; but when it comes to removing a single member of the court for misbehavior that is an entirely different thing. Congress does not appoint the judge, it merely creates the office.

Mr. DINGELL. I am sorry I do not have the time to debate the fine points of law with the gentleman, but I have expressed myself quite thoroughly and clearly on what I believe. [Applause.]

[Here the gavel fell.]

Mr. REED of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going into any of the technicalities of this bill but shall make a few general observations. We are not living under the Constitution that was adopted by the fathers. The Constitution as adopted by them would never have been ratified by the States. We all recall how certain rather progressive gentlemen of that day insisted that there should be certain amendments to the Constitution before it should be the supreme law of the land. Consequently we have the Bill of Rights. In that Bill of Rights are at least 25 personal liberties, many of which have been fought for, and bled for, and died for through the centuries. Our courts were set up to protect those individual liberties. That was their function in large measure.

I think we can all congratulate ourselves as free men and free women that the Court has functioned so well for 150 years, that the citizens of the United States of America enjoy more liberties, more individual liberties, more security than can be found in any other nation on the face of the earth today. I think we should respect our institutions, our Constitution, and our courts. I believe that our liberties are safe if we keep well within the procedure laid down, and the

powers laid down, and the restrictions laid down in the Constitution of the United States. We saw this Nation rise almost as one man when an attempt was made to increase the size of the Court. It is not necessary to question the motives of any person or any official, and I know of no man who stood on the floor of this House and fought more desperately against the attempt to stack the Court than the distinguished chairman of the Judiciary Committee, and the whole Nation applauded his effort.

I am satisfied that in all the chaos of the world today where courts have gone down and people have lost their liberties, that the people of this country will be most impatient and intolerant of any act of Congress that even hints at going outside of the four corners of the Constitution to set up procedure that in any respect would weaken the independence of that guardian of their liberties. It was said more than a century ago—and I am not sure but what it might not have been prophetic:

> When any set of men shall entertain designs against the Constitution, either to overwhelm it in the anarchy of simple democracy or to found on its ruins a usurpation of monarchical power, they will commence their operations by an open or insidious attack to weaken and destroy the judiciary.

Let us make no gesture at this time of such disordered world affairs that will show a tendency to weaken by either open or insidious attack the guardian of our liberties which has served us so well for 150 years. I say that now of all times, in this period of more or less mob psychology sweeping the world, let us stay within the Constitution until calmer moments when we can exercise careful judgment. The present is no time to tamper with what has served a mighty people and protected their freedom and their liberty for a century and a half. [Applause.]

[Here the gavel fell.]

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I would like to have the attention of the gentleman from Texas with regard to a matter that seems to me is rather confusing, and this might happen: Let us suppose, for instance, that there is a resolution agreed to by the House with regard to impeachment according to the method now provided by the Constitution. The offending judge is brought before the Senate and he receives a vote in his favor, but less than a majority. He would therefore be found not guilty, because it would take two-thirds to find him guilty. Yet there is in the House and in the Senate a majority of the Members who believe that the judge ought to be removed.

What is there to prevent our going through the method provided by this bill and getting a majority of the House and Senate to refer it to the three judges, then having the Senate do by this method what it refused to do by the method provided in the Constitution? Would there not be considerable confusion, and could that happen?

Mr. SUMNERS of Texas. The gentleman is asking me in regard to what would be done?

Mr. MARSHALL. Yes. Would there not be confusion in jurisdiction? The Senate by its action absolves the judge, because it takes a two-thirds vote to convict him, then it passes the question to this tribunal that perhaps might convict the judge. Where does the final jurisdiction lie?

Mr. SUMNERS of Texas. I may say to the gentleman that the question would probably be decided as matters of jurisdiction of the United States Government, and the various States are decided. The one that assumes jurisdiction first would cover it.

Mr. MARSHALL. I am afraid the gentleman does not understand the question. The House passes a resolution, according to the present constitutional method of impeachment. The Senate tries the judge, but it finds him not guilty by less than a two-thirds majority. Yet there still exists a majority in the Senate and in the House who believe that the judge is guilty. Now, what is to prevent them, after going through the first procedure and finding the judge not guilty by a less than a two-thirds majority, from using the majorities they have in the House and Senate, and referring the same question on the same facts to the three-judge tribunal, and perhaps get a different verdict?

Mr. SUMNERS of Texas. This bill supplements but is not in substitution of the power to impeach.

Mr. COX. Will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Georgia.

Mr. COX. I understood the gentleman from Texas [Mr. SUMNERS] to say that in the event impeachment should fail before the Senate, it would then be in the competency of the Congress to proceed by the method provided in this present bill?

Mr. MARSHALL. That is the question.

Mr. COX. Thereby subjecting the judge to two separate and distinct trials.

Mr. MAY. For the same offense.

Mr. SUMNERS of Texas. Frankly, I do not think the House would be precluded, insofar as power is concerned, from proceeding. I do not think the House would do so, and if the House would I think it would be time to fold up. However, I do not think it would be precluded from proceeding.

Mr. MARSHALL. It seems to me that there is something inconsistent in those two methods of procedure.

Mr. SUMNERS of Texas. I venture to say that in the gentleman's own State the power to impeach under quo warranto obtains with reference to all public officials?

Mr. MARSHALL. That is true.

Mr. SUMNERS of Texas. I do not see how people coming from these States in which this thing is in practice are so afraid when it is sought to put it into operation by the Federal Government.

Mr. MARSHALL. I do not think the gentleman has answered the question.

Mr. SUMNERS of Texas. I think I did. I told the gentleman it would not preclude the House from proceeding. Is that an answer?

Mr. MARSHALL. Yes.

[Here the gavel fell]

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last few words.

Mr. Chairman, if I were a Member of the United States Senate and read tomorrow morning's RECORD, I would probably cast the whole proposition in terms of syllogism something like this: A majority of the House Committee on the Judiciary feels that there are bad judges in office; that perhaps some of these bad judges ought to be impeached; that the mode of impeachment consists in a large measure of the Senate shirking its duty; therefore there should be a new device invented to expedite the trial of impeachment cases. Then, continuing in the role of a hypothetical Member of the Senate, I would scratch my head and would probably say: "Well, the House's own doorstep is not so clean, after all, in that respect."

If you will go back to the impeachment resolution involving Mr. Lauderback, a judge from California, you will find that in the last session of the Seventy-second Congress there were 183 yeas and 142 nays on that impeachment resolution. The odd part of it was that 97 Members of the House were not even present to vote. I think that any attorney knows that when 20 percent of the grand jury is absent you can attack the validity of the indictment. That is No. 1. Perhaps the Senators took judicial notice of that fact.

Mr. Chairman, this bill ostensibly is before us today because it is alleged that the Senate has been shirking its duty. What about the 100 Members of the House who were not here to vote in the first place on the Lauderback impeachment resolution? There were 35 less than a clear majority of the House Members who finally approved of that impeachment resolution and if I were a Senator I would say, "You clean your own doorstep first before you cast the aspersing finger on the Senate's appreciation of its responsibilities."

In 1936, this House passed an impeachment resolution against Judge Ritter, of Florida. There were 181 yeas and 146 nays. There were seven Members of the House who voted present and there were 96 Members of the House who were ab-

sent. If you are putting the tenure and the character of a district judge in jeopardy and 20 percent of the grand jury returning the indictment is absent, I believe, as a Member of the United States Senate, I would say, "Perhaps first you had better send us a good impeachment case and then find out how the Senate will discharge its constitutional responsibility."

A tremendous record was made on both of these impeachment resolutions. They were available to every Member of the Senate. All the details were fully stated. I think, in my capacity as a hypothetical Senator, having in mind the prospect of sitting as a member of an impeachment court, that I would first say to the House of Representatives, "Before I entertain any proposal to change the constitutional impeachment system of this country, you had better send us a valid case and see how we operate, and make certain that all, or substantially all, of the members of the grand jury returning the indictment are in their seats at that time, so that any Federal judge for whom an impeachment resolution goes through this body gets plenary consideration before he is put into jeopardy." That would be my answer, as a Member of the Senate, to the bill which is pending before the House of Representatives today. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Kentucky.

Mr. MAY. On the question propounded by the gentleman from Ohio and the admission made by the chairman of the committee, I am just a little bit disturbed in this matter. It was stated here by the gentleman from Ohio and was agreed to by the chairman of the committee that if the Senate failed to have a two-thirds majority for the conviction of a judge under an impeachment charge, he could again be brought before this tribunal for trial.

Mr. DIRKSEN. I rather agree with the gentleman from Ohio that he could be tried twice unless there is some express provision in this bill which denies that power to the Congress.

Mr. MAY. Would not that be an invasion of the guaranty in the Constitution that a man shall not be twice tried for the same offense?

Mr. DIRKSEN. If it is not a criminal proceeding, then he is not in jeopardy twice, and I expect that there is no objection other than that of procedure.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. VREELAND] to the amendment offered by the gentleman from Texas [Mr. SUMNERS].

The amendment to the amendment was rejected.

Mr. VREELAND. Mr. Chairman, I should like to withdraw the other two amendments that were sent to the Clerk's desk.

Mr. SUMNERS of Texas. Mr. Chairman, I move to strike out the last word.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Texas.

Mr. RAYBURN. What is the situation now and what is pending? I understand that several amendments have been withdrawn. I frankly do not know the situation.

The CHAIRMAN. If the Chair may be permitted, the situation is that the gentleman from Texas has offered an amendment to strike out everything after the enacting clause and to insert a new bill. To that amendment the gentleman from New Jersey offered an amendment, which was not agreed to. The gentleman from New Jersey had two other amendments pending at the desk which obviously would have been necessary had his first amendment been adopted. The first amendment not having been adopted, the other two amendments were withdrawn.

Mr. SUMNERS of Texas. Mr. Chairman, this proceeding in the House reminds me very much of the proceeding 4 years ago when a bill which I had introduced, giving members of the Supreme Court the right to retire instead of resign, was defeated. We got in here on the floor of the House and ran into a combination between the two extremes, on the conservative and the liberal side. We have one crowd here who do not want to pass this bill because they are very concerned about preserving the independence of the judiciary. They think so much of the dependability of judges apparently they are afraid to trust judges to try a judge; and my dear friend from Michigan does not like the bill because under it judges try judges. Two years after the bill referred to was defeated, it was passed, but there was much heat and pressure then. I have done the best I can; but if those two extremes get together, the bill is going to get licked.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. The remark was made a moment ago that the distinguished chairman of the Committee on the Judiciary has always fought for the independence of the courts, and I know that to be the case since I have been here. He and I have had very similar views concerning the need of judicial reform and the proper nature of it. That was true back in 1937, when he was opposed at one time to a certain bill known as the President's Court bill. I have agreed with him in trying to preserve the standards and independence of our Federal courts. My stand was fully stated at that time. On June 22, 1937, the gentleman's committee introduced and we passed in this House a bill very similar to this one, did we not?

Mr. SUMNERS of Texas. Well, we passed a bill.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Michigan.

Mr. DINGELL. Does not the gentleman believe the judiciary ought to be responsible to somebody other than to themselves, entirely, once in a while? Are they entirely without fault? Let them take their chances with the Senate of the United States.

Mr. SUMNERS of Texas. We do not disturb that, but I never have believed that, in this country, where we are talking about the independence of the judiciary, anybody can object to judges trying judges as disturbing the independence of the judiciary. That is just something I cannot quite get in my head. Here we arrange that the judges shall try the judges in the first instance, with the right of appeal to the Supreme Court.

You mark my word, I do not want to play the role of prophet, but if we fail to provide some better method than we have now for trying judges who ought to be off the bench, we are going to have a situation that we cannot control, I do not have the slightest doubt.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Michigan.

Mr. MICHENER. Would the gentleman ask me to vote for this bill as a matter of expediency if I were satisfied under the Constitution that it is wrong?

Mr. SUMNERS of Texas. No; I would not; I would not ask the gentleman to do that. It would not do any good if I did. I do not want anybody to vote for this bill who does not believe that it is constitutional and that under all the circumstances that it is the best thing to do, but I do not want anybody to vote against this bill, either, because he just has his head kind of set against it, and does not exactly know why. I have not, personally, the slightest doubt about its constitutionality. There are some interesting things about the psychology of the men here. There is not a human being who sits before me today who does not come from a State where you can either impeach a public official or oust him by quo warranto or some similar proceeding.

Mr. GWYNNE rose.

Mr. SUMNERS of Texas. Do you?

Mr. GWYNNE. In my State we have that provision in our constitution. The constitution itself allows certain officials to be removed by some other proceeding, but requires judges to be impeached.

Mr. SUMNERS of Texas. I know that, and I am not talking about judges. We are talking about the fact that it

seems to be horrible to the minds of some of my friends here that because you may impeach a judge, it is a terrible thing to try to get rid of him in some other way, when common experience in all of the States has proven that that is a ridiculous way to deal with public officials who ought to be gotten rid of. [Applause.]

[Here the gavel fell.]

The pro forma amendments were withdrawn.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 5939) to provide for trials of and judgments upon the issue of good behavior in the case of certain Federal judges, pursuant to House Resolution 237, he reported the same back to the House with an amendment agreed to in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule the previous question is ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. DINGELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 104, nays 236, answered "present" 2, not voting 87, as follows:

[Roll No. 63]

YEAS—104

Allen, Pa.	Disney	Keller	Pierce
Anderson, Mo.	Doxey	Kennedy, Michael	Poage
Barnes	Duncan	Keogh	Randolph
Barry	Edmiston	Kilday	Rankin
Bates, Ky.	Elliott	Kitchens	Rayburn
Bland	Ellis	Kleberg	Richards
Bloom	Ferguson	Lanham	Robsion, Ky.
Boland	Fitzpatrick	Leavy	Rogers, Okla.
Brooks	Flannagan	Lemke	Ryan
Brown, Ga.	Ford, Miss.	Lewis, Colo.	Satterfield
Bryson	Fulmer	Lynch	Schwert
Buck	Garrett	McMillan, John L.	Sheppard
Burdick	Gibbs	Maloney	Smith, Va.
Byrne, N. Y.	Gore	Mills, Ark.	Smith, Wash.
Camp	Gossett	Monroney	Snyder
Clark	Grant, Ala.	Murdock, Ariz.	South
Cochran	Gregory	Nelson	Sparkman
Coffee, Nebr.	Harter, Ohio	Nichols	Sumners, Tex.
Colmer	Hendricks	Norrell	Tarver
Cooley	Hill	O'Connor	Tolan
Cooper	Houston	O'Day	Vinson, Ga.
Courtney	Johnson, Lyndon	Pace	Walter
Cox	Johnson, Okla.	Patman	Warren
Crowe	Jones, Tex.	Patrick	West
Cullen	Kee	Patton	Williams, Mo.
Davis	Kefauver	Peterson, Fla.	Zimmerman

NAYS—236

Alexander	Carlson	Dondero	Graham
Allen, Ill.	Carter	Drewry	Grant, Ind.
Allen, La.	Case, S. Dak.	Dunn	Griffith
Andersen, H. Carl	Celler	Durham	Gwynne
Anderson, Calif.	Chapman	Dworshak	Hall, Edwin A.
Andresen, A. H.	Chiperfield	Eaton	Hall, Leonard W.
Andrews	Church	Eberharter	Halleck
Angell	Clason	Engel	Hancock
Arends	Clevenger	Englebright	Hare
Austin	Cluett	Evans	Harness
Ball	Coffee, Wash.	Fenton	Harrington
Barton	Cole, Md.	Fernandez	Hart
Bates, Mass.	Connery	Flannery	Harter, N. Y.
Beckworth	Corbett	Ford, Leland M.	Havenner
Bender	Costello	Ford, Thomas F.	Hawks
Blackney	Cravens	Fries	Hennings
Boehne	Crawford	Gamble	Hess
Bolles	Crosser	Gartner	Hinshaw
Bolton	Culkin	Gathings	Hoffman
Boren	Curtis	Gavagan	Holmes
Bradley, Mich.	D'Alesandro	Gearhart	Hook
Bradley, Pa.	Dempsey	Gehrmann	Hope
Brown, Ohio	Dickstein	Gerlach	Horton
Bulwinkle	Dies	Geyer, Calif.	Hull
Burch	Dingell	Gifford	Hunter
Byrns, Tenn.	Dirksen	Gillie	Izac
Cannon, Mo.	Ditter	Goodwin	Jarrett
Jeffries	McGranery	Polk	Stearns, N. H.
Jenkins, Ohio	McLean	Powers	Stefan
Jenks, N. H.	McMillan, Clara G.	Reece, Tenn.	Sumner, Ill.
Jennings	Maas	Reed, N. Y.	Sweeney
Jensen	Magnuson	Rees, Kans.	Taber
Johnson, Ill.	Mahon	Rich	Talle
Johnson, Ind.	Marcantonio	Risk	Tenerowicz
Johnson, Luther A.	Marshall	Robertson	Thill
Johnson, W. Va.	Martin, Iowa	Robinson, Utah	Thomas, N. J.
Jones, Ohio	Martin, Mass.	Rockefeller	Thomas, Tex.
Jonkman	Mason	Rodgers, Pa.	Thomason
Kean	Massingale	Rogers, Mass.	Thorkelson
Keefe	May	Routzohn	Tibbott
Kennedy, Md.	Michener	Rutherford	Tinkham
Kennedy, Martin	Miller	Sacks	Van Zandt
Kilburn	Mills, La.	Sandager	Vincent, Ky.
Kinzer	Moser	Sasscer	Voorhis, Calif.
Knutson	Mott	Schaefer, Ill.	Vorys, Ohio
Kramer	Mouton	Schafer, Wis.	Vreeland
Kunkel	Mundt	Schiffler	Wadsworth
Lambertson	Murray	Schuetz	Welch
Landis	Myers	Scrugham	White, Idaho
Larrabee	Norton	Seccombe	Whittington
Lea	O'Brien	Secrest	Wigglesworth
LeCompte	Oliver	Shanley	Williams, Del.
Lesinski	O'Neal	Shannon	Winter
Lewis, Ohio	Osmers	Short	Wolcott
Luce	Parsons	Simpson	Wolfenden, Pa.
Ludlow	Pearson	Smith, Conn.	Wolverton, N. J.
McAndrews	Peterson, Ga.	Smith, Ohio	Woodruff, Mich.
McCormack	Pittenger	Spence	Woodrum, Va.
McDowell	Plumley	Springer	Youngdahl

ANSWERED "PRESENT"—2

Guyer, Kans. Treadway

NOT VOTING—87

Arnold	Delaney	Kirwan	Sabath
Barden	DeRouen	Kocialkowski	Schulte
Beam	Doughton	McArdle	Seger
Bell	Douglas	McGehee	Shafer, Mich.
Boykin	Edelstein	McGregor	Sheridan
Brewster	Elston	McKeough	Smith, Ill.
Buckler, Minn.	Faddis	McLaughlin	Smith, W. Va.
Buckley, N. Y.	Fay	McLeod	Somers, N. Y.
Burgin	Fish	Maciejewski	Starnes, Ala.
Byron	Flaherty	Mansfield	Steagall
Caldwell	Folger	Martin, Ill.	Sullivan
Cannon, Fla.	Gilchrist	Merritt	Sutphin
Cartwright	Green	Mitchell	Taylor
Casey, Mass.	Gross	Monkiewicz	Terry
Claypool	Hartley	Murdock, Utah	Wallgren
Cole, N. Y.	Healey	O'Leary	Ward
Collins	Hobbs	O'Toole	Weaver
Creal	Jacobsen	Pfeifer	Wheat
Crowther	Jarman	Rabaut	Whelchel
Cummings	Johns	Ramspeck	White, Ohio
Darden	Kelly	Reed, Ill.	Wood
Darrow	Kerr	Romjue	

So the bill was rejected.

The Clerk announced the following pairs:

On this bill:

Mr. Doughton (for) with Mr. Treadway (against).
Mr. Hobbs (for) with Mr. Guyer of Kansas (against).
Mr. O'Toole (for) with Mr. Hartley (against).
Mr. Darden (for) with Mr. Elston (against).
Mr. Folger (for) with Mr. Monkiewicz (against).

General pairs:

Mr. Collins with Mr. Gilchrist.
Mr. Sullivan with Mr. Reed of Illinois.
Mr. Jarman with Mr. Wheat.
Mr. Creal with Mr. Crowder.
Mr. Caldwell with Mr. Douglas.
Mr. Boykin with Mr. Johns.
Mr. Kerr with Mr. McGregor.
Mr. Fay with Mr. Seger.
Mr. Weaver with Mr. White of Ohio.
Mr. Delaney with Mr. McLeod.
Mr. Barden with Mr. Gross.
Mr. Terry with Mr. Fish.
Mr. Starnes of Alabama with Mr. Darrow.
Mr. Pfeifer with Mr. Shafer of Michigan.
Mr. Ramspeck with Mr. Buckler of Minnesota.
Mr. Rabaut with Mr. Cole of New York.
Mr. Green with Mr. Brewster.
Mr. O'Leary with Mr. Mitchell.
Mr. Beam with Mr. Romjue.
Mr. DeRouen with Mr. Healey.
Mr. Kocialkowski with Mr. Wood.
Mr. McArdle with Mr. Buckley of New York.
Mr. Murdock of Utah with Mr. Casey of Massachusetts.
Mr. Sabath with Mr. Faddis.
Mr. McKeough with Mr. Sheridan.
Mr. Jacobsen with Mr. Ward.
Mr. McLaughlin with Mr. Arnold.
Mr. Bell with Mr. Merritt.
Mr. Claypool with Mr. Smith of West Virginia.
Mr. Burgin with Mr. Mansfield.
Mr. Flaherty with Mr. Kirwan.
Mr. Kelly with Mr. Taylor.
Mr. Sutphin with Mr. Edelstein.
Mr. Cummings with Mr. Schulte.

Mr. Cartwright with Mr. McGehee.
Mr. Maciejewski with Mr. Byron.
Mr. Cannon of Florida with Mr. Wallgren.
Mr. Martin of Illinois with Mr. Somers of New York.
Mr. Steagall with Mr. Smith of Illinois.

Mr. TREADWAY. Mr. Speaker, I voted no. I have a pair with the gentleman from North Carolina, Mr. DOUGHTON. I withdraw my vote of no and answer present.

Mr. GUYER of Kansas. Mr. Speaker, I have a pair with the gentleman from Alabama, Mr. HOBBS. I vote present.

The result of the vote was announced as above recorded.

FILING OF MINORITY REPORT

Mr. FRIES. Mr. Speaker, I ask unanimous consent to file a minority report upon the bill H. R. 9195.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WITHDRAWAL OF A BILL

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to withdraw the bill H. R. 6714, as I am introducing a substitute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a radio address.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks on two matters, and to include a column by Mr. Denny, and in the other a short editorial.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a radio address delivered by Rabbi Rosenbaum on the life of the late Mr. Samuel Untermyer.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a radio address delivered by me last week.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent in two particulars, to place in the RECORD my own observations upon the oil-control proposals as they pertain to the State of California, and to include a letter signed by J. A. Smith, president of the Independent Consumers Association.

Also, I ask unanimous consent to extend my remarks and to include therein a radio broadcast over N. B. C. on Saturday, April 6, at 7:45 p. m., by the gentleman from Massachusetts [Mr. MCCORMACK], and by the gentleman from New York [Mr. BARTON], and by Edwin Arnold, of the Screen Actors Guild, and Ben Neal, the founder of the I Am an American Citizenship Foundation.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD as presented to the Library Committee on April 1.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from yesterday's New York Times.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my remarks on naturalization and to include several important letters on the subject.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two brief editorials on the reciprocal treaties.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a radio address delivered by me last evening, and to attach thereto certain parity tables.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address by Postmaster General Farley at the dedication of a post office at St. Louis, Mo.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a letter from a constituent.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein certain excerpts.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a radio talk I made on March 2 over the Columbia Broadcasting System.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short editorial.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article by Eugene Lyons.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks and include a radio broadcast by Tom McMannus, of Bakersfield, wherein he challenges the statements made in Grapes of Wrath.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the New York Enquirer which sets forth many of the fine qualities possessed by the gentleman from Massachusetts, Hon. GEORGE HOLDEN TINKHAM, a distinguished Member of the House of Representatives.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and permission to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix of the RECORD.]

UN-AMERICAN ACTIVITIES

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to include in my remarks a letter which I have written to the gentleman from Texas, Hon. MARTIN DIES, chairman of the Special Committee to Investigate Un-American Activities.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CHURCH. Mr. Speaker, I wish to call the attention of the House to a letter I have just written to the gentleman from Texas, Congressman MARTIN DIES, chairman of Special Committee to Investigate Un-American Activities, and ask unanimous consent to insert a copy of the letter in the RECORD.

As I stated in my letter to the gentleman from Texas, Congressman DIES, I am in accord with the efforts of his committee to advise the country as to the persons and organizations who are engaged in the dissemination of propaganda in the United States designed to undermine the people's faith in our system of government.

During the 1938 campaign the Daily Record, an official Communist Party paper published in Chicago, issued a "Tenth District" edition and distributed same in my district in support of my opponent.

The people responded by giving me a 40,000 majority. Nevertheless, I feel it would be well for the Dies committee to investigate the source of the funds to defray the expense of such a special edition. The printing and distribution of this particular edition involved considerable expense. The money for the purpose came from some source, either within the United States or outside our borders. I simply desire that the people know how and in what manner the Communist Party and all the other organizations advocating foreign ideologies operate in our elections.

APRIL 9, 1940.

Hon. MARTIN DIES,
Chairman, Special Committee to Investigate Un-American Activities, House of Representatives, Washington, D. C.

DEAR MR. DIES: I am in full accord with the view of your committee that the American people are entitled to know what persons and what organizations are engaged in the dissemination of propaganda in the United States designed to destroy public faith in our system of government, and I wish to take this opportunity to express my personal support of you and your committee in this work.

Enclosed you will please find a copy of the October 30, 1938, issue of the Daily Record published in Chicago, on page 5 of which will be found an extensive advertisement of the appearance of Earl Browder, general secretary of the Communist Party, at a meeting in Chicago on November 4. On the same page will be found the "platform" of the Communist Party. There is no question but that this particular newspaper is an official organ of the Communists.

You will note that the enclosed issue is stated in the masthead to be the "Tenth District Edition." On the front page and throughout the edition prominent mention is given to my opponent in the 1938 election, together with praise and commendation for his platform as a candidate for the seat in Congress I am privileged to hold. This particular edition was distributed in the district and, obviously, both its publication and distribution involved considerable expense. Someone provided the funds for this purpose, and I think your committee might advisedly make an investigation as to the source of those funds. I hope your committee will see fit to do so.

With kindest personal regards, I am

Sincerely yours,

RALPH E. CHURCH.

EXTENSION OF REMARKS

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an article appearing in the Milwaukee News Sentinel by George Rothwell Brown entitled "Application of the Tariff Power."

The SPEAKER pro tempore. Is there objection?

There was no objection.

HEARINGS BEFORE SPECIAL COMMITTEE ON INVESTIGATION OF SILVER

Mr. CONNERY. Mr. Speaker, from the Committee on Printing, I report back favorably without amendment Senate Concurrent Resolution No. 41 (Rept. No. 1949) and ask for its immediate consideration.

The Clerk read as follows:

Senate Concurrent Resolution 41

Resolved by the Senate (the House of Representatives concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Special Committee on the Investigation of Silver, United States Senate, be, and is hereby, authorized and empowered to have printed in one volume for its use 1,500 additional copies of the hearings held before said committee pursuant to the resolution (S. Res. 187, 74th Cong., 1st sess.) authorizing a special committee of the Senate to investigate the administration and the economic and commercial effect of the Silver Purchase Act of 1934.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

HEARINGS BEFORE INTERSTATE AND FOREIGN COMMERCE COMMITTEE ON THE PETROLEUM INDUSTRY

Mr. CONNERY. Mr. Speaker, from the Committee on Printing, I report back favorably the resolution, House Resolution No. 445 (Rept. 1950) and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 445

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate and Foreign Commerce of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 1 of the hearings held before a subcommittee of said committee pursuant to the resolution (H. Res. 290) authorizing the Committee on Interstate and Foreign Commerce to conduct an investigation of the petroleum industry.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COPIES OF HOUSE REPORT NO. 1902

Mr. CONNERY. Mr. Speaker, from the Committee on Printing, I report back favorably without amendment House Concurrent Resolution No. 58 (Rept. No. 1951), and ask for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 58

Resolved by the House of Representatives (the Senate concurring). That there be printed 25,000 additional copies of House Report No. 1902, current Congress, entitled "Intermediate Report of Special Committee to Investigate the National Labor Relations Board," of which 3,000 copies shall be for the use of the Senate document room and 22,000 copies shall be for the use of the House document room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Under the previous order of the House the gentleman from Pennsylvania [Mr. RICH] is recognized for 25 minutes.

THE GOVERNMENT IN BUSINESS

Mr. RICH. Mr. Speaker, I want to call your attention to the Government in business, and I direct my particular attention this afternoon to the Virgin Islands Co., a Government-owned rum bottling and manufacturing organization. Every taxpayer, every churchgoer, every truck driver, every farmer, every citizen regardless of his occupation is a stockholder in the rum-manufacturing business owned, controlled, and operated by the Federal Government of the United States.

This corporation was formed in the year 1934 by the New Deal administration. It would not make any difference to me whether the Government was in the rum business or any other kind of business, I would be opposed to it on general principles. I believe the people of this country should be allowed to operate the business of the country free of competition from the Federal Government. That is socialism or communism, depending on the form it takes.

On April 26, 1937, I received the following letter from Secretary Ickes when he donated to me a bottle of Government House rum, because I happened to be a member on the subcommittee having the appropriation under the Interior Department. The letter is as follows:

THE VIRGIN ISLANDS CO.,
Washington, D. C., April 26, 1937.

Hon. ROBERT F. RICH,
House of Representatives.

MY DEAR MR. RICH: I am sending you herewith a laboratory sample of Government House rum manufactured by the Virgin Islands Co. in St. Croix.

This is the same rum which is about to be marketed through a distributing agency in the United States. It is distilled from

pure sugarcane juice under the most modern conditions. The cane was raised by natives of the Virgin Islands in connection with the rehabilitation program, which has been most successful in improving the standard of living on the islands.

Sincerely yours,

HAROLD L. ICKES,
Chairman, Board of Directors.

That rum has passed out of my control, I may say in passing, because some of the New Deal Members of the House relieved me of it at that time.

Let me call attention to the fact that this corporation cost the taxpayers of this country $2,600,000 under the National Industrial Recovery Act. That is the exact time they formed this corporation. They acquired some 5,000 acres of land, two old broken-down sugar refineries, a rum plant, and a bottling works. It would be bad enough for the Government to be in the sugar business, competing with our sugar refiners—and they should not—but for the Government to go into the rum business is for the Government to participate in corrupting the morals of its own citizens, as well as competing with the rum manufacturers of this country, such companies as Fountain's Pilgrim Rum of New England, the Siboney Distilling Co. of Philadelphia, the Bacardi rum sold by the Schenley Importing Co. of New York, the Carioca rum manufactured by the American Distilling Co. of Peoria, Ill., and many other rum manufacturers.

Let me call your attention to the operations of this Government rum plant as set out in the report made by Boyd J. Brown, president of the Virgin Islands Co., on April 8, 1939. On page 10 of the report the following statement appears:

The Virgin Islands Co., which is a corporation, does a general business. It grows and buys sugarcane for the manufacture of raw sugar and sells this sugar to United States refineries; it manufactures and sells light and heavy Government House rum for sale in the United States, Hawaii, Alaska, and the Virgin Islands; it manufactures and sells a special distillate to the Angostura-Wuppermann Corporation in St. Thomas for the making of bitters; it has a poultry farm and sells chickens and eggs in St. Croix and St. Thomas; it crushes rock and sells this to the Government for the construction of St. Croix roads; it rents tractors, farm equipment, land, trucks, and other equipment to the people of St. Croix; it sells cane seed; it does general repair work at its machine shops; and it sells cattle and milk. It sells alcohol to the Government hospital.

The corporation, although it cost over $2,600,000, is capitalized at $30. Think of it, costing $2,600,000 and capitalizing it for only $30. Is not that ridiculous? Did you ever hear of any private company doing such a thing? Incorporated for 1/86,600 of its cost. One share par issued to Secretary of Interior Harold S. Ickes; one share par issued to Assistant Secretary of the Interior Oscar L. Chapman; one share par issued to Governor of the Virgin Islands Paul M. Pearson.

That corporation is nothing more than the establishment of communism in the St. Croix Island. Think of this New Deal starting communism in our island possessions. It is terrible, I think.

Let me read from Mr. Brown's report:

This business has continued to demonstrate that the once-famous Virgin Islands rum has a definite place in modern-day interstate commerce and is gradually regaining the market captured by Cuban rum during prohibition while the Virgin Islands rum business was forced to shut down.

The amount of rum furnished by the Virgin Islands Co. is 34 percent of the business of this corporation. On page 16 of this report of the president of the Virgin Islands Co., Mr. Brown, there are given the losses of the Virgin Islands Co., and I want you to get this because corporations that do business ordinarily make a profit, but this one is losing money all the time; then they come back here for more appropriations and we have to tax the people of the United States to keep up this corporation—tax my people and yours. Is it fair? Is it just? I say "no; it is not."

The Virgin Islands Co. sustained a loss of $23,211.90 in 1935 and a loss of $11,370.64 in 1936, which were the 2 development years when the land was being reclaimed prior to the establishment of sales. In 1937 the company made a profit of $6,035.85 before paying $1,881.77 Federal income and capital-stock taxes. During the fall of 1937 a severe and prolonged drought set in and lasted until the fall of 1938, causing heavy losses for this year, which amounted to $86,420.66.

I have a report from the Virgin Islands Co. dated June 30, 1939, and it also shows a loss for last year of $23,002.37, always on the losing side.

Mr. KNUTSON. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Minnesota.

Mr. KNUTSON. It is my information that the Virgin Islands Rum Co. send all their rum to this country in old kerosene barrels.

Mr. RICH. I do not know how they send it here, but I call attention to the fact that the Government House rum has a label like this on the bottle [displaying label]. They are supposed to have the date on there showing when the rum was made, but that date is not on there. May I say that this label is owned by W. A. Taylor & Co., of New York City, a private corporation. They own the label under which Government House rum is being sold. If there is any advantage to the Government House rum label, then they get the advantage of it. The Government does not, for they cannot control it.

This label shows, by the way, the ships and the house on there, and it is said that the diagram or the drawing was made by the President of the United States. You see, therefore, that it is quite a pretty label; but if the President thought he was doing something for the country he was only creating advertisement for W. A. Taylor & Co., because they have the label copyrighted in their own name. Why did it happen that way? Mr. Ickes probably can explain.

Mr. KNUTSON. The reason they do not put the year that the rum was distilled on there is because the older the rum got the more it tasted like kerosene.

Mr. TREADWAY. Will the gentleman yield?

Mr. RICH. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. May I inquire, in connection with dating the barrel, if it would not be well to follow the procedure that Charlie McCarthy's boss follows of dating the package? Charlie McCarthy advertises that every Sunday night.

Mr. RICH. That might be O. K., too. Let me tell you about the deficit of the island of St. Croix and the amount that the Government of the United States appropriated to keep that island going down there. In 1938 we paid out of the Treasury $51,000 to St. Croix. In 1939 the deficit was $35,000. By June 30, 1939, the actual deficit was $95,000. Every year we appropriate money for the island of St. Croix in order to keep up this Government House Rum Corporation. I want to bring out this one fact, that notwithstanding the Government is selling this rum through W. A. Taylor & Co., of New York City, somebody evidently is taking a loss, because they sell 500 cases of rum, and with that 500 cases of rum they give away 200 cases free.

That is a terrible situation and will lead to the ultimate ruination of the distillery business in this country besides bankrupting the Virgin Islands Co. or the Government. I have affidavits from men up in New England who will corroborate the statement that with 500 cases of rum they give away 200 cases free. That will ruin the industry of people in this country. No one can afford to do it. They cannot afford to do so either when we see that they are going in the red each year and when we note the wages that are paid their employees down in the Virgin Islands who compete with the rum manufacturers of America. In 1921 first-class labor received $1 a day and second-class labor $1 a day. In 1938 first-class labor received $1 a day, second-class 80 cents, third-class 65 cents a day, and fourth-class 55 cents a day. They pay those wages to the labor of the Virgin Islands to distill this rum to compete with the rum dealers of this country who have to pay $5, $6, $7 or $8 a day for their labor. Some comparison. Like the difference between Japanese or Chinese labor and American labor.

Now, what is happening? I have the report of Mr. Brown, president of the Virgin Islands Co., and in it he suggests the legislation that he wants this Congress to pass. I think it is the worst thing that could possibly come at a time like this.

Let me read you from page 24 of the report:

At the Virgin Islands Co. board of directors meeting held September 19, 1938, the president of the company proposed the following resolutions which were adopted by the board:

"Be it, and it is hereby, *Resolved*, That the Secretary of the Interior be requested to consider and recommend legislation to the Congress which will repeal the $6 per ton export duty on sugar shipped from the Virgin Islands.

"Be it, and it is hereby, *Resolved*, That the Secretary of the Interior be requested to consider and recommend legislation to the Congress which would extend the participation in the sugar processing tax to St. Croix on the same basis it is extended to Puerto Rico and for the benefit of the sugar industry."

They say nothing in the resolution about rum, but in the bill they want the rum tax to go back to the island.

They also want to have the island of St. Croix eliminated from all taxes. They do not mention rum. They are afraid to say anything about rum because they do not want the people of this country to know they are in the rum business, yet they want to eliminate those taxes so that the people of St. Croix can have that money without coming in here and asking the Federal Government to support them to such a large extent.

It would not be right and if any rum dealer can justify such a procedure I do not know how. His conscience must be made of rubber and his eyes of glass.

I think that if there is anything that is dastardly it is the idea of trying to get the Government to give to Government corporations power the Government will not grant to the individual corporations of this country. I believe it is dirty and downright mean legislation they are trying to have enacted. I hope there will be enough sound Democrats and enough Republicans to keep the new dealers from enacting such legislation as that, and I am hopeful that will be the case.

Mr. Speaker, there are other parts of a report that I should like to include in my remarks, and I ask unanimous consent that I may insert them in my remarks.

The SPEAKER pro tempore (Mr. BOLAND). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to is as follows:

The entrance of the United States Government into the rum business, through the operations of the Virgin Islands Co., producers of "Government House" rum, has been characterized by the use of tactics not only contrary to the spirit but also the letter of the various laws of the Nation bearing on fair trade and also the regulations of the liquor industry. It is difficult enough for private corporations to compete with what amounts to a governmental agency whose losses can always be covered by a deficiency appropriation from a generous Congress, but it becomes practically hopeless when the Government agency itself, in the marketing of its product, resorts to measures involving activities not only on the border line of legality but actually in violation of the laws by which their competitors are governed, and which their competitors must obey or be subject to the revocation of their licenses to do business issued by that same Government.

To obtain results and competitive advantages which these very laws were passed to prevent, every effort seems to have been made to find interpretations and subterfuges to evade the intent of these laws, and finally we have violation of them, either in the expectation that no complaints would be made or that no vigorous prosecution might be feared.

We shall detail below specific instances in their chronological order, culminating in a most recent and what we believe to be a flagrant violation of the Federal Alcohol Administration Act, as well as the Robinson-Patman Act, and which has resulted in irreparable harm to ourselves as competing rum distributors.

In the first place, for the purpose of marketing the rum, a private corporation, W. A. Taylor & Co., of New York, was made sole agent for the United States of America. This concern buys and takes delivery of the rum produced and bottled by the Virgin Islands Co., and in turn sells the product to distributors. The label used on the package, Government House, was developed and is owned by the private corporation, W. A. Taylor & Co. Regulations No. 5 of the Federal Alcohol Administration, which are based upon the provisions of the Federal Alcohol Administration Act, read in part as follows:

"SEC. 41–6–e. Statements, seals, flags, coats of arms, crests, and other insignia: Statements, seals, flags, coats of arms, crests, or other insignia, or graphic or pictorial or emblematic representations thereof, likely to mislead the consumer to believe that the product has been endorsed, made or used by, or produced for, or under the supervision of, or in accordance with the specifications of, the Government, organization, family, or individual, with whom such seal, flag, coat of arms, crest, or insignia is associated, are prohibited on any label of distilled spirits."

One of the purposes for which this was designed, in accordance with the law, is to prevent private corporations from stating or implying that any liquors which they might produce and sell were endorsed by the Government or any agency thereof. Here, however, we have a label owned and a product distributed by a private corporation enjoying the privilege of Government sanction of the use of the name Government House with other insignia and statements, bringing to the consumer the endorsement of the Government—something which no other private competing company is allowed by law to do. In other words, the distributors of Government House rum have taken every possible advantage of this unfair situation to the detriment of competition which has not and cannot obtain Government endorsement of their products.

While the Federal Alcohol Administration was aware of this discrimination, it took refuge in the technicality that the product was in fact produced by a Government project and ruled in favor of the use of the name Government House and other data, as covered by letter from Phillip E. Buck, general counsel. The Administration ignored the misleading impression gained by the consumer that the rum was produced under Government specifications (presumably of the highest quality) and that other rums, which are not produced under Government specifications, are not necessarily of as good quality.

In the second place, the initial advertising of Government House rum contained misleading statements as to age when no age appeared on the packages as required by law.

In the third place, within the past 2 or 3 weeks, the agents for Government House rum have offered to jobbers in the State of Massachusetts a "free goods" deal in violation of the Federal Alcohol Administration Act and the regulations promulgated thereunder. Copies of complaints and supporting affidavits to the F. A. A. reporting on this vicious situation are attached. This offer of 200 cases free with each purchase of 500 cases of Government House rum is in our opinion in violation of section 5 (b) 3 of the Federal Alcohol Administration Act and section 2 of regulations No. 6 of the F. A. A., which reads:

"Except as provided in these regulations, it is unlawful for any industry member to induce, by furnishing, giving, renting, lending, or selling any equipment, fixtures, signs, supplies, money, services, or other thing of value, directly or indirectly, or through an affiliate, any retailer to purchase any products from such industry member to the exclusion in whole or in part of such products sold or offered for sale by other industry members in interstate or foreign commerce, if such inducement is made in the course of interstate or foreign commerce, or if such industry member engages in the practice of using such means to such an extent as substantially to restrain or prevent transactions in interstate or foreign commerce in any such products, or if the direct effect of such inducement is to prevent, deter, hinder, or restrict other industry members from selling or offering for sale any such products to such retailer in interstate or foreign commerce."

The effect of this has been to bring sales of our competing rums in Massachusetts to a standstill, and this effect will continue until the "deal" is discontinued and the glutted market has had a chance to absorb the overstock of merchandise resulting from this "dumping" operation. In this process competition is now being destroyed and, if continued, will be almost completely wiped out in this State.

The Federal Alcohol Administration upon receiving these complaints has not as yet expressed in writing their attitude in the matter. However, they are investigating the evidence for the purpose of determining a violation of the law but have warned verbally that due to the method used by the "Government House" agents—namely, to give free goods to the jobbers, who in turn passed on a reduction in price to the retailer—it might be difficult under the wording of the existing law to prove a violation of the letter of the law. There is no doubt in our minds, and we suspect, also in the minds of the officials of the F. A. A., that the intent of the law has been violated and direct liability has been avoided, if it is so ruled, by a hair-line technicality.

This "free goods deal" or "dumping" is also in violation of section 3 of the Robinson-Patman Act, which reads, in part: "It shall be unlawful to sell, or contract to sell, goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or eliminating a competitor in such part of the United States; or, to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor." The practical effect here of this free deal is that destruction and elimination of competition which is now in process.

This has not as yet been reported to the Federal Trade Commission.

The Virgin Islands Co. has been operating at a deficit for some years, including the last fiscal period. Presumably, the sales agents, being a private concern, are realizing some profit from these sales, which are causing such competitive damage. In view of deficits reported by the producing company, it is natural for their competitors and, in fact, for any businessman to question how merchandise can be given away on a ratio of 200 cases free with every 500 cases bought without further increasing deficits in the current fiscal periods and which the Congress will be asked to subsidize. Or, to put it another way, will Congress be asked to pay the bill for the destruction of legitimate business competition after the Virgin Islands Co. and their sales agents have by their selling tactics brought about these results?

The liquor industry is strictly regulated by law. There can be no quarrel with existing statutes designed for the protection of

the public welfare and the individual consumer. The industry, in turn, is also heavily taxed and bears the burden of many imposts and levies—Federal, State, and local—pouring many millions of dollars into the treasuries of the respective governing bodies. The direct competition of the Government with the industry is financed indirectly by the taxes paid by that industry and to the detriment of individual members of the industry. As a straight economic problem, this is serious enough, but when the Government as a competitor uses its power to set itself aside from the restrictions and regulations imposed upon private industry in competition with it, and when the Government itself, through its agents, chooses to ignore and evade, both directly or through subterfuge, the intent as well as the letter of its own laws and regulations, by what standards of ethics and decency can the industry and the public be guided?

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. CELLER. I believe the gentleman is on sound ground when he attacks the Government for entering into the business of manufacturing rum in the Virgin Islands. It certainly puts the dealers who make rum in the United States or in other parts of the West Indies at a real disadvantage. The discounts the gentleman mentions are outrageous, and certainly something ought to be done about them. I believe the gentleman is on firm ground in making that statement.

Mr. RICH. I may say to the gentleman that the affidavits I have here show they are selling 500 cases of rum and giving away 200 cases, and with this the case there is only one thing that can happen. Where they have been selling 50 and 75 cases to dealers in New England, which was about the regular stock such dealers bought, they are now selling 250 cases to them, and with the 250 cases they give 100 cases free. The regular sellers of rum are not going to do any business with those people for a long time to come, because those dealers are going to make a bigger profit, and you cannot blame them for that. But who is going to be the loser? Why, it is the taxpayers in your district, the taxpayers in my district, the taxpayers of this country, who will have to meet that deficit. That is what is unsound about this whole program. When you put government in business, all the men you put at the head of those businesses think about is keeping the wheels turning. They do not care about who has to stand the cost of operation of these plants. This is terribly hard not only on the people who are in the rum business but those who are in every other kind of business.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from South Dakota.

Mr. MUNDT. I noticed in a press dispatch yesterday that a whisky concern in Kentucky was attempting to make an F. D. R. brand of whisky. This was prohibited by the Governor, who stated that he thought the President might object. Therefore, the name of that label is still open. Do you not believe it would be a good idea to name this F. D. R. rum, so the people of America may know who is responsible for this rum business?

Mr. RICH. That is one suggestion. I am not trying to make up a label for this rum at all. I am trying to stop the Government from being in business. I do not care what kind of business it is. I believe we ought to stop putting the Government into all kinds of business. In the Democratic platform of 1932 they said they would take the Government out of business, they said they would consolidate offices, and they said they would eliminate bureaus. Instead of that, they have set up corporation after corporation. They have established more bureaus in the Federal Government than was done in any four times as long as this administration has been in power by any other administrations. If their promises were good to be elected on in 1932, they certainly ought to be as good as their word and stop this reckless program of putting the Government into all kinds of business. [Applause.]

[Here the gavel fell.]

The SPEAKER pro tempore. Under a previous special order of the House, the gentleman from New York [Mr. CELLER] is recognized for 10 minutes.

Mr. CELLER. Mr. Speaker, I desire to read a letter from the American Committee for Democracy and Intellectual Freedom. This is a committee composed of 50 university professors and teachers from a score of universities and colleges throughout the country. The letter was sent to me under date of April 5, 1940, and it reads as follows:

AMERICAN COMMITTEE FOR DEMOCRACY
AND INTELLECTUAL FREEDOM,
New York City, April 5, 1940.

Hon. EMANUEL CELLER,
House Office Building, Washington, D. C.

DEAR MR. CELLER: On behalf of the American Committee for Democracy and Intellectual Freedom and of the educators, writers, and publishers whose names appear on the attached sheet, I am addressing this communication to you because of the position which you took on the floor of the House of Representatives during the debate on January 23, 1940, relative to the Dies committee.

In the course of that debate, you read extensive quotations from the analysis of the Dies committee's activities prepared by the American Committee for Democracy and Intellectual Freedom. You then commented as follows: "I have presented their conclusions to certain members of the [Dies] committee. They assure me wholeheartedly and unmistakably that there will be no repetition of the errors of the past. * * * They will not attack the intellectual freedom of educators and university instructors. They will not berate students for their opinions, and they will not attempt the censorship of books, plays, or works of art."

A United Press dispatch appearing in the New York Herald Tribune on March 27 reports that the Dies committee has voted "to undertake an inquiry into alleged Fascist and Communist propaganda in textbooks used in schools and colleges. The committee decided to employ an additional investigator for that purpose. He will investigate political and social affiliations of the authors of the books."

This report has disturbed us profoundly. The record of the Dies committee, particularly its attacks on freedom of teaching and of student organization, its patent desire for censorship of the Federal Theater Project, and its action in publishing Mr. Matthews' report on the consumer movement without calling witnesses or sifting the alleged evidence, justifies our fear that the committee may now be embarking on a campaign to "smear" textbooks and their authors and to intimidate school administrators in their selection of texts.

Furthermore, we deem any investigation into the political and social affiliations of textbook writers to be an indefensible invasion into the rights of the individual. Democracy in education means among other things that educational standards shall constitute the sole test in determining the choice of books to be used in our schools and colleges. To require conformity with some official definition of social, political, or religious orthodoxy is to destroy freedom of discussion and investigation, the essence of democratic education. In the end, the community as a whole would have to pay dearly if we allow educational freedom to be throttled.

We call upon you, therefore, to protest publicly against this new venture of the Dies committee and to take all possible steps to prevent them from once again seeking to attack the intellectual freedom of educators and university instructors, to berate students for their opinions, and to attempt the censorship of books, plays, or works of art.

Respectfully yours,

FRANZ BOAS, *Chairman.*

LIST OF SIGNERS TO THE LETTER OF PROTEST SENT TO MEMBERS OF THE DIES COMMITTEE

Beulah Amidon, associate editor, Survey Graphic.
Rev. Dr. Henry A. Atkinson, general secretary, Church Peace Union.
George Axtelle, professor, Northwestern University.
F. H. Bair, superintendent of schools, Bronxville, N. Y.
Dr. Franz Boas, professor emeritus of anthropology, Columbia University.
Bart J. Bok, professor, Harvard University.
Ralph H. Bridgman, dean of students, Brooklyn College.
Cass Canfield, president, Harper Bros. Publishing Co.
Harry J. Carman, member, New York City Board of Higher Education.
✓Bennett A. Cerf, president, Random House Publishing Co.
Pascal Covici, Viking Press, Inc.
Jerome Davis, former president, American Federation of Teachers.
Olin Downes, music critic, the New York Times.
M. F. Gaffney, superintendent of schools, New Trier, Ill.
Paul F. Gemmill, professor, Wharton School of Finance, University of Pennsylvania.
J. R. Harper, superintendent of schools, Wilmette, Ill.
Curtis Hitchcock, Reynal & Hitchcock, publishers.
Thayer Hobson, president, William Morrow & Co., publishers.
B. W. Huebsch, president, Viking Press.
Ellsworth Huntington, professor, Yale University.
Elmer Hygard, superintendent of schools, Wilmette, Ill.
Ralph Linton, professor, Columbia University.
The Reverend Dr. Eugene W. Lyman, professor, Union Theological Seminary.
Robert A. MacIver, professor, Columbia University.
Kirtley S. Mather, professor, Harvard University.
Charles Maxwell McConn, dean, Washington Square College of New York University.
Ernest O. Melby, dean, Northwestern University.

Jerome Michael, professor of evidence, Columbia University Law School.
J. Hillis Miller, president, Keuka College.
Paul Missner, superintendent of schools, Glencoe, Ill.
Franklin Mitchell, professor, Tulane University Law School.
W. W. Norton, publisher.
D. W. Prall, professor of philosophy, Harvard University.
Eugene S. R. Reynal, Reynal & Hitchcock, publishers.
Edward A. Ross, professor emeritus of sociology, University of Wisconsin.
Walter Dill Scott, president emeritus, Northwestern University.
Harlow Shapley, professor of astronomy, Harvard University.
Theodore E. Sterne, professor, Harvard University.
Oswald Veblen, professor of mathematics, Princeton University.
Richard J. Walsh, president, John J. Day Co., publishers.
Carleton Washburne, president, Progressive Education Association; professor, Northwestern University.
Goodwin Watson, professor, Teachers College, Columbia University.
Carl Wittke, dean, Oberlin College.
Mary E. Woolley, president emeritus, Mount Holyoke College.

I may say that Franz Boas is a professor of anthropology at Columbia University and a very distinguished educator—one whose views have been widely read and who is held in highest esteem by educators all over the world.

In reference to this letter, I must inveigh against any possible effort of the Dies committee to throttle or curb the opinions or views of educators. I do not know what is in the mind of the investigators of the Dies committee. I do sincerely hope they will not embark upon any attempt to do that which the American Committee for Democracy and Intellectual Freedom—these university professors—fear the committee may do. I say that to examine into the political or social affiliations of textbook authors and professors and teachers is a rather startling and dangerous innovation in our democracy. It would, indeed, tend to frighten educators into conformity with educational doctrines and opinions that the Dies committee or some other entity demands.

I loathe communism. I loathe equally nazi-ism and fascism. I do believe, however, in what Voltaire said when he said:

I do not agree with a word that you say, but I will defend to the death your right to say it.

I also proclaim the doctrine of Jefferson on freedom of thought and democracy, particularly when he said:

If I were given a choice of government without newspapers or newspapers without a government, I would choose the latter.

LET VOLTAIRE AND JEFFERSON BE A GUIDE FOR THE COMMITTEE

I believe the Dies committee would do great harm if they would do what the professors think they may be doing. I hope they will be deterred therefrom. It would recruit great strength among the Communists if they did that, because you know and I know that force, coercion, and violence of that sort are harmful because there is always sympathy for the oppressed. These very Communists we loathe would be deemed the oppressed if the committee would do those things. I am afraid that some of the recent seizures, particularly those in Philadelphia, made by the committee were unwarranted and unlawful, and those types of seizures cause you and me as Members of Congress to be held in disrepute. I must remind the Dies committee of the prohibitions in the Constitution against unwarranted searches and seizures, and I urge that the committee's enthusiasm should not overcome its sound discretion and its sound judgment. [Applause.]

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. BOYKIN, for 10 days, on account of important business.

To Mr. HOOK, for 10 days, on account of official business.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Monday, April 8, 1940, present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 407. Joint resolution to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until tomorrow, Wednesday, April 10, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

On April 10, 1940, at 10:30 a. m., there will be continued before subcommittee No. 4 of the Committee on the Judiciary a hearing on the bill (H. R. 7534) to amend an act to prevent pernicious political activity (to forbid the requirement that poll taxes be paid as a prerequisite for voting at certain elections). The hearings will be held in room 346, House Office Building.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m. on Wednesday, April 10, for consideration of House Joint Resolution 487.

The meeting is to be held in room 1304, New House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 10, 1940, at 10:30 a. m., for the consideration of private bills (reports of subcommittees), H. R. 7239, to naturalize Filipinos.

COMMITTEE ON THE CENSUS

April 9, 10, 11, 1940:

The Committee on the Census will hold hearings on H. R. 9174, to consider a bill to amend an act entitled "An act authorizing the Director of the Census to collect and publish statistics of cottonseed and cottonseed products, and for other purposes," approved August 7, 1916, in room 312, House Office Building.

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

There will be a meeting of the Committee on Merchant Marine and Fisheries at 10 a. m. Tuesday, April 16, 1940, at which time the committee will consider the bill (H. R. 8475) to define American fishery.

COMMITTEE ON THE CIVIL SERVICE

Hearings on boards and courts of appeals bills will begin on Tuesday, April 16, 1940, at 10 a. m., room 246, House Office Building.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. FRIES: Committee on Labor. Minority views on H. R. 9195 (pt. II) (Rept. No. 1928). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLER: Committee on the Library. House Concurrent Resolution 52. Concurrent resolution to amend House Concurrent Resolution 32, Seventy-sixth Congress, first session; with amendment (Rept. No. 1939). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 7901. A bill to transfer certain Indian lands to the Grand River Dam Authority, and for other purposes; without amendment (Rept. No. 1940). Referred to the Committee of the Whole House on the state of the Union.

Mr. HILL: Committee on Indian Affairs. H. R. 5918. A bill amending Public Law No. 96 of the Seventy-fifth Congress, being an act entitled "An act amending section 2 of

Public Law No. 716 of the Seventy-fourth Congress, being an act entitled 'An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes' "; without amendment (Rept. No. 1941). Referred to the Committee of the Whole House on the state of the Union.

Mr. GEYER of California. Committee on the Post Office and Post Roads. H. R. 8733. A bill to clarify the employment status of special-delivery messengers in the Postal Service; with amendment (Rept. No. 1942). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. Senate Joint Resolution 200. Joint resolution to provide for participation of the United States in the Golden Gate International Exposition at San Francisco in 1940, to continue the powers and duties of the United States Golden Gate International Exposition Commission, and for other purposes; with amendment (Rept. No. 1943). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 9243. A bill to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes; without amendment (Rept. No. 1944). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITTINGTON: Committee on Flood Control. H. R. 8500. A bill authorizing the Secretary of War to execute an easement deed to the State of New Mexico for the use and occupation of lands and water areas at Conchas Dam and Reservoir project, New Mexico; without amendment (Rept. No. 1945). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 9263. A bill to permit the Secretary of State to authorize disbursements of appropriated funds under a State account of advances; without amendment (Rept. No. 1946). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 9264. A bill to provide for uniformity of allowances for the transportation of household goods of civilian officers and employees when transferred from one official station to another for permanent duty; without amendment (Rept. No. 1947). Referred to the Committee of the Whole House on the state of the Union.

Mr. PETERSON of Florida: Committee on Merchant Marine and Fisheries. H. R. 7169. A bill authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation; with amendment (Rept. No. 1948). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Printing. Senate Concurrent Resolution 41. Concurrent resolution authorizing the Special Committee of the Senate to Investigate the Administration and the Economic and Commercial Effect of the Silver Purchase Act of 1934 to print additional copies of its hearings (Rept. No. 1949). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Printing. House Resolution 445. Resolution authorizing the Committee on Interstate and Foreign Commerce of the House of Representatives to have printed additional copies of part 1 of its hearings held pursuant to the resolution (H. Res. 290) authorizing the Committee on Interstate and Foreign Commerce to conduct an investigation of the petroleum industry (Rept. No. 1950). Referred to the Committee of the Whole House on the state of the Union.

Mr. CONNERY: Committee on Printing. House Concurrent Resolution 58. Concurrent resolution authorizing the printing of additional copies of House Report No. 1902, entitled "Intermediate Report of Special Committee to Investigate the National Labor Relations Board" (Rept. No. 1951). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LELAND M. FORD:

H. R. 9286. A bill to amend section 1309 (a) of title 19, United States Code; to the Committee on Ways and Means.

By Mr. MAAS:

H. R. 9287. A bill creating a promotion system for officers on the retired list; to the Committee on Naval Affairs.

By Mr. SANDAGER:

H. R. 9288. A bill to stabilize employment, to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; to the Committee on Labor.

By Mr. SNYDER:

H. R. 9289. A bill to authorize a preliminary examination and survey of the Redstone Creek and Dunlap Creek and their tributaries, Fayette County, in the State of Pennsylvania, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. COLMER:

H. R. 9290. A bill relating to the disposition of mineral rights to any land acquired by any Federal land bank or by the land bank commissioners through the foreclosure of any mortgage; to the Committee on Agriculture.

By Mr. DARDEN:

H. R. 9291 (by request). A bill to grant all employees of the United States Government equal rights and privileges with respect to all established national holidays; to the Committee on the Civil Service.

By Mr. HOBBS:

H. R. 9292. A bill to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDOLPH:

H. R. 9293. A bill to amend an act of Congress entitled "An act to regulate the employment of minors within the District of Columbia," approved May 29, 1928; to the Committee on the District of Columbia.

By Mr. BYRON:

H. R. 9294. A bill to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia; to the Committee on the District of Columbia.

By Mr. COLE of Maryland:

H. R. 9295. A bill to authorize the use of War Department equipment for St. Marys Industrial School boys' encampment, to be held in Baltimore from August 15 to September 8, inclusive, 1940; to the Committee on Military Affairs.

By Mr. FRIES:

H. R. 9296. A bill to authorize the attendance of the Marine Band at the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, inclusive, 1940; to the Committee on Naval Affairs.

By Mr. IZAC:

H. R. 9297. A bill to amend section 12 (k) of the act of June 23, 1938; to the Committee on Naval Affairs.

H. R. 9298. A bill to authorize a preliminiary examination and survey of all streams in San Diego County, Calif., flowing into the Pacific Ocean, for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. RANDOLPH:

H. R. 9299. A bill to amend section 10, of chapter 5, of Public Act 436, Seventy-third Congress, approved June 19, 1934; to the Committee on the District of Columbia.

By Mr. SECREST:

H. R. 9300. A bill to extend the benefits of the District of Columbia Unemployment Compensation Act to certain temporary employees of the United States, and for other purposes; to the Committee on the District of Columbia.

By Mr. BURDICK:

H. R. 9301. A bill providing for the final discharge of Federal supervision over certain individual Indians; providing for final settlement of Indian claims, determination of heirs, and for other purposes; to the Committee on Indian Affairs.

By Mr. DINGELL:

H. R. 9302. A bill to authorize an appropriation to assist in defraying the expenses of the American Negro Exposition, to be held in Detroit, Mich., during 1940; to the Committee on the Library.

By Mrs. CLARA G. McMILLAN:

H. R. 9303. A bill to authorize mailing of pistols and other similar arms by local police officers; to the Committee on the Post Office and Post Roads.

By Mr. MALONEY:

H. R. 9304. A bill authorizing the use of special canceling stamps and postmarking dies in connection with Cotton Week, May 17 to 25, 1940, for the promotion of the consumption of cotton; to the Committee on the Post Office and Post Roads.

By Mr. BUCK:

H. J. Res. 509. Joint resolution to suspend section 510 (g) of the Merchant Marine Act, 1936, during the present European war; to the Committee on Merchant Marine and Fisheries.

By Mr. KENNEDY of Maryland:

H. J. Res. 510. Joint resolution to establish a National Boxing Commission; to the Committee on Interstate and Foreign Commerce.

H. Res. 461. Resolution to create a special committee to investigate the business, trade, or industry of prize fighting or pugilism; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHURCH:

H. R. 9305. A bill for the relief of Peter Laub and Katherine Susan Laub (nee Wely); to the Committee on Immigration and Naturalization.

By Mr. FLANNERY:

H. R. 9306. A bill granting a pension to Thomas R. Koch; to the Committee on Pensions.

By Mr. KENNEDY of Maryland:

H. R. 9307. A bill for the relief of Frederick Nordenholz; to the Committee on Claims.

By Mr. HOBBS:

H. R. 9308. A bill for the relief of certain former employees of the National Reemployment Service; to the Committee on Claims.

By Mr. KILDAY:

H. R. 9309. A bill granting a pension to James C. Keeley; to the Committee on Invalid Pensions.

By Mr. KLEBERG:

H. R. 9310. A bill for the relief of William H. Little; to the Committee on Claims.

By Mr. LEA:

H. R. 9311. A bill for the relief of Allan D. Cameron; to the Committee on Claims.

H. R. 9312. A bill for the relief of Earle P. Schouten; to the Committee on Claims.

By Mr. LEWIS of Colorado:

H. R. 9313. A bill for the relief of Earl M. McKelvey; to the Committee on Claims.

By Mr. FLANNERY:

H. R. 9314. A bill for the relief of Louis A. Miller; to the Committee on Naval Affairs.

By Mr. McLEOD:

H. R. 9315. A bill for the relief of Maurice Clifford; to the Committee on Naval Affairs.

H. R. 9316. A bill for the relief of Thomas J. DeManigold; to the Committee on Military Affairs.

By Mr. MAY:

H. R. 9317. A bill for the relief of Paul Rickman; to the Committee on Claims.

H. R. 9318. A bill for the relief of Joe Rickman; to the Committee on Claims.

H. R. 9319. A bill for the relief of Isaac Meek; to the Committee on Claims.

By Mr. SECREST:

H. R. 9320. A bill granting a pension to Cora Fisher; to the Committee on Invalid Pensions.

By Mr. SMITH of Virginia:

H. R. 9321. A bill for the relief of Herman R. Allen; to the Committee on Claims.

By Mr. TOLAN:

H. R. 9322. A bill for the relief of Walter McHenry; to the Committee on Claims.

By Mr. VINCENT of Kentucky:

H. R. 9323. A bill for the relief of Maggie Lou Morse, administratrix of the estate of Exie Morse; to the Committee on Claims.

H. R. 9324. A bill for the relief of the estate of Henry H. Denhardt, deceased; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7356. By Mr. HART: Petition of the city of Garfield, N. J., favoring and desiring the adoption of a plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7357. By Mr. FITZPATRICK: Petition of the New York State Legislature, urging Congress to reenact the provisions of the legislation known as the Sugar Act of 1937 and/or other legislation for the protection and preservation of the cane-sugar refining industry in the United States which would directly relieve, to a great extent, the unemployment situation in the State of New York and throughout the country; to the Committee on Agriculture.

7358. By Mr. FLAHERTY: Petition of the Pattern Makers' Association of Boston and vicinity, Boston, Mass., opposing reduction in the appropriation to be provided for the National Labor Relations Board; to the Committee on Appropriations.

7359. Also, petition of Cambridge Aerie 185, Cambridge, Mass., favoring House bill 4832, to provide for protection of the bald eagle; to the Committee on Agriculture.

7360. By Mr. KEOGH: Petition of Robert Gair Co., Inc., Brooklyn, N. Y., opposing the passage of the Patman bill (H. R. 1); to the Committee on Ways and Means.

7361. By Mr. MARTIN J. KENNEDY: Petition of the Legislature of the State of New York, urging the passage of House bill 801, known as the Gavagan antilynching bill; to the Committee on the Judiciary.

7362. Also, petition of the Brooklyn Lodge, No. 32, I. B. P. O. E. of W., requesting passage of the Gavagan antilynching bill (H. R. 801); to the Committee on the Judiciary.

7363. Also, petition of the Legislature of the State of New York, urging the reenactment of the legislation known as the Sugar Act of 1937; to the Committee on Agriculture.

7364. By Mr. LUDLOW: Petition of sundry citizens of Indianapolis, Ind., protesting against the levying of excise or any other form of processing taxes on bread and other everyday indispensable necessities of life; to the Committee on Agriculture.

7365. By Mr. PLUMLEY: Petition of the businessmen and consumers of Rutland County, Vt., favoring the passage of the Patman chain-store tax bill; to the Committee on Ways and Means.

7366. By Mr. SANDAGER: Memorial of the Rhode Island Fruit Growers' Association, opposing the Patman chain-store bill (H. R. 1); to the Committee on Ways and Means.

7367. Also, memorial of the Rhode Island Agricultural Conference, opposing any reduction in the appropriation of Federal funds for experimental and extension work in our land-grant colleges; to the Committee on Agriculture.

7368. Also, memorial of the Rhode Island Agricultural Conference, opposing any change in interpretation of laws appropriating Federal funds to land-grant colleges which

would tend to make them annual rather than continuing; to the Committee on Agriculture.

7369. By Mr. SHEPPARD: Petition signed by sundry residents of the Eighteenth District of California, urging the enactment of House bill 5620, the General Welfare Act; to the Committee on Ways and Means.

7370. By the SPEAKER: Petition of Frank Case and others, requesting that Albert R. Sollers be given permission to go into District Court of the Third District of Alaska for purpose of making settlement for personal injuries incurred upon him about June 15, 1930; to the Committee on the Judiciary.

7371. Also, petition of the International Workers Order, condemning the antialien bills; to the Committee on Immigration and Naturalization.

7372. Also, petition of the International Workers Order, Branch No. 3018, Erie, Pa., condemning the pending antialien bills; to the Committee on Immigration and Naturalization.

7373. Also, petition of the Russian Educational Club, Erie, Pa., condemning the antialien bills; to the Committee on Immigration and Naturalization.

7374. Also, petition of the president of the Senate of Puerto Rico, requesting the approval of Senate bill 2547, relative to control of tuberculosis; to the Committee on Interstate and Foreign Commerce.

7375. Also, petition of the Church League for Industrial Democracy, New York, supporting the Geyer bill for elimination of poll tax; to the Committee on the Judiciary.

7376. Also, petition of the Building and Construction Trades Council, Ogden, Utah, petitioning Congress to take certain steps to correct the present relief administration; to the Committee on Appropriations.

7377. By Mr. VREELAND: Resolution received from Paul P. Williams, clerk of the New Jersey House of Assembly, and adopted by that body, memorializing Congress to reenact the Sugar Act of 1937; to the Committee on Agriculture.

7378. Also, resolution received from Paul P. Williams, clerk of the New Jersey House of Assembly, and adopted by that body, objecting to certain census queries; to the Committee on Interstate and Foreign Commerce.

7379. Also, resolution received from Paul P. Williams, clerk of the New Jersey House of Assembly, and adopted by that body, memorializing Congress to appropriate sufficient moneys to prevent beach erosion in municipalities bordering the Atlantic Ocean; to the Committee on Flood Control.

7380. By the SPEAKER: Petition of the Vigo County Industrial Union Council, supporting Senate bill 591; to the Committee on Banking and Currency.

7381. Also, petition of the Italian Committee for the Defense of Immigrants, opposing House bill 5643, and other similar bills, and supporting House bill 102, and other similar bills; to the Committee on Immigration and Naturalization.

SENATE

WEDNESDAY, APRIL 10, 1940

(Legislative day of Monday, April 8, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

Almighty God, holy beyond our thought, who dwellest in light unapproachable while we dwell in darkness, even in the shadow of death, lift from our hearts the heavy burdens that oppress us, so largely self-imposed, for we have heard Thy call at morning and at evening, in youth and in age, in sickness and in health, in joy and in sorrow, stirring in our thoughts and crying from our hearts, yet we have not made response.

We have feared to lose ourselves in Thee lest the direction of our lives should be wrested from our hands, lest our wills should become as not our own, yet now our wills are broken and we are unable to direct our lives even as we would. We have feared the burden of Thy love, for it seemed too hard to care for those whom it is easier to hate or to spend our time in helping others, and so we find ourselves enslaved to self, wearied by our cold and calculating ways, lonely and alien as we move among men. Save us, therefore, gracious Lord, in this hour of trial, and make us willing to be what we were meant to be for the sake of Him who faced the worst this world could do and, from the travail of His soul, because of His oneness with the Father, bequeathed to us the benediction of His peace and calm, Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, April 9, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	King	Reynolds
Ashurst	Frazier	La Follette	Schwartz
Austin	George	Lee	Schwellenbach
Bailey	Gerry	Lodge	Sheppard
Bankhead	Gibson	Lundeen	Shipstead
Barbour	Gillette	McCarran	Smathers
Barkley	Glass	McKellar	Smith
Bilbo	Green	McNary	Stewart
Bone	Guffey	Maloney	Taft
Brown	Gurney	Mead	Thomas, Idaho
Bulow	Hale	Miller	Thomas, Okla.
Byrd	Harrison	Minton	Thomas, Utah
Byrnes	Hatch	Murray	Townsend
Capper	Hayden	Neely	Tydings
Caraway	Herring	Norris	Vandenberg
Chandler	Hill	Nye	Van Nuys
Clark, Idaho	Holman	O'Mahoney	Wagner
Connally	Holt	Overton	Walsh
Danaher	Hughes	Pepper	Wheeler
Donahey	Johnson, Calif.	Pittman	Wiley
Downey	Johnson, Colo.	Reed	

Mr. MINTON. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Georgia [Mr. RUSSELL] are detained from the Senate on public business.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS] is unavoidably absent.

The Senator from Maine [Mr. WHITE] is absent in attendance upon the funeral of late Representative SMITH of Maine.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to Senate Concurrent Resolution 41, as follows:

Resolved by the Senate (the House of Representatives concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Special Committee on the Investigation of Silver, United States Senate, be, and is hereby authorized and empowered to have printed in 1 volume for its use 1,500 additional copies of the hearings held before said committee pursuant to the resolution (S. Res. 187, 74th Cong., 1st sess.) authorizing a special committee of the Senate to investigate the administration, and the economic and commercial effect, of the Silver Purchase Act of 1934.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 58), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 25,000 additional copies of House Report No. 1902, current Congress, entitled "Intermediate Report of Special Committee to Investigate the National Labor Relations Board," of which 3,000 copies shall be for the use of the Senate document room and 22,000 copies shall be for the use of the House document room.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the building and construction trades department, American Federation of Labor, of Ogden, Utah, relative to the handling and administration of W. P. A. construction projects, which was referred to the Committee on Appropriations.

He also laid before the Senate a letter in the nature of a memorial from Eugene V. Alessandroni, grand venerable, Grand Lodge of Pennsylvania, Order of the Sons of Italy in America, of Philadelphia, Pa., remonstrating against the entry of tropically refined sugar into the United States and also a reduction of the quantity of cane sugar refined in this country, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the Merchants Association of Bangor, Pa., protesting against ratification of the St. Lawrence seaway treaty, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted at a peace rally of about 800 citizens held at the National Press Club auditorium, Washington, D. C., on April 5, 1940, protesting against involvement of the United States in the present European war, which was referred to the Committee on Foreign Relations.

Mr. WALSH presented a resolution of Brockton Post, No. 35, the American Legion, of Brockton, Mass., protesting against the discharge of veterans employed on the W. P. A. under the so-called quota reduction, which was referred to the Committee on Appropriations.

REPORTS OF COMMITTEES

Mr. BILBO, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 57) to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes, reported it with amendments and submitted a report (No. 1403) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3373. A bill to amend the Subsistence Expense Act of 1926, as amended by the act of June 30, 1932 (ch. 314, sec. 209, 47 Stat. 405) (Rept. No. 1404);

S. 3527. A bill to amend the act of August 23, 1912 (37 Stat. 414; U. S. C., title 31, sec. 679) (Rept. No. 1405); and

H. R. 8530. A bill for the relief of Esther Cottingham Grab (Rept. No. 1406).

Mr. WALSH, from the Committee on Naval Affairs, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 2890. A bill to permit per diem employees of the Naval Establishment to work more than 8 hours per day under certain circumstances (Rept. No. 1407); and

S. 2891. A bill to amend the act of October 6, 1917, "An act to provide for the reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost or destroyed in such service" (Rept. No. 1408).

Mr. CONNALLY, from the Committee on the Judiciary, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 7660. An act to amend section 35B of the United States Criminal Code to prohibit purchase or receipt in pledge of clothing and other supplies issued to veterans maintained in Veterans' Administration facilities (Rept. No. 1409); and

H. R. 9047. An act to provide for the transfer of United States prisoners in certain cases (Rept. No. 1410).

Mr. ADAMS from the Committee on Public Lands and Surveys, to which was referred the resolution (S. Res. 241) authorizing the Committee on Public Lands and Surveys to make a full and complete investigation with respect to the administration of public lands (submitted by Mr. McCARRAN on March 9, 1940), reported it with amendments and submitted a report (No. 1411) thereon; and it was ordered that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nominations of several officers for promotion in the Coast Guard.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

S. 3742. A bill for the relief of M. E. McGivern; to the Committee on Indian Affairs.

By Mr. BARBOUR:

S. 3743. A bill for the relief of Michael Giannetti; to the Committee on Claims.

S. 3744. A bill to incorporate the National Youth Brigade; to the Committee on the Judiciary.

S. 3745. A bill to limit the powers of the Federal Communications Commission in certain cases; to the Committee on Interstate Commerce.

By Mr. GREEN:

S. 3746. A bill for the relief of Anthony Famiglietti; to the Committee on Claims.

By Mr. BARKLEY:

S. 3747. A bill granting an increase of pension to Pattie L. Gardner; to the Committee on Pensions.

By Mr. SCHWELLENBACH (for Mr. BURKE):

S. 3748. A bill for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department; and

S. 3749. A bill to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 3750 (by request). A bill providing for the final discharge of Federal supervision over certain individual Indians; providing for final settlement of Indian claims, determination of heirs, and for other purposes; to the Committee on Indian Affairs.

By Mr. WALSH:

S. 3751. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Allen Pope against the United States; to the Committee on Claims.

By Mr. JOHNSON of California:

S. J. Res. 246. Joint resolution to suspend section 510 (g) of the Merchant Marine Act, 1936; to the Committee on Commerce.

KATHERINE M. DRIER—AMENDMENTS

Mr. AUSTIN submitted amendments intended to be proposed by him to the bill (S. 3097) for the relief of Katherine M. Drier, which were ordered to lie on the table and to be printed.

TENNESSEE VALLEY AUTHORITY ACT—AMENDMENTS

Mr. BANKHEAD submitted sundry amendments intended to be proposed by him to the bill (S. 2925) to amend the Tennessee Valley Authority Act of 1933, which were severally ordered to lie on the table and to be printed.

SENATOR HARRISON'S MANAGEMENT OF TRADE AGREEMENTS EXTENSION ACT

[Mr. VAN NUYS asked and obtained leave to have printed in the RECORD a letter from J. P. Tumulty to the editor of the Washington Post, entitled "Trade Agreements," which appears in the Appendix.]

ADDRESS BY HON. ALFRED M. LANDON BEFORE KANSAS REPUBLICAN STATE CONVENTION

[Mr. CAPPER asked and obtained leave to have printed in the RECORD the address delivered by Hon. Alfred M. Landon before the Kansas Republican State convention at Wichita, Kans., on April 4, 1940, which appears in the Appendix.]

INTERNATIONAL LAW OF THE "ALTMARK" CASE

[Mr. DANAHER asked and obtained leave to have printed in the RECORD a letter addressed by Prof. Philip C. Jessup to the New York Herald Tribune in regard to the international law of the *Altmark* case, which appears in the Appendix.]

OPINION OF CIRCUIT COURT OF APPEALS IN H. J. HEINZ CO. AGAINST NATIONAL LABOR RELATIONS BOARD

[Mr. WAGNER asked and obtained leave to have printed in the RECORD the opinion of the United States Circuit Court of Appeals for the Sixth Circuit in the case of H. J. Heinz Co., petitioner, against National Labor Relations Board, respondent, rendered April 3, 1940, which appears in the Appendix.]

ADDRESS BY HON. JAMES A. FARLEY AT TUSKEGEE INSTITUTE, ALABAMA

[Mr. HOLT asked and obtained leave to have printed in the RECORD a speech delivered by Hon. James A. Farley, Postmaster General, at the exercises of founders' day and the first-day sale of the Booker T. Washington commemorative stamp, at Tuskegee Institute, Alabama, on April 7, 1940, which appears in the Appendix.]

PHILIPPINE BUYING OF AMERICAN GOODS

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an article from the Washington Evening Star with regard to the increased Philippine buying of American goods, which appears in the Appendix.]

PHILIPPINE INDEPENDENCE

[Mr. GIBSON asked and obtained leave to have printed in the RECORD an article from the New York Times of April 3, 1940, concerning the Philippine independence question, which appears in the Appendix.]

OPERATION OF FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. WAGNER. Mr. President, I call to the attention of the Senate an article which appeared in yesterday's issue of the New York Herald Tribune, and a letter which has been sent to over 63,000 depositors in and around Syracuse and Baldwinsville, in the State of New York, and ask that they be printed in the RECORD.

I think it most appropriate to call to the attention of the Senate the effectiveness of the Federal Deposit Insurance Corporation in stabilizing the banking system of the country, and relieving the bank depositors of the distress and economic strangulation which the depositors were experiencing prior to the inauguration of bank-deposit insurance.

It is comforting to note that under the policy pursued by the Federal Deposit Insurance Corporation the people in these communities were not subjected to the economic blight which would flow from the closing of a large bank. The Federal Deposit Insurance Corporation does not wait until a bank becomes hopelessly insolvent before taking steps to correct its downward trend. It has been its policy to arrest these trends, and rehabilitate banks in appropriate circumstances, and prevent ultimate insolvency. The rehabilitation plan effected by the Federal Deposit Insurance Corporation at Syracuse is another striking example of the efficiency of this Corporation in preventing the continued operation of weak banks.

The Federal Deposit Insurance Corporation again has demonstrated to the country that it merits and justifies the confidence which the depositors of the Nation have in it.

I ask unanimous consent that the article and the letter be printed as part of my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The article and letter are as follows:

FEDERAL DEPOSIT INSURANCE CORPORATION,
Washington, April 6, 1940.

To depositors of First Trust & Deposit Co., Syracuse, N. Y., Baldwinsville State Bank, Baldwinsville, N. Y.:

Today the Federal Deposit Insurance Corporation is disbursing approximately $23,430,000 to First Trust & Deposit Co., Syracuse, and Baldwinsville State Bank, Baldwinsville, to rehabilitate these two institutions and to make their merger possible.

Beginning Monday, April 8, 1940, all deposits presently to your credit in either of these banks will be available immediately and in full in the continuing bank, which will operate under the name and charter of First Trust & Deposit Co. The office of the Baldwinsville State Bank will be operated henceforth as a branch. There will be no interruption in the banking service to depositors and customers of either bank.

Over a period of years the merging banks accumulated a large amount of real estate, substandard securities and real-estate mortgages, and undesirable loans which had depreciated in value to such an extent as gradually to exhaust their capital funds. The Federal Deposit Insurance Corporation, which has the responsibility for protecting the depositors of these banks, recognized this hazardous condition and cooperated in a merger plan for recapitalizing the banks and simultaneously eliminating the substandard and unsatisfactory assets.

Through this reorganization, which affords the greatest possible protection to the depositors of both institutions, First Trust & Deposit Co. will have cash and other sound assets, including the approximately $23,430,000 supplied by the Federal Deposit Insurance Corporation, equal to the deposits and other liabilities of the merging banks and also will have $5,500,000 of capital funds supplied by the Reconstruction Finance Corporation.

The directors of the Federal Deposit Insurance Corporation are pleased thus to have served the depositors of these banks without loss or inconvenience to them and to have strengthened the banking facilities in Syracuse and Onondaga County. Deposits in the continuing bank, First Trust & Deposit Co., will continue to be protected by Federal deposit insurance to the extent provided by law.

Very truly yours,

LEO T. CROWLEY, *Chairman.*

[From the New York Herald Tribune of April 8, 1940]

TWENTY-THREE MILLION SIX HUNDRED THOUSAND DOLLARS F. D. I. C. AID FOR BANK HOLDERS—AGENCY TO DISBURSE FUND, LARGEST IN ITS EXISTENCE, IN SYRACUSE MERGER PLAN

SYRACUSE, April 7.—In the largest transaction of its 7-year existence, Federal Deposit Insurance Corporation tomorrow disburses about $23,600,000 to protect depositors of First Trust & Deposit Co., of this city, and Baldwinsville State Bank, of suburban Baldwinsville, through a merger of the two institutions.

The merger, announced by Leo T. Crowley, F. D. I. C. Chairman, last month, will result in what Mr. Crowley has described as "one of the soundest, most liquid banks in the country." The continuing bank will operate under the name and charter of First Trust & Deposit Co., Baldwinsville being served by a branch of this bank.

Plans for the merger provide for sale of all substandard assets of the two banks to Federal Deposit Insurance Corporation for $23,575,000 and for subscription to $5,500,000 of preferred stock in the continuing bank by Reconstruction Corporation. Holders of equities in the merging banks will receive shares in the continuing bank.

The transaction was approved by stockholders of the two banks at meetings held on April 5. Action in both cases was unanimous. Filing of merger agreements with the county clerk and with the office of the superintendent of banks, the last necessary preliminary step to actual disbursement of the F. D. I. C. and R. F. C. funds, was completed Saturday afternoon.

Assets of First Trust & Deposit Co. and Baldwinsville State Bank being sold to F. D. I. C. total about 14,000 items, including 1,700 mortgages on real estate, 750 parcels of real estate, 7,800 personal loans and loans and discounts, 150 groups of bonds and securities, and 4,500 charged-off assets, all of a book value aggregating about $29,000,000.

Federal Deposit Insurance Corporation will establish in Syracuse an office to liquidate the assets it acquires through the merger operation. The liquidation, it was stated, will be undertaken in an orderly manner, with due regard for credit conditions in the community and for the circumstances of creditors whose obligations are purchased.

JUDICIAL DECISIONS AFFECTING THE CORRUPT PRACTICES LAWS IN THE UNITED STATES

Mr. NYE. Mr. President, some time back—during the Seventy-fifth Congress, to be exact—the Senate authorized the printing as a public document of a work entitled "Compilation of the Laws Relating to Corrupt Practices at Elections in the United States." The compilation was by Dr. Harry Best, of the University of Kentucky, and has been accepted as a very helpful study. The compilation is identified as Document No. 11 of the first session of the Seventy-fifth Congress.

Dr. Best has just completed a manuscript and brought it up to date under the title of "Judicial Decisions Affecting the Corrupt Practices Laws in the United States." It is a work which seems to me essential to our legislative consideration of any possible changes in election laws. I ask unanimous consent that the manuscript may be printed as a public document.

The VICE PRESIDENT. Is there objection?

Mr. KING. Mr. President, I inquire of the Senator whether, under the rule, the manuscript will not have to go to the committee.

Mr. NYE. It will automatically go to the committee for an estimate, I understand, and then will come back to the Senate for further action.

Mr. KING. I have no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CONSIDERATION OF UNOBJECTED-TO BILLS ON CALENDAR

The VICE PRESIDENT. When the Senate took a recess yesterday it entered into a unanimous-consent agreement by which automatically the pending business was laid aside this morning, and it was agreed to take up the calendar for the consideration of unobjected-to bills.

The clerk will state the first bill on the calendar.

The first business on the calendar was the resolution (S. Res. 58) providing that a calendar day's notice shall suffice in connection with suspension of a rule.

Mr. VANDENBERG. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The resolution (S. Res. 74) providing for a Committee on Civil Aviation was announced as next in order.

Mr. VANDENBERG. Let the resolution go over.

The VICE PRESIDENT. The resolution will be passed over.

The joint resolution (S. J. Res. 45) to amend the act of July 3, 1926, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and render judgment in claims which the Crow Tribe of Indians may have against the United States, and for other purposes," was announced as next in order.

Mr. BARKLEY. Let the joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 783) to amend the act, as amended, entitled "An act to refer the claims of the Delaware Indians to the Court of Claims, with the right of appeal to the Supreme Court of the United States," approved February 7, 1925, was announced as next in order.

Mr. KING. Mr. President, there are a number of these Indian bills. A subcommittee of the Judiciary Committee will have ready, I hope, within a few days a report dealing with this question. I ask that all of them go over. They are Senate bill 783, Senate bill 790, Senate bill 1222, Senate bill 767, and Senate bill 864.

The VICE PRESIDENT. The bills will be passed over.

The bill (S. 1303) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to cotton, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 795) to provide for the education of all types of physically handicapped children, to make an appropriation of money therefor, and to regulate its expenditure, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 570) to regulate interstate and foreign commerce in agricultural products, to prevent unfair competition, to provide for the orderly marketing of such products, to promote the general welfare by assuring an abundant and permanent supply of such products by securing to the producers a minimum price of not less than cost of production, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1305) to promote the general welfare through appropriation of funds to assist the States and Territories in providing more effective programs of public education was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2203) to amend certain sections of the Social Security Act was announced as next in order.

Mr. LODGE. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 34) for the relief of W. K. Richardson was announced as next in order.

Mr. KING. Let the joint resolution go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 517) to amend the Communications Act of 1934 to prohibit the advertising of alcoholic beverages by radio was announced as next in order.

Mr. KING. Let us have an explanation of the bill. [A pause.] Let it go over.

Mr. McNARY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1730) to amend the civil-service law to permit certain employees of the legislative branch of the Government to be transferred to positions under the competitive classified civil service was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

RELIEF OF VOLUNTEER OFFICERS AND SOLDIERS OF THE WAR WITH SPAIN

The bill (H. R. 289) for the relief of officers and soldiers of the Volunteer Service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899, was considered, ordered to a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER

The bill (S. 1650) to promote peace and the national defense through a more equal distribution of the burdens of war by drafting the use of money according to ability to lend to the Government was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 915) to provide for the more expeditious settlement of disputes with the United States, and for other purposes, was announced as next in order.

Mr. BARKLEY. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. SCHWELLENBACH. Mr. President, when the Senator from Indiana [Mr. MINTON] was called from the Chamber a moment ago, he asked me, on his behalf, to have the bill go over.

Mr. KING. Mr. President, I exceedingly regret that this bill is to go over; but I shall appeal to our leader to designate some time in the near future for its consideration or, if not, I shall move to take it up for consideration.

The VICE PRESIDENT. The bill will be passed over.

PROMOTION OF BUSINESS AND ECONOMIC RESEARCH

The bill (S. 1740) to promote business and economic research in the United States by establishing and maintaining, in connection with State university schools of business administration, research stations to cooperate with the Department of Commerce was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. SHEPPARD. Mr. President, will the Senator who objected to the consideration of the bill allow me to make a brief explanation of it?

Mr. VANDENBERG. I have no objection. I am objecting to the consideration of the bill because of the absence of the Senator from Maine, who heretofore has objected.

Mr. KING. I have been requested to object to the consideration of the bill, but I shall be glad to give the Senator from Texas an opportunity to explain it.

Mr. SHEPPARD. I desire to submit to the Senate an analysis of the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. SHEPPARD. Mr. President, the bill declares that its purpose is to aid in acquiring and diffusing useful information on subjects connected with business, and to promote scientific investigation respecting the principles of economics and their application to the conduct of business.

It carries out this purpose through a system of cooperation with the States and State institutions of learning.

To secure the benefits of the bill a State must have at its State university, or some other State educational institution, under the direction of the college of business administration or, if there is no such college, a department or college in which such business subjects are included, a department to be known as a business research station, which will cooperate with the Department of Commerce in conducting research in business.

The Secretary of Commerce, after a survey in consultation with the Board created by the bill, shall designate the State institution at which the business research station shall be established.

This Board is called the Business Research Board, and consists of the Director of the Bureau of Foreign and Domestic Commerce of the Department of Commerce, ex officio, or an officer of the Bureau designated by him, and six members to be appointed by the Secretary of Commerce.

The business research station established in each State may be discontinued temporarily, or may be transferred to another State institution for stated causes and after a hearing before the Business Research Board if, in the judgment of the Secretary and the Board, the fundamental purposes of the bill will be furthered thereby.

The bill further declares that its purpose is to provide for a continuous program of investigation in each State, and that each university or other institution participating shall have entire freedom to publish findings and conclusions arrived at in the scientific researches of its business research station.

The bill states that the object and duty of such business research stations shall be to conduct original researches, investigations, and experiments bearing directly upon the problems of business involved in the production, manufacture, preparation, use, distribution, financing, and marketing of the products and services of commerce and industry, including the fisheries industry, and including such researches as have for their purpose the establishment and maintenance of a permanent and efficient business structure, and such economic investigations as have for their purpose the development and improvement of the standard of living of the people of the United States.

In order to promote the adoption of the best methods, the securing of comparable data, and the achievement of adequate results the bill provides that it shall be the duty of the Secretary of Commerce, through the Bureau of Foreign and Domestic Commerce, and with the advice of the Business Research Board, to indicate from time to time such lines of inquiry as to him shall seem to be most important, to approve programs of research, to furnish forms for the tabulation of results of researches, investigations, and experiments requiring comparable data, and in general to furnish such advice and assistance as will best promote the purposes of the bill.

The Secretary of Commerce, with the advice of the Business Research Board, through the Bureau of Foreign and Domestic Commerce, is required by the bill to coordinate the work of the business-research stations in programs of cooperative research with the Department of Commerce, and ascertain whether such stations are complying with the standards prescribed by the bill, and whether the expenditures by such stations of sums received under the bill are in accordance with the provisions of the bill; and he is authorized to prescribe, with the advice of the Board, such rules and regulations as may be necessary in order to carry out the provisions of the bill.

The bill requires that bulletins or reports of progress on research studies shall be published by the business-research stations at appropriate intervals, and be sent free to such persons as may request them insofar as the means of the station will permit.

The bill provides that it shall be the duty of each business-research station annually, on or before the 1st day of February, to make to the president of the university a full and detailed report of its operations, a copy of which report shall be sent to each of such stations, to the Secretary of Commerce, and to the Secretary of the Treasury.

It is provided by the bill that at least three members of the first Business Research Board shall be chosen from a list of six or more nominees which shall be presented to the Secretary of Commerce by the conference of State university schools of business, and at least one member shall be actively engaged in the management or direction of private business.

It is required by the bill that the Business Research Board shall prescribe the standards and necessary or desirable modifications thereof from time to time for participation by colleges in the funds the bill provides; that no college shall be admitted to such participation unless approved by the Board as conforming to such standards; and that the Board shall meet upon call of its chairman or of the Secretary of Commerce.

The bill further provides that each member of the Business Research Board shall hold office for a term of 6 years, except that, first, any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and, second, the terms of office of the members first taking office after the enactment of the bill shall expire as designated by the Secretary of Commerce at the time of appointment, one at the end of 1 year, one at the end of 2 years, one at the end of 3 years, one at the end of 4 years, one at the end of 5 years, and one at the end of 6 years after the date of the enactment of the bill; and that when any vacancy in the Board occurs, or when the term of a member is about to expire, the conference of the State university schools of business shall make at least two nominations for each position, from which the Secretary may make appointments.

The bill states that the Business Research Board shall at all times be constituted so that its membership shall include at least three persons selected from the nominees of the conference of the State university schools of business, and at least one businessman, except for the short periods of unavoidable temporary vacancies; and that members of the Board shall receive no compensation for services as members thereof, but each appointed member shall receive necessary traveling expenses and subsistence while away from his place of residence upon official business of the Board, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government.

The bill prescribes that to enable the business research stations to function in pursuance of its provisions there is authorized to be appropriated, to be paid to each institution at which a business research station is established under the bill, a sum not to exceed $20,000 for the fiscal year ending June 30, 1941, and similarly a maximum for each succeeding year as follows: $30,000 for the fiscal year ending June 30, 1942; $40,000 for the fiscal year ending June 30, 1943; and $40,000 for each fiscal year thereafter; provided, that no payment in excess of $20,000 shall be made to any such institution for any fiscal year unless such institution or the State for such institution makes available for the use of such station for such fiscal year, out of funds not acquired under the bill, an amount equal to such excess, and provided further that no payments made under the bill shall be used by any such institution for any purpose other than business research, nor shall any such payment in excess of $20,000 annually be used to reduce the business-research budget otherwise provided at such institution below the average of those for the 3 fiscal years immediately preceding the enactment of the bill.

The bill also prescribes that the appropriation for any such institution for the first fiscal year, or part thereof, of operation of the business research station at such institution shall be payable only upon certification to the Secretary of the Treasury by the Secretary of Commerce that

such institution has been approved under the provisions of the bill; that the appropriation for each succeeding fiscal year shall be payable upon certification to the Secretary of the Treasury by the Secretary of Commerce; that the institution and the business-research station have during the preceding fiscal year complied with the provisions of the bill and the standards it prescribes for participation in such appropriation; and that if any portion of the money received by any institution for any fiscal year under the bill shall by any action or contingency be lost or misapplied, the Secretary of Commerce shall certify the amount thereof to the Secretary of the Treasury, and such amount shall be deducted from the next succeeding annual appropriation for such institution.

The bill specifies that appropriations made under its terms shall be paid annually in equal quarterly payments on July 1, October 1, January 1, and April 1 of each year by the Secretary of Commerce upon warrants by the Secretary of the Treasury of the United States, and that such payments shall be made to the treasurers or other officers duly appointed by the governing boards of such institutions to receive them.

The bill authorizes the Secretary of Commerce to accept and utilize gifts or bequests of money and other personal property for the purpose of aiding or facilitating the research activities authorized by the bill, and that such gifts or bequests and the income therefrom shall be exempt from all Federal taxes.

To enable the Secretary of Commerce to carry out the terms of the bill it authorizes to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1941, a sum not to exceed (a) 4 percent of the total appropriation made for such year under the bill, or (b) $50,000, whichever is the larger amount.

The bill stipulates that nothing in its terms shall be construed to impair or modify the legal relation existing between any of the institutions with which it deals and the governments of the States in which they are respectively located.

It is further stated in the bill that the grants of money it authorizes to be made to an institution are made subject to the assent of the governing body of such institution for the purposes of such grants.

The Secretary of Commerce is required by the bill to report annually to Congress the activities of the Department, of the Business Research Board, and of the business research stations, in connection with the terms of the measure.

The bill provides that when used in its provisions the term (1) "State" includes Alaska, Hawaii, and Puerto Rico, and the term (2) "college" includes school.

Mr. President, I have endeavored a number of times to get this bill before the Senate. I have delivered this analysis in order that Senators may familiarize themselves with the bill. At the first opportunity I shall again endeavor to bring it up for consideration.

The VICE PRESIDENT. Objection being made, the bill will be passed over.

PREVENTION OF COLLISIONS AND REGULATION OF MOTORBOAT EQUIPMENT

The bill (S. 2259) to amend laws for preventing collisions of vessels, to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes, was announced as next in order.

Mr. VANDENBERG. Mr. President, I suggest that the House bill be considered. There are two pending amendments, to which the Department of Commerce has agreed; and if those amendments can be considered to the House bill, we can then indefinitely postpone the Senate bill.

The VICE PRESIDENT. Is there objection to the consideration of the House bill at this time? The Chair hears none.

Mr. KING. What is the number, Mr. President?

The VICE PRESIDENT. Calendar No. 898, House bill 6039. Is there objection to the substitution of the House bill for the Senate bill and its present consideration?

Mr. KING. Let me inquire of the Senator from Michigan whether the chairman of the Committee on Commerce is favorable to this substitution?

Mr. VANDENBERG. All the authorities involved are in agreement—the chairman of the Committee on Commerce, the Department of Commerce, and all others who are interested.

The VICE PRESIDENT. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6039) to amend laws for preventing collisions of vessels; to regulate equipment of certain motorboats on navigable waters of the United States, and for other purposes.

Mr. VANDENBERG. Mr. President, I will ask that the amendments I have offered be stated.

The VICE PRESIDENT. The clerk will state the first amendment offered by the Senator from Michigan.

The CHIEF CLERK. On page 2, lines 16 to 19, it is proposed to strike out subsection (a) of section 3; to reletter the succeeding subsections (b), (c), (d), and (e) of section 3, so as to read (a), (b), (c), and (d), respectively.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment offered by the Senator from Michigan.

The CHIEF CLERK. On page 2, lines 19 and 20, it is proposed to amend the first sentence of the new subsection (a) of section 3 to read as follows:

(a) Every motorboat of classes A and 1 shall carry the following lights:

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment offered by the Senator from Michigan.

The CHIEF CLERK. On page 3, it is proposed to strike out subdivision (d), on line 24, down to and through line 4, page 4, and to insert in lieu thereof the following:

(c) Motorboats of classes 2 and 3, when propelled by sail and machinery, or by sail alone, shall carry the colored side lights, suitably screened, but not the white lights prescribed by this section: *Provided, however,* That motorboats of all classes, when so propelled, shall carry, ready at hand, a lantern or flashlight showing a white light which shall be exhibited in sufficient time to avert collision: *Provided further,* That motorboats of classes A and 1, when so propelled, shall not be required to carry the combined lantern prescribed by subsection (a) of this section.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed, as follows:

Be it enacted, etc., That the word "motorboat" where used in this act shall include every vessel propelled by machinery and not more than 65 feet in length except tugboats and towboats propelled by steam. The length shall be measured from end to end over the deck, excluding sheer: *Provided,* That the engine, boiler, or other operating machinery shall be subject to inspection by the local inspectors of steam vessels, and to their approval of the design thereof, on all said motorboats, which are more than 40 feet in length, and which are propelled by machinery driven by steam.

SEC. 2. Motorboats subject to the provisions of this act shall be divided into four classes as follows:

Class A. Less than 16 feet in length.

Class 1. Sixteen feet or over and less than 26 feet in length.

Class 2. Twenty-six feet or over and less than 40 feet in length.

Class 3. Forty feet or over and not more than 65 feet in length.

SEC. 3. Every motorboat in all weathers from sunset to sunrise shall carry and exhibit the following lights when under way, and during such time no other lights which may be mistaken for those prescribed shall be exhibited:

(a) Every motorboat of classes A and 1 shall carry the following lights:

First. A bright white light aft to show all around the horizon.

Second. A combined lantern in the fore part of the vessel and lower than the white light aft, showing green to starboard and red to port, so fixed as to throw the light from right ahead to two points abaft the beam on their respective sides.

(b) Every motorboat of classes 2 and 3 shall carry the following lights:

First. A bright white light in the fore part of the vessel as near the stem as practicable, so constructed as to show an unbroken light over an arc of the horizon of 20 points of the compass, so fixed as to throw the light 10 points on each side of the vessel;

namely from right ahead to two points abaft the beam on either side.

Second. A bright white light aft to show all around the horizon and higher than the white light forward.

Third. On the starboard side a green light so constructed as to show an unbroken light over an arc of the horizon of 10 points of the compass, so fixed as to throw the light from right ahead to two points abaft the beam on the starboard side. On the port side a red light so constructed as to show an unbroken light over an arc of the horizon of 10 points of the compass, so fixed as to throw the light from right ahead to two points abaft the beam on the port side. The said side lights shall be fitted with inboard screens of sufficient height so set as to prevent these lights from being seen across the bow.

(c) Motorboats of classes 2 and 3, when propelled by sail and machinery, or by sail alone, shall carry the colored side lights, suitably screened, but not the white lights prescribed by this section: *Provided, however,* That motorboats of all classes, when so propelled, shall carry, ready at hand, a lantern or flashlight showing a white light which shall be exhibited in sufficient time to avert collision: *Provided further,* That motorboats of classes A and 1, when so propelled, shall not be required to carry the combined lantern prescribed by subsection (a) of this section.

(d) Every white light prescribed by this section shall be of such character as to be visible at a distance of at least 2 miles. Every colored light prescribed by this section shall be of such character as to be visible at a distance of at least 1 mile. The word "visible" in this act, when applied to lights, shall mean visible on a dark night with clear atmosphere.

SEC. 4. Every motorboat of class 1, 2, or 3, shall be provided with an efficient whistle or other sound-producing mechanical appliance.

SEC. 5. Every motorboat of class 2 or 3 shall be provided with an efficient bell.

SEC. 6. Every motorboat subject to any of the provisions of this act and also all vessels propelled by machinery other than by steam more than 65 feet in length shall carry at least one life preserver, or life belt, or ring buoy, or other device of the sort prescribed by the regulations of the board of supervising inspectors with the approval of the Secretary of Commerce, for each person on board, so placed as to be readily accessible: *Provided,* That every such motorboat and every such vessel propelled by machinery other than by steam more than 65 feet in length carrying passengers for hire shall carry so placed as to be readily accessible at least one life preserver of the sort prescribed by the regulations of the board of supervising inspectors with the approval of the Secretary of Commerce, for each person on board.

SEC. 7. No such motorboat, while carrying passengers for hire, shall be operated or navigated except in charge of a person duly licensed for such service by a local board of inspectors. Whenever any person applies to be licensed as operator of any motorboat carrying passengers for hire, the inspectors shall make diligent inquiry as to his character, and shall carefully examine the applicant orally as well as the proofs which he presents in support of his claim, and if they are satisfied that his capacity, experience, habits of life, and character are such as to warrant the belief that he can safely be entrusted with the duties and responsibilities of the station for which he makes application, they shall grant him a license authorizing him to discharge such duties on any such motorboat carrying passengers for hire for the term of 5 years. Such license shall be subject to suspension or revocation on the same grounds and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section 4450 of the Revised Statutes, as amended (U. S. C., 1934 ed., Supp. III, title 46, sec. 239): *Provided,* That motorboats shall not be required to carry licensed officers except as required in this act: *And provided further,* That licenses herein prescribed shall not be required of motorboats engaged in fishing contests previously arranged and announced.

SEC. 8. Every motorboat and also every vessel propelled by machinery other than by steam more than 65 feet in length shall be provided with such number, size, and type of fire extinguishers, capable of promptly and effectually extinguishing burning gasoline, as may be prescribed by the regulations of the board of supervising inspectors, with the approval of the Secretary of Commerce, which fire extinguishers shall be at all times kept in condition for immediate and effective use and shall be so placed as to be readily accessible.

SEC. 9. The provisions of sections 4, 5, and 8 of this act shall not apply to motorboats propelled by outboard motors while competing in any race previously arranged and announced, or if such boats be designed and intended solely for racing, while engaged in such navigation as is incidental to the tuning up of the boats and engines for the race.

SEC. 10. Every motorboat and also every vessel propelled by machinery other than by steam more than 65 feet in length shall have the carburetor or carburetors of every engine therein (except outboard motors) using gasoline as fuel, equipped with such efficient flame arrestor, backfire trap, or other similar device as may be prescribed by the regulations of the board of supervising inspectors with the approval of the Secretary of Commerce: *Provided,* That this section shall apply only to such motorboats or vessels, the construction of which or the replacement of the engine or engines of which is commenced subsequent to the passage of this act.

SEC. 11. Every such motorboat and every such vessel, except open boats, using as fuel any liquid of a volatile nature, shall be provided with such means as may be prescribed by regulations of the board of supervising inspectors with the approval of the Secretary of Commerce for properly and efficiently ventilating the bilges of the engine and fuel tank compartments so as to remove any explosive or inflammable gases: *Provided,* That this section shall apply only to such motorboats or vessels, the construction or decking over of which is commenced subsequent to the passage of this act.

SEC. 12. Motorboats shall not be required to carry on board copies of the pilot rules.

SEC. 13. No person shall operate any motorboat or any vessel in a reckless or negligent manner so as to endanger the life, limb, or property of any person.

SEC. 14. Any person who shall operate any motorboat or any vessel in a reckless or negligent manner so as to endanger the life, limb, or property of any person shall be deemed guilty of a misdemeanor and on conviction thereof by any court of competent jurisdiction shall be punished by a fine not exceeding $2,000, or by imprisonment for a term of not exceeding 1 year, or by both such fine and imprisonment, at the discretion of the court.

SEC. 15. Any officer of the United States authorized to enforce the navigation laws of the United States, shall have power and authority to swear out process and to arrest and take into custody, with or without process, any person who may commit any act or offense prohibited by section 13, or who may violate any provision of said section: *Provided,* That no person shall be arrested without process for any offense not committed in the presence of some one of the aforesaid officials: *Provided further,* That whenever an arrest is made under the provisions of this act, the person so arrested shall be brought forthwith before a commissioner, judge, or court of the United States for examination of the offense alleged against him, and such commissioner, judge, or court shall proceed in respect thereto as authorized by law in cases of crimes against the United States.

SEC. 16. If any motorboat or vessel subject to any of the provisions of this act is operated or navigated in violation of this act or any regulation issued thereunder, the owner or operator, either one or both of them, shall, in addition to any other penalty prescribed by law than that contained in section 14 of this act, be liable to a penalty of $100: *Provided,* That in the case of motorboats or vessels subject to the provisions of this act carrying passengers for hire, a penalty of $200 shall be imposed on the owner or operator, either one or both of them, thereof for any violation of section 6, 7, or 8 of this act or of any regulations pertaining thereto. For any penalty incurred under this section the motorboat or vessel shall be held liable and may be proceeded against by way of libel in the district court of any district in which said motorboat or vessel may be found.

SEC. 17. The board of supervising inspectors with the approval of the Secretary of Commerce shall establish all necessary regulations required to carry out in the most effective manner all of the provisions of this act, and such regulations when approved by the Secretary of Commerce shall have the force of law. The Secretary of Commerce or any officer of the Department of Commerce authorized by the Secretary of Commerce may, upon application therefor, remit or mitigate any fine, penalty, or forfeiture incurred under this act or any regulation thereunder relating to motorboats or vessels, except the penalties provided for in section 14 hereunder. The Secretary of Commerce shall establish such regulations as may be necessary to secure the enforcement of the provisions of this act by any officer of the United States authorized to enforce the navigation laws of the United States.

SEC. 18. The proviso contained in the last paragraph of section 2 of the act of May 11, 1918 (40 Stat. 549), shall apply also with like force and effect to motorboats as defined in this act.

Motorboats as defined in this act are hereby exempted from the provisions of Revised Statutes 4399, as amended (48 Stat. 125).

SEC. 19. This act shall take effect upon its approval as to all of the sections hereof except sections 6, 7, and 8, which sections shall take effect 1 year from the date of said approval, and for a period of 1 year from the date of approval of this act sections 5, 6, and 7 of the Motorboat Act of June 9, 1910 (Public, No. 201, 61st Cong.; 36 Stat. 462), shall continue in full force and effect, except that from and after the date of the approval of this act the Secretary of Commerce shall have authority to remit or mitigate all fines or penalties heretofore or hereafter incurred or imposed under sections 5 and 6 of the Motorboat Act of June 9, 1910. Except as hereinabove expressly provided, the Motorboat Act of June 9, 1910, above referred to, is repealed upon the approval of this act and as to sections 5, 6, and 7 of said act hereinabove continued the said sections are hereby repealed effective 1 year from the date of approval of this act. Nothing in this act shall be deemed to alter or amend section 4417a of the Revised Statutes (U. S. C., 1934 edition, Supp. IV, title 46, sec. 391a), the act of August 26, 1935 (U. S. C., 1934 ed., Supp. IV, ch. 7A, secs. 178 and 179), the act of June 20, 1936 (U. S. C., 1934 ed., Supp. IV, title 46, sec. 367), or repeal acts of Congress or treaties embodying or revising international rules for preventing collisions at sea.

SEC. 20. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 21. The provisions of section 210 of title II of the Anti-Smuggling Act, approved August 5, 1935 (49 Stat. 526; U. S. C., 1934 ed., Supp IV, title 46, sec. 288), requiring a certificate of award of a number to be kept at all times on board of the vessel to which the number has been awarded shall not apply to any vessel not exceeding 17 feet in length measured from end to end over the deck, excluding sheer, or to any vessel whose design of fittings

are such that the carrying of the certificate of award of the number on such vessel would render such certificate imperfect, illegible, or would otherwise tend to destroy its usefulness as a means of ready identification.

Mr. VANDENBERG. I ask that the Senate bill be indefinitely postponed.

The VICE PRESIDENT. Without objection, Senate bill 2259 will be indefinitely postponed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 145) proposing an amendment to the Constitution of the United States relating to old-age assistance was announced as next in order.

Mr. BARKLEY. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

FEES FOR RECORDING IN THE DISTRICT OF COLUMBIA

The bill (S. 1296) to amend paragraphs (b), (c), and (d) of section 6 of the District of Columbia Traffic Act, 1925, as amended by the acts of July 3, 1926, and February 27, 1931, and for other purposes, was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, this bill was introduced in the Senate and reported on June 30 last year. It has been on the calendar for almost a year, and every time it has been reached there has been objection. On several occasions I myself objected.

I desire at this time to place in the RECORD, if I may, the reason for my objection. I ask permission to have printed in the RECORD, in connection with my remarks, a copy of a letter sent me by the present recorder of deeds, Dr. William J. Thompkins, and I desire also to have printed in the RECORD, following the letter, the remarks of the Honorable C. JASPER BELL, of Missouri, in the House of Representatives, on March 27, 1939, in opposition to the bill. I ask that these documents be inserted in the RECORD as the basis for my objection to the consideration of this particular measure.

The VICE PRESIDENT. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

RECORDER OF DEEDS, DISTRICT OF COLUMBIA,
Washington, D. C., January 10, 1940.

MY DEAR SENATOR: Your careful attention is respectfully directed to S. 1296, now pending on the Senate Calendar, providing for the creation of a department of titles in the office of the director of traffic, for the purpose of recording all liens on automobiles. It would transfer to that newly created department all automobile liens which are now by law recorded in the office of the recorder of deeds. It is contended by the proponents of this bill that it will protect purchasers of second-hand automobiles, inasmuch as all purchasers of automobiles would be required to record all liens with this new department.

The District Code provides that such liens shall be registered with the recorder of deeds. The only new law that S. 1296 provides for is that the director of vehicles and traffic shall record these liens on the face of automobile titles. It is the contention of several citizens' associations, the Washington Bar Association, and the title men of Washington that this can be effected by requiring the recorder of deeds to certify to the director of traffic all liens on automobiles registered with the recorder.

Inasmuch as we have the clerks and the equipment necessary for the handling of this work, it would not be a wise expenditure of money to appropriate $15,000 asked by the director of traffic to equip and staff in his office a department that by law now exists in the office of the recorder of deeds.

A bill that will meet the suggestion of the director of traffic was introduced at the last session of Congress by Senator REYNOLDS—S. 1539—and should be substituted for S. 1296, now on the Senate Calendar, and, if desired, amended to provide that the recorder of deeds shall send to the director of traffic daily certified lists of all liens on automobiles recorded in the office of the recorder of deeds.

It is not necessary for me to point out the fact that the recording of liens is a civil and not a police function. You will also agree that much confusion and difficulty will be caused title men, abstractors, credit associations, and others making daily search of these records, since they would be obliged to go to two places to ascertain a complete record on a case. Enclosed you will find a speech of the Honorable C. JASPER BELL, Member of Congress, formerly a prominent jurist of the State of Missouri, in opposition to passage of a bill removing chattels from the office of the recorder of deeds.

We therefore respectfully urge your opposition to S. 1296 and your support of S. 1539, when it comes before you for consideration.

Respectfully yours,

WM. J. THOMPKINS.

Mr. BELL. Mr. Speaker, I wish to call attention of Congress to the proposed shifting of present duties of the recorder of deeds office to other offices of the District of Columbia government, which, it is my contention, would result in increased administrative costs and decreased efficiency in the keeping of valuable records for residents of the District of Columbia.

I wish to quote an article that appeared in the Washington Afro-American, a weekly newspaper, on March 25, 1939, which article deplores the assault on this office. The article reads as follows:

"SEES NEW MOVE AS ASSAULT ON RECORD OFFICE—BILL INTRODUCED TO TRANSFER AUTO LIENS ELSEWHERE

"Thousands of Washington residents are automobile purchasers, and many of them have liens on their cars, yet few of them are giving much attention to the four proposed measures now pending before Congress designed to require registration of all liens in either the traffic bureau or the recorder of deeds office.

"On the other hand, the bills are causing grave concern among politicians, and new dealers have been warned that many votes will be lost among colored constituents if the wrong bill is enacted.

"Under the present District regulations, registration of auto liens is optional and under supervision of the recorder of deeds office, one of the few remaining positions given colored political leaders under the so-called spoils system.

"BILLS IN BOTH HOUSES

"Two of the bills—H. R. 3950 and S. 1296, the former by Congressman JENNINGS RANDOLPH and the latter by Senator WILLIAM J. KING—have been introduced in the House and Senate, respectively, proposing registration of all liens on autos at the traffic bureau. The Senate District Committee reported favorably on KING'S measure, but RANDOLPH'S bill has not come up for a hearing.

"Both measures reportedly have the backing of District government heads and Traffic Director Van Duzer.

"In view of the fact that District Commissioners have for years been trying unsuccessfully to gain control of the recorder of deeds office, this new move to relieve the office of one of its primary duties appears to be a change of tactics calculated to lower the importance of the bureau.

"OPPOSITION SEEN

"Opposition to the removal of registration from the recorder's office is certain to crop up when the bills come up for a hearing. First, because it would be an added expense to the government to remove the department.

"Under the measure proposed by Mr. KING, it will require an appropriation of approximately $15,000 to establish such a bureau at the traffic department, with additional funds to maintain an adequate staff.

"If the department is established at the recorder's office, the only requirements from an economic angle would amount to approximately $5,000. This would take care of additional personnel only, inasmuch as equipment and materials needed to carry on the business are already on hand and used daily with registration of the current liens on an optional basis."

In addition to this, I wish to call attention to the fact that in subsequent years it would be found to best advantage to have all records of property holdings and obligations in one office, because many times records must be made of both real and chattel properties, such as in the case of probate cases, civil court actions, and in making credit reports. The proposed changes would scatter those records, leaving only a part of the chattel property records in the office of the recorder of deeds, adding greatly to the confusion in checking by abstractors, attorneys, and the general public.

Mr. OVERTON. Mr. President, as stated by the Senator from Oklahoma, this bill has been on the calendar for a long time, and every time it has been reached it has gone over under objection. I wish to serve notice that at the first opportunity I shall move that the bill be considered. So far as I know and am informed, the only objection to the bill comes from the Recorder of Deeds of the District of Columbia. The bill provides for a recording fee of only 50 cents for a chattel mortgage and no charge for a release. As I understand, the recorder of deeds is now receiving $1.50 for recording mortgages and $1.50 for recording releases. The enactment of this measure would save automobile owners thousands and thousands of dollars. It has been recommended by the Commissioners and by a great many organizations which are interested in the enactment of the legislation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BARKLEY. Do the fees collected go to the recorder or into the District treasury? Is the recorder paid a salary?

Mr. OVERTON. I regret that I cannot answer.

Mr. THOMAS of Oklahoma. Mr. President, if I may answer, the recorder is on a regular salary. All his fees go into the General Treasury to the credit of the District of Columbia.

Mr. OVERTON. There is an unnecessary tax on automobile owners.

Mr. BARKLEY. I wondered whether the recorder had a personal interest in retaining the fee provision.

Mr. OVERTON. In addition to what I have stated, when the Department of Vehicles and Traffic issued a certificate of title, under the proposed bill there would appear whatever liens and mortgages were against the automobile involved. As it stands now, one gets the certificate of title, and then has to go to the office of the recorder of deeds and examine the deed in order to find what liens may be against the automobile.

The PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

JOINT RESOLUTIONS AND BILLS PASSED OVER

The joint resolution (S. J. Res. 84) proposing an amendment to the Constitution of the United States for a referendum on war was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The joint resolution (S. J. Res. 140) proposing an amendment to the Constitution relating to the power of the Congress to declare war was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 2687) to establish a circuit court of appeals for patents was announced as next in order.

Mr. VANDENBERG. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 409) to protect American labor and stimulate the employment of American citizens on American jobs was announced as next in order.

SEVERAL SENATORS. Over. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 5643) to invest the circuit courts of appeals of the United States with original and exclusive jurisdiction to review the order of detention of any alien ordered deported from the United States whose deportation or departure from the United States otherwise is not effectuated within 90 days after the date the warrant of deportation shall have become final; to authorize such detention orders in certain cases; to provide places for such detention; and for other purposes was announced as next in order.

SEVERAL SENATORS. Over. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2573) to amend the Agricultural Adjustment Act of 1938, as amended; for the purpose of regulating interstate and foreign commerce in rice and providing for the orderly marketing of rice at fair prices in interstate and foreign commerce was announced as next in order.

Mr. GILLETTE. Over.

The PRESIDENT pro tempore. The bill will be passed over.

GRATUITY EXPENDITURES FOR FIVE CIVILIZED TRIBES

The Senate proceeded to consider the joint resolution (S. J. Res. 101) defining and classifying gratuity expenditures allowable as offsets in favor of the United States and against the Five Civilized Nations or Tribes of Indians, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, line 18, after the word "purpose", to strike out "or" and to insert "of", so as to make the joint resolution read:

Resolved, etc., That wherever provision is made in any act of Congress, now or hereafter in force, for offsets in favor of the United States and against the Five Civilized Nations or Tribes, in suits or proceedings in the United States Court of Claims, of moneys expended gratuitously by the United States for the benefit of any such nations or tribes, whether for judgment against the United States or for report of findings of fact and conclusions to the Congress, there shall be included in such offsets only such moneys expended by the United States as may be shown by competent evidence to have been expended for the benefit of the entire nation or tribe, as distinguished from expenditures benefiting individuals, or only a part of the tribal membership: *Provided*, That where such expenditures have been made for the benefit of more than one Indian nation or tribe, no apportionment, for the purpose of offset, shall be made against any nation or tribe, unless and until it is shown by competent evidence what amount of moneys were expended for the benefit of the particular nation or tribe against whom the offset is claimed or asserted, and the purposes therefor.

Expenditures falling within the following classifications shall not be allowed as offsets where it is shown—

(1) That such moneys were expended by the United States in the discharge of its general or specific obligations, under any treaty or agreement with any Indian nation or tribe, or incidental to the performance of its said treaty or agreement obligations.

(2) That such moneys were expended for the benefit of individual persons who were not enrolled members of the nation or tribe against whose common properties such offsets are sought to be charged.

(3) That such moneys were expended for any Indian nation or tribe, or for the individual members thereof, under any law of the United States providing for relief or assistance passed subsequent to March 4, 1933.

(4) Any expenditures made pursuant to the act of Congress of June 18, 1934 (48 Stat. 984), as amended, and the act of June 26, 1936 (49 Stat. 1967).

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The joint resolution had been reported to the Senate with amendments to the preamble so as to read:

Whereas section 2, title I, of the act of Congress approved August 12, 1935 (49 Stat. 596), declared that moneys expended gratuitously by the United States for the benefit of Indian tribes or bands shall be offset against any amount found to be due any such tribe or band without defining and classifying what expenditures are gratuities and allowable offsets under said act; and

Whereas there are now pending in the United States Court of Claims suits and proceedings on behalf of said Five Civilized Tribes or Nations and against the United States, under their various jurisdictional acts, in which offsets are, or will be, claimed as gratuities; and without a declaration of what the Congress intended in relation to gratuity offsets, the settlement of such claims have been delayed, and injustice may be done to said Indian nations or tribes as well as to the United States; and

Whereas it is the purpose of this resolution to define and classify gratuity offsets so that the settlement of such claims may be expedited and justice done in said suits and proceedings: Now, therefore, be it

The amendments to the preamble were agreed to.

The preamble, as amended, was agreed to.

BILL PASSED OVER

The bill (S. 1970) to eliminate certain oppressive labor practices affecting interstate and foreign commerce, and for other purposes, was announced as next in order.

Mr. SMITH. Over.

The PRESIDENT pro tempore. The bill will be passed over.

HOSPITAL BENEFITS FOR RESERVE OFFICERS OF THE ARMY

The bill (S. 2575) to provide pensions, compensation, retirement pay, and hospital benefits for certain Reserve officers of the Army of the United States was announced as next in order.

Mr. McKELLAR. Mr. President, let us have an explanation of the bill.

Mr. SHEPPARD. Mr. President, only former Air Corps Reserve officers are involved in the bill, officers who were disabled while in active military service, who have been discharged, and are now receiving small compensation from the Veterans' Administration.

The existing law provides for the retirement of Reserve officers who may become disabled in line of duty in the future, and, in the opinion of the committee, provision for similar benefits should be enacted for those unfortunate officers disabled under the same circumstances who are covered by this bill. There are about 20 involved altogether.

Mr. McKELLAR. What would it cost?

Mr. SHEPPARD. About $30,000.

Mr. McKELLAR. Thirty thousand dollars a year?

Mr. SHEPPARD. Yes.

Mr. McKELLAR. I will ask the Senator to let it go over this time.

Mr. SHEPPARD. Very well.

The PRESIDENT pro tempore. Objection being heard, the bill will be passed over.

BILL PASSED OVER

The bill (S. 2830) to provide for the registration of aliens was announced as next in order.

SEVERAL SENATORS. Over. Over.

The PRESIDENT pro temport. The bill will be passed over.

INCREASE OF PENSIONS TO CIVIL WAR WIDOWS

The bill (H. R. 6901) granting increase of pensions to certain widows of veterans of the Civil War was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

Mr. MINTON. Mr. President, the bill is for the relief of certain rather desperate cases of widows of veterans of the Civil War. In all the instances the widows are extremely aged and unable to take care of themselves. They are hovering at death's door. In fact, since the bill was reported to the calendar there have been 18 deaths among those whose names appear, I think, and the list will have to be revised. These are extremely meritorious cases.

Mr. BYRD. Can the Senator tell us what the cost would be?

Mr. BARKLEY. How many are involved?

Mr. MINTON. I think about 30.

Mr. BARKLEY. Are they now drawing pensions?

Mr. MINTON. Yes.

Mr. BARKLEY. What amount do they now receive?

Mr. MINTON. The pensions vary, some drawing $30, some $40, some $50. The bill is designed to increase the various pensions.

Mr. BARKLEY. Does the bill cover widows who were married since the Civil War, or does the Senator know about that?

Mr. MINTON. Oh, yes; they are widows who married since 1905.

Mr. BARKLEY. What is the estimated annual cost?

Mr. MINTON. I am sorry I cannot give the Senator the information, but it is not a large amount.

I think perhaps the bill should go over until I can revise the list by striking off the names of those who have died since the bill was reported.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS, ETC., PASSED OVER

The bill (S. 2510) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public kindergarten or kindergarten and nursery-school education, was announced as next in order.

SEVERAL SENATORS. Over. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (H. J. Res. 367) to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes, was announced as next in order.

SEVERAL SENATORS. Over. Over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The resolution (S. Res. 168) providing for an investigation of the immigration of aliens into the United States, was announced as next in order.

SEVERAL SENATORS. Over. Over.

The PRESIDENT pro tempore. The resolution will go over.

The bill (S. 282) to provide that State employees employed in connection with programs carried on with the assistance of the Federal Government be selected in accordance with a nonpolitical civil-service plan, was announced as next in order.

Mr. BARBOUR. Over.

The PRESIDENT pro tempore. The bill will be passed over.

CADETSHIPS IN THE UNITED STATES MILITARY ACADEMY

The bill (S. 3035) authorizing certain appointments to the United States Military Academy to fill cadetships heretofore created was announced as next in order.

Mr. KING. Mr. President, let us have an explanation of the bill.

Mr. SCHWARTZ. Mr. President, I wish to make a brief explanation about the situation covered by this bill. Under the present act of Congress, as Senators know, there is authorization for the appointment of 40 cadets to the Military Academy "from among the sons of officers, soldiers, sailors, and marines of the Army, Navy, and Marine Corps of the United States who were killed in action prior to July 1, 1921." By reason of the lapse of time since 1921 no sons of officers or enlisted men could be eligible in 1941, because they would be over the 22-year-age limitation for admission into the academy. Consequently, the authorization is about to lapse, is lapsing, and has been lapsing for the past 2 or 3 years. The bill provides that the places not filled shall be filled one-half from enlisted men in the Army and one-half from enlisted men in the National Guard who have served 1 year.

After I introduced the bill, and before it was acted upon by the committee, the junior Senator from Georgia [Mr. RUSSELL], at the insistence of the American Legion, introduced a similar bill, with a different qualification for admission.

So we had my bill go over a time or two until the Senator from Georgia and I could confer about the matter, to see if we could agree on a bill which would be satisfactory to both of us.

In order to do that I suggest that a substitute be now taken up. I have adopted the language requested by the American Legion and which the Senator from Georgia desires, so that it would now read, instead of sons of officers and enlisted men who died prior to 1921, as follows:

And provided further, That cadet appointments to the United States Military Academy authorized in this act may be from among sons of officers and soldiers of the United States Army, including members of the Army Nurse Corps (female) employed in the active service by the War Department, who were killed in action or have died, or hereafter die, of wounds or injuries received, or disease contracted, or preexisting injury or disease aggravated, in line of duty during the World War, and such appointments from among sons of officers and from among sons of warrant officers and soldiers shall be as nearly equal in number as practicable; and any cadet appointments to the United States Military Academy authorized in this act not made as hereinbefore prescribed may be made, in number as nearly equal as practicable, from among enlisted men of the Regular Army and the National Guard, respectively, between the ages of 19 and 22 years, who have served as enlisted men not less than 1 year, under such regulations as the President may prescribe.

The substitute amendment follows the language of the original bill, which provides that when the 40 cadets are not found available from the particular class of sons, the vacancies shall be filled, one-half from enlisted men in the Army and one-half from enlisted men in the National Guard.

I offer the amendment in the nature of a substitute.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. WALSH. Mr. President, the same problem as that outlined by the Senator from Wyoming has been before the Committee on Naval Affairs. As the Senator has pointed out, the present law permitted the appointment under certain conditions of a certain number of sons of Army officers who were killed or died as the result of injuries in the war. This law has become inoperative, because more than 20 years has expired since the death of veterans whose sons were eligible. I think the Committee on Military Affairs has handled this problem in a very satisfactory manner, and I see no reason why this bill should not be approved. The same problem is before the Committee on Naval Affairs, and we expect to give the subject attention later and report a bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill.

There being no objection, the Senate proceeded to consider the bill (S. 3035) authorizing certain appointments to the United States Military Academy to fill cadetships heretofore created, which was read, as follows:

Be it enacted, etc., That the act of June 8, 1926, entitled "An act to establish a department of economics, government, and history at the United States Military Academy, West Point, N. Y., and to amend chapter 174 of the act of Congress of April 19, 1910, entitled 'An act making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1911, and for other

purposes'" (44 Stat. 704), be, and the same is hereby, amended by inserting immediately before the period at the end thereof a colon and the following proviso: *"And provided further,* That any vacancies at the United States Military Academy in the cadetships established by this act not filled as a result of any annual examination of candidates selected as herein prescribed may be filled by additional appointments, in number as nearly equal as practicable, from among enlisted men of the Regular Army and of the National Guard, respectively, between the ages of 19 and 22 years, who have served as enlisted men not less than 1 year, to be selected under such regulations as the President may prescribe."

The PRESIDENT pro tempore. The amendment offered by the Senator from Wyoming [Mr. SCHWARTZ] will be stated.

The CHIEF CLERK. On page 2, in line 1, after the word "proviso", it is proposed to strike out down to and including the period in line 10, and to insert the following:

And provided further, That cadet appointments to the United States Military Academy authorized in this act may be from among sons of officers and soldiers of the United States Army, including members of the Army Nurse Corps (female) employed in the active service by the War Department, who were killed in action or have died, or hereafter die, of wounds or injuries received, or disease contracted, or pre-existing injury or disease aggravated, in line of duty during the World War, and such appointments from among sons of officers and from among sons of warrant officers and soldiers shall be as nearly equal in number as practicable; and any cadet appointments to the United States Military Academy authorized in this act not made as hereinbefore prescribed may be made, in number as nearly equal as practicable, from among enlisted men of the Regular Army and the National Guard, respectively, between the ages of 19 and 22 years, who have served as enlisted men not less than 1 year, under such regulations as the President may prescribe.

Mr. McCARRAN. Mr. President, under what condition could this proposed law become effective? Would it be under the condition that there was a vacancy in the cadet corps by reason of the fact that some Congressman or Senator had not filled an appointment?

Mr. SCHWARTZ. No; there are vacancies now filled by the President and the War Department, and they are not of the type of vacancies that Senators and Representatives may fill.

Mr. WALSH. I may say that whenever a vacancy by graduation occurs an appointment must be made from this group limited by law.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION AND BILL PASSED OVER

The joint resolution (S. J. Res. 199) amending Public Resolution No. 112 of the Seventy-fifth Congress and Public Resolution No. 48 of the Seventy-sixth Congress was announced as next in order.

Mr. PEPPER. I ask that the joint resolution be passed over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (S. 3130) relating to the citizenship and compensation of certain employees on military construction work in the Panama Canal Zone was announced as next in order.

Mr. SHEPPARD. Mr. President, the problems involved in this bill are now under consideration by the Military and Naval Affairs Committees in connection with appropriation bills. For this reason I ask that the bill go over for the present.

The PRESIDENT pro tempore. The bill will be passed over.

COMPUTATION OF ACTIVE SERVICE IN NAVAL PROMOTIONS

The bill (S. 3016) to amend the act approved February 15, 1929, entitled "An act to permit certain warrant officers to count all active service rendered under temporary appointments as warrant or commissioned officers in the Regular Navy, or as warrant or commissioned officers in the United States Naval Reserve Force, for purpose of promotion to chief warrant rank," so as to permit service in the National Naval Volunteers to be counted for purposes of promotion, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of February 15, 1929 (45 Stat. 1180; 34 U. S. C. 331a), is hereby amended to read as follows:

"That for the purpose of computing the 6 years' service required for promotion from warrant to chief warrant rank, all active service, for purposes other than training heretofore rendered during the period from April 6, 1917, to December 31, 1921, under a temporary appointment as a warrant or commissioned officer in the United States Navy, or as a warrant or commissioned officer in the United States Naval Reserve Force, or as a warrant or commissioned officer of the National Naval Volunteers shall be counted: *Provided,* That officers who have heretofore been commissioned chief warrant officers shall for all purposes be regarded as having been so commissioned from the date of completion of such 6 years' service including the service authorized to be counted by this act: *Provided further,* That no back pay or allowances shall be held to have accrued prior to the passage of this act."

WARRANT AND COMMISSIONED WARRANT OFFICERS IN THE MARINE CORPS

The Senate proceeded to consider the bill (H. R. 6044) to regulate the number of warrant and commissioned warrant officers in the Marine Corps, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 6, after the word "necessary", to insert a colon and the following:

Provided, That the total number of such warrant officers and commissioned warrant officers shall not exceed 218.

Mr. WALSH. Mr. President, the number of warrant officers authorized in the Marine Corps by present law is 146. This law was passed during the World War, and there has been no change in the number of warrant officers authorized since that time. The progress made in aviation, aircraft defenses, radio communication, and tank and motor transport has necessitated a larger number of warrant officers.

The bill which passed the House and was approved by the Navy Department—in fact it was introduced at the request of the Navy Department—fixed no limit to the number of warrant officers that could be named for service in the Marine Corps of the Navy.

The Committee on Naval Affairs of the Senate provided a limitation of 218, and there is a pending amendment to the bill providing such limitation.

This bill is merely an authorization, and, as a matter of fact, no increase in warrant officers whatever can be made unless the Appropriations Committee increases the amount already provided. This bill permits the relationship in the number of warrant officers in the Marine Corps to be somewhat in accord with the number of warrant officers in the Regular Navy. The bill is only an authorization, I repeat, and the number will be increased insofar as a case can be made out before the Appropriations Committee for the need of additional warrant officers.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time, was read the third time, and passed.

JERSEY CENTRAL POWER & LIGHT CO.

The Senate proceeded to consider the bill (S. 2552) for the relief of the Jersey Central Power & Light Co., which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the Secretary of the Navy be, and he is hereby, authorized to purchase from the Jersey Central Power & Light Co., of New Jersey, the transmission line, substation, and other equipment now located on property of the United States Naval Air Station at Lakehurst, N. J., at a cost not to exceed $33,204.11, and said sum is hereby authorized to be appropriated: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Mr. President, may I inquire of the Senator from New Jersey if that is the same measure which was under consideration some time ago, and to which objection was made?

Mr. BARBOUR. Yes, Mr. President. The Senator from Utah made objection at the time the bill was reached on a former call of the calendar. I think the objection was made under a misapprehension. It was originally objected to by the Navy Department when it was presented in the form of a claim against the Navy Department. But, as shown by the letter now in the record from the Secretary of the Navy, it will be noted that the Secretary of the Navy specifically desires that this authorization be made to purchase at a price which he approves this particular special machinery, which was originally installed in the naval station at Lakehurst, N. J., at the Navy's request to meet its needs and requirements at that time. In other words, as amended, the bill now has the approval of the Navy Department, as well as the Committee on Claims.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Navy to purchase certain privately owned property located at the Naval Air Station, Lakehurst, N. J."

BILL PASSED OVER

The bill (H. R. 7941) relating to the citizenship and compensation of certain employees on military construction work in the Panama Canal Zone was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, the bill now reached on the calendar is identical with Calendar No. 1206, Senate bill 3130. One is a House bill and one is a Senate bill. The text of the House bill is similar to that of Senate bill 3130, to which objection was just made, or request made that the bill be passed over. The same reason should be urged against this bill, which likewise should go over. Perhaps the RECORD should contain a word of explanation of the matter. The two bills propose to give decided preference to American citizens with regard to certain classes of work in the Canal Zone. Three subcommittees of the Appropriations Committee have this matter under consideration now—the subcommittee on the civil functions of the War Department, the Navy subcommittee, and the regular War Department subcommittee—and in the end, either here or in conference, a section will be worked out giving American citizens the maximum protection and preferment that can be given under a treaty now in existence between the United States and the Panamanian Republic.

So I suggest that this bill also go over, and later, when we get together on a section, that section will be placed in these two bills.

Mr. McKELLAR. Mr. President, the necessity for this bill would be obviated entirely if the proposed amendment should be adopted by the Appropriations Committee and become the law.

Mr. THOMAS of Oklahoma. Yes. If a section can be agreed upon in conference, it will be carried in the three bills simultaneously, and will then take the place of the pending proposed legislation.

The PRESIDENT pro tempore. The bill will be passed over.

CONTROL OF SOIL EROSION AND FLOOD DAMAGE—CLEVELAND NATIONAL FOREST, CALIF.

The bill (H. R. 169) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cleveland National Forest in San Diego County, Calif., was announced as next in order.

Mr. KING. Mr. President, I should like to ask the Senator from South Carolina [Mr. SMITH] a question in regard to this bill. It seems to give unlimited authority to the Secretary of Agriculture to purchase land, with no limitation as to cost or acreage.

Mr. SMITH. Mr. President, the Senator misunderstands. There were included within the national forest certain privately owned lands which had been homesteaded before the entire area—with the exception of certain small tracts—was purchased. These tracts have been neglected; and floods and erosion have so damaged the forest area that the Departments are asking that a certain percentage of the proceeds from the sale of timber be allocated to pay for the privately owned lands within the area of the forest. The bill is recommended by the Departments, and by the counties adjacent to the forest land in California. The report is very complete. I think that is sufficient. The bill not only provides for protection of the Government's property, but for control of the land within the forest limits.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. McKELLAR. Let me see if I understand the situation. Is it proposed to permit the money to be paid for the lands without the necessity of an appropriation by the Congress?

Mr. SMITH. Twenty-five percent of the receipts from timber sales is reserved for that purpose.

Mr. McKELLAR. What is to be done with the other 75 percent?

Mr. SMITH. Under the law, it is allocated to the counties and to the Federal Government.

Mr. McKELLAR. With respect to that part which goes to the Federal Government, does it go into the Treasury? Is it covered into the Treasury?

Mr. SMITH. Yes.

Mr. McKELLAR. Does the 25 percent come from the counties' portion, or from the Government's portion?

Mr. SMITH. As I understand the plan, a certain amount is allocated for the purpose of providing caretakers for the national forest.

Mr. McKELLAR. Does not the Senator think that this is very dangerous legislation?

Mr. McNARY. Mr. President, this discussion ought to be directed to all the Members of the Senate. I have some knowledge of the subject, and I should like to hear the questions and answers.

Mr. SMITH. The question propounded——

Mr. McNARY. I heard the question, but I did not hear what the Senator from Tennessee was saying.

Mr. McKELLAR. I am asking if it is not very dangerous legislation to turn over the income coming from these sources to pay such employees as the departments think are necessary to administer the national forest. I think the only proper way to manage these transactions is to have the income go into the Treasury and then have the money appropriated for the purchase of lands.

Mr. SMITH. I am not familiar with the details of the administration of our national forests; but we have them, and we are told that damage is accruing by reason of lack of ownership of certain privately owned lands within the forest area.

Mr. McKELLAR. We frequently have requests to buy lands; and I think the Congress very frequently gives such authority. However, it should be done only after a report is made by the proper authority to the Committee on Appropriations, so that the Committee on Appropriations may recommend or reject the proposal and the Congress may pass on it. I hope the Senator will let the bill go over for the present. Later I may not object to it.

Mr. SMITH. Let me make an explanation. We have laws as to the distribution and use of forest receipts. We are told that floods and erosion are not only damaging the forest land but are destroying or seriously affecting the range lands. All that is asked is that a certain amount of the receipts—25 percent, as specified—be used for this purpose. Of course, a report must be made to the Government as to the use of the 25 percent. The bill has passed the House. It is a House measure. So far as I am concerned, I have no interest in it, except from the standpoint of preservation of the public lands.

Mr. McKELLAR. Mr. President, I do not like to legislate funds into the hands of an administrator to spend as he sees fit, without the regulating hand of the Appropriations Committee. Others must come before the Appropriations Committees of the two Houses to obtain money for purposes connected with the forests. We try to be liberal with them.

We all want to build up the forests, of course. We are very anxious to protect and defend them. However, I think it is very poor legislation to give an administrator of forest lands the right to spend moneys without having any check on him. Therefore I should like to have the bill go over today. In the meantime I shall go into the matter carefully.

Mr. SMITH. Mr. President, three other bills of practically the same nature are on the calendar.

Mr. McKELLAR. Will the Senator point them out and let them go over for today?

Mr. SMITH. They have been going over ever since Congress convened, Mr. President. I do not suppose it would add to or subtract from their chance of passage to have them go over again; but I believe that anyone who will read the reports——

Mr. McKELLAR. The bills were reported in February.

Mr. SMITH. I believe that anyone who will read the reports from the Agricultural Department and the Interior Department will be convinced that under the present law this is the only method by which the forests can be benefited.

Let me say in conclusion that the report indicates that the counties contiguous to the forest areas of the Government have passed resolutions endorsing the bills, knowing that they will be of great benefit in controlling floods and erosion.

I have done all I can do to facilitate the passage of these bills. I think there is no doubt that those who have charge of the forests are amenable to the Government, and must make a report of how much has been collected and how the money is expended. I do not see any objection to authorizing the expenditure of not to exceed 25 percent of the receipts for the benefit of the community. However, if it is the desire of those who object to have the bills go over, I will say that the bills which were reported from my committee are all of practically the same nature. I ask the Senator from Tennessee whether or not he really means to look into the matter.

Mr. McKELLAR. I shall be very glad to look into the matter.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (H. R. 2009) to facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Angeles National Forest was announced as next in order.

Mr. McKELLAR and Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CONTROL OF EROSION AND FLOODS WITHIN SEQUOIA NATIONAL FOREST

The bill (H. R. 2417) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Sequoia National Forest, Calif., was announced as next in order.

Mr. McKELLAR and Mr. KING. Let the bill go over.

Mr. JOHNSON of California. Mr. President, I could not hear the discussion which just occurred. I wish to say a word or two in behalf of calendar No. 1242, House bill 2417. The bill has passed the House. It has the approval of the Secretary of the Interior and of the Secretary of Agriculture. Representative SHEPPARD, of California, is the author of the bill, and he has thus far presented it. Last year it passed the House without substantial objection. It conforms to the requirements prescribed by the Secretary of Agriculture and the Secretary of the Interior, and meets with their approval.

The Sequoia National Forest is situated in three counties of California. The boards of supervisors of those three counties have all united unanimously in requesting the passage of this bill. It will not cost the United States Government a dollar, because the cost will be paid out of the slender receipts which come from the park.

I think something was said as to watch being kept upon those who deal with these receipts. That is quite proper. Of course, there ought to be some method of accounting. But if any Member of this body labors under the delusion that Secretary Wallace and Secretary Ickes are not endeavoring to accomplish, or are not accomplishing an absolute account of every dollar contributed by the Federal Government or by the State of California, he is laboring under a delusion. Everyone in interest who knows the situation favors this proposed legislation. The Secretary of the Interior and the Secretary of Agriculture, as well as the appropriate officials of the park, and those who are most interested in it in the three counties of the State of California, are all in favor of the bill. Personally I know nothing about it. However, I think that upon the showing they make they are entitled to have the bill passed.

Mr. President, is objection still made to the consideration of House bill 2417?

Mr. KING. Yes.

Mr. JOHNSON of California. By the Senator from Utah [Mr. KING] and the Senator from Tennessee [Mr. McKELLAR]?

Mr. McKELLAR. I objected.

Mr. JOHNSON of California. Why? I ask solely for information.

Mr. McKELLAR. I will tell the Senator why. The bill provides that the income from the Sequoia National Forest shall be spent by the local representatives out there for the purchase of land. We do not know whether they will purchase it at a high price or low price. There is no estimate made regarding it. We do not know how the money will be expended. It is entirely contrary to the usual course in such cases. Usually those interested come before the Appropriations Committee and tell us that they have so much land they can buy for such and such a price; that it has been appraised, that they want the money, and that it is recommended by the Department. Then the committee recommends an appropriation of the money in all proper cases. I am sure the committee would do so in this case on proper representations, but the Senator can see that merely to take an income, say, of $6,000 a year, and turn it over, under the wording of the bill, to the local managers to buy such lands as they see fit in and around the park, without requiring them to make any accounting, is not a proper way to legislate. That is my objection to it; I want to look into it, and I ask that the bill go over for another week.

Mr. JOHNSON of California. Meantime the Senator will look into it?

Mr. McKELLAR. I will be glad to do so by the time the bill comes up again.

Mr. JOHNSON of California. I hope the Senator will do that.

Let me suggest that he keep in mind the men who are controlling the destinies of our parks, and imagine to himself any individual in a subordinate position getting away with any money of the Government from the officials who are in control.

Mr. McNARY. Mr. President, I wish to make a brief observation. Under the organic act establishing the national forests 25 percent of the receipts are paid into the county treasury wherein the forests are situated, 10 percent allocated for roads, and the remainder covered into the Treasury of the United States. According to this particular bill, it seems that there is a large area of land privately owned within the interior boundaries of the Sequoia National Forest. It is desired to acquire those timberlands, and, instead of the bill providing that the receipts from the sale of timber on the national forests shall go as provided by law, I observe it provides that lands shall be purchased by the Forest Service, under the jurisdiction of the Secretary of Agriculture, and the money, instead of going to the Treasury, shall go directly to private owners through the medium of the Secretary of Agriculture. There is nothing subterranean or unusual about it. It is only for the purpose of protecting the soil from erosion and supplying sufficient water for irrigation on privately owned lands.

Mr. ADAMS. Mr. President, I desire to submit a further observation. I have been disturbed by the provision as to the source of the money, as the Senator from Oregon has, because this bill proposes to devote to this very proper purpose the entire receipts "from the occupancy of public land or the

sale of natural resources" within the park. Certain receipts of this kind are used for the purpose of protecting and developing the grazing areas. This bill reaches out and takes the entire receipts. It seems to me it goes beyond what is necessary, and I think the bill could well be given some further consideration.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 3226) to facilitate and simplify national forest administration was announced as next in order.

Mr. ADAMS. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CONSTRUCTION OF SMALL RESERVOIRS UNDER RECLAMATION LAWS

The bill (S. 3136) to authorize an appropriation for the construction of small reservoirs under Federal reclamation laws was announced as next in order.

Mr. DANAHER. I ask that the bill go over.

Mr. O'MAHONEY. Mr. President, I wonder if the Senator will withhold his objection?

Mr. DANAHER. Certainly.

Mr. O'MAHONEY. This is rather an important authorization, and I think possibly an explanation would remove the objection of the Senator from Connecticut. It should be understood that the reservoirs which are contemplated would be paid for under the Reclamation Act by the owners of the lands benefited, so that the appropriations authorized would not constitute a drain upon the Treasury. It is an authorization which would enable a number of Western States, which are generally known as public-land States, to obtain a broader benefit from the reclamation law, which requires constant contribution to the reclamation fund by the projects which are developed.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes.

Mr. DANAHER. I am certain that there must be an inadvertent inaccuracy in the Senator's statement when he intimates to the Senate that this sum of money is to be paid from the reclamation fund. I notice that the Bureau of the Budget recommended that the bill be amended to make that necessary, but the bill as now drawn provides that the money shall come either from the reclamation fund or from the United States Treasury. That alternative "or" makes all the difference in the world.

Mr. O'MAHONEY. The Senator misunderstands. I was not alluding to the source of the fund which will be used; I was alluding to the provisions in the bill for repayment. I want to point out to the Senator that there is a great difference between the authorization of an appropriation which will never come back to the Treasury, and an authorization which carries provision for the repayment of the sum to the Treasury. That is the provision of the bill to which I was referring because——

Mr. DANAHER. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. Let me first finish the sentence.

Mr. DANAHER. Certainly.

Mr. O'MAHONEY. Because it is provided in lines 6, 7, 8, and 9:

There is hereby authorized to be appropriated the sum of $5,000,000 for expenditure by the Secretary of the Interior under the Federal reclamation laws.

Those laws require repayment.

Mr. DANAHER. Let me call the attention of the Senator from Wyoming to the fact that, while he has made reference to lines 6, 7, 8, and 9, lines 3 and 4 are the ones which contain the authorization as to the source of the fund.

Mr. O'MAHONEY. The Senator is quite right about that.

Mr. DANAHER. I read, beginning in line 3:

That from any funds in the Treasury not otherwise appropriated or from the special fund in the Treasury.

That is the source and cause of my objection. When you read the committee's report, Mr. President, you find that the Bureau of the Budget advised the committee that if the bill were amended so as to require that the source of the fund shall be solely in the reclamation fund, then there would be no objection, but if the bill contained the provision that the source of the fund shall be the Treasury of the United States, then it was subject to objection.

That is the whole cause of my objection. If the Senator from Wyoming wishes to amend by striking out from lines 3 and 4 the words commencing "any funds" and ending with the words "appropriated for", in line 4, I shall withdraw my objection; otherwise I will let the objection stand.

Mr. O'MAHONEY. Mr. President, the Senator, of course, is quite right in his interpretation of the portion of the bill to which he alludes. There is no possible way for me to explain that away, because it is a fact. The amendment to which he objects was inserted by the committee, and, of course, I have no authority to reverse the action of the committee; so the Senator's objection must stand. I was hoping that an explanation of the fact that the appropriation, from whatever source it comes, shall be repaid into the Treasury, would be sufficient to overcome the Senator's objection.

Mr. DANAHER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. DANAHER. Is not the bill in its present form susceptible to amendment on my motion to strike the words to which I have referred from the bill?

The PRESIDENT pro tempore. The question would come upon agreeing to the committee amendment and a "nay" vote would defeat the amendment.

Mr. O'MAHONEY. Mr. President, there is no question about that. Will not the Senator allow that amendment to be submitted to a vote of the Senate? It could be disposed of very quickly. Whatever the Senator desires in that respect is perfectly agreeable to me.

Mr. DANAHER. I am perfectly willing to move, and do move, an amendment, then, to strike from lines 3 and 4 the words "from any funds in the Treasury not otherwise appropriated or from."

Mr. ADAMS. Mr. President, I inquire if the bill is subject to amendment in its present stage after objection has been raised to its consideration?

The PRESIDENT pro tempore. The Senate must first take up the bill.

Mr. ADAMS. Then I object to taking the bill up.

Mr. DANAHER. I withheld my objection for the specific purpose of having the words referred to stricken out.

Mr. ADAMS. I shall make objection, because I am opposed to the Senator's amendment to strike out the words to which he has referred in the committee amendment.

The PRESIDENT pro tempore. Objection is made, and the bill will be passed over.

RELIEF OF CERTAIN ARMY DISBURSING OFFICERS

The bill (S. 3195) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of the following disbursing officers of the Army of the United States the amounts set opposite their names: Major Lester L. Boggs, Finance Department, $148.38; Maj. George W. Brent, Coast Artillery Corps, $78.50; Lt. Col. Edward T. Comegys, Finance Department, $6.08; Maj. Ray B. Conner, Finance Department, $162.10; Maj. George W. Cooke, Finance Department, $29.90; Lt. Col. Horatio G. Coykendall, Finance Department, $5.50; Maj. Frederick E. Coyne, Jr., Finance Department, $59; Lt. Col. Walter D. Dabney, Finance Department, $17.86; Maj. Oliver W. DeGruchy, Finance Department, $18.57; Capt. James H. Dickie, Finance Department, $53.74; Capt. Lemuel E. Edwards, Finance Department, $50; Lt. Col. Horace G. Foster, Finance Department, $358.75; Lt. Col. Frank M. Holmes, Finance Department, $230.75; Capt. John S. Knudsen, Finance Department, $29.39; Capt. Ray H. Larkins, Finance Department, $6; Maj. Charles Lewis, Finance Department, $79.27; Lt. Col. James MacKay, Finance Department, $203.32; Capt. Charles K. McAlister, Finance Department, $30; Maj. Edmund W. McLarren, Finance Department, $104.27; Lt. Col. Dana W. Morey, Finance Department, $208.34; Capt. David H. Passell, Finance Reserve, $19.96; Maj. Arthur O. Walsh, Finance Department, $158.32; Maj. Hugh Whitt, Finance Department, $6; said amounts being public funds for which they are accountable and

which comprise minor errors in computations of pay and allowances due former members of the Civilian Conservation Corps, enlisted men of the Regular Army, members of the Officers' Reserve Corps, members of the citizens' military training camps, civilian employees, and commercial firms or individuals from whom collection of the overpayments cannot be effected, and which amounts have been disallowed by the Comptroller General of the United States: *Provided,* That no part of these amounts shall be charged against any person or commercial firm other than the payees.

SEC. 2. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Horatio G. Coykendall, Finance Department, the sum of $17.98, public funds for which he is accountable and which were paid to the Christ Overgaard Sawmill for lumber and disallowed by the Comptroller General of the United States.

SEC. 3. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. Henry M. Denning, Finance Department, the sum of $56.68, public funds for which he is accountable, and which were stolen from the office safe of his agent officer at One Hundred and Forty-fifth Company, Civilian Conservation Corps, Plymouth, Vt., during the night of November 30–December 1, 1937.

SEC. 4. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Capt. Seward W. Hulse, Quartermaster Corps, the amount of $55.44 in full satisfaction of his claim against the United States for a like amount which was paid by him for advertising for and in the interests of the United States without the prior approval of the Secretary of War as required by Revised Statutes 3828 (44 U. S. C. 324).

SEC. 5. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. John S. Knudsen, Finance Department, the amount of $321.50, public funds for which he is accountable, which were paid to the Hillcrest Water Co. for drinking water and disallowed by the Comptroller General of the United States.

SEC. 6. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Capt. Frederick W. Long, Jr., Infantry Reserve, the sum of $119, in full satisfaction of his claim against the United States for a like amount which was paid by him to Capt. C. R. Mize, Finance Department, Finance Officer, district C, Fort Oglethorpe, Ga., as reimbursement for public funds lost when the company safe was stolen from Civilian Conservation Corps Company 4495, Tenn. T. V. A. P–15, Harrison, Tenn., on the night of October 31–November 1, 1938.

SEC. 7. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Maj. Arthur O. Walsh, Finance Department, the amount of $67.48, public funds for which he is accountable, which amount has been disallowed by the Comptroller General of the United States on account of failure to obtain a cash receipt for a payment made to an enlisted man now deceased.

SEC. 8. That payments heretofore made for salaries and travel expenses incident to the attendance of educational advisers, Civilian Conservation Corps, at aquatic schools for the purpose of receiving instruction in lifesaving, are hereby ratified and validated, and the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing officers of the Army for and on account of all such payments.

SEC. 9. That payments heretofore made for travel allowances to personnel in and under the jurisdiction of the War Department incident to the Ohio-Mississippi flood in 1937, are hereby ratified and validated, and the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing officers of the Army for and on account of all such payments: *Provided,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to any person a sum equal to the amount collected from such person on account of payments which are herein validated, upon presentation of a claim therefor to the Comptroller General of the United States, who is authorized and directed to certify same to the Secretary of the Treasury for payment.

SEC. 10. That payments heretofore made to Cornelius M. Daly (now lieutenant colonel, Cavalry) for longevity pay increases incident to his service as a cadet, United States Revenue Cutter Service, are hereby ratified and validated, and the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing officers of the Army for and on account of all such payments.

SEC. 11. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the administrator of the estate of Capt. Bigelow B. Barbee, Finance Department, the amount of $191.73, which amount represents overpayments due to minor errors of computation of pay and allowances due former enrollees of the Civilian Conservation Corps, and was deducted by the Comptroller General of the United States from the amount authorized to be paid to the estate of Captain Barbee by the act of June 22, 1938 (52 Stat. 1373): *Provided,* That no part of this amount shall be charged against any person other than the person erroneously paid.

SEC. 12. That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Lt. Col. Walter D. Dabney, Finance Department, the amount of $30.25, public funds for which he is accountable, which were paid to a former enrollee for final pay, and to a civilian employee for travel allowances, and disallowed by the Comptroller General of the United States.

CLAIM OF ZOOK PALM NURSERIES, INC.

The Senate proceeded to consider the bill (H. R. 808) to confer jurisdiction upon the District Court of the United States for the Southern District of Florida, to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation, which had been reported from the Committee on Claims with amendments.

Mr. KING. Mr. President, I should like an explanation of that bill. Some complaints have come to me in regard to the validity of the claim.

Mr. BROWN. Mr. President, I think the Senator objected to the bill on a previous call of the calendar.

Mr. KING. Yes.

Mr. BROWN. And we had some discussion, and I attempted to explain it to the Senator at that time.

It appears that in the construction of the Intercoastal Waterway along the east coast of Florida, the Government damaged the claimant corporation in this manner: A dike had been constructed by the claimant, a large nursery operator growing royal palm trees which are very valuable, to protect them from salt water coming onto the property. When the Government constructed the Intercoastal Waterway it destroyed that dike. There were extensive negotiations, from which it appears to me that there is basis for the claim that the Governmnt agreed to reconstruct the dike so that the salt water would not come in. The Government did not reconstruct it, and it admits that the claimant suffered damages to the amount of $87,000. A larger amount was claimed. I felt that there was a serious legal question involved; that is, as to whether or not the Government had obtained a complete release of damages from this nursery company. So I provided in the bill which confers jurisdiction on the Federal district court in Florida to determine the claim, that the judge should first find whether or not that release was a complete release and whether or not the Government had agreed to rebuild a dike.

If he so found, there would be no further proceedings; but if he found that it was not a complete release, and that the Government had agreed to build the dike, then the claim should go before the district court, with a jury.

I do not know of any fairer way in which I could arrange the matter. I think there may be sound ground for a claim against the Government, but I thought possibly the Government had a good legal defense; so I provided for it in that way. I assure the Senator that we have been careful in the amendments which the committee put on the measure. I think it is a bill which should pass.

Mr. KING. Mr. President, in view of the explanation of the Senator from Michigan, in whom we have such profound confidence, I shall not object.

The PRESIDENT pro tempore. The amendments reported by the committee will be stated.

The amendments were, on page 1, line 7, after the words "out of", to insert "alleged"; and on page 2, line 5, after the word "War", to strike out "Department. Suit" and insert: "Department: *Provided,* That the district judge shall, at a separate hearing, first determine whether or not any release signed by claimant, Zook Palm Nurseries, Inc., and particularly a release dated May 3, 1935, is a complete release of the claim against the Government which the claimant alleges; and whether or not the release agreement contemplated the construction of a dike by the United States Government. Should the judge find that the release was a full and complete one as to the claims herein alleged, or if the judge finds that the release agreement did not contemplate the construction of a dike by the Federal Government, no further proceedings shall be had: *Provided further,* That suit", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim

of Zook Palm Nurseries, Inc., a Florida corporation, said claim arising out of alleged damages done to its nursery gardens and property located along the east bank of the Intracoastal Waterway immediately south of Atlantic Avenue, Delray Beach, Palm Beach County, Fla., from October 2, 1933, to the date of the passage of this act, by their overflow with salt water from the Intracoastal Waterway, allegedly due to the widening and deepening of the waterway adjacent to and in the vicinity of said nursery gardens and property, and the removal of the dike along the said waterway by the War Department: *Provided*, That the district judge shall, at a separate hearing, first determine whether or not any release signed by claimant, Zook Palm Nurseries, Inc., and particularly a release dated May 3, 1935, is a complete release of the claim against the Government which the claimant alleges; and whether or not the release agreement contemplated the construction of a dike by the United States Government. Should the judge find that the release was a full and complete one as to the claims herein alleged, or if the judge finds that the release agreement did not contemplate the construction of a dike by the Federal Government, no further proceedings shall be had: *Provided further*, That suit hereunder may be instituted at any time within one year from the date of the enactment of this act and proceedings therein, appeals therefrom, and payment of judgment thereon, if any, shall be had in the same manner as in the case of claims over which said court has jurisdiction under the provisions of the Judicial Code.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. J. W. MARKS

The Senate proceeded to consider the joint resolution (S. J. Res. 133) to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga., which was read, as follows:

Whereas Mrs. J. W. Marks claims that by deed dated 24th day of June 1925 she purchased a certain tract of land from one Melzinia Scott and had her deed recorded June 24, 1925, in book No. 16, page 28; and

Whereas she and her predecessors in title had been in possession of this land for 20 years, and that thereafter, sometime in the spring of 1938, the United States Government entered upon said property, basing its title and claim of right thereto upon a deed made by the said Scott made subsequent to the time he had deeded said land to the said Mrs. J. W. Marks: Therefore be it

Resolved, etc., That jurisdiction is hereby conferred upon the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks to the property referred to and described in a deed by Melzinia Scott to Mrs. J. W. Marks dated June 24, 1925, and recorded in office of clerk, Superior Court of Stephens County, Ga., June 24, 1925, in deed book No. 16, page 28, and to hear, determine, and render judgment on any claim for damages that she may have arising by virtue of the Government of the United States or any of its agents entering upon said property, taking possession thereof, or in any way trespassing thereon, and award sufficient relief in the premises as under law and evidence may be shown. Such claim may be instituted at any time within 2 years after the passage of this joint resolution, notwithstanding the lapse of time or any statute of limitations.

SEC. 2. Proceeding in any suit before the Court of Claims or in the District Court of the United States for the Northern District of Georgia under this joint resolution and appeals therefrom, and payment of any judgment thereon, shall be had as in any other case of which the Court of Claims or the District Court of the United States for the Northern District of Georgia might have jurisdiction.

Mr. KING. Mr. President, will the Senator from Georgia make an explanation of the bill?

Mr. GEORGE. Mr. President, this bill involves title to only 4 acres of land. The Government purchased this tract of land; and included within the Government's purchase was 4 acres of land claimed by Mrs. Marks, who is authorized by the joint resolution to bring the suit.

The Department of Agriculture, in possession of the land, has recommended the passage of the bill. The value of the land is very small.

Mr. KING. I have no objection.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

J. D. WARLICK

The bill (H. R. 3784) for the relief of the estate of J. D. Warlick was considered, ordered to a third reading, read the third time, and passed.

BEAUFORT LIBRARY, BEAUFORT, S. C.

The Senate proceeded to consider the bill (S. 3325) to provide for the transfer of the duplicates of certain books in the Library of Congress to the Beaufort Library of Beaufort, S. C., which was read, as follows:

Be it enacted, etc., That in order to replace the books taken in 1862 by the order of an officer of the United States from the library of the Beaufort Library Society of Beaufort, S. C., which books were subsequently destroyed by a fire in the Smithsonian Institution where they had been stored for safekeeping pending the termination of the War between the States, the Librarian of the Library of Congress is authorized and directed to transfer to the Beaufort Library of Beaufort, S. C., books of the same value as those which were so taken and destroyed. The books transferred under the provisions of this act shall be from duplicates owned by the Library of Congress and shall not exceed in value, in the aggregate, the value of the books so taken and destroyed, such values to be fixed by the Librarian of the Library of Congress.

Mr. BYRNES. Mr. President, I offer an amendment to the bill.

The PRESIDENT pro tempore. The amendment offered by the Senator from South Carolina will be stated.

The CHIEF CLERK. On page 1, line 9, beginning with the word "librarian", it is proposed to strike out through line 7, page 2, and insert in lieu thereof the following:

Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Beaufort Library, of Beaufort, S. C., the sum of $10,000, to be used for the purchase of books for such library.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from South Carolina.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION FOR ACCEPTANCE OF MEDALS, ORDERS, AND DECORATIONS

The bill (S. 3150) to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments was announced as next in order.

Mr. SHEPPARD. Mr. President, a similar House bill is now before the Committee on Military Affairs of the Senate. It is the usual bill authorizing officials of the Army and the Navy and of the Government to accept decorations from foreign governments. The similar bill being now before the Military Affairs Committee of the Senate, I move that that committee be discharged from the further consideration of the bill and that it be acted upon by the Senate at this time. It is House bill 8077.

The PRESIDENT pro tempore. Without objection, the Committee on Military Affairs will be discharged from the further consideration of House bill 8077; and, without objection, it will be substituted for the Senate bill.

The Senate proceeded to consider the bill (H. R. 8077) to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments.

Mr. GILLETTE. Mr. President, I should like to ask the distinguished chairman of the committee one or two questions with reference to this bill. It is, of course, in the usual form, as the Senator says, and authorizes some 60 or 70 officers to receive decorations which have been held in the State Department. A similar bill was passed last July. I ask the Senator whether this list of 60 or 70 officers comprises officers who have been awarded decorations by foreign nations between last July and the present time.

Mr. SHEPPARD. That is my understanding.

Mr. GILLETTE. Will the Senator also state whether the bill comprises all the decorations which have been awarded since last July and are held by the State Department, or is this a select list of officers?

Mr. SHEPPARD. I cannot answer that question definitely. It is my understanding that the bill includes them all, because the Department sends them up as they accumulate.

Mr. GILLETTE. And it is the opinion of the Senator that this bill includes all; it is not a picked list of officers?

Mr. SHEPPARD. That is my opinion; yes, sir.

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 3150 will be indefinitely postponed.

JOHN MUDRY

The bill (S. 2686) authorizing the reenlistment of John Mudry in the United States Army was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 1118 of the Revised Statutes, as amended, the Secretary of War is authorized and directed to permit John Mudry to reenlist in the United States Army.

C. F. COOLEY, ADMINISTRATOR

The Senate proceeded to consider the bill (S. 349) for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr., which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$1,500 in payment for loss of automobile by said Charles F. Cooley, Jr., while it was being used in official business", and insert "$496.15, in full settlement of all claims against the United States for damages to an automobile owned by and used on official business by Charles F. Cooley, Jr., while he was employed as a Federal prohibition agent: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr., the sum of $496.15, in full settlement of all claims against the United States for damages to an automobile owned by and used on official business by Charles F. Cooley, Jr., while he was employed as a Federal prohibition agent: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MAJ. JOHN R. HOLT

The Senate proceeded to consider the bill (S. 3092) for the relief of Maj. John R. Holt, which had been reported from the Committee on Claims with an amendment, at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maj. John R. Holt, of Fort Snelling, Minn., the sum of $96 in full satisfaction of his claim against the United States for a refund of the sum which he paid from his personal funds for two tarpaulins for use on Army trucks, such tarpaulins having been purchased by him as quartermaster officer at Fort Snelling, Minn., and payment therefor having been disallowed by the General Accounting Office: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be find in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THOMAS L. GARDNER

The bill (S. 3111) for the relief of Thomas L. Gardner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas L. Gardner, of Belton, Mont., the sum of $75, in full satisfaction of his claim against the United States for reimbursement for the loss of a horse hired by the National Park Service for use in connection with emergency conservation work in Glacier National Park during the summer of 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by an agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ROBERT E. NEWTON

The bill (S. 3308) authorizing the Comptroller General of the United States to settle and adjust the claim of Robert E. Newton was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Robert E. Newton, of Dayton, Ohio, for his services rendered on June 9, 1938, in connection with the preparation of the body of Taylor Hensley for shipment under authorization of the medical officer in charge of the Veterans' Administration facility, Dayton, Ohio, and to allow in full and final settlement of said claim a sum not exceeding $9.50. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $9.50, or so much as may be necessary for payment of said claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

FRANCISCO R. ACOSTA

The bill (H. R. 3477) for the relief of Francisco R. Acosta was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 4256) for the relief of the estate of George B. Spearin, deceased, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

EDWARD J. BROGGI

The Senate proceeded to consider the bill (S. 2717) for the relief of Edward J. Broggi, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of" to strike out "$232.38" and insert "$200", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edward J. Broggi, of Barre, Vt., the sum of $200 in full satisfaction of his claim against the United States for reimbursement for the value of his personal property lost as the result of a fire which destroyed the supply building at a Civilian Conservation Corps camp, at Northfield, Vt., on January 27, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TWILA SNYDER

The Senate proceeded to consider the bill (S. 3039) for the relief of Twila Snyder, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert "$2,676", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Twila Snyder, of Butte, Mont., the sum

of $2,676 in full satisfaction of all claims against the United States for medical expenses incurred, and personal injuries sustained, by her as a result of the collision at the intersection of Twenty-first South Street and Twenty-first East Street, Salt Lake City, Utah, on September 28, 1936, of the truck in which she was riding with a War Department truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BOARD OF INSPECTORS, BUREAU OF MARINE INSPECTION AND NAVIGATION, MIAMI, FLA.

The bill (S. 2661) to create a board of inspectors, Bureau of Marine Inspection and Navigation, at Miami, Fla., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a board of inspectors, Bureau of Marine Inspection and Navigation, consisting of a local inspector of hulls and a local inspector of boilers, is hereby created at the port of Miami, Fla. Such inspector of hulls and inspector of boilers shall each be entitled, in addition to his authorized pay and traveling expenses, to his actual and reasonable expenses for transportation of instruments, which shall be certified and sworn to under such instructions as shall be given by the Secretary of Commerce.

RODGERS TILE CO.

The Senate proceeded to consider the bill (S. 3062) for the relief of the Rodgers Tile Co., which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$1,000" and insert "$695.74", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the Rodgers Tile Co., of Seattle, Wash., the sum of $695.74, in full satisfaction of its claim against the United States for additional compensation for installing tile floor and wainscoting in the generator room of the powerhouse at Bonneville Dam, under contract numbered W-649-eng-583, dated February 2, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEPH SOULEK—RECOMMITTAL

The bill (S. 2994) for the relief of Joseph Soulek was announced as next in order.

Mr. BROWN. I move that the bill be recommitted to the Committee on Claims. Mr. Soulek had a claim against the Government, through the W. P. A., and against the city of Omaha. After the bill was favorably reported we discovered that Mr. Soulek had obtained judgment against the city of Omaha. That is the reason why I move the recommittal of the bill.

The motion was agreed to.

RELIEF OF OFFICERS OF RUSSIAN RAILWAY SERVICE CORPS

The Senate proceeded to consider the bill (S. 456) for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany, which was read, as follows:

Be it enacted, etc., That the officers appointed by the President, and who served honorably during the war with Germany on and after April 6, 1917, in the Russian Railway Service Corps organized by the War Department under authority of the President of the United States, shall be deemed to have the same legal status as if they had received a full and honorable discharge as emergency officers of the United States Army in the World War: *Provided*, That no back pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of this act.

Mr. KING. Mr. President, let us have an explanation of the bill.

Mr. THOMAS of Utah. Mr. President, similar bills have been before the Senate several times in the past. They have always been favorably reported by the Senate Committee on Military Affairs. The bill will give to officers who were accepted into the military service, and enlisted in what they thought was the regular way, and served in the Russian railway detail, all the rights and privileges of emergency officers of the United States.

Back in 1917 General Pershing asked for a number of officers to aid with railway matters in France, and a division was set up. Later a request came for officers to serve in Russia. In the service in France the officers were regularly enlisted. The men left the Army in the regular way. The few men who were sent into Russia have never been given the status of emergency officers and allowed the same rights and privileges that other emergency officers of the Army have.

The number of these officers is not very great; and while the War Department stands, as it has always stood, against granting these privileges, primarily because when the officers went into this special service they were given special consideration. That special consideration did not amount to very much to the majority of them. The men were given the grades of second lieutenant and of first lieutenant.

The Military Affairs Committee has held hearings during several years on this bill and similar previous bills. The committee believes that the bill is one of ordinary justice. The men who went into the railway service and served in France have all been properly taken care of. The few men who came from the northwestern part of the United States and served in Russia have been discriminated against.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. THOMAS of Utah. I am glad to yield.

Mr. CONNALLY. The Senator says these men never have been recognized by the Army. As a matter of fact, they never enlisted in the military service, did they? That is the reason why they have not been recognized.

Mr. THOMAS of Utah. That is a question in dispute. There are some factors——

Mr. CONNALLY. How could it be a question in dispute? The War Department records will show whether or not they were in the military service. Is it not true that this was not a military corps at all, but that it was an engineering corps which was organized, and that they were civilians?

Mr. THOMAS of Utah. But taken into the Army of the United States.

Mr. CONNALLY. If they were taken into the Army they were no longer civilians.

Mr. THOMAS of Utah. They wore the uniform of the Army of the United States.

Mr. CONNALLY. A uniform does not make a soldier, and shoulder straps do not make a soldier.

Mr. THOMAS of Utah. They were held to responsibility. That which the Senator says applies, of course, to those officers who were sent to France.

Mr. CONNALLY. Let me ask the Senator another question, and then I will be through. It is provided that "no back pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of this act." What benefits will the proposed act give them?

Mr. THOMAS of Utah. It will give them all the benefits which have been allowed to emergency officers of the United States.

Mr. CONNALLY. They will draw compensation if they are disabled?

Mr. THOMAS of Utah. They may.

Mr. CONNALLY. I do not see any special advantage it will confer on them except that.

Mr. THOMAS of Utah. It has some social aspects.

Mr. CONNALLY. Oh, I withdraw any objection I might have had. [Laughter.]

Mr. THOMAS of Utah. I am glad the Senator withdraws the objection. These men served the United States, and served it faithfully; they wore the uniform of the United States, and though invited into meetings of officers of the

United States Army still were not considered officers of the Army. It seems that does make a difference.

Mr. CONNALLY. I make no objection.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the officers appointed by the President, and who served honorably during the war with Germany on and after April 6, 1917, in the Russian Railway Service Corps organized by the War Department under authority of the President of the United States, shall be deemed to have the same legal status as if they had received a full and honorable discharge as emergency officers of the United States Army in the World War: *Provided*, That no back pay, compensation, benefit, or allowance shall be held to have accrued prior to the passage of this act.

RAY E. NIES

The bill (H. R. 838) for the relief of Ray E. Nies was considered, ordered to a third reading, read the third time, and passed.

K. E. PARKER CO.

The bill (H. R. 2055) for the relief of K. E. Parker Co. was considered, ordered to a third reading, read the third time, and passed.

CLARENCE E. ENDERS AND GERTRUDE RAY ENDERS

The Senate proceeded to consider the bill (S. 3023) for the relief of Clarence E. Enders and Gertrude Ray Enders, which had been reported from the Committee on Claims with amendments, on page 1, line 6, to strike out "$1,702.70" and to insert "$528"; on line 7, to strike out "$5,571.95" and to insert "$1,788.95"; and on page 2, to strike out, beginning with line 3, "That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amounts appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claims, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", and to insert, "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clarence E. Enders, of Portland, Oreg., the sum of $528, and to Gertrude Ray Enders, of Portland, Oreg., the sum of $1,788.95, in full satisfaction of their respective claims against the United States for reimbursement of expenses incurred by them, and for compensation for personal injuries and property damage sustained by them, as a result of a collision between the automobile in which they were riding and a Civilian Conservation Corps truck on United States Highway No. 99, near Olympia, Wash., on October 30, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN C. CROSSMAN

The bill (S. 3339) for the relief of John C. Crossman was announced as next in order.

Mr. KING. I would like to have an explanation of that bill.

The PRESIDENT pro tempore. The Senator from Utah asks for an explanation.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

JAMES GEORGE MAYFIELD

The bill (S. 2799) for the relief of James George Mayfield was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, if filed within 6 months after the enactment of this act, the claim of James George Mayfield, of Springfield, Ill., for disability alleged to have been caused by injuries sustained by him on August 3, 1937, while in the performance of his duties in the employment of the Bureau of Internal Revenue, Treasury Department.

RICHARD L. CALDER

The bill (S. 3298) for the relief of Richard L. Calder was announced as next in order.

The PRESIDENT pro tempore. This bill is identical with House bill 5397. Is there objection to the substitution of the House bill for the Senate bill and its consideration at this time?

There being no objection, the Senate proceeded to consider the bill (H. R. 5397) for the relief of Richard L. Calder, which was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 3298 will be indefinitely postponed.

BILL PASSED OVER

The bill (H. R. 5089) conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Rexford M. Smith was announced as next in order.

Mr. KING. I ask that this bill go over. I find there is an adverse report against it.

The PRESIDENT pro tempore. The bill will be passed over.

VERLE S. WARD

The Senate proceeded to consider the bill (S. 3073) for the relief of Verle S. Ward, which had been reported from the Committee on Claims with amendments, on page 2, line 1, after the word "by", to strike out "injuries sustained by him" and to insert "using bromine liquid gas", and on line 5, after the word "Division", to strike out "*Provided*, That no benefits shall accrue prior to the approval of this act"; so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, if filed within 6 months after the enactment of this act, the claim of Verle S. Ward, of Hyattsville, Md., for disability alleged to have been caused by using bromine liquid gas while in the performance of his duties in the employment of the Treasury Department in the Supervising Architect's Office of the Public Buildings Branch of the Procurement Division.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

J. M. SWINNEY

The Senate proceeded to consider the bill (S. 1308) for the relief of J. M. Swinney, which had been reported from the Committee on Claims with an amendment, on page 1, after line 5, to strike out "the sum of $——— a month from May 23, 1938, during his lifetime, and, upon his death, to pay to his widow, if then living, the sum of $——— during her lifetime, in full satisfaction of their claims against the United States for compensation on account of the total and permanent disability of the said J. M. Swinney, resulting from injuries received by him on May 23, 1938, from the explosion of several dynamite caps in his welding and blacksmith shop,

which was being used without charge by the Works Progress Administration as a tool and storage room in connection with work on Works Progress Administration project No. 5466 in Pearl River County, Miss. The first payment under this act shall be made within 60 days from the date of its enactment and shall include all sums due and payable from May 23, 1938, to the date of such payment. All such payments shall be made through the United States Employment Compensation Commission," and to insert "the sum of $2,719, in full satisfaction of all claims against the United States on account of injuries to the said J. M. Swinney resulting from the explosion of several dynamite caps handed to him loosely by Works Progress Administration employees in his welding and blacksmith shop on May 23, 1938: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. M. Swinney, of Poplarville, Miss., the sum of $2,719, in full satisfaction of all claims against the United States on account of injuries to the said J. M. Swinney resulting from the explosion of several dynamite caps handed to him loosely by Works Progress Administration employees in his welding and blacksmith shop on May 23, 1938: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Mr. President, I ask for an explanation of the bill. The Assistant Administrator of W. P. A. recommends that the bill be not passed.

Mr. BILBO. Mr. President, if there ever was a case of a citizen being entitled to compensation at the hands of his Government, this is the case. The facts were developed in hearings before the Committee on Claims, which reported the bill favorably. They cut the amount down to $2,700. The claimant lost his arm. He has a wife and two children, and is a blacksmith, so the accident incapacitated him from following his vocation in life. An investigation shows that the accident was due to the negligence of the W. P. A. officials whom he was trying to accommodate.

Mr. KING. Mr. President, I know nothing about the facts. We have no opportunity to investigate these cases on the floor of the Senate. I find that Mr. Corrington Gill, Assistant Administrator of the Work Projects Administration, whom we all know to be a merciful and humane man, recommends adversely. I was basing my objection on the statement made by Mr. Gill.

Mr. BILBO. The Senator from Wyoming [Mr. SCHWARTZ] made the report from the Committee on Claims on the bill. After the case was gone into Mr. Gill did recommend against the allowance, but additional evidence was produced before the committee, the evidence of leading citizens of my home town. I may say in passing that Mr. Swinney is one of the outstanding citizens of my town, a poor man, a blacksmith, but beloved by everyone. According to every idea of fair play and righteous dealing between the Government and a citizen injured as a result of the negligence of officers of the Government and officials of the W. P. A., Mr. Swinney is entitled to at least the small compensation allowed. I hope the Senator will let the bill pass.

Mr. KING. Mr. President, the Senate may take such course as it sees fit to take. I merely call attention to the fact that the man responsible for the expenditures, and under whom this claimant was working, I suppose—at least he was under that agency—recommends against the bill. I have no objection to the Senate proceeding to consider it.

The PRESIDING OFFICER (Mr. HATCH in the chair). The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING. Mr. President, I should like to have the RECORD show, as the basis of the comments I have made, the statement made by the Assistant Administrator of the W. P. A. After examining into the facts he stated:

In view of the foregoing, the Administration is constrained to recommend against the enactment of the proposed legislation. In consequence of the adverse recommendation, it is deemed unnecessary to comment upon the proposal to continue monthly payments, after claimant's death, to his widow during her lifetime.

ESTATE OF ROBERT LEE WRIGHT

The Senate proceeded to consider the bill (S. 2204) conferring jurisdiction upon the Court of Claims or any district court of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representative of the estate of Robert Lee Wright, which had been reported from the Committee on Claims with amendments, on page 1, line 4, after the name "America" and the comma, to strike out "or any district court of the United States"; on page 2, line 13, after "No.", to strike out "248–A" and to insert "A 248"; in line 16, after the name "United States", to strike out "in the event of the election for the purposes of this act of said court by said administratrix or legal successor"; in line 19, after the word "No.", to strike out "248–A" and to insert "A 248", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States of America, notwithstanding the lapse of time or the statute of limitations, to hear, examine, adjudicate, and render judgment under the act of June 25, 1910 (36 Stat. L., ch. 423, p. 851), as amended July 1, 1918, or any other enabling statute of the United States, on the claim of Willie Crockett Wright, as administratrix of the estate of Robert Lee Wright, deceased, or his successor, as the legal representative of the estate of said decedent, for the infringement of Letters Patent Nos. 1,374,703 and 1,374,707, granted to the said decedent on the 12th day of April 1921, by the unlicensed use of or the manufacture by or for the United States of certain ordnance projectiles and fuzes covered by said letters patent within a lawful period from the 12th day of April 1921, the said date of grant of said patents by the United States Patent Office, and preceding and following the 23d day of August 1921, the date of filing of a suit No. A 248 brought by said decedent in the United States Court of Claims under said patents; and further conferring jurisdiction upon the Court of Claims of the United States to revive, nunc pro tunc, hear, examine, and render judgment in said suit No. A 248 on the cause of infringement as a cause of action, and to grant such further relief as to the court may seem just, proper, and equitable in the premises, without regard to any election of cause of action made by the claimant in said suit or prejudice against the claimant of any previous judgment of said court rendered in said suit on contract as an elected cause of action.

SEC. 2. That from any decision in any suit prosecuted under the authority of this act an appeal may be taken by either party as is provided by law in other cases.

The amendments were agreed to.

Mr. KING. Mr. President, may we have an explanation of the bill?

Mr. BYRD. Mr. President, this bill would give to the Court of Claims the right to determine a claim of the estate of Robert Lee Wright to certain patents which were filed with the War Department. In the report of the committee, on page 4, it is stated:

In August 1917, and between February and June of 1918 claimant filed eight applications for patents on his inventions in the United States Patent Office. The Government removed these patent applications to the War Department and retained them there without his consent and thus prevented him, under the act of October 6, 1917, from obtaining letters patent on his inventions until after the war. After the war claimant's husband obtained letters patent on all except two of the above applications, and on additional applications filed in 1918 and 1919, embodying modifications of his original inventions.

There is considerable evidence in the record indicating the Government may have used devices subsequently patented by claimant's husband, for which use he may be entitled to compensation under the act of October 6, 1917.

The purpose of the bill is to enable the Court of Claims to determine what injury was done to the deceased claimant's

estate, if any, by the refusal of the War Department to permit the claim to be made under the act of October 6, 1917.

Mr. KING. Mr. President, I have no knowledge of the facts, but I find that the Secretary of War states that, in the opinion of the War Department, the action of the Court of Claims in dismissing the petition should be considered final, and he therefore recommends that favorable consideration not be accorded the bill, and the Attorney General, Hon. Frank Murphy, stated:

It thus appears that the claim on contract has been heretofore adjudicated on the merits, and that the petitioner's waiver of the cause of action on account of alleged infringement was made deliberately and with full knowledge of its effect. No reason is discernible why, after the claimant has had his day in court, he should be permitted to secure a recpening of the case.

In view of the foregoing considerations, I am unable to recommend favorable consideration of the measure.

FRANK MURPHY,
Attorney General.

Mr. SCHWARTZ. Mr. President——

Mr. BYRD. I yield to the Senator from Wyoming, who had charge of the bill.

Mr. SCHWARTZ. I gave very careful consideration to this case. The situation was that the inventor brought an action in the Court of Claims in which he alleged two causes of action, one on a contract to pay him for the use of an invention, and the other on a quantum meruit, because the Government had used his invention without a contract. Testimony was taken, and the case dragged along. To those two causes of action the Government neither demurred nor answered, nor did it file any objection.

The testimony was taken and for some reason or other just before the Commissioner made his report the attorney for the widow of this inventor, who had been in the case only 3 or 4 weeks, asked leave to file a motion to strike out the cause of action with the quantum meruit they had brought, and relying solely on the contract, and, in that state of the record, the Court of Claims held that there was not a valid contract, notwithstanding the correspondence which had passed. So the case went out on that basis.

There was evidence that the invention had been used. The Court of Claims also said that the use of this patent was an unwarranted use, and constituted a claim. What we are trying to do now is to give the widow of this inventor an opportunity in the Court of Claims to try the question of the extent to which this patent was used, and, if so, what she is entitled to recover. It seems to me she is entitled to recover, and that she ought to have her day in court on that question.

The PRESIDING OFFICER. The question recurs on the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representatives of the estate of Robert Lee Wright."

VELVIE W. SMITH

The Senate proceeded to consider the bill (S. 3059) for the relief of Velvie W. Smith, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$5,000" and insert "$150 and to the legal guardian of Glenn Richard Smith, of Huntington, W. Va., the sum of $5,000"; and in line 10, after the words "death of", to strike out "her daughter", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Velvie W. Smith, of Huntington, W. Va., the sum of $150 and to the legal guardian of Glenn Richard Smith, of Huntington, W. Va., the sum of $5,000, in full satisfaction of all claims against the United States arising out of the death of Emley Mae Smith, who was killed when a Work Projects Administration truck ran off the highway and struck her on the right-of-way of the Baltimore & Ohio Railroad, in Huntington, W. Va., on October 9, 1939: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Velvie W. Smith, and the legal guardian of Glenn Richard Smith."

INTERNATIONAL GRAIN CO., INC.

The Senate proceeded to consider the bill (H. R. 2356) for the relief of the International Grain Co., Inc., which had been reported from the Committee on Claims with an amendment on page 1, line 7, after the words "sum of", to strike out "$18,499.61" and to insert "$18,490.81."

Mr. KING. Mr. President, may we have an explanation of that bill?

Mr. SHIPSTEAD. This is a claim of the International Grain Co. of Minneapolis for payment due on storage of oats for the Government. Certain contracts were entered into with various storage elevators for the storage of grain, and some agreements were made by letter. A special board was appointed and assigned the duty of examining these documents. My understanding is that the claims have all been paid except this one, which is for a number of carloads of oats which were stored, and for which the company has not been paid. The bill has the approval of the Committee on Claims, and was favorably reported by the committee. The Claims Committees of the House and the Senate have gone through this case with great thoroughness, and the bill has passed the House, I understand, without objection. I hope there will be no objection to the present consideration of the bill, and that the bill will be passed

The PRESIDING OFFICER. The question is on the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

FLOOD-PROTECTION PROJECT, EAST HARTFORD, CONN.

The bill (S. 3324) relating to the existing flood-protection project at East Hartford, Conn., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the existing flood-protection project by dikes for the town of East Hartford, Conn., as described in House Document No. 455, Seventy-fifth Congress, second session, and authorized for construction by Public Law No. 761, Seventy-fifth Congress, is hereby authorized to be revised, and shall be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in Senate Document No. 32, Seventy-sixth Congress, and subject to the conditions set forth in such document. For the prosecution of such revised project, not to exceed $249,000 shall be made available immediately out of any balances of appropriations for flood-control purposes which remain unobligated on the date of enactment of this act.

PRESENTATION OF NAVY CROSS TO CAPT. FRANK N. ROBERTS, UNITED STATES ARMY

The bill (S. 3009) authorizing the President to present the Navy Cross to Capt. Frank N. Roberts, United States Army, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to present the Navy Cross provided for by section 3 of the act of February 4, 1919 (40 Stat. 1056; 34 U. S. C. 356), to Capt. Frank N. Roberts, United States Army, in recognition of extraordinary heroism displayed by that officer incidental to the bombing and loss of the U. S. S. *Panay* on December 12, 1937.

NAVY EXPEDITIONARY MEDAL

The bill (S. 3010) authorizing the Secretary of the Navy to issue the Navy Expeditionary Medal to certain Army and civilian personnel was considered, ordered to be engrossed

for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to issue the Navy Expeditionary Medal to George Atcheson, Jr.; John Hall Paxton; Emile Gassie; Capt. Frank N. Roberts, United States Army; Norman Alley; Weldon James; Norman T. F. Soong; James Marshall; Roy Squires; H. Ros; Luigi Barzini; Sandro Sandri; Eric Mayell; C. Malcolm McDonald; Birger Jorgensen; James Vance Pockhring; Mario Blasina; David Smith Goldie; Carl Harry Cerlsot; Frank Hayden Vines; John Bing Hamsherwood; and Peter G. A. Mendar in commemoration of the service and assistance rendered by them on the occasion of the bombing and loss of the U. S. S. *Panay* on December 12, 1937.

CIVILIAN EMPLOYEES SERVING BEYOND CONTINENTAL LIMITS OF UNITED STATES AND IN ALASKA

The bill (S. 3014) to amend the act entitled "An act making appropriations for the Naval Service for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902 (32 Stat. 662), so as to provide uniformity in the pay of all civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902 (32 Stat. 662), insofar as the provisions thereof are embodied in section 506 of title 34 of the United States Code, is hereby amended to read as follows:

"The Secretary of the Navy, in his discretion, is authorized to pay all civilian employees appointed for duty beyond the continental limits of the United States, and in Alaska, from the date of their sailing from the United States until they report for duty to the officer under whom they are to serve, and while returning to the United States by the most direct route and with due expedition, compensation at a rate corresponding to their rate of pay while actually employed."

PER DIEM FOR AERIAL SURVEYS OF CERTAIN PUBLIC PROJECTS

The bill (S. 3013) to amend section 5 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1925 (43 Stat. 1190; 34 U. S. C. 893), so as to authorize the payment of a per diem in connection with naval aerial surveys and flight checking of aviation charts was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first paragraph of section 5 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1925 (43 Stat. 1190; 34 U. S. C. 893), is hereby amended to read as follows:

"SEC. 5. To cover actual additional expenses to which flyers are subjected when making aerial surveys, hereafter a per diem of $7 in lieu of other travel allowances shall be paid to officers, warrant officers, and enlisted men of the Army, Navy, and Marine Corps for the actual time consumed while traveling by air, under competent orders, in connection with naval aerial surveys and flight checking of Hydrographic Office aviation charts, and aerial surveys of rivers and harbors or other governmental projects, and a per diem of $6 for the actual time consumed in making such aerial surveys, or flight checking of Hydrographic Office aviation charts. The per diem authorized in connection with naval aerial surveys and flight checking of Hydrographic Office aviation charts shall be paid from the appropriation 'Pay, subsistence, and transportation of naval personnel.' The per diem authorized in connection with aerial surveys of rivers and harbors or other governmental projects shall be paid from appropriations available for the particular improvement or project for which the survey is being made: *Provided*, That not more than one of the per diem allowances authorized in this section shall be paid for any one day: *And provided further*, That Naval and Marine Corps personnel shall not be entitled to the allowances authorized by this section when naval tender facilities or the equivalent thereof are available while traveling by air or in the area where the naval survey or flight checking duties are performed."

DUDLEY F. WOLFE

The bill (S. 3098) authorizing the Secretary of the Navy to accept on behalf of the United States a bequest of certain personal property of the late Dudley F. Wolfe was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to accept on behalf of the United States the personal property bequeathed to the United States Naval Academy by the terms of the will of the late Dudley F. Wolfe.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act.

NOTARIES IN THE CIVILIAN CONSERVATION CORPS

The Senate proceeded to consider the bill (S. 3042) to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended, which was read, as follows:

Be it enacted, etc., That section 5 of the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937 (50 Stat. 319), as amended, is amended by adding to the end of said section the following: "*Provided further*, That such officers, agents, or employees paid from funds appropriated for or allocated to the Civilian Conservation Corps, as may be designated or approved for the purpose by the Director shall have the general powers of notaries public in the administration of oaths, the execution and acknowledgment of legal instruments, the attestation of documents, and all other forms of notarial acts determined to be necessary by the Director to prosecute effectively the operations of the Civilian Conservation Corps."

Mr. BARKLEY. Mr. President, may we have an explanation of the bill?

Mr. THOMAS of Utah. Mr. President, this is merely a bill authorizing the Director of the C. C. C. to allow officers to administer oaths.

Mr. BARKLEY. I have no objection to the bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CERTAIN ADJUSTMENTS IN ACCOUNTS OF TREASURER OF THE UNITED STATES

The Senate proceeded to consider the bill (S. 3383) to authorize certain future adjustments in the accounts of the Treasurer of the United States when erroneous payments have been made by him in good faith and without negligence, and for other purposes, which was read, as follows:

Be it enacted, etc., That hereafter, whenever any check, draft, or warrant drawn upon the Treasurer of the United States or upon the Treasurer of the United States through any Federal Reserve bank, or any public-debt obligation of the United States, including any obligation of any type whatever the payment of which is guaranteed by, or assumed by, the United States, has been paid by or on behalf of the Treasurer of the United States, or whenever any evidences of value or valuables, including, but not limited to, moneys, obligations, securities, deed, bills of sale, warehouse receipts, or other instruments, and tangible personal property, of the United States or in which the United States has any interest, whether as trustee, custodian, depositary, agent, or otherwise, have been paid over or delivered by or on behalf of the Treasurer, and it is later established that such payment, payment over, or delivery was made to a person other than a person legally entitled thereto, neither the Treasurer, nor any duly authorized agent or employee acting for him, nor his or their surety or sureties, shall be liable for any such payment, payment over, or delivery, and no department, agency, officer, or employee of the United States shall raise any charge, disallowance, or suspension against him or them, or disallow any credit claimed in the Treasurer's general account by reason of any such payment, payment over, or delivery, if the Secretary of the Treasury shall, after investigation, find as a fact that such payment, payment over, or delivery was made in good faith and without negligence, and if, in addition to such finding, the Attorney General of the United States, or such other officer, agent, or employee of the United States, or any department or agency thereof, as may be authorized in the premises to make such decision, shall determine that the claim of the United States, or any department, agency, officer, or employee thereof, arising out of any such payment, payment over, or delivery should not be prosecuted, or shall determine that a final judgment entered on such claim is uncollectible, or such claim shall be compromised or settled, or a court of competent jurisdiction shall enter final judgment against the United States, or any department, agency, officer, or employee thereof, in a suit based upon such claim.

SEC. 2. (a) The term "person" as used in this act includes, but is not limited to, individuals, partnerships, joint-stock companies, associations, syndicates, or other bodies of person, however designated, States, the District of Columbia, Territories, possessions, political subdivisions, private, public, and municipal corporations, foreign governments, the Commonwealth of the Philippine Islands, and all officers, agencies, agents, or employees of any of them, whether such "person" shall be acting in his, her, its, or their own right or in a representative or fiduciary capacity.

(b) The term "agency" as used in this act includes, but is not limited to, private and public corporations formed or used by the United States in any capacity, whether governmental, proprietary, or otherwise.

SEC. 3. Nothing contained in this act shall be construed to impose any liability upon, or to raise any charge against, the United States, or its officers, employees, and agents, where none would otherwise be imposed or raised.

SEC. 4. Nothing contained in this act shall be construed to relieve the United States, or any department or agency thereof, from any liability which it might otherwise be under to a person legally entitled to receive any payment, payment over, or delivery referred to in section 1 hereof.

Mr. KING. Mr. President, may we have an explanation of that bill?

Mr. VAN NUYS. Mr. President, this bill comes from the Treasury Department. Its purpose is to relieve the Treasurer of the United States of charges or disallowances when he has paid money out by separate vouchers to persons not legally entitled to such payments.

To show the necessity for such a statute, in 1935 to 1939, the United States Treasury paid by check, in number, 601,000 checks, of a money value represented by $37,000,000,000. During that period of time it was necessary for the Department to ask Congress for relief by way of private relief bills on 23,102 checks, involving $725,000. It is wholly impossible for the Treasury in the great volume of 600,000 checks to examine each payee and endorser and know whether or not the payments are valid and legal. It is to obviate that necessity that this bill was proposed by the Treasury Department. There has been no objection from the Comptroller's office, and I think the bill is meritorious in every particular.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2455) to confer jurisdiction on the Court of Claims to hear and determine the claim of Mount Vernon, Alexandria & Washington Railway Co., a corporation, was announced as next in order.

Mr. KING. Over.

The PRESIDING OFFICER. The bill will be passed over.

USE OF PRIVATE VEHICLES FOR OFFICIAL TRAVEL

The Senate proceeded to consider the bill (H. R. 6693) to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration, which had been reported from the Committee on Expenditures in the Executive Departments with amendments, on page 1, line 9, after the word "amended", to strike out "to read as follows" and to insert by striking out the words "his own" wherever they appear therein and inserting in lieu thereof the words "a privately owned", and to strike out the remainder of the bill, being lines 3 to 13, inclusive, on page 2, so as to make the bill read:

Be it enacted, etc., That the act of February 14, 1931 (46 Stat. 1103), as amended by section 9 of the act of March 3, 1933 (47 Stat. 1516; U. S. C., title 5, sec. 73a), entitled "An act to permit payments for the operation of motorcycles and automobiles used for necessary travel on official business on a mileage basis in lieu of actual operating expenses," is further amended by striking out the words "his own" wherever they appear therein and inserting in lieu thereof the words "a privately owned."

Mr. KING. Mr. President, may we have an explanation of the bill for the RECORD?

Mr. VAN NUYS. Mr. President, this is a House bill. The old statute provided that when an agent of the Government was away from his designated post on official business he could not recover mileage unless the title to the motorcycle or the automobile used by him was in his name. If it belonged to a member of the family, or was rented, he could not recover mileage for its use for travel on official business. The Department thought that was unfair, and the bill strikes the provision of law which restricts the recovery of mileage to the use of a vehicle privately owned by the user, so that he may recover for the use of a family vehicle or a rented one.

The only material change made in the House bill is that the House reduced the mileage to 4 cents. The committee changed that back to 5 cents a mile for the use of an automobile by reason of the fact that a short time ago the mileage was reduced from 7 cents to 5 cents, and the Department feels that when a person uses a private automobile for official business he should be entitled to 5 cents a mile, and it recommended that change.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

EMPLOYMENT OF ENGINEERS AND ECONOMISTS ON RECLAMATION WORK

The bill (H. R. 6379) to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406), was considered, ordered to a third reading, read the third time, and passed.

LIMITATION OF DEBATE ON GENERAL APPROPRIATION BILLS—RESOLUTION PASSED OVER

The resolution (S. Res. 232) limiting debate on general appropriation bills was announced as next in order.

Mr. KING. Mr. President, when the Senator from Virginia [Mr. GLASS] suggests anything it almost assumes the nature of a command; the suggestion comes with the force of a Biblical utterance. It seems to me the restriction proposed by the resolution may limit legitimate debate.

Mr. GLASS. Mr. President, the measure proposes no limitation on any discussion, except when the Senate has under consideration an appropriation bill. Any Senator may talk until he is black in the face on any provision of an appropriation bill so long as the matter set forth is germane to the bill. But we witnessed here week before last the consumption of 6 hours and more by prepared written speeches which had not the remotest reference to the appropriation bill. If a Senator wanted to make a speech of that sort, if the resolution should be agreed to, he would have to obtain the unanimous consent of the Senate to do so. This resolution has been favorably reported twice by the unanimous vote of the Committee on Rules of the Senate. It does not place any limitation whatsoever upon legitimate debate.

Mr. CONNALLY. Mr. President, I should like to have an opportunity to look into this matter a little. It seems to me that one of the chief functions of the United States Senate is to furnish a forum for public discussion. I realize the desire to limit discussion of appropriation bills to the bills themselves, but suppose there is something more important than an appropriation bill which needs discussion. Suppose the question of war or peace should arise, or some international incident which affected our Government should occur.

Merely because it is an appropriation bill, I do not see any reason why we should not be able to discuss such a question. I think one of the chief functions of the Senate is to furnish a place where public opinion can express itself. In many places it cannot find expression. So, Mr. President, for the present I shall have to object.

The PRESIDING OFFICER. The resolution will be passed over.

MARKERS FOR CERTAIN GRAVES

The bill (H. R. 8083) to authorize the Secretary of War to furnish certain markers for certain graves was considered, ordered to a third reading, read the third time, and passed.

STUDIES OF PRODUCTIVITY AND LABOR COSTS

The joint resolution (S. J. Res. 114) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry was announced as next in order.

Mr. HOLMAN. Let the joint resolution go over.

The PRESIDING OFFICER. Objection is heard.

Mr. WAGNER. Mr. President, may I ask who objected?

The PRESIDING OFFICER. The Senator from Oregon [Mr. HOLMAN] asked that the bill go over.

Mr. WAGNER. Will the Senator withhold his objection for a moment, so that I may explain the joint resolution?

Mr. HOLMAN. Mr. President, I have read the joint resolution; and I do not want any more measures which destroy pay rolls and are destructive of business—which I think would be the result of the passage of the joint resolution—to pass with my consent.

Mr. WAGNER. Mr. President, let me say to the Senator that employers, as well as representatives of employee organizations, strongly favor this proposal. As the Senator knows, we are now having hearings before the Monopoly Committee on the effect of inventions on employment, and this is a very modest beginning on the current study of the whole subject.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. HOLMAN. I am fearful that it is only a modest beginning; and I am one manufacturer who is not praying for the passage of the joint resolution.

Mr. WAGNER. Very well.

The PRESIDING OFFICER. Objection is heard.

Mr. KING. I ask for the regular order.

Mr. WAGNER. I think there is almost unanimous demand for this character of legislation, because it would provide information which is essential if we are ever to legislate on this important subject.

I give notice that at an early opportunity I shall move to take up for consideration Senate Joint Resolution 114.

The PRESIDING OFFICER. The joint resolution will be passed over.

HARRY HUSTON

The bill (S. 3095) for the relief of Harry Huston was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army Harry Huston shall be held and considered to have been honorably discharged on February 10, 1900, as an artificer, Battery B, Fourth Artillery, United States Army; but no pension, pay, bounty, or other benefit shall be held to accrue by reason of this act prior to its passage.

CODE OF LAWS FOR THE DISTRICT OF COLUMBIA

The bill (S. 3203) to amend section 1262 of the Code of Laws for the District of Columbia was announced as next in order.

Mr. KING. Mr. President, my recollection is that there is a similar House bill on the calendar.

The PRESIDING OFFICER. Not as to this measure.

Mr. KING. Then, I ask consideration of the Senate bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 3203) to amend section 1262 of the Code of Laws for the District of Columbia, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1262 of the act of Congress entitled "An act to establish a code of laws for the District of Columbia," approved March 3, 1901, as amended, be further amended to read as follows:

"SEC. 1262. Liverymen and garage keepers: It shall be lawful for all persons keeping or boarding any animals at livery within the District, under any agreement with the owner thereof, to detain such animals until all charges under such agreement for the care, keep, or board of such animals shall have been paid: *Provided, however*, That notice in writing shall first be given to such owner in person or at his last known place of residence of the amount of such charges and the intention to detain such animal or animals until such charges shall be paid. All persons shall have a lien for their charges for storage, repairs, supplies of or concerning motor vehicles when such charges are incurred by the owner or conditional vendee of such vehicles, and may detain such vehicles at any time they have lawful possession thereof, after giving notice similar to that provided for liverymen, and said lien, with the exception of that for storage, shall have priority over any encumbrance on said vehicle, whether recorded or unrecorded. If said charges are not paid within 30 days said lien may be enforced as provided in sections 1263 and 1264."

DISPOSAL OF REFUSE IN THE DISTRICT

The bill (S. 3221) to regulate in the District of Columbia the disposal of certain refuse, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, this bill is the same as House bill 8262, Calendar No. 1402. I ask that the House bill be substituted for the Senate bill, and be considered at this time.

There being no objection, the bill (H. R. 8262) to regulate in the District of Columbia the disposal of certain refuse, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3221 will be indefinitely postponed.

WILLIAMSBURG LANE, DISTRICT OF COLUMBIA

The bill (S. 3250) to change the name of a portion of Twenty-fourth Street NW. to Williamsburg Lane was announced as next in order.

Mr. KING. Mr. President, this bill is the same as House bill 8639, Calendar No. 1354. I ask that the House bill be substituted for the Senate bill, and considered at this time.

There being no objection, the bill (H. R. 8639) to change the name of a portion of Twenty-fourth Street NW. to Williamsburg Lane was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3250 is indefinitely postponed.

QUARTERING OF TROOPS IN THE DISTRICT DURING INAUGURAL CEREMONIES, 1941

The Senate proceeded to consider the joint resolution (S J. Res. 218) to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies.

Mr. KING. Mr. President, I offer an amendment, on page 1, line 3, to strike out "the Secretary of the Interior" and substitute in lieu thereof, "Administrator of the Federal Works Agency, or any executive department or establishment."

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Administrator of the Federal Works Agency, or any executive department or establishment, is authorized to allocate such space in any public building under his care and supervision as he deems necessary for the purposes of quartering troops participating in the inaugural ceremonies to be held on January 20, 1941, but such use shall not continue after January 22, 1941. Authority granted by this joint resolution may be exercised notwithstanding the provisions of the Legislative, Executive, and Judicial Appropriation Act for the fiscal year ending June 30, 1903, approved April 28, 1902, prohibiting the use of public buildings in connection with inaugural ceremonies.

INAUGURAL CEREMONIES, 1941—MAINTENANCE OF PUBLIC ORDER, ETC.

The joint resolution (S. J. Res. 219) to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1941 was announced as next in order.

Mr. KING. The Senate joint resolution is the same as House Joint Resolution 466. I therefore ask that the House joint resolution be substituted for the Senate joint resolution and considered at this time.

There being no objection, the joint resolution (H. J. Res. 466) to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inauguration ceremonies of 1941 was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 219 is indefinitely postponed.

INAUGURAL CEREMONIES, 1941—GRANTING OF PERMITS TO COMMITTEE ON INAUGURAL CEREMONIES

The joint resolution (S. J. Res. 220) authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1941, and for other purposes was announced as next in order.

Mr. KING. The Senate joint resolution is the same as House Joint Resolution 465. I therefore ask that the House joint resolution be substituted for the Senate joint resolution and considered at this time.

There being no objection, the joint resolution (H. J. Res. 465) authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1941, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 220 is indefinitely postponed.

REGULATION OF LIFE-INSURANCE BUSINESS IN THE DISTRICT OF COLUMBIA

The bill (S. 3251) to amend sections 16 and 17 of chapter II of the act of June 19, 1934, entitled "An act to regulate the business of life insurance in the District of Columbia," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That sections 16 and 17 of chapter II of the act of June 19, 1934, entitled "An act to regulate the business of life insurance in the District of Columbia," be amended to read as follows:

"SEC. 16. General deposits: Every company desiring to transact business in the District shall, as a prerequisite to the issuance of a certificate of authority, deposit, as herein provided, approved securities of not less than $100,000 market value. In the case of domestic companies, such deposit shall be made in the District as prescribed under section 17 of this act: *Provided*, That the deposit of every domestic company heretofore organized under the provisions of the laws of the District or other act of Congress may, in the discretion of the superintendent, be limited (1) for stock companies, to an amount equal to the capital stock outstanding at the date of approval of this act; (2) for nonstock companies, to such amount as in the opinion of the superintendent would be required from stock companies of comparable size. In no case shall the deposit of a domestic company be less than $25,000 in value. In the case of foreign or alien companies, the deposit may be made as provided under section 17 of this act, or may be made with the supervising official of any State, Territory, or insular possession of the United States authorized to accept such deposit, which shall be held for the benefit of all policyholders.

"In the case of a deposit made with an official outside the District, a certificate of deposit from said official shall be filed with the superintendent, showing the character of the deposit, before a certificate of authority to transact business in the District may be issued, and, if the securities so deposited are not of the class authorized by this act for investments of companies, the superintendent may require an additional deposit in approved securities.

"SEC. 17. Holding of general deposits by District auditor and secretary to Board of Commissioners: When any company is required by this act to make a deposit in the District, such deposit shall be in securities of the class authorized by this act for investments of companies, and shall be delivered by the company to the secretary of the Board of Commissioners of the District and the auditor of the District, who shall receive and hold the same subject to the lawful orders of the superintendent, and who shall be responsible for the safekeeping of all securities deposited or delivered under the authority of this section. The company shall have the right to collect the income on deposited securities so long as it continues solvent and complies with the laws of the United States and of the District, and it shall have the right to substitute for such securities other securities, provided such substituted securities are of the character, amount, and value required by this section, and are approved by the superintendent: *Provided*, That not less than $25,000 of such deposit shall at all times consist of bonds or other evidences of indebtedness of the United States or of any State of the United States, or of any county or incorporated city of any State of the United States, and that securities of a class different from such bonds or other evidences of indebtedness shall not in any case be accepted for deposit except with the specific approval of and at values determined by the superintendent.

"If the value of securities deposited by any company shall decline, the superintendent may require the company to make a further deposit, in order that the amount and value of the deposit required by this act shall at all times be maintained."

MEMORIAL FOUNTAIN—METROPOLITAN POLICE DEPARTMENT

The bill (S. 3499) to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department was announced as next in order.

Mr. KING. Mr. President, the Senate bill is the same as House bill 8792. I therefore ask that the House bill be substituted for the Senate bill and be considered at this time.

There being no objection, the bill (H. R. 8792) to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3499 is indefinitely postponed.

AMENDMENT OF DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

The bill (H. R. 7265) to amend the District of Columbia Unemployment Compensation Act was considered, ordered to a third reading, read the third time, and passed.

R. STERN

The bill (S. 3028) for the relief of R. Stern was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue is authorized and directed to consider and act upon the claim, heretofore filed by R. Stern, of Tomahawk, Wis., for a refund of processing taxes, under the provisions of section 15 (c) of the Agricultural Adjustment Act, as amended and reenacted, on account of having delivered a quantity of flour to relief clients of Lincoln County, Wis., during the years 1934 and 1935, in the same manner and to the same extent as if such claim had been filed prior to January 1, 1937, as required by section 601 of the Revenue Act of 1936.

FLOYD H. ROBERTS

The bill (H. R. 6513) for the relief of Floyd H. Roberts was considered, ordered to a third reading, read the third time, and passed.

ROY F. LASSLY

The bill (S. 3306) for the relief of Roy F. Lassly, former Acting Chief Disbursing Clerk, Department of the Interior, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Roy F. Lassly, former Acting Chief Disbursing Clerk, Department of the Interior, the sum of $500.70 public funds for which he is accountable, and which were paid to the Union Paving Co. for construction work and disallowed by the Comptroller General of the United States: *Provided*, That no part of this amount shall be charged to any person other than the payee.

DOROTHY CROSSING

The bill (S. 3328) for the relief of Dorothy Crossing was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dorothy Crossing, of Bogota, N. J., the sum of $223.20 in full satisfaction of her claim against the United States for compensation for services performed by her for the Wage and Hour Division of the United States Department of Labor during the year 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

TOM KELLY

The bill (H. R. 2041) for the relief of Tom Kelly was considered, ordered to a third reading, read the third time, and passed.

DOLLIE C. PICHETTE

The bill (S. 3052) for the relief of Dollie C. Pichette was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission is authorized and directed to pay, out of any funds heretofore or hereafter appropriated for the payment of awards under the provisions of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, to Dollie C. Pichette, of Grand Ronde, Oreg., the sum of $30 per month from the date of enactment of this act until her death, as compensation for the death of her husband, John B. Pichette, who was killed on March 21, 1937, while working in a sand pit in connection with Indian emergency conservation work project No. 87 at the Warm Springs Indian Agency, Warm Springs, Oreg.

JOSEPH SCIORTINO

The bill (H. R. 2086) for the relief of Joseph Sciortino was considered, ordered to a third reading, read the third time, and passed.

ALLEGHENY FORGING CO.

The bill (H. R. 3674) for the relief of the Allegheny Forging Co. was considered, ordered to a third reading, read the third time, and passed.

LUTHER DEVOE

The bill (S. 3071) for the relief of Luther Devoe was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Luther Devoe, of Houlton, Maine, the sum of $1,000, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him when he was struck by an automobile operated by Charles T. Warner, an employee of the Immigration and Naturalization Service, Department of Labor, while engaged in the performance of his duties as such employee, on October 27, 1937, near Houlton, Maine: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. Payment shall not be made under this act until the said Luther Devoe has released, in a manner satisfactory to the Secretary of the Treasury, any judgment or other claim arising out of such accident, which he may have against the said Charles T. Warner.

O'BRIEN BROS., INC.

The bill (S. 3309) authorizing the Comptroller General of the United States to settle and adjust the claim of O'Brien Bros., Inc., New York City, N. Y., was announced as next in order.

The PRESIDING OFFICER. The Senate bill is the same as House bill 7857. Without objection, the House bill will be substituted for the Senate bill and will now be considered.

There being no objection, the bill (H. R. 7857) for the relief of O'Brien Bros., Inc., New York City, N. Y., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3309 is indefinitely postponed.

PRIEST LUMBER CO., INC.

The bill (S. 2003) for the relief of the Priest Lumber Co., Inc., was announced as next in order.

Mr. BYRD. Mr. President, a similar bill is on the calendar, namely, House bill 5295, Calendar No. 1427. I ask unanimous consent that the House bill be substituted for the Senate bill and that the House bill be now considered.

There being no objection, the bill (H. R. 5295) for the relief of the Priest Lumber Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2003 is indefinitely postponed.

Mr. KING. Mr. President, I invite the attention of the Senator from Virginia to the statement made by the Secretary of War:

In view of all the circumstances here set forth and the fact that full consideration was given this matter by the Comptroller General, it is recommended that this bill be not passed.

I know nothing about it.

Mr. BYRD. The bill is simply for the relief of the Priest Lumber Co., in the amount of $749.96, which was assessed by reason of the failure of the company to deliver some lumber on a certain specified date. The records will show that the delay was due solely to the occurrence of unforeseen torrential rains, which completely flooded the place at which the contractors' logging operations were being carried on. The committee went into the matter very fully and recommended that the bill pass.

MR. AND MRS. C. W. BLACK AND MARION RABREN

The Senate proceeded to consider the bill (S. 2704), for the relief of Mr. and Mrs. C. W. Black, and Marion Rabren, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, after the words "the sum of", to strike out "$5,000" and insert in lieu thereof "$3,500"; and on page 1, line 8, after the words "the sum of", to strike out "$5,000" and insert in lieu thereof "$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. C. W. Black, rural route, Andalusia, Ala., the sum of $3,500, and to Marion Rabren, of Andalusia, Ala., the sum of $3,000, in full settlement of all their claims against the United States for the death of their son and daughter, respectively, who were killed on June 4, 1939, when the automobile in which they were riding was struck by a Civilian Conservation Corps truck on the Andalusia-Brewton Highway about 2 miles south of Andalusia, Ala.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LESLIE EVERETT

The Senate proceeded to consider the bill (S. 3280), for the relief of the estate of Less Everett, deceased, which had been reported from the Committee on Claims, with amendments, on page 1, line 5, after the words "the estate of", to strike out "Less" and insert in lieu thereof "Leslie"; in line 7, after the words "the sum of", to strike out "$5,000" and insert in lieu thereof "$1,500"; and in line 9, after the words "death of", to strike out "Less" and insert in lieu thereof "Leslie", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Leslie Everett, deceased, formerly State highway foreman for Hickman County, Ky., the sum of $1,500, in full settlement of all claims against the United States for the death of Leslie Everett, who died September 11, 1938, as a result of injuries sustained on August 26, 1938, when the truck in which he was riding was struck by a truck operated by an employee of the Works Progress Administration on highway No. 58, 1½ miles east of Clinton, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the estate of Leslie Everett, deceased."

NANNIE E. TEAL

The Senate proceeded to consider the bill (S. 3354) for the relief of Nannie E. Teal, which had been reported from the Committee on Claims, with amendments, on page 1, line 7, after the name "Nannie E. Teal" to insert "of Hopeville, Ga., in full settlement of all claims against the United States"; and at the end of the bill, to insert a proviso; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government of the United States, the sum of $1,000 to Nannie E. Teal, of Hopeville, Ga., in full settlement of all claims against the United States for personal injuries received as the result of a fall on a Works Progress Administration project at Brookhaven, Ga., on January 8, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim; and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION TO WILLIAM BOWIE TO ACCEPT CERTAIN YUGOSLAVIAN DECORATIONS

The joint resolution (S. J. Res. 210) authorizing William Bowie, captain (retired), United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer of the Order of St. Sava, bestowed by the Government of Yugoslavia, was announced as next in order.

The PRESIDING OFFICER. The Senate joint resolution is the same as House Joint Resolution 453. Without objection, the House joint resolution will be substituted for the Senate joint resolution, and will now be considered.

There being no objection, the joint resolution (H. J. Res. 453) authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer in the Order of St. Sava was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 210 is indefinitely postponed.

ALICE C. WAINWRIGHT

The bill (S. 3338) for the relief of Alice C. Wainwright was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Alice C. Wainwright, widow of John T. Wainwright, late American vice consul at Matanzas, Cuba, the sum of $2,750, such sum representing 1 year's salary of her deceased husband who died while in the Foreign Service.

ENLISTMENTS IN TIME OF WAR

The bill (S. 3470) to amend the National Defense Act of June 3, 1916, as amended, to provide for enlistments in the Army of the United States in time of war or other emergency declared by Congress, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 127a, added to the National Defense Act of June 3, 1916 (39 Stat. 166) by section 51 of the act of June 4, 1920 (41 Stat. 785), as amended, be, and the same is hereby, further amended by inserting after the concluding paragraph thereof a new paragraph to read as follows:

"In time of war or other emergency declared by Congress, all enlistments in the active military service of the United States shall be in the Army of the United States without specification of any particular component or unit thereof and shall be for the duration of the war or other emergency plus 6 months, subject in each case to earlier discharge at the discretion of the President or otherwise according to law. Eligibility for such enlistment shall be limited to persons not less than 18 years of age and otherwise qualified under such regulations as the Secretary of War shall prescribe. The oath or affirmation of enlistment set forth in Article of War 109 shall be used and may be taken before any officer of the Army of the United States. All persons enlisted at any time in the Army of the United States or any component thereof, as long as they continue in the military service, shall, in time of war or other emergency declared by Congress, be available for assignment to duty with any unit of the Army of the United States and may be freely transferred from one unit to another, regardless of the component status of the units involved."

CHARLES N. BARBER

The bill (S. 3401) for the relief of Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That payments heretofore made for hospital and medical expenses incident to the injury of five enlisted men of Headquarters Company, One Hundred and Seventy-second Infantry, Vermont National Guard, on August 17, 1936, as the result of an automobile accident, and payments made to one of the injured enlisted men as pay subsequent to the termination of the encampment period, are hereby ratified and validated, and the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of Maj. Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, for and on account of all such payments.

FORT THOMAS MILITARY RESERVATION, KY.

The Senate proceeded to consider the bill (S. 3402) to authorize the granting of a right-of-way for roadway purposes on the Fort Thomas Military Reservation, Ky., in exchange for the release of property rights in and to a certain road on said reservation, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of War be, and he is hereby, authorized under such terms and conditions as may be deemed advisable by him, to grant to Simon Pendleton Kramer and Minnie Halle Kramer, joint owners, their heirs and assigns, an easement for a right-of-way for roadway purposes in a certain road as now located on the Fort Thomas Military Reservation, Ky., extending from south Fort Thomas Avenue on the westerly boundary of said reservation to lands of the said Simon Pendleton Kramer and Minnie Halle Kramer adjacent to the easterly boundary of said reservation, in exchange for the release to the United States of the property rights of the said Simon Pendleton Kramer and Minnie Halle Kramer, joint owners, their heirs and assigns, in a certain road, or such portion thereof as may be designated by the Secretary of War, located on said reservation as described in and reserved in a certain deed of A. H. Bloom, dated August 27, 1887, conveying to the United States part of the lands comprising the Fort Thomas Military Reservation, Ky.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KATHERINE M. DRIER

The bill (S. 3097) for the relief of Katherine M. Drier, was announced as next in order.

Mr. KING. Mr. President, the Senator from Vermont [Mr. AUSTIN] has an amendment which he desires to offer to this bill which would possibly remove objections which have been made to a number of Senators by persons claiming to be interested in the subject matter. I ask that the bill may go over for the present, and I shall ask the leader upon this side at an early date, this week if possible, to assign an hour or half an hour for the consideration of the bill. There is no disposition to delay its proper consideration.

Mr. AUSTIN. Mr. President, I appreciate the considerate attitude taken by the Senator from Utah, knowing as I do that for some time he has been considering this bill of mine with reference to certain objections which have been made to him respecting the measure. I have talked with him several times at length about the bill.

I merely wish to take sufficient time to put into the RECORD at this place information for the benefit of the Senate. I wish to say briefly that there is nothing about this bill that would take 1 cent of the tax money of the United States; there is nothing in it that would require an appropriation by the Congress to bring the relief proposed to the poor venerable lady who is the beneficiary.

This is one of those unfortunate cases that are the result of the exercise of war power which completely wiped out the estate of this lady. The bill provides payment to her out of funds now in the Treasury held for the purpose of paying claims of nationals of the United States who suffered by reason of the World War. Others are interested; and although there are special equities that justify couching the bill in the language in which it was originally drawn, in order fully to meet, as I view it, every single objection which I have heard by others who are also interested to participate in the fund which is in the Treasury, I propose to offer an amendment.

The bill in its present form reads as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 4 (c) of the Settlement of War Claims Act of 1928, the Secretary of the Treasury is hereby authorized and directed to pay forthwith, out of the German special deposit account in the Treasury of the United States, to Katherine M. Drier, an American citizen, formerly resident in Germany, the sum of $160,000, together with interest thereon at the rate of 5 percent per annum from January 1, 1920, being the amount due said Katherine M. Drier pursuant to an agreement between the United States of America and the German Government under which all the claims of said Katherine M. Drier against the German Government were settled and adjusted.

The amendment I intend to propose reads as follows:

On page 1, line 6, strike out "forthwith"; and on page 2, line 4, before the period insert a colon and the following: "*Provided*, That payment of such sum of $160,000 and interest thereon as herein provided shall be made as follows:

"(1) There shall be paid forthwith to the said Katherine M. Drier an amount which bears the same proportion to such sum and interest thereon as the amounts heretofore paid out of such special deposit account to claimants on whose behalf awards have been made by the Mixed Claims Commission, United States and Germany, bear to the total awards so made to such claimants; and

"(2) Payment of the balance of such sum and interest thereon shall be prorated on the basis of the amount of the respective payments authorized by section 2 (b) of the Settlement of War Claims Act of 1928, as amended, and remaining unpaid."

If the amendment which I intend to propose should be adopted, the bill would read as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 4 (c) of the Settlement of War Claims Act of 1928, the Secretary of the Treasury is hereby authorized and directed to pay, out of the German special deposit account in the Treasury of the United States, to Katherine M. Drier, an American citizen, formerly resident in Germany, the sum of $160,000, together with interest thereon at the rate of 5 percent per annum from January 1, 1920, being the amount due said Katherine M. Drier pursuant to an agreement between the United States of America and the German Government under which all the claims of said Katherine M. Drier against the German Government were settled and adjusted: *Provided*, That payment of such sum of $160,000 and interest thereon as herein provided shall be made as follows:

(1) There shall be paid forthwith to the said Katherine M. Drier an amount which bears the same proportion to such sum and interest thereon as the amounts heretofore paid out of such special deposit account to claimants on whose behalf awards have been made by the Mixed Claims Commission, United States and Germany, bear to the total awards so made to such claimants; and

(2) Payment of the balance of such sum and interest thereon shall be prorated on the basis of the amount of the respective payments authorized by section 2 (b) of the Settlement of War Claims Act of 1928, as amended, and remaining unpaid.

Mr. President, if I may be permitted to say a word further, there are several reasons why action should be taken by the Congress upon this claim as quickly as possible. For that reason the Senators with whom I have talked have graciously undertaken to cooperate with me in obtaining early consideration of this measure. Therefore I ask unanimous consent that, upon the completion of the pending business, the Senate may proceed to the consideration of this bill. I hope, Mr. President, that its consideration will not require any great length of time.

Mr. KING. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. KING. I expected to receive a memorandum from some of those who have urged objections. I thought the memorandum would be here today; it is to come from New York. I should not like to have the Senator ask that the bill be taken up this afternoon.

Mr. AUSTIN. Oh, no. That is understood. I did not understand that the pending business would be completed today, and my request is on the assumption that the pending business shall be completed tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont?

Mr. McNARY. Mr. President, may I inquire what was the request?

The PRESIDING OFFICER. The Senator from Vermont requests that, at the conclusion of the pending business, Order of Business No. 1346, Senate bill 3097, be taken up for consideration by the Senate.

Mr. BANKHEAD. Mr. President, in the meaning of that request, what is the "pending business"?

The PRESIDING OFFICER. The pending business is the bill relating to cotton cooperatives, in which the Senator from Alabama is so much interested.

Mr. BANKHEAD. The request will not interfere, will it, with the unfinished business in any way?

The PRESIDING OFFICER. The request is that Senate bill 3097 be taken up after the conclusion of the unfinished business, as the Chair understands.

Mr. AUSTIN. That is correct.

Mr. McNARY. Mr. President, I think it would be better to have the bill made a special order to follow the unfinished business. I suggest the Senator request that it be made a special order, following the disposition of the unfinished business.

Mr. AUSTIN. I accept that suggestion, and modify my request, and now ask that Senate bill 3097 be made a special order immediately following the disposition of the unfinished business.

Mr. KING. I assume the Senator thinks it will be tomorrow and not today?

Mr. AUSTIN. I assume that.

Mr. KING. Tomorrow or next day.

Mr. HARRISON. Mr. President, if the Senator will yield, this bill was referred to the Foreign Relations Committee but it should have gone to the Finance Committee, as it deals with German claims. However, several members of the committee have looked into the bill at length, and do not wish to make objection to it. I think it is very fair that the agreement be made. I have spoken to the Senator from Kentucky, and he has no objection to it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Vermont? The Chair hears none, and it is so ordered.

CHIEF INSPECTOR AND ASSISTANT CHIEF INSPECTORS OF LOCOMOTIVE BOILERS

The bill (S. 3440) to amend the Locomotive Inspection Act of February 17, 1911, as amended, so as to change the title of the chief inspector and assistant chief inspectors of locomotive boilers was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto," approved February 17, 1911, as amended, is amended—

(1) By striking out "chief inspector" wherever appearing therein and inserting in lieu thereof "director of locomotive inspection."

(2) By striking out "assistant chief inspector" wherever appearing therein and inserting in lieu thereof "assistant director of locomotive inspection."

(3) By striking out "assistant chief inspectors" wherever appearing therein and inserting in lieu thereof "assistant directors of locomotive inspection."

(4) By striking out "of locomotive boilers" in the first sentence of section 3 and in section 9.

SEC. 2. Section 2 of the act entitled "An act to amend an act entitled 'An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto,' approved February 17, 1911," approved March 4, 1915, is amended—

(1) By striking out "chief inspector" and inserting in lieu thereof "director of locomotive inspection."

(2) By striking out "assistant chief inspectors" and inserting in lieu thereof "assistant directors of locomotive inspection."

SEC. 3. Nothing in this act shall be construed to create any new office or to create a vacancy in any office the title of which is changed by this act.

RESOLUTION PASSED OVER

The resolution (S. Res. 240) further continuing Senate Resolution 711, Seventy-fourth Congress, authorizing an investigation of railroad financing and certain other matters, was announced as next in order.

Mr. KING. Mr. President, I should like to have an explanation of the resolution. Let the resolution be passed over.

The PRESIDING OFFICER. The resolution will be passed over.

TEMPORARY ASSISTANT CLERK, COMMITTEE ON ENROLLED BILLS

The resolution (S. Res. 213) authorizing the Committee on Enrolled Bills to employ a temporary assistant clerk was considered and agreed to, as follows:

Resolved, That the Committee on Enrolled Bills hereby is authorized to employ for the remainder of the present session an assistant clerk to be paid from the contingent fund of the Senate at the rate of $1,800 per annum.

AUDREY JONES

The resolution (S. Res. 218) to pay a gratuity to Audrey Jones, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Audrey Jones, daughter of Charles Jones, late an employee of the Senate under supervision of the Committee on Rules, a

sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

MISSOURI RIVER BRIDGE AT RANDOLPH, MO.

The bill (S. 3231) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo., was announced as next in order.

The PRESIDING OFFICER. The Chair is informed that Calendar No. 1422, House bill 8669, is identical with the Senate bill which has just been stated. Without objection, the House bill will be substituted for the Senate bill and will be considered at this time.

There being no objection, the bill (H. R. 8669) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo., was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3231 will be indefinitely postponed.

AMENDMENT OF COMMODITY EXCHANGE ACT

The bill (S. 2377) to amend the Commodity Exchange Act, as amended, to extend its provisions to hides, was announced as next in order.

Mr. KING. Let the bill go over.

Mr. WILEY. Mr. President, I have just received a long-distance telephone message from my State asking me to have this bill go over. I request that it go over.

Mr. LODGE. Mr. President, as the author of the bill, I, of course, cannot object to letting the bill go over in response to the request of the Senator from Wisconsin, which is an eminently proper one. I hope that after his constituent has had time to study the bill he will have no objection to it.

In order that all the information on this matter may be available to the Senate and to interested parties, I should like to have printed in the RECORD a letter from Mr. M. L. Wilson, Acting Secretary of Agriculture, which endorses the bill, and also a memorandum which describes it. The bill simply seeks to put hides under the Commodity Exchange Act. The reason for this legislation is that since other commodities have been regulated, speculation in hides has increased to considerable proportions. The sole purpose of the bill is to put hides under the same regulations that now apply to other commodities.

The PRESIDING OFFICER. Without objection, the letter and memorandum will be printed in the RECORD.

The letter and memorandum are as follows:

DEPARTMENT OF AGRICULTURE,
Washington, May 26, 1939.

Hon. E. D. SMITH,
Chairman, Committee on Agriculture and Forestry, United States Senate.

DEAR SENATOR SMITH: Receipt is acknowledged of your letter of May 17, with which you referred S. 2377 to this Department for consideration and report.

This is a bill to amend the Commodity Exchange Act, as amended, by extending its provisions to hides. Futures trading in commodities is of vital importance to producers, merchandisers, and processors, and the Department strongly recommends the enactment of S. 2377 in order that trading in hide futures, which has an approximate value of $175,000,000 annually, may be subject to the same regulation as futures trading in the 14 commodities now covered by the act.

To enable the Department to take the necessary action with respect to the designation as contract markets of the commodity exchanges which conduct futures trading in hides and to register futures commission merchants and floor brokers handling orders covering hide futures, it is recommended that the bill be amended by adding the following section thereto:

"SEC. 2. This act shall take effect 60 days after the date of its enactment."

Upon reference of this matter to the Bureau of the Budget, as required by Budget Circular 344, the Director thereof advised the Department of Agriculture under date of May 22, 1939, that there would be no objection on the part of that office to the submission of this report to Congress.

Sincerely,

M. L. WILSON, *Acting Secretary.*

MEMORANDUM ON S. 2377, INTRODUCED BY SENATOR LODGE, OF MASSACHUSETTS

S. 2377 places trading in hide futures under the supervision of the Commodity Exchange Administration. While it appears at first glance as a minor amendment to an act of long standing, the enactment of that measure will be of major importance to every processor, manufacturer, and dealer in hides, leather, and boots and shoes. This measure is strongly approved by the Commodity Exchange Administration.

The thousands of processors, manufacturers and dealers in hides and all of its by-products should be seriously concerned over futures transactions in hides on the Commodity Exchange, Inc., of New York, on which exchange 98 percent of all trading in hide futures takes place. If fraud, manipulation and other nefarious practices are indulged in on that exchange the leather and shoe manufacturer and even the consumer will pay part of the cost.

Ordinarily trading in commodity futures is a desirable economic practice for it furnishes hedging facilities to merchants and manufacturers, aids in establishing fair prices, and offers a continuous market. But when speculation becomes excessive prices are certain to be dislocated and supply and demand conditions disregarded. Trading in hide futures has been expanding very rapidly at a time when most forms of trading were declining. In contrast with most commodities, trading in hide futures has expanded from a total of 165,000,000 pounds in 1929 to 1,716,000,000 pounds during 1938. That trading in 1938 had a value estimated to be $182,000,000. Unfortunately prices have gyrated, dropping from 16.60 cents a pound in 1929 to 8.87 cents in 1932, then up to 15.14 in 1937 and back to 10.64 in 1938. The present price is around 11 cents. While it is impossible in the absence of facts to say what is causing this tremendous expansion in the volume of trading and the rapid price changes it is significant that hides is one of the more important commodities not supervised by the Commodity Exchange Administration and that there are persistent rumors that some of the big speculators have turned from stocks and regulated commodities to hides and other commodities for a field in which they will not be disturbed by Government supervision.

The passage of this bill will insure that manipulation, fraud and deceit have no part in hide futures transactions hereafter and that there will be full publicity for all operations in these futures. This bill places all trading in hide futures under the supervision of the Commodity Exchange Administration. That Administration is a regulatory agency which was set up in 1922 to supervise trading in grain futures and eliminate from the exchanges all manipulation of prices, fraud, and dishonesty. Its authority has been gradually extended until at the present time it covers futures transactions in wheat, cotton, corn, oats, rye, barley, flax, millfeeds, grain sorghums, rice, cotton, butter, eggs, Irish potatoes and wool tops. Trading in these commodity futures has an average annual value of approximately $25,000,000,000.

The Commodity Exchange Administration has two types of functions, one negative and the other positive. The negative one is the suppression of manipulation, fraud, deceit, fictitious transactions, improper use of customers' funds, and other discreditable practices which are indulged in by a very limited number of traders. These practices are heartily condemned by exchange officials and the large majority of traders. The most vigorous and unrelenting measures are being taken to eliminate them from the commodity exchanges.

The positive function, and much the more difficult one, is the establishment of speculative trading limits and improving the procedures and trading practices followed on the exchanges so the futures trading system will have greater economic value. If it succeeds, the producers and dealers receive a higher price for their goods and the consumer pays less.

The PRESIDING OFFICER. Objection being made to the consideration of the bill, it will be passed over.

LANDS AT QUANTICO, VA.

The bill (S. 3017) to amend the act entitled "An act to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.," approved June 24, 1935 (49 Stat. 395), so as to permit the removal of certain encumbrances on the lands concerned, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.," approved June 24, 1935 (49 Stat. 395), is hereby amended so that the first 10 lines of the first section thereof will read as follows:

"That the Secretary of the Navy is authorized on behalf of the United States to accept from the Richmond, Fredericksburg & Potomac Railroad Co., a corporation of the State of Virginia, without cost to the United States, except as hereinafter provided, by an appropriate deed of conveyance, all of the said railroad company's right, title, and interest in and to the following lands, together with all the right, title, and interest of the said railroad company in and to the platted streets and riparian rights in Quantico Creek as may attach to the lots described in subsection (a):".

SEC. 2. The said act approved June 24, 1935, is hereby further amended so that the first eight lines of the second section thereof will read as follows:

"In exchange for all of the right, title, and interest of the Richmond, Fredericksburg & Potomac Railroad Co. in and to the above-described lands, the Secretary of the Navy is authorized to transfer by appropriate conveyance to the said railroad company, free

from all encumbrances, without cost to the said railroad company, all right, title, and interest of the United States in and to the lands contained within the Marine Corps Reservation at Quantico, Va., described generally as follows:".

SEC. 3. That the said act approved June 24, 1935, is hereby further amended by adding the following section thereto:

"SEC. 3. The Secretary of the Navy is hereby authorized to acquire on behalf of the United States, by purchase, condemnation or otherwise, at a cost not to exceed $1,750, such parts of the lands described in section 1 of this act and such vested rights therein, if any, as may belong to persons other than the Richmond, Fredericksburg & Potomac Railroad Co."

AMENDMENT OF COMMUNICATIONS ACT OF 1934

The Senate proceeded to consider the bill (S. 3018) to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense, which had been reported from the Committee on Naval Affairs with an amendment, on page 2, line 5, after the word "therefor", to strike out the remainder of the bill, so as to make the bill read:

Be it enacted, etc., That section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), is hereby amended by inserting after the words "SEC. 210" the letter "(a)" and by adding at the end of the section the following subsection:

"(b) Nothing in this act or in any other provision of law shall be construed to prohibit common carriers from rendering to any agency of the Government free service in connection with the preparation for the national defense: *Provided*, That such free service may be rendered only in accordance with such rules and regulations as the Commission may prescribe therefor."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REIMBURSEMENT OF CERTAIN MARINE CORPS PERSONNEL

The bill (S. 3456) to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $294.05, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SALE OF CERTAIN LAND IN BREMERTON, WASH.

The bill (H. R. 7081) authorizing the Secretary of the Navy to sell certain surplus land owned by the United States in Bremerton, Wash., was considered, ordered to a third reading, read the third time, and passed.

SALE OF FUEL, ELECTRIC CURRENT, AND WATER AT ISOLATED NAVAL STATIONS

The Senate proceeded to consider the bill (S. 3065) authorizing the sale of fuel, electric current, and water at isolated naval stations, which had been reported from the Committee on Naval Affairs with an amendment, on page 1, line 3, after the word "sell", to insert "under such regulations as he may prescribe, and", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Navy is authorized to sell, under such regulations as he may prescribe, and at such prices as he may deem reasonable, to private concerns or individuals doing business or residing at or in the immediate vicinity of isolated naval stations, such supplies of fuel, water, ice, and electric current as may be required to meet the necessities of, and as may not otherwise be locally obtainable by, such concerns or individuals.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the sale of fuel, electric current, ice, and water at isolated naval stations."

PACIFIC AIRMOTIVE CORPORATION, BURBANK, CALIF.

The Senate proceeded to consider the bill (H. R. 2161) for the relief of the Pacific Airmotive Corporation, Burbank, Calif., which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Pacific Airmotive Corporation, Burbank, Calif., out of any money in the Treasury not otherwise appropriated, the sum of $940 in full and final settlement of any and all claims against the Government on account of the damage done to an airplane belonging to said corporation by a United States Navy plane September 1, 1938, at Union Air Terminal, Burbank, Calif.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The Senator from Delaware [Mr. HUGHES] reported the bill from the Committee on Claims.

Mr. HUGHES. Mr. President, the bill appropriates a small sum of money to pay for damage done to a private plane by a Government plane while they were engaged in maneuvers. The Government plane flew over and struck the private plane, which was nearby, broke off the wing and did certain other damage. The bill is to appropriate $940 to pay for the damage done by the Government plane.

Mr. McKELLAR. I have no objection.

The bill was ordered to a third reading, read the third time, and passed.

KEUFFEL & ESSER CO.

The bill (H. R. 3769) for the relief of the Keuffel & Esser Co., of New York, was considered, ordered to a third reading, read the third time, and passed.

CHARLES SIDENSTUCKER

The bill (H. R. 3970) for the relief of Charles Sidenstucker was considered, ordered to a third reading, read the third time, and passed.

GEORGE L. SHELDON

The Senate proceeded to consider the bill (H. R. 3171) for the relief of George L. Sheldon, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "sum of", to strike out "$3,500" and insert "$1,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George L. Sheldon, East Pepperell, Mass., the sum of $1,500. The payment of such sum shall be in full settlement of all claims against the United States of the said George L. Sheldon for personal injuries and property damage resulting from a collision, on August 10, 1937, at the junction of Hollis and Groton Streets, Pepperell, Mass., when a truck owned by the said George L. Sheldon and in which he was riding was struck by a motor vehicle operated by an employee of the Works Progress Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ETHEL G. HAMILTON

The Senate proceeded to consider the bill (S. 3436) for the relief of Ethel G. Hamilton, which had been reported from the Committee on Claims with an amendment, on page 1, line 4,

after "15", to strike out "and" and insert "to", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider the claim of Ethel G. Hamilton for disability alleged to have been incurred by her on or about November 11, 1937, while she was employed at the Veterans' Administration facility, Biloxi, Miss., and to determine said claim upon its merits under the provisions of said act: *Provided*, That no benefits shall accrue prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAMES HENRY RIGDON

The bill (H. R. 4388) for the relief of James Henry Rigdon was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The Senator from Tennessee requests an explanation of the bill. [A pause.] The bill will be passed over.

R. D. TORIAN

The Senate proceeded to consider the bill (H. R. 5257) for the relief of R. D. Torian.

Mr. McKELLAR. Mr. President, will the Senator from Louisiana explain the bill? The Senator reported the bill from the committee.

Mr. ELLENDER. The Senator from Arkansas [Mr. MILLER] will explain the bill.

Mr. MILLER. Mr. President, the bill appropriates a sum of money because of the death of a young man which occurred by reason of a collision between a school bus and a truck operated by the W. P. A. The bill is related to House bill 5258, which is the next bill but one on the calendar. Three school children were killed in the accident and several were seriously injured because of negligence, clearly established, and admitted by the operator of the W. P. A. truck. Those are the facts.

Mr. McKELLAR. How much was allowed?

Mr. MILLER. Three thousand five hundred dollars because of the death of the young man; and I know the Senator from Tennessee is also interested in House bill 5258, because it grows out of the same accident. In that case $3,000 was allowed for the permanent and total injuries of a little girl and some $600 for her hospital expenses.

Mr. McKELLAR. I have no objection.

The bill, H. R. 5257, was ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to R. D. Torian, of Weldon, Ark., the sum of $3,500, in full settlement of all claims against the United States for the fatal injuries sustained by his son, William Edward Torian, in a collision between the Newport, Ark., public-school automobile bus, in which the said William Edward Torian was an authorized student passenger, and an automobile truck owned and negligently operated by the Works Progress Administration on Arkansas State Highway No. 17, near Weldon, Ark., on April 26, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

JAMES HENRY RIGDON

The PRESIDING OFFICER. The Chair will ask the attention of the Senator from Louisiana [Mr. ELLENDER]. In the case of Calendar No. 1367, House bill 4388, for the relief of James Henry Rigdon, the Senator from Tennessee [Mr. McKELLAR] requested an explanation of the bill. The Chair did not observe the Senator from Louisiana in the Chamber.

Mr. ELLENDER. I ask that the bill be passed over for the moment.

The PRESIDING OFFICER. The bill will be temporarily passed over.

BILL PASSED OVER

The bill (H. R. 1288) for the relief of Mrs. Clyde Thatcher and her two minor children, Marjorie Thatcher and Bobby Thatcher, was announced as next in order.

Mr. McKELLAR. Mr. President, this bill grows out of the same accident, as I understand.

Mr. MILLER. No; this bill does not grow out of the same accident as House bill 5257 and House bill 5258.

Mr. McKELLAR. May we have an explanation of the bill?

Mr. MILLER. I do not know anything about this bill.

The PRESIDING OFFICER. Does the Senator from Louisiana desire to make an explanation of the bill?

Mr. ELLENDER. I ask that it be passed over for the moment.

The PRESIDING OFFICER. The bill will be temporarily passed over.

BETTY LOU FRADY

The Senate proceeded to consider the bill (H. R. 5258) for the relief of Betty Lou Frady, which had been reported from the Committee on Claims with amendments, on page 1, line 7, after the words "sum of", to strike out "$5,000" and insert "$3,000, and W. L. Frady, of Weldon, Arkansas, the sum of $629.50", and in line 10, after the name "Frady", to insert "and for expenses incurred by W. L. Frady", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Betty Lou Frady, a minor, of Weldon, Ark., the sum of $3,000, and to W. L. Frady, of Weldon, Ark., the sum of $629.50, in full settlement of all claims against the United States for the permanent injuries sustained by the said Betty Lou Frady, and for expenses incurred by W. L. Frady, in a collision between the Newport, Ark., public-school automobile bus, in which the said Betty Lou Frady was an authorized student passenger, and an automobile truck owned and negligently operated by the Works Progress Administration on Arkansas State Highway No. 17, near Weldon, Ark., on April 26, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act for the relief of the legal guardian of Betty Lou Frady and W. L. Frady."

MARY BOYD

The Senate proceeded to consider the bill (S. 2570) for the relief of Mary Boyd, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$10,000" and insert "$5,000"; and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Boyd, of Spokane, Wash., the sum of $5,000, in full satisfaction of her claim against the United States for the death of her son, Jess P. Boyd, as the result of an accident involving a Government truck operated by an enrollee of the Civilian Conservation Corps between Priest River and Coolin, Idaho, on October 15, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

J. H. CHURCHWELL WHOLESALE CO.

The Senate proceeded to consider the bill (S. 2817) for the relief of J. H. Churchwell Wholesale Co., of Jacksonville,

Fla., which had been reported from the Committee on Claims with an amendment, on page 1, line 10, after the word "and", to strike out "ER–W–647–eng–36–33" and insert "unnumbered contract (invitation numbered 647–36–33)", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. H. Churchwell Wholesale Co., of Jacksonville, Fla., the sum of $1,100, in full satisfaction of the claim of such company against the United States for remission of liquidated damages assessed against such company under the provisions of two contracts numbered ER–W–647–eng–38 and unnumbered contract (invitation numbered 647–36–33) entered into by such company with the War Department under dates of September 12, 1935, and September 18, 1935, respectively, for the delivery of a quantity of sheets and blankers to the United States district engineer's office, Camp Roosevelt, Ocala, Fla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BARNET WARREN

The Senate proceeded to consider the bill (S. 3091) for the relief of Barnet Warren, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and to insert:

That the Secretary of the Treasury be, and he is hereby, directed to pay, out of any money in the Treasury not otherwise appropriated, to Barnet Warren the sum of $2,756.14, and the additional sum of $100 a month, up to and not exceeding $5,000, in full settlement of all his claims against the United States growing out of any damages or personal injuries suffered by him when a Civilian Conservation Corps truck, operated at the time by the National Park Service, collided with the said Barnet Warren, who was riding a bicycle north on United States Highway No. 1, near Ojus, Fla., on March 17, 1939: *Provided*, That no part of the amount appropirated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in conection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF TENNESSEE VALLEY AUTHORITY ACT

The bill (S. 2925) to amend the Tennessee Valley Authority Act of 1933 was announced as next in order.

Mr. McNARY. Mr. President, this bill is an amendment of the original T. V. A. Act to provide charges against electric rates in lieu of taxation, due to the purchase by the T. V. A. of certain property rights and franchises in the Tennessee Valley.

I am a member of the subcommittee. I voted to report the bill; but the chairman of the subcommittee is the Senator from Montana [Mr. WHEELER], and the matter is largely in the hands of the able Senator from Nebraska [Mr. NORRIS]. It is pioneer legislation.

Mr. BARKLEY. Mr. President, if the Senator will yield at that point, the Senator from Nebraska [Mr. NORRIS], who is temporarily absent because of official business, spoke to me about this bill before he left, and said he would very much like to have it passed. The Senator from Alabama [Mr. BANKHEAD], I believe, intends to offer one or two amendments, to which the Senator from Nebraska has no objection, though he does not think the amendments are necessary; but, if those amendments are agreed to, the Senator from Nebraska authorized me to say that he hoped the bill would pass.

Mr. McNARY. Of course, I did not have that information; but the chairman of the subcommittee is the Senator from Montana [Mr. WHEELER], and I think that if there is to be any submission of amendments and acceptance thereof he should be present so that he might have an opportunity to consider them.

Mr. KING. Let the bill go over.

Mr. BARKLEY. Of course, the Senator from Oregon knows, as well as I do, that the proposed legislation is an effort which has been worked out to compensate the States and counties for the loss of revenue to them due to the taking over of land by the Government.

Mr. McNARY. That is what I stated a moment ago. It is pioneer legislation. It is supplying a program which we may follow in other sections of the country. I am for the proposal, but I think that it should probably be postponed until the Senator from Montana and the Senator from Nebraska may be present. But if the Senate wants to pass the bill, I will not make any objection.

Mr. KING. Mr. President, it seems to me that among the facts about which we should be advised is as to the amount the Federal Government will lose by turning over to the States and the counties revenue which it was assumed might go to the Federal Government, to compensate it for the many millions of dollars which have been expended.

Mr. BARKLEY. The bill sets out the percentage of certain receipts from the sale of power on account of the Tennessee Valley Authority project which may be allocated to the States and the counties affected by the loss of the revenues. I have no desire to urge that the Senate take action now, but the Senator from Nebraska knew he would probably be away at the time the bill would be called and was interested in getting action on it if possible.

Mr. KING. I suggest that it go over until the Senator from Montana may be present.

The PRESIDING OFFICER. Objection is heard at this time.

Mr. BANKHEAD. Mr. President, I am not insisting, except that I want to ask unanimous consent that I may file some amendments, which were submitted some days ago to the Senator from Nebraska [Mr. NORRIS], who stated he had no objection to them. He came to my desk today and told me he had no objection, and also made the same statement to the majority leader. I wish to present the amendments so that if the matter comes up and I am not here, they may be acted on.

The PRESIDING OFFICER. The amendments will be received and will lie on the table. Objection being heard, the bill will be passed over.

COPYRIGHT AND PATENT PROTECTION

The joint resolution (H. J. Res. 433) to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition to be held at San Francisco, Calif., in 1940, was considered, ordered to a third reading, read the third time, and passed.

PAYMENTS TO LANDLORDS AND TENANTS

The Senate proceeded to consider the joint resolution (H. J. Res. 258) to amend section 8 (f) of the Soil Conservation and Domestic Allotment Act, as amended, which had been reported from the Committee on Agriculture and Forestry with an amendment, on page 2, line 9, to strike out the word "reduction" and the quotation marks and to insert "reduction. Such action of local committees shall be subject to approval or disapproval by State committees", so as to make the joint resolution read:

Resolved, etc., That section 8 (f) of the Soil Conservation and Domestic Allotment Act, as amended, is amended to read as follows:

"(f) Any change in the relationship between the landlord and the tenants or sharecroppers, with respect to any farm, that would increase over the previous year the amount of payments or grants of other aid under subsection (b) that would otherwise be made to any landlord shall not operate to increase such payment or grant to such landlord. Any reduction in the number of tenants below the average number of tenants on any farm during the preceding 3 years that would increase the payments or grants of other aid under such subsection that would otherwise be made to the landlord shall not hereafter operate to increase any such payment or grant to such landlord. Such limitations shall not apply if on investigation the local committee finds that the change is justified and approves such change in relationship or reduction. Such action of local committees shall be subject to approval or disapproval by State committees."

Mr. KING. Mr. President, may we have an explanation of this measure?

Mr. BANKHEAD. Mr. President, the joint resolution proposes to amend a subdivision of section 8 of the Soil Conservation and Domestic Allotment Act, which relates to the division of payments between landlords and tenants. It does not change the division, but where the landlord makes a change in the status of his tenants in order to increase his own benefit payments, under the original act, the local committee may prevent him from doing that by not approving it; but the burden of proof is on the committee. The only change the joint resolution would make would be to put the burden of proof upon the landlord who changes the status of his tenants, and possibly puts them off so as to increase his own payments out of the division of benefit payments. It is a House measure, which was introduced in the House by the chairman of the Committee on Agriculture, and, in my judgment, it is a very meritorious measure. It is not intended to change the relations of the parties, but to prevent an imposition upon the tenants by landlords in order to increase their share in the distribution of the benefit payments.

Mr. KING. May I ask the Senator a question?

Mr. BANKHEAD. Certainly.

Mr. KING. Does the Senator believe it is wise or sound, or just and proper legislation, for the Federal Government to interfere between landlords and tenants and fix their contracts?

Mr. BANKHEAD. This measure does not go into that. That is already provided for in the law. This merely changes the rule as to burden of proof. The only change it makes in the existing law is as to the burden of proof.

Mr. MILLER. The burden of proof, under the joint resolution, would be cast upon the landlord making a change in the set-up?

Mr. BANKHEAD. That is correct. The burden is now on the committee, and the provision is not enforced for that reason.

Mr. MILLER. At the present time the burden is upon the committee?

Mr. BANKHEAD. Yes.

Mr. MILLER. And the committee merely does not have time to go into the matter?

Mr. BANKHEAD. That is correct. It does not have time to go out and look up the evidence and deal with all the questions involved.

Mr. MILLER. Did the committee consider that it might result in much confusion on the part of the county committee recommending against the payment of benefits upon complaint being made to it by an irresponsible person?

Mr. BANKHEAD. An appeal to a State committee is provided by an amendment.

Mr. MILLER. That is true. In the event the joint resolution is passed, if a complaint is made by someone and the county committee stops the payments, is it contemplated that a hearing will be had before the county committee?

Mr. BANKHEAD. This measure does not set out the details of that. It merely follows the present law on that subject, whatever that may be.

Mr. MILLER. As a matter of fact, are hearings now held, or does the Senator know?

Mr. BANKHEAD. Frankly I do not know whether or not there is any regulation on the subject of hearings.

Mr. MILLER. In my opinion, there is.

Mr. BANKHEAD. That is not changed. This measure does not change substantive rights, or change anything except the rule as to burden of proof. Whatever the law now is and whatever the practice is will continue to govern, except as to the burden of proof.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

JAMES HENRY RIGDON

Mr. ELLENDER. Mr. President, I ask that the Senate recur to Calendar No. 1367, House bill 4388, for the relief of James Henry Rigdon.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 4388) for the relief of James Henry Rigdon, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to James Henry Rigdon, of Pickens, S. C., the sum of $3,500, in full settlement of all claims against the United States on account of the loss of his left arm and other bodily injuries and damages sustained by him by reason of the negligent and reckless operation of a United States Government truck operated in connection with Civilian Conservation Corps activities of the War Department, on a public highway near Pickens, S. C., on September 24, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. ELLENDER. Mr. President, this is a House bill providing for the payment of $3,500 to the claimant. The Committee on Claims examined the facts very thoroughly and concluded that the amount fixed by the House was reasonable. There is no question as to the negligence of the Government truck driver. That is admitted. The War Department has urged no objection to the bill. I desire——

Mr. McKELLAR. What was the nature of the injury?

Mr. ELLENDER. There was a collision between a Government truck and a privately owned car. One of the occupants hurt was a man with a family of three children; he was only 34 years of age, and because of the loss of his arm as a consequence he cannot pursue the work he was doing before the accident.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

MRS. CLYDE THATCHER AND OTHERS

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Senate recur to Calendar No. 1369, House bill 1288.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 1288) for the relief of Mrs. Clyde Thatcher and her two minor children, Marjorie Thatcher and Bobby Thatcher, which had been reported from the Committee on Claims with amendments, on page 1, line 8, after the name "Texas" and the semicolon, to strike out the word "and"; on line 8, to strike out "$5,000" and to insert "$2,500"; on line 9, after the name "Texas" and the comma, to insert the words "and the sum of $387 to Mr. Clyde Thatcher, of Beaumont, Texas"; on page 2, line 4, after the name "Thatcher" and the comma, to insert the words "and for medical expenses incurred by Mr. Clyde Thatcher," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Mrs. Clyde Thatcher, Beaumont, Tex.; the sum of $500 to the legal guardian of Marjorie Thatcher, Beaumont, Tex.; the sum of $2,500 to the legal guardian of Bobby Thatcher, Beaumont, Tex., and the sum of $387 to Mr. Clyde Thatcher, of Beaumont, Tex. Said sums shall be in full settlement of all claims against the United States for injuries and expenses sustained by the said Mrs. Clyde Thatcher and her two minor children, Marjorie and Bobby Thatcher, and for medical expenses incurred by Mr. Clyde Thatcher, when the automobile in which they were riding was struck by a Government truck operated in connection with the Civilian Conservation Corps, at the intersection of Beech Street and Grand Avenue, Beaumont, Tex., on August 1, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and

the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upoh conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act for the relief of Mr. and Mrs. Clyde Thatcher and their two minor children, Marjorie Thatcher and Bobby Thatcher."

BILLS PASSED OVER

The bill (H. R. 7079) to provide for the appointment of additional district and circuit judges, was announced as next in order.

Mr. REED. Mr. President, the Senator having charge of this bill does not want it to come up at this time.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 6480) to amend the Agricultural Adjustment Act of 1933, was announced as next in order.

Mr. McKELLAR. May we have an explanation of the bill?

Mr. REED. Mr. President, I do not know that I am opposed to this bill, but I have conferred with the Senator from North Dakota [Mr. FRAZIER], who reported the bill, and told him I wanted further time to look into it, and therefore, for this occasion only, I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

CIVIL-SERVICE RETIREMENT

The Senate proceeded to consider the bill (S. 3368) to amend the Civil Service Retirement Act and other retirement acts.

Mr. DANAHER. Mr. President, may we have an explanation of the bill?

Mr. FRAZIER. Mr. President, the chairman of the Senate Civil Service Committee [Mr. BULOW] is present, but I am also somewhat interested in this bill. It will be noticed from the report that the bill was drawn by the Veterans' Administration in conjunction with the Civil Service Commission, and was also approved by the Bureau of the Budget. It corrects some of the existing difficulties in connection with retirement pay and veterans' compensation.

I am interested in the case of a Spanish-American War and World War veteran who was wounded in the World War and was drawing a little pension by reason of disability arising from his service in the World War. He is from South Dakota. When he came back he obtained a position as rural mail carrier and continued in that position until he was notified by the Post Office Department that he had time enough to his credit to draw retirement pay and also continue receiving his little pension. After he had resigned and retired he was notified by the Post Office Department that he lacked about 30 or 40 days of having enough time under civil service to draw his retirement pay and also his pension, and his pension was cut off. He immediately applied to the Post Office Department for reinstatement. They said there was no job for him, and he was not able to get a position to fill out the required time. The matter was referred to the Veterans' Administration in Washington and to the Civil Service Commission. That was one of the cases which was considered when the bill was drawn.

There is one provision in which I am particularly interested, that when a veteran has service disability he may count his time in the Army and also in the civil service for retirement pay, and also for his pension. I believe this to be a very fair and just bill. It has the approval both of the Civil Service Commission and the Veterans' Bureau and also of the Bureau of the Budget.

Mr. KING. Mr. President, will the Senator yield?

Mr. FRAZIER. I yield.

Mr. KING. If these four or five pages amending the civil service act or retirement act are required to cover that little case, it seems to me——

Mr. FRAZIER. The provision to which I refer begins in line 14, on page 2, and includes the remainder of the paragraph. The remainder of the bill simply provides for straightening out some difficulties which have been encountered in connection with civil-service retirement, and also in the Veterans' Administration.

Mr. KING. Then it covers substantially the whole Civil Service Act in respect to retirement?

Mr. FRAZIER. No; it applies merely to some minor matters, as I understand. As I said, this provision is the only one I was particularly interested in, because of a case which arose in my own State. I have met that veteran. The American Legion and various organizations of veterans have been very much interested in the case, and I think it is a worthy one. I understand there are probably a few more like it.

Mr. KING. Does the Senator have any idea as to the additional cost involved, and the number who would receive benefits under the act in the matter of retirement?

Mr. FRAZIER. As I understand, there were only a very few cases of that kind, perhaps a couple of dozen. It affects only a few service-disabled men. I think they are entitled to some consideration by the Congress of the United States.

Mr. DANAHER. Mr. President, if I may I should like to direct a question to the chairman of the Civil Service Committee, the Senator from South Dakota [Mr. BULOW]. I should like to ask him to refer to page 1, line 10, of the bill, wherein we discover that by rearranging the days upon which computations for retirement pay shall be computed we deal with the employee from the date he first became connected with the service even as an unclassified employee. I should like to ask the Senator if that is not new language in the bill?

Mr. BULOW. What was the question?

Mr. DANAHER. I refer to the language in line 10, page 1, "or an unclassified."

Mr. BARKLEY. Mr. President, I think we had better let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. DANAHER subsequently said: Mr. President, I ask the Senator from Kentucky [Mr. BARKLEY] to bear with me just a moment while I revert to order No. 1379, Senate bill 3368, to amend the Civil Service Retirement Act and other retirement acts. I think a brief explanation should be made, and I ask the attention of the Senator from South Dakota [Mr. BULOW] for a moment.

Mr. President, I think that when we have an explanation of the bill, the chairman of the Committee on Civil Service should be prepared to explain to us the meaning of the language on page 1, line 10, as to whether or not the words "or an unclassified," as they there appear, will blanket under the civil service for retirement pay all those presently unclassified employees who may be included, to the total of approximately 300,000 such employees, under the Ramspeck bill now pending in the Committee on Civil Service. If we could have an explanation of that, and if the Senate conceded that point, it reasonably may be that there will be no further objection to the consideration of Senate bill 3368. I make this request of the Senator from South Dakota so that in due course he may explain to us the point I raised.

The PRESIDING OFFICER. Did the Senator from Connecticut wish the Senate to return to Calendar No. 1379 and ask for consideration of Senate bill 3368?

Mr. DANAHER. I did not make that request, Mr. President. I simply asked the Senator from South Dakota with respect to the matter of retirement pay.

INCREASE OF PENSIONS

Mr. MINTON. Mr. President, I am obliged in a few moments to leave the Chamber to attend a committee meeting. I ask unanimous consent to revert to Calendar No. 1041, House bill 6901, granting increase of pensions to certain widows of veterans of the Civil War.

The PRESIDING OFFICER. The bill was passed over at the request of the Senator from Indiana himself.

Mr. MINTON. Yes; it was passed over at my request a moment ago. No objection to the bill was entered at the time, although some questions were asked.

Mr. President, the bill would increase the pension of certain widows who are now drawing pensions. They are all widows of veterans of the Civil War. I said in response to a query from the Senator from Kentucky [Mr. BARKLEY] that there were only 31 bills involved. Those are the ones the Senate placed in the consolidated measure. There are 341 private bills from the House, and in the Senate we put in 31 bills by way of amendment. The Senator from Virginia [Mr. BYRD] asked about the type of beneficiary of these pensions, and I want to call the Senate's attention to a few of them to show the type of persons who would be benefited by the proposed legislation.

Mary S. King is 73 years of age. She married a soldier March 12, 1890. She receives $40 a month and the present measure would raise her pension to $50 a month.

Here is another, Mattie F. Colebaugh, 88 years of age. She married a veteran in 1869, and lived with him until his death. She receives $40 a month, and this measure would raise her pension to $50 a month.

Mary E. Cramer is 91 years of age. She married a veteran in 1866 and receives $40 a month. This measure would raise her pension to $50 a month.

So it goes all the way through. The women who would be beneficiaries under this measure are very old. They have no means themselves. Most of them are dependent and helpless, and this small increase would mean much to them.

Mr. BYRD. What is the standard for fixing this additional compensation?

Mr. MINTON. There really is no standard. It is in the discretion of the committee itself. Certain limitations have been fixed by the general law. In none of these cases is the increase more than $10 a month. The total cost of the bill would be about $40,000 a year. The beneficiaries are rapidly dying off. Since we reported the bill to the calendar there have been four deaths among those included in the bill, and Senators can see from the age of these widows that the expenditure will not continue long.

If there is no objection to the consideration of the bill, I should like to amend it in accordance with the amendments which I shall send to the desk, which will take care of the four deaths which have occurred since the introduction of the bill.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6901) granting increase of pensions to certain widows of veterans of the Civil War, which had been reported from the Committee on Pensions with amendments.

The first amendment of the Committee on Pensions was, on page 2, after line 13, to strike out:

The name of Jennie Everson, widow of George J. Everson, late of Company H, First Regiment Vermont Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 15, after line 2, to strike out:

The name of Ernestine Singer, widow of Simon Singer, late of Company D, Eighth Regiment Illinois Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 15, after line 18, to strike out:

The name of Catherine A. Wheeler, widow of Andrew L. Wheeler, late of Company K, Ninety-second Regiment, and Company I, Sixty-fifth Regiment, Illinois Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 17, after line 17, to strike out:

The name of Nancy McClay, widow of William McClay, late of Company E, One Hundred and Second Regiment Ohio Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 26, after line 16, to strike out:

The name of Mary F. Hudgens, widow of James M. Hudgens, late of Company C, Fourth Regiment Provisional Enrolled Missouri Militia, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 34, after line 4, to strike out:

The name of Mary Saxton, widow of Burton Saxton, late of Company F, Eleventh Regiment Pennsylvania Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

The next amendment was, on page 59, after line 16, to insert:

The name of May S. King, widow of David W. King, late of Company E, Fifteenth Regiment Vermont Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Hattie L. Aimes, widow of Clement F. S. Aimes, late of Company D, Eighty-second New York Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Reginah J. Brown, widow of Hiram Brown, late of Company I, Eighteenth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mattie F. Colebaugh, widow of Uriah A. Colebaugh, late of Company G, One Hundred and Forty-sixth Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary E. Cramer, widow of Randolph Cramer, late of Company B, Eleventh Kentucky Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary A. Faught, widow of William D. Faught, late of Companies D and H, Seventeenth Kentucky Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Esther A. Kenworthy, widow of David E. Kenworthy, late of the Fifteenth Battery Indiana Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Eliza A. Perry, widow of Henry A. Perry, late of Troop E, Eleventh Regiment Kansas Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy J. Walker, widow of Adam R. Walker, late of Company A, Sixty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Drucilla Wright, widow of James F. Wright, late of Company F, One Hundred and Thirty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annette C. House, widow of Alphonso H. House, late of Company E, Thirty-first Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Minnie M. Smith, widow of Frederick W. Smith, late of Company L, Fourth Regiment Ohio Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Nancy Jane Spence, widow of John W. Spence, late of Company C, Twelfth Regiment Ohio Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susan A. Armington, widow of Amos H. Armington, late of Battery A, First Rhode Island Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jennie Stubbs, widow of George W. Stubbs, late of Company A, Sixteenth Indiana Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susie D. Hanscome, widow of John W. Hanscome, late of Troop D, Second Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine A. Riley, widow of William Riley, late of Company F, Ninety-second Regiment New York Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Dora White, widow of Frank G. White, late of Company K, Eighty-ninth Regiment Illinois Volunteer Infantry,

and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Watkins, widow of Charles M. Watkins, late of Company H, Seventy-first Regiment New York State Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Susanne Katharina Reinhardt, widow of George Reinhardt, late of Company A, Sixteenth Illinois Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine Pennington, widow of Robert Pennington, late of Company K, One Hundred and Fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Willmette J. Miller, widow of Thomas F. Miller, late of Company F, Seventh Regiment Missouri State Militia Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Frances Coffman, widow of Samuel Coffman, late of Company B, Twenty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Helen F. Blood, widow of Albert Blood, late of Company E, Twentieth Regiment Veteran Reserve Corps, and Third New Hampshire Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Cynthia J. A. Grant, widow of Patrick Grant, late of Company H, Fourth Rhode Island Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Rachel Murrey, widow of Daniel Murrey, late of Company G, Twenty-eighth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Selina Dusang, widow of Joseph A. J. Dusang, late of Company E, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura A. Hubbard, widow of John E. Hubbard, late of Company C, First Regiment Oregon Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha Myers, widow of Thomas J. Myers, late of Company D, Thirty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Margaret D. Cole, widow of Bennett Cole, late of Company M, Fifteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah K. Carter, widow of Samuel A. Carter, late of Company K, Twenty-seventh Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

Mr. MINTON. I have three amendments to this amendment of the committee which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendments.

The CHIEF CLERK. On page 60, it is proposed to strike out of the amendment of the committee lines 5 to 8 inclusive, as follows:

The name of Mattie F. Colebaugh, widow of Uriah A. Colebaugh, late of Company G, One Hundred and Forty-sixth Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment to the amendment was agreed to.

The CHIEF CLERK. On page 60, it is proposed to strike out lines 17 to 20, inclusive, as follows:

The name of Esther A. Kenworthy, widow of David E. Kenworthy, late of the Fifteenth Battery Indiana Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment to the amendment was agreed to.

The CHIEF CLERK. On page 61, it is proposed to strike out lines 1 to 4, inclusive, as follows:

The name of Nancy J. Walker, widow of Adam R. Walker, late of Company A, Sixty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. MINTON. Mr. President, I now offer an amendment to the text of the bill.

The PRESIDING OFFICER. The clerk will state the amendment proposed by the Senator from Indiana.

The CHIEF CLERK. On page 11, it is proposed to strike out lines 23 and 24, and on page 12, lines 1 and 2, as follows:

The name of Anna M. Parish, widow of Oris Parish, late first lieutenant, Company K, Thirtieth Regiment Ohio Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The amendment was agreed to.

Mr. BYRD. Mr. President, does the proposed legislation change the limitation with respect to the age of the soldier who is married?

Mr. MINTON. No.

Mr. BYRD. Does it change the limitation with respect to the age of the widow?

Mr. MINTON. It does not change that limitation in the statute at all.

Mr. BYRD. What is that limitation?

Mr. MINTON. I cannot recall what the limitation is.

Mr. BYRD. Suppose a young girl should marry a Civil War veteran now, could she receive a pension as long as she lives?

Mr. MINTON. No. I think he would have to be married to her before sometime in 1905.

Mr. BYRD. The measure does not change that provision?

Mr. MINTON. No.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time, was read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 5784) to provide for the accumulation and transfer of accumulated sick leave and vacation time due classified civil-service employees who succeed to the position of postmaster, and for other purposes, was announced as next in order.

Mr. McKELLAR. Let the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 7643) to facilitate and simplify national-forest administration was announced as next in order.

Mr. ADAMS. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

RESOLUTION PASSED OVER

The resolution (S. Res. 231) favoring the deletion from the Sixteenth Census population schedule of inquiries Nos. 32 and 33, relating to compensation received, was announced as next in order.

Mr. BARKLEY. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

BILL PASSED OVER

The bill (H. R. 6751) to repeal certain laws with respect to manifest and vessel permits was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. The Senator who reported the bill is not in the Chamber.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

RECONSTRUCTION AND REPLACEMENT OF CERTAIN RIO GRANDE BRIDGES

The bill (H. R. 7809) authorizing the reconstruction or replacement of certain bridges necessitated by the Rio Grande canalization project and authorizing appropriation for that purpose was announced as next in order.

Mr. McKELLAR. May we have an explanation of the bill?

The PRESIDING OFFICER. Will the Senator from Texas [Mr. CONNALLY] explain the bill?

Mr. CONNALLY. Mr. President, certain bridges on the Rio Grande are under the jurisdiction of the international Boundary Commission. Some former legislation provided that the bridges could be rebuilt, provided they belonged to municipalities or public agencies. It turned out later that some of them were located on country-club property. The

bill merely provides for the reconstruction or replacement of those bridges.

I trust that explanation satisfies the Senator from Tennessee.

Mr. McKELLAR. I have no objection.

Mr. CONNALLY. I congratulate the Senator upon his vigilance and watchfulness.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

WHITE PINE BLISTER RUST CONTROL

The bill (H. R. 3406) for forest protection against the white-pine blister rust, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, there are three bills of similar character. May we have an explanation of why it is necessary to have three bills instead of one? Do they treat of different sections of the United States?

Mr. SCHWELLENBACH. Mr. President, frankly, I did not know there were three bills. All I know about is the bill which was referred to me as a member of the Committee on Agriculture and Forestry with reference to the white-pine blister rust.

Mr. McKELLAR. I will say to the Senator that every year the Appropriations Committee receives requests for appropriations for white-pine blister-rust control; and I am wondering why it is necessary to have another bill.

Mr. SCHWELLENBACH. That is the point which the Secretary of Agriculture raises. From time to time through appropriation bills money has been appropriated for the purpose of fighting the white-pine blister rust. No general policy has been laid down by one act. From time to time there are authorizations or legislative appropriations in the appropriation bills, but there is no general policy; and the Secretary of Agriculture asks for the passage of this bill in order that he may have a statement by the Congress as to legislative policy.

The question involved, so far as the Secretary is concerned, is this: We have an area in which Government-owned lands completely surround either State-owned lands or privately owned lands. It does not do any good to eradicate from the Government lands gooseberry bushes and raspberry bushes, which spread the white-pine blister rust, and leave within the area a piece of privately owned land which is not protected. It is simply impossible to protect Government land if adjoining lands are not in any way taken care of. The purpose of the bill is to lay down a policy so as to permit the Secretary of Agriculture to take care of that sort of a situation. The bill provides:

That in the discretion of the Secretary of Agriculture no expenditures from funds provided under this authorization shall be made on private or State lands (except where such lands are intermingled with those which are federally owned and it is necessary in order to protect the property of the United States to work on those parts of the private or State-owned lands that immediately adjoin Federal lands) until a sum, or sums, at least equal to such expenditures shall have been appropriated, subscribed, or contributed by State, county, or local authorities or by individuals or organizations concerned.

The bill lays down the policy, giving to the Secretary the right to act, but providing that within his discretion he shall not act unless he receives a contribution, equal to half of the amount, from the State, the county, or the private owner.

Mr. McKELLAR. From hearing the Senator's explanation and from reading the bill it seems to me that a law of this kind is desirable. However, for such a law to function properly, would it not be better to have a provision repealing the other laws under which appropriations are now authorized? If the bill is to be the only act in force, I think it is highly desirable that it be passed; but if it is to be in addition to the present authorizations, it means mounting cost to the Government.

Mr. SCHWELLENBACH. Let me read what the Secretary has to say on that point, in his letter dated March 15 of last year.

The bill does not propose that the Federal Government enter a new field but clarifies Federal policy in recognizing that blister-rust control should be carried on without regard to ownership boundaries. Congress has recognized the importance and need for this work by providing appropriations for the control of blister rust on national-forest lands and for cooperation both with the private owners of timberland and with the various agencies administering publicly owned forests. The Budget estimates for the fiscal year 1940 include a total of about $1,300,000 of regular funds for blister-rust control work under the Bureau of Entomology and Plant Quarantine and the Forest Service, and there is a probability that these funds may be supplemented by an additional allocation from Emergency Relief Appropriation Acts. The bill transmitted with your letter would define a policy for and enable the carrying out of a coordinated control program that would aid in meeting the threat to large sections of the country in which the continued growth and production of native white pines are vital to the economic stability and prosperity of numerous communities.

The Secretary having made a study of the bill and reported upon it, and having pointed to the provisions of the appropriation bill, I think it may be assumed that this bill is not in conflict with any such provisions. He says it merely clarifies the policy of the Government. It is not a matter involving more funds. We have had appropriations year after year, without a general law upon the subject.

The Secretary further points out in his report:

The initial eradication of currants and gooseberries has been completed on 20,000,000 acres of the estimated 29,000,000 acres of land requiring the application of control measures. Of the nearly 9,000,000 acres of remaining unprotected area, over 3,000,000 acres (of which over one-half is in public ownership) are located in Western States, where the disease is making rapid headway and the need for control is especially pressing.

The proposed legislation would clarify the policy as well as authorize the continuation and development of a coordinated program to control this tree-killing disease which threatens to eliminate the production of white pines and dependent industries. In the opinion of the Department, therefore, the establishment of the definite policy outlined in this bill is in the public interest, and the proposed legislation has the approval of the Department.

Mr. McKELLAR. Mr. President, I am inclined to think that the bill is a step in the right direction, but the Senator will see from the second section of the bill that it increases the amounts to be expended for white-pine blister-rust control. The Government now spends very large sums for that purpose. It seems to me that in the twenty-odd years I have been a member of the committee we have made very small progress in doing away with the white-pine blister rust. If the bill represents a better way to manage the problem, very well; but the second section would enlarge the appropriations.

Mr. SCHWELLENBACH. Mr. President, I cannot agree with the Senator that section 2 would enlarge the appropriations. It is the ordinary provision found in practically all authorization bills—

There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture to carry out the provisions of this act.

That is the customary provision in an authorization bill. Year after year we have been appropriating money to be spent upon this problem. So far as I can find out, there is nothing to indicate any increase in the amount.

Mr. McKELLAR. Oh, yes, Mr. President. It will mean a very large increase. I think the plan evolved is good, but it seems to me that section 2 authorizes increased amounts. Under the first section of the bill the Secretary has the right to allocate the white-pine blister-rust funds as he may see fit, and for that reason it seems to me that the second section of the bill should be omitted. The first section is all right; but, in my judgment, the second section should be omitted.

Mr. SCHWELLENBACH. From time to time, under the general provisions of the law in reference to the Department of Agriculture and the work of the Bureau of Entomology and Plant Quarantine, the Appropriations Committee has recommended appropriations. All the bill does is to lay down a policy and a method of operation. Section 2 carries the customary provision which is in every authorization bill. There is no reason to believe that because the policy is laid down in one bill the Appropriations Committee will appropriate

any more money than it has appropriated in the past under the general appropriations for the Department of Agriculture.

The record shows that 20,000,000 out of 29,000,000 acres of the area which has needed treatment have been taken care of. One of the difficulties which has been met is that here and there privately owned pieces of timber are surrounded by Government timber; and the Government has been unable to take care of the problem because there was no general law on the subject.

Mr. McKELLAR. I am entirely in sympathy with the first section of the bill; but I am compelled to state that I am quite sure that the Department will ask for a very much larger appropriation for this purpose. I therefore object to consideration of the bill at this time.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

Mr. SCHWELLENBACH subsequently said:

Mr. President, I ask unanimous consent to revert to Calendar No. 1385, House bill 3406, which is the bill I explained a few moments ago. The Senator from Tennessee suggested if I would amend the bill by moving to strike out section 2 he would have no objection to its consideration and passage. That is what I intend to do if the bill may be now considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington that the Senate recur to House bill 3406?

Mr. McKELLAR. I have no objection.

There being no objection, the Senate proceeded to consider the bill (H. R. 3406) for forest protection against the white-pine blister rust, and for other purposes.

Mr. SCHWELLENBACH. I now move to strike out section 2.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, after line 3, it is proposed to strike out:

SEC. 2. There is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture to carry out the provisions of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time, was read the third time, and passed.

REPEAL OF SILVER PURCHASE ACT

The bill (S. 785) to repeal the Silver Purchase Act of 1934, to provide for the sale of silver, and for other purposes, was announced as next in order.

Mr. TOWNSEND. Mr. President, this is a very important bill and I am very anxious that it be considered. I hope the majority leader will cooperate, so that we may get an early vote on this measure. The country is very much interested in it, and I hope to be able to get a vote on it at an early date.

Mr. KING. There are other important bills upon the calendar, and I suppose this bill ought to take its turn.

Mr. TOWNSEND. I wish to give notice that at the first opportunity I shall move the consideration of the bill.

Mr. McNARY. Mr. President, I discussed the probable legislative status of this bill with the majority leader a few days ago, and I think it was the understanding that if we could not reach the bill for consideration this week its consideration would be arranged for some time next week.

Mr. BARKLEY. I will say to the Senator from Oregon and the Senator from Delaware that, though I am opposed to this bill, I am not going to attempt to keep it from being considered. There are several bills, however, on the program ahead of it, and I do not at this time wish to have them pushed aside on account of this bill.

Mr. McNARY. Mr. President, I should like to have a more definite understanding. If we are going to get into uncertainties, I shall invoke the rule of certainties to determine whether this bill will come up either this week or next week.

Mr. BARKLEY. I certainly gave no assurance to the Senator that the bill would come up this week.

Mr. McNARY. I understood the Senator to say, if not this week, it would come up next week.

Mr. BARKLEY. The bill will be taken up when we get to it at some time when other proposed legislation before the Senate shall have been disposed of. The Senator will get a chance to consider his bill, I presume, some time next week, but I cannot be absolutely certain about it. I will cooperate with the Senator. I have no desire to postpone its consideration beyond any reasonable time.

The PRESIDING OFFICER. Objection is heard.

Mr. TOWNSEND. Mr. President, I have no desire to take much time of the Senate. I am perfectly willing to make only a short statement if we can get a vote on the bill.

The PRESIDING OFFICER. The bill will be passed over.

ENCOURAGEMENT OF TRAVEL

The bill (H. R. 6884) to consider travel in the United States, and for other purposes, was announced as next in order.

Mr. VANDENBERG. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

OBJECTION TO RIVER AND HARBOR BILL

Mr. VANDENBERG. Mr. President, I am forced to leave the floor to attend a committee meeting. May I be permitted to anticipate Calendar No. 1424 and register an objection to it? It authorizes two or three hundred million dollars' worth of more or less interesting and useful river and harbor projects. I ask unanimous consent that I be permitted to file the objection.

The PRESIDING OFFICER. The Senator from Michigan asks unanimous consent that he may file objection to Calendar No. 1424, House bill 6264, the river and harbor appropriation bill. Is there objection? The Chair hears none.

OBJECTION TO SENATE BILLS 1460 AND 1461

Mr. KING. Mr. President, I am called from the Chamber for a moment. May I have the RECORD show that I desire to object to the consideration of Calendar Nos. 1415 and 1416, Senate bills 1460 and 1461, respectively? I make the objection at the request of another Senator.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent that he be permitted to lodge now objection to Calendar Nos. 1415 and 1416, Senate bills 1460 and 1461, respectively. Is there objection? The Chair hears none.

ENCOURAGEMENT OF TRAVEL

Mr. BARKLEY. Mr. President, I inquire what happened to Calendar No. 1387, House bill 6884.

The PRESIDING OFFICER. Objection was made by the Senator from Michigan [Mr. VANDENBERG].

Mr. BARKLEY. Mr. President, the bill referred to, House bill 6884, was unanimously reported by the Committee on Claims.

Mr. VANDENBERG. Is the Senator referring to the travel bill?

Mr. BARKLEY. Yes; to the so-called travel bill.

Mr. VANDENBERG. I am sorry, but the Senator is incorrect. It was not reported unanimously.

Mr. BARKLEY. Then I was misinformed. There was, however, no minority report submitted.

Mr. VANDENBERG. The Senator from Missouri [Mr. CLARK] and I, along with other Members in the committee, objected to the bill.

Mr. BARKLEY. The Senator understands, as do all other Senators, I presume, that we are trying to develop service in behalf of travel throughout the United States. Nearly every country in the world has travel assistance for the purpose of encouraging travel within its borders. That may be one thing we have neglected, although we have much more interesting things to be seen in the United States than may be found in other parts of the world. There has been heretofore in existence a travel service in the National Park Service, which has been contributed to largely by odds and ends in the way of appropriations which I think have been used up to about $75,000. This bill authorizes an appropriation of $100,000—which, of course, would be provided if reported by the Appropriations Committee and made a part of the law—for the continuation of this travel service in the National Park Service, under the Department of the Interior.

I have a letter here dated today and addressed to me by the Secretary of the Interior, which I should like to have read at the desk about this measure.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

THE SECRETARY OF THE INTERIOR,
Washington, April 10, 1940.

HON. ALBEN WILLIAM BARKLEY,
United States Senate.

MY DEAR SENATOR BARKLEY: With your consent, we should like to call up today H. R. 6884, a bill to continue the United States Travel Bureau of this Department for 1 year from June 30, 1940. This bill has passed the House and on March 19 was favorably reported by the Senate Commerce Committee. This legislation has been approved by the President, the Budget, the State, Agriculture, Commerce, and Interior Departments, by the Maritime Commission, and the Civil Aeronautics Authority. It also is strongly favored and recommended for passage by all important segments of the private travel industry.

I attach herewith a copy of the favorable report of the Commerce Committee, which discloses how important it is that this legislation be enacted at this time.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

Mr. BARKLEY. Does the Senator from Michigan insist on his objection to this bill?

Mr. VANDENBERG. Yes. I should like to make a statement very briefly about it.

Mr. BARKLEY. I yield to the Senator.

Mr. VANDENBERG. I thank the Senator. In the first place, I would have to object in the absence of the Senator from Missouri [Mr. CLARK], because he has very formidable objections to the proposed legislation, and expressed them in the Commerce Committee at some length. So far as I am personally concerned, I think the objectives of the bill are excellent; I would hope to be able to suport the objectives as soon as possible; but "as soon as possible," so far as I am concerned, Mr. President, means just this in respect to the creation of any new Government services or subsidies: I shall vote for no new ones until we have found a way to pay for those which already exist. I object.

The PRESIDING OFFICER. Objection is made.

RECOGNITION OF CIVILIANS EMPLOYED IN CONSTRUCTION OF PANAMA CANAL

The bill (S. 1162) to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal, was announced as next in order.

Mr. McKELLAR. Mr. President, I should like to have an explanation of the bill.

Mr. PEPPER. Mr. President, I shall be glad to make an explanation of the bill. It provides a system of annuities for those civilian employees who were engaged as much as 3 years on the construction of the Panama Canal during the construction period actually upon the Isthmus. The bill has been favorably reported from the Senate Committee on Interoceanic Canals.

The able Senator from Tennessee, on one occasion when this matter was up before, made inquiry as to whether there had been ample safeguards about the benefits of the proposed law being available to the widows of employees. An amendment has been placed in the bill, assuring, I think, against the objection the Senator from Tennessee raised; that is to say, the widow, in order to get the benefits of this bill, must actually have been the wife of the worker upon the Canal at least 1 year in residence upon the Isthmus, and, of course, must have been undivorced from him when the benefits accrued.

Mr. McKELLAR. I wish to say to the Senator what was said by the distinguished Senator from Oklahoma [Mr. THOMAS] earlier today.

There is pending, I understand, a bill regulating citizenship, pay, time, and other things of that kind of a good many employees in the Canal Zone. We have been working very vigorously, actively, and persistently, I may say, for there has been a great difference of opinion about it, to get a bill that would be satisfactory to all the departments and in conformity with the treaty we have with Panama. So I hope the Senator will wait and see that bill, because I think that will take care of the situation which he has in mind in the best possible way. I think we ought to treat all our citizens in the Canal Zone alike; I think we ought not to make distinctions between them; and I want to express the hope that the Senator will let the bill go over until the bill to which I have referred comes up. I inquire of the Senator from Oklahoma [Mr. THOMAS] if the bill to which I am now referring has been reported and is on the calendar? It is, is it not?

Mr. THOMAS of Oklahoma. It is section 2 of the civil functions War Department appropriation bill which is now on the calendar. Section 2 embraces the agreement the committee has reached, and it will be submitted to the Senate for its consideration at an early date.

Mr. PEPPER. Mr. President, I am in accord with every word the able Senators have said, but I think there is some misunderstanding of the nature of this particular bill, and, if the Senator will allow me, I should like to explain it.

In the first place, this bill applies to nobody except civilian employees who were engaged on the construction of the Canal upon the Isthmus itself during the construction period and for as much as 3 years. In the second place, it provides no benefits for any employees who have received any benefits under any other legislation. In other words, this is a class of employees who have received no recognition whatever for their service to the country in the construction of the Canal.

This is what happened, Mr. President:

In 1915 the Congress passed a special law conferring certain benefits upon and extending the thanks of the Congress to the Army and Navy and Public Health officers who were employed upon the Isthmus in the construction of the Canal. They received a raise of one grade in their rank by virtue of that act, and they were given the privilege of permanent retirement upon three-fourths of their annual basic pay. I will state, for example, the cases of two men who were employed. One is Gen. R. E. Wood, who was an officer engaged in the construction of the Canal. Under that law General Wood already has actually received from the Government $74,250.

Another gentleman was Colonel Goethals. Of course, everybody knows that he is the son of General Goethals. He went down there from West Point as a young officer and became engaged in the construction of the Canal. He has received a very large sum of money, $69,468. Those are benefits which have been received under that special legislation by officers who were engaged in the construction of the Canal.

Those three classes—Army, Navy, and Public Health officers—have been graciously and generously provided for by the Congress. Then all the employees of the Canal who remained in the service are subject to the benefits of the pension law which applies to all civil-service employees. That law gives special consideration and particular benefits to those who were Panama Canal employees engaged in the construction of the Canal; so they, too, have been provided for and are provided for under existing law; but these civilian employees—who were the actual soldiers, as it were, who did the work—have not received from the Congress any recognition whatever.

I have here a letter from General Wood about this bill, addressed to me, dated March 27, 1940. He says:

I note that your bill, S. 1162, covering pensions for Panama civilian employees, is before the Senate.

I spent 10 years of my life on the Canal Zone during the construction of the Canal, and received the benefit of an act of Congress, which, however, applied to Army officers only. I feel that I am no more entitled to the benefits of such an act than are the civilian employees, and I feel very strongly that they should receive the benefits of your bill. It is strictly a matter of justice. Many of them have reached the time of life when they are in absolute need.

If there is anything I can do to further the passage of this bill, please let me know. I have written to the President with reference to it, and I should be glad to see him in its behalf if it passes the Senate.

Sincerely yours,

R. E. WOOD.

Mr. McKELLAR. Mr. President, how many of these persons are there?

Mr. PEPPER. It is estimated that there are between 1,000 and 1,500 of them. Probably the best estimate is that there are about a thousand of them; and their average age is 63 years.

Mr. McKELLAR. And how much does the bill propose to pay them?

Mr. PEPPER. The estimates vary a little bit; but I believe the most dependable estimates are given by Mr. Bovay, who served under Colonel Gorgas as chief clerk, and also in the Sanitary Department of the Canal. He thinks that on account of the heavy mortality of this class of persons, the amount would not reach over $500,000 a year; and the same expression is given by Mr. Sill, who is now Director of Admeasurement of the Canal. He thinks that about a million or a million and a half dollars would be the maximum.

Mr. McKELLAR. May I ask the Senator whether these men are citizens of the United States?

Mr. PEPPER. The bill expressly provides that they must be citizens to be entitled to the benefits of the bill, and must have been citizens when they were engaged in the construction to get the benefits of the bill.

Mr. President, I have here a letter from former President Theodore Roosevelt, written in 1916, about this particular kind of legislation, which gives a very graphic statement of his advocacy of it. Will the Senator allow me to read the letter? It is written from New York and is dated May 25, 1916:

Mr. C. O. SIMMONS,
Washington Representative, Panama Canal Employees' Association, The New Willard, Washington, D. C.

DEAR MR. SIMMONS: In view of the action taken by Congress in substantially rewarding certain officers of the United States Army, Navy, and Public Health Service who served for more than 3 years in the construction of the Panama Canal by providing for their promotion and retirement upon application, I can see no reason why the civilian employees who served for a similar period, and who, in any event, would not benefit by the liberal pension arrangements provided for the service men, should not be rewarded by a like recognition.

As one who was instrumental in getting this work under way and who has followed its progress with deep interest and keen satisfaction, I am greatly concerned in seeing proper recognition accorded the civilian employees. General Goethals has designated these men as the real builders of the Panama Canal. I sincerely trust that prompt action will be taken by Congress toward the early enactment of legislation to this end.

Very truly yours,

THEODORE ROOSEVELT.

I also have here a statement from General Goethals, and I have already read one from General Wood, and another statement from the Chief Engineer of the Panama Canal, John F. Stevens, written April 2, 1938, to the Senator from Missouri [Mr. CLARK], the chairman of the Interoceanic Canals Committee.

Mr. President, I hope the Senator from Tennessee will recognize that this class of employees is not provided for by any other type of legislation.

Mr. McKELLAR. Mr. President, how long is it since these men were employed by the Government?

Mr. PEPPER. Most of them have long since gone out of the Government's employ. That is the reason why they are not entitled to the regular civil-service benefits. If they were still in the service of the Government, they would receive the regular retirement privilege of civil-service employees and Panama Canal employees.

Mr. McKELLAR. They gave up that employment, and they gave up their civil-service status, and now this is a bill to pension them.

Mr. PEPPER. Mr. President, this bill is entirely in recognition of the fact that they went down to an unhealthy place and spent at least 3 years in actual residence in the construction of the Canal, and have not been provided for by any other legislation.

The PRESIDING OFFICER. The time of the Senator from Florida under the 5-minute rule has expired.

Mr. McKELLAR. I ask that the bill go over for the day.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

ARMY BANDMASTERS

The Senate proceeded to consider the bill (H. R. 3840) to amend the act entitled "An act for making further and more effectual provisions for the national defense, and for other purposes", approved June 3, 1916, as amended, and for other purposes, which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause and to insert:

That section 6 of the National Defense Act of June 3, 1916, as amended, is amended by adding at the end thereof the following:

"In addition there shall be created a new rank of bandmaster in the Regular Army in lieu of the present warrant officer band leaders, who shall be appointed and commissioned bandmasters by the President, by and with the advice and consent of the Senate.

"SEC. 6. Chief bandmaster: A chief bandmaster shall be selected from among experienced Regular Army bandmasters of the service by the Secretary of War, and shall have the rank, pay, and allowances of a major while so serving. He shall be charged with the duty for the uniform administration of all authorized Regular Army bands, and shall advise The Adjutant General on all matters relating to the musical organizations in the Regular Army.

"Bandmasters: Bandmasters hereafter commissioned shall be entitled to the same benefits in respect to pay, allowances, and retirements as are applicable to commissioned officers of the various grades of the Regular Army, which said pay, benefits, allowances, and retirements shall be as follows: Bandmasters with less than 5 years' service to rank with second lieutenants; bandmasters with service of from 5 to 10 years to rank with first lieutenants, bandmasters with service of over 10 years to rank with captains. All prior active band-leader service as chief musician, master sergeant, warrant officer, commissioned and enlisted, in the Regular Army shall be credited toward computing the rank present band leaders shall receive on first appointment. There shall be one bandmaster for each authorized band of the Regular Army. First, appointments as bandmasters shall be from band leaders now in the Regular Army who are found to be physically qualified; second, subject to such examination as the President may prescribe, from noncommissioned officers and other enlisted musicians who have had at least 1 year of service in a Regular Army band: *Provided*, That band leaders now in the service who fail to pass the prescribed physical examination because of physical disability incident to the service shall be placed upon the retired list of the Regular Army with 75 percent of the pay to which they would have been entitled if appointed bandmasters as hereinbefore prescribed: *Provided further*, That no bandmaster shall suffer the loss of pay by reason of the provisions of this act."

SEC. 2. The limitations now prescribed by law upon the number of commissioned officers of the Regular Army, and the number of commissioned officers in the various grades, is hereby increased to, and only to, the extent necessary to give effect to the provisions of this act. The number of warrant officers authorized by law shall be decreased by the number of band leaders receiving commissions in pursuance of the provisions of this act.

SEC. 3. This act shall take effect immediately following its enactment.

SEC. 4. This act may be cited as the "Army Bandmasters' Act."

Mr. McNARY. Mr. President, I should like to have an explanation of the bill.

Mr. THOMAS of Utah. Mr. President, this bill has been called the bandmasters' bill. It provides that there shall be created in the Army a new office, to be called bandmaster. At the present time the bandmasters are warrant officers. The bill will give them the status of commissioned officers of the Army. Similar bills have passed the Senate several times before.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time, was read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 5584) to amend the Canal Zone Code was announced as next in order.

Mr. McNARY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

FLOOD-CONTROL WORKS, ETC., AUTAUGA CREEK, ALA.

The Senate proceeded to consider the bill (S. 3552) to authorize the construction of works for flood control and other purposes on Autauga Creek at Prattville, Ala.

Mr. KING. Mr. President, let us have an explanation of the bill. Is it a general bill, or one relating solely to the place named in the title?

Mr. HILL. It relates solely to one place—to the extension and enlargement of the levees on Autauga Creek at Prattville, Ala.

Mr. KING. I have no objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the following works of improvement for the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, the cost thereof to be paid from appropriations for flood control: Autauga Creek at Prattville, Ala.; construction of flood-protection works, in accordance with the recommendations of the Chief of Engineers and subject to the conditions set forth in House Document Numbered —, Seventy-sixth Congress, third session.

BARRING OF CLAIMS AGAINST THE UNITED STATES

The bill (H. R. 8150) providing for the barring of claims against the United States was considered, ordered to a third reading, read the third time, and passed.

Mr. THOMAS of Oklahoma subsequently said: Mr. President, a parliamentary inquiry. What was the action of the Senate on House bill 8150?

The PRESIDING OFFICER. It was passed.

Mr. THOMAS of Oklahoma. I ask unanimous consent that the vote by which the bill was passed be reconsidered, in order that I may offer an amendment to the bill.

The PRESIDING OFFICER. The Senator from Oklahoma requests unanimous consent that the vote by which House bill 8150 was passed be reconsidered. Is there objection? The Chair hears none.

Mr. THOMAS of Oklahoma. Mr. President, I send to the desk an amendment to the bill which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 4, after the word "established", it is proposed to insert a colon and the following:

Provided further, That nothing in this act shall be construed to deprive individual Indians or Indian tribes of rights or benefits to which they may be entitled under existing law.

The amendment was agreed to.

Mr. VAN NUYS. Mr. President, does the General Accounting Office have jurisdiction of the claims which are provided for by the amendment of the Senator from Oklahoma?

Mr. THOMAS of Oklahoma. I so understand.

Mr. VAN NUYS. It was not my understanding that they came within the jurisdiction of the General Accounting Office. This bill only provides for a statute of limitations for claims coming within the jurisdiction of the General Accounting Office.

Mr. THOMAS of Oklahoma. Mr. President, if there is any misunderstanding, I ask that the bill go over until it can be looked into.

Mr. VAN NUYS. That is satisfactory.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

TERMS OF DISTRICT COURT FOR WESTERN DISTRICT OF ARKANSAS

The bill (H. R. 7421) to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville was considered, ordered to a third reading, read the third time, and passed.

TRAVELING AND SUBSISTENCE EXPENSES OF CIRCUIT AND DISTRICT JUDGES

The bill (H. R. 7015) to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges, was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF FUNDS TO WRANGELL, ALASKA

The bill (H. R. 7612) for the transfer of funds to the town of Wrangell, Alaska, was considered, ordered to a third reading, read the third time, and passed.

TIME OF THE MEETING OF THE LEGISLATURE OF ALASKA

The Senate proceeded to consider the bill (H. R. 4776) to amend section 6 of the Organic Act of Alaska, which was read as follows:

Be it enacted, etc., That section 6 of the act entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes," approved August 24, 1912 (37 Stat. 512), is hereby amended to read as follows:

"SEC. 6. Convening and sessions of legislature: The Legislature of Alaska shall convene at the capitol at the city of Juneau, Alaska, on the fourth Monday in January in the year 1941 and on the fourth Monday in January every 2 years thereafter; but the said legislature shall not continue in session longer than 60 days in any 2 years unless again convened in extraordinary session by a proclamation of the Governor, which shall set forth the object thereof and give at least 15 days' notice in writing or by telegram or radiogram to each member of said legislature, and in such case shall not continue in session longer than 30 days. The Governor of Alaska is hereby authorized to convene the legislature in extraordinary session for a period not exceeding 30 days when requested to do so by the President of the United States, or when any public danger or necessity may require it."

SEC. 2. Section 2 of the act entitled "An act fixing the date for holding elections of a Delegate from Alaska to the House of Representatives and of members of the Legislature of Alaska; fixing the date on which the Legislature of Alaska shall hereafter meet; prescribing the personnel of the Territorial canvassing board, defining its duties, and for other purposes," approved March 26, 1934 (48 Stat. 465), is repealed.

Mr. McNARY. Mr. President, in the absence of an explanation, I shall ask that this bill go over.

Mr. SCHWELLENBACH. Mr. President, the Delegate from Alaska explained the measure to me, and I shall be glad to attempt to repeat the explanation he has given me.

This bill merely proposes to change the time for the convening of the Territorial Legislature of Alaska. The change is desired so as to afford time to close the books and prepare the necessary reports. It would give the Governor the right to notify the members of the legislature of a session by telegraph, as well as mail, and would extend the time of the gatherings from 15 to 30 days. I am informed that this proposed legislation is desired by all those interested in Alaska, as well as by the Department.

Mr. McNARY. I have no objection. The Senator has made a very satisfactory statement.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

RESOLUTION PASSED OVER

The resolution (S. Res. 248) authorizing the printing as a Senate document of certain monographs published by the Attorney General's Committee on Administrative Procedure relative to the practice and procedure of several agencies of the Government was announced as next in order.

Mr. KING. Let the resolution go over. I wish to examine it.

The PRESIDING OFFICER. The resolution will be passed over.

SELECTION OF ARMY CHIEFS OF BRANCHES

The Senate proceeded to consider the bill (S. 3423) to provide that certain chiefs of branches of the Regular Army shall be selected from among the brigadier generals of the line, and for other purposes, which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause, and to insert:

That the number of brigadier generals of the line of the Regular Army is hereby increased from 46 to 50.

Mr. McKELLAR. Mr. President, may we have an explanation?

Mr. SHEPPARD. Mr. President, this measure provides for increasing the number of brigadier generals of the line of the Regular Army by four without additional cost to the Government. The War Department has requested the provision for these four additional generals in order that the President may select the Chiefs of Infantry, Cavalry, Field

Artillery, and Coast Artillery from among the brigadier generals if he so desires.

Mr. McKELLAR. Why was the language on page 1 of the bill stricken out?

Mr. SHEPPARD. So that the President may still select these chiefs from among colonels as well as brigadier generals.

Mr. McKELLAR. In other words, the bill as introduced provided for exactly what the Senator from Texas has stated.

Mr. SHEPPARD. That is true.

Mr. McKELLAR. But the amendment strikes that out, and merely provides that the brigadier generals shall be increased in number by four. I should like to know why we should increase the number by four. What is the reason?

Mr. SHEPPARD. Because the present number of 46 are required for present purposes. The War Department does not have a sufficient number of brigadier generals at present to carry out the purposes of the bill.

Mr. McKELLAR. The Senator would increase the number rather than lessen the number?

Mr. SHEPPARD. The bill increases the number by four without additional cost to the Government.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to increase the number of brigadier generals of the line of the Regular Army by four."

ELIGIBILITY FOR APPOINTMENT IN THE DENTAL CORPS

The Senate proceeded to consider the bill (S. 3633) to amend section 24e, National Defense Act, as amended, so as to eliminate the requirement of 2 years' practice for eligibility for appointment in the Dental Corps, which had been reported from the Committee on Military Affairs with an amendment, on page 1, after line 9, to insert after the word "college" the words "and have been engaged in the practice of his profession for at least 2 years subsequent to graduation, or must have, after such graduation, satisfactorily completed a dental internship of not less than 1 year in a hospital or dispensary", so as to make the bill read:

Be it enacted, etc., That the next to the last sentence of section 24e, of the National Defense Act, as amended by section 7 of the act of April 3, 1939 (Public, No. 18, 76th Cong.), be, and the same is hereby amended to read as follows: "To be eligible for appointment in the Dental Corps a candidate must be a graduate of a recognized dental college and have been engaged in the practice of his profession for at least 2 years subsequent to graduation, or must have, after such graduation, satisfactorily completed a dental internship of not less than 1 year in a hospital or dispensary."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 24e, National Defense Act, as amended, so as to add an alternative requirement for appointment in the Dental Corps."

UNITED SPANISH WAR VETERANS

The bill (H. R. 8238) providing for the incorporation of the United Spanish War Veterans was considered, ordered to a third reading, read the third time, and passed.

IMPROVEMENT OF COMMODORE BARNEY CIRCLE

The bill (H. R. 8917) to authorize the construction of a waiting room and comfort station in Commodore Barney Circle, United States Reservation 55–56, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

PRISON INDUSTRIES REORGANIZATION ADMINISTRATION

The Senate proceeded to consider the bill (S. 2303) authorizing the continuance of the Prison Industries Reorganization Administration, established by Executive Order No. 7194 of September 26, 1935, to June 30, 1941, which was read, as follows:

Be it enacted, etc., That the duties and functions of the Prison Industries Reorganization Administration, established by Executive Order No. 7194 of September 26, 1935, are hereby continued until June 30, 1941.

SEC. 2. There is hereby authorized to be appropriated for the administrative expenses of the Administration an amount of $50,000 for the fiscal year 1940.

Mr. KING. Mr. President, may I have the attention of the Senator from Arizona?

Mr. ASHURST. The junior Senator from Kentucky [Mr. CHANDLER] has charge of the bill.

Mr. CHANDLER. Mr. President, this bill is intended to authorize the continuance of the work of the Prison Industries Reorganization Administration, which was set up by the President on September 21, 1935, under an Executive order, and the bill authorizes an approriation of $50,000.

The Prison Industries Reorganization Administration is one of the most useful agencies the present administration has set up for aiding the States in the very seriously difficult prison problem. In the discussion of the relief bill for 1938 there was a proposal to appropriate $120,000 for this purpose, but the provision was eliminated from the relief bill. However, in the debate in the Senate the Senators interested indicated that if the matter were brought up as a separate bill they would have no objection to it. It is here now as a separate bill, with a unanimous report from the Committee on the Judiciary, and authorizes an appropriation of $50,000 for this agency, which, in its field, is invaluable to the people of America in my judgment,

Mr. KING. Mr. President, is this a permanent agency which will call for increased appropriations as the years go by, as most agencies do?

Mr. CHANDLER. I think not. It is under the authority of the President's Reorganization Act, and will from time to time be subject to his orders, as they will be sent to the Congress hereafter.

Upon the invitation of 30 States through their Governors, this organization went voluntarily into the States. I have a record here, which was carefully compiled, showing how important it has been to the State officials in the 30 States into which the organization went on the invitation of the Governors. When we consider the difficult prison problem which the people of the country faced 4 or 5 years ago, and upon which great progress has been made, it will be realized that the sum recommended is very small. When we consider the $25,000,000 we appropriate every year for fighting crime in the United States, and when we reflect on what this organization has done to establish penal systems in the United States, and to give the States an opportunity to get away from the limitations imposed by the Sumner-Ashurst Act and others, I am sure the bill will be approved. The law sponsored by the distinguished chairman of the Committee on the Judiciary, the Senator from Arizona [Mr. ASHURST], was sustained by the Supreme Court of the United States. In the case of Whitefield against Ohio they decided it was not fair that the States not be able to use their prisoners on work for things which the States needed in order to safeguard their interests themselves. The American Federation of Labor supports the bill and the activities of the organization, and a member of the American federation appeared before the committee. I do not think any just complaint can be made against the fine work this organization has done.

Mr. ASHURST. Mr. President, the Senator from Kentucky has well described the bill. But in reply to the question propounded by the Senator from Utah, I may state that the bill will expire by the flowing of time on June 30, 1941. The provision is "are hereby continued until June 30, 1941." The appropriation authorized is for the fiscal year 1940.

Mr. KING. Then it does not perpetuate this beyond the year.

Mr. ASHURST. It does not.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

J. H. WOOTTON

The Senate proceeded to consider the bill (S. 993) for the relief of J. H. Wootton, which had been reported from the Committee on Claims with amendments, on page 2, line 5, to strike out "$97.06" and insert "$21.14"; on line 6, to strike out "Provided, That any amount so found due the claimant pursuant to this act may be applied in satisfaction of any income-tax indebtedness outstanding and unpaid at that time," and to insert a new section at the end of the bill, so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of J. H. Wootton against the United States and the claim of the United States against J. H. Wootton involving mileage for the use of his personally owned automobile for transportation from Washington, D. C., to San Francisco, Calif., in 1934, and the return trip in 1935, upon the basis of the estimated cost by rail for the personal transportation of Mr. Wootton and without regard to section 209 of the act of June 30, 1932 (47 Stat. 405).

SEC. 2. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $21.14, or so much thereof as may be necessary, to pay the amount found due J. H. Wootton.

SEC. 3. Any amount so found due the claimant pursuant to this act may be applied in satisfaction of any income-tax indebtedness outstanding and unpaid at that time.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

C. T. JENSEN

The Senate proceeded to consider the bill (S. 3233) for the relief of C. T. Jensen, which had been reported from the Committee on Claims with an amendment, on page 1, line 7, to strike out "$195.50" and to insert "$20.50", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. T. Jensen, of Minot, N. Dak., a native-born citizen of the United States, the sum of $20.50, in full satisfaction of his claim against the United States for reimbursement of necessary expenses incurred by him by reason of the refusal of the Commissioner of Immigration and Naturalization to recognize the said C. T. Jensen as a native-born citizen of the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MARGUERITE P. CARMACK

The bill (H. R. 5812) for the relief of Marguerite P. Carmack was considered, ordered to a third reading, read the third time, and passed.

HOWARD DAURY

The bill (H. R. 5866) for the relief of Howard Daury was considered, ordered to a third reading, read the third time, and passed.

MRS. GEORGE C. HAMILTON AND NANETTE ANDERSON

The Senate proceeded to consider the bill (H. R. 4561) for the relief of Mrs. George C. Hamilton and Nanette Anderson, which had been reported from the Committee on Claims with an amendment, on page 1, line 8, to strike out "$1,000" and to insert "$500", so as to read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. George C. Hamilton of McComb, Miss., the sum of $250, and to the legal guardian of Nanette Anderson, a minor, of McComb, Miss., the sum of $500, in full settlement of all claims against the United States on account of personal injuries received by them on May 28, 1938, when the car in which they were riding collided with a Government truck owned by the National Park Service and driven by one Emmett Deer, an employee of the Percy Quin State Park, said collision being entirely the fault of the driver of the Government truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time, was read the third time, and passed.

KRIKOR HAROUTUNIAN

The bill (H. R. 2487) for the relief of Krikor Haroutunian was considered, ordered to a third reading, read the third time, and passed.

ELLA RAGOTSKI

The bill (H. R. 5928) for the relief of Ella Ragotski was considered, ordered to a third reading, read the third time, and passed.

MORRISON-KNUDSEN CO., INC., AND W. C. COLE

The Senate proceeded to consider the bill (H. R. 7855) for the relief of Morrison-Knudsen Co., Inc., and W. C. Cole, which was read as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of Morrison-Knudsen Co., Inc., and W. C. Cole, for reimbursement of the increased costs incurred in the procurement of sand conforming to specifications in the performance by said company of contract W-777-eng-221, dated September 6, 1938, covering construction of the major portion of the embankment and rough excavation for the spillway of the Fort Supply Dam located on Wolf Creek near Supply in Woodward County, Okla., and to allow in full and final settlement of the claim the sum of not to exceed $37,470.49. There is hereby appropriated out of any moneys in the Treasury not otherwise appropriated the sum of $37,470.49, or so much thereof as may be necessary, for the payment of said claim: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Mr. President, let us have an explanation.

Mr. ELLENDER. Mr. President, this bill for the relief of the Morrison-Knudsen Co. was recommended by the Comptroller General. It seems that a contract was entered into by the Government and the claimant for the building of a dam and the sand which was to be used in the building of the dam was supposed to have been taken from a certain spot, which was agreed upon by the Government engineers as well as the company. It turned out afterward that the particular sand contracted for was not suitable, so the company had to obtain other sand from a place 400 miles away. The amount asked for, eighteen-thousand-and-some-odd dollars, is to pay for the difference in freight and other costs.

Mr. KING. Is the payment of the amount recommended by the Comptroller?

Mr. ELLENDER. Yes; as I have just indicated, the Comptroller General suggested the bill.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ESTATE OF DR. B. L. PURSIFULL ET AL.

The Senate proceeded to consider the bill (H. R. 658) for the relief of the estate of Dr. B. L. Pursifull, Grace Pursifull, Eugene Pursifull, Ralph Pursifull, Bobby Pursifull, and Dora Little, which had been reported from the Committee on

Claims with amendments on page 1, line 5, after the words "sum of", to strike out "$2,500" and insert "$1,681.84"; in line 6, after the name "Pursifull"; to strike out "$2,245" and insert "$1,138.65"; in line 7, after the name "Pursifull", to strike out "$250" and insert "$182"; in line 8, after the name "Pursifull", to strike out "$250" and insert "$106"; in line 9, after the word "and", to strike out "$1,850" and insert "$1,096"; on page 2, line 2, after the word "and", to strike out "$1,200" and insert "$961", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,681.84 to the estate of Dr. B. I. Pursifull; $1,138.65 to Grace Pursifull; $182 to the legal representative of Ralph Pursifull; $106 to the legal representative of Eugene Pursifull; and $1,096 to the legal representative of Bobby Pursifull, each of whom are infants under the age of 21 years; and $961 to Dora Little, all residing at McKee, Jackson County, Ky., in full settlement of all claims for damages against the Government of the United States on account of bodily injuries and damages received by them and each of them on or about June 6, 1937, when the car in which they were riding was struck by a Civilian Conservation Corps truck assigned to the Forest Service, near McKee, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time, was read the third time, and passed.

BILLS PASSED OVER

The bill (H. R. 3838) to protect trade-mark owners, producers, distributors, and the general public against injurious and uneconomic practices in the distribution of competitive commodities bearing a distinguishing trade-mark, etc., was announced as next in order.

Mr. DANAHER. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1460) to provide uniform reciprocal hospitalization in any Army or Navy hospital for retired personnel of the Army, Navy, Marine Corps, and Coast Guard was announced as next in order.

The PRESIDING OFFICER. At the request of the Senator from Utah [Mr. KING] previously made, the bill will be passed over.

The bill (S. 1461) to remove discriminations against retired Army enlisted personnel and to equalize hospitalization and domiciliary benefits of retired enlisted men of the Army, Navy, Marine Corps, and Coast Guard was announced as next in order.

The PRESIDING OFFICER. The bill will be passed over in compliance with the request previously made by the Senator from Utah.

EXPORTATION OF TOBACCO SEED AND PLANTS

The Senate proceeded to consider the bill (S. 3530) to prohibit the exportation of tobacco seed and plants, except for experimental purposes, which was read, as follows:

Be it enacted, etc., That it shall be unlawful to export any tobacco seed and/or live tobacco plants from the United States or any Territory subject to the jurisdiction thereof, to any foreign country, port, or place, unless such exportation and/or transportation is in pursuance of a written permit granted by the Secretary of Agriculture. Such permit shall be granted by the Secretary only upon application therefor and after proof satisfactory to him that such seed or plants are to be used for experimental purposes only.

SEC. 2. Any persons violating any of the provisions of this act shall be guilty of a misdemeanor and shall be punished by a fine of not more than $5,000 or by imprisonment for not more than one year, or by both such fine and imprisonment.

Mr. McKELLAR. Mr. President, may we have an explanation of that measure?

The PRESIDING OFFICER. The Senator from South Carolina [Mr. SMITH] is the chairman of the committee which favorably reported the bill, and the Senator from Virginia [Mr. BYRD] sponsored it.

Mr. BYRD. Mr. President, the bill makes it unlawful to export any tobacco seed unless a permit is granted by the Secretary of Agriculture. A similar bill was passed by the Congress at the last session.

Mr. McKELLAR. In the present situation, if anyone should export tobacco seed, and thus help the tobacco growers of other nations which are endeavoring to cut down the exports of tobacco from this country——

Mr. BYRD. It is especially important in view of the British embargo, I will say to the Senator.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD as a part of my remarks at this point a speech made by me at Danville, Va., on March 13, 1940, with respect to this proposed legislation.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

PROHIBIT THE EXPORTATION OF AMERICAN SEED TOBACCO

A most important step to protect the American tobacco farmer is the passage of a bill to prohibit the exportation of our tobacco seed. A bill to prevent such foreign shipments of tobacco seed was passed by Congress a year ago, but it was vetoed. I have introduced it again and am working in cooperation with Congressman BURCH in this and all other matters for the protection of the tobacco growers.

In view of the embargo placed on tobacco by Great Britain, it appears to me that the passage of this bill is even more necessary today than it was a year ago.

Until a few years ago cigarette tobacco was grown only in the United States. British manufacturers own and control a large percentage of the business in foreign countries, and until recently they purchased their tobacco from the United States. These foreign exporters, in order to get cheaper tobacco, conceived the idea of getting American tobacco seed from American farmers through their local buyers and growing a substitute in foreign countries for our tobacco grown in the United States. Tobacco from American seed is being grown in the British Empire—in Canada, India, Australia, Rhodesia, and other provinces. It was planted there by their farmers who were encouraged to grow this type of tobacco as a substitute for the American type.

It was discovered in foreign areas that they could use our seed and from this seed could grow a substitute for our tobacco, but that after several years the tobacco would revert to the native type of the foreign country and lose its commercial value, and new American seed was again necessary. The American flue-cured tobacco is indigenous to the southern section of the United States. The soil and climate of this section of the United States provide the properties which make this flue-cured tobacco the best smoking tobacco in the world, and it will not retain these properties when planted in other countries, even as a substitute, for longer than 2 or 3 years. Therefore, it is necessary for foreign countries to secure annually large quantities of our tobacco seed.

Japan is getting our seed and scientifically encouraging farmers in Manchuria and elsewhere to grow a substitute for American tobacco, and in six or seven provinces of China they are growing from our seed a substitute for our tobacco. India for a long time has been one of the large tobacco-growing countries. Now, under the direction and with the encouragement of the British Government, India is getting our seed and producing millions of pounds of tobacco as a substitute for American cigarette tobacco.

The British Government has placed a much higher tax on tobacco imported from the United States than on that which they grow from our seed in their own possessions, notwithstanding the fact that their substitute is grown from our seed and displaces our business.

Many other countries—Turkey, Greece, and Sumatra—protect their tobacco industries and will not allow their seed or plants to be sent to other countries for commercial purposes, for they, like the United States, grow a particular type of tobacco.

The purpose of the bill introduced by me to prevent the exportation of American tobacco seed is to prevent the ultimate destruction of the export tobacco industry of this country. This measure does not involve the rights of nations to secure seed or plants for experimental purposes.

In 1928 when British India began to grow a substitute for American flue-cured tobacco from seed sent them from the United States, they produced 32,000 pounds. Ten years thereafter, in 1938, this production increased to 36,000,000 pounds.

It is certainly not fair or reasonable for the British Government to place an embargo, as has been done, on the importation of Virginia tobacco and at the same time for the United States Government to permit the exportation of American tobacco seed to compete directly with our own product.

I, therefore, think that one of the most important matters before the tobacco growers of America is to insist that the bill

vetoed a year ago shall be passed again by Congress, and that the exportation of American tobacco seed, enabling our foreign competitors to take away our markets, be prohibited.

CUSTOMHOUSE BUILDING, MIAMI, FLA.

The bill (S. 3243) to provide for a customhouse building at Miami, Fla., was announced as next in order.

Mr. McKELLAR. Mr. President, may we have an explanation of that bill? There is no report on it.

Mr. PEPPER. Mr. President, my colleague [Mr. ANDREWS] sponsored this particular measure. My understanding is that the bill was introduced at the request of the Treasury Department, and it was favorably reported by the Committee on Public Buildings and Grounds.

I hope the Senator will have no objection to the bill and that it may pass, in order that the work may be gotten under way as soon as possible.

Mr. KING. Mr. President, I have received a number of communications from various cities and towns asking for appropriations for imperatively needed public buildings, and in each instance I have replied that a general appropriation bill was required. I communicated with one of the agencies which has charge of the public buildings. The agency told me that it needed a larger appropriation to meet the demands, but none had yet been made. It seemed to me—and I so replied to a number of those who communicated with me—that it would be perhaps unfair to try to single out one city, or town, or one agency, for public buildings, when others needed public buildings, and it was contemplated that a large appropriation would have to be made in order to cover the demands of the Government.

Mr. PEPPER. Mr. President, I think the Senator fails to distinguish between customhouses and buildings of that sort, and post offices and public buildings of that character. The Senator from Tennessee can better explain the bill than I can.

Mr. McKELLAR. Mr. President, I think it was in 1926 that a general bill was passed authorizing the Treasury Department to erect public buildings. It did not limit it to customhouses or to post offices, or to court buildings. There was no limitation at all except with respect to the question of money. At that time there was a plan established of spending so much money, and that money was to be distributed generally throughout the country. That plan has worked well. Of course, the amount to which each State is entitled under that general building plan is limited somewhat, and it can be spent for post-office buildings, for customhouses, or for any other Federal public buildings.

Mr. PEPPER. Will the Senator consent to the temporary deferment of this bill, with the privilege of calling it up later?

Mr. DANAHER. Before we leave the subject, may I ask the Senator from Florida if the Secretary of the Treasury has asked for this building?

Mr. PEPPER. My understanding is that he has.

Mr. DANAHER. There is no committee report to assist us.

Mr. PEPPER. That is the reason I requested that the bill be temporarily passed over.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. The bill will be passed over.

INCREASE IN THE WHITE HOUSE POLICE FORCE

The bill (H. R. 8540) to authorize an increase in the White House police force was considered, ordered to a third reading, read the third time, and passed.

CITIZENSHIP DAY

The joint resolution (H. J. Res. 437) authorizing the President of the United States of America to proclaim Citizenship Day for the recognition, observance, and commemoration of American citizenship was announced as next in order.

Mr. MEAD. Mr. President, while I have no objection to this measure—in fact, I favor it—I have been asked by the Commissioner of Immigration and Naturalization to have action on it postponed until opportunity is given for a further discussion as to the differences between the House and the Senate bills.

Mr. McNARY. Mr. President, before we pass over consideration of the measure, I desire on behalf of the senior Senator from California [Mr. JOHNSON] and myself to propose an amendment, which I ask to lie on the table. In the title, after the word "proclaim", it is proposed to insert "I Am an American"; and on page 2, line 1, after the word "as", insert the words "I Am an American." The language will then read "set aside as I Am an American Citizenship Day." I ask that the amendment may be noted.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table.

Mr. HILL. Mr. President, I wish to say that I very strongly favor the joint resolution. It was introduced in the House by Representative JOHNS, of Wisconsin, and I introduced the companion measure in the Senate.

The suggestion for the joint resolution came from the State of Wisconsin. The Senate Committee on the Judiciary, before voting the joint resolution out favorably, saw fit in its wisdom to amend it by striking out the third Sunday in May as the day to be designated as Citizenship Day, and inserting in lieu thereof June 14, to be designated as Citizenship Day.

I have a letter before me from the superintendent of schools of Manitowoc, Wis., chairman of the committee on induction into citizenship of the National Education Association of the United States. This gentleman, Hugh S. Bonar, does not favor the amendment changing the date to June 14, for this reason: He states that he believes that if the joint resolution is to be effective, and if the program envisioned under it is to be carried out, then the day ought to be a day when the schools of the country are in session, and not one when the schools are in vacation, or recess, because he feels that the success of the program envisioned under the joint resolution will depend largely on how the program is sponsored and developed by educational authorities and the educational forces of the country.

In that connection, Mr. President, I ask unanimous consent that the letter from Mr. Bonar be printed in the RECORD as part of my remarks at this point.

The PRESIDING OFFICER. Without objection it is so ordered.

The letter is as follows:

NATIONAL EDUCATION ASSOCIATION OF THE UNITED STATES,
Manitowoc, Wis., April 9, 1940.

Senator LISTER HILL,
United States Senate, Washington, D. C.

DEAR SENATOR HILL: We learned through a news release yesterday that the Senate Education and Labor Committee that has been considering the joint resolution on Citizenship Day had voted to change the recommended date from the third Sunday in May to Flag Day, June 14. We consider this a very serious set-back. Will you and your colleagues do everything you can to restore the original date in the bill as the resolution was passed in the House?

The success of this whole program, in our judgment, will rest upon the question of whether or not it can be developed under educational authorities in the various States. This development will be very awkward and extremely impractical in most instances if the date for the final culminating ceremonies is in June when most of the public schools in the Nation are closed.

Kindly let me know what you are able to do.

Very sincerely yours,

HUGH BONAR, *Chairman.*

Mr. ASHURST. Mr. President, I have in the last few moments conferred with the subcommittee of the Committee on the Judiciary, which considered the joint resolution, the Senator from Kentucky [Mr. CHANDLER], and the Senator from Wisconsin [Mr. WILEY]. So far as I am advised, they have no pride of opinion as to what particular day should be selected, and while I am not attempting to speak for them, I am quite certain that the suggestion of the able Senator from Alabama would meet with no opposition from them.

In my opinion, the joint resolution is important. It is more than a gesture, and if it be a gesture, as I said the other day, it is a beau geste—a beautiful gesture.

American citizenship is a high privilege. There can come to no person on this earth a greater honor or a greater opportunity than to be an American citizen. I do not wish

to see the resolution defeated or lost on the mere matter of the fixing of a day.

I may say in passing that I appreciate what the Senator from Alabama [Mr. HILL] has said and what the Senator from New York [Mr. MEAD] has said.

Some years ago the able senior Senator from Texas [Mr. SHEPPARD] moved with ability and with zeal on a bill along this line. The committee has had splendid support and valuable suggestions from the able Senator from California [Mr. JOHNSON].

So now, whether the joint resolution be objected to or not, I do not wish to see the joint resolution lost because of the mere matter of the date. There are strong arguments for a date other than Flag Day, but a considerable number of the members of the committee, and a considerable number of other Senators, do not wish to create any more holidays, for various reasons.

I now yield the floor.

Mr. HILL. Mr. President, the objection of the Senator from New York, as I understood the objection, did not arise because of the change in the date provided by the committee amendment, but because the Commissioner of Immigration and Naturalization had requested the measure to go over. As I stated in the beginning, I introduced a companion resolution, and I am very much interested in it. I think it is really an important resolution. I have faith to believe that those who are interested in this resolution, together with the subcommittee and the distinguished and able chairman of the Judiciary Committee, can work out the matter of a date and agree on a date which will be satisfactory to everyone, and which will best carry out the purpose and the intent of the resolution.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from New York.

Mr. MEAD. Mr. President, in order that I may make my position clear, first of all, I introduced a bill of this character at the present session of the Congress. Therefore, I am in favor of the object sought to be attained by the pending measure.

I also wish to commend the chairman of the Judiciary Committee and the chairman of the subcommittee for the kind and considerate treatment they accorded us when we appeared before them in support of the joint resolution. I want the joint resolution passed. I should hesitate to object if I thought such action would prevent its passage at this session. However, at the request of the Commissioner of Naturalization, who feels that he may be able to make a contribution to the solution of this problem, I am asking merely that it go over for a short period of time.

Mr. JOHNSON of California. Mr. President——

Mr. HILL. I yield to the Senator from California, or I yield the floor if he so desires.

Mr. JOHNSON of California. Mr. President, on behalf of certain Californians who came 3,000 miles across the continent in support of this measure, I wish to express their thanks to the chairman and to the members of the Judiciary Committee, who gave of their time that this measure might be adopted.

Of course, the request which is made by the Senator from New York [Mr. MEAD] is an appropriate one. We who favor the joint resolution have no desire to preclude him or those whom he represents from presenting any objection they may have. Inasmuch as the joint resolution is going over because of his objection, we might all get together subsequently and endeavor to work out a solution of the problem presented. We should do so with celerity, to avoid undue delay.

Mr. MEAD. Mr. President, will the Senator from California yield to me for a suggestion?

Mr. JOHNSON of California. I yield.

Mr. MEAD. As I understand, the objection from the Department, which came to my attention early today, is that the date suggested is a little too late. All arrangements have been made. The sponsors of the joint resolution have suggested an earlier date. Therefore I suggest that the chairman of the Judiciary Committee and the chairman of the subcommittee which handled the bill give consideration to an amendment which would change the date in the bill to the date now in the House bill.

Mr. ASHURST. Very good.

Mr. MEAD. That would enable the bill to be passed immediately.

Mr. JOHNSON of California. Has the Senator any suggestion to make as to the proper date?

The PRESIDING OFFICER. The Senator from California [Mr. JOHNSON] has the floor. Several Senators are seeking recognition. To whom does the Senator from California yield?

Mr. JOHNSON of California. I yield first to the Senator from New York [Mr. MEAD].

Mr. MEAD. I suggest that we make the date the third Sunday in May, which is the date in the House bill.

Mr. JOHNSON of California. Is that date satisfactory to the Senator from Alabama?

Mr. HILL. Entirely satisfactory.

Mr. JOHNSON of California. Is that date satisfactory to the Senator from Kentucky [Mr. CHANDLER]?

Mr. CHANDLER. Mr. President, I was chairman of the subcommittee which considered the matter. The junior Senator from Wisconsin [Mr. WILEY] was also a member of the subcommittee. The date suggested is satisfactory. I see no reason why the joint resolution should not be passed now, with the amendment of the distinguished Senator from California [Mr. JOHNSON], in which we are very much interested.

Mr. JOHNSON of California. If the chairman of the Judiciary Committee will consent, we might change the date right now.

Mr. ASHURST. Mr. President, in reply to the question of the able Senator, I am quite content that the date shall be the third Sunday in May.

The PRESIDING OFFICER. The Chair observes that if the Senate should reject the committee amendment, the date in the House bill would automatically be restored.

Mr. ASHURST. Very well.

The PRESIDING OFFICER. Does the Senator from New York withdraw his objection?

Mr. MEAD. I do, Mr. President.

The PRESIDING OFFICER. The committee amendment will be stated.

The CHIEF CLERK. On page 1, line 3, after the words "That the", it is proposed to strike out "third Sunday in May each year" and insert in lieu thereof "14th day of June each year (Flag Day)."

The amendment was rejected.

Mr. JOHNSON of California. Mr. President, the Senator from Oregon [Mr. MCNARY] has offered an amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The CHIEF CLERK. On page 2, line 1, after the word "as", it is proposed to insert "I Am an American."

Mr. CHANDLER. Mr. President, may the RECORD show that that amendment was offered by the Senator from Oregon [Mr. MCNARY] on behalf of the Senator from California [Mr. JOHNSON]? It is his amendment.

The PRESIDING OFFICER. The RECORD so shows.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MCNARY] on behalf of the Senator from California [Mr. JOHNSON]. Without objection——

Mr. BARKLEY. Mr. President, let us see how the language would read.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon [Mr. MCNARY] will be again stated.

The CHIEF CLERK. On page 2, line 1, after the word "as", it is proposed to insert "I Am an American."

Mr. BARKLEY. So as to read, "I Am an American Citizenship Day." That would be ridiculous.

Mr. JOHNSON of California. That is hardly what we desire.

Mr. HILL. Mr. President, I do not think we want to insert the amendment at that particular point.

Mr. JOHNSON of California. Nobody wants to put it in.

Mr. BARKLEY. I merely wish to call attention to the incongruity of the language if the amendment should be agreed to. I do not think the amendment should be agreed to.

Mr. WILEY. Mr. President, the particular phraseology was suggested by the Senator from California [Mr. JOHNSON]. It is thought very essential that that phraseology be put into the joint resolution. I was given a copy of what was desired to be the amended joint resolution.

Mr. JOHNSON of California. That is what is desired; and, inasmuch as it is desired, I am willing to adopt it. The language is, "I am an American."

Mr. BARKLEY. Mr. President, the amendment should come before the word "as", and not after.

Mr. WILEY. Yes.

Mr. BARKLEY. Instead of following the word "as", it should precede the word "as."

The PRESIDING OFFICER. Does the Senator from California modify his amendment as suggested?

Mr. JOHNSON of California. Yes.

Mr. HILL. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon [Mr. MCNARY], on behalf of the Senator from California [Mr. JOHNSON], as modified, will be stated.

The CHIEF CLERK. On page 2, line 1, after the word "aside" and before the word "as", it is proposed to insert, "I am an American", so as to read:

I am an American as Citizenship Day and that the President of the United States—

And so forth.

Mr. BARKLEY. Mr. President, that is even more ridiculous than it was before. [Laughter.]

The PRESIDING OFFICER. It has been suggested that the joint resolution be temporarily passed over, and that Senators withdraw and write their amendment and return later. Without objection, the joint resolution will be passed over.

NONPOLITICAL SELECTION OF EMPLOYEES—BILL INDEFINITELY POSTPONED

Mr. NEELY. Mr. President, I ask unanimous consent to return to Calendar No. 1169, Senate bill 282, to provide that State employees employed in connection with programs carried on with the assistance of the Federal Government be selected in accordance with a nonpolitical civil-service plan.

The PRESIDING OFFICER. The Senator from West Virginia asks unanimous consent to return to Senate bill 282, Calendar No. 1169. Is there objection to the request of the Senator from West Virginia?

Mr. DANAHER. Let the bill go over.

Mr. NEELY. I hope the Senator will withhold his objection for a moment. I am trying to get the bill off the calendar.

Mr. President, so far as the Senate is concerned, the principal objective of the bill was achieved when this body recently passed the so-called little Hatch Act, Senate bill 3046. I therefore ask that Senate bill 282 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

BILL PASSED OVER

The bill (H. R. 7233) to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," was announced as next in order.

Mr. DANAHER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ALFRED JOSEPH WRIGHT

The Senate proceeded to consider the bill (H. R. 2358) for the relief of Alfred Joseph Wright, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "the sum of", to strike out "$650" and insert "$923" so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rosetta Louise Tomkins, of Richmond, Va., the sum of $923, in full settlement of all claims against the Government of the United States for personal injuries suffered by her infant son, Alfred Joseph Wright, caused by an automobile truck driven by John Mundy, attached to Civilian Conservation Corps Camp No. 1375, located at Fort Harrison, Va., on July 8, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time, was read the third time, and passed.

ROBERT FAUGHNAN

The bill (H. R. 4436) for the relief of Robert Faughnan, a minor, was considered, ordered to a third reading, read the third time, and passed.

J. FRANK KUNER

The bill (S. 3304) for the relief of J. Frank Kuner, private, uniformed force, United States Secret Service, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That no suspension, charge, or disallowance shall be raised against any disbursing or certifying officer for any payments of salary made to J. Frank Kuner for services rendered as private, uniformed force, United States Secret Service, during the period July 1, 1938, to November 25, 1938, both dates inclusive, and such payments are hereby ratified and validated.

LEWIS STATE BANK OF TALLAHASSEE, FLA.

The bill (S. 3337) for the relief of the Lewis State Bank of Tallahassee, Fla., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any available "outstanding liabilities" appropriation, the sum of $117.27 to the Lewis State Bank of Tallahassee, Fla., in full satisfaction of its claim against the United States arising out of two checks drawn upon the Treasurer of the United States, payable to William Davis, one for $42.90, dated August 26, 1933, and numbered 307502, and the other for $74.37, dated September 9, 1933, and numbered 313059, such checks having been assigned and delivered to the bank in 1933 as security for a loan made in that year to the said William Davis, who disappeared shortly after receiving the loan and whose endorsement on said checks the bank has therefore been unable to secure: *Provided*, That the Lewis State Bank of Tallahassee, Fla., shall file with the Secretary of the Treasury a bond, to indemnify the United States, in such form and amount and with such surety, sureties, or security as the Secretary of the Treasury shall require: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to cancel any claim which William Davis may have under section 21 of the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1235; U. S. C., title 31, sec. 725t), on account of two United States Treasury checks payable to William Davis, one for $42.90 dated August 26, 1933, and numbered 307502, and the other for $74.37, dated September 9, 1933, and numbered 313059.

EDWARD J. ROSS

The Senate proceeded to consider the bill (S. 2800) for the relief of Edward J. Ross, which had been reported from the Committee on Claims, with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not

otherwise appropriated, to Edward J. Ross, of Cathlamet, Wash., the sum of $500, in full settlement of all his claims against the United States for expenses incurred as a result of injuries sustained by his minor child, Betty Ross, and to the legal guardian of Betty Ross, the sum of $1,000, in full settlement of all her claims against the United States for personal injuries sustained as a result of being struck by a Civilian Conservation Corps truck operating under supervision of the Forest Service on August 4, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor."

FEDERAL PARTICIPATION IN NEW YORK WORLD'S FAIR

The Senate proceeded to consider the joint resolution (S. J. Res. 217) to authorize the appropriation of an additional sum of $425,000 for Federal participation in the New York World's Fair, 1940, which had been reported from the Committee on Foreign Relations with an amendment to strike out all after the enacting clause and insert:

That the United States continue its participation in the New York World's Fair during 1940.

SEC. 2. For this purpose Public Resolution No. 53, Seventy-fifth Congress, approved July 9, 1937, as amended, authorizing said participation in the New York World's Fair, 1939, and authorizing an appropriation therefor, and for other purposes, as hereby amended, is extended and made applicable to the continuance of the participation of the United States in the said New York World's Fair, 1940, in the same manner and to the same extent and for the same purposes as originally provided in said Public Resolution No. 53.

SEC. 3. That the United States New York World's Fair Commission is hereby authorized to produce (whether through a governmental agency or otherwise) and sell engravings, etchings, or other reproductions and governmental publications, not prohibited by law. All proceeds from the sale of these articles shall be deposited to the credit of the appropriation made for carrying into effect the provisions of the aforesaid Public Resolution No. 53, as amended, providing for the participation of the United States in the New York World's Fair.

SEC. 4. In addition to the sum of $3,000,000 authorized to be appropriated by the aforesaid Public Resolution No. 53 for the participation of the United States in the New York World's Fair, 1939, and appropriated under title I of Public Act No. 354, Seventy-fifth Congress, approved August 25, 1937, there is hereby authorized to be appropriated the sum of $275,000.

Mr. KING. Mr. President, may I inquire whether the joint resolution carries any appropriation or any obligation of a monetary nature?

Mr. MEAD. Mr. President, the joint resolution, as originally introduced, carried an appropriation of $425,000 for the continuance of the United States World's Fair Commission and the Government's participation in the New York World's Fair for an additional year. The committee reduced the appropriation from $425,000 to $275,000. The money will be necessary for the continuation of the participation of the Government in the World's Fair for an additional year.

A similar joint resolution has been reported favorably by the House committee to the House of Representatives. It had the recommendation of the State Department and the Budget Bureau for the major amount, but the amount was reduced, as I have said, from $425,000 to $275,000.

Mr. KING. It does not call for the Government of the United States to pay any of the costs of the fair per se but merely its own expenses.

Mr. MEAD. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to amend the joint resolution entitled 'Joint resolution authorizing Federal participation in the New York World's Fair, 1939, authorizing an appropriation therefor, and for other purposes,' approved July 9, 1937, to provide for participation in the New York World's Fair, 1940, to authorize an appropriation therefor, and for other purposes."

GRADING AND CLASSIFICATION OF FOREIGN-SERVICE CLERKS

The bill (H. R. 8446) to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931, as amended," was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended, be, and the same is hereby, amended as follows: Section 26 (e) of said act, as amended by the act of April 24, 1939, is amended to read as follows:

"(e) The annuity of a retired Foreign Service officer shall be equal to 2 percent of his average annual basic salary for the 10 years next preceding the date of retirement, multiplied by the number of years of service not exceeding 30 years, and in determining the aggregate period of service upon which the annuity is to be based the fractional part of a month, if any, in the total service shall be eliminated: *Provided*, That at the time of his retirement a Foreign Service officer, if the husband of a wife to whom he has been married for at least 5 years, may elect to receive a reduced annuity and designate his wife as his beneficiary, to whom will be paid any portion up to two-thirds of his reduced annuity, at the option of the officer, as long as she may live after his death: *Provided, however*, That the annuity payable to the widow shall in no case exceed 25 percent of the officer's average annual basic salary for the 10 years next preceding the date of retirement. If the age of the officer is less than the age of the wife or exceeds her age by not more than 8 years, the annuity of the officer will be reduced by an amount equal to one-half the annuity which he elects to have paid to his widow. If the age of the officer exceeds the age of the wife by more than 8 years, the annuity of the officer will be reduced by an amount equal to one-half the annuity which he elects to have paid to his widow, plus an additional reduction equal to 2 percent of such widow's annuity for each year, or fraction thereof, that the difference in age exceeds 8: *Provided further*, That the officer may at his option also elect to have his annuity reduced by an additional 5 percent of the amount which he elects to have paid to his widow, with a provision that from and after the death of his wife, if the officer shall survive her, the annuity payable to the officer shall be that amount which would have been payable if no option had been elected: *Provided further*, That a retired officer who is receiving an annuity on the effective date of this act, if the husband of a wife to whom he was married at the time of his retirement and for a total period of at least 5 years, shall be entitled, under the same terms and conditions set forth above, to elect to receive a reduced annuity, a portion of which will be continued on his death throughout the life of his surviving widow, but all such elections by retired officers shall be made within 6 months following the effective date of this act, and they shall all be effective on the same date, to be prescribed by the President: *And provided further*, That no increases in annuities under this act shall operate retroactively and nothing in this act shall be interpreted as reducing the rate of the annuity received by any retired officer on the effective date of this act, unless the officer voluntarily elects to receive a reduced annuity as provided herein."

SEC. 2. The provisions of section 1 of this act shall be construed and interpreted in every respect as having been in effect on and after July 1, 1939 (the effective date of the act of April 24, 1939, which it amends), and, accordingly, any retired officer is hereby authorized to avail himself of the benefits of these provisions, as follows:

(a) A retired officer who elected to receive a reduced annuity and a life annuity payable to his surviving widow as provided in section 26 (e) of the act of February 23, 1931, as amended by the act of April 24, 1939, is hereby authorized, within 6 months of the effective date of this act, to amend such election in accordance with the additional provisions of the aforesaid section 26 (e) as established by section 1 of this act and to change the amount thereof within the limitations established by these provisions: *Provided*, That such an amended election shall be effective on the first day of the calendar month in which the application is filed, except where the wife of such an officer has died since September 1, 1939, the date heretofore fixed in accordance with law as the effective date for such elections, such amended election shall be considered effective as of the latter date.

(b) A retired officer who did not elect to receive a reduced annuity and a life annuity payable to his surviving widow, as provided in section 26 (e) of the act of February 23, 1931, as amended by the act of April 24, 1939, is hereby authorized, within 6 months of the effective date of this act, to make such an election, but only in accordance with the additional provisions of the aforesaid sec-

tion 26 (e) as provided in section 2 of this act: *Provided*, That such an election shall be effective on the first day of the calendar month in which the application is filed.

SEC. 3. This act shall take effect on the first day of the calendar month following the date of its approval by the President.

ACCOUNTING PROCEDURE IN THE FOREIGN SERVICE

The bill (S. 3528) authorizing the adoption for the Foreign Service of an accounting procedure in the matter of disbursement of funds appropriated for the Department of State, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of any other law the Secretary of State be, and he is hereby, authorized in his discretion to issue under the limitations and restrictions hereinafter established requisitions for advances of funds to disbursing officers of the Division of Disbursement, Treasury Department, under a "State account of advances" not to exceed the total amount of appropriations for the Department of State, the amounts so advanced to be used exclusively to pay upon proper vouchers obligations lawfully payable under the respective appropriations: *Provided*, That a separate "State account of advances" shall be established on the books of the Treasury Department relating to appropriations made to the Department of State for each fiscal year and that a "State account of advances" relating to the appropriations for one fiscal year shall not be used to pay vouchers pertaining to the appropriations of any other fiscal year. Expenditures from the amounts requisitioned under the "State account of advances" shall be charged to applicable appropriations on the books of the Treasury Department on the basis of transfer and counterwarrants prepared in the State Department as of the close of each month and prior to audit, certification, or adjustment by the General Accounting Office. The General Accounting Office shall subsequently declare the sums finally due from the several appropriations upon audited vouchers according to law and shall certify the same to the Treasury Department which shall make the necessary adjustments between appropriations upon the basis of such audited settlements of the General Accounting Office: *Provided further*, That such adjustments shall be reflected on the books of the Government in the month and fiscal year during which the audited settlements are certified to the Treasury.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 228) for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, was announced as next in order.

Mr. KING. Let us have an explanation of the joint resolution. There are many of these international committees and organizations.

The PRESIDING OFFICER. The author of the bill, the chairman of the Committee on Foreign Relations, does not appear to be present at the moment.

Mr. McKELLAR. I ask that the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

PARTICIPATION BY UNITED STATES IN ROME UNIVERSAL EXHIBITION

The Senate proceeded to consider the joint resolution (S. J. Res. 213) authorizing the acceptance of the invitation of the Government of Italy to participate in Rome Universal Exhibition to be held at Rome, Italy, in 1942.

Mr. KING. Let us have an explanation of the joint resolution.

Mr. McKELLAR. Yes; let us have an explanation.

The PRESIDING OFFICER. The Senator from Nevada [Mr. PITTMAN], who reported the joint resolution, is not present.

Mr. MEAD. Mr. President, this is a joint resolution which I am sponsoring, and I will be glad to answer any questions.

Mr. McKELLAR. I hope the Senator will explain it. We have not only requests but Budget estimates and demands made for the payment of large expenses to almost innumerable exhibitions of this kind almost all over the world, sending numbers of people to conferences of one kind or another held in various nations of the earth. We ought to be more careful about how we make these authorizations, because as soon as an authorization is made then the Budget Bureau immediately sends in an estimate, oftentimes for a very large sum, to enable a number of people to go to conferences and exhibitions abroad.

I will be glad to hear the Senator from New York, but, frankly, I hope he will let the joint resolution go over for the day, so that we may look into it.

Mr. KING. Mr. President, will the Senator from New York yield?

Mr. MEAD. I am glad to yield.

Mr. KING. It seems to me, in view of the confused conditions, not only in Germany and Russia, but in various other parts of Europe, as well as in Rome, we ought to be as reasonably sure as possible that there will not be a war in Italy. I should not feel like authorizing an appropriation of $2,000,000 now for an exhibition in Germany or Rome or Brussels, and, much as I believe in Italy, and in the international exhibitions, I think that we might pretermit an appropriation at this time.

Mr. MEAD. Mr. President, this joint resolution came to me with the recommendation of the State Department. They evidently had in mind the situation that engrosses the Old World at this time. The joint resolution has been recommended by the Bureau of the Budget. It will permit this country to participate in the International World's Fair to be held at Rome, Italy, in 1942, and, in some measure, show our reciprocal friendship to a nation that is now appropriating money for its further participation in two American world fairs, one in New York and the other at San Francisco.

Mr. President, since 1935 the Italian people have been preparing for the Rome Universal Exhibition to be held in 1942. It is their idea to make it the most important international fair ever held in Italy and they are looking forward to it with a great deal of pride and enthusiasm.

The Italian authorities plan to open the exhibition on April 21, 1942, and have it remain open for a period of 6 months. It will occupy an area of approximately 1,000 acres located in the suburbs of the city of Rome, and many of the buildings will be of permanent construction, as the Italian Government proposes at the expiration of the exhibition to use the site as a permanent center of its Government activities. The building which will serve as their foreign office is now nearing completion, and there is every indication that the ambitious project of founding a new quarter of Rome will be successfully pushed to its conclusion.

The plan, pictures of actual construction and models, show the extent of the Italian Government's preparation for the exhibition.

The following 26 Governments have agreed to participate in the exhibition, namely, Great Britain, France, Belgium, Brazil, Argentina, Paraguay, Germany, Spain, Greece, Japan, Yugoslavia, Portugal, Turkey, Rumania, China, Bulgaria, Lithuania, Hungary, Switzerland, Ireland, Iraq, Iran, Slovakia, the Vatican, Manchukuo, and San Marino. In this connection, France has appointed as its commissioner general to the exhibition M. René Besnard, former French Ambassador to Italy, and has selected the site of their proposed pavilion. Sites have also been selected by Great Britain, Brazil, and Germany. The Argentine Government proposes to build a permanent structure to be used as an Embassy at the close of the exhibition.

Italy in recent years has participated in the more important international expositions and fairs held in this country, namely, the Philadelphia Sesquicentennial in 1926, the Century of Progress Exposition in Chicago in 1933 and 1934, and the New York World's Fair and the Golden Gate International Exposition in 1939. The Italian Government has also accepted the invitation of this Government to participate in the New York World's Fair and the Golden Gate International Exposition during 1940. It will be recalled that during the Chicago Exposition, Italy sent a fleet of 24 aircraft under Commander General Balbo to visit the exposition. Italy expended approximately $500,000 for its exhibit and pavilions at the exposition. For its participation in the New York World's Fair, Italy spent approximately $3,000,000, the greater part of these funds being expended in the United States, and it sent to the Golden Gate

International Exposition a valuable collection of paintings of early masters.

The exposition authorities are planning exhibits along the following lines: Sciences and arts, social activities, agriculture, mines and quarries, furnishings, building, printing and journalism, clothing, metallurgy, chemistry, food and sundry agricultural industries, textile industries, electricity, gas and water, and banking, insurance, cooperation, and commerce.

The appropriate participation by the United States in international exhibitions is highly desirable as they are strong factors in promoting international understanding and goodwill. They serve to acquaint large numbers of people with the nature of the characteristic products of other countries and reveal to them the immense benefits of international trade. Suitable participation by this country in the Rome exhibition may provide a direct opportunity for the effective promotion of our foreign commerce, as Italy to a great extent is dependent upon international trade. A display of the products of the United States at the exhibition would undoubtedly contribute materially to the development of the foreign trade of the United States not only with Italy but with other European countries whose nationals undoubtedly will visit the Rome exhibition. In this connection the American Ambassador at Rome, the Honorable William Phillips, has expressed the opinion that participation in the exhibition would be of immense value to the United States from the standpoint of commercial and other international relations of this country.

This Government has participated in several international expositions and fairs, the most recent being the Brazilian Centennial Exposition, held at Rio de Janeiro in 1922 and 1923, for which an appropriation of $1,000,000 was authorized by the Congress. In 1929 and 1930 we participated in the Ibero-American Exposition at Seville, Spain, for which an appropriation of $700,000 was made for the expenses of this Government's participation. In 1931 we participated in the International Colonial and Overseas Exposition at Paris, for which $300,000 was appropriated; also, in the International Exposition of Art and Technique in Modern Life, at Paris in 1937 and 1938, for which Congress appropriated $200,000.

Recent participation by this Government in international expositions and fairs in this country has been the New York World's Fair of 1939, for which an appropriation of $3,000,000 was made, and the Golden Gate International Exposition of 1939, for which Congress appropriated $1,500,000.

Mr. President, as I have said, Italy appropriated $3,000,000 for its exhibit at the New York World's Fair; it will be called upon to make an additional supplemental appropriation to continue its participation at that fair, and we are assured that it will do so. It is also making plans to continue its exhibit at the world's fair in San Francisco. Italy has always cooperated with this country and has participated, as I recall, in every one of our international expositions.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. MEAD. I am glad to yield to the Senator from Tennessee.

Mr. McKELLAR. I feel, as does the Senator, that when a foreign nation cooperates with us and participates in our expositions we might well cooperate with it and participate in its expositions, but in the present situation, with most of Europe at war, and nobody knowing how it is going to come out, it seems to me that we should wait a while before we make this appropriation; that we should not make it this year. There will be ample time next year to make this appropriation and provide for our exhibit in Rome. I would have no objection to having an exhibit at Rome at all; I think we should have one there by all means, but the present, it seems to me, is a very inapt time to make such an outlay as is proposed.

Mr. MEAD. The point that the Senator makes that we could well put this off for a year is not in accordance with the information which I have. The plans for a fair of this magnitude must, of necessity, be completed at least 2 years before the exhibition is opened to the public. The plans are already available; 26 nations as I have said, have either acquired sites and initiated construction of their buildings or have provided appropriations.

The second point the Senator makes, that the confusion that is now rife in Europe might lead to greater involvement, evidently is beside the question, because if war comes to Italy, as we hope it will not, there will be no world's fair, and we will not invest our money.

It occurs to me that it would be an excellent gesture on our part not to delay our participation in this world's fair but to show a friendly, neighborly spirit toward a nation that is doing the same thing now toward us by agreeing to participate in our exhibition.

Mr. McKELLAR. Mr. President, the Senator has convinced me that I am in error. I withdraw objection to the joint resolution.

Mr. MEAD. I thank the Senator.

Mr. BARKLEY. Mr. President, in connection with what the Senator from New York has said, I wish to emphasize the time element by referring to our participation in the world's fair at Paris in 1938. The Senator himself was there, and he is aware that, because it was not known whether we would participate until very late, we had practically no worth while exhibit at all. We had a pavilion there with some pictures, but really nothing properly representing the United States. The explanation was that our action was delayed to such an extent that there was not sufficient time, and the appropriation was not adequate, anyway.

I think the Senator from New York is correct in urging this authorization at this time. I wish to say further that I appreciate the diligence and the sincerity of the Senator from New York in his effort to bring about this—he called it a "gesture" but it is more than a gesture; it is a very substantial effort to bring about greater accord between our country and the countries in the Mediterranean region of the world. That is especially true of Italy.

Personally I thank the Senator from New York for taking the initiative in urging this legislation. He came before the Committee on Foreign Relations and made a very excellent statement about it, and the committee reported the measure unanimously to the calendar. I hope the joint resolution will pass.

Mr. MEAD. I appreciate the contribution made by our able leader.

I wish to say that the passage of the joint resolution will further cement the friendship which exists between the two most powerful neutral nations in the world.

Mr. KING. Mr. President, may I make one observation? I think the appeal which the Senator from New York has made is very convincing. I favor international exchanges and participation in various international conferences and international expositions. Of course Italy, being a democratic nation in more ways than one, is entitled to the friendship of the United States, and I think anything that would bring the two nations closer together and promote international fellowship and good will should be encouraged.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Resolved, etc., That the President of the United States is hereby authorized to accept the invitation extended by the Government of Italy to the Government of the United States to participate in the Rome Universal Exhibition, scheduled to be held at Rome, Italy, in 1942.

SEC. 2. The President is authorized to appoint a Commissioner General to represent the United States at the Rome Universal Exhibition (hereinafter called the Exhibition), who shall serve in such capacity without compensation, and to designate, upon the nomination of the Secretary of State (hereinafter called the Secretary), a Commissioner, who may be a regular official of the Government, in which case he shall serve without additional compensation. The duties of the Commissioner General and Commissioner shall be prescribed by the Secretary and may include duties hereby vested in him.

SEC. 3. (a) There is hereby authorized to be appropriated the sum of $2,000,000 to enable the Secretary to incur all expenses necessary to provide for the proper, suitable, and adequate participation by the United States in the Exhibition; which expenses may include the salary of the Commissioner and the employment of personnel in the District of Columbia and elsewhere, by contract or otherwise, without regard to the civil-service rules and regulations, the Classification Act of 1923, as amended, or section 3709 of the Revised Statutes (41 U. S. C. 5), and including the reimbursement of any other appropriation from which payments may have been made for any of the purposes herein specified; rent in the District of Columbia and elsewhere; purchase of uniforms for attendants at the Exhibition; travel expenses in accordance with standard Government travel regulations, including such expenses of the Commissioner General and Commissioner; purchase of books of reference and periodicals; ice and drinking water for office purposes; purchase, maintenance, operation, and repair of one passenger-carrying automobile and hire of such vehicles for official use in Rome; printing and binding; and expenses of entertainment: *Provided*, That payment for telephone service, rents, and subscriptions to periodicals may be made in advance.

(b) The Secretary is authorized within the limits of the appropriation to erect, without regard to section 3734 of the Revised Statutes (40 U. S. C. 267), temporary buildings or structures for the housing of Government and private exhibits, to provide for suitable landscaping, to furnish and install all facilities necessary for the proper operation of such buildings, and the maintenance thereof.

SEC. 4. The heads of the executive departments and independent establishments of the Government are authorized to cooperate with the Secretary in carrying out the purposes hereof by the loan or preparation of exhibits, and for such purpose the Secretary is authorized, with the consent of the heads thereof, to allot such sums for direct expenditure as he may deem necessary from the appropriation made under authority hereof to cooperating departments or establishments, which allotments shall be available for all necessary expenses hereinbefore detailed to effectuate such cooperation.

SEC. 5. Upon the termination of the United States participation in the Exhibition, the Secretary shall dispose, in such manner as he may see fit, of any exhibits, buildings, or materials belonging to the United States which he shall determine to be of no further value to the Government. Exhibits furnished or loaned by other Government agencies may be returned to them and may be restored when necessary to a condition suitable for participation in other exhib tions.

SEC. 6. The Secretary may receive contributions of funds from States, municipalities, or private organizations and individuals to aid in carrying out the purposes of this joint resolution, such funds to be expended and accounted for in the same manner as the funds appropriated under authority hereof. He is also authorized to receive contributions of material, or to borrow material or exhibits, and to accept the voluntary services of any skilled and unskilled labor that may be available through State or Federal relief organizations to aid in carrying out the general purposes hereof. At the termination of this Government's participation in the Exhibition, the Secretary shall dispose of any unused portion of such contributed material in the manner agreed upon with the contributors or in accordance with section 5 of this joint resolution. In case of the abandonment of any material by a contributor, the Secretary may retain such material or otherwise dispose of same as he may see fit: *Provided*, That in the case of sale thereof the proceeds, less expenditures incurred incident to sale, shall be covered into the Treasury.

SEC. 7. All accounts and vouchers covering expenditures shall be approved by the Secretary or such official or officials as the Secretary may designate, except for such allotments as may be made to the various executive departments and independent establishments for direct expenditure; but these provisions shall not be construed to waive the submission of accounts and vouchers to the General Accounting Office for audit, nor permit any obligations to be incurred in excess of the amount appropriated under authority hereof except as to contributions provided for in section 6.

SEC. 8. The United States Commissioners of the New York World's Fair and the Golden Gate International Exposition at San Francisco, Calif., respectively, are hereby authorized to make available such exhibits and materials in their possession as the Secretary may deem suitable for exhibit purposes at the exhibition, and the Secretary is authorized at the termination of this Government's participation to dispose of the exhibits in accordance with the provisions of this joint resolution.

SEC. 9. It shall be the duty of the Secretary to transmit to Congress, within 6 months after the termination of this Government's participation in the exhibition, a detailed statement of all expenditures and such other reports as may be deemed proper. Upon the transmission of such report to Congress the authority given to the Secretary and all appointments made under the authority of this joint resolution shall terminate.

CITIZENSHIP DAY

Mr. JOHNSON of California. Mr. President, I ask unanimous consent that the Senate recur to Calendar No. 1421, House Joint Resolution 437, which we were discussing a few moments ago. We have all agreed upon language which will be imported from California into the resolution, and, if it is satisfactory, I should like to present it and have it passed upon.

The PRESIDING OFFICER. Is there objection to recurring to House Joint Resolution 437?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 437) authorizing the President of the United States of America to proclaim Citizenship Day for the recognition, observance, and commemoration of American citizenship.

The PRESIDING OFFICER. The amendment proposed by the Senator from California will be stated.

The CHIEF CLERK. On page 2, line 1, after the word "as" it is proposed to strike out "Citizenship," and insert "I am an American," and on page 2, line 6, after the word "citizenship," it is proposed to insert a comma and the words "and the day shall be designated as 'I Am an American Day.'"

The PRESIDING OFFICER. Without objection the amendment is agreed to.

Mr. DANAHER. Mr. President——

The PRESIDING OFFICER. Does the Senator desire to offer an amendment to the joint resolution?

Mr. DANAHER. No. I desire to offer an amendment in the second whereas of the preamble, which refers to "2,000,000 young men and women in the United States each year reaching the voting age of 21 years." The emphasis of this joint resolution and the purpose behind it is not to develop the thought of the voting age. I think that should be left out.

The PRESIDING OFFICER. After the passage of the joint resolution amendments to the preamble will be in order. They are not in order at this time.

The question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time, was read the third time, and passed.

The PRESIDING OFFICER. The amendment to the title will be stated.

The CHIEF CLERK. In the title, in the second line, after the word "proclaim", it is proposed to strike out "citizenship" and insert "I am an American."

Mr. CHANDLER. There is no objection, so far as I am concerned.

The PRESIDING OFFICER. Without objection, the amendment to the title is agreed to.

Mr. DANAHER. I move an amendment to strike out in the first whereas of the preamble the word "voting", if that has not been done.

Mr. BARKLEY. Mr. President, in that connection I wish to say to the Senator from Connecticut that one of the objects behind this movement and those who have sponsored it has been to call attention to the obligation of young persons who are arriving at the age of citizenship—which, of course, is 21 years—to exercise their right of citizenship by voting. That is one of the fundamental things the sponsors of the bill are seeking to do—to encourage the younger generations to exercise the right of citizenship. That is why this movement has enlisted the support and enthusiasm of a very large number of substantial persons in this country.

I do not know that it is vital to have the word "voting" in the preamble; but it ought not to be eliminated on the theory that the matter of exercising the right of suffrage, which is the right of citizenship, is not an important part of this program, and the theory upon which this day is to be set apart in order that it may be emphasized as the duty of all those who are arriving at the age of citizenship to exercise the right as well as to enjoy it.

Mr. DANAHER. Mr. President, as the junior Senator from Kentucky [Mr. CHANDLER] has stated, I discussed the matter with him; and there was no objection from him, so far as I understood, in behalf of the committee, to the amendment I am offering. I think that is a correct statement.

Mr. CHANDLER. Mr. President, all the young men and women of America who become 21 years of age know that they will have the right to vote anyway. This joint resolution is so important in its other phases that we do not want to have it stopped because the word "voting" happens to appear in it. I think what my good friend from Connecticut anticipates, we will try to explain to them—that having arrived at the age of 21 years, they are entitled to vote. I presume they know that anyway.

So far as I am concerned, there is no objection to having the word "voting" stricken from the joint resolution.

Mr. HILL. Mr. President, there is no particular objection, except, as the senior Senator from Kentucky [Mr. BARKLEY] has emphasized, that the presence of the word in the joint resolution tends to emphasize the very purpose of the joint resolution, that these young persons are now coming to the responsibilities of citizenship. There is no greater responsibility than that very responsibility of voting.

The fact that the Senator from Connecticut has offered an amendment will not stop the joint resolution. Let the amendment be voted on. The Senate may vote on it.

Mr. DANAHER. Mr. President, I may say to the Senator from Alabama that the only reason why I did not object to the consideration of the joint resolution itself was on the representation that that amendment would be made.

Mr. CHANDLER. That is a correct statement.

Mr. HILL. If that be the case, I have no objection to the Senator's amendment.

The PRESIDING OFFICER. The question is on the motion of the Senator from Connecticut to strike from the preamble the word "voting."

The amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The title was amended so as to read: "Joint resolution authorizing the President of the United States of America to proclaim I Am An American Day for the recognition, observance, and commemoration of American citizenship."

The joint resolution, as passed, is as follows:

Whereas some 2,000,000 young men and women in the United States each year reach the age of 21 years; and

Whereas it is desirable that the sovereign citizens of our Nation be prepared for the responsibilities and impressed with the significance of their status in our self-governing Republic: Therefore be it

Resolved, etc., That the third Sunday in May each year be, and hereby is, set aside as I Am An American Day and that the President of the United States is hereby authorized and requested to issue annually a proclamation setting aside that day as a public occasion for the recognition of all who, by coming of age or naturalization, have attained the status of citizenship, and the day shall be designated as "I Am An American Day."

That the civil and educational authorities of States, counties, cities, and towns be, and they are hereby, urged to make plans for the proper observance of this day and for the full instruction of future citizens in their responsibilities and opportunities as citizens of the United States and of the States and localities in which they reside.

Nothing herein shall be construed as changing, or attempting to change, the time or mode of any of the many altogether commendable observances of similar nature now being held from time to time, or periodically, but, to the contrary, such practices are hereby praised and encouraged.

SEC. 2. Either at the time of the rendition of the decree of naturalization or at such other time as the judge may fix, the judge or someone designated by him shall address the newly naturalized citizens upon the form and genius of our Government and the privileges and responsibilities of citizenship; it being the intent and purpose of this section to enlist the aid of the judiciary, in cooperation with civil and educational authorities, and patriotic organizations in a continuous effort to dignify and emphasize the significance of citizenship.

OSAGE PRODUCTION TAX, OSAGE COUNTY, OKLA.

The Senate proceeded to consider the joint resolution (H. J. Res. 289) to amend section 5 of Public Law No. 360, Sixty-sixth Congress, which had been reported from the Committee on Indian Affairs with an amendment, on page 2, after line 4, to strike out "at the rate of 3 percent and said tax shall be paid by the Secretary of the Interior, through the proper officers of the Osage Agency, to the State of Oklahoma from the amount received by the Osage Indians from the production of oil and gas upon the condition that one-third of such sums as received from time to time by said State shall be paid over to Osage County, Okla., the remaining two-thirds to be distributed in like manner as gross-production tax under the laws of said State", and to insert "at the rate levied by said State but in no event to exceed 5 percent and said tax shall be paid by the Secretary of the Interior, through the proper officers of the Osage Agency, to the State of Oklahoma from the amount received by the Osage Indians from the production of oil and gas to be distributed in like manner as gross-production tax under the laws of said State and the Secretary shall pay the tax herein authorized upon the condition and not otherwise that an additional one-fifth of said sum or sums paid by the Secretary in pursuance of this act shall be delivered over to Osage County, Okla., at the same time or times as the other payment or payments herein provided for are made to said county, one-half thereof to be apportioned to a fund to be used by said county only for the construction and maintenance of roads and bridges therein, the other one-half thereof to be used for the maintenance of common schools of said county as provided by law", so as to make the joint resolution read:

Resolved, etc., That section 5 of the Osage Act (S. 4039, Public, No. 360, 66th Cong.; 41 Stat. 1249) be amended to read as follows:

"SEC. 5. That the State of Oklahoma is authorized from and after the passage of this act to levy and collect a gross-production tax, not to exceed the existing rate, upon all oil and gas produced in Osage County, Okla., except as herein otherwise provided, and all taxes so collected shall be paid and distributed, and shall be in lieu of all other State and county taxes levied upon the production of oil and gas as provided by the laws of Oklahoma. The gross-production tax on the royalty interests of the Osage Indians shall be at the rate levied by said State but in no event to exceed 5 percent and said tax shall be paid by the Secretary of the Interior, through the proper officers of the Osage Agency, to the State of Oklahoma from the amount received by the Osage Indians from the production of oil and gas to be distributed in like manner as gross-production tax under the laws of said State, and the Secretary shall pay the tax herein authorized upon the condition and not otherwise that an additional one-fifth of said sum or sums paid by the Secretary in pursuance of this act shall be delivered over to Osage County, Okla., at the same time or times as the other payment or payments herein provided for are made to said county, one-half thereof to be apportioned to a fund to be used by said county only for the construction and maintenance of roads and bridges therein, the other one-half thereof to be used for the maintenance of common schools of said county as provided by law."

Mr. McKELLAR. Mr. President, may we have an explanation of the joint resolution?

Mr. THOMAS of Oklahoma. Mr. President, this joint resolution seeks to amend one section of the law relating to the Osage Tribe of Indians, located in one county in Oklahoma. It has no reference to any Indians other than the Osages, and refers only to Osage County. It relates to the levying of a gross production tax on the production of oil.

Mr. McKELLAR. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time, was read the third time, and passed.

PROMOTION OF CERTAIN RETIRED-LIST OFFICERS

The bill (S. 2328) to promote on the retired list officers who were decorated and recommended for promotion for distinguished service during the World War and who have not attained the rank to which recommended was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any commissioned officer of the Army below the grade of brigadier general, now retired or hereafter retired, except those retired under the provisions of section 24b of the act of June 4, 1920, who for services rendered during the World War was officially recommended in writing for promotion to increased rank by a division commander or coordinate or higher authority or by the chief of a staff corps or department, and who has not attained said rank, and who as evidenced by bestowal of Medal of Honor or Distinguished Service Corps or Distinguished

Service Medal rendered exceptionally meritorious services or demonstrated gallantry in action beyond the call of duty shall, upon application, be advanced one grade on the retired list: *Provided*, That any such officer on the active or retired list who died or may die prior to the approval of this act, or on the active list who may hereafter die before retirement, shall upon application in his behalf be advanced one grade as of date of death: *Provided further*, That such promotion shall not carry with it any increase of pay or allowances.

ARROWROCK DAM ENLARGEMENT AND IMPROVEMENT

The bill (H. R. 8498) to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 801) to assure to persons within the jurisdiction of every State, due process of law and equal protection of the laws and to prevent the crime of lynching, was announced as next in order.

Mr. ELLENDER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

COMPACT BETWEEN MONTANA, NORTH DAKOTA, SOUTH DAKOTA, AND WYOMING

The Senate proceeded to consider the bill (S. 1777) granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Little Missouri River, which had been reported from the Committee on Irrigation and Reclamation with amendments, on page 1, line 7, after the word "apportionment", to strike out "between" and insert "among"; and on page 2, line 6, after the word "upon", strike out "either" and insert "any", so as to make the bill read:

Be it enacted, etc., That consent of Congress is hereby given to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact or agreement not later than January 1, 1941, providing for an equitable division and apportionment among the States of the water supply of the Little Missouri River and of the streams tributary thereto, upon conditions that one suitable person, who shall be appointed by the President of the United States, shall participate in said negotiations as the representative of the United States and shall make report to Congress of the proceedings and of any compact or agreement entered into: *Provided*, That any such compact or agreement shall not be binding or obligatory upon any of the parties thereto unless and until the same shall have been approved by the legislature of each of said States and by the Congress of the United States.

The amendments were agreed to.

Mr. MURRAY. Mr. President, I have an additional amendment which I desire to offer. On page 1, line 6, I move to strike out "1941" and insert in lieu thereof "1943." This amendment is necessary because of the fact that the bill was introduced some time ago.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana will be stated.

The CHIEF CLERK. On page 1, line 6, it is proposed to strike out "1941" and in lieu thereof to insert "1943."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF SUGAR ACT OF 1937

The Senate proceeded to consider the bill (S. 3237) to amend sec. 301 (a) of the Sugar Act of 1937, which had been reported from the Committee on Agriculture and Forestry with an amendment, to strike out all after the enacting clause and to insert:

That subsection (a) of section 301 of the Sugar Act of 1937 is amended by adding at the end thereof the following: "The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of $10 for each child for each day, or a portion of a day, during which such child was employed or permitted to work contrary to the foregoing provisions of this subsection, in the 1937, 1938, and 1939 crops."

Mr. SCHWARTZ. Mr. President, I should like to have the Senator from Louisiana explain the bill. I have not had time to study it.

Mr. ELLENDER. I shall be glad to do so.

Mr. President, the bill amends subsection (a) of section 301, of the Sugar Act, permitting the Secretary to pay sugar producers benefit payments, notwithstanding a failure to comply with the conditions provided in said subsection, subject, however, to a deduction of $10 for each child, for each day, or portion of a day, during which he was employed.

The bill was suggested by the Secretary of Agriculture, and the proposed amendment is that which is incorporated in the report of the Secretary. The reason assigned for the enactment of the bill appears in the second paragraph of the report, which reads as follows:

In administering the act, a number of cases have been found in which children under age were employed or permitted to work on farms, although the producers apparently did not know that the children were under age and used reasonable precautions to ascertain the facts. In the opinion of the Department, the law now requires that payment be denied in such a case, although the producer has met all other conditions for payment provided in the act.

Most of the cases involved are identical. An employer hires a child. The father or mother or guardian of the child produces an affidavit to the effect that he is 16 years of age. Upon investigation, it has been found in some instances that the child lacked but 3 or 4 months of being 16; and under an interpretation of the labor provisions of the Sugar Act by the Department of Justice, it was held that under such a condition the employer could not be paid, notwithstanding the fact that he discharged such a child upon learning the facts. The Department felt that since the employer had taken all necessary precautions, and consequently was not to blame, and in all cases discharged the child when it was found that he was under 16, under such circumstances payment should not be refused.

Mr. SCHWARTZ. What is the provision of the Senator's amendment? What is to relieve the employer now—just the presumption that he does not know?

Mr. ELLENDER. It applies only to past years. The Department is authorized to fine the employer at the rate of $10 a day for each day the child was employed.

Mr. SCHWARTZ. The amendment has no application to the future?

Mr. ELLENDER. No; absolutely not.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

AMENDMENT OF SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

The bill (H. R. 3800) to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended, was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

Mr. GILLETTE. Mr. President, I know of the special work which the Senator from North Dakota [Mr. FRAZIER] has put on this bill. I very much dislike to object to its consideration at this time; but I feel that it is necessary to amend the bill, and I am going to ask that it go over.

Mr. FRAZIER. Mr. President, if the Senator from Iowa will withhold his objection, the contracts or agreements between the Agricultural Department, under the Agricultural Adjustment Act, and the farmers must be signed by the 15th of this month, and that time is getting very close. If the bill is to go into effect, it must be passed as soon as possible in order that the contracts may be signed before the 15th of this month. The Senator from Iowa was on the subcommittee and is also a member of the full committee. The subcommittee agreed to the bill, and the full committee agreed to it. The amendments are in accordance with the wishes of the Department of Agriculture.

Mr. GILLETTE. The Senator from North Dakota will have in mind the fact that at the time the bill was reported

out I gave notice that unless it was amended to take care of situations in which there had been reductions in the number of tenants which were not justified, I should have to oppose the bill on the floor of the Senate. I have drafted an amendment which I believe will meet the situation. It is rather long; but if the Senator is willing to accept it at this time, I shall have no objection to the consideration of the bill.

Mr. President, we have this afternoon passed a measure, which was introduced and reported by the Senator from Alabama [Mr. BANKHEAD], under the provisions of which the burden of proof would be shifted from the local committee, in the matter of determining whether the relationship of landlord and tenant or the reduction in the number of tenants had operated to increase the share of the landlord in benefit payments.

Mr. FRAZIER. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. FRAZIER. I think the objection of the Senator from Iowa is taken care of under the present law, because under the law if the landlord changes his system the benefit payments may be cut off.

Mr. GILLETTE. Unfortunately, I do not think that is the result. The bill passed this afternoon to which I refer pertains alone to benefit payments. If the landlord seeks to increase his share of the benefit payments by changing the provisions of a lease, or by reducing the number of the tenants, the burden of proof is on him to justify that to the local committee. The Senate passed that measure a little while ago.

Mr. BARKLEY. Mr. President, I suggest to the Senator that we pass this bill over temporarily, and let him and the Senator from North Dakota confer about his amendment, and take the bill up when we finish with the call of the calendar. Perhaps he and the Senator from North Dakota can agree on the amendment.

Mr. GILLETTE. I shall be very glad to follow that suggestion.

The PRESIDING OFFICER. The bill will be passed over temporarily.

PAY AND ALLOWANCES OF PROFESSORS IN THE UNITED STATES MILITARY ACADEMY

The bill (S. 3496) to prevent retardation in promotion and in pay and allowances of permanent professors of the United States Military Academy appointed by the President from the commissioned officers of the Regular Army, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the permanent professors of the United States Military Academy who have been or may hereafter be appointed by the President from the commissioned officers of the Regular Army shall have the rank, pay, and allowances of colonel from the date now provided by law or from the date each would have been entitled to such rank, pay, and allowances had he not accepted such appointment, whichever date is the earlier: *Provided*, That no back pay or allowances shall accrue hereunder.

PERISHABLE AGRICULTURAL COMMODITIES

The bill (S. 3661) to amend the Perishable Agricultural Commodities Act, 1930, as amended, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subsection (c) of section 7 of the Perishable Agricultural Commodities Act, 1930 (46 Stat. 531), as amended by section 10 of the act of August 20, 1937 (50 Stat. 725), is hereby amended by striking out the period at the end of the first sentence and by inserting in lieu thereof a colon and the following: "*Provided*, That in cases handled without a hearing in accordance with paragraphs (c) and (d) of section 6 or in which a hearing has been waived by agreement of the parties, appeal shall be to the district court of the United States for the district in which the party complained against is located."

LEADER OF THE MILITARY ACADEMY BAND

The bill (S. 3575) to make better provision for the teacher of music, the leader of the Military Academy Band, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That from and after the date of approval of this act the teacher of music, the leader of the Military Academy Band, shall have the rank of captain of the United States Army and shall be entitled to receive the pay and allowances of an officer in the third pay period: *Provided*, That in the computation of the pay and allowances of such teacher of music, all active service in the Army, including service as teacher of music, shall be counted as if it were commissioned service: *Provided further*, That the said leader of the Military Academy Band shall, at such time as the President in his discretion may direct, be retired as a teacher of music with the rank of captain, and when so retired, shall be entitled to receive the same retirement pay as is now or may hereafter be provided by law or regulation for an officer of the Army in the third pay period with length of service computed as stated above: *And provided further*, That the dependents of said teacher of music shall be entitled to the same pensions, death gratuity, and other benefits as are now or may hereafter be provided for an officer of the Regular Army in the third pay period with the corresponding length of service.

INTERVENTION BY STATES IN CERTAIN CASES

The Senate proceeded to consider the bill (H. R. 7737) to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, which had been reported from the Committee on the Judiciary with amendments, on page 2, line 2, after the word "exercise," to strike out "by any State", and on line 3, after the words "power of", to strike out "such State" and insert "the State in which the cause is being heard", so as to make the bill read:

Be it enacted, etc., That the Judicial Code, as amended, is further amended by adding a new section, immediately following section 266, and to be designated as section 266a, and to read as follows:

"SEC. 266a. (1) Whenever the validity of the exercise of any power by the United States, or any agency thereof, or any officer or employee thereof, is drawn in question in any court of the United States, and the determination of such question involves any conflict with the exercise of any governmental power of the State in which the cause is being heard, or whenever the exercise of such Federal power would result in any impairment or abridgment of any governmental power asserted by or exercised by such State, or any agency thereof, or any officer or employee thereof, not already a party, the court having jurisdiction of the suit or proceeding shall certify such fact to the attorney general of such State. In any such case, the court shall permit such State to intervene and become a party for the presentation of evidence (if evidence is otherwise receivable in such suit or proceeding) and argument upon the question of the validity of the exercise of such power. In any such suit or proceeding such State, subject to the applicable provisions of law, shall have all the rights of a party and the liabilities of a party as to court costs to the extent necessary for a proper presentation of the facts and law relating to the validity of the exercise of such powers.

"(2) As used in this section, the term 'court of the United States' means any district court of the United States, any circuit court of appeals, and the Supreme Court of the United States; the term 'district court of the United States' includes the District Court of the United States for the District of Columbia; and the term 'circuit court of appeals' includes the United States Court of Appeals for the District of Columbia."

SEC. 2. This act shall apply to suits and proceedings brought or pending on the date of its enactment as well as to suits and proceedings thereafter instituted.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce, was announced as next in order.

Mr. WILEY. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 1681) to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee and for other purposes was announced as next in order.

Mr. DANAHER. Mr. President, the Senator from Kansas asked me to note an objection to the present consideration of this bill.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

ENLISTED STRENGTH OF THE ARMY MEDICAL DEPARTMENT

The Senate proceeded to consider the bill (S. 3654) to amend section 10, National Defense Act, as amended, with

relation to the maximum authorized enlisted strength of the Medical Department of the Regular Army, which had been reported from the Committee on Military Affairs with an amendment, on page 2, after line 2 to insert "within the limit of the total authorized strength of the Regular Army," so as to make the bill read:

Be it enacted, etc., That section 10 of the National Defense Act, as amended by the act of June 4, 1920 (41 Stat. 766), be, and the same is hereby, amended so as to provide that hereafter the authorized maximum number of enlisted men of the Medical Department of the Regular Army shall be in each fiscal year such number as shall equal 7 percent of the average annual pay strength of the active list of the Regular Army and the average strength of all other military personnel on extended active duty with the Regular Army during such fiscal year: *Provided*, That in event of actual or threatened hostilities involving the United States the President may, within the limit of the total authorized strength of the Regular Army, authorize additional enlistments in the Medical Department to such number as he may deem necessary.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RETIREMENT OF AIR CORPS CHIEFS AND WING COMMANDERS

The bill (S. 3636) to amend the National Defense Act, as amended, so as to provide for retirement of assistant chiefs of branches and of wing commanders of the Air Corps with the rank and pay of the highest grade held by such officers as assistant chiefs and wing commanders, and for other purposes, was considered, ordered to be engrossed for a third hearing, read the third time, and passed, as follows:

Be it enacted, etc., That the fourth sentence of section 4c of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920 (41 Stat. 762), and as amended by the act of May 12, 1939 (Public, No. 72, 76th Cong.), be, and the same is hereby, further amended to read as follows:

"Any officer who shall have served 4 years as chief or assistant chief of a branch or as commanding general of the General Headquarters Air Force or who shall have served 2 years as wing commander of the Air Corps and who may subsequently be retired, shall be retired with the rank, pay, and allowances authorized by law for the highest grade held by him as such chief, assistant chief, commanding general, or wing commander."

SEC. 2. Any officer who has heretofore served 4 years as assistant chief of branch of the Army or who has heretofore served 2 years as wing commander of the Air Corps and who has been retired in a grade below that of brigadier general, shall, on the date of approval of this act, be advanced in rank upon the retired list to the highest grade held by him as such assistant chief or wing commander and shall receive the pay and allowances provided by law for such advanced rank.

SEC. 3. No back pay or allowances shall accrue by reason of this act.

ARIZONA STATE ELKS ASSOCIATION HOSPITAL

The bill (S. 2980) providing for the sale of certain lands to the Arizona State Elks Association Hospital was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Executive Order No. 2295 and dated January 1, 1916, as modified by the Executive Order No. 6971 and dated February 19, 1935, is hereby further modified by the elimination from the provisions of said Executive order as modified of a certain tract of land particularly described as follows, to wit: The north two hundred feet northwest quarter northwest quarter section 10, township 14 south, range 13 east, Gila and Salt River base and meridian; in all, an area approximately two hundred feet wide by approximately one thousand three hundred and fifteen and twenty-eight one-hundredths feet long.

SEC. 2. Upon payment to the Treasurer of the United States by the Arizona State Elks Association Hospital of the sum of $150, being the appraised value of the lands described in section 1 hereof, the Secretary of the Interior is authorized and directed to issue patent covering said lands to the Arizona State Elks Association Hospital.

PATENT OF LAND TO THE MONTANA SCHOOL OF MINES

The bill (S. 2191) authorizing the Secretary of the Interior to grant to the State of Montana for the use and benefit of the Montana School of Mines a patent to a certain tract of land was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to grant, subject to vested existing rights, to the State of Montana for the use and benefit of the Montana School of Mines a patent to the tract of land (including all mineral rights therein) known as the WPA Quartz Lode Mining Claim, located in Summit Valley mining district, Montana, and designated on the official plat of the United States General Land Office as lot 19, section 14, township 3 north, range 8 west, Montana principal meridian. Such claim is more particularly described as follows:

Beginning at the south corner of the tract herein described, a point in the east end line of survey numbered 1688, Occidental Lode, lot 441, and which is also corner numbered 10 of survey numbered 2942, Arkansaw Lode Mining Claim, and corner numbered 4 of survey numbered 1218, Great Western Lode, lot 339; thence first course north eight degrees west along the east end line of survey numbered 1688, Occidental Lode, two hundred and thirty-eight feet to the northwest corner of the tract herein described and which is also corner numbered 2 of survey numbered 1688, Occidental Lode, and a point in the south side of survey numbered 1687, Bummer Lode, lot 440; thence, second course, north eighty-one degrees east along the south side line of survey numbered 1687, Bummer Lode, forty-four feet to the northeast corner of the tract herein described, which is also the point of intersection of line 4–3 of survey numbered 1687, Bummer Lode, at south eighty-one degrees west, two hundred and three feet from its corner numbered 3, with line 3–4 of survey numbered 1218, Great Western Lode, at south two degrees thirty-four minutes west, one hundred and thirty-six feet from its corner numbered 3; thence, third course, south two degrees thirty-four minutes west along line 3–4, the west end line of survey numbered 1218, Great Western Lode, two hundred and forty-four feet, to the place of beginning, containing an area of one hundred and twenty one-thousandths acre, more or less. Such trace being entirely within the boundaries of the location corners set for the said WPA Quartz Lode Mining Claim.

RIGHT-OF-WAY TO THE STATE OF MONTANA

The bill (S. 3262) to authorize the Secretary of the Interior to grant a right-of-way to the Highway Commission of the State of Montana was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to grant to the Highway Commission of the State of Montana a permanent right to use for highway purposes that part of the property owned by the United States, known as the Bozeman, Mont., fisheries station, in the south half of the northwest quarter of section 34, township 1 south, range 6 east, Montana principal meridian, in Gallatin County, Mont., for which a revocable license, dated December 23, 1938, was granted by the Secretary of Commerce. Such right shall be granted upon condition that a public highway shall be maintained across such property and upon such other conditions as the Secretary of the Interior deems necessary to protect the interests of the United States.

CONTINUATION OF GRAND JURIES

The Senate proceeded to consider the bill (H. R. 8702) to amend the Judicial Code with respect to the continuation of grand juries to finish investigations, which was read, as follows:

Be it enacted, etc., That the fifth sentence of section 284 of the Judicial Code, as amended (U. S. C., title 28, sec. 421), be, and it is hereby, amended to read as follows: "A district judge may, upon request of the district attorney or of the grand jury or on his own motion, by order authorize any grand jury to continue to sit during the term succeeding the term at which such request is made, solely to finish investigations begun but not finished by such grand jury, but no grand jury shall be permitted to sit in all during more than 18 months: *Provided*, That, for good cause shown, the court may, at any time after the end of the term for which the grand jury was originally summoned, excuse any member of the grand jury and summon and impanel another person in his place."

Mr. KING. Mr. President, I inquire of the Senator from Indiana whether complaints have not come to him, or to other members of the Committee on the Judiciary, that in some States there has been a disposition to maintain grand juries for indefinite periods, extending, indeed, from one term to another, if not from one year to another? I was wondering whether any such abuses have existed, and if this bill would not authorize the continuation of such practices.

Mr. VAN NUYS. Mr. President, the bill comes from the Department of Justice, and provides that the district judge, upon request of the district attorney or of the grand jury, may authorize the grand jury to continue to serve for an additional term, or the judge may act on his own motion. The terms of grand juries vary in the different States. I know from my own personal experience that the United States attorney, when we had a long, complicated investigation, and a grand jury had to be dissolved at the end of one

term, had to reeducate the succeeding grand jury, which meant the expenditure of much money and time and effort. The bill now before us provides that a grand jury may sit during the term following that for which it was first chosen, but that no grand jury shall be permitted to sit longer than 18 months. It is my opinion that the bill is fair and should be passed.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, was announced as next in order.

Mr. THOMAS of Oklahoma. Mr. President, this is the War Department civil functions appropriation bill, and I suggest that it go over at this time.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

NESTUCCA RIVER BRIDGE, OREG.

The Senate proceeded to consider the bill (H. R. 7989) to legalize a bridge across the Nestucca River at Pacific City, Oreg., which was read, as follows:

Be it enacted, etc., That the Chief of Engineers and the Secretary of War are hereby authorized to approve the location and plans of a bridge already constructed by the county of Tillamook across the Nestucca River at Pacific City, Oreg.: *Provided*, That said bridge has been authorized by the legislature of the State of Oregon and as located and constructed affords free, easy, and unobstructed navigation.

SEC. 2. That when the location and plans of said bridge have been so approved, said bridge shall be deemed a lawful structure and subject to the laws enacted by Congress for the protection and preservation of the navigable waters of the United States.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. THOMAS of Oklahoma. Mr. President, I should like to ask whether the title of the bill as printed on the calendar is according to the usual form for bridge bills: "An act to legalize a bridge." If this bill should not pass, I take it that this would be an outlaw bridge.

Mr. McNARY. This is the form in which it came from the House. I do not think there is anything unusual about it. It conforms to the ordinary language. A bridge without authority would not be a lawful bridge.

Mr. BARKLEY. The usual language is "To authorize the construction of a bridge," and that itself legalizes it.

Mr. McNARY. Exactly. This is equivalent to that.

Mr. BARKLEY. Is this a bridge which has already been constructed without authority, and now there is a desire to legalize it?

Mr. McNARY. Yes.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

THE MARINE HOSPITAL SERVICE

The bill (S. 2111) to amend the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service, approved February 15, 1893, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the fourth paragraph of section 2 of the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved Februry 15, 1893, as amended (U. S. C., 1934 edition, title 42, sec. 82), is amended by striking out the words "adjacent thereto."

PREVENTION OF COLLISIONS OF VESSELS

The bill (H. R. 7420) to amend laws for preventing collisions of vessels was considered, ordered to a third reading, read the third time, and passed.

HOURS OF WORK ON INLAND WATERS

The Senate proceeded to consider the bill (S. 2305) relating to hours of work of licensed officers and seamen on tugs operating in certain inland waters of the United States, which had been reported from the Committee on Commerce with amendments, on page 2, line 6, after the word "eight" to insert the word "consecutive," and after the word "day" to strike out "and such work shall be performed within a period of time not exceeding nine consecutive hours," so as to make the bill read:

Be it enacted, etc., That the second sentence of section 2 of the act of March 4, 1915, as amended (U. S. C., 1934 edition, Supp. IV, title 46, sec 673), is amended to read as follows: "Except in the case of an extraordinary emergency affecting the safety of the vessel or life or property, no licensed officer or seaman in the deck or engine department of any tug documented under the laws of the United States (except boats or vessels used exclusively for fishing purposes) navigating the Great Lakes, harbors of the Great Lakes, and connecting and tributary waters between Gary, Ind.; Duluth, Minn.; Niagara Falls, N. Y.; and Ogdensburg, N. Y., shall be required or permitted to work more than 8 consecutive hours in any one day.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. BARKLEY subsequently said: Mr. President, before Calendar No. 1464, Senate bill 2305, was reached, the author of the bill, the Senator from Minnesota [Mr. SHIPSTEAD] asked me to have it go over. My attention was diverted at the time it was called, and I overlooked it. I therefore ask unanimous consent that the vote by which the bill was passed be reconsidered, and that the bill be restored to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF ORIGINAL JURISDICTION IN CIVIL SUITS

The bill (H. R. 8822) to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That clause (b) of paragraph (1), section 24, of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, sec. 41; Supp. IV, title 28, sec. 41), be, and the same is hereby, amended to read as follows:

"(b) Is between citizens of different States, or citizens of the District of Columbia, the Territory of Hawaii, or Alaska, and any State or Territory."

REGULATION OF PAYMENTS UNDER SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

Mr. GILLETTE. Mr. President, I ask that the Senate recur to the consideration of Calendar 1447, House bill 3800.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 3800) to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, line 6, to strike out "The total payment that would otherwise be made to any person for any year pursuant to this section shall be reduced by 25 percent of the amount thereof in excess of $1,000", on line 10, after the word "exceed", to strike out "$5,000" and insert "$10,000"; on line 10, after the word "applying", to strike out "these limitations" and to insert "this limitation"; on page 2, line 2, before the word "share", to insert "or operator's"; on line 5, after the word "landlord", to insert the words "or operator"; on line 18, after the word "possessions" and the comma, to strike out "the 25-percent reduction and the $5,000" and to insert "$10,000", so as to make the bill read:

Be it enacted, etc., That the last paragraph of section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended, is amended to read as follows:

"No total payment to any person for any year shall exceed $10,000, but in applying this limitation there shall be excluded amounts representing a landlord's or operator's share of a payment made with respect to land operated under a tenancy or sharecropper relationship if the division of the payment between the landlord or operator and the tenant or sharecropper is determined by the local committee to be in accordance with fair and customary standards of renting or sharecropping prevailing in the locality;

and there shall also be excluded amounts representing payments to a bona fide cooperative corporation or association, whose members have substantially equal interest therein, and having at least 50 participating members or stockholders, if 75 percent or more of the persons actually engaged in its farming operations are participating members or stockholders of such corporation or association or are children or members of the family of such members or stockholders. In the case of payments to any person on account of performance on farms in different States, Territories, or possessions, $10,000 limitation shall be applied to the total of the payments for each State, Territory, or possession for a year, and not to the total of all payments."

The amendments were agreed to.

Mr. GILLETTE. Mr. President, I send to the desk an amendment, on which the Senator from North Dakota and I have agreed, and I ask that the clerk state it.

The PRESIDING OFFICER. The clerk will read.

The CHIEF CLERK. It is proposed on page 2, line 8, to change the semicolon after the word "locality" to a comma and insert "and that the landlord or operator has not made reduction in the number of tenants on any farm below the average number of tenants on the farm during the preceding 3 years, or that a reduction below this average has been affirmatively found by the committee to be justified and proper."

Mr. BILBO. Mr. President, will the Senator explain the amendment?

Mr. GILLETTE. Mr. President, the proposal for a limitation to $10,000 of the amount which any one person or corporation may receive under the Soil Conservation Act provides for an exemption when a landlord or operator is farming with sharecroppers or tenants provided he has not changed the relationship so that it does not conform to the usual practice, and if he has not reduced the number of his tenants, without having justified the reduction before the committee, from the average for the 3 years. It is to correct a condition which was made evident in the hearings before the subcommittee, of landlords having changed their method of farming, thrown tenants off a place, and engaged in mechanized farming, operating by tractors instead of tenants. In that case, the $10,000 limitation would apply. Otherwise, it would not apply if they continue the same farm practices, or have not reduced the number of tenants, or can justify any reduction made.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Does the Senator from Iowa yield to the Senator from New Mexico?

Mr. GILLETTE. I yield.

Mr. HATCH. I was not able to hear the Senator's explanation, but it strikes me that his amendment would impose a penalty for past acts which were not unlawful at the time, and would impose restrictions and penalties upon tenants to accrue this year or next year for things which happened 3 years ago. Would that be the effect of the Senator's amendment?

Mr. GILLETTE. I sincerely hope that would not be its effect, I will say to the Senator from New Mexico. The bill which has been reported to the Senate, if I may read from it, provides:

No total payment to any person for any year shall exceed $10,000, but in applying this limitation there shall be excluded amounts representing a landlord's or operator's share of a payment made with respect to land operated under a tenancy or sharecropper relationship if the division of the payment between the landlord or operator and the tenant or sharecropper is determined by the local committee to be in accordance with fair and customary standards of renting or sharecropping prevailing in the locality.

In that case the limitation of $10,000 does not apply.

My amendment provides that if the committee determines that any change in that relationship which is not in conformity to the standards of the community has changed the situation, or if the landlord has reduced the number of his tenants, using the exact language of the bill, we adopted this afternoon——

Mr. HATCH. In the past 3 years.

Mr. GILLETTE. The past 3 years is the average or standard. If he has reduced the number of his tenants below the number that he has had on his farm in the last 3 years——

Mr. HATCH. That is, if he reduced the number this year.

Mr. GILLETTE. Yes; this year.

Mr. HATCH. I think that is what the law provides without the Senator's amendment. I thought I had misunderstood the Senator. If the explanation, as the Senator has made it, is correct, he is only doing what the present law expressly provides. I have no objection to the amendment; and if I am correct, it is unnecessary, but, of course, the conferees can work it out.

Mr. GILLETTE. In what provision does the Senator have in mind that the law takes care of it?

Mr. HATCH. The present law takes care of it in the same way the Senator has written it.

Mr. GILLETTE. I do not want to take up further time of the Senate, but the law we are now considering makes provision that the lease agreement between the landlord and the tenant shall not be changed in form, but there is nothing to prevent a man who has 100 tenants from reducing the number to two.

Mr. HATCH. In the measure we are passing today?

Mr. GILLETTE. It provides that in his lease agreement with his tenants there shall not be a greater change than usually applies in the community. But if he reduces the number of his tenants, he runs afoul of the existing law which we amended today. The existing law prohibits such change now. The only trouble with existing law was that it placed the burden of proof on the local committee. The bill we passed today changes that burden. That was the purpose.

Mr. HATCH. If that was the purpose I have no objection.

Mr. BILBO. I think the provision of the amendment offered by the Senator from Iowa is taken care of in the law of 1938. I think the amendment is a repetition of the existing law.

Mr. GILLETTE. The law we amended this afternoon?

Mr. BILBO. The law we passed in 1938.

Mr. GILLETTE. That is subdivision (f), and the one we are trying to correct now is subdivision (e). I do not want to take the time of the Senate, but I hope the amendment will be adopted, and then the conferees can work it out.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. GILLETTE].

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GEORGE B. SPEARIN

Mr. BARBOUR. Mr. President, if I may have the attention of the Senator from Utah [Mr. KING] for a moment, let me say that earlier in the afternoon, when of necessity I was absent from the Chamber, the Senator from Utah made objection to Calendar No. 1273, House bill 4256, when that bill was reached. I ask unanimous consent to revert to that bill, which is for the relief of the estate of George B. Spearin, deceased.

I had several conversations with the distinguished Senator from Utah later this afternoon, and thoroughly explained this bill to him. I ask if he is not willing to withdraw his objection?

Mr. KING. Mr. President, an explanation made by the Senator from New Jersey convinces me that there is merit in the bill, and I have no objection to it.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the bill (H. R. 4256) for the relief of the estate of George B. Spearin, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. That completes the calendar.

The Chair lays before the Senate the unfinished business, which is Senate bill 2585.

REIMBURSEMENT OF COTTON COOPERATIVES

The Senate resumed the consideration of the bill (S. 2585) to reimburse the cotton cooperative associations for losses

occasioned by the Federal Farm Board's stabilization operations, and for other purposes.

Mr. McKELLAR. Mr. President, I offer an amendment in the nature of a substitute for the bill now under consideration, which is the unfinished business. I ask that the amendment be printed and lie on the table, and also that it be printed in the RECORD at this point for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Amendment (in the nature of a substitute) intended to be proposed by Mr. McKELLAR to the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes, viz:

In lieu of the matter proposed to be inserted by the amendment of the committee insert the following:

"That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $4,355,141.40, to be used by the Secretary of Agriculture for making payments as hereinafter provided to members of the cotton cooperative associations designated in section 2, who are also farmers engaged in producing cotton.

"SEC. 2. (a) The Secretary of Agriculture is authorized and directed to ascertain in such manner as he deems most appropriate the names of the persons who are, on the date of enactment of this act, farmers engaged in producing cotton and members of any of the following associations: Alabama Cotton Cooperative Association, successor to Alabama Farm Bureau Cotton Association; California Cotton Cooperative Association; Georgia Cotton Growers' Cooperative Association; Louisiana Cotton Cooperative Association; Mid-South Cotton Growers' Association, successor to Arkansas Cotton Growers' Cooperative Association and Tennessee Cotton Growers' Association; Mississippi Cooperative Cotton Association; North Carolina Cotton Growers' Cooperative Association; Oklahoma Cotton Growers' Association; South Carolina Cotton Cooperative Association; Staple Cotton Cooperative Association, Mississippi; Texas Cotton Growers' Association; Texas Cotton Cooperative Association; Southwestern Irrigated Cotton Growers' Association.

"(b) The Secretary of Agriculture is authorized and directed to pay to each person who is shown to his satisfaction to be, on the date of enactment of this act, a farmer engaged in producing cotton and a member of any of such associations, an equal part of the money appropriated pursuant to the first section of this act. No such payment shall be made to any officer of any such association, or to any cotton merchant, unless he is a farmer engaged in producing cotton. In the event that any person entitled to a payment under this act dies before receiving such payment, the Secretary is authorized to make such payment to such person as he deems to be entitled thereto.

"SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and pursuant to an estimate submitted in accordance with law, such sum as may be necessary for the administration of this act. In the administration of this act the Secretary of Agriculture shall not utilize the services of any cotton cooperative association or any cotton merchant or the Farm Credit Administration or the Commodity Credit Corporation, except for the purpose of obtaining information from them."

CONFIRMATION OF POSTMASTERS

Mr. BARKLEY. Mr. President, the Executive Calendar contains only three favorable reports on postmasters in Alabama. I ask unanimous consent that, as in executive session, the nominations of those three postmasters be confirmed.

The PRESIDING OFFICER. Without objection, the nominations are confirmed.

CONFIRMATION OF NOMINATION OF HON. MARVIN JONES

Mr. CONNALLY. Mr. President, as in executive session, I ask that the Committee on the Judiciary be discharged from further consideration of the nomination of Representative MARVIN JONES, of Texas, to be a judge of the Court of Claims, and that the nomination be confirmed, and that the President be immediately notified.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

INVENTORS AND PATENTS' DAY

Mr. BONE. Mr. President, by Public Resolution 58 of the Seventy-sixth Congress, approved on March 15, 1940, the Congress of the United States requested the President to set aside April 10, 1940, as Inventors and Patents' Day, to invite a general public commemoration of an event which has proved so important and salutary to the Nation. Pursuant to that resolution, the President designated April 10, which is today, as Inventors and Patents' Day. The President invited the people of the United States to commemorate on that day the sesquicentennial of the first of the United States patent laws. Tonight in the city of Washington a commemorative dinner is to be held, which will be widely attended by men interested in this vital aspect of our national life.

Mr. President, very often it happens that the importance of beginnings is obscured by the magnitude of their sequels. For we are prone to forget that great effects can only be the products of great causes. The oak is mighty and majestic in its maturity, but all its bulk and beauty and usefulness had their origin and essence in the acorn. One of countless illustrations of these truths is supplied by the American patent system, the sesquicentenary of which we are commemorating today. All of the great benefactions of that system were latent in the constitutional provision for the recompense and protection of inventors and in the first patent law approved by President Washington on April 10, 1790.

This constitutional and statutory recognition of inventions was prompted not alone by the hopes which this Nation's founders felt for the future, but also by their experiences in the decades which immediately preceded the War of the Revolution. For several generations before the separation of the Thirteen Colonies from Great Britain, their inhabitants had suffered from ruinous restraints on their manufacture and commerce. The colonial peoples had early undertaken to develop industry and trade. In 1718 the people of Maryland and Virginia produced iron and exported it to England.

We know from a parliamentary report that in 1731 there were 6 furnaces, 19 forges, a slitting mill, and a nail factory in New England. In 1732, the year of Washington's birth, Parliament prohibited the exportation, from one colony to another, or to England, of hats made in America. That prohibition is proof that this form of manufacture had been undertaken by our colonial forebears. Then, in 1750, Parliament forbade the erection or operation, in the American Colonies, of a "mill or other engine for slitting or rolling of iron, or any furnace for making steel," and imposed a penalty of £200 for each contravention of this law.

The last legislative effort to control manufacture in the American Colonies while they were still under British sovereignty was that of 1752. This banned the exportation to America of tools for use in the making of fabrics from linen or cotton. And cotton was even then important among colonial products. These various curbs on manufacture within the Colonies were of less influence than they would have been had the industries of that era been numerous and significant, but they did, nevertheless, work considerable mischief. Some of these parliamentary interdictions were among the grievances recited in a protest by the colonists of Massachusetts in 1772.

In 1785—2 years after the treaty of peace between England and the Colonies and 2 years before our Federal Constitution was framed—the British Parliament prohibited by law the emigration of mechanics and workmen familiar with the manufacture of iron and forbade the exportation not only of engines, machines, or tools useful in the processing of iron, but even the models and plans of such mechanisms and implements.

The purpose and, from the viewpoint of British ministries of those times, the justification of all these restrictions and repressions was to further the internal industry and the foreign trade of Great Britain. This intent was not only not accomplished but was defeated, as history has impressively testified. For, within the recollection of Americans living in 1790, British statesmen realized and sought to correct the error of the earlier policy. In 1853 a British mission was sent to the United States to study and emulate American methods of manufacturing arms. The genius of Samuel Colt was borrowed, so to say, for the same purpose. A member of that mission, in his account of its work, explained that the (British) "Government resolved to introduce the American patent system."

And, as it is now to be seen, these British suppressions of colonial efforts to establish industries on this side of the Atlantic proved to be an incentive to our economic as well as our political independence. They give us an understanding not merely of the fact but also of the manner of our patent system's beginning. They account for the language of the constitutional provision and of President Washington's address to the First Congress. The constitutional grant of power to Congress was:

To promote the progress of science and useful arts by securing for limited times * * * to inventors the exclusive rights to their * * * discoveries.

President Washington's recommendation was that Congress give

effectual encouragement * * * to the exertion of skill and genius at home.

That is, here in the United States, and for the benefit of all our people. That constitutional warrant and the adoption of the policy which Washington advocated have emancipated us from industrial and economic subordination to England and every other nation. More than that, we have been strengthened to protect and preserve our ideals of government.

One other thought is prompted by this brief retrospection. The colonial period was surely a machineless age, yet the absence of mechanical means and methods of production was not regarded by the founders of America as a blessing. It was no guaranty of general and continuous employment or of sufficient wages or of livable conditions for workers. We have gained, not lost, by the multiplication of machines.

They have increased our productiveness and enlarged the rewards of production. We are more invincible against military aggression precisely because we are economically unconquerable. Mere numbers of population is no safeguard from assailment or conquest. China is a present verification of that statement. We are powerful in our industrial and economic structure. That is our mighty fortress, and I am convinced that we must credit its effectiveness to the inventions which our patent system has supplied to us for 150 years. Even if it could be demonstrated that inventions have given rise to problems, it would still be true that they have saved us from worse evils than they have entailed. They have hastened and extended the development of our vast territory and its resources. They have brought benefits to all our people, even when they have taken the form of luxuries which, as such, those of small means could not enjoy. For their making and their marketing have provided employment for those whose only income is their wages. The worker who can never become the owner of an automobile or a yacht may nevertheless earn a living in the production or operation of one or the other. Finally, inventions have given us the wherewithal to defend and vindicate democracy and keep that best of all human institutions as the common possession and boon of all our people.

Mr. President, I am extremely sorry that the ranking member of the Patents Committee, the Senator from Maine [Mr. WHITE], was unavoidably called away from Washington today. I know it had been his hope to contribute a few remarks upon this occasion, the sesquicentennial anniversary of the adoption of the first patent law in America. It is something in which we may all find consolation, because our patent system, and the American economic system, which is so inseparably linked to our patent system, have their roots reaching down very deep into our social, political, and economic life.

FLORIDA SHIP CANAL

Mr. PEPPER. Mr. President, the events in Europe during the past 48 hours have emphasized anew the danger to the whole world of the armed conflict now in progress across the Atlantic. Again there has been vividly demonstrated the fact that neutrality without adequate defense cannot guarantee a nation from being drawn into this conflict.

I am certain that I speak the minds of all of us when I say that our every endeavor should be, and is, I think, to prevent the catastrophe of our being forced to enter this struggle. The wise neutrality provisions adopted by the Congress and enforced by the administration have been necessarily the first step in our policy of avoiding the possibility of involvement. That this step alone is not sufficient to meet the demands of prudence is witnessed by the action of Congress in providing for expanded programs for our national defense.

It has been said by more than one high authority that the lesson of the World War, and that of the present conflict, is that for any country of great area and extended coast line the problem of keeping afloat its merchant marine in time of war is of pivotal importance. A little reflection will show that this is the very cornerstone of the war strategy of both Germany and the Allies today. If Germany is to be defeated, in the long run, the Allies must make good their attempts to shut off her water-borne transport. Few can doubt that if Germany should succeed in sweeping from the seas the merchant fleets of the Allies she would emerge victorious.

That this principle holds equally for our own country is not only the considered opinion of experts but it is abundantly demonstrated by the history of the white man on this continent. It was evident in the struggles between France and England and Spain for control of North America. The inability of Great Britain to make complete the blockade of our coasts enabled us to win the wars of the Revolution and of 1812. The disappearance of Confederate ships from the high seas spelled absolute disaster to the South in the Civil War. Today the physical factors of our great geographical extent and the lack of a real balance in our development and population increase the importance of this principle to us, and multiply the necessity for measures which will cause it to operate in our favor. We are told by those who should know—and I believe it to be true—that we could not be the victor in any major struggle forced upon us in which we could not adequately defend our merchant shipping, particularly the vast traffic between our Atlantic, Gulf, and Pacific areas. Even in 1918, with strong Allies to assist us, and with the enemy more than 3,000 miles distant, we were forced to rely on ocean coastal transport for the carriage of approximately 40 percent of our war materials and supplies transported from one part of the country to another.

The great bulk of our coastal shipping during wartime will necessarily move, as it does today, by way of the Panama Canal and the Gulf-Caribbean area. No scheme for our national defense can be adequate which does not provide for the defense of this movement. To ignore the necessity for this is to court disaster.

It is not my purpose, in these brief remarks, to go into technical details. But it can be shown that under the most favorable conditions of warfare with major opponents, we could not expect to escape the hazard of merchant ship losses comparable with those now being suffered by the Allies from the partially throttled effort of the German Navy. This is especially true, in view of the fact that the density of our merchant ship traffic emerging into the Atlantic from the Gulf-Caribbean area will be much greater than that of any ship-traffic lane entering the United Kingdom.

Up to March 2 last, in the first 6 months of the war, the Allies and neutrals have suffered the loss of 401 merchant ships and cargoes with a total value of nearly $900,000,000.

In time of war the United States would have afloat, at all times, in the coastal shipping to which I have referred ships and cargoes to the value of nearly $1,000,000,000, with an annual value of four and one-half billions. That is the mere property risk with which we are faced.

It has been shown upon competent authority that under existing circumstances we could not reasonably expect in war to lose merchant ships and cargoes valued at less than $800,000,000 per year. This estimate makes due allowance for the fact that we are separated from any potential enemy by thousands of miles of ocean and also assumes that this shipping will have all the protection which a powerful and efficient navy can be expected to give.

There has been submitted to the judgment of the Senate on more than one occasion the proposal to construct a ship

canal from the Atlantic to the Gulf across Florida, one of the primary functions of which would be to afford a large measure of protection to this vital traffic. I refer to the Florida Canal. It has been a source of continuing regret to me that so far the Senate has not seen fit to concur in the authorization of this project. It is with the expectation that it may again in due course become the subject of consideration by this body, and with the hope that a fuller knowledge of its value and necessity may win the approval of the Senate, that I call attention to it at this time.

A careful and exhaustive analysis shows that the Florida Canal would save more than twice its cost in the first 6 months of any great war in which we might unhappily become engaged. It is my opinion that its value to commerce in time of peace fully justifies its construction, and I submit that too long a delay in getting it under way would be a grave and most imprudent omission in our plans for national defense. When we consider that this project can be made self-liquidating, and should thus represent little or no net expense to the Federal Government, I feel that the magnitude of its importance warrants approval by Congress.

NATIONAL AVIATION DAY

Mr. BONE. Mr. President, yesterday 20 Senators, including myself, introduced Senate Joint Resolution 245, authorizing the participation of Government departments in the celebration of National Aviation Day. I ask unanimous consent that the joint resolution in question be printed in full in the body of the RECORD at this point, together with the names of the sponsoring Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution, together with the names of the sponsors, is as follows:

IN THE SENATE OF THE UNITED STATES,
April 9 (legislative day, April 8), 1940.

Mr. BONE (for himself, Mr. BRIDGES, Mr. BYRD, Mr. CAPPER, Mr. CHANDLER, Mr. CLARK of Missouri, Mr. GILLETTE, Mr. GUFFEY, Mr. HILL, Mr. JOHNSON of Colorado, Mr. LA FOLLETTE, Mr. MCCARRAN, Mr. MEAD, Mr. PEPPER, Mr. REYNOLDS, Mr. SHIPSTEAD, Mr. STEWART, Mr. THOMAS of Utah, Mr. TOWNSEND, and Mr. WALSH) introduced the following joint resolution, which was read twice and referred to the Committee on Military Affairs:

Joint resolution authorizing Government employees' participation in the celebration of National Aviation Day, and for other purposes

Whereas Congress by Senate Joint Resolution 111, passed May 11, 1939, has recognized and designated, as suggested by the National Aviation Day Association, August 19, the birth date of Orville Wright, one of the fathers of aviation, to commemorate the invention of the airplane;

Whereas the heavier-than-air machine is one of the world's greatest scientific and mechanical marvels which has produced a fast-growing and developing industry in this country; and

Whereas on August 19, 1940, celebrations of National Aviation Day will be held in many States and cities throughout the Nation: Now, therefore, be it

Resolved, etc., That those in charge of Government establishments are hereby authorized to participate in such celebrations, and Government equipment, including flags, insignia, and models, may upon application by responsible parties be loaned to local communities for the purpose of such celebration, and service bands and other units of the Army, Navy, Marine Corps, Coast Guard, and National Guard may likewise be permitted to appear at such celebrations if held in the cities where such service bands and other units are stationed: *Provided*, That no expense shall be incurred by the Government in carrying out the purposes of this joint resolution.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock p. m.) the Senate took a recess until tomorrow, Thursday, April 11, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 10 (legislative day of April 8), 1940

UNITED STATES COURT OF CLAIMS

MARVIN JONES to be judge of the United States Court of Claims.

POSTMASTERS

ALABAMA

William E. P. Lakeman, Haleyville.
James D. Ratchford, Lafayette.
William B. Hardegree, Talladega.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 10, 1940

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. RAYBURN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou who art love, knowledge, and power over all the earth, we wait at Thy altar of prayer, knowing that it is but the hem of Thy garment that we may touch. By faith may we hold fast until we see Thy disclosure of the blossoming of the wilderness, unsmitten by the winter of peril and unscorched by the blight of summer. O God, the evangel of the Nazareth Carpenter is cast out and blasphemed as suffering humanity is blindly convulsed in the throes of war. It is so difficult for us to think that such darkness can be concealed in the hearts of men. We beseech Thee, dear Lord, to be with us. Only the hand that was nailed to the cross is worthy to wield the scepter. O breathe through the multitudes that they may never be haunted by the iniquitous dreams of conquest; hush in silence the inhuman whispers of aggression. Restore the sanctuaries of peace and good will that their shafts of light may fall across the troubled heart of this whole world. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9016. An act to amend the joint resolution creating the Niagara Falls Bridge Commission.

PERMISSION TO ADDRESS THE HOUSE

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FERGUSON. Mr. Speaker, Norway and Denmark have met the inevitable fate of every nation, large or small, that is unable to defend its own sovereignty. The world is being shaken by war which is going to determine the fate of every nation in the world. At this time every man, woman, and child in the United States should get down on their knees and thank God that this Nation is not going to become involved in that Gargantuan struggle.

I know, and every thinking American knows, that the wise course pursued by President Roosevelt, Secretary Hull, and the Congress so far in this struggle is directly responsible for our keeping out of this war. No leaders before in history had the foresight that President Roosevelt and Secretary Hull demonstrated when we gave up the traditional freedom of the seas. Some short-sighted Members tried to excite the country about the passage of the neutrality bill, but the people's confidence in Roosevelt has again paid dividends and we are not going to become involved in this conflict.

I want to tell you all that the time has come that the people are no longer asking the question in an academic manner or as a matter of conjecture, "Will President Roosevelt run for a third term?" That has ceased to be a matter of speculation. The question now, the question that is uppermost in the minds of the American people, is, "Can we induce, can we draft this great leader to make the personal sacrifice and again assume the awful responsibility of being President for 4 more years?" The next 4 years will probably determine whether this Nation and the independent democracies still existing in

North and South America can continue a free people. The foresight of President Roosevelt, not after it was too late but from the day he entered the White House, made possible a Navy now under construction and on the waters that makes our Navy the greatest in the world today. That same foresight has modernized and equipped our Army and modernized and equipped our air force. We cannot stop this preparedness. I sincerely feel that it might be the responsibility of every able-bodied man in this country to defend this Nation in the next few years. With this in view I have put my personal house in order by joining the Marine Reserves so that I might be trained when and if this emergency arises. I think every citizen, through participation in the Citizens' Military Training Corps, in the National Guard, and in the Reserves, should accept his responsibility and be ready for this emergency when it arises. We are not going to become involved in the European war. But if it continues to take its present course we are going to have to fight on this continent for this Nation's very existence.

I am proud to be a Member of the Congress and a member of the administration that has recognized this world situation before it was too late. I am glad to have supported a President who had the foresight to prepare this Nation for any eventuality. In all humility I sincerely hope and pray that this great President, Franklin D. Roosevelt, will accept the Presidency that is going to be thrust upon him by a people anxious that the future of this Nation in the next 4 years be in the hands of this great statesman aided and advised by that great Secretary of State, Cordell Hull. [Applause.]

PROPOSED FEDERAL TAX COMMISSION

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Speaker, sometime ago I introduced a joint resolution which proposes to establish a Federal Tax Commission for the purpose of recommending to Congress certain much-needed reforms in our Federal tax structure, and in the course of the hearings before the Ways and Means Committee I had a colloquy upon the subject with the Secretary of the Treasury. I recently addressed a letter to him in reference to the remarks he made at that time, and I have today received a very courteous response from him, which I ask unanimous consent to insert in the RECORD at this point as part of my remarks. I also addressed the House on March 29 on this same subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The letter referred to follows:

TREASURY DEPARTMENT,
Washington, April 4, 1940.

Hon. ALLEN T. TREADWAY,
House of Representatives, Washington, D. C.

MY DEAR MR. TREADWAY: I wish to thank you for your letter of March 6, 1940, calling to my attention our colloquy during the hearings before the Ways and Means Committee on the revenue bill of 1939 concerning House Joint Resolution 35. In this resolution you propose the creation of a Federal Tax Commission consisting of 10 members, 4 representing Congress and 6 representing agriculture, labor, business and industry, individual taxpayers and consumers, and tax lawyers, accountants, and economists, to implement the policy set forth in the preamble of the resolution.

As I indicated in my statement before the committee at page 4 of the hearings, I was, and am, particularly interested in the establishment of a small temporary national commission to study and report to Congress on the various aspects of intergovernmental fiscal policy. I contemplated a commission composed of men of ability, high in the public confidence, familiar with fiscal problems, particularly with the intricacies of tax law, and representative of the public at large rather than particular governmental units. I have always regarded the problem of Federal-State conflicts in taxation and overlapping of taxes as one of particular urgency, calling for the earliest possible consideration and solution.

The study which you propose would have considerably broader objectives than the one I contemplated. Certainly the Federal Government is confronted with tax problems beyond those arising from Federal-State conflicts—problems which call for careful and thorough study. These problems are at present the constant concern of many sections of the personnel of the Treasury Department consisting of persons well acquainted both with the economic and fiscal considerations involved in Federal taxation and with the legal techniques whereby a tax program can best be implemented. The Treasury Department has always tried to ascertain the views of various economic groups in the Nation, and is concerned with removing inequities in the tax laws pointed out by such groups. In considering tax problems and possible revisions of the tax laws the personnel of the Treasury Department has always worked in close collaboration with the Joint Committee on Internal Revenue and its staff of experts. Thus there exists at hand a body of tax experts well equipped to consider revisions of the Federal tax laws.

As I said at the hearings, I consider the objectives mentioned in the preamble of House Joint Resolution 35 very laudable. It is only because of the particularly great importance of the problems of Federal-State conflicts in taxation, calling for consideration by persons well acquainted with State tax laws and programs as well as with Federal taxes, that I took the liberty of suggesting to Congress that a commission be appointed to consider such problems. If Congress should determine to enlarge the activities of such a commission beyond the subject I had in mind, I can assure you that the Treasury Department would wholeheartedly cooperate in the work of the commission if called upon to do so.

Sincerely yours,

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

EXTENSION OF REMARKS

Mr. FAY. Mr. Speaker, I ask unanimous consent to insert in the RECORD a tribute made by Gen. Douglas MacArthur to Father Duffy, of the Sixty-ninth Regiment of New York.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MICHAEL J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial appearing in the New York Inquirer of last Sunday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. IZAC asked and was given permission to revise and extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHANLEY. Mr. Speaker, there is existent today as has happened so often before a paramount need for a restraint and reflection before unfolding to the world our reactions to the changing kaleidoscope in Scandinavia. It ought to be said, however, that since March 6 a subcommittee of the Foreign Affairs Committee of this House has been entrusted with the authority to study the streamlining of the Monroe Doctrine in areas neglected by prior studies—neglected certainly as to details.

It might be of interest to say that when the original committee was appointed by the gentleman from New York, Chairman SOL BLOOM, an amendment by me was accepted to extend the original study of the acquisition of land for Panama Canal defenses to include an examination of the problems involved by the presence of part of Iceland in the Western Hemisphere, Greenland, too, the presence of Byrd Land in the Antarctic owned by us, and the ever-present problems of the South Pacific islands.

I have been personally interested in these focal areas and welcome the chance to present to the committee my humble studies in their history, importance, and implications on the Monroe Doctrine.

I shall take advantage later in my extension and revision to include part of these studies.

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to place therein a letter from Attorney General Jackson.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from the Grand Rapids Press.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Beverly Hills Highlights, on the American flag.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address I delivered last evening at Arlington, Va.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a short article from the Times-Herald by Mr. Waldrop.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EFFECT OF UNDISTRIBUTED INCOME

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PIERCE. Mr. Speaker, the Monopoly Committee of the Senate is now having hearings on very fundamental questions—capitalism, the effect of machinery, whether technological unemployment is one of the causes of the depression. These are some of the questions being inquired into.

Along this line I have done some reading and study. Among the interesting and instructive articles I have recently read is one not yet published. It is by Dr. John Barr, now living in Urbana, Ill., formerly a resident of Redmond, Oreg., in my district. He is a professional man who has given a great deal of thought and study to these vital questions. He has arrived at the conclusion that it is necessary, if capitalism is to be preserved, that all of the income be spent; that the present depression, starting in 1929, was in a large measure brought on by an accumulation of undistributed income. He concludes that the only solution of the problem is inheritance and income taxes of such proportion as will make such a distribution.

I ask unanimous consent to extend my remarks and include the article referred to by Dr. Barr.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EFFECT OF PATENTS ON PEOPLE OF UNITED STATES

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HARTLEY. Mr. Speaker, today we celebrate the one hundred and fiftieth anniversary of the establishment of the United States patent system.

With remarkable foresight the framers of the Constitution inserted a clause in that document which did much to encourage inventive genius among our people. It is that clause which insures to inventors the exclusive ownership of their patent rights for a term of years. This clause is found in article I, section 8, of the Constitution, and states:

> Congress shall have the power to pass laws to promote the progress of science and the useful arts by securing for a limited time to the authors and inventors the exclusive rights to their respective discoveries.

In accordance with this power, the patent system was created by the act of 1790, adopted into law on April 10 of that year, just 150 years ago today.

As a resident of New Jersey, whose numerous industries are founded upon inventions, and as a member of the Patents Committee of the House of Representatives, I have peculiar reasons for recognizing the importance of the American patent system. In my State there is a place hallowed by the name and the achievements of a great inventor. You need hardly be told that I refer to Menlo Park and Thomas Alva Edison.

The history of my State and of this Nation gives me further grounds for my interest in inventions and the statutes by which they are both encouraged and protected. Lambert Cadwalader, as a Member of the First Congress from New Jersey, was one of a committee of three to which was entrusted the responsibility of drafting the initial patent law of the United States, the one hundred and fiftieth anniversary of which we are now commemorating. In addition, William Paterson, Senator from New Jersey, was a member of the Senate Committee which considered the first patent bill and favorably recommended its passage by the Senate. His name is preserved as that of one of our great industrial communities in New Jersey. My fellow citizens of New Jersey share with me my appreciation of the patent system. No more eloquent proof of that fact could be supplied than the number of patents granted to them. New Jersey ranks among the first of our States in the per capita number of inventions patented by its citizens.

Not merely New Jersey, but every other State of the Union and many countries and peoples throughout the world, have an obligation to the inventors and their work fostered by our patent system down through the 15 decades of its existence. It would be perhaps a misstatement to say that American invention is the product of American laws. It is no exaggeration to say that that partnership of the protection which law has given to inventors and that genius which they have received from nature has operated for the benefit of many millions here at home and abroad. The inventor's rights and his property in his inventions require to be safeguarded so that they may be brought to fruition in the machines and methods and manufactures to which they were antecedently necessary.

In the 150 years since President Washington gave his approval to the first patent act our Nation has grown from a population of less than 4,000,000 to more than 130,000,000. In the same period its geographical area has been more than doubled. It would be difficult to conceive how our present population, or even that of 50 years ago, could find employment and support without the inventions which have served to supply both of these. Agriculture, the principal industry of Americans at the end of the Revolutionary War, could not have provided livelihood for even a tenth of our present population. For agriculture itself has been improved and expanded precisely by the great inventions that have been put at its disposal since the days of Whitney and McCormick. We needed other industries and activities to give work and wages to our people. These needs have been met by the inventions which created our railways, our boats, our airplanes, our telegraph and telephones, and the mechanisms of our shops and factories and which are indispensable to their operation. One thought that occurs to me in my consideration of the patent system is the benefits which it has brought to the women of America. Such inventions as the telephone, the typewriter, the computing machine, and even the machinery in our various industries have given women an opportunity for employment at wages and under conditions which could not have been within their reach before the arrival of the inventions I have mentioned and many others besides. I think this fact is important for another reason. It convinces me, at least, that machines have not merely not deprived workers, both men and women, of employment, but have in fact increased the demand for human brains and human hands in our industries.

So, my friends, this brief recital of truths that may not always be evident will, I trust, be sufficient to impress upon you and upon us all the advantages which our patent system has spread among all our people in every quarter of this great country. There is a relation, too, between our industrial prosperity and our national security. Our development in industry, including agriculture, has assured also the strength we must have to preserve for ourselves and perpetuate to our posterity the blessings given to us by our Constitution and our political institutions, including the American patent system.

To read the history of the patent law and those great inventions protected under it is to learn the history of this Nation's development from a sparsely settled wilderness to a Nation with the greatest industrial expansion the world over. It is not an understatement to say that the soundness of our patent system has been a great factor in providing our people with greater comforts and luxuries than are known to the people of any other nation on earth.

GOOD CONDUCT OF FEDERAL JUDGES BILL

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I suppose Members wonder why I am up here again, but the truth is that I have not been able to sit down since yesterday. [Laughter.] I have some suggestions which I want the Members to consider, and I am going to put them in the RECORD. I do not want anybody here to sympathize with me, either. I want you to understand I have no feelings about that vote at all. To show what a good sport I am, I say to the world, without any reservation, that I have as high regard for the foresight and the statesmanship of you who defeated that bill yesterday as you had for the bill that was defeated. [Laughter.]

I am so certain that an additional method supplementing impeachment for removing Federal judges must be devised, or one will develop under pressure of necessity which may not be a basic improvement, that I am taking the liberty of urging you as my copartners in responsibility not to dismiss this matter voted on yesterday from your own sense of responsibility.

This is the general picture as I see it. Nobody yet knows what the Administrative Office of the United States Courts will be able to do in a corrective way but possibly something quite substantial. Everything indicates a continuing increase of Department of Justice interest and influence with reference to these Federal judges. Those two things more or less fit in, not by design but by a natural tendency.

It could be that the Senate will work out a plan to create an agency, possibly a committee of its own Members, who would in effect try the issues presented in an impeachment, reserving to itself the final voice in the determination.

If correction should not come from either of these, I suggest that you reexamine the constitutional questions involved, and if I should not be here then, I suggest that you look in the Appendix of the CONGRESSIONAL RECORD, Seventy-sixth Congress, third session, page 1894, and get the bill printed on that page and reintroduce it. You will find the sustaining arguments in the RECORD of the next day, and if things have caught up with you by that time, you will not have any difficulty in passing your bill.

Seriously, I urge you not to dismiss this matter from your examination and interest because something has got to be done about it sooner or later if we would reserve respect for our governmental processes and at the same time make certain the preservation of the independence of the Federal judiciary, with the judges holding office for life, subject only to the condition of good behavior.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of the RECORD.]

SESQUICENTENNIAL OF SIGNING OF FIRST PATENT ACT BY GEORGE WASHINGTON

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KRAMER. Mr. Speaker, the protection afforded by our American patent system to the creation and application of scientific and mechanical phenomena by our men of genius, has been widely acclaimed during the celebration of the sequicentennial of the signing of the first Patent Act by George Washington in 1790, as probably the dominant factor in the advancement of our Nation. Public Resolution No. 58, of the Seventy-sixth Congress, creating a commission to arrange for the celebration of this anniversary testifies to the interest of Congress in this event. The President signed this resolution March 15, 1940, and in his subsequent proclamation of March 21 designated April 10 as Inventors' and Patent Day.

[Public Resolution—No. 58—76th Cong.—ch. 56—3d sess.—S. J. Res. 206]

Joint resolution creating a commission to arrange for the celebration of the sesquicentennial anniversary of the signing of the first United States patent law

Whereas there will occur on April 10, 1940, the one hundred and fiftieth anniversary of President George Washington's approval of the first act of Congress authorizing and regulating the grant of patents as contemplated in article I, section 8, of the Constitution; and

Whereas the encouragement and the protection thus afforded to discoverers and inventors have both inspired and rewarded their genius to the benefit of this Nation and the whole world; and

Whereas the American patent system inaugurated by this act of Congress has promoted countless applications of the arts and sciences to the needs and well-being of our people and thereby contributed notably to a higher standard of living in our country; and

Whereas it is fitting that the anniversary of the institution of a system so beneficial to the people of the United States should be worthily observed: Now, therefore, be it

Resolved, etc., That there is hereby created a commission consisting of the chairman of the Senate Committee on Patents, the chairman of the House Committee on Patents, the Secretary of Commerce, the Commissioner of Patents, and five other members to be selected by them, with power and authority to make suitable arrangements for an appropriate observance of the sesquicentennial of the first United States patent law.

SEC. 2. That the President of the United States is requested to set aside April 10, 1940, as Inventors' and Patent Day to invite a general public commemoration of an event which has proved so important and salutary to this Nation.

SEC. 3. That the Senate and the House of Representatives shall conduct suitable exercises whereby Congress may mark the anniversary.

Approved, March 15, 1940.

In accordance with this resolution and proclamation, it seems to me appropriate that the Members of Congress pause in thanksgiving for the blessings of this day which are due, not only to pioneer inventors, who have been honored at many of the functions held in connection with this celebration, but also to our forefathers and predecessors who inaugurated the patent system in the First Congress, and then promoted and contributed to its improvement down through the years. It is fitting indeed that we recall the names of some of these men—legislative pioneers of the patent system.

Washington, who said:

The advancement of agriculture, commerce, and manufactures, by all proper means, will not, I trust, need recommendation, but I cannot forbear intimating to you the expediency of giving effectual encouragement, as well to the introduction of new and useful inventions from abroad, as to the exertions of skill and genius in producing them at home. * * * Nor am I less persuaded that there is nothing which can better deserve your patronage than the promotion of science and literature.

Jefferson said:

Certainly an inventor ought to be allowed a right to the benefit of his invention for some certain time. * * * Nobody wishes more than I do that ingenuity should receive liberal encouragement.

The committee of the First Congress, consisting of Aedanus Burke, of South Carolina; Benjamin Huntington, of Connecticut, and Lambert Cadwalader, of New Jersey, which was instructed to bring in bills on patents should be remembered; likewise Benjamin Franklin, himself an inventor, Charles Pinckney, of South Carolina, who submitted to the Federal Convention in May 1787 a number of propositions, among them being "to grant patents for useful inventions," and James Madison, later President, who suggested certain powers as proper to be added to those of the general legislature, one of which was "to encourage, by premiums and provisions, the advancement of useful knowledge and discoveries."

History records that Daniel Webster, in 1824, presented legislation to help relieve the burden of the patentees in the matter of costs in infringement cases, declaring in the course of the debate that a patent was evidence of property—that invention was the fruit of man's brain. In 1835, Senator Ruggles of Maine was made chairman of a

committee to take into consideration the condition of the Patent Office and the laws relating to the issuing of patents. It was under his guidance that a report was made to Congress which culminated in the act of July 4, 1836, the basis of the patent system as it functions today. Senator Ruggles' activities were to a great extent responsible for the passage on the same day of a bill providing for the erection of the original Patent Office Building. President Andrew Jackson signed both of these laws.

It would be a stupendous task to attempt to credit all our legislators who have taken part in the construction of the patent system. Not to include the name of Abraham Lincoln, an inventor, a Congressman and a President, however, whose words, "The patent system added the fuel of interest to the fire of genius" have been quoted innumerably, would be inexcusable.

A chronology of legislative pioneers of the patent system would be incomplete without mention of the men who had the double advantage of experience as a Member of Congress and as a Commissioner of Patents. No less than nine of the Commissioners served on Capitol Hill. I shall simply list their names and refer you to the Outline of the History of the Patent Office, Journal of the Patent Office Society, volume 18, No. 7, for their abridged biographies. In the order of their service as Commissioner of Patents, they are: Edmund Burke, William Darius Bishop, Philip Francis Thomas, David P. Holloway, Thomas C. Theaker, Robert Holland Duell, Halbert Eleazer Paine, Benjamin Butterworth, and William Edgar Simonds. Mr. Butterworth served in the House of Representatives before and after his first term as Commissioner; he was chairman of the House Committee on Patents in the Fifty-first Congress and was known as a staunch defender of the patent system on the floor of the House.

Conjunctly with this reference to Members of Congress who served as the head of the Patent Office, it seems to me appropriate that I mention and pay tribute to the legislators whose meritorious service has been rewarded by judicial honors. At this time I shall only mention the fact that three of the five judges now sitting on the United States Court of Customs and Patent Appeals are former Members of Congress, presided over by the Honorable Finis James Garrett, for more than 20 years a Member of this body.

To complete this memorial to the legislators closely associated with patents in Congress, Mr. Speaker, I ask permission to insert at this point the names of the chairmen of the Senate and House Patents Committees who have served since the institution of the committees:

Chairmen of the Senate Committee on Patents since its establishment as a standing committee

[Library of Congress, Legislative Reference Service]

Chairman	Political affiliation	State	Term of service in Senate	Term of service as chairman
John Ruggles	Democrat	Maine	1835 to 1841	1837 to 1838 (25th Cong., 1st and 2d sess.).
Robert Strange	do	North Carolina	1836 to 1840	1838 to 1839 (25th Cong., 3d sess.; and 26th Cong., 1st sess.).
Daniel Sturgeon	Democrat	Pennsylvania	1840 to 1851	1840 to 1841 (26th Cong., 2d sess.).
Samuel Prentiss	Whig	Vermont	1831 to 1842	1841 to 1842 (27th Cong., 1st and 2d sess.).
John L. Kerr [1]	do	Maryland	1841 to 1843	1842 to 1843 (27th Cong., 3d sess.).
Samuel Phelps	do	Vermont	1839 to 1851; 1853 to 1854	1843 to 1845 (28th Cong.).
Simon Cameron	Democrat and Republican	Pennsylvania	1845 to 1849; 1857 to 1861; 1867 to 1877	1845–1846 (29th Cong., 1st sess.).
Walter T. Colquitt [2]	Whig and Democrat	Georgia	1843 to 1848	1846 to 1847 (29th Cong., 2d sess.).
James Westcott, Jr.	Democrat	Florida	1845 to 1849	1847 to 1849 (30th Cong.).
Hopkins L. Turney [3]	do	Tennessee	1845 to 1855	1849 to 1851 (31st Cong.).
Moses Norris, Jr. [4]	do	New Hampshire	1849 to 1851	1851 to 1852 (32d Cong., 1st sess.).
Charles T. James	do	Rhode Island	1851 to 1857	1852 to 1857 (32d Cong., 2d sess.; through 34th Cong.).
David Settle Reid [5]	do	North Carolina	1854 to 1859	1857 to 1859 (35th Cong.).
William Bigler	do	Pennsylvania	1856 to 1861	1859 to 1861 (36th Cong.).
James Simmons		Rhode Island	1841 to 1847; 1857 to 1862	1861 to 1862 (37th Cong., 1st and 2d sess.).
Edgar Cowan	Republican	Pennsylvania	1861 to 1867	1862 to 1866 (37th Cong., 3d sess.; through 39th Cong., 1st sess.).
Waitman T. Willey [6]	do	Virginia and West Virginia.	1861 to 1863; 1863 to 1871	1866 to 1871 (39th Cong., 2d sess.; through 41st Cong.).
Orris S. Ferry [7]	do	Connecticut	1867 to 1875	1871 to 1875 (42d Cong., 1st sess.; and 43d Cong.).
Bainbridge Wadleigh	do	New Hampshire	1873 to 1879	1875 to 1877 (44th and 45th Cong., 1st sess.).
Newton Booth	Anti-Monopolist	California	1875 to 1881	1877 to 1879 (45th Cong., 2d and 3d sess.).
Francis Kernan [8]	Democrat	New York	1875 to 1881	1879 to 1881 (46th Cong.).
Orville H. Platt	Republican	Connecticut	1879 to 1905	1881 to 1887 (47th through 49th Cong.).
Henry M. Teller	Republican, Independent Silver Republican, and Democrat.	Colorado	1876 to 1882; 1885 to 1909	1887 to 1891 (50th and 51st Cong.).
Nathan F. Dixon [9]	Republican	Rhode Island	1889 to 1895	1891 to 1893 (52nd Cong.).
George Gray	Democrat	Delaware	1885 to 1899	1893 to 1894 (53rd Cong., 1st and 2nd sess.).
Wilkinson Call	do	Florida	1879 to 1897	1894 to 1895 (53rd Cong., 3rd sess.).
Orville H. Platt	Republican	Connecticut	1879 to 1905	1895 to 1899 (54th and 55th Cong.).
Jeter C. Pritchard	do	North Carolina	1895 to 1903	1899 to 1903 (56th and 57th Cong.).
Alfred B. Kittredge	do	South Dakota	1901 to 1909	1903 to 1907 (58th and 59th Cong.).
Reed Smoot	do	Utah	1903 to 1933	1907 to 1909 (60th Cong.).
Norris Brown	do	Nebraska	1907 to 1913	1909 to 1913 (61st and 62d Cong.).
Ollie M. James [10]	Democrat	Kentucky	1913 to 1918	1913 to 1917 (63d through 65th Cong., 2d sess.).
William F. Kirby	do	Arkansas	1916 to 1921	1918 to 1919 (65th Cong., 3d sess.).
George W. Norris [11]	Republican	Nebraska	1913 to ——	1919 to 1921 (66th Cong.).
Hiram W. Johnson	do	California	1917 to ——	1921 to 1923 (67th Cong.).
Richard P. Ernst	do	Kentucky	1921 to 1927	1923 to 1925 (68th Cong.).
William M. Butler	do	Massachusetts	1924 to 1926	1925 to 1926 (69th Cong., 1st sess.).
Richard P. Ernst	do	Kentucky	1921 to 1927	1926 to —— (69th Cong., 2d sess.).
Jesse H. Metcalf	do	Rhode Island	1924 to 1936	1926 to 1929 (69th Cong., 2d sess.; and 70th Cong.).
Charles W. Waterman	do	Colorado	1927 to 1932	1929 to 1932 (71st Cong. and 72d Cong., 1st sess.).
Felix Hebert	do	Rhode Island	1929 to 1935	1932 to 1933 (72d Cong., 2d sess.).
Robert F. Wagner	Democrat	New York	1927 to ——	1933 to —— (73d Cong., 1st sess.).
William G. McAdoo	do	California	1933 to 1938	1934 to 1938 (73d Cong., 2d sess., through 75th Cong.).
Homer T. Bone	do	Washington	1933 to ——	1939 to —— (76th Cong.).

[1] Served as Representative, 1825–29 and 1831–33.
[2] Served as Representative, 1839–40 and 1842–43.
[3] Served as Representative, 1837–43.
[4] Served as Representative, 1843–47.
[5] Served as Representative, 1843–47.
[6] Served as Senator from Virginia, July 9, 1861–Mar. 3, 1863; from West Virginia, Aug. 4, 1863–Mar. 3, 1871.
[7] Served as Representative, 1859–61.
[8] Served as Representative, 1863–65.
[9] Served as Representative, Feb. 12–Mar. 3, 1885.
[10] Served as Representative, 1903–13.
[11] Served as Representative, 1903–13.

Sources: Congressional Directories, 25th through 76th Cong. Biographical Directory of the American Congress, 1774–1927, H. Doc. 783, 69th Cong., 2d sess.

NOTE.—The first mention in a Congressional Directory of a Senate committee on patents is in the Directory for 1836 (24th Cong., 1st sess.). It is listed under "Select Committees" as "On the Patent Office." John Ruggles, Democrat, Maine, is listed as chairman. In the Directory for 1837 (25th Cong., 1st sess.) the committee is listed with the standing committees as "On Patents and the Patent Office." Not until the second edition of the Congressional Directory for the 42d Cong., 2d sess. (May 1872) is the committee found listed under its present title of Committee on Patents.

Chairmen of the House of Representatives Committee on Patents since its establishment as a standing committee

[Library of Congress, Legislative Reference Service]

Chairman	Political affiliation	State	Term of service in House	Term of service as chairman
Andrew W. Loomis	Whig	Ohio	1837	1837 (25th Cong., 1st sess.).
Isaac Fletcher	Anti-Masonic Democrat	Vermont	1837 to 1841	1837 to 1841 (25th Cong., 2d sess., and 26th Cong.).
Thomas B. Osborne	Whig	Connecticut	1839 to 1843	1841 (27th Cong., 1st sess.).
Robert McClellan	Democrat	New York	1837 to 1839; 1841 to 1843	1841 to 1842 (27th Cong., 2d sess.).
Alexander Harper	Whig	Ohio	1837 to 1839; 1843 to 1847; 1851 to 1853	1843 to 1844 (28th Cong., 1st sess.).
Thomas J. Henley	Democrat	Indiana	1843 to 1849	1844 to 1847 (28th Cong., 2d sess.; and 29th Cong.).
John W. Farrelley	Whig	Pennsylvania	1847 to 1849	1847 to 1849 (30th Cong.).
Hiram Walden	Democrat	New York	1849 to 1851	1849 to 1851 (31st Cong.).
David K. Cartter	do	Ohio	1849 to 1853	1851 to 1853 (32d Cong.).
Benjamin B. Thurston	do	Rhode Island	1847 to 1849; 1851 to 1857	1853 to 1855 (33d Cong.).
Edwin B. Morgan	Republican	New York	1853 to 1859	1855 to 1857 (34th Cong.).
James A. Stewart	Democrat	Maryland	1855 to 1861	1857 to 1859 (35th Cong.).
William Millward	Whig and Union	Pennsylvania	1855 to 1857; 1859 to 1861	1859 to 1861 (36th Cong.).
William McKee Dunn	Republican	Indiana	1859 to 1863	1861 to 1863 (37th Cong.).
Thomas A. Jenckes	do	Rhode Island	1863 to 1871	1863 to 1871 (38th through 41st Cong.).
Leonard Myers	do	Pennsylvania	1863 to 1875	1871 to 1873 (42d Cong.).
Omar D. Conger [1]	do	Michigan	1869 to 1881	1873 to 1875 (43d Cong.).
Robert Brank Vance [2]	Democrat	North Carolina	1873 to 1885	1875 to 1881 (44th through 46th Cong.).
Thomas Lowry Young	Republican	Ohio	1879 to 1883	1881 to 1883 (47th Cong.).
Robert Brank Vance [2]	Democrat	North Carolina	1873 to 1885	1883 to 1885 (48th Cong.).
Charles L. Mitchell	do	Connecticut	1883 to 1887	1885 to 1887 (49th Cong.).
James B. Weaver	Democrat and Greenbacker	Iowa	1879 to 1881; 1885 to 1889	1887 to 1889 (50th Cong.).
Benjamin Butterworth	Republican	Ohio	1879 to 1883; 1885 to 1891	1889 to 1891 (51st Cong.).
George D. Tillman [3]	Democrat	South Carolina	1879 to 1882; 1883 to 1893	1891 to 1893 (52d Cong.).
James W. Covert	do	New York	1877 to 1881; 1889 to 1895	1893 to 1895 (53d Cong.).
William F. Draper	Republican	Massachusetts	1893 to 1897	1895 to 1897 (54th Cong.).
Josiah D. Hicks	do	Pennsylvania	1893 to 1899	1897 to 1899 (55th Cong.).
Winfield S. Kerr	do	Ohio	1895 to 1901	1899 to 1901 (56th Cong.).
Walter Reeves	do	Illinois	1895 to 1903	1901 to 1903 (57th Cong.).
William W. Skiles	do	Ohio	1901 to 1904	1903 to 1904 (58th Cong., 1st and 2d sess.).
Frank D. Currier	do	New Hampshire	1901 to 1913	1903 to 1909 (58th Cong., 2d sess., through 61st Cong.).
William A. Oldfield	Democrat	Arkansas	1909 to 1928	1911 to 1915 (62d and 63d Cong.).
Martin A. Morrison	do	Indiana	1909 to 1917	1915 to 1917 (64th Cong.).
Charles Bennett Smith	do	New York	1911 to 1919	1917 to 1919 (65th Cong.).
John I. Nolan	Republican	California	1913 to 1922	1919 to 1921 (66th Cong.).
Florian Lampert	do	Wisconsin	1918 to 1930	1921 to 1925 (67th and 68th Cong.).
Albert H. Vestal	do	Indiana	1917 to 1931	1925 to 1931 (69th through 71st Cong.).
William I. Sirovich	Democrat	New York	1927 to 1939	1931 to 1939 (72d Cong., 1st sess., through 76th Cong., 1st sess.).
Charles Kramer	do	California	1933 to ——	1939 to —— (76th Cong., 1st sess.).

[1] Served as Senator, 1881–87.
[2] Nephew of Robert Brank Vance, Representative from North Carolina, who served from 1823–25.
[3] Lost contested election for seat in 47th Cong., and did not serve from June 19, 1882, to Mar. 4, 1883.

Sources: Congressional Directories, 25th through 76th Cong.; Biographical Directory of the American Congress, 1774–1927, H. Doc. 783, 69th Cong., 2d sess.; Hinds' Precedents of the House of Representatives (1907), vol. IV, p. 807.

NOTE.—The first mention of a House committee on patents in a Congressional Directory is found in the edition for 1836–37 (24th Cong., 2d sess.). It is listed as "Committee on Patent Office" and is grouped as a select committee with James Harper, Whig, Pennsylvania, as chairman. Sept. 15, 1837 (25th Cong., 1st sess.), the present standing Committee on Patents was created. (See Congressional Globe, 25th Cong., 1st sess., p. 34.)

From the House list, may I single out for special approbation, Congressman Thomas A. Jenckes, of Rhode Island, who as chairman when the important revision and consolidation of the patent laws was effected by the act of July 8, 1870, undoubtedly aided in the accomplishment of what must have been a herculean task. I should like also to name especially, some of the chairmen who guided the labors of the committee in recent years—Hon. William A. Oldfield, of Arkansas, who conducted an extensive hearing in the Sixty-second Congress on revision and codification of the Patent Statutes, the printed record of which is often referred to at the present time—Hon. Albert H. Vestal, of Indiana, who is, no doubt remembered and honored in the hearts of many of the Members here today as the chairman in the 1920's when more applications for patents were filed in the Patent Office than at any time in its history—and lastly, my immediate predecessor, lovable Dr. William I. Sirovich, of New York, who while always the friend of the downtrodden, exerted his energies impartially for the improvement of the patent system, as is attested by his words: "While we want to do justice to the corporate interests and play absolutely fair with the inventor, I want to know just where does the public come in; will the public be benefited also?" (P. 164 Hearings on Patents, 72d Cong., February 16, 1932.)

There are some who would nullify and discredit the attainments accruing from the perfection of the patent laws. The theory of a minority in our country that the discovery and adaptation to use of a new invention destroys the jobs of those employed in the industry displaced by the invention, has been refuted many times. To those who persist, however, in the viewpoint that labor-saving machinery should be banned or taxed, I challenge the wisdom of such a proposal. It is my contention that every new patentable idea exploited, not only absorbs an equivalent to the number of people displaced, but opens a wide field of new employment possibilities. The automobile industry, founded on a number of patents, illustrates the potentialities for expansion. It could be contended this mode of transportation obliterated the "horse and buggy", and with the passing of that old-time conveyance there was little further need for the blacksmith or the harnessmaker. Think, however, in addition to the growth and expansion of transportation by automobile, of the collateral fields that have similarly benefited—the garage, selling gas and oil. Here again, it can possibly be contended that agriculture has suffered by the lack of a market for the grain used to feed horses—statistics will show, however, that a far less proportionate part of our population was fortunate in having personal transportation in the last century, in comparison to the present "horseless age." The production, refining, transportation and distribution of fuel is dependent on the automobile. The rubber industry, likewise is a beneficiary of this invention. In the production of rubber tires, a great quantity of cotton is required, and the production and fabrication of this material has been a boon to our farmers and factory workers. The illustration of this one invention has almost infinite ramifications, with its effect on the steel industry, electrical industry, glass industry, hardware industry, instrument makers and even the radio industry—just to mention some of those immediately affected—and passing over the relation that can be drawn to road building, communications, and other fields of endeavor only remotely connected. It will be seen that the automobile assimilates the products of many industries—they are so interlocking that the abolition or destruction of any part of this commercial pattern would result in chaos. It is interesting to note at this point that an article in one of our national news magazines written as a result of a job possibility survey, mentions the need, among other craftsmen, of expert blacksmiths. Consequently, it cannot be truly said that all new inventions utterly efface the need for those skilled in the old-time branches of manual employment.

The advantages resultant in the exploitation of an invention such as that just discussed are not confined to one section of the country. The development of our natural resources for the use of the automobile industry has affected the prosperity of the constituency of every Member of Congress—in my own district, oil-well drilling and oil refining have contributed to our forward strides; in Pennsylvania, steel production; in Ohio, glass production; in the South, cotton production; in New England, cotton fabrication; our Atlantic and Pacific ports bustle with importing and exporting activity, and in the various other parts of our country the automobile in one way or another contributes to our internal commerce.

Mr. Speaker, today we commend and salute in Congress the foresight and militant perseverance of the builders and defenders of our patent system. The clarity of their vision and wisdom cannot be questioned. The inspiration furnished to our creative genius by their enactments supplies the momentum which is carrying us forward today. Despite the elapse of a hundred years since an official of the Patent Office stated that "the advancement of the arts from year to year taxes our credulity and seems to presage the arrival of that period when human improvement must end," and the further fact that many unknown and unthought-of advancements have since been made, there is nothing on the horizon that would indicate to me we are approaching a saturation point so far as inventive skill is concerned, and I venture to predict that the celebration of the two-hundredth anniversary of the signing of the first patent act will be the occasion for an inventory of some now undreamed-of miraculous new wonders.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and insert the names of the Members of Congress who served on the Committee on Patents, both in the House and in the Senate.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an address given by Fred Taylor Wilson.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

BUREAU OF LABOR STATISTICS

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 408, and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 408

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of House Joint Resolution 265, a joint resolution authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Labor, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. COX. Mr. Speaker, I would like to inquire if the gentleman from Illinois [Mr. ALLEN] desires to use any time on this rule?

Mr. ALLEN of Illinois. I have some requests for time.

Mr. COX. Mr. Speaker, this resolution proposes to make in order House Joint Resolution 265, which authorizes the Bureau of Labor Statistics to continue its studies of productivity and labor costs in industry.

I do not understand that there is any opposition anywhere to the adoption of the rule.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLAR], and I ask unanimous consent that he likewise be permitted to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. CELLER. Mr. Speaker, it was in all kindliness that I offered in the RECORD yesterday a letter sent to me by Dr. Franz Boas, of Columbia University, wherein he called attention to the fear that some 50 professors, representatives of universities, had of what the Dies committee might do in connection with their purported statement that they would examine into the political and social affiliations of textbook writers, professors, and teachers in the various universities.

Mr. DIES. If the gentleman will yield, the committee never made any such statement as that. We are not interested in the social or political views of the professors. We merely say this, that if a man is a member of the Communist Party or of a Fascist organization and uses textbooks in order to get over his propaganda to the youth of this land, we are at least entitled to let the country know what are his affiliations with the Communist Party. [Applause.]

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I refuse to yield.

I repeat, this letter was received by me from this gentleman, who is a distinguished professor and an expert on anthropology and known all over the world. I went to Columbia University and know him well. I respect that gentleman's word. He spoke for 50 other professors. He said it was the purpose of the committee to do this. I am glad to receive the word of the chairman that it is not the purpose of the committee directly to examine into the so-called political and social affiliations of these textbook writers. Carrying out such a purpose to its logical extremes would force textbook writers to conform to the exclusive ideas laid down by the Dies committee. Education would receive a deadly blow.

In all kindliness, I repeat, I made my suggestions yesterday. Certainly this committee, presided over by the distinguished gentleman from Texas, has done a great deal of good. I voted on two occasions for appropriations for that committee. But it is a possibility that in the enthusiasm that committee might show it might do some harm. It is well for us to appear in this forum and point out the possibilities of error. In their zeal, their honest and sincere zeal and enthusiasm to ferret out these wrongs, they may be guilty of some abuses. They may invade private rights that are sacred under the Constitution. Are we so intolerant and thin-skinned as to resent criticisms of that sort? I am sure the gentleman from Texas cannot resent criticism honestly made, and I made the criticism honestly.

I was one of the members of the Committee on the Judiciary which helped sponsor the very bill to which the gentleman adverted, namely the McCormack bill, to get after foreign agents now in this country representing Communist governments or Nazi governments. I want the committee in all its power to get after these agents. Nevertheless, there is a limit beyond which the activities of this committee shall not go, and I refer to certain rights known as freedom of speech and freedom against unwarranted search and seizure. Let them search and let them seize, but I caution that they do it in pursuance of precepts of law and in pursuance of the Constitution. I would rather see the committee err in their failure to ferret out communism than in their enthusiasm commit infractions of the Constitution, commit wrongs that cannot be righted.

I called attention yesterday, and I am going to do it again, although I may be accused of repetition, to the fact that Jefferson was so zealous of freedom of speech and freedom of expression that he said:

If I were given a choice of government without newspapers or newspapers without a government, I would choose the latter.

I recall that Voltaire said:

I disapprove of what you say, but will defend to the death your right to say it.

Even the meanest culprit has the right to his say. Even the Communist has rights under the Constitution. He can resist unlawful search and seizure of his papers and documents.

A Federal judge in Pennsylvania has held the actions of the agents of the Dies committee illegal and unwarranted. That is serious. That judge may be wrong. I do not think he is. I wish to caution members of the committee in this fashion, that if you are guilty of unwarranted search and unwarranted seizure—and I do not say you are—a Federal judge said you are—but if you are, and I hope you will not be—you defeat your own purposes, because when you use the force and violence that may be unwarranted under our Constitution you have only your labor for your pains, because you are going to strengthen the Communists, you are not going to weaken them. They then become victims of oppression and, as such, grow stronger and stronger.

For that reason, Mr. Speaker, I earnestly and sincerely hope the chairman will not deem this a personal attack upon him. I meant no attack upon him and did not intend it as such. I intend to set limits or guideposts of caution beyond which the committee shall not go. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield one-half minute to my colleague the gentleman from Georgia [Mr. GIBBS] for the purpose of propounding a unanimous-consent request.

COMMITTEE ON THE JUDICIARY

Mr. GIBBS. Mr. Speaker, I ask unanimous consent that subcommittee No. 4 of the Committee on the Judiciary may be permitted to sit during the session of the House this afternoon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

BUREAU OF LABOR STATISTICS

Mr. HOFFMAN. Mr. Speaker, it is somewhat difficult to understand why the gentleman from Texas [Mr. DIES], chairman of the Special Committee to Investigate Un-American Activities, or any member of that committee is very much concerned about a letter of criticism from the professors as printed in the RECORD of yesterday by the gentleman from New York [Mr. CELLER].

Mr. DIES. I want to make it clear to the gentleman that my purpose was not to answer criticism. We have received so much criticism that it has become an ordinary matter. The point I wanted to make was whether or not the courts of the land are going to sustain these people in denying us that information. That becomes a very material question. But what some gentleman may think about us is, of course, not a very material matter.

Mr. HOFFMAN. I would not think so, in view of the manner in which the remarks of the gentleman were received by the House. We all heard the applause; it was ringing and continued for some time. We all heard the reply to the remarks of the gentleman from Texas [Mr. DIES], and we all heard—if you can hear silence—we all heard the silence that followed. There was not one single demonstration of approval that followed the reply to the chairman's remarks.

On every occasion that I can recall when the question of the authority of the committee or the matter of money to be given the committee has come up, the House almost unanimously has sustained the committee and the activities of the chairman. There can be no doubt but this House is enthusiastically back of him and the committee.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Texas.

Mr. DIES. The reason I answered the gentleman from New York was because on yesterday he made the charge that the proceeding was absolutely illegal. I agree with what the gentleman said that in these times we must be careful not, in our zeal, to violate the fundamental rights guaranteed to every citizen, but what I wanted to point out was that this committee has not done that. If it has done so, it will be because the courts hold invalid the State law under which we acted.

Mr. HOFFMAN. I think every Member of the House is convinced that the committee is proceeding in an orderly and in a legal manner.

The other day I saw a cartoon in the Chicago Tribune which quite accurately pictures the methods of some who, when the Government attempts to prosecute them, hide behind the Constitution.

The Communists and some of their bedfellows insist upon expressing their opinions upon any and all occasions. The truth in no way hampers them. But the moment the Government attempts to curtail some of their activities on the ground that they are unlawful, they invoke the doctrine of free speech, a free press, and hide behind the Constitution.

This cartoon to which reference is made pictures the Constitution as being spread on the table and on one side a rat was shown chewing into the very center of it; just below was another drawing of the same Constitution showing the damage the chewing and the gnawing which the rat had done, and then, underneath the very document which he had been destroying, he crawled and hid for protection. [Laughter.] That is what always happens when those who take extreme positions and attack our Government and its laws are caught in their unlawful activities.

The gentleman who just answered the chairman of the committee made very much of the Constitution and rightly so, for all too often it is ignored. Of course, we should always obey the Constitution, and the right of free speech we should maintain at every opportunity, but why is it that the gentleman from New York, if he believes in free speech, comes in and criticizes the chairman of the committee or some member of the committee because in their enthusiasm and zeal, as he calls it, perhaps they said something that was not strictly in accord with his views.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. COX. Does the gentleman mean to intimate that this is an instance where the gentleman from New York [Mr. CELLER] has crawled under the Constitution? [Laughter.]

Mr. HOFFMAN. No; I never refer to any Member of the House in a disparaging way for there is no reason to question any Member's motives. Moreover, I heard from the Speaker one day that we should not make personal reference to a Member. [Laughter.] We may all find need to shield ourselves behind that safeguard, hence we should all be careful to see that its terms are not violated.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. MAY. In view of the statement of the gentleman from Texas, the chairman of the investigating committee, that they had discovered that Communists were getting into the navy yards and places of that kind, and in view of the foreign situation, does not the gentleman think it appropriate that we should give them some more money?

[Here the gavel fell.]

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MAY. Do you not think we should give them more money for the committee to have more aid in investigating these things?

Mr. HOFFMAN. There is no question but what the opinion of the House is—oh, there may be one or two Members somewhere around once in awhile who may think otherwise, but the opinion of the House as a body is that we cannot give the committee too much aid, too much encouragement, or too much money, and that is one thing and one appropriation that I do not believe you have heard any Republican criticize in any way.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. If they have found Communists in the navy yards, as the gentleman from Texas [Mr. DIES] has indicated, why have not the New Deal administrative officers kicked those Communists out of the navy yards?

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. DIES. In fairness, of course, we found from the files at Philadelphia, on their own record, of the existence of Communists, but if we cannot force them to say who they are, naturally we cannot find out who those Communists are in the navy yards and neither can any other administrative agency of the Government.

[Here the gavel fell.]

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. THOMAS of New Jersey. In the attack made by the gentleman from New York [Mr. CELLER] yesterday on the Dies committee he included a letter supposedly from some educators, and one of the things brought out in that letter was a criticism of the Dies committee with respect to a study to be made into the textbooks used in the public schools and colleges.

I want to say to the gentleman and to the House that the Communist Party itself, through its leader, William Z. Foster, when, 2 years ago, he proclaimed in a magazine called The Communist that they were going to and should make inroads into textbooks, and I think that is the answer to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from New York.

Mr. CELLER. I will say to the gentleman from New Jersey that I am sure he does not want us, as members of this great democracy, to follow the example of the Communists.

Mr. THOMAS of New Jersey. That is very true, but I cannot understand why these attacks are made on the Dies committee which is investigating communism.

Mr. HOFFMAN. And I would like to say to the gentleman from New York, to whom I just yielded, you spoke about free speech, and we all believe in that, and are you going to help us get into this N. L. R. B. law in a week or two an amendment providing for free speech on the part of the employers?

Mr. CELLER. I will be very happy to do that.

Mr. HOFFMAN. I hope you will do a little work on that.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Miss SUMNER of Illinois. I do not believe it is the right of free speech, the violation of which these people are complaining. The right that is being violated is their privilege with respect to giving evidence against themselves which would incriminate them. I call the attention of the Congress to the fact that that is a right which has always been abrogated in democracies when a state of war exists, and this form of organization which the chairman has described is the modern way of making war against us and, therefore, the privilege against self-incrimination should be terminated at this time as a method of defense for our country. [Applause.]

Mr. DIES. I may say to the gentlewoman that when these witnesses have refused to answer, I have asked them, "Do you refuse on the ground that it might incriminate you?" because the committee will not compel witnesses to incriminate themselves, but they will not put it upon that ground. They put it upon an entirely different ground, that they have a right to keep this information to themselves.

Mr. COX. That it is secret?

Mr. DIES. Yes.

The SPEAKER pro tempore. The time of the gentleman from Michigan has again expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 15 minutes to the gentleman from New York [Mr. FISH] and ask unanimous consent that he may proceed out of order.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, I believe that the Dies Committee on Un-American Activities has rendered a great service to this country in exposing subversive activities, whether they are communistic, Nazi, or propaganda or activities of any other foreign "ism." It seems to me, however, that the time has come when we should stop merely denouncing the Communists, the Nazi, or other un-American groups, and should recommend and bring in legislation. For a number of years different committees have been investigating these un-American activities, and certainly in this Congress, with only a few more months to go, it is about time for the Dies committee to bring in definite recommendations to put an end to these subversive activities in the United States.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. DIES. That is exactly what we are doing now. We are preparing legislation that we are going to present to the House at the earliest possible date.

Mr. FISH. What I am concerned with, is when is the earliest possible date? The gentleman knows that this Congress will probably adjourn by the 1st of June.

Mr. DIES. I may say to the gentleman that the committee has instructed the gentleman from California [Mr. VOORHIS], by unanimous action, to confer with the Department of Justice, and the Department of State immediately, and undertake to secure their cooperation in the preparation of a bill that will force full publicity of all these agencies.

Mr. FISH. That is the only recommendation you propose?

Mr. MASON. Some bills have already been passed.

Mr. FISH. I think every Member of the House knows that I am in sympathy with the gentleman's committee and the action of the committee and that I am opposed to the spread of nazi-ism or communism in America. But as long as we permit the Communist Party to be a legal party, certainly a Communist has a right as an American citizen to express his views. Ten years ago the special committee of which I was the chairman, followed by the McCormack committee, made certain recommendations to the Congress. One of them was urging the different State legislatures to enact laws to take the Communist Party off the ballot in the various States. The Federal Government can do nothing about that. It is a State affair, and as long as the Communist Party is on the ballot and it is a legal party the Communists have the right to freedom of speech, the same as any other American citizen. To my way of thinking, the Communist Party is not an American party; it is an adjunct or agency of the Communist Internationale at Moscow; it is a foreign party taking its orders from Moscow and from a foreign country, something they do not deny. It is the duty of the different States of the Union to act, and it is up to the Dies committee and the Congress to urge such action. It is the duty of the States to take the Communist Party off the ballot in these various States. As long as the Communist Party remains on the ballot in the States they have the right of freedom of speech and to put up their candidates and to urge their views. I do not think anyone will question that statement. Let us stop merely abusing the Communists and let us put an end to the Communist Party as a recognized and legal entity. Next, let us write drastic deportation laws that will cause the deportation of these alien Communists and Nazis and others spreading un-American propaganda in the United States and send them back to their native lands. Day after day someone takes the floor here and merely denounces the Communists, and we are getting nowhere, with this session coming rapidly to an end.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. FISH. I have only a few minutes.

Mr. THOMAS of New Jersey. The gentleman has made some statements about which I would like to put him right.

Mr. FISH. I yield for a brief question.

Mr. THOMAS of New Jersey. Does the gentleman know that at many of the sessions of the Dies committee we have not only discussed the question of legislation, but we have at the present time various bills in preparation. Also, one member of the Dies committee, the gentleman from Alabama [Mr. STARNES], was instrumental in having a bill passed in this Congress, and just the other day it was vetoed by the President of the United States. I cannot speak for the members of the Dies committee, but I am confident that the members of the Dies committee were favorable to the bill.

Mr. FISH. All I am asking for are definite recommendations for legislative action before we adjourn.

Mr. THOMAS of New Jersey. The gentleman will get them before we adjourn.

Mr. FISH. So that we can discuss and act on them before we adjourn and if necessary take them into the campaign.

Furthermore, I trust that the Dies committee will investigate foreign propaganda in the United States. Today probably the most dangerous source of propaganda comes from foreign lands—not from the Communists, but from foreigners in this country who have come here for one purpose, and one purpose alone, and that is to involve us in foreign wars. It seems to me that the Dies committee could very well afford to spend more time in investigating this foreign propaganda and this war hysteria that is being spread throughout the land, emanating from foreign sources, and supplied and furnished with foreign gold.

The single biggest issue in America today is to keep us out of foreign wars. It is not communism, it is not even nazi-ism or fascism or un-American activities. The biggest single issue is to keep down this war hysteria, which is inflaming the passions and hatreds of the American people, largely through foreign propaganda, in order to ease or force us into war. I would like to see the Dies committee act on that, and act now.

Everybody knows there are a million or more Communists in America. We have known it for 5 or 10 years, and we have done very little about it. If we are to legislate before we adjourn we must consider the measures now.

I took this time today to say that I believe the American people deplore the invasion of Denmark and of Norway by the German armed forces, but as much as we may deplore it, it does not change our situation in America one bit, in spite of the increased tempo of foreign war propaganda. We should reaffirm our American neutrality, reaffirm our determination to keep out of these foreign wars, no matter where they may spread in Europe. This war hysteria, this fear and dread of war, pervades the country to such an extent that the interventionists and internationalists will make the American people believe that we have a duty to become involved in foreign wars, in order to again make the world safe for democracy.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes, I yield.

Mr. PATMAN. Since Greenland belongs to Denmark, suppose Germany should make an effort to take charge of Greenland and establish an airplane base, or otherwise use it, what position do you think our Government should take?

Mr. FISH. Well, I think the American Government should maintain its policy of neutrality. I think the American Government in all cases, unless we are attacked by some foreign foe, should keep out of these foreign wars. However, I will answer the gentleman by saying this, that there is no chance whatever, as long as Great Britain controls the seas, for Germany to seize Greenland or Iceland, or any of those distant possessions of either Denmark or Norway. That is merely an academic question. There is no chance whatever as long as the British Navy is three or four times larger than the German Navy, for Germany to take over Greenland or Iceland.

I think we should approach all these questions when and if they become an accomplished fact, as if affects the interests and security of the United States. Meantime, we propose to maintain our American neutrality, and policy of nonintervention.

Now, I have risen today because of this un-American propaganda aimed against every Member of Congress who opens his mouth in behalf of American neutrality, against the secret diplomacy of the administration, and in favor of keeping America out of war. Eastern newspapers have laid down a vicious barrage of personal attacks, distortion of the truth, and the facts, and utter misquotations of Members of Congress who have the temerity to stand on the floor of this House and say they propose to do everything to maintain our traditional policy of neutrality and to keep America out of war unless we are attacked.

I hold in my hand a cartoon from a New York newspaper, published in the Evening Post last week, and reproduced in the Washington Times-Herald on Sunday. It is a picture of Hitler, holding a half statement alleged to have been made by me, which reads as follows:

I cannot conceive the German Foreign Office fabricating or forging the documents—

Referring to the White Book, stopping in the middle of a sentence, which read in full—

as it is certainly in the interest of the German Government to maintain peaceful relations with us.

This is typical of the extremes to which these propagandists will go in spreading malicious war propaganda. These newspapers took half a sentence, distorting the truth to suit their own purpose, and published that in cartoon form. That is only a part of the war propaganda that is being spread daily to break down the will of the American people to keep out of these wars; to inflame our hatreds and our passions, so that we can in the future be lined up not only to pay for foreign wars but to pay for it by the sacrifice of the lives of American soldiers in foreign lands.

I cannot speak for the Democrats. I think I know the attitude of the American people. I have some right to speak for the Republicans on international issues and foreign affairs. I know that the American people are willing to spend millions or billions of dollars for adequate national defense, but not one single dollar to send an American soldier to foreign lands to fight other people's battles. [Applause.]

I go further and advise my Republican friends if they want to carry this election they had better stop pussyfooting and shadow-boxing on this war issue, and make it very plain where the Republican Party stands; that it is the party of peace, and that it realizes that the greatest issue confronting the American people is to keep us out of foreign entanglements and foreign wars. We should write into our party platform a peace program, so that every American man or woman, whether they be Republican or Democrat, will understand from the beginning that a vote for a Republican candidate, no matter who he may be, means that the United States of America will stay out of these wars unless we are attacked by some foreign foe. [Applause.]

The American people know where Roosevelt stands. They know he has been an internationalist from the beginning; they know that he stands for collective security; they know that he advocates the right to determine the aggressor nation, to apply economic sanctions, and to police and quarantine the world. On the other hand, they do not know exactly where the Republican Party stands. They ought to know where 90 percent of the Republican Members of the House have stood for the last 3 years since the President's quarantine speech at Chicago. I am convinced that 95 percent of the American people have already made up their minds that they want to keep out of war. They want to know how to keep out of war; and as I listened to some of these gentlemen on the Democratic side today imply that President Roosevelt is keeping us out of war, in view of all these documents that have come to light recently quoting Bullitt and Kennedy, and the speeches of our Minister to Canada, and all this secret diplomacy, making promises and commitments that we would be involved in the war sooner or later—it is no wonder there is confusion on this greatest of all issues. In spite of these attempts to defend the President's internationalism and his interventionist views, we know where the President stands and we know where this administration stands, but the public

is somewhat in doubt as to where the Republican Party stands. I am asked almost daily, "What is the foreign policy of the Republican Party? You say you differ from the New Deal and the Democratic administration on foreign affairs." We do differ, and it is our duty therefore to write into the Republican platform an antiwar plank—a peace plank—saying, "Yes; we believe in adequate national defense, but we are opposed to all foreign wars," so that every American will know that the Republican Party is the party of peace in America. [Applause.]

[Here the gavel fell.]

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. SCHULTE].

Mr. SCHULTE. Mr. Speaker, we have heard a great deal of discussion here this morning relative to communism, and I believe we are all agreed that each and every one of us despise that form of government or that form of dictatorship. But we have another problem in the country today that gives us a great cause to stop and think. This was brought out yesterday, and I want to call the attention of the membership of the House to a very serious situation, and it is growing more serious every day. I am mighty happy to have my good friend and colleague the gentleman from New York [Mr. ROCKEFELLER] here when this happened.

On yesterday there was brought out before the Committee on Immigration testimony that we have a population in Hawaii of 400,000—in the island of Hawaii that is now in the possession of the United States. In this island of Hawaii there are 153,539 Japanese, 116,584 American citizens, and 36,958 aliens. Mr. Speaker, I want the Members especially to listen to this: We have 73,000 Japanese who are also American citizens—73,000 who have a dual citizenship. Sixty-two thousand of this group are males—this is in the island of Hawaii. We have there to offset that 23,300 American soldiers and 2,000 National Guardsmen guarding this island. Mr. Speaker, 62,000 of this group which have dual citizenship are males, but American citizens by virtue of the fact that they were born in a possession of the United States. We have a right to assume that from 32,000 to 35,000 of this group of 62,000 have served in the armies, the navy, or the marine corps of Japan, yet by virtue of the fact that they are American citizens we cannot stop their coming back to the island of Hawaii. That condition exists today.

Mr. Speaker, I shall very soon introduce a bill that will take away the citizenship of any man who dons the uniform of any other country or fights under another flag. [Applause.]

[Here the gavel fell.]

Mr. ALLEN of Illinois. Mr. Speaker, I yield 15 seconds to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS. Mr. Speaker, at a mass meeting held in Buffalo, N. Y., on Sunday night, at which were present several thousand Polish-American people on the occasion of the welcoming of General Huyler and His Excellency, the Polish Ambassador to the United States, the following resolutions were adopted having to do with the Congress:

Whereas we American citizens of Polish origin or descent stand united in our condemnation of the merciless and brutal attacks on Poland, designed to exterminate the Polish Nation and to rob the people of their historic territorial possession; and

Whereas mass murder and executions of civilians and noncombatants, especially of women and children, were committed systematically by air bombings upon the rural population, hospitals and orphanages, churches and synagogues; and

Whereas the arrest and placement in concentration camps for slow and untimely death of Polish scholars and professors from the Jagiellonian University of Krakow, as well as other institutions of learning and culture, further substantiate our belief that the goal of the barbaric invaders is the destruction of Poland by means of exterminating her leaders first; and

Whereas in furtherance of this aim the Nazi government is expropriating and evicting the Poles from their lands and settling thereon Germans brought from all parts of Europe, and especially from the Baltic states; and

Whereas we base our action at this meeting on reliable and official documents compiled by His Eminence August Cardinal Hlond, primate of Poland for His Holiness Pope Pius XII, in which specific charges are made that almost all Catholic institutions in the archdioceses of Poznan and Gniezno have been seized, and that the priests and nuns have been subjected to unparalleled persecution and humiliation; and

Whereas the Governments of Nazi Germany and of Soviet Russia have repeatedly denied neutral countries and their humanitarian organizations the right to administer to the needs of the homeless, sick, and poor while stark hunger stares 70 percent of Poland's population in the face; and

Whereas this desperately stricken nation is looking across the ocean in its pressing and widespread need to us, Americans of Polish descent, the legitimate heirs of a highly cultured civilization, with ideas of liberty, democracy, and freedom of opportunity, in common with those of these United States of America: Therefore be it

Resolved, That we express, first of all, our deepest gratitude to the Government of the United States, and especially to His Excellency Franklin D. Roosevelt, the President, for granting recognition to the present Polish Government, located in France, thus proving to the world that the United States does not recognize the fourth partition of Poland and that Poland continues in her position in the family of nations; and be it further

Resolved, That we earnestly petition the President of the United States, the Secretary of State, the Senate, and the House of Representatives, and especially the members of the Committees on Foreign Affairs, to support and hasten a carefully planned and far-reaching humanitarian work to salvage the human wreckage caused by starvation, disease, and exposure, with the view that our American initiative, generosity, and example may stimulate other nations of the world into similar action; and be it further

Resolved, That we most respectfully urge and implore the Honorable Cordell Hull, Secretary of State, to use all of the weight of his power and prestige in obtaining prompt favorable action by the House Foreign Affairs Committee on the humanitarian legislation for Polish relief favorably and unanimously recommended to that committee by a subcommittee thereof within the week closing April 6 so that Congress will have an opportunity to pass the legislation while the need is urgent; and be it further

Resolved, That in particular we appeal to all Congressmen to appropriate the sum of $20,000,000 for food, clothing, and medical supplies for all destitute people of Poland; furthermore, we request the appointment by the President of the United States of a commission which will coordinate the work of various organizations endeavoring to bring aid to the suffering people of all creeds and races in the occupied areas of Poland; and be it further

Resolved, That we urge our Congressmen to sponsor humanitarian legislation such as the bill introduced in the Senate by our distinguished senior Senator, ROBERT F. WAGNER, of New York State, intended to take care of the orphan victims of persecution, limiting the number to be admitted to a maximum of 10,000 orphans per year; and be it further

Resolved, That we express our deepest gratitude and thanks to all humanitarian agencies, especially to the American Red Cross; the American Commission for Polish Relief; the Friends of Poland; the American Committee for the Polish Ambulance Fund; and to all American people helping to hasten relief to the suffering people in occupied Polish territory, and the refugees in Rumania, Hungary, France, and Britain; and be it further

Resolved, That we all solemnly swear and reaffirm our wholehearted loyalty and adherence to the principles of democracy upon which this Nation was founded, and to the American way of life and government in keeping with the fundamental right to peace with justice for all mankind; and be it further

Resolved, That a copy of these resolutions be forwarded to the President of the United States; to the Secretary of State; to the Vice President, JOHN N. GARNER, President of the Senate; to Representative WILLIAM B. BANKHEAD, Speaker of the House; and to the United States Senators and Representatives from the State of New York.

The Right Reverend Monsignor Alexander Pitass; the Right Reverend Monsignor Francis Kasprzak; the Right Reverend Monsignor Andrew S. Garstka; Dr. Stanislaus N. Borowiak; Dr. Ambrose Maciejewski; Mr. Stanislaus Turkiewicz; Rev. Cezary Krzyzan; Mr. Stanislaus Sielski; Dr. Francis E. Fronczak; Marta Mazurowska, secretary, committee on resolutions.

Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to insert the resolutions I have referred to.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3½ minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, I was promised 7 minutes, but I now find I have but 3. I will therefore speak somewhat out of order for a brief statement and extend what I wanted to say about the bill under consideration. I noticed that the gentleman from Texas [Mr. SUMNERS] just came into the room. His words on yesterday are still ringing in my ears—"that we want to get the notion out of our heads that in the Constitution impeachment was the only method provided by which we could remove civil officers." I want to mention the unwritten part of the Constitution against a third term and ask if he has gotten that notion out of his head. Does

he think it will be all right for this administration to have a third term? I have been rather suspicious that the gentleman from Texas could not possibly subscribe to that proposition. But if he does, and to all others who are interested in that particular doctrine, I want them to read the editorial which appeared in yesterday's Washington Post on that subject.

I offer this toast to this administration:

Some people bring happiness wherever they go.
Some people bring happiness whenever they go.

[Applause.]

I shall indeed be happy whenever this administration goes.

Mr. COCHRAN. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Missouri.

Mr. COCHRAN. Will the gentleman tell us what difference it makes as to what anyone here thinks about a third term in view of the thoughts of the people of the United States as expressed by the returns in the elections so far?

Mr. GIFFORD. Yes. These returns worry me greatly. How can our people be longer oblivious to conditions? This is only a $100,000 bill to bring out statistics to bolster up the present regime. If they are unfavorable, you will not hear a thing about them. The T. N. E. C., which I wanted to talk about, is being fed only on favorable statistics, such as can be used to alibi these spending orgies. Only certain witnesses sure to respond favorably to the New Deal contentions were invited to appear. It is an interesting story, and I cannot cover it in 3½ minutes. I promise a little later to take the floor and talk at length about that matter. I have heretofore referred briefly to the subject.

This is a little bill involving only $100,000, but it is my duty and yours to stop it if we can. This is only another method to bolster arguments favorable to this administration. We have now learned this lesson thoroughly. Recall the statistics so carefully arranged and presented during the hearings on the trade agreements. I shall have to vote against the bill for this reason. Again I say, consider the happiness that will come to our people when this method of operation is done away with. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, if I thought there was the slightest possibility of the American public misunderstanding the gentleman from New York [Mr. FISH], by taking seriously the remarks which he made upon the floor of the House a few moments ago, I would request an extension of time in order to make reply.

Mr. Speaker, it appears there is no opposition whatever to the pending resolution and very little to the bill, the consideration of which this resolution is intended to make in order.

Mr. Speaker, I move the previous question on agreeing to the resolution.

The previous question was ordered.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on two subjects and to include certain excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

STUDY OF PRODUCTIVITY AND LABOR COSTS IN INDUSTRY

Mr. WOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 265) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 265), with Mr. HART in the chair.

The Clerk read the title of the resolution.

The first reading of the bill was dispensed with.

Mr. WOOD. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this resolution has been presented to me by the American Federation of Labor for introduction. It is not an administration measure, as has been indicated by the gentleman from Massachusetts [Mr. GIFFORD], to bolster up the administration. This resolution is requested by the American Federation of Labor, and all groups of labor are in agreement with its provisions. We have had no opposition to the bill from the manufacturers, and I believe there is very little opposition from anywhere.

The bill was reported by the Committee on Labor by unanimous vote during the last session of the Congress, and during the present session a rule for its consideration was reported by the Rules Committee by unanimous vote.

The bill has for its purpose the conducting of a continuing investigation into the productivity and the cost of labor in industry. The W. P. A. conducted a similar investigation which went back to 1910, and the investigation was brought up to 1936. The manufacturers' census also conducted an investigation in 1937. But we cannot base our conclusions in 1940 on what conditions were in 1937. If we cannot have the facts to use at the conference table, we must look forward to a bitter period of industrial strife. The Federal Government alone can provide the information we need.

At present the latest information we have on productivity and labor cost in industry is that for 1937, and, of course, we cannot use the 1937 information for the problems of 1940.

Mr. Chairman, I have here a letter from the American Federation of Labor, and with your permission I will read it. It is as follows:

The American Federation of Labor is anxious to preserve industrial peace and at the same time maintain workers' living standards in the face of uncertain conditions arising from the war conditions abroad. For the accomplishment of these objectives of the federation it is imperative that up-to-date and specific information on productivity and labor costs be at hand for negotiations with employers. The present factual data available through the Labor Department is not sufficient.

One of our major concerns has been to try to adjust wages and hours of work so that the constant technical improvements characteristic of American industry may assist the workers to desirable additional leisure and higher living standards instead of destructive unemployment and poverty. If we have the necessary facts and figures which we are requesting, we can go to conferences with employers with a good working bas and a reasonable hope for adjusting working conditions to the levels which the industries in question can support. Without the necessary facts the danger of innumerable disputes and possible disorder looms large. Arguments as to what are the true facts will avail nothing; strikes occasioned by lack of information are sheer waste.

So far as we are able to discover there is no up-to-date information whatever on productivity and labor costs. The only comprehensive study ever made was that of the W. P. A. in cooperation with the United States Department of Labor, and this gives information from 1910 to 1936. The 1937 census furnished information in some fields of manufacturing, but since that date there has been no information whatever on individual industries. It is obvious that successful wage negotiations would be impossible in 1940 if based on 1937 information.

The task of getting 9,000,000 unemployed men and women back to work in American industry is one which should concern everyone, not merely labor organizations. We estimate that 3,000,000 of these 9,000,000 are jobless today because of labor-saving devices introduced within the past 10 years. We estimate that between 2,000,000 and 3,000,000 more would have been unemployed today had it not been for the adjustments which were made in work hours. By reducing work hours from an average of 50 in 1929 to an average of 40 in 1939 technological unemployment has been held to 3,000,000 instead of going to 6,000,000. We need to know what industries are able to make the adjustments that will help to absorb these unemployed. We have accomplished much already, but much more can be done if the necessary information is made available. Wages must be increased to increase buying power, which in turn will create more work, and hours must be reduced progressively as rapidly as possible.

As an example of the great increases in productivity today, consider the story of the hot-strip-steel mill which has replaced thousands of workers where it has been installed. In New Castle, Pa., the steel-strip mill of the American Rolling Mill Co. wiped out the jobs of 1,500 workers. It has been estimated that the program outlined for the installation of the continuous strip mill process in steel will eliminate 85,000 jobs.

The increased use of electric-control instruments in many plants has almost eliminated the need of human hands to operate gangs of machines. These instruments now make it possible to control the operation of a large section of machinery from one central point.

These are only samples of the technological advances which are characteristic of progressive American industry. If we are to meet these advances and adjust fairly and peacefully, the information for which we ask on productivity and labor costs is of vital importance.

But adjustment of work hours and the reduction of unemployment constitutes only part of our problem. Those who are employed are faced with a definite increase in the cost of living, and it is up to us to secure wage adjustments such that living standards will not be forced down. As between August and December 1939 the figures of the Department of Labor show that wholesale prices had increased substantially. For example, men's topcoats had gone up 5 percent; men's work shoes were up 13 percent; sheets and pillow cases were up 17 percent; cotton blankets, 16 percent; wool blankets, 20 percent; and white denim overalls were up 6 percent. We must expect a steady extension of retail prices as these higher-priced wholesale goods reach the consumer market. Some advances have already reached the retail market; blankets and comforters are up 5 percent now and furniture 6 percent.

We are also being warned against the substitution of poorer quality materials by manufacturers in an effort to keep prices down. Substitutions have already been reported in women's dresses, handbags, and coats. It is expected that the size of blankets will be cut in order to avoid a 15- to 20-percent price increase. It is obvious that substitution of poorer materials will make it necessary for the worker to replace oftener and so place an additional burden on his earnings.

In view of these unbiased figures, it cannot be denied that American workers have an immediate problem in adjusting their living standards to price increases brought on by war conditions abroad. If these conditions continue, we must expect still greater increases in living costs. If the war ends, a widespread industrial readjustment will be necessary. In either case, there is clear need for immediate facts if workers are to adjust to changing conditions without industrial strife. American labor is willing to cooperate in the solution of the problems arising from conditions abroad, and it must not be asked to bear the entire brunt of the war.

There is one other consideration which should be mentioned in connection with the request for the funds necessary to secure information on productivity and labor costs, and that is economy. We have a good background in the data which was available up to 1937 The cost of bringing this information up to date now and keeping it so from year to year will be much less than would be the case if the request were put off to some future time when it would be necessary to do the groundwork all over again.

We sincerely hope that the Congress will help make possible the equitable industrial peace for which we are working by granting the request for means to secure information on productivity and labor costs which is essential for successful wage negotiations.

Mr. Chairman, I also have a letter from Mr. A. F. Hinrichs, Acting Commissioner, Bureau of Labor Statistics, reading as follows:

UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, April 8, 1940.

Hon. REUBEN WOOD,
House of Representatives, Washington, D. C.

MY DEAR MR. WOOD: This will confirm our telephone conversation of today, in which I discussed with you, in Mr. Lubin's absence, the reasons why we regard as most desirable and important the passage of Joint Resolution 265, authorizing the Bureau of Labor Statistics to make continuing studies of productivity and labor costs in industry.

The Department of Labor has always been greatly concerned with the problems which are created by the continuous improvement in technology in American industry. Increasing labor productivity, as machines are introduced, often means displacement of labor. There is not only the general problem of whether the rapid development of new techniques has increased total unemployment, and if so, by what amount; but there are the immediate personal problems of workers who are displaced, and who must be placed in other jobs and often re-trained. Some of them never readjust themselves satisfactorily. It is an important continuing matter of public policy to find ways to reduce the maladjustments arising from the introduction of new and improved processes and machines.

The importance of the subject of technological change is well recognized. A joint committee of the Congress—the Temporary National Economic Committee—is today beginning a series of hearings at which outstanding leaders in labor and industry will testify on the changes in methods of production. (See attached press release.)

It is important that some public agency, such as the Bureau of Labor Statistics, should keep constantly informed of the development of new techniques in leading industries, by means of periodic studies, and should determine the changes in the productivity per man-hour of labor, the ensuing changes in labor costs, and the extent of displacement of labor. Revolutionary technical changes are generally known to members of the industry long before they are widely introduced or are known to the general public, and the problems they involve can often be foreseen before a major change occurs. It should be possible by bringing the matter to the attention of industry, labor, and the public in the localities concerned to find some way to ease the situation created by that change.

The Bureau of Labor Statistics has made a number of studies on labor productivity from time to time and has followed developments as closely as its limited personnel would permit. However, it has not been in a position to carry on continuing comprehensive investigation or to bring its earlier studies up to date with any regularity. Early studies covered developments in blast furnaces, the manufacture of rubber tires, and the production of electric-light bulbs, among others; more recently studies were made in the cotton-garment industry, in shoes, leather, and cigars. They described new techniques and measured the gains in output per man-hour as a result of new processes over a period of years, and the effect of these changes upon labor.

The importance of continuous surveys of technological developments in industry becomes more significant in view of the fact that revolutionary changes in industry, such as, for instance, the invention of the Owens machine in the glass industry or the recent invention of Nylon, occur but seldom in any one industry. Much more important, from the point of view of employment of labor, are the smaller day-to-day changes in techniques, in methods of operation, of handling the supply of raw material, and of determining output through time studies, which occur in both small and large plants and affect practically all industry. They displace individuals and groups of workers and in the aggregate they cause tremendous changes in the labor market. An indication of these smaller cumulative changes in a single industry may be found in the Bureau of Labor Statistics Survey of Labor Productivity in the Tire Industry (pp. 24–26, inclusive, of the enclosed bulletin), where examples of ostensibly minor changes and their effects on the employment situation in a particular plant are given. This is a situation in which cumulated effects were considerably more significant than the primary revolutionary changes in that industry.

A further illustration for the need for continuous study of labor productivity is found in the present "Nylon" situation. The new product is about to appear on the market, with considerable effect on the silk industry and particularly on the silk-hosiery industry. The Bureau of Labor Statistics should be informed on the effect it will have on the tens of thousands of silk-hosiery workers if this new product proves to be at least three to four times as lasting as silk.

At present there is no agency which has assembled data upon the effects of technological changes upon the well-being of workers. There has been no study assembling and analyzing the efforts which have been made by farsighted industrial managers and trade-union leaders to minimize the human suffering through dislocation and curtailment of job opportunity inherent in major technological changes. As you know, the Bureau of Labor Statistics is an appropriate agency to which the public, employers, and trade-union leaders turn for a discussion of this problem.

For example, a recent study by the Bureau for its report to the Temporary National Economic Committee describes the way in which one firm introduced new machinery, under collective agreement with its workers, in such a way as to avoid personal hardship to individual employees. If more instances of this kind were known to industry and the public, through studies of this kind by the Bureau of Labor Statistics, such agreements might be more generally adopted and a more effective direct attack be made on the problem. This unpublished report, which describes a shoe factory, the identity of which is confidential, says in part:

"Negotiations with employees sometimes play a role in the decision to introduce a new machine, and in the rate at which they are introduced, particularly if the machine is likely to displace considerable labor. The heel-seat laster, installed by Company X in plant 2 in July 1936, involved a substantial displacement of labor. Company X agreed informally with the employees' association in this plant that it would increase the work on the new machines only as bed lasters left the company's employment, and as production increased. By following this procedure in introducing the machine no operators were laid off, but no new employees were hired to replace those who left the company. During the years 1936–38 the machine was run on a very limited scale, somewhat on an experimental basis, with employees paid by the day. In June 1936, on the basis of the production experience with the machine, piece rates were set and piece-rate workers assigned to the machine. In September 1939, after the machine had been installed more than 3 years, only about half of the plant production was handled on this machine; the other half was still being handled on the less economical bed-lasting machine. The company anticipates eventually using the new machines for the total volume of production, but only in line with the agreement with its employees."

The general assumption is that a new machine or procedure always results in a reduction in labor cost. Some of the experimental studies which the Bureau is just now concluding, in connection with its work for the Temporary National Economic Committee, indicate that this is not always the case. Often they are introduced for other purposes, such as improvement of the quality of the product. These studies of labor costs and technological changes in the shoe, paper, cotton-textile, and agricultural-implement industries make clear the importance of knowing a great deal about the relation between changes in wage rates and changes in labor costs and about the importance of labor costs, if there is to be a sound appraisal of the effects upon business concerns of measures which affect wage rates. Technology in its broadest sense is constantly reducing labor costs and diminishing the effect of wage-rate increases on total costs.

This resolution would permit the Bureau to assemble, interpret, and present to the public existing information on all of these phases of labor productivity and labor costs in terms of needed public policy.

If there is any further information which we can provide, please do not hesitate to call upon us.

Very sincerely,

A. F. HINRICHS,
Acting Commissioner.

Mr. Chairman, for the past 7 years we have been struggling with the No. 1 problem of unemployment and it is time that we know something about the ravages of unemployment and to what extent this has been brought about by the application of science and inventions of the modern machine of production.

Certainly, the manufacturers' census of 1937 was a good basis on which to work, but if we are to be able to have the proper information we must have continuing studies, to be made by the statistical department of the Department of Labor, so that we may be able to know something about productivity and the cost of labor when we sit around the table to negotiate wage agreements.

Something has been said about the many congressional investigations and the hundreds of thousands of dollars spent in such investigations, but if we had made available proper facilities to the Department of Labor to enable them to employ personnel sufficient to make these continuing investigations it would not have been necessary for the investigation to have been made by the W. P. A. and for more hundreds of thousands of dollars to have been spent in the gathering of data through the manufacturers' census. If this were done in the proper channel in the Department of Labor, that is, the Bureau of Labor Statistics, it would cost far less money and we would be able to have the statistics up to date at all times to use, so that we would not only avoid many labor controversies that could be avoided if we knew the facts about productivity and the cost of labor, but we could eventually ascertain to what extent the intervention of science and its application to the machine of production is the cause of unemployment.

I do hope the bill will pass. It is not a political measure. I repeat, it is a measure sponsored by the American Federation of Labor. It has the approval of all other labor groups as well as most of the manufacturers of the country, for that matter all of them, as far as I know, because no objection has been offered to this resolution either in the committee or since we have reported out the bill. [Applause.]

[Here the gavel fell.]

Mr. HARTLEY. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

MINING, MEDICINE, AND JOBS

Mr. CASE of South Dakota. Mr. Chairman, this joint resolution provides for continuing studies on productivity and labor costs in the manufacturing, mining, transportation, distribution, and other industries. In view of the fact that it specifically mentions the mining industry, it seems to me appropriate at this time to call attention to a thing which does not bode very well for the development of employment in the mining industry. I refer to the selection of a physician as Director of the Bureau of Mines.

You will recall that Dr. Finch, who had been the Director of the Bureau of Mines, and a very efficient Director, highly respected in the profession, resigned his position a few weeks ago. It developed, according to the stories in the papers, that he resigned because the Secretary of the Interior said he lacked iron in his blood, and the Secretary wanted somebody who would have iron in his blood. Those of us who come from the West and know something of the feeling of the mining industry, however, believe that the reason Dr. Finch was removed, in effect, was not that he lacked iron in his blood, but that he had too much iron in his blood to bow down and sacrifice his professional opinions.

Imagine, then, the feelings of the mining industry when the announcement came out 3 days ago that a gentleman had been selected for the position of Acting Director of the Bureau of Mines whose principal service has been with the Public Health Service and who professionally is a physician. His only connection with the Bureau of Mines is that during a period of time when the safety work of that Bureau was conducted by the Public Health Service this particular doctor, then a member of the Public Health Service, was in charge of the Bureau of Mines safety work.

It seems to me a peculiar physiological pathology that the Secretary of the Interior has sought to put iron into the blood of his Director of the Bureau of Mines by naming an M. D. for the job instead of a mining engineer. What the Bureau of Mines needs is someone who knows something about mining as an industry, mining as a source of producing new wealth, mining as a source of jobs, if we are going to create employment and bring the mining industry back to where it ought to be in this country.

In this connection I wish to call attention to a resolution adopted by the Mining and Metallurgical Society of America on February 23, 1940. This resolution has now been sent to the President of the United States, the Secretary of the Interior, and to the Members of Congress. Probably most of you have received this in your mail, but because many of you do not come from districts in which there is any mining I wish to call your particular attention to it, and read it at this time:

HONORABLE SIRS: The Mining and Metallurgical Society of America having submitted to its membership, through its regularly constituted method of a referendum ballot, the resolution following herewith, and the result of this referendum having been that 99.09 percent of the ballots cast—

Note that—99.09 percent—

by members of the society resident in the United States were in favor of the resolution, it is hereby presented to the President of the United States, the Secretary of the Interior, and to each of the Members of the Senate and the House of Representatives, with the request that it be given due and careful consideration as representing the opinion and sentiment of the membership of this Nation-wide organization, composed of mining and metallurgical engineers of experience and responsibility in vital industries of the United States, who are seeking the best interest of the country and of all citizens.

Preamble: Since first formed, about 25 years ago, the Bureau of Mines has operated quite independently of partisan politics.

I may interject at this point that a great many fear that politics had something to do with the removal of Director Finch, although no one can say that he played politics in handling his office. The Bureau of Mines should not be made a political football.

The resolution continues:

It has been of outstanding value to the mining industry in promoting education for better health and safety in mining, in developing technical improvements in mining and metallurgy, in the collection and distribution of metal statistics and in many other useful projects and services.

Over this long period the Bureau has earned and retained the confidence of the mining industry through its integrity and its impartial service.

Whereas it is widely reported in the daily press that the Director of the Bureau is now forced to resign on account of disagreements with the Secretary of the Interior, which in no way reflect upon the professional integrity of the Director, but do involve a change in regard to the policy of maintaining the present independence of the Bureau: Therefore be it

Resolved, That the President of the United States, the Secretary of the Interior, and the Members of the Senate, are respectfully urged to maintain the long established and well deserved confidence of the mining industry in the Bureau by selecting a new Director whose professional attainments and personal integrity will insure the continued support and respect of the members of the mining profession; and be it further

Resolved, That the secretary of the Mining and Metallurgical Society of America send copies of this resolution to the President of the United States, the Secretary of the Interior, and to the Members of the Senate, and in addition to Members of the House of Representatives.

Adopted February 23, 1940.

By virtue of the authority vested in me by the constitution of this society I declare this resolution to be an act of the society.

GEORGE A. EASLEY, *President*.

NEW YORK, N. Y., *February 23, 1940*.

I am not trying at all to suggest that the new Director lacks the proper personal integrity. I assume that he is an estimable gentleman. I assume that he stands high in his profession but a man can be a great doctor and know little or nothing of mining as a source of new wealth and employment. The Director of the Bureau of Mines should be a man of high professional standing in mining. He should know something of geology and engineering and finance and other things that deal with mining as a practical problem. I submit that if the administration really wants to solve some unemployment problems in this country that the Secretary of the Interior should give us a Director of the Bureau of Mines for what he knows about mining rather than for what he may know about medicine. [Applause.]

[Here the gavel fell.]

Mr. HARTLEY. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, I am wholeheartedly in favor of the passage of this joint resolution authorizing the Bureau of Labor Statistics of the United States Department of Labor to make a continuing study of productivity and labor costs in the manufacturing, mining, transportation, distribution, and other industries. I think it is a step in the right direction. It is endorsed by the American Federation of Labor. The purpose of it is to get the facts upon which employers of labor and their employees in the negotiations which must naturally arise between them in the making of wage contracts can rely, facts that are essential, because when they know the facts with reference to any industry they can deal intelligently in the making of wage contracts. It affects not only the employees, but it affects the employers and the public.

I take it that every enlightened person in this country now recognizes the right of laborers to organize and collectively to bargain through representatives of their choice. In my district hundreds of thousands of men and women are employed in manufacturing, in mining, in transportation service, and in other lines of productive industry. There is not a strike today anywhere in that district. The relationship between the employer and employee is on a friendly basis. I made my race for election to this body on the proposition that the employer and the man who works for him are not enemies but friends and that industry, as a rule, is a joint enterprise, and when we get to a full realization of that fact and bring about a harmonious relationship and a full understanding between employer and employee we have gone a long way toward solving this depression. We have been waging war on it now for 7 years and that war has not been won. There are 10,000,000 unemployed in America today. This is a challenge to the thoughtful consideration of every patriotic American, and I believe that this investigation will throw light upon this question and will help to effect a solution of this great problem of unemployment. To get out of the depression is to save America. To triumph over unemployment and to put these willing employable workers back to work is a challenge to America, and when we have answered that challenge and solved that problem I fully believe that prosperity will return to the American people. To win this fight we have got to have all hands and the cook engaged on our side. It is going to take a long pull and a strong pull and a pull all together, and I believe that the adoption of this resolution will be a step toward the solution of the problem of unemployment which confronts this Nation and which has confronted us for the past 7 years. [Applause.]

[Here the gavel fell.]

Mr. WOOD. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, about 5 years ago I offered an amendment to a revenue act which provided for an investigation as to what effect labor-saving and labor-displacing devices had on unemployment. My amendment was not accepted in the House. However, I went to the other side of the Capitol and I had a Senator add that amendment to the revenue bill. It was adopted by the Senate, but, unfortunately, the conferees struck it from the bill.

It seems to me this proposed legislation is more important than the Members of the House realize. Out of the present census we are going to secure definite information in reference to the number of people that are actually unemployed in this country. We have all kinds of unofficial statistics but the census will bring the exact number. Then we are going to be required to find the reason for the unemployment.

If anyone here has had any business with Dr. Lubin, of the Department of Labor, who will be responsible for the gathering of the statistics provided under this bill, I am sure he will realize that the job is going to be well done. He is an outstanding public official who always does his work well.

The one thing we have lacked has been information. Then again there has been no suggestion advanced by either party or by any group whereby unemployment could be eliminated permanently.

I am sure the day is going to arrive—and they are not going to be driven to it, but they are going to walk up to the table themselves—when businessmen in this country are going to get together and say that we have a situation in this country that is going to require the best minds in the country to solve, and it is our duty to do everything we can to solve the problem and cooperate in every way.

It is further my view that if they do not take this course they are going to make a very serious mistake, especially those who are in the class that have something. The class of people in this country that have property, real and personal, have money, or have a going business and are making money, want to keep it. They are not going to be foolish enough to see a condition arise in this country where everything they possess might be worthless. They are going to get together one of these days, forget politics, and say that they want to help. It is going to be necessary that they do it and do so willingly. There is no use of talking from a political standpoint. Republicans and Democrats, it is our duty to solve this problem some way. As I said, neither party has a concrete plan for the elimination of unemployment in this country. What we have been trying to do is to alleviate the condition by providing emergency employment for unfortunate people who cannot secure work in industry in the hope conditions would improve.

I have placed in the RECORD from time to time information that has come to me concerning labor-displacing devices. The most outstanding one had to do with a steel corporation in Pennsylvania. Eighty-six thousand people were formerly employed by this steel corporation. They put in some kind of machines; as a result, 800 people now do the work of 86,000. What is going to become of the rest; who is going to feed them? Those machines do not require food. All they require is oil and grease.

I say that this resolution will bring information that is badly needed and will help us reach some kind of decision, whereby it might be possible to do something for the people who now have emergency employment.

I recall the days when we reduced the hours of labor from 14 hours to 12 hours, and I recall when we reduced the time from 12 hours to 10 hours, and from 10 hours to 8 hours, and it was said that we were ruining the country, that business would be destroyed. However, those industries where the hours of labor were reduced still exist, none has gone out of business. It might be a reduction in the hours of labor that will be absolutely necessary to put the unemployed people of the country back to work. If it is, I am willing to vote to meet that situation, wherever we have the power under the Constitution to do it.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. Yes.

Mr. SCHAFER of Wisconsin. The author of this bill indicated that for a number of years these statistics have been compiled by the W. P. A. In view of the fact that we now have more than 10,000,000 unemployed, does not the gentleman believe that we should incorporate an amendment to use certified unemployed workers who are on relief to perform this work?

Mr. COCHRAN. The gentleman from Missouri [Mr. WOOD], as I understood it, said the W. P. A. projects brought this up to a certain date. This work belongs with the Department of Labor, with a permanent organized force to do the job and do it properly. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HARTLEY. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, this week we are observing the one hundred and fiftieth anniversary of the creation of the original Patent Office. On display down at the Department of Commerce I understand there is an array of patent contrivances to indicate the mechanical progress of this country. It is rather interesting in the light of the resolution that is before us today. I am not only in favor of this resolution and will support it, but I invest in it my hope that we

can find some accurate data that will once and for all dispel this problem and controversy as to whether or not advancing technology actually produces unemployment or whether it produces more jobs, whether it is harmful to the country or beneficial. People have been discussing that question since the time the wood supply in England gave out a long time ago, and they had to get coal from the mines. They could not get the coal out of the English mines unless they fixed up some device whereby they could take the water out of the mines, and that is the way the steam engine was born. In 1788 we have had what is known as the industrial revolution, and I expect for a century there has been before us the problem of whether the machine is good or bad for society. I note in the report accompanying the resolution a statement to the effect that estimates show that between 1,500,000 and 2,000,000 men and women are unemployed today because of labor-saving devices installed in industry since 1929.

Whatever is done under this resolution might be very well correlated with what is done by the National Economic Committee, the distinguished chairman of which introduced a bill not so long ago ostensibly to put a tax on the machine in proportion to the machine's capacity to displace human hands. I expect we get this sort of thing in every depression. On occasions I have made speeches myself about the reduction of working hours, and wondering whether or not there is an answer to this machine question that has been disturbing labor and industry. The other day I sent to the Library and got the 1,600-page report that was made by Dr. Carroll Wright, Commissioner of Labor back in 1894. The Congress, on the 15th of August 1894, passed a joint resolution directing an investigation of the effect of the use of machinery upon labor. That, you see, was 44 years ago, and Dr. Wright was a considerable economist in his own right, and a very distinguished Commissioner of Labor of the United States Government.

In the preface to this report he uses these words, and they are rather interesting:

> It is evident from an examination of the statistics presented in this report, and especially from a study of the text analysis, that there has been a larger increase in the number of persons required for the production of articles considered in order to meet present demands than would have been necessary to meet the limited demands under the hand-labor system.

Now, that was in the preface of this statement that he reported to the Congress in 1898 when he was Commissioner of Labor. But Commissioner Wright had great anxiety and great concern about the effect of the machine on labor, and when he made his report in 1886, which was 10 years before, he had this to say:

> Industry has been enormously developed. Cities have been transformed, distances covered, and a new set of economic tools has been given in profusion to rich countries and in more reasonable amount to poorer countries. What is strictly necessary has been done oftentimes to superfluity. This full supply of economic tools to meet the wants of nearly every branch of commerce and industry is the most important factor in the present industrial depression.

That was the Commissioner of Labor speaking in 1886, and indicates that he was concerned about machine development in this country and its displacement of human hands.

I fancy that since 1886 this country has probably seen the greatest material development in the history of all civilization. I confess frankly that I have grave doubts as to just where this study is going to lead. I hope they will approach it with absolute impartiality, and that probably there will be adduced some basic factual material to see whether or not the machine is at the root of all trouble.

It adds so materially to the blessings that we enjoy today that I hope these statistics will enable us to dissociate certain conclusions that are so necessary in the light of the bill that has been introduced by the Senator from Wyoming for the purpose of putting a tax upon the displacing capacity of the machine. If that theory is wrong, then we come to an industrial standstill in the country, and I would have no great stomach for going down some time this week and witnessing this great parade of inventions and patents that have added enormously to the benevolences of American life.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. WOODRUFF of Michigan. May I say that I commend to the gentleman from Illinois the research made by the General Motors Co., which shows that where a few years ago, before development of the mass-production methods in the automotive industry, there were only 1 of every 20 men employed in industry who were employed either directly or indirectly because of the automotive industry; today, instead of there being only 1 of every 20 employed either directly or indirectly because of the automotive industry, there is 1 out of every 7 so employed.

Mr. DIRKSEN. You, know, there is a disposition to feel that there is a ceiling over the industry of the country today. It has been argued along this line that first of all we are approaching a static population. Secondly, the pattern of the highways has been laid out and the best you can do today is to widen them, tear them up and put down new highways, but the pattern is there.

It has been said that because we abandon railroad lines every year, the transportation pattern has been established. So there is no horizon to which we can look with any degree of hope. It has been said that no new big industries are in sight. In other words, it is like the great Frenchman said under the title of the book America Comes of Age. It seems to me that along with age there is still hope; along with age there are still opportunities for our country, and for our civilization.

So that as we move along, despite the machine, despite the gloom and melancholy that is disseminated on every hand, I believe there are many opportunities for expansion today, and for bringing to the people—to those who need them—the benefits of our machine civilization. They made a survey of Whiteside County, Ill., some years ago. It was made by the Department of Commerce. I think there were 2,100 farm families in that county. There were only 400 of the 2,100 who had bathtubs. About an equal number had porcelain sinks in the kitchen. Well, look at the opportunities for industrial expansion if we ever come anywhere near approximating the needs of the people. The way to do it, of course, is not to have less machinery but more machinery, because that will mean lower prices, and this in turn will mean that these things which are now in the class of semiluxuries and luxuries can be brought to every household in the United States of America, because it is within the reach of their purchasing power.

I hope, therefore, that under this resolution data will be adduced so that we can find out just what the situation is, and if this is one of those everlasting bugbears that comes up in every period of dislocation, then let us cast it to the winds once and for all; and, maybe, I say to the gentleman from Missouri [Mr. WOOD], under this resolution much good will be done. I am for it. [Applause.]

It may be that the machine is at the root of our present difficulty, but I entertain emphatic doubt on that subject, not only in our own country but in England as well. In periods of economic distress has the machine been blamed for such trouble. History records say that for the last 150 years there have been recurring instants of artisans and craftsmen attacking new machines with hammers and breaking them to pieces on the ground that they were inimical to the interest of labor, yet in that same 150 years we have witnessed the development of the steam engine, the hydrocarbon engine, the incandescent lamp, the motorcar, the radio, electrical household appliances, power farm machinery, and a host of other devices which have added materially to the comfort, the subsistence, and elevated living standards of the American people and at the same time created jobs for countless hands. The classic example, of course, is the motorcar. If it were abruptly snatched from the American scene today there would go with it hundreds of thousands of jobs in automobile factories, in tire plants, in accessory establishments, in service stations, repair shops, highway restaurants, cafeterias, hot-dog emporiums, parking lots, and a multitude

of other enterprises which are the sweet fruit of the motorcar and its capacity to take people places at a low cost. Along with this fact we must consider that the 25,000,000 motorcars humming the highways of America today actually exist and are in operation only because technological progress has brought them within the reach of the average American pocketbook. It therefore proves nothing to point to a single machine and compute the number of jobs which it has displaced unless that fact is taken in connection with the whole industrial economy of the United States and of the world.

The Brookings Institution has advanced the rather intriguing thesis that the solution of our present unemployment problem is most likely to be found in reducing the price level of needed goods in order to effect volume consumption. This in turn would utilize not only idle plant capacity but actually require an expansion of the fiscal industrial facilities of America and make genuine inroads on unemployment. It is to be hoped, therefore, that the studies to be conducted under the pending resolution will throw light upon all of these problems and develop a body of information which will prove useful in dealing with the allegation regarding technological unemployment. I know that I share with the great majority of the House some real light upon this highly controversial subject.

Mr. HARTLEY. Mr. Chairman, I yield 3½ minutes to the gentleman from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. Chairman, I am told that I am the only man in the House who is against this resolution.

Mr. Chairman, I am against this resolution because I do not believe we should waste this $100,000. I am against it because I do not believe in spending $100,000 to get up some more claptrap to put on the desks of Congressmen, editors, and so forth, to find its way into wastebaskets. If we are going to spend $100,000, I feel it could better be spent giving employment to 300 men that we know are now out of work. We have sufficient information about unemployment now to take up all that we can do or that we have been able to find an answer to.

The gentleman from Missouri very accurately said awhile ago that the census would provide us with definite information on this point. I say again, Mr. Chairman, that I am against this resolution because I do not want to see this $100,000 wasted in sending out useless stuff to find its way into the wastebaskets of editors.

Mr. WOOD. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield.

Mr. WOOD. The gentleman certainly does not hold that the investigations and researches made by Dr. Lubin, of the Statistical Division of the Department of Labor, is a lot of claptrap to be put on the desks of country editors, does he?

Mr. BOREN. I do not believe the gentleman would want me to tell him my real opinion of the money that has been spent in the Labor Department on this sort of stuff.

Mr. WOOD. I am asking about the Statistical Division of the Labor Department.

Mr. BOREN. I am very much opposed to the principle set forth in this bill originally—setting up a new division. That, of course, has since been stricken out.

Mr. WOOD. The bill does not set up any new division.

Mr. BOREN. That is what I just stated. But, answering the gentleman's question specifically, I have not found the Congress making use of any of the material that has been put out by Dr. Lubin and his associates—unless the use of wastebaskets is to be subsidized by the Government.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BOREN. I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. Mr. Edsel Ford was before the Monopoly Committee this morning in connection with the study it is making of this problem. Mr. Ford stated that whereas a motor now contains 1,600 parts as a result of technological advances, as against some 5,000 formerly, yet the number of man-hours used in producing the motor with fewer parts is greater than that which used to be used in producing the motor with the greater number of parts.

Mr. BOREN. I appreciate the gentleman's contribution.

Let me say in conclusion, Mr. Chairman, that if there is just one Member of Congress who is against this bill, I want the RECORD clear that I am against it and against the wanton waste of $100,000.

[Here the gavel fell.]

Mr. HARTLEY. Mr. Chairman, I have no more requests for time.

Mr. WOOD. Mr. Chairman, I yield to the gentleman from Georgia [Mr. RAMSPECK] such time as he may desire.

Mr. RAMSPECK. Mr. Chairman, coming up on the train this morning from Atlanta, where I have been visiting down in my home State, I encountered a friend who told me about a new factory located in north Georgia where they make machinery for road building and grading and heavy type of construction work. This new machine can pick up 47 yards of dirt and carry it down the road at the rate of 28 miles per hour—and it is operated by one man.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. COCHRAN. I read in the paper this morning where a tire made out of rayon was tested along with the best rubber tire. The new tire was 3,000 percent more durable than the tires we are now using. Does not the gentleman feel that we ought to have some information with reference to what extent this new product is going to affect the tire industry of the country?

Mr. RAMSPECK. I agree with the gentleman from Missouri. I think we ought to have all the information we can get in dealing with the problem of industrial employment. There is no question about the fact that labor is being displaced by new machinery. There is, of course, some question as to whether the eventual result is loss of employment or creation of employment.

I do not know the answer, but I think we ought to make a study of it.

Mr. EATON. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from New Jersey.

Mr. EATON. The research laboratories of this country, of course, are the great revolutionary centers of our economic life. I have often wondered if it would not be possible to devise some way whereby when these scientific men discover some labor-saving device a study will not be at the same moment addressed to the problem of solving the dispossession of labor attached to the new discovery. In other words, the social aspects of their discovery should take an equal place with the economic aspect of it.

Mr. RAMSPECK. I think we must come to that sort of consideration of these new inventions that displace manpower.

Mr. ENGEL. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Michigan.

Mr. ENGEL. I am supporting the pending bill. I read the other day, and I have in my office, a report of the Commissioner of Labor of 1885 in which he discusses the depression of 1837, and one of the causes of the depression of 1837 was the invention of machinery.

Mr. RAMSPECK. Of course, that has been going on ever since the industrial age started. I do not see any reason why this Congress should not spend a little money to authorize the Department of Labor to make an investigation and find out to what extent the owners of these machines are keeping the profits of their invention, and to what extent they are passing on to the people who operate the machines and to the consumers some part of the benefits which come from the improved machinery. That is one of the purposes of this resolution.

The gentleman from Oklahoma [Mr. BOREN] takes the position that this will be a waste of money. A week ago the gentleman and myself voted for an increase in the appropriations for the N. Y. A. and the C. C. C. Of course, we were in agreement about that, but that is not an answer to the problem which is facing this country today. That is simply a temporary expedient to take care of people who cannot find employment, and we are not going to get out of this depression and we are not going to be able to balance

the Budget, as a great many people want us to do, until we find ways of putting back into private employment the millions of people who are out of work in this country at the present time.

We are not asking for the creation of any new agency of government. We are only authorizing an existing agency to study a problem that I believe 99 percent of the people of this country realize is a most important problem.

Mr. BOREN. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Oklahoma.

Mr. BOREN. Is not this money to be used exactly as it would have been used, had line 5 of the bill not been stricken out?

Mr. RAMSPECK. No; I do not think so. The bill as originally introduced would have created a new division in the Department of Labor. The present bill as reported by the committee simply authorizes and directs the Department of Labor to make a study through existing divisions.

Mr. BOREN. I notice in line 6 the words "continuing studies" are used. Does that mean we are going to be asked for $100,000 this year and $200,000 next year, and so on, for the same purpose?

Mr. RAMSPECK. There is only $100,000 authorized for the first year. If any further funds are to be authorized, they will have to be appropriated by some future Congress. The thing that interests me about this thing is this: We know from figures which have been given to us by authoritative sources that last year the productivity of the industries of the United States rose to a point equal to or beyond that of 1929, yet those industries did not employ as many people in 1939 as they employed in 1929. There is some reason for that, which presents a problem that is not going to be solved by a so-called return to prosperity. We had a return of prosperity to a point equal to the banner year in this country's history, 1929, insofar as industry is concerned, yet we had from a million to a million and a half less employed in producing the same volume of goods 10 years later, which indicates that the productivity per employee had increased in these industries. This presents a permanent problem in the social life of this country which we must meet.

Mr. BOREN. This authorization does extend it definitely year after year?

Mr. RAMSPECK. Well, the gentleman is as well able to judge of that as I am. It says "a sum not to exceed $100,000" for the first fiscal year. My answer to the gentleman would be that for subsequent years it would be a question for the Appropriations Committee to decide.

Mr. BOREN. The authorization is for $100,000 or more, as might be necessary, from year to year. The authorization is established in this resolution if passed.

Mr. RAMSPECK. It is established in this resolution at not to exceed $100,000.

Mr. BOREN. For the first year.

Mr. RAMSPECK. The Appropriations Committee may not give them that money.

Mr. BOREN. But even that limitation does not extend beyond the first year.

Mr. RAMSPECK. No; it does not. This is for the first year.

Mr. BOREN. So each year thereafter, whatever sum the Appropriations Committee might decide, whether it be two, three, or four hundred thousand dollars, could be appropriated for this purpose under this authorization?

Mr. RAMSPECK. I am not sure about that. The language of the resolution is not plain on that subject and I have not looked into it. It certainly could not exceed $100,000.

Mr. WOOD. Will the gentleman yield?

Mr. RAMSPECK. I yield to the gentleman from Missouri.

Mr. WOOD. Money spent by the W. P. A. in making surveys in 1936 and subsequently the money spent in taking the manufacturers' census would be lost if we did not establish a continuing investigation. It is not to be assumed that the Department of Labor is going to undertake a comprehensive investigation of the productivity and cost of labor in industry this year. Naturally, we expect it to make a continuing investigation in the next year and the following years. If it did not, the investigation would be no good because a few years later the result of this investigation would be obsolete.

Mr. RAMSPECK. Mr. Chairman, I hope this bill will be passed.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

House Joint Resolution 265

Resolved, etc., That there shall be established in the Bureau of Labor Statistics of the United States Department of Labor a Division of Labor Productivity. It shall be the duty of this Division to make continuing studies of productivity and labor costs in the manufacturing, mining, transportation, distribution, and other industries.

For the purpose of making the study, there is hereby authorized to be appropriated, from any money in the Treasury not otherwise appropriated, a sum not to exceed $100,000 for the first fiscal year. The Secretary of Labor is directed to submit annually to the Congress a report of the findings of the Division of Labor Productivity of the Bureau of Labor Statistics.

With the following committee amendments:

Page 1, line 3, strike out "there shall be established in" and in line 4 strike out "a Division of Labor Productivity. It shall be the duty of this Division" and insert "is authorized and directed."

Page 2, line 3, strike out "Division of Labor Productivity of the" and in line 4 after the word "Statistics" insert "in complying with this joint resolution."

The committee amendments were agreed to.

Mr. KING. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I beg the indulgence of the Committee in delaying action on this joint resolution in order that I may take this opportunity to reply to the remarks of the gentleman from Indiana [Mr. SCHULTE] regarding Hawaii. I was not on the floor at the time those remarks were made, but I have been told by those who were present that in the course of his remarks the gentleman from Indiana quoted some figures with regard to the racial background of our citizenry and expressed some apprehension as to the loyalty of the people of Hawaii.

Mr. Chairman, I had intended to ask permission to speak out of order, and I hope that my doing so without obtaining that consent will be permitted. I shall make my remarks very brief, if I may be allowed to continue.

I wish to assure the Members of this House, as one of your fellow Members and as a former naval officer, that you need have no fear as to the loyalty of the people of Hawaii of whatever racial background. [Applause.] I feel that the gentleman from Indiana has been misinformed as to the circumstances with regard to those people to whom he referred. This question of dual citizenship extends to a great many different groups of people in our democracy. A number of the European nations make a claim of dual citizenship. I know of no single instance of a Hawaiian-born, an American citizen, of Japanese ancestry who has voluntarily returned to Japan to serve in the Japanese Army. I do know of one instance where a boy inadvertently in Japan at the time was impressed into military service. The same thing has happened in Italy, in Germany, and in many other European countries. We have been unable to protect our own citizens against such impressment.

I understand the gentleman from Indiana proposes to introduce a bill that would expatriate any American citizen who voluntarily serves in a foreign army. I would be pleased to support such a bill, and only regret that I do not have a vote with which to support it. Of course, that bill would apply to all Americans who voluntarily serve in foreign armies.

As far as Hawaii is concerned, our people are just as loyal, as shown by their enrollment in the National Guard and the R. O. T. C., as any community under the American flag, and that goes for all of them, regardless of their racial background. My people there, coming from these different racial groups, take enjoyment and pride in their American citizenship. In proportion to their population they served in higher numbers in the World War than the people of many mainland communities. Therefore I believe the apprehensions of

the gentleman from Indiana are unfounded, and that he will find on further research and investigation that he need have no fear as to the loyalty of Hawaii and its people. [Applause.]

I am informed by the Bureau of Immigration and Naturalization that any native-born or naturalized citizen of the United States who takes an oath of allegiance to a foreign country automatically terminates his American citizenship by such action. This is provided by existing statute—title 8, United States Code, section 17. Any American citizen of Japanese ancestry, upon entering the United States, either at Honolulu or any other American port, is required to prove his identity, his right to be considered an American citizen, and in case of doubt to establish affirmatively that he has not lost that citizenship through military service to Japan or any other foreign country requiring an oath of allegiance, which practically all countries demand of those entering their military service. These circumstances are carefully scrutinized by the Immigration and Naturalization officials. The danger which the gentleman from Indiana envisages simply does not exist—that any number of our American citizens of Japanese ancestry serve two masters. I know from my intimate acquaintance with thousands of the citizens of my Territory, whose parents or grandparents migrated to Hawaii from Japan for the same reasons which actuated Europeans in their migration to the mainland, that they are overwhelmingly patriotic and loyal Americans; that their dual-citizenship status is a matter which they do not acknowledge, and over which they have no control.

The figures quoted regarding the number of dual citizens of Japanese ancestry in Hawaii and the proportion of those who are male adults, I am certain, are incorrect. The statement as to the number of those who have served in the military forces of Japan is obviously incorrect. There must be some confusion or some misinterpretation of the data supplied to the gentleman from Indiana.

The Joint Congressional Committee on Hawaii, appointed pursuant to Senate Concurrent Resolution 18, made a thorough study of this subject, as well as others, in the fall of 1937—just over 2 years ago. Its report is printed as Senate Document 151, Seventy-fifth Congress, third session, and presents authentic and impartial facts regarding the American citizens of Japanese ancestry residing in Hawaii. I can do no better than quote in part from that report.

Page 40 et seq.:

Japanese immigration to Hawaii commenced in 1885 and continued until 1908. In all, some 180,000 came to Hawaii; but of this number, about 126,000, including 20,000 Hawaiian-born children, left Hawaii—about 28,000 for the mainland and the rest returning to Japan. After 1908 the only immigration permitted was that of picture brides, providing wives for those who had come without any. The great majority of the alien Japanese now in Hawaii are those who were or became married, the single men in most cases leaving the islands. There being no occasion for the immigrants to marry outside of their own race, few did so. Hence the fable that the Japanese do not intermarry with other races. The new generation, growing up together with all the racial groups, "outmarry" at a steadily increasing rate. The partial restriction on Japanese immigration accomplished in 1908 was made complete in 1924. In the meantime, the character of the Japanese in Hawaii had been changing from that of an alien group to a native-born-citizen group, although the latter is still largely composed of children. Of the present total of 151,141 persons of Japanese race, 37,852 are aliens.

The citizens number 113,289, of whom approximately three-fourths are minors. Among the latter, a considerable number—14,259 in 1930—are of the second generation native-born. The entire discussion of the Japanese in Hawaii has been too frequently marked by prejudice and by erroneous statements given forth as facts. They are the largest single group in the islands, but are not in a majority, and have already begun to lose their proportionate place. To support the contention of the Japanese domination of the Hawaiian scene, the term "Asiatic" is often loosely applied to include such divergent elements as the Chinese, Koreans, Filipinos, and even Hawaiians of Chinese ancestry in part, with the Japanese. The term is then employed as synonymous with Japanese. As already noted, their political strength would appear to be approaching its maximum of between a fourth and a third of the electorate. Their total numbers will probably bear about the same proportion to the whole population. Natural causes, such as a higher death rate and lower birth rate, an increasing rate of intermarriage, and some emigration, together with the substantial increase in the Caucasian and Hawaiian groups and lesser increases in the other racial elements, has already brought this ratio down from its high of 42.7 percent in 1920 to the present 37.8 percent of the whole population.

It should be remembered that the privilege of naturalization is denied the alien-born Japanese except in certain special cases, or their reaction to the American environment of Hawaii might have more nearly paralleled that of European immigrants. Undoubtedly many would gladly become citizens of the United States if permitted to do so. In any event, the alien group will pass off the stage within a short time, since they are all reaching old age almost simultaneously. As it is, the younger generation show the same attitude toward America that the first generation American-born of European origin do—an appreciation of the material benefits received, a high conception of the freedom enjoyed, and an earnest endeavor to comply with the standards of the new culture.

On the basis of behavior, the American citizens of Japanese ancestry leave little to criticize and much to praise. As an orderly, law-abiding group their record is unexcelled. Their thrift and industry and willingness to cooperate with other groups are all well-marked traits. The evidence of schools and civic organizations, of church and political activities, all point to a desire on their part to share to the full the community responsibilities and to do so as fellow Americans, expressing a common loyalty to American ideals and institutions. Much is made of the foreign-language schools and press, but it should be realized that these agencies serve a real purpose in the adjustment of an immigrant group to new conditions. Many European immigrants have turned to the same means of establishing contact between the two generations. When these transitory vehicles have served their purpose they cease to exist, and there is no occasion to doubt that Hawaii will follow the same pattern already familiar to us on the mainland. The Americanization of the Japanese in Hawaii has perhaps made greater progress than it has with many immigrant groups of longer residence in America living in mainland communities. Time will automatically solve many of the problems that seem to loom up as insurmountable today. The people of Hawaii are to be commended for the manner in which they have undertaken the task of maintaining the democratic principles of America and for having extended them to all its citizens. They are to be congratulated for the degree of success shown by all races in absorbing the spirit of American institutions. In this effort those of Japanese ancestry have taken their full share. * * *

Page 43, et seq.:

In any discussion of Hawaii's people the subject of dual citizenship invariably comes up. The matter was gone into quite exhaustively by the committee, and the problem appears one of international relations rather than a local question. The usual process of Americanization of European immigrants is by the naturalization of the immigrant generation. That automatically eliminates all question of dual citizenship of the native-born who becomes American both by birth and inheritance. The American-born children of alien European parentage, however, are more often than not claimed as citizens by the country of their parents. Indeed, the citizenship of both naturalized and native-born Americans has often been denied and disregarded by European nations on various occasions. But when the alien parents are not eligible for naturalization, their American-born children will be dual citizens through no fault and by no affirmative action of their own. This is the case with the Chinese, Japanese, Koreans, and Filipinos, both in Hawaii and on the mainland. As to the Chinese, no procedure is available to them to disclaim their dual citizenship. The Filipinos are as yet American nationals, and the Koreans are involved with the Japanese as coming under that country's laws. So it is with the last-named that the problem presents itself to the people of Hawaii.

Under American law all persons born in the United States and subject to the jurisdiction thereof are American citizens. But Japan likewise formerly recognized the children of their nationals, wherever born, as subjects of Japan. This provision is, as has been pointed out, not peculiar to Japan. It is well-nigh a universal practice among the nations of the world. The United States follows the same principle by conferring American citizenship upon children born of American parents in foreign countries, in some of which such children may also exercise the privilege of citizenship, thus becoming American dual citizens.

The Japanese Government, by a law adopted in 1924, went further to meet America's position on the question of citizenship than any other foreign government appears to have done. Since that year no claim to jurisdiction to any American-born child of Japanese parents is made by Japan unless the parents register such child at a Japanese consulate within 14 days after its birth. Dual citizenship is prevented at the beginning instead of being left to possible termination after the individual comes of age. For those born prior to 1924, and even those who were born after that date and were registered as Japanese by their parents, a procedure for complete expatriation from Japan is provided, which was simplified and made easier by the act of 1924. From testimony before the committee, it appears that over half of the citizens of Japanese ancestry in Hawaii were born after 1924, and as only a negligible number were registered with the Japanese consulate, the question of dual citizenship does not arise with these children. Of those still considered subjects of Japan by the Japanese Government, a fair number have expatriated themselves.

After all, the issue of dual citizenship, both for the Japanese in Hawaii and on the mainland, and for the many more thousands of Europeans, can only become a live one if the persons involved visit the country of their parents' origin, and subject themselves to

its jurisdiction. Otherwise the claims of some foreign government in no way affect their ordinary way of life or their rights and obligations as American citizens. It would seem that some machinery could be provided by the National Government to help all of its dual citizens to divest themselves of the claims of foreign governments. The approach to the problem should be from the standpoint of the country as a whole, rather than that of the situation in Hawaii alone. It is obvious from the sentiments expressed, that a means of eliminating dual citizenship by application to American officials and within the framework of the American Government would have the wholehearted support of the Americans of Japanese ancestry in Hawaii. In the meantime the number of such dual citizens grows steadily less each year, as the older group continue to expatriate themselves in increasing numbers, and Japan abandons all claims to the younger generation.

In conclusion, let me again say that as an American, in part of Yankee ancestry, whose progenitors helped found this Nation, and as a naval officer of nearly 20 years' service in the United States Navy, I unhesitatingly affirm that the citizenry of Hawaii of Japanese ancestry, and of every other racial strain, are just as loyal Americans as may be found anywhere under the American flag.

Mr. COCHRAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, a few minutes ago I called the attention of the gentleman from Georgia [Mr. RAMSPECK] to an article I had read in the paper. I have just located it in the St. Louis Post-Dispatch. It reads as follows:

RAYON CORD TIRES HOLD UP FOR 80,000 MILES IN TEST—3,000 PERCENT MORE DURABLE THAN OTHERS IN HOT-WEATHER DRIVING, CHEMICAL SOCIETY IS TOLD

CINCINNATI, OHIO., April 8.—Automobile tires with cords made of rayon were described to the American Chemical Society today as 3,000 percent more durable in hot-weather driving than standard tires of cotton cord.

The rayon is made from the same raw cotton which is commonly used in tires, so the improvement does not threaten any economic dislocation in use of cotton. William H. Bradshaw, director of rayon research for the du Pont Co., said results in road tests were "astounding." On an overloaded, high-speed run, in a hot country, rayon tires gave 80,000 miles of service under conditions that wore out ordinary tires in 3,000 miles. Rayon tires held up for 18,000 miles in a 106° temperature which wore out standard tires in 600 miles.

This legislation, if enacted into law, would enable the Congress and the country to secure information as to what effect the use of tires that are 3,000 percent more durable than the automobile tires we are using today will have on unemployment. I believe those engaged in the manufacture of tires—employers as well as employees—will certainly want this information, as will the country. [Applause.]

The pro forma amendments were withdrawn.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. COOPER) having resumed the chair, Mr. HART, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the joint resolution (H. J. Res. 265) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry, pursuant to House Resolution 408, he reported the same back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and on a division (demanded by Mr. BOREN) there were—ayes 61, noes 9.

Mr. BOREN. Mr. Speaker, I make the point of order that a quorum is not present, and object to the vote on the ground that a quorum is not present.

The SPEAKER pro tempore. Obviously a quorum is not present. The Chair has just counted.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 306, nays 14, answered "present" 1, not voting 108.

[Roll No. 64]

YEAS—306

Alexander	Eaton	Johnson, W. Va.	Poage
Allen, Ill.	Eberharter	Jones, Ohio	Polk
Allen, La.	Edelstein	Jones, Tex.	Powers
Allen, Pa.	Edmiston	Jonkman	Ramspeck
Andersen, H. Carl	Elliott	Kee	Randolph
Anderson, Calif.	Ellis	Keefe	Rankin
Anderson, Mo.	Elston	Kefauver	Reece, Tenn.
Andresen, A. H.	Engel	Kennedy, Martin	Reed, N. Y.
Andrews	Englebright	Kennedy, Md.	Rees, Kans.
Angell	Evans	Kennedy, Michael	Richards
Austin	Fay	Keogh	Risk
Ball	Fenton	Kilday	Robertson
Barden	Ferguson	Kinzer	Robsion, Ky.
Barnes	Fernandez	Kitchens	Rodgers, Pa.
Barry	Fish	Knutson	Rogers, Mass.
Bates, Ky.	Fitzpatrick	Kramer	Rogers, Okla.
Bates, Mass.	Flaherty	Kunkel	Routzohn
Beckworth	Flannery	Landis	Rutherford
Bender	Folger	Lanham	Ryan
Blackney	Ford, Leland M.	Larrabee	Sandager
Bland	Ford, Miss.	Lea	Sasscer
Bloom	Ford, Thomas F.	Leavy	Satterfield
Boehne	Fries	LeCompte	Schafer, Wis.
Boland	Fulmer	Lemke	Schiffler
Bolton	Gamble	Lesinski	Schuetz
Bradley, Pa.	Gartner	Lewis, Colo.	Schulte
Brooks	Gathings	Lewis, Ohio	Schwert
Brown, Ga.	Gavagan	Luce	Scrugham
Brown, Ohio	Gearhart	Ludlow	Seccombe
Bryson	Gehrmann	Lynch	Secrest
Buckler, Minn.	Gerlach	McAndrews	Seger
Bulwinkle	Geyer, Calif.	McCormack	Shannon
Burch	Gibbs	McDowell	Sheppard
Burdick	Gillie	McGregor	Short
Byrne, N. Y.	Goodwin	McLean	Simpson
Byrns, Tenn.	Gore	McLeod	Smith, Ohio
Cannon, Mo.	Gossett	McMillan, Clara G.	Smith, Wash.
Celler	Graham	McMillan, John L.	Smith, W. Va.
Chapman	Grant, Ala.	Maas	South
Chiperfield	Grant, Ind.	Magnuson	Sparkman
Church	Gregory	Mahon	Spence
Clark	Griffith	Marcantonio	Springer
Clason	Guyer, Kans.	Marshall	Steagall
Clevenger	Gwynne	Martin, Iowa	Stearns, N. H.
Cochran	Hall, Edwin A.	Martin, Mass.	Stefan
Coffee, Nebr.	Hall, Leonard W.	Mason	Sullivan
Cole, Md.	Halleck	Massingale	Sumner, Ill.
Cooley	Hancock	May	Sutphin
Cooper	Hare	Michener	Sweeney
Corbett	Harness	Miller	Talle
Costello	Harrington	Mills, La.	Tenerowicz
Courtney	Hart	Monroney	Thomas, N. J.
Cox	Harter, N. Y.	Moser	Thomas, Tex.
Cravens	Harter, Ohio	Mott	Thomason
Creal	Hartley	Mouton	Thorkelson
Crosser	Havenner	Mundt	Tibbott
Crowe	Healey	Murdock, Ariz.	Tolan
Culkin	Hennings	Murray	Treadway
Cullen	Hess	Myers	Van Zandt
Cummings	Hill	Nelson	Vincent, Ky.
Curtis	Hinshaw	Nichols	Vinson, Ga.
D'Alesandro	Hobbs	Norrell	Vorys, Ohio
Darden	Holmes	O'Connor	Vreeland
Davis	Hope	O'Day	Wallgren
Delaney	Horton	Oliver	Walter
Dempsey	Houston	Osmers	Warren
DeRouen	Hunter	O'Toole	White, Idaho
Dickstein	Izac	Pace	Whittington
Dies	Jeffries	Parsons	Wigglesworth
Dingell	Jenkins, Ohio	Patman	Williams, Mo.
Dirksen	Jennings	Patton	Wolcott
Ditter	Jensen	Pearson	Wolfenden, Pa.
Doxey	Johnson, Ill.	Peterson, Fla.	Wolverton, N. J.
Drewry	Johnson, Ind.	Peterson, Ga.	Wood
Dunn	Johnson, Luther	Pfeifer	Zimmerman
Durham	Johnson, Lyndon	Pittenger	
Dworshak	Johnson, Okla.	Plumley	

NAYS—14

Boren	Hoffman	Taber	Woodruff, Mich.
Carlson	Kean	Thill	Woodrum, Va.
Crawford	Kilburn	Wadsworth	
Gifford	Rockefeller	Williams, Del.	

ANSWERED "PRESENT"—1

Crowther

NOT VOTING—108

Arends	Brewster	Carter	Collins
Arnold	Buck	Cartwright	Colmer
Barton	Buckley, N. Y.	Case, S. Dak.	Connery
Beam	Burgin	Casey, Mass.	Darrow
Bell	Byron	Claypool	Disney
Bolles	Caldwell	Cluett	Dondero
Boykin	Camp	Coffee, Wash.	Doughton
Bradley, Mich.	Cannon, Fla.	Cole, N. Y.	Douglas

Duncan	Kirwan	O'Brien	Smith, Va.
Faddis	Kleberg	O'Leary	Snyder
Flannagan	Kocialkowski	O'Neal	Somers, N. Y.
Garrett	Lambertson	Patrick	Starnes, Ala.
Gilchrist	McArdle	Pierce	Sumners, Tex.
Green	McGehee	Rabaut	Tarver
Gross	McGranery	Rayburn	Taylor
Hawks	McKeough	Reed, Ill.	Terry
Hendricks	McLaughlin	Rich	Tinkham
Hook	Maciejewski	Robinson, Utah	Voorhis, Calif.
Hull	Maloney	Romjue	Ward
Jacobsen	Mansfield	Sabath	Weaver
Jarman	Martin, Ill.	Sacks	Welch
Jarrett	Merritt	Schaefer, Ill.	West
Jenks, N. H.	Mills, Ark.	Shafer, Mich.	Wheat
Johns	Mitchell	Shanley	Whelchel
Keller	Monkiewicz	Sheridan	White, Ohio
Kelly	Murdock, Utah	Smith, Conn.	Winter
Kerr	Norton	Smith, Ill.	Youngdahl

So the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Doughton (for) with Mr. Crowther (against).

Until further notice:

Mr. Colmer with Mr. Welch.
Mr. McGehee with Mr. Carter.
Mr. Rayburn with Mr. Barton.
Mr. Maloney with Mr. Tinkham.
Mr. Rabaut with Mr. Reed of Illinois.
Mr. Smith of Virginia with Mr. Cole of New York.
Mr. Caldwell with Mr. Dondero.
Mr. Mansfield with Mr. Gilchrist.
Mr. Starnes of Alabama with Mr. Cluett.
Mr. Tarver with Mr. Wheat.
Mr. Weaver with Mr. Bolles.
Mr. Collins with Mr. Douglas.
Mr. Mills of Arkansas with Mr. Jarrett.
Mr. O'Neal with Mr. Darrow.
Mr. Patrick with Mr. O'Brien.
Mr. Coffee of Washington with Mr. Arends.
Mr. Terry with Mr. White of Ohio.
Mr. West with Mr. Lambertson.
Mr. Claypool with Mr. Bradley of Michigan.
Mr. Boykin with Mr. Monkiewicz.
Mr. Cartwright with Mr. Brewster.
Mr. Disney with Mr. Gross.
Mr. Flannagan with Mr. Case of South Dakota.
Mr. Jarrett with Mr. Jenks of New Hampshire.
Mr. Hendricks with Mr. Hawks.
Mr. Jarman with Mr. Johns.
Mr. Green with Mr. Shafer of Michigan.
Mr. Kerr with Mr. Winter.
Mr. Kelly with Mr. Youngdahl.
Mr. McKeough with Mr. Hull.
Mr. Kleberg with Mr. Kirwan.
Mr. Schaefer of Illinois with Mr. O'Leary.
Mr. Buckley of New York with Mr. Mitchell.
Mrs. Norton with Mr. Duncan.
Mr. Kocialkowski with Mr. Faddis.
Mr. Arnold with Mr. McArdle.
Mr. Burgin with Mr. Merritt.
Mr. Robinson of Utah with Mr. Jacobsen.
Mr. McGranery with Mr. McLaughlin.
Mr. Beam with Mr. Pierce.
Mr. Sabath with Mr. Connery.
Mr. Maciejewski with Mr. Murdock of Utah.
Mr. Romjue with Mr. Sachs.
Mr. Cannon of Florida with Mr. Bell.
Mr. Buck with Mr. Shanley.
Mr. Byron with Mr. Casey of Massachusetts.
Mr. Keller with Mr. Ward.
Mr. Taylor with Mr. Sheridan.
Mr. Hook with Mr. Sumners of Texas.
Mr. Smith of Connecticut with Mr. Snyder.
Mr. Somers of New York with Mr. Smith of Illinois.
Mr. Voorhis of California with Mr. Martin of Illinos.

Mr. MOSER changed his vote from "nay" to "yea."

Mr. CROWTHER. Mr. Speaker, I have a pair with my colleague the gentleman from North Carolina, Mr. DOUGHTON. On this bill I voted "nay." If the gentleman from North Carolina were here, I understand he would vote "yea." I therefore withdraw my vote of "nay" and answer "present."

Mr. ENGLEBRIGHT. Mr. Speaker, my colleagues the gentleman from California [Mr. WELCH] and the gentleman from California [Mr. CARTER] are unavoidably absent on account of business. If they had been present, they would have voted "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

EXTENSION OF REMARKS

Mr. KING. Mr. Speaker, I ask unanimous consent to extend the remarks I made in Committee of the Whole at that point and to include therein certain quotations from Senate Document No. 151, of the Seventy-fifth Congress, third session.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution from our State senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech by the gentleman from Oklahoma, WILL ROGERS, on the Indian question.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. WOOD. Mr. Speaker, I ask unanimous consent that the letter of the Department of Labor and the letter of the American Federation of Labor referred to during the consideration of the bill this afternoon may be included as a part of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by including therein several tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

TEMPORARY STUDENT'S VISA

Mr. MASON. Mr. Speaker, I ask unanimous consent that the bill (S. 2598) which was stricken from the calendar last Tuesday be restored to the calendar in view of the fact that the objectors to it have agreed to this request, and I also ask unanimous consent to extend my remarks at this point and give the reasons for doing this.

Mr. COCHRAN. What is the bill?

Mr. MASON. S. 2598, introduced by the gentleman from Illinois, SCOTT LUCAS.

Mr. COCHRAN. What does the bill provide?

Mr. MASON. The bill provides that a temporary student's visa be changed into a permanent visa and one member of the quota be stricken in lieu thereof.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, S. 2598, introduced by the gentleman from Illinois, Senator LUCAS, is a bill that seeks to change a temporary student's visa into a permanent visa, and subtract in lieu thereof one person from the regular quota for Czechoslovakia. Kurt Wessely, the young man affected by the bill, is a Bohemian, a former citizen of the Republic of Czechoslovakia, a graduate of both medical and dental colleges in Prague and Vienna. He came here on a regular student's visa to carry on advanced work in his chosen fields at the medical and dental schools of the University of Chicago. Kurt Wessely's people have been doctors for the past 300 years, his father having been the family physician and personal friend of President Benes, and a stanch supporter of the Republic. Naturally, under present conditions in Bohemia, Kurt Wessely would be persona non grata with the Hitler regime.

The young man is a brilliant chap. He has developed a new technique for straightening teeth and has received offers to act as instructor in several colleges of dentistry in the Middle West.

Kurt Wessely is here. We know what he is. We know his background. He has proven himself. The question this bill presents is whether we will accept him in lieu of another emigrant, an unknown, who can and will come in under the quota.

EXTENSION OF REMARKS

Mr. MYERS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Philadelphia Public Ledger.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LANDIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent at the end of the business today on the Speaker's desk, and the special orders, I be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. FRIES. Also, Mr. Speaker, I ask unanimous consent that I be permitted to extend my remarks and to include an editorial which appeared in the Philadelphia Record of Saturday, March 9, 1940.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FRIES. Also, Mr. Speaker, a further request to extend my remarks in the RECORD and to include an editorial from the Machinists' Monthly magazine of March 1940.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. Under special order heretofore entered, the Chair recognizes the gentleman from New York [Mr. DICKSTEIN] for 30 minutes.

UN-AMERICAN ACTIVITIES

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include certain excerpts from an article appearing in Liberty magazine of this issue in connection with remarks that I expect to present to the House.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, in connection with the statement made today by the chairman of the Committee on Un-American Activities, the gentleman from Texas [Mr. DIES], I rise to follow through and develop some more important facts that, in my opinion, are just as serious as those he has stated on the question of communism. I do not have to make a long speech about that. I think the House knows where I stand. I think the gentleman from Texas is doing fine work, and I wish him lots of luck, but he is paying a little too much attention to one particular phase of un-American activities while this country is still infested with propagandists, espionage, spies roaming around the country, some of them becoming citizens of the United States, although still in the pay of the Nazi Government. I do not have to remind this House that 4 or 5 years ago I called attention to all of the activities in this country of the agencies of the totalitarian states, and that then I predicted there would be a war, and that the only way they could create sentiment in their favor in every country was through propaganda.

That machinery of propaganda organized by the dictators has taken hold of every European country. They tried to do it in this country, but we were fortunate enough to catch them in time. There are still a number of men and women parading under the guise of citizens, and friends of democracy who are on the pay roll of the German Government, and I am sure that the Dies committee has not reached them and I think it is serious enough to call this to the attention of this House and to state that the Dies committee had better do a little overtime work in order to find out just how many we have in the country and who are working under the rule of the dictators to spread propaganda and do damage to our beloved country.

There appeared several articles in the Liberty magazine lately, in which my name is referred to at least 10 or 15 times. It is the most cockeyed article you have ever read; not alone cockeyed, but it is a fairy story in which it is stated that a man named Paffrath was sent here from Germany as a spy for the purpose of obtaining secrets which I received from certain other stool pigeons who were sent from Germany to the United States in order that he could send back a report to the Hitler Government and find out where I got all my information on the activity of propagandists in the United States. And, lo and behold, this gentleman was given proper passports and he came to this country in 1932 and immediately was told to be a citizen, and he applied for citizenship papers.

He became a citizen about 4 years ago, and he was directed to come here and get in my good graces or the good graces of the committee of which I had the honor to be vice chairman and obtain copies of our records. He had to report back in this country to someone who represented the German Government all that he found in my office, whether here or in New York. He writes these articles, and Liberty falls for that bunk. It seems that you cannot get anything in that paper unless you write a lot of bunk. This genius, this confessed spy, who writes these articles, I do not know what he got for them, but his confessions make good reading stories.

In this particular article he heads it this way:

I was a Hitler agent in the United States.

He became a citizen about 3 years ago. So he did exactly what he was told to do; he became a citizen and he refers to other spies in this country who did likewise. They all worked together and they reported their information to some man whose fictitious name appears in the article. This man in turn would report it to somebody in the consulate or some John Jones or John Roe, who in turn would report it back to the Nazi Government.

I am not going into a lot of discussion of how I am referred to here. They thought that some of their associates were giving me information, and they almost said so in the article.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. Yes; I yield.

Mr. SCHAFER of Wisconsin. Is the writer of this article, which appeared in Liberty, registered as an agent for the Nazi Government under existing law.

Mr. DICKSTEIN. He is not.

Mr. SCHAFER of Wisconsin. If that be so, why did not the Dies committee bring him before the committee and find out the facts to present to the American people—find out whether this article in Liberty magazine is another piece of Liberty magazine poison propaganda or whether it is based on actual facts?

Mr. DICKSTEIN. I think the gentleman is correct.

Mr. SCHAFER of Wisconsin. I am surprised, in view of this article, that the Dies committee has not had this fellow before them under oath before this time. If this man's confession is true, then the Dies committee is derelict in its duty and asleep on the job. They should have devoted some time to investigating this fellow who wrote the Nazi-spy articles for the Liberty magazine. [Applause.]

Mr. DICKSTEIN. Not alone investigate him, but they should bring him before the Dies committee. At least he confesses he was a Nazi agent on the pay roll of the Nazi Government, and that his purpose not only was to get information through my office and report back to his superior here and in Germany, but that he was working with dozens of other agents on the pay roll of the Nazi Government in this country, to create more strikes and disturbances within our own United States; that he was working under orders of a foreign government; that he was paid by a foreign government as recently as 1 year ago. Aside from his activity, he confesses there were dozens of others, and he should be forced to give us their names, whether fictitious

or otherwise; the names of those who were actively engaged, and who were a year ago engaged in propaganda and members of the spy system within the borders of the United States. He ought to be sent to jail if he does not give that information.

Mr. O'TOOLE. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. O'TOOLE. Why could not the Attorney General of the United States bring a proceeding to vitiate this man's citizenship, when he publicly confesses that he obtained it under false pretenses?

Mr. DICKSTEIN. There is nothing to stop the Attorney General from doing that, now that we have this man's confession. But I suppose that will be followed up properly. I think we ought not only cancel his citizenship papers, but send him back to his boss, Hitler, and let him stay there. But, according to his statement, there are dozens of other persons actively engaged in propaganda, and in undermining our Government, according to his own article.

Mr. SCHAFER of Wisconsin. Will the gentleman yield further?

Mr. DICKSTEIN. I yield.

Mr. SCHAFER of Wisconsin. Is that not a case for the Dies committee, because in this spy's confession he named the big shot in the spy ring, anonymously?

Mr. DICKSTEIN. That is right.

Mr. THORKELSON. Will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. THORKELSON. Is this the same article that referred to Masonry?

Mr. DICKSTEIN. No; this is not the article. This is a new one. This is something new. You will get a kick out of reading it.

Mr. THORKELSON. This is a new one?

Mr. DICKSTEIN. Yes. You will have to put some dope in your fingers to make believe that that story is all true. I mean as far as I am concerned and as far as the Committee on Un-American Activities is concerned. He says he was in my employ. That was way back in 1936. The committee of which I had the honor to be vice chairman expired in January 1935. So that the article on its face is absolutely untrue, as far as I am concerned.

Miss SUMNER of Illinois. If I may say so, I read that article. That man was, on his own words, a self-confessed liar, and he was paid to lie. Whether or not he might be a subject for the office of the Attorney General, I think the one thing the Dies committee would not get out of him is the truth.

Mr. DICKSTEIN. That may be so, but at the same time he refers to other agents by fictitious names. I think the Dies committee could force him to tell the true names of the fictitious persons who are the higher-ups in this country in a scheme to undermine this Government. Irrespective of what the gentlewoman thinks, sometimes a liar might tell the truth as to who his boss is.

Miss SUMNER of Illinois. The trouble is one could never tell when he was telling the truth.

Mr. DICKSTEIN. That I cannot control.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. SCHAFER of Wisconsin. Is it not a fact that, whether or not he is telling the truth, the Dies committee should investigate; and if there is no truth to his fantastic story, they should put the brand of subversive propaganda on the magazine Liberty?

Mr. DICKSTEIN. I fully agree with the gentleman.

Mr. SHANNON. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. SHANNON. I would like to ask this question in response to the one that was asked by the gentlewoman from Illinois: Does the gentleman think it matters whether it is the truth or the contrary before the Dies committee if certain members of the committee can get plenty of publicity?

Mr. DICKSTEIN. I do not know. I do not think that is a fair question.

Mr. SHANNON. I will say that that is what they want. That is the heart and soul of it.

Mr. DICKSTEIN. I might not agree fully with the gentleman.

Mr. SHANNON. I say it; I repeat it.

Mr. DICKSTEIN. Listen to me. I talked my head off here for 4 or 5 years before the Dies committee was set up, but you, and all of you, paid not the slightest attention to me. So what is the use of getting hot about it?

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Illinois [Mr. MASON].

Mr. MASON. I would just like to ask the gentleman from Missouri whom he means when he says "they."

Mr. SHANNON. Certain members of the committee.

Mr. MASON. I would like the gentleman to be specific. What members of the Dies committee are seeking publicity?

Mr. SHANNON. Why, the chairman, always.

Mr. MASON. And who else?

Mr. SHANNON. Does the gentleman want me to name others?

Mr. MASON. The chairman can defend himself. I am here to defend myself.

Mr. SHANNON. I do not know what the gentleman has done, but I do know that the chairman has been at it ever since the committee was established, and he was at it today.

Mr. DICKSTEIN. Mr. Speaker, I cannot yield further.

Mr. Speaker, you will find that on pages 48 and 49 of this magazine this man in this article says "Less than a week later I had to go down town to Mr. Black in the absence of Mr. Rich."

Now, I have an idea who Herr Rich is, the vice consul in the city of New York, and Mr. Boucher was another man he had to report to as to just how far he and his group of men who were working on espionage had progressed and what they had accomplished in the way of finding out information, or which one of their squealers was squealing on the Nazi Government. He then discusses me and the Dies committee. Listen to this, Mr. Speaker:

Neither Mr. Dickstein nor the Dies committee have effectively handled the secret activities of the Nazi propaganda in the United States.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield.

Mr. HOFFMAN. Who says that?

Mr. DICKSTEIN. This agent.

Mr. HOFFMAN. What is his name?

Mr. DICKSTEIN. Paffrath, a Nazi agent.

Mr. HOFFMAN. The name means nothing. Who is he, and what is he?

Mr. DICKSTEIN. He is a Nazi spy who came to this country for the Nazi Government and became a citizen of the United States but worked for the Nazi Government against the United States Government. That is the agent whose articles are being published by Liberty. I do not know how much he was paid for them.

True—

He goes on—

the latter has played a lot of chaos with the bund, but the bund was little more at any time than a straw organization.

He goes on to say that there are higher-ups and that he reported to the higher-ups on what he had been doing and what his group engaged in espionage was doing in this country. He states that he got into labor organizations for the purpose of initiating, continuing, and prolonging strikes and he names persons to this Mr. Rich, who is the dummy for the Nazi Government.

Not only that, he goes on to say that at one time he was instructed to steal two checks in my office—blank checks—and he admits that, following orders, he committed forgery and cashed them. This part of his story, I know, happens to be true. He took a rubber stamp that we use on congressional stationery and stamped the signature, then went over it with pen and ink. He cashed those checks with the idea of getting into jail because he was afraid of the Nazi Govern-

ment—afraid they would think he was not doing enough work for them and not producing enough results in getting sufficient information from my office.

He goes on to state that he met other agents of the Nazi Government—and this is only about a year ago—in the office of Mr. Rich somewhere in New York, where they all congregated, and that they matched notes as to how they obtained information important to their Government and how they could create disturbance within our form of government.

He says that in order not to be prosecuted he had himself committed to an insane asylum; but now he says that he was not crazy, that he was as sane as any other American. Not alone that, but that he practically spied on the Dies committee, in addition to spying on my office, and everything he found in the files he had access to he reported and, by the way, I do not think the files dealing with un-American activities were in New York at all at that time. He never was on my pay roll. I never gave him a quarter. In order to attract my attention to his persecution by the Nazis, he said they were going to kidnap him, and a group of spies did kidnap him. He filed a complaint against the group of Nazis from the North German Lloyd Lines. They went into court and, by the way, there was a record of that. He says this was done on orders of Herr Rich, a higher-up, so as to attract the sympathy of the American people. He would thereby have the American people come to his aid, get their confidence, and in that way he would find out information and be able to report. I am not vouching for whether he will tell or is telling the truth. But here is a man who is now a citizen of the United States and confesses that he was a Nazi spy at the time he became a citizen. There are hundreds of cases like that.

On the 13th of last month I pleaded with the House to give my committee the opportunity to study all these applications for citizenship, but that proposition has been bottled up in the Rules Committee. I would have gone into that. According to our information, there are hundreds of people who took the oath of allegiance to defend the Constitution of the United States, but they cannot possibly do it because they do not intend to remain citizens of the United States. They only want to protect themselves for the time being.

Mr. HOFFMAN. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Would the gentleman deny citizenship to those people?

Mr. DICKSTEIN. I would absolutely deny citizenship to those who owe allegiance to a dictator or a potentate.

Mr. HOFFMAN. I did not understand the gentleman.

Mr. DICKSTEIN. I would deny citizenship to any person employed by a foreign government or who represents a foreign government in connection with espionage, sabotage, or whatever you wish to call it against our Government or who seeks to find out secrets for a foreign government, because that person could not take an oath of allegiance.

Mr. HOFFMAN. Does the gentleman mean he wants to do that by the enactment of a statute?

Mr. DICKSTEIN. The statute is on the books now.

Mr. HOFFMAN. I do not understand what the gentleman is trying to get at.

Mr. DICKSTEIN. I have a lot of information in connection with similar cases. These people appeared before the courts and became citizens with no intention whatever to carry out allegiance to our country. They could not have possibly taken the oath of allegiance in good faith. This includes the Fritz Kuhn crowd who took the oath of citizenship several years ago.

Mr. HOFFMAN. Does the gentleman mean he would revoke their citizenship?

Mr. DICKSTEIN. I think I would.

Mr. HOFFMAN. Because they did not take the oath in good faith?

Mr. DICKSTEIN. Absolutely.

Mr. HOFFMAN. How is the gentleman going to get at that?

Mr. DICKSTEIN. It is very simple to get at it.

Mr. HOFFMAN. Through court procedure?

Mr. DICKSTEIN. Why not? Take the case of this man Paffrath. He admits he was a spy from 1932 until about a year ago. He became a citizen of the United States 3 years ago. At the time he raised his hand and swore he would defend the Constitution of the United States against all enemies, foreign and domestic, he was in the employ of the Nazi Government. If he could have helped destroy this country, he would have done it at that time. That was his job.

Mr. HOFFMAN. I can see how you could get his papers revoked, but how is the gentleman going to show that the average fellow who takes the oath does not intend to obey it?

Mr. DICKSTEIN. There are crackpots who write hundreds of letters which give you this information, but we have no means, no appropriation, and no power to go into these matters. We cannot call attention of the proper bureaus and the courts to it. I have asked for a resolution from the Rules Committee to do that very thing and other things in connection with the border question, but I got nowhere.

Mr. THORKELSON. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Montana.

Mr. THORKELSON. Has the gentleman heard about the proposed federal union of states? Would he also deny citizenship to anyone who was connected with such an international proposition as the proposed union of states?

Mr. DICKSTEIN. I cannot answer that question because I have not gone into it. I have taken some of these isolated cases in which they held what is known as a dual nationality. I do not know what I would do or what I would not do in any other cases. But I would accept the broad principle, and I would say that no man should be permitted or allowed to become a citizen of the United States unless he absolutely severs his relationship with all foreign dictators, kings, and potentates and is ready to abide by the principles laid down by our Constitution.

Mr. THORKELSON. I believe when a man swears to preserve and protect this Government according to the Constitution, then he has ceased his relationship with foreign governments.

Mr. DICKSTEIN. When they took the oath they were actually engaged in sabotage and espionage, and they just stopped until the judge finished his sentence, and they took the oath, and the next morning they went right back to their dirty work and continued actively engaged in sabotage against this Government. I say the papers of such men ought to be revoked.

Mr. THORKELSON. I believe they ought to be deported.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. The article in Liberty written by Mr. Paffrath, a self-confessed Nazi spy, indicated that he stole two of the gentleman's checks and forged the gentleman's name. Is that correct?

Mr. DICKSTEIN. That is right.

Mr. SCHAFER of Wisconsin. He actually did steal the gentleman's checks and forged the gentleman's name to them and cashed the checks?

Mr. DICKSTEIN. Yes.

Mr. SCHAFER of Wisconsin. Then why is he not in the jailhouse for larceny and forgery instead of running around the country writing fantastic propaganda articles for Liberty?

Mr. DICKSTEIN. We could not find the gentleman until he sold his brilliant detective story to Liberty, which published it and advertised that they were going to run this great detective story of a German spy working in our Government.

Mr. SCHAFER of Wisconsin. Cannot the Department of Justice take care of that man now?

Mr. DICKSTEIN. We will take care of him now. I rose simply to ask the Dies committee to bring Mr. Paffrath to court and let him disclose the other agents to whom he referred as having worked with him and having reported to a superior in New York City, whether it is Black, White,

or Green. All of these persons should be subpenaed before the committee.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Minnesota.

Mr. PITTENGER. There has been some criticism this afternoon of the Dies committee. I should like to ask the gentleman if he does not believe the Dies committee has done a fine work with reference not only to the German Bund but the Communists of this country.

Mr. DICKSTEIN. The gentleman is taking in a broad territory.

Mr. PITTENGER. Is not that an easy question to answer?

Mr. DICKSTEIN. So far as I am concerned, I believe they are doing a good job, but they could do a still better job.

Mr. HOFFMAN. Is not that true of all of us?

Mr. DICKSTEIN. I know, but when you have something right under your nose you should not pass it by; in other words, you ought to have a 50–50 break. The Communist, the Nazi, the Fascist—they are all cousins. It does not make any difference, get them all. Let us clean house.

We ought to pass enough laws to deport them. They have no business in our democracy. At the same time, let us not overlook the Fascist espionage movement in this country, because they as a rule hide in the cellar. They do not come out in the open. When the trial of the Christian Front men is over when the 17 cases now pending in the Federal court at New York are disposed of, I propose to go before the Dies committee, and I will startle the country with certain activities of that group. I do not want to do it now because I think it would be unfair while they are on trial.

Mr. HOFFMAN. Then why criticize the Dies committee until the gentleman gives them that information?

Mr. DICKSTEIN. I am not criticizing the Dies committee. I say they can do a better job. If that is criticism, I do not know what criticism is.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I take it the 17 men the gentleman refers to are these boys who were arrested recently as representing the so-called Christian Front?

Mr. DICKSTEIN. That is right.

Mr. JENKINS of Ohio. May I ask the gentleman how far along are they with those prosecutions? What have they done with them?

Mr. DICKSTEIN. They are on trial now. The Federal Government is still putting in its case.

Mr. JENKINS of Ohio. How does the gentleman classify them with reference to whether they are Communists or Nazis?

Mr. DICKSTEIN. They are another group of crackpots.

Mr. JENKINS of Ohio. They are all in the same class?

Mr. DICKSTEIN. Yes.

[Here the gavel fell.]

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent that the gentleman from New York may proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. DICKSTEIN. The 17 are only a little sample. There are at least 200,000 who can be traced to other parts of the country outside of New York, and who more or less have a new scheme and order of things on how to start trouble in this country.

Mr. JENKINS of Ohio. The gentleman, I believe, can well afford to classify them all in one group, these Communists, anarchists, and so forth?

Mr. DICKSTEIN. They are all cousins.

Mr. JENKINS of Ohio. However, the gentleman gave one classification there which I think he probably got in the wrong category.

Mr. DICKSTEIN. I may make a mistake or two. The gentleman from Michigan [Mr. HOFFMAN] says we all make mistakes.

Mr. JENKINS of Ohio. The gentleman included atheists. I do not believe atheists ought to be included with these other groups.

Mr. DICKSTEIN. For the purpose of the record I will take them out, if that will help the situation.

Mr. JENKINS of Ohio. I have been waiting to find out the name of the man who furnished all this information in the magazine article. The gentleman gave the name but I did not understand it. What is it again?

Mr. DICKSTEIN. His name is Paffrath, Joachim Paffrath.

Mr. JENKINS of Ohio. Does the gentleman know what his nationality is?

Mr. DICKSTEIN. He is a Nazi spy. That is his nationality. He came in here, as he admits, sent here by the German Government for the purpose of joining any American organization and relaying the information gained to the superior in New York, who in turn relays it to the Nazi Government.

Mr. JENKINS of Ohio. The gentleman says he is a Nazi. By that we would ordinarily think him to be a German.

Mr. DICKSTEIN. I have nothing against the German people. I want you to know that. I have the highest regard for every race and creed.

Mr. JENKINS of Ohio. What is his race?

Mr. DICKSTEIN. He is a German, born in Germany, and he has been a so-called stool pigeon in Germany and he thought he would be a good stool pigeon in the United States.

He was told not only to work on the Republican National Convention but to work on the Democratic National Convention, too, and to find out all their secrets and to get into the good graces of Members of Congress and to find out just what files they had on the Nazi Government and to report to his superiors.

Mr. JENKINS of Ohio. There is one other question that I do not believe you went into details about. How was he able to get himself into an insane asylum willfully and on purpose all by himself?

Mr. DICKSTEIN. Because he is a good actor. He was trained by somebody in the espionage service. They know all the tricks of the game. I do not know all of them, but I am learning some of them.

Mr. JENKINS of Ohio. What asylum did he get into?

Mr. DICKSTEIN. It was some place in New Jersey, and he stayed there for 2 or 3 weeks and then he said, "I am sane now," and they let him out. Some of his Heinies or some of his coworkers helped him come out of the insane asylum, and he disappeared from that time on.

Mr. JENKINS of Ohio. Do you not think it would be worth your while, if you have not done so, to find out how he manipulated that?

Mr. DICKSTEIN. I am checking on that now, but I ask this House and I ask my good friends of the Dies committee to go into this. I can give them the address. This man should be immediately subpenaed, and let him tell us all about this. So far as his incorrect references to his place in my office, I will handle that situation myself, and I will handle the deportation and the question of the cancelation of his papers, because he could not honestly defend the Constitution of the United States, and you and I know it.

Mr. JENKINS of Ohio. And you say that he had something to do with the committee of which the gentleman from Massachusetts [Mr. MCCORMACK] was the chairman and you were the vice chairman and I was a member?

Mr. DICKSTEIN. You were a member of that committee, and you never heard of such a man?

Mr. JENKINS of Ohio. I do not know that I did.

Mr. DICKSTEIN. It is all fantastic.

Mr. JENKINS of Ohio. When you did see him, did he masquerade or operate under this same name or did he have a different name?

Mr. DICKSTEIN. He operated under one or two names. They introduced him as Paffy and other names, but it is Paffrath. I did not know the man from Adam, except that

I met him several times, but not in the fashion he describes. Some gentleman told me he wanted to split up some activity in the way of espionage by the Nazi Government, and then he came to see me in my office once in the presence of three or four people, and he wanted to talk, and I did not want to talk to him. He wanted to do it all alone. I always have company when I talk to people who are doing something I do not think they ought to be doing. I did not know, until I was informed of it, that he had become a citizen of the United States. I checked on that, and I found that out after this article was published. He became a citizen 2 or 3 years ago in the courts of New York.

[Here the gavel fell.]

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Iowa [Mr. HARRINGTON] is recognized for 15 minutes.

PERMISSION TO ADDRESS THE HOUSE

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. HARRINGTON. I yield.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program and any special orders heretofore entered, I may be allowed to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. HARRINGTON. I yield.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my own remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, among the greatest historical tragedies of all times the subjugation and enslavement of Czechoslovakia will be so recorded. This land of cultured and liberty-loving people, an outstanding example of democracy and progress, has been trampled beneath the heel of Nazi-German militarism. Information which from time to time trickles through the cordon of the Gestapo indicates that what was once a nation of free and happy people is now one vast prison camp, where freedom, liberty, and the pursuit of a given calling have been ruthlessly suppressed and where imprisonment, execution, and mass enslavement became an everyday occurrence in the existence of the unfortunate Bohemian populace.

This nation, which in 20 years assumed a leading place in the family of nations and pointed the way in commercial and cultural progress, a nation where the suppressed culture of its more than a thousand years of recorded history was revitalized and brought to the fore, today is shackled in chains and confined to a dungeon forged by the gory hands of depraved and heartless nazi-ism. The great accomplishment of the modern Czechoslovakian patriots and heroes, like the handiwork of ages, of a thousand and one heroes, and saintly and scientific men, battered and crushed, will rise again. As sure as there is a God in the heavens, this blasphemous desecration and ravishment of a great and noble people will be avenged, and justice will restore this ancient nation to its rightful place in the family of nations.

There is not another people on the face of the earth more progressive, more democratic, and fundamentally sound and religious than the people of enslaved Czechoslovakia. The world under the direction of a Higher Power will free this noble people from bondage. It is my hope and prayer that they will bear their cross silently and patiently, for the day of delivery is not far off.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. HARRINGTON. I yield.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of the legislative program, I may be permitted to address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

HOG PRICES

Mr. HARRINGTON. Mr. Speaker, in a speech made to this body under date of February 23, I said:

> American hog lard, which for decades past has built the brain and brawn of the American people, is such a drag in the domestic markets of the United States that the Department of Commerce actually reports that lard is being bought by the soap manufacturers and dumped into soap kettles of the Nation. Overburdening surpluses and carry-over have driven hog lard prices to the lowest in 73 years.

Now, Mr. Speaker, let me now read what the Department of Agriculture has to say of present lard stocks in a bulletined report as of March 1, 1940:

> Storage stocks of lard again mounted, figuring 258,029,000 pounds. Lard holdings were 28 percent greater than a month earlier, 106 percent above those of March 1939, and 104 percent above the 5-year average.
>
> The total holdings of lard in cold storage as of March 1, 1940, were greater than those of a month earlier, and materially exceeded those of the same period last year and the 5-year average for the month.

Now, Mr. Speaker, the same report by that Department discloses the fact that all the while stocks were mounting during the last 2 years that lard prices were declining and did decline, month by month, from a price of 10.1 cents per pound as of February 1, 1938, to a price of 5.87 cents as of today.

This morning's mail brought to my desk a copy of a statement made yesterday to the press by Col. C. C. Hanson, the secretary of the Association of Southern Commissioners of Agriculture. The Association of Southern Commissioners of Agriculture is a member of the National Association of Agricultural Secretaries, Commissioners, and Directors.

Mr. Speaker, we, who legislate here in Congress, as fittingly becomes a democratic institution, legislate entirely on a broad national basis. Many of us are far removed from our constituencies. Our work in Washington has to do legislatively with many diverse subjects.

During a session of Congress it is practically impossible for us to engage in much individual research on economic or agricultural trends, and yet we must be informed. We must, therefore, seek out some satisfactory method whereby we may keep reasonably well informed on what the "feel" is in the farm or other industrial circles. The commissioners of agriculture of the several States, the duly elected administrators, are on the other hand charged only with the administration of agricultural affairs. Consequently, they are in close daily contact with our farmers. The price of oats, or of rye, of barley, hogs, or cattle are a matter of daily concern to them. The rainfall, aridity, temperature, storm, flood, transportation conditions, market trends, prices, and so forth, are problems which, unlike a representative to Congress, concern them every hour of every single day. It has been my pleasure to have met many of the commissioners of agriculture of these United States. I have come to regard them individually and collectively as a body of public servants, who are doing a splendid work in behalf of American agriculture in every phase of its activity, from production to marketing.

Mr. Speaker, I have learned that when I receive a communication from the Association of the Commissioners of Agriculture, the members of whom, in their official capacities know no party, no section, no State line; I know they are speaking for the dirt farmers. I know also that it is on some subject that has to do with a question of vital importance to American agriculture. Therefore I read the statement of Colonel Hanson with a great deal of interest. Though a very short statement, it is so replete with facts that I propose, with the consent of my colleagues and at the end of my remarks, to insert the same into the RECORD.

Mr. Speaker, the statement made by Colonel Hanson is a clear, lucid expression of the tremendous benefits which are

to accrue to American agriculture and industry by and through the new cotton-stamp plan, to be put to a test this month in Memphis, Tenn.

The statement also includes some short hard-headed factual expressions by the Honorable William Green, president of the Federation of Labor, showing the need of increasing the purchasing power of the American people and particularly the purchasing power of our low-income groups and public-assistance families.

Believe me, sir, when I say that the soundness of that statement is entirely axiomatic. There is nothing theoretical about it. Entirely factual, it is so clear and so compelling that even a child could comprehend its economic and its factual soundness.

Colonel Hanson's statement looks primarily to the improvement of conditions of the cotton planters of our southern country. After reading it, I determined to do a little fact finding for myself. I did this selfishly in order to see for myself whether or not there was not something akin to the suggestions offered by Colonel Hanson that could be extended to the corn and to the hog farmers of my district.

While I realize full well the problem presented by the great cotton surplus piled up in our docks and in our warehouses, I am far more conscious of the ever-increasing surpluses of hog lard that are piling up on our farms and the cold-storage plants in the Mississippi Valley Corn Belt area, and the distressingly low prices prevailing throughout the country both for hogs and for hog lard, as well as other domestically produced animal and vegetable oils and fats.

In order to exhibit just how critical the present price situation is to the farmers of the Middle West, if not to every farmer and planter in the United States, let me now make reference to the daily press. I needed to look no further than the press of yesterday to find that hogs sold in the market of Sioux City at from $3.50 to $4.90 per hundred pounds—prices comparable to those which obtained in our markets in the dark days of 1932.

Now, hear me well on this, Mr. Speaker! I mean that good, choice 140- to 350-pound hogs—not packing sows—sold at from $3.50 to $4.90 per hundred pounds.

For the benefit of the Members on both sides of the aisle, let me now present the hog quotation as of Friday, April 5, in Chicago as well as the other principal markets of the country.

HOG QUOTATIONS IN PRINCIPAL MARKETS

The prices following cover the quoted range on good to choice 140- to 350-pound hogs—packing sows excluded:

East St. Louis	$3.50–$5.10
Kansas City	4.00– 4.90
Omaha	4.25– 4.90
Sioux City	3.50– 4.90
South St. Joseph	4.25– 4.90
South St. Paul	3.90– 5.00
Indianapolis	[1] 3.15
Cincinnati	[1] 5.25
Buffalo	[1] 5.35
Baltimore	[1] 5.00

[1] Day's top.

LIVESTOCK IN CHICAGO

CHICAGO, April 4.—Hogs dropped 5 to 15 cents today. The United States Department of Agriculture report follows:

"Salable hogs, 12,000; total, 16,500. Market opened 5 to 10 cents lower than Wednesday's average, closed fully 10 cents, with numerous instances 15 cents off; general clearance slow and draggy throughout session; top, $5.15; very few deals completed above $5.05 late; bulk good to choice, 200 to 300 pounds, $4.75 to $5.10; 300 pounds upward, largely $4.60 to $4.80; extreme heavies, downward to $4.50; choice light lights very scarce, fully steady; others little changed; few good to choice, 150 to 170 pounds, $4.60 to $4.90; good packing sows, 400 to 500 pounds, mostly $4.10 to $4.30; lights, upward to $4.50."

Could anything be more cogent or expressive of the deplorable price conditions that obtain in our hog and lard market today than those cold-blooded short cryptic quoted market prices abstracted from the New York Journal of Commerce of Friday, April 5, 1940?

Mr. Speaker, I want you to believe with me that when an Iowa hog farmer loads his truck and starts down the highway to market with his load of hogs that wrapped up in those pigskins is the result of all of his year's sweat and toil in the sweltering sun of our western prairie countries. Also wrapped up in the hides he is hauling to market on the "hoof" are all of that year's hopes and ambitions of his wife and his family. Out of that crop of hogs it was expected would come moneys that would pay the taxes, meet the interest on the mortgage, possibly provide some small creature comforts in life, and, who knows, perhaps meet exigencies that have arisen from illness and distress.

Maybe it was hoped also, as is often the case, that there might come a contribution toward the education of some child in the higher institutions of learning of our State. Above all, believe me, gentlemen, that when I stand on this floor and talk hogs and lard to you I am not talking of just animal meat and fat, that I am speaking of a thing that means not alone hard money, but either success or failure, happiness or misery, to the farmers of your every district as well as of mine in Iowa.

Mr. Speaker, by far the greatest question before this country today is the question of the status of American agriculture. It must be obvious to every Member of this body that we can legislate here until kingdom come and that it is absolutely useless for us to spend day after day in pursuing other courses in an attempt to solve the problem of our national economy so long as our American agriculture languishes.

Thus far our success has been measured only in the expressions of pious hopes. Let me prove that point. Session after session we have met in this body and have legislated in an endeavor to achieve parity price of farm products. In order to assess the actual results of our labor I made contact with the Department of Agriculture to learn exactly the per centum of parity prices which have resulted from our legislation. Now let me read a few of the farm prices received on certain selected crops and to tell you the per centum of parity achieved as of this very day:

Commodity	Farm price	Percent of parity
	Cents	
Wheat, bushel	88.6	77
Corn, do	56.09	70
Oats, do	38.8	72
Cotton, pound	8.40	63
Butterfat, do	28.1	83
Wool, do	26.8	114
	Dollars	
Veal calves, hundredweight	8.81	102
Cattle, do	7.00	101
Hogs, do	4.66	49

Now hear me well on this—while the wheat farmer, the cotton planter, the dairyman, and the wool growers, are receiving from 70 to 85 percent of parity price on their commodities, and, while the cattle raiser is receiving a full 100 percent of parity, the hog raisers of my district and the entire Mississippi Valley in the Corn Belt area are receiving less than 50 percent of parity for their hogs.

Mr. Speaker, I maintain that not alone should all or even some farmers receive a parity of price for the products which he sells, but that there ought in decency be a parity of prices existent between various farm commodities themselves.

With the price of hogs dropping from an average of 10.15 cents in 1937 to—in some instances—less than 4 cents today, the condition of the lard and for that matter the vegetable shortening industry has been so bad that the Federal Surplus Commodities Corporation recently declared hog lard to be a surplus commodity. In order to assist both the hog raisers and the cotton planters by the removal at least in part of the surplus, they recently placed lard under the orange and blue stamp program for disposal, at its economic value, to those receiving public assistance in our country.

But Mr. Speaker, it now appears that the oils and fats producers are now to be denied even that modicum of help. The appropriation budgeted by the President for the continuation of the Surplus Commodities Corporation lard disposal was stricken from the Agricultural supply bill by this body 2 weeks ago on a mere point of order.

The supply bill is now in conference. The conference has continued for the last week or 10 days. The conference is

the court of last resort and this the last opportunity that this body will have of doing something concrete in behalf of the American corn and hog farmers, the soybean and the cotton planters, as well as the livestock and dairy industry, in order to save them from impending doom in the sale of their vegetable oils and fats.

I am here and now appealing to my colleagues on both sides of the aisle to do all in their power to have the conferees on the House side yield to the conferees of the Senate in order that the moneys appropriated for the removal and economic disposal of surplus commodities as recommended by the President in his Budget be voted.

I would further propose that they agree that the sum of $8,000,000 be allocated for the impounding of 120,000,000 pounds of surplus lard and domestically produced vegetable-oil shortenings, and that the same be held off the market until at least a parity price is achieved in the price of lard, equal at least to other agricultural commodities.

This matter is so urgent that only last week a formal request for such action was directed to Secretary Wallace by the Livestock Exchange of Kansas City and their request has already been endorsed by many other farm organizations and associations.

This money will not be lost to the Government; in fact, it would most likely prove a profitable transaction. Certainly it would restore and bring the price of hog lard up to approximately 75 percent of a parity price, and thus place it on a plane with other agricultural staple commodities. It will help not alone the hog raisers bu the cottonseed and soybean oil products.

Mr. Speaker, let me read from a bulletin, LS–9, issued by the United States Department of Agriculture under date of March 20, which shows the precarious condition of the hog farmer today.

In reporting on the livestock situation the Department of Agriculture writes as follows:

The seasonal increase in hog marketing will get under way during the next month—April—when marketing of fall pigs begins in large volume.

The number of hogs on the farms as of January 1, 1940, was about 18 percent larger than a year earlier. Since the major part of the hogs on the farms on January 1 will be marketed by the end of summer, the slaughter supply of hogs is expected to continue materially larger than the year earlier—throughout the balance of the marketing year and up until September 30.

Hog prices for March were about $2.50 per hundred lower than a year earlier. A seasonal increase in hog marketing probably will get under way during the next month or so as marketings of fall pigs begin in large volume.

Marketings of packing sows will increase seasonally during the late spring and summer. The number and proportion of packing sows in total hog slaughter during the last half of the hog-marketing year—April–September—may be somewhat larger than in the corresponding months of the 1938–39 season.

Hog marketings during the remainder of the 1939–40 marketing year ending September 30 will continue materially larger than a year earlier. The total number of hogs on January 1, 1940, was 58.3 million head—about 18 percent greater than a year earlier. On the basis of past relationships, the number of hogs on January 1, 1940, indicates an inspected slaughter for the January–September period of around 35,000,000 head. Slaughter in January and February totaled 9.6 million head.

On this basis, total inspected hog slaughter in the 7 months—March–September—may total a little more than 25,000,000 head, or about 4,000,000 head more than in the corresponding period. This indication of about 25,000,000 head of hogs for inspected slaughter March–September 1940 is in line with statements in earlier issues of the Livestock Situation that slaughter for the 1939–40 marketing year—October–September—will total about 48,000,000 head.

In January and February the number and proportion of sows in receipts at leading markets were larger than a year earlier. This indicates that a larger-than-usual proportion of sows bred for spring farrow have been marketed this winter. Present indications are that the hog-corn price ratio will continue unfavorable—or at least considerably less favorable than a year earlier—during most of 1940. It therefore seems likely that both the 1940 spring and fall pig crops will be smaller than—

The 1939 crops and total production of pork and lard in 1940–41 will be smaller than during the 1939–40 season. A decrease in the 1940 spring pig crop will mean smaller marketings of hogs in the winter of 1940–41 than were marketed this year.

Consumer demand for hog products in the period April through September is expected to be stronger than a year earlier, and this, together with seasonally smaller hog marketings in the last half of the year than in the first half, probably will have a strengthening effect upon hog prices. Export demand for pork and lard this spring and summer probably will be no stronger and may be weaker than a year earlier.

The average price of butcher hogs at Chicago for the week ended March 9 was about $5.20, compared with $5.15 a month earlier and $7.75 a year earlier.

The ratio of hog prices to corn prices continued about steady at a level considerably below average during February and early March. The ratio of Chicago hog and corn prices for the week ended March 9 was 8.8, compared with the very favorable ratio of 16.0 a year earlier.

Inspected hog slaughter in February totaled 4,277,000 head, or about 48 percent more than in February last year, and the largest slaughter for the month since 1932. The percentage increase in slaughter over a year earlier in February was much the largest for any month thus far in the current hog-marketing year, which began October 1.

Inspected hog slaughter for the first 5 months (October–February) of the current hog-marketing year totaled nearly 23,000,000 head, or about 23.5 percent more than in the corresponding period of the 1938–39 season. (The 1939 spring pig crop was about 20 percent larger than that of 1938.) The average weight of hogs slaughtered in January and February was somewhat lighter than a year earlier.

Mr. Speaker, it is for the foregoing, among many other reasons, that I urge that an action program be started by my colleagues. I am asking that they join me in seeing that the conferees of the House yield to the Senate conferees in the matter of the item inserted in the agricultural supply bill by the Senate for the Federal Surplus Commodities Corporation, as presented to this House by the President in his Budget, and originally lost on a point of order in the House and restored by the Senate.

I would have every Member realize with me the small percentage of that money that will be required to restore lard to its proper pricing in our markets. I would have them also realize that the program of the Federal Surplus Commodities Corporation since the very inception of that congressionally established body have been of immeasurable benefit to the dairy and the orchard industry. That it has been of incalculable help to the cotton South. That their programs have helped, and will continue to help, the wheat growers and the tobacco planters, the poultry raisers and fruit growers not alone of the west coast but of the Nation in general.

Moreover I would point out that the continuation of their program will not alone help the labor in our cities, both by virtue of the health benefits they could enjoy by increasing their food and raiment, but also by increasing the purchasing power accruing to our agricultural industries through the purchase of farm goods by persons now receiving public assistance.

More than that, Mr. Speaker, the restoration of that appropriation will tend in part to rectify the double injustice now being suffered by hog raisers of our country. They today are compelled to stand in our market places and see their products bring less than half of their worth, while all other agricultural groups enjoy from 50 to 100 percent better return in the markets than they receive for the product of their soil and their toil.

Mr. Speaker, I now ask unanimous consent to have printed in the RECORD as part of my remarks the statement of Col. C. C. Hanson to which I referred in my opening remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HARRINGTON. This statement includes the remarks of the Honorable William Green, president of the American Federation of Labor, and I would ask the Members of this House to read this clearly illuminating document at their leisure if they want to get a clear picture of the wonderful work now being done by the Federal Surplus Commodities Corporation.

The statement is as follows:

STATEMENT OF ASSOCIATION OF SOUTHERN COMMISSIONERS OF AGRICULTURE

Col. C. C. Hanson, secretary to the southern commissioners of agriculture, today declared that the benefits which will result from placing cotton under the orange- and blue-stamp plan will be of immeasurable advantage to both the agricultural and industrial sections of the country.

In discussing the cotton-disposal program to be put into effect by the Federal Surplus Commodities Corporation in Memphis, Tenn., he predicted that the trial test would prove so successful as to result in the extension of the program on a Nation-wide basis.

"It is to be remembered," he said, "that the value of the raw product which enters into the manufacture of the cotton textile be sold under the new stamp plan is but a percentage of the value of the labor added in fabricating the raw cotton. This added labor value," he declared, "will prove to be of immense benefit, not alone to the textile industry, but to all branches of commerce, transportation, and trade. Moreover," he said, "the program is not alone economically, but it is socially, fundamentally, and factually sound."

He stated that the greatly curtailed foreign markets for cotton, which followed in the wake of the second world war, made it highly imperative that some method be found which would economically and successfully market the great exportable surplus of this historic cash crop of the Southern States.

Colonel Hanson continued, "It is generally conceded that the activities of the Federal Surplus Commodities Corporation represent the finest type of all current Federal Government activities. The entire American agricultural industry is, therefore, ardently hoping that the House conferees, now in deadlock, will agree to the restoration of the budgeted appropriation made in the Senate, not alone for carrying on but for extending the activities of the Federal Surplus Commodities Corporation, under the 1940 agricultural supply bill."

In discussing the social soundness of the cotton stamp program, Mr. Hanson went on to tell of the terrific need for cotton goods in the shape of sheeting, pillow casing, and toweling, as well as the need for under and outer garments, that now exists in practically every home in the United States. He cited facts and figures from commerce and trade associations to portray the inability of our publicly assisted families to make direct purchase of cotton goods.

He went on to point out that the sale of manufactured cotton made available under the stamp plan would not alone improve the conditions of the producers and processors of cotton, but will build comfort, health, and hygiene among the families of our underprivileged people.

In discussing the patent need for increasing the Nation's purchasing power which he declared the underlying motive of the Federal Surplus Commodities Corporation's program, the colonel quoted from a speech by the president of the American Federation of Labor, in which Mr. Green recently declared:

"We would be going far toward a solution of our national economic problems if the businessman, the banker, the farmer, the housewife, and the worker himself had a better conception of the importance of the expenditures of the low-salaried worker to our national economy.

"The consumption of consumer goods, directly affects the activities of our industries that supply equipment for conversion of the products of the farm, mine, forest, and all other raw products. Now, everyone knows that persons with small incomes spend a greater proportion of their income for consumers goods.

"The wages of the nearly 40,000,000 regular workers in the United States are therefore the biggest factor in our whole national economy. * * * We know that not more than 7 percent of all incomes exceed $3,000 a year; that the vast majority of nearly 40,000,000 workers earn less than $1,500 a year; that they buy more than 75 percent of all consumers goods; whose movement represents prosperity in stores and in factories and the consumption of which effects the employment of millions of other workers."

"It is unbelievable," Colonel Hanson said, "that any voice whatsoever could be raised in opposition to the program of the Federal Surplus Commodity Corporation. Basically, its purpose is to remove surplus agricultural crops which are already existent and to sell them to the underprivileged and the unemployed at their economic value."

The sooner the American people understand the wholly cooperative character of the stamp program of the Federal Surplus Commodities Corporation the sooner we will be able to intelligently attack the great problem of disposing of our surplus cotton. Certainly we cannot approach the problem intelligently without all fundamental facts, and these made available by the test to be conducted at Memphis will perhaps enable us to make answer to the question as to why millions of workers in a nation of plenty cannot purchase more freely of our overburdening surpluses of agricultural products of which they stand in need.

It will indeed be a national tragedy if, through a lack of sympathetic understanding, the Senate conferees do not prevail and as a result thereof afford to our cotton producers, cattle and hog raisers, fruit and vegetable growers, and dairy farmers, as well as the national welfare, the great opportunity to increase our purchasing power offered through the Federal Surplus Commodities Corporation surplus-disposal program.

THE DIES COMMITTEE

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from the National Tribune on the subject of the Dies committee.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, some language was used this afternoon that might belittle the work of the Dies committee or might question some of the motives of the members of that committee. I had occasion last year to attend those hearings, and I say that no committee of this House has done finer work than has the Dies committee. The suggestion that the chairman or the members of the committee get publicity is beside the point. They ought to get publicity. They get it because they are doing a work that ought to be done in this country.

Mr. McGRANERY. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. Yes.

Mr. McGRANERY. Mr. Speaker, did the gentleman read the opinion of Federal Judge F. Dickinson Letts, of the Federal court in the District of Columbia, this morning?

Mr. PITTENGER. No; I did not; and what I say and his decision do not conflict. The work of the Dies committee is an outstanding contribution to the cause of Americanism. I have no time for those who would undermine the foundations of this Government, and those are the people that the gentleman from Texas, MARTIN DIES, and his associates have been trying to get at.

Mr. Speaker, as I have heretofore indicated, I was present at several sessions of the Dies committee during 1939, and I have personal knowledge of the fact that the committee proceeded in an orderly manner and that their only objectives were to ascertain the truth from the witnesses who testified. When you find someone who says unkind things about the committee, or its members, or its method of procedure, you can make up your mind that that party is not in sympathy with the purpose for which the Dies committee was created.

In other words, that party is trying to protect someone who does not like the pitiless light of publicity which the Dies committee casts upon them. There are too many people who are in sympathy with our communistic friends.

The National Tribune, under date of April 11, has a very interesting editorial, and I quote a portion of that editorial. It reads:

The more we learn from the Dies committee investigations, the prouder we become of the National Tribune's part in obtaining legislation to establish the committee and in keeping it going despite the efforts of highly influential groups to end the revealing un-American inquiries.

Citizens of the United States of America and some aliens who have neglected to become citizens have a sacred heritage. This is the Bill of Rights written into the Constitution, the fundamental law of our country. These rights include freedom of speech, freedom to worship as one sees fit, freedom of the press, and freedom of peaceful assembly. These rights, given to us by the men who won our independence, must be guarded jealously and zealously.

The revelations of the Dies committee have awakened the people of our country to a realization that there are subversive elements among us busily engaged in trying to undermine our system of government.

Refusal of Communist witnesses to answer questions propounded by members of the committee is proof conclusive to us that the so-called Communist Party in the United States is dominated by authorities in Moscow. The defiance of the "reds" from Pittsburgh and Baltimore toward the legally constituted House body is indicative of the attitude of all Communists toward law and order in this country. World conditions are in such a state of chaos the United States must maintain a careful guard to search out enemies within our borders. That is what the Dies committee is doing.

It is of great interest to note that the so-called Communist Party is one of the very few organizations that keep their lists of members secret. There are many groups with secret rituals, but their membership is well known, if not nationally, at least locally. The members of these organizations are enrolled under their real names, not fictitiously as Communists are. They are proud of their membership. This is true of fraternal orders. It is also true of churches, something with which the Communists are not familiar.

This editorial then proceeds to point out that the Dies committee has proceeded in accordance with law in securing evidence, reports to the contrary notwithstanding. It also points out that some witnesses who have refused to answer questions before the Dies committee have had contempt proceedings instituted against them.

In endorsing the work of the Dies committee the National Tribune concludes the editorial with these words:

The Dies committee has done a wonderful piece of work, and we believe from past performances that it will continue to reveal the activities of alien agents in the United States.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. My time has expired.

LEAVE TO ADDRESS THE HOUSE

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent that after the special orders fixed for tomorrow, and the business on the Speaker's desk, I be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE DIES COMMITTEE

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I take this time because I want to ask the gentleman from Minnesota [Mr. PITTENGER] a question. His brief oration delivered here a few moments ago seemed to indicate that the gentleman from Minnesota thought that the gentleman from New York [Mr. DICKSTEIN] was criticizing the Dies committee.

Mr. PITTENGER. Oh, I did not mean to say that. There was some criticism, however, of that committee.

Mr. SCHAFER of Wisconsin. I am very glad to hear the gentleman say that. I believe the gentleman from New York [Mr. DICKSTEIN] this afternoon performed a real service in giving some advice and helpful suggestions to the Dies committee. If a self-confessed spy, an agent of a foreign government, comes to the United States while performing spy duty, on the pay roll of his government—falsely swears and obtains American citizenship, and then writes a magazine article confessing to those facts, I believe it would be far more important for the Dies committee to have him as a witness for a thorough and complete public investigation than to spend a great deal of time running around the Mexican border asking for advice and testimony from Trotsky.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER of Wisconsin. Yes.

Mr. DIES. And I say to the gentleman that we have given instructions for a subpena to issue to this individual. However, we had this experience before. Someone wrote one of these lurid stories in the Liberty magazine, in which he purported to be telling a lot of things that had happened, and when we got him to the office we found that he did not know anything at all.

Mr. SCHAFER of Wisconsin. If the Liberty magazine is putting out this false propaganda then the publishers of that magazine are as guilty of circulating false propaganda and un-American activities as this self-confessed spy who has written the false propaganda articles in order to stir up hatred and prejudice in the United States. Millions of American people read Liberty magazine and that magazine should be denied the use of the United States mails if it has become a peddler of false, inflammatory propaganda poison. The Dies committee should completely investigate Liberty magazine as well as the writers of the false-propaganda articles.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER of Wisconsin. Yes; I yield.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MARCANTONIO. I want to make this observation with regard to criticizing the Dies committee: Since when has it become treason to criticize the Dies committee, or is the Dies committee a sacred cow that Members cannot criticize?

Mr. SCHAFER of Wisconsin. I do not think the Dies committee is a sacred cow. I do not think the members of the Dies committee resent justifiable criticism or constructive advice. There are a few things about the operation of that committee that I do not approve of. I do not like the portion of the printed testimony which indicates that the committee was not going to investigate the Ku Klux Klan. I understand from press reports that the Ku Klux Klan is now on the ride down South.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield.

Mr. DIES. The committee has given out no such statement. I do not know where the gentleman got his information.

Mr. SCHAFER of Wisconsin. When do you intend to investigate the Ku Klux Klan?

Mr. MARCANTONIO. Will the committee investigate the Ku Klux Klan? The chairman is here. Let us have an answer.

Mr. SCHAFER of Wisconsin. In view of the fact that the Ku Klux Klan is again in action down South, they should be investigated now.

Mr. THORKELSON. Will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield.

Mr. THORKELSON. Do you not believe the court ought to sustain the Dies committee?

Mr. SCHAFER of Wisconsin. The courts should sustain the Dies committee when the Dies committee is right; but if the Dies committee makes a mistake, and every human being makes a mistake now and again, the courts should not sustain the Dies committee.

Mr. THORKELSON. Is not the Dies committee right when it is investigating communism?

Mr. SCHAFER of Wisconsin. Oh, I have fought communism in Congress and out of Congress. I have some information myself as to Communist attempts to undermine and overthrow our Government. We have sacred rights and liberties under our Constitution. I do not want to adopt a precedent of riding roughshod over those sacred rights and liberties, even in our battle against communism, because such a precedent, like Banquo's ghost, will rise to haunt us in the future.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield.

Miss SUMNER of Illinois. None of us thinks that the Dies committee is a sacred cow, but obviously it is a very good barking-dog warning against communism. Most of us are for it for that reason.

Mr. SCHAFER of Wisconsin. Absolutely; and the Dies committee should bring this poison peddler, to whom the gentleman from New York [Mr. DICKSTEIN] called attention, before them and ask him to name these anonymous big shots of the spy ring, and produce the evidence which he refers to in his Liberty magazine articles. I think myself that the man was a bona fide inmate of an insane asylum, and he wrote those articles when he had hallucinations and delusions [laughter and applause], and that he is being used as a front and a stooge for un-American and subversive false propaganda activities.

[Here the gavel fell.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MONKIEWICZ, for the balance of the week, on account of illness.

To Mr. CARTER (at the request of Mr. ENGLEBRIGHT), indefinitely, on account of important business.

EXTENSION OF REMARKS

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an editorial from the Philadelphia Inquirer.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

ADJOURNMENT

Mr. McGRANERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 1 minute p. m.) the House adjourned until tomorrow, Thursday, April 11, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE CENSUS

April 9, 10, 11, 1940:

The Committee on the Census will hold hearings on H. R. 9174, to consider a bill to amend an act entitled "An act authorizing the Director of the Census to collect and publish statistics of cottonseed and cottonseed products, and for other purposes," approved August 7, 1916, in room 312, House Office Building.

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

There will be a meeting of the Committee on Merchant Marine and Fisheries at 10 a. m. Tuesday, April 16, 1940, at which time the committee will consider the bill (H. R. 8475) to define American fishery.

COMMITTEE ON THE CIVIL SERVICE

Hearings on boards and courts of appeals bills will begin on Tuesday, April 16, 1940, at 10 a. m., room 246, House Office Building.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m. Thursday, April 11, 1940, for the consideration of H. J. Res. 487. Important. Hearing will be held in room 1304, New House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

1541. Under clause 2 of rule XXIV a letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 27, 1940, submitting a report, together with accompanying papers, on a preliminary examination of Bullard Creek, Minn., authorized by the Flood Control Act approved June 28, 1938, was taken from the Speaker's table and referred to the Committee on Flood Control.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DREWRY: Committee on Naval Affairs. H. R. 4229. A bill authorizing the conveyance to the Commonwealth of Virginia of a portion of the naval reservation known as Quantico in Prince William County, Va.; with amendment (Rept. No. 1952). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHURCH: Committee on Naval Affairs. H. R. 8983. A bill authorizing the Secretary of the Navy to accept, on behalf of the United States, a gift of the yacht *Freedom* from Sterling Morton; without amendment (Rept. No. 1953). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARTER of Ohio: Committee on Military Affairs. S. 1918. An act relating to the retired pay of certain retired Army officers; without amendment (Rept. No. 1954). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON of Florida: Committee on Naval Affairs. H. R. 7543. A bill to authorize the Secretary of the Navy to accept real estate granted to the United States by the city of Miami, Fla., and for other purposes; with amendment (Rept. No. 1957). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MASON: Committee on Immigration and Naturalization. S. 2598. An act for the relief of Kurt Wessely; without amendment (Rept. No. 1955). Referred to the Committee of the Whole House.

Mr. HARTER of Ohio: Committee on Military Affairs. H. R. 6365. A bill to correct the military records of DeRosey C. Cabell, McFarland Cockrill, James N. Caperton, Junius H. Houghton, Otto F. Lange, Paul B. Parker, James deB. Walbach, and Victor W. B. Wales; without amendment (Rept. No. 1956). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9251) granting a pension to Zeb Walden, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. IZAC:

H. R. 9325. A bill to amend the act of June 6, 1924, entitled "An act to amend in certain particulars the National Defense Act of June 3, 1916, as amended, and for other purposes"; to the Committee on Naval Affairs.

By Mr. KENNEDY of Maryland:

H. R. 9326. A bill to provide educational employees of the public schools of the District of Columbia with leave of absence, with part pay, for purposes of educational improvement, and for other purposes; to the Committee on the District of Columbia.

By Mr. KITCHENS:

H. R. 9327. A bill to elevate the levee designated as a fuse plug for Boeuf floodway and Eudora floodway to same grade and section as levee on opposite side of Mississippi River; to the Committee on Flood Control.

By Mr. SASSCER:

H. R. 9328. A bill to extend the time within which claim for disability benefits under the Civil Service Retirement Act may be filed or refiled; to the Committee on the Civil Service.

By Mr. MAGNUSON:

H. R. 9329. A bill providing for an additional naval academy in the Puget Sound area in the State of Washington, and for other purposes; to the Committee on Naval Affairs.

By Mr. HOOK:

H. R. 9330. A bill to authorize a preliminary examination and survey of the Little Black River and its tributaries in the State of Michigan for flood control, for run-off and waterflow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. KENNEDY of Maryland:

H. R. 9331. A bill to establish in the Office of the Recorder of Deeds a separate department for the purpose of recording and releasing liens and encumbrances on motor vehicles and trailers, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANDOLPH:

H. J. Res. 511. Joint resolution for the acquisition of French islands in the Caribbean and the North Atlantic Ocean; to the Committee on Foreign Affairs.

By Mr. CONNERY:

H. Res. 462. Resolution to establish a committee to investigate radio monopoly; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASEY of Massachusetts:

H. R. 9332. A bill for the relief of Adney W. Gray; to the Committee on Claims.

By Mr. CANNON of Florida:

H. R. 9333. A bill relating to the retirement of Charles Frederick Glass as a warrant officer, United States Navy; to the Committee on Naval Affairs.

By Mr. ELLIOTT:

H. R. 9334. A bill providing for the refund of money erroneously collected under a certain permit for the use of public lands in excess of the correct amount due thereunder; to the Committee on Claims.

By Mr. LELAND M. FORD:

H. R. 9335. A bill for the relief of Joseph N. Williams; to the Committee on Military Affairs.

By Mr. GRANT of Indiana:

H. R. 9336. A bill for the relief of Addison B. Hampel; to the Committee on Claims.

By Mr. KEOGH:

H. R. 9337. A bill for the relief of Grunwald and Tudor and E. Deffebach, principals, and Louis H. Pink, superintendent of insurance in New York, as liquidator of New York Indemnity Co., insolvent, surety, upon contract with Interior Department dated May 12, 1928, and identified by symbols I–1p–129; to the Committee on Claims.

By Mr. KENNEDY of Maryland:

H. R. 9338 (by request). A bill for the relief of M. E. McGivern; to the Committee on Claims.

H. R. 9339. A bill for the relief of Alfred G. Balls; to the Committee on Claims.

H. R. 9340 (by request). A bill for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department; to the Committee on Claims.

By Mr. MACIEJEWSKI:

H. R. 9341. A bill to revive certain patents; to the Committee on Patents.

By Mrs. ROGERS of Massachusetts:

H. R. 9342. A bill for the relief of the Franco-American Construction Co.; to the Committee on Claims.

By Mr. REED of Illinois:

H. R. 9343. A bill for the relief of Albert M. Howard; to the Committee on Claims.

By Mr. RODGERS of Pennsylvania:

H. R. 9344. A bill granting a pension to Myra Struchen; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7382. By Mr. ANDERSON of California: Resolution signed by Loren D. Root, president, and Frank E. Stillwell, financial secretary, United Federal Workers of America, Local 149, Palo Alto, Calif., urging Congress to pass House bill 7708, a bill authorizing all employees, whether married or single, in the Veterans' Administration and other Government agencies to accept quarters, subsistence, and laundry as furnished by the Government; to the Committee on World War Veterans' Legislation.

7383. By Mr. FULMER: Concurrent resolution submitted by James H. Fowles, clerk of the Senate of the State of South Carolina, expressing the appreciation of the general assembly of this State to Hon. Franklin D. Roosevelt, President of the United States, and Hon. Nathan Straus, Federal Administrator of the Federal Housing Administration, for an audience accorded and the consideration given to Hon. Burnet R. Maybank, Governor, Hon. J. Roy Jones, and Hon. Edgar A. Brown, a committee appointed pursuant to Senate Resolution 1272 with reference to extending facilities of the Housing Act to rural areas; to the Committee on Banking and Currency.

7384. By Mr. GRANT of Indiana: Petition of Ray M. Collins, president of the Twin Branch division of the Michigan Electrical Utility Workers Association, Mishawaka, Ind., and of Thomas D. Walling, Jr., of South Bend, Ind., and 375 other members of said association urging support for any legislation that might be introduced into the Congress that would tend to curb the tyrannical powers that are now being wielded by the National Labor Relations Board; to the Committee on Labor.

7385. By Mr. GWYNNE: Petition of sundry citizens of the Third Iowa District, urging enactment of House bill 1, known as the Patman chain-store tax bill; to the Committee on Ways and Means.

7386. By Mr. HAVENNER: Petition of the United Federal Workers of America, urging support of House bill 7708, by Congressman SABATH, abolishing compulsory deductions for quarters, subsistence, and laundry of officers and employees in the Veterans' Administration or other Government agency; to the Committee on Expenditures in the Executive Departments.

7387. Also, petition of sundry citizens of the San Francisco Bay area, urging that legislation be enacted establishing a Civilian Air Corps Training School for those who do not have a college education and for applicants beyond the age of 25 years; to the Committee on Interstate and Foreign Commerce.

7388. By Mr. HART: Memorial of the House of Assembly of the State of New Jersey, requesting Congress to reenact the provisions of the legislation known as the Sugar Act of 1937 and/or other suitable legislation for the protection and preservation of the cane-sugar refining industry in continental United States; to the Committee on Agriculture.

7389. Also, petition of the House of Assembly of the State of New Jersey, opposing the proposed infringement upon the privacy of the personal affairs of the citizens of this country by certain of the proposed questions in connection with the decennial census; to the Committee on the Census.

7390. Also, memorial of the House of Assembly of the State of New Jersey, requesting that proper steps be taken to appropriate moneys sufficient in amount to give such financial aid as may be necessary to cope with the problem of beach erosion along the Atlantic Ocean in New Jersey and particularly along the shores of Cape May County; to the Committee on Rivers and Harbors.

7391. By Mr. HARTER of New York: Petition of the New York State Assembly, requesting Congress to enact with all speed the Gavagan bill (H. R. 801) or any appropriate legislation which will prevent the punishment or destruction of persons accused or suspected of crime in any way or by any other authority than by due process of law and by a duly constituted court of justice; to the Committee on the Judiciary.

7392. Also, petition of the New York State Assembly, requesting the reenacting of the Sugar Act of 1937 and/or other suitable legislation for the protection and preservation of the cane-sugar refining industry in continental United States; to the Committee on Agriculture.

7393. By Mr. KEOGH: Petition of the Lions Club of Jamaica, N. Y., favoring the Barry bill for a 2-cent postage rate for Queens County, N. Y.; to the Committee on the Post Office and Post Roads.

7394. By Mr. KRAMER: Resolution of the State Association of California Architects, relative to the Work Projects Administration construction projects; to the Committee on Appropriations.

7395. Also, resolution of the executive committee of the Apartment Association of Los Angeles County, Inc., relative to Work Projects Administration construction projects; to the Committee on Appropriations.

7396. Also, resolution of the Structural Engineers Association of Southern California, relative to the Work Projects Administration construction projects, etc.; to the Committee on Appropriations.

7397. Also, resolution of the American Concrete & Steel Pipe Co., relative to Work Projects Administration construction activities; to the Committee on Appropriations.

7398. By Mr. LAMBERTSON: Petition of Mrs. L. J. Parsons and 21 other members of the Mary L. Bair Unit, No. 44, of the American Legion Auxiliary, urging Congress to enact the widows and orphans bill (H. R. 7593) into law; to the Committee on World War Veterans' Legislation.

7399. Also, petition of A. S. Strain and 56 other citizens of Topeka, Kans., urging Congress to enact the provision of the General Welfare Act (H. R. 5620); to the Committee on Ways and Means.

7400. By Mr. LEAVY: Resolution of the Lumber Mill Workers Local Union No. 100, I. W. A., Spokane, Wash., adopted on April 1, 1940, opposing any amendments to the Wagner Act and especially those recommended by the subcommittee which investigated the National Labor Relations Board, pointing out that the Board has been given little or no opportunity to define or adequately present its side of the case, and that the thousands of workers who are safeguarded by the provisions providing collective bargaining have not had an opportunity to express their views, and that the many employers who have established friendly dealings with organized labor have not had an opportunity to testify; stating further that these amendments would nullify the act and cause chaos and unalterable injustices to millions of organized workers; to the Committee on Labor.

7401. Also, resolution adopted by the Lumber and Sawmill Workers Local Union No. 98 of Ione, Wash., in session on April 5, 1940, opposing any and all changes detrimental to labor in the National Labor Relations Act, wage and hour bill, and all other existing labor legislation; pointing out that the adoption of the amendments recommended by the special subcommittee which investigated the National Labor Relations Board would weaken and make inoperative this desirable labor legislation; to the Committee on Labor.

7402. By Mr. POAGE: Petition of Jeff D. Cammer and 34 other citizens of Milam County, Tex., pointing out the lack of private employment and the dependence of citizens upon Work Projects Administration employment of a large portion of the people of the community, and emphasizing the hardship occasioned by the seasonal discharge of Work Projects Administration workers when there is no other work to be obtained in the community; also expressing the conviction that Milam County had been discriminated against, and urging relief for this unfortunate situation even if it be necessary to provide additional appropriations; to the Committee on Appropriations.

7403. Also, petition of Jim Ninest and 47 other merchants and businessmen of Milam County, Tex., calling attention to the deplorable condition of many of the citizens of the community who are necessarily dependent on Work Projects Administration for employment, and to the recurrent yearly practice of laying these men off at this time of the year; also pointing out that there is no private employment and that great hardship is experienced by many citizens; and asking for an investigation to determine whether their belief that this practice is more extensive in Milam than surrounding counties; to the Committee on Appropriations.

7404. By Mr. REED of Illinois: Petition of A. E. Gardner and 10 other signers, endorsing the extension of the Hatch bill; to the Committee on the Judiciary.

7405. Also, petition of A. E. Nordahl, of Downers Grove, Ill., and nine other signers, requesting the extension of the Hatch bill; to the Committee on the Judiciary.

7406. By Mr. SHEPPARD: Petition signed by 40 residents of the Nineteenth District of California, supporting House bill 1, the so-called chain-store tax bill; to the Committee on Ways and Means.

7407. By Mr. SPRINGER: Resolution of the Winchester (Ind.) Council, No. 51, Junior Order United American Mechanics, regarding immigration, deportation, and requirements for aliens now in the United States; to the Committee on Immigration and Naturalization.

7408. By Mr. SUTPHIN: Petition of the New Jersey State Planning Board, desiring the adoption of some plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7409. By the SPEAKER: Petition of the joint committee for the April 5 peace rally, Washington, D. C., calling upon Congress to bring the European conflict to an immediate end; to the Committee on Foreign Affairs.

SENATE

THURSDAY, APRIL 11, 1940

(Legislative day of Monday, April 8, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Father of mankind, to whom all souls are dear, harken to our prayer as we come into Thy presence, and do Thou turn Thy face from our sins and put out all our misdeeds, for Thou requirest truth in the inward hearts, and makest us to understand wisdom secretly. We long for the solution of our spiritual problems and release from our spiritual bondage by the increase of a true faith that alone can win reality and color from each changing experience. In our thoughts and in our actions, in our private and our public life may we show forth the faith that comes to us in the strength of righteousness—the very spirit of unsparing truth. So shall we learn that joy has enriched our belief, that sorrow has deepened it, that doubts have sobered it, and that labor has purified it till at last it carry us through the river into the life beyond where we shall hear "Well done, good and faithful servant, enter thou into the joy of thy Lord." We ask it in our dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, April 10, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	La Follette	Russell
Ashurst	Ellender	Lee	Schwartz
Austin	Frazier	Lodge	Schwellenbach
Bailey	George	Lucas	Sheppard
Bankhead	Gerry	Lundeen	Shipstead
Barbour	Gibson	McCarran	Smathers
Barkley	Glass	McKellar	Smith
Bilbo	Green	McNary	Stewart
Bone	Guffey	Maloney	Taft
Bridges	Gurney	Mead	Thomas, Idaho
Brown	Harrison	Miller	Thomas, Okla.
Bulow	Hatch	Murray	Thomas, Utah
Byrd	Hayden	Neely	Townsend
Byrnes	Herring	Norris	Tydings
Capper	Hill	Nye	Vandenberg
Caraway	Holman	O'Mahoney	Van Nuys
Chandler	Holt	Overton	Wagner
Clark, Idaho	Hughes	Pepper	Walsh
Connally	Johnson, Calif.	Pittman	Wheeler
Danaher	Johnson, Colo.	Reed	Wiley
Donahey	King	Reynolds	

Mr. HILL. I announce that the Senator from Iowa [Mr. GILLETTE] is absent from the Senate because of illness in his family.

The Senator from Florida [Mr. ANDREWS], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Illinois [Mr. SLATTERY], the Senator from Indiana [Mr. MINTON], and the Senator from Maryland [Mr. RADCLIFFE] are detained on public business.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS] is unavoidably absent.

The Senators from Maine [Mr. HALE and Mr. WHITE] are absent in attendance upon the funeral of late Representative Smith of Maine.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

ANNIVERSARY OF BIRTH OF CHIEF JUSTICE HUGHES

Mr. VANDENBERG. Mr. President, the able and distinguished Chief Justice of the United States is 78 years young today. He is one of the great, stalwart figures of his time. The history of this country has not produced a greater jurist, a nobler character, or a sturdier patriot. I take the liberty of expressing to him the felicitations of the United States Senate upon this happy occasion; and I ask that a very brief editorial from this morning's New York Times be read at the desk.

The VICE PRESIDENT. Without objection, the editorial will be read.

The Chief Clerk read the editorial, as follows:

MR. HUGHES AT 78

Chief Justice Charles Evans Hughes is 78 today, but many people around Washington must be surprised to hear it. Judging from all reports, he still works as hard as ever. He has not missed a day in Court this term; his opinions show that he reasons with the same cogency as ever, and he continues in helping to guide the great institution that he heads with rare tact and statesmanlike judgment. That guidance will be needed in the years just ahead no less than in the past. To millions of Americans Mr. Justice Hughes peculiarly symbolizes the Supreme Court in his own figure. They wish him, both as man and symbol, long life and happiness.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 265) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 9016) to amend the joint resolution creating the Niagara Falls Bridge Commission, and it was signed by the President pro tempore.

REORGANIZATION PLAN NO. IV—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 692)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper, referred to the Select Committee on Government Organization and ordered to be printed, as follows:

To the Congress of the United States:

One year ago the Congress directed the President to investigate the organization of the executive establishment and to submit plans for such transfers, consolidations, and abolitions of agencies as were found necessary and desirable.

Shortly thereafter I submitted Reorganization Plan No. I which improved the over-all management of the executive branch. This was followed by Reorganization Plan No. II which effected a better allocation of certain agencies and activities among departments. Although these two plans have been in effect less than a year, their benefits have already been gratifying. I have found the task of coordinating the work of the executive branch less difficult. Many improvements in service have occurred, and substantial economies have resulted.

Reorganization Plan No. III, recently submitted, is a third step which will improve intradepartmental management through internal adjustment in certain agencies.

I am now proposing a fourth reorganization plan which provides for a number of interdepartmental reorganizations. These changes are designed to increase efficiency in the administration of Government services by a more logical grouping of certain functions and by a further reduction in the number of independent agencies reporting directly to the Chief Executive.

Accordingly, I am transmitting herewith Reorganization Plan No. IV, which, after investigation, I have prepared in pursuance of section 4 of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.) approved April 3, 1939; and I declare with respect to each reorganization made in this plan, that I have found such reorganization necessary to accomplish one or more of the purposes of section 1 (a) of the act:

1. To reduce expenditures.
2. To increase efficiency.
3. To consolidate agencies according to major purposes.
4. To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary.
5. To eliminate overlapping and duplication of effort.

The plan I now transmit I shall describe briefly as follows:

Department of State: The Dominican customs receivership is transferred to the Department of State from the Division of Territories and Island Possessions in the Department of the Interior. The State Department is the most appropriate agency to supervise this activity, which involves relations with a foreign government.

Treasury Department: The plan transfers to the Secretary of the Treasury the function of the Attorney General of approving out-of-court settlements—technically termed compromises—of cases arising under the Federal Alcohol Administration Act which have not, prior to compromise, been referred to the Department of Justice for prosecution. The present requirement that the Attorney General approve all compromises results in a cumbersome, time-consuming procedure which the small amounts involved do not warrant. The proposed handling will be simpler, less likely to cause delay, and consistent with the procedure now followed in compromises arising under other acts which the Treasury Department administers.

Department of Justice: Executive Order No. 6166, issued June 10, 1933, provided for the centralization of the disbursement function in a Division of Disbursement in the Treasury Department. The resulting increase in efficiency has amply demonstrated the wisdom of centralizing disbursement work. In effectuating the plan, however, I have found it necessary to postpone its application to United States marshals because of the unusual character of their disbursing work in serving the courts. Experience indicates that this arrangement should be continued. I am proposing, therefore, the permanent transfer of the disbursement function of United States marshals from the Treasury Department to the Department of Justice.

Post Office Department: It has also been found desirable to continue permanently in the Post Office Department the disbursement of post-office funds. The special character of the work of this Department, involving disbursements in thousands of post offices throughout the Nation, requires here, as well as in the case of the United States marshals, a departure from the sound theory of central disbursing. With its far-flung facilities, the Post Office Department is better equipped to carry on this work than the Division of Disbursement.

Another proposal affecting the Post Office Department relates to the transportation of mail and other material between departments. In the early colonial days the interchange of correspondence and messages was by the simple hand-to-hand method. Gradually a more systematic device became necessary to transport messages, with the resultant evolution of the Postal Service. Business and private citizens in general have made use of that Service, and today we have in our Post Office Department the most efficient organization of its kind in the world. However, here in the Capital City the Federal Government, instead of utilizing fully the resources of the Post Office Department to maintain its mail and messenger service, has permitted a multiplicity of interdepartmental messenger services, each serving its own department, bureau, or agency. This duplication of services is uneconomical and results in a constant crisscrossing and overlapping of personnel and equipment, all engaged in a common activity. I am sure that the average citizen in Washington,

as well as officials of the Government itself, have wondered at this paradox whereby the Federal Government is failing to make the fullest use of one of its own agencies which is specially equipped to render a simple, centralized service for all the other agencies. This reorganization plan proposes to do exactly that; to provide for the transportation of mail, documents, packages, and similar material between all buildings occupied by Government offices on a regularly scheduled basis of sufficient frequency to meet the reasonable and normal requirements of these offices and to reduce to a minimum the constant dispatching of messengers on so-called urgent and emergency errands. This service will be available on a reimbursement basis to the agencies exempted by the Reorganization Act.

Department of the Interior: I propose to transfer to the Department of the Interior the activities of the Soil Conservation Service relating to soil and moisture conservation on lands under the jurisdiction of the Interior Department. With respect to private lands, the soil-conservation work of the Federal Government is primarily of a consultative character and can best be carried on by the Department of Agriculture through cooperation of the farmers throughout the country. In the case of Federal lands, this work includes the actual application by the Government of soil-conservation practices and is an appropriate function of the agency administering the land.

Department of Commerce: One of the purposes of the Reorganization Act is to reduce the number of administrative agencies and thereby simplify the task of executive management. We have made substantial progress toward this objective under previous reorganization plans. I am now proposing another step in this direction by placing the Civil Aeronautics Authority within the framework of the Department of Commerce. Reorganization Plan No. III, which deals with intradepartmental changes, draws a more practical separation between the functions of the Administrator and the Civil Aeronautics Board. In plan IV, which is concerned with interdepartmental reorganization, I am bringing the Authority into the departmental structure. The Administrator will report to the Secretary of Commerce. The five-member board, however, will perform its rule-making, adjudicative, and investigative functions independent of the Department. In the interest of efficiency it will be supplied by the Department with budgeting, accounting, procurement, and other office services. As a result of the adjustments provided in plans III and IV, I believe the Civil Aeronautics Board will be able effectively to carry forward the important work of accident investigation heretofore performed by the Air Safety Board. In addition to the effective and coordinated discharge of accident-investigation work which this transfer will facilitate, economies in administration will be possible.

The importance of the Weather Bureau's functions to the Nation's commerce has also led to the decision to transfer this Bureau to the Department of Commerce. The development of the aviation industry has imposed upon the Weather Bureau a major responsibility in the field of air transportation. The transfer to the Department of Commerce, as provided in this plan, will permit better coordination of Government activities relating to aviation and to commerce generally, without in any way lessening the Bureau's contribution to agriculture.

Department of Labor: The plan transfers to the Secretary of Labor the functions of the Secretary of the Treasury and the Secretary of the Interior relating to the enforcement of the minimum-wage provisions in contracts for Federal construction. The Secretary of Labor is responsible by law for the determination of the prevailing wage rates included in Government contracts and should properly have complete responsibility for their enforcement.

United States Maritime Commission: I propose to transfer to the United States Maritime Commission the functions of the Secretary of the Navy relating to State marine and nautical schools. These schools are devoted to training young men for junior officer positions in the merchant marine. The general responsibility for developing facilities for the training of merchant-marine personnel is vested in the Maritime Commission. The proposed transfer will thus permit closer coordination of the nautical schools with the training work of the Maritime Commission.

Federal Security Agency: The Federal Security Agency has as its major purposes the promotion of social and economic security, educational opportunity, and the health of the citizens. The functions of St. Elizabeths Hospital, Freedmen's Hospital, Howard University, and Columbia Institution for the Deaf plainly come squarely within these purposes. Consequently, I find it necessary and desirable in pursuance of the objectives of the Reorganization Act to transfer to the Federal Security Agency the responsibilities of the interior Department relating to these institutions. The work of St. Elizabeths Hospital and Freedmen's Hospital is much more akin to the activities of the Public Health Service in the Federal Security Agency than to those of any other Federal establishment. Similarly, Howard University and Columbia Institution for the Deaf can derive more benefit from association with the Office of Education in the Federal Security Agency than with any other Federal organization.

I further propose to transfer to the Federal Security Agency the Food and Drug Administration with the exception of two activities intimately related to the work of the Department of Agriculture. The work of the Food and Drug Administration is unrelated to the basic functions of the Department of Agriculture. There was, however, no other agency to which these functions more appropriately belonged until the Federal Security Agency was created last year. I now believe that the opportunity for the Food and Drug Administration to develop along increasingly constructive lines lies in this new Agency. There is also need for coordination of certain of its functions with those of the Public Health Service. To accomplish these objectives, the plan establishes the Administration as a separate unit within the Federal Security Agency.

Economies: Functions may be transferred or consolidated under this Reorganization Act, but the abolition of functions is prohibited. Congress alone can curtail or abolish functions now provided by law. Savings must come from administrative expenses which comprise only a small fraction of Federal expenditures. This precludes the making of large reductions in expenditure through reorganization plans. The major achievements in reorganizations under this formula must inevitably be found in improved management and more effective service. However, some savings in administrative expenses will be possible under this plan. I estimate the immediate annual savings at approximately $300,000.

Future reorganization needs: The reorganization plans thus far submitted do not exhaust the transfers, consolidations, and abolitions that may be necessary and desirable. Some changes that now appear to have merit require further study. It is the responsibility of the President as Chief Executive to see that needed adjustments and improvements in administrative organization are made. But this he cannot adequately accomplish without proper statutory authority. The present Reorganization Act entirely exempts some 21 administrative agencies from consideration. Furthermore this act expires on January 20, 1941.

I strongly recommend the reenactment of the Reorganization Act, without exemptions. The structure and management of our Government, like the activities and services it performs, must be kept abreast of social and economic change.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 11, 1940.*

Reorganization Plan No. IV, accompanying the President's message, was ordered to be printed in the RECORD, as follows:

REORGANIZATION PLAN NO. IV, PREPARED BY THE PRESIDENT AND TRANSMITTED TO THE SENATE AND THE HOUSE OF REPRESENTATIVES IN CONGRESS ASSEMBLED, APRIL 11, 1940, PURSUANT TO THE PROVISIONS OF THE REORGANIZATION ACT OF 1939, APPROVED APRIL 3, 1939

DEPARTMENT OF STATE

SECTION 1. Transfer of Dominican customs receivership: The functions of the Division of Territories and Island Possessions in the Department of the Interior relating to the Dominican customs receivership are transferred to the Department of State, and shall be

administered by the Secretary of State or under his direction, and supervision by such agency in the Department of State as he shall designate.

DEPARTMENT OF THE TREASURY

SEC. 2. Approval of compromises: The functions of the Attorney General relating to the approval of compromises made in accordance with the provisions of section 7 of the Federal Alcohol Administration Act are transferred to the Secretary of the Treasury, to be exercised by him or under his direction, and supervision by such officer in the Department of the Treasury as he shall designate: *Provided*, That exclusive jurisdiction to compromise cases arising under the Federal Alcohol Administration Act which are pending before the courts or which have been or may hereafter be referred to the Department of Justice for action shall be vested in the Attorney General, and may be exercised by him or by any officer in the Department of Justice designated by him.

DEPARTMENT OF JUSTICE

SEC. 3. Disbursement functions of United States marshals: All functions relating to disbursement by United States marshals which would otherwise become functions of the Treasury Department on July 1, 1940, by virtue of the provisions of Executive Order No. 6166, of June 10, 1933, as amended, are transferred to and vested in the Department of Justice to be exercised by United States marshals under the supervision of the Attorney General in accordance with existing statutes pertaining to such functions: *Provided*, That the Attorney General shall furnish the Secretary of the Treasury, when requested by him, such information as the Treasury Department may require with respect to the amounts of money received and disbursed by marshals and the procedure followed in connection therewith: *Provided further*, That upon the request of the Secretary of the Treasury, and with the approval of the Attorney General, the facilities of the Department of Justice may be utilized in the disbursement, or aiding in the disbursement, of public moneys of the United States available for expenditures by any agency of the Government.

POST OFFICE DEPARTMENT

SEC. 4. Functions of postal disbursements: All functions relating to the disbursement of the postal revenues and all other funds under the jurisdiction of the Post Office Department and the Postmaster General and the Board of Trustees of the Postal Savings System which would otherwise become functions of the Treasury Department on July 1, 1940, by virtue of Executive Order No. 6166, of June 10, 1933, as amended, are transferred to and vested in (a) the Board of Trustees of the Postal Savings System as to postal-savings disbursements, and (b) the Post Office Department as to all other disbursements involved, and such functions shall be exercised by postmasters and other authorized disbursing agents of the Post Office Department and of the Postal Savings System in accordance with existing statutes pertaining to such functions: *Provided*, That the Postmaster General shall furnish to the Secretary of the Treasury, when requested by him, such information as the Treasury Department may require with respect to the amounts of money received and disbursed by the Post Office Department, its postmasters and other fiscal officers, and the procedure followed in connection therewith: *Provided further*, That upon request of the Secretary of the Treasury, and with the approval of the Postmaster General, the facilities of the Post Office Department may be utilized in the disbursement, or aiding in the disbursement, of public moneys of the United States available for expenditure by any agency of the Government.

SEC. 5. Transfer of interbuilding messenger functions: (a) Except as prohibited by section 3 (b) of the Reorganization Act of 1939, the function of regular interbuilding messenger service (including the transportation of mail), and the function of transportation of mail between Government agencies and the city post office, now exercised in the District of Columbia by agencies of the Government, are transferred from such agencies to and consolidated in the Post Office Department, and shall be administered by the Postmaster General under such rules and regulations as the President shall prescribe: *Provided*, That this section shall not apply to the transportation of moneys and securities by armored truck or by other special services, or to messenger service between contiguous buildings.

(b) The Director of the Bureau of the Budget may waive the transfer of any motor vehicle coming within the purview of section 14 of this plan where he finds that the retention of such vehicle is essential to the performance of functions other than those transferred by this section.

DEPARTMENT OF THE INTERIOR

SEC. 6. Certain functions of the Soil Conservation Service transferred: The functions of the Soil Conservation Service in the Department of Agriculture with respect to soil- and moisture-conservation operations conducted on any lands under the jurisdiction of the Department of the Interior are transferred to the Department of the Interior and shall be administered under the direction and supervision of the Secretary of the Interior through such agency or agencies in the Department of the Interior as the Secretary shall designate.

DEPARTMENT OF COMMERCE

SEC. 7. Transfer of Civil Aeronautics Authority: (a) The Civil Aeronautics Authority and its functions, the Office of the Administrator of Civil Aeronautics and its functions, and the functions of the Air Safety Board are transferred to the Department of Commerce.

(b) The functions of the Air Safety Board are consolidated with the functions of the Civil Aeronautics Authority, which shall hereafter be known as the Civil Aeronautics Board, and which shall, in addition to its other functions, discharge the duties heretofore vested in the Air Safety Board so as to provide for the independent investigation of aircraft accidents. The offices of the members of the Air Safety Board are abolished.

(c) The Administrator of Civil Aeronautics, whose functions shall be administered under the direction and supervision of the Secretary of Commerce, and the Civil Aeronautics Board, which shall report to Congress and the President through the Secretary of Commerce, shall constitute the Civil Aeronautics Authority within the Department of Commerce: *Provided*, That the Civil Aeronautics Board shall exercise its functions of rule making (including the prescription of rules, regulations, and standards), adjudication, and investigation independently of the Secretary of Commerce: *Provided further*, That the budgeting, accounting, personnel, procurement, and related routine management functions of the Civil Aeronautics Board shall be performed under the direction and supervision of the Secretary of Commerce through such facilities as he shall designate or establish.

SEC. 8. Transfer of Weather Bureau: The Weather Bureau in the Department of Agriculture and its functions are transferred to the Department of Commerce and shall be administered under the direction and supervision of the Secretary of Commerce: *Provided*, That the Department of Agriculture may continue to make snow surveys and to conduct research concerning: (a) Relationships between weather and crops, (b) long-range weather forecasting, and (c) relationships between weather and soil erosion.

DEPARTMENT OF LABOR

SEC. 9. Transfer of certain functions relating to enforcement of wage payments on public construction: The functions of the Secretary of the Treasury and the Secretary of the Interior under section 2 of the act of June 13, 1934, entitled "An act to effectuate the purpose of certain statutes concerning rates of pay for labor, by making it unlawful to prevent anyone from receiving the compensation contracted for thereunder, and for other purposes" (48 Stat. 948), are transferred to the Secretary of Labor and shall be administered by him or under his direction and supervision by such agency in the Department of Labor as the Secretary shall designate.

UNITED STATES MARITIME COMMISSION

SEC. 10. Transfer of nautical school functions: The functions of the Secretary of the Navy with respect to furnishing, maintaining, and repairing vessels for the use of State marine or nautical schools and with respect to administering grants of funds for the support of such schools are transferred to and shall be administered by the United States Maritime Commission. Jurisdiction over vessels, apparel, charts, books, and instruments now loaned to State marine or nautical schools is transferred from the Secretary of the Navy to the United States Maritime Commission.

FEDERAL SECURITY AGENCY

SEC. 11. Transfer of certain Interior Department institutions. (a) St. Elizabeths Hospital: St. Elizabeths Hospital in the Department of the Interior and its functions are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be submitted to the Congress by the superintendent of the hospital shall be submitted through the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the Board of Visitors shall be furnished to the Federal Security Administrator.

(b) Freedmen's Hospital: Freedmen's Hospital in the Department of the Interior and its functions are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator.

(c) Howard University: The functions of the Department of the Interior relating to the administration of Howard University are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the president and directors of the university shall be furnished to the Federal Security Administrator. The Office of Education shall continue to make its inspections of and reports on the affairs of Howard University in accordance with the provisions of existing law.

(d) Columbia Institution for the Deaf: The functions of the Department of the Interior relating to the administration of the Columbia Institution for the Deaf are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the president and directors of the institution shall be furnished to the Federal Security Administrator and the annual report of the superintendent of the institution to the Congress shall be submitted through the Federal Security Administrator.

(e) Federal Security Administrator: The functions transferred by this section shall be administered under the direction and supervision of the Federal Security Administrator through such officers or subdivisions of the Federal Security Agency as the Administrator shall designate.

SEC. 12. Transfer of Food and Drug Administration: The Food and Drug Administration in the Department of Agriculture and its functions, except those functions relating to the administration of the Insecticide Act of 1910 and the Naval Stores Act, are transferred to the Federal Security Agency and shall be administered

under the direction and supervision of the Federal Security Administrator. The Chief of the Food and Drug Administration shall hereafter be known as the Commissioner of Food and Drugs.

GENERAL PROVISIONS

SEC. 13. Transfer of functions of heads of departments: Except as otherwise provided in this plan, the functions of the head of any department relating to the administration of any agency or function transferred from his department by this plan, are transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this plan.

SEC. 14. Transfer of records, property, and personnel: Except as otherwise provided in this plan, all records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred by this plan, and all personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration and whose offices are not abolished) are transferred to the respective agencies concerned, for use in the administration of the agencies and functions transferred by this plan: *Provided*, That any personnel transferred to any agency by this section found by the head of such agency to be in excess of the personnel necessary for the administration of the functions transferred to his agency shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 15. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred by this plan, or for the use of the head of any agency in the exercise of any function so transferred, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the agency concerned for use in connection with the exercise of the function so transferred. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

FLOOD CONTROL, SACRAMENTO RIVER, CALIF. (S. DOC. NO. 178)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1941, in the amount of $642,000, under the War Department, flood control, Sacramento River, Calif., which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

REPORT ON SAN LUIS VALLEY PROJECT, COLORADO

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior transmitting a communication from the Commissioner of the Bureau of Reclamation submitting a report relative to the feasibility of constructing reservoirs for joint irrigation and flood control purposes on the San Luis Valley project on the Rio Grande headwaters in Colorado, which was referred to the Committee on Irrigation and Reclamation.

BOARD OF ROAD COMMISSIONERS, ALASKA

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend an act entitled "An act providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes," approved June 30, 1932, which, with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by a mass meeting held at the Broadway Auditorium, Buffalo, N. Y., favoring the granting of aid and relief to the people of Poland suffering as a result of the twofold invasion of that country, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of Moses DeWitt Chapter of the State of New York Daughters of American Colonists, National Society of Daughters of the American Colonists, favoring the issuance of a commemorative postage stamp in honor of Mary Ball Washington, mother of Washington, which was referred to the Committee on Post Offices and Post Roads.

Mr. CAPPER presented a letter in the nature of a petition from Local No. 671, Farmers Union of Kansas, of Marquette, Kans., praying for the enactment of Senate bill 2395, the so-called domestic certificate bill, or other legislation granting cost of production or parity prices for agricultural products, which was referred to the Committee on Agriculture and Forestry.

Mr. TYDINGS presented a resolution of the Woman's Club of Chevy Chase, Md., favoring the imposition of an embargo on the shipment of war materials to Japan, which was referred to the Committee on Foreign Relations.

He also presented resolutions of Monumental Lodge, No. 667, Brotherhood of Railway Clerks, and the Federation of Republican Women of the Ninth Ward, both of Baltimore, Md., protesting against the entry of tropically refined sugar into the United States and also against a reduction of the quantity of cane sugar refined in this country, which were referred to the Committee on Finance.

Mr. HOLT presented a paper in the nature of a petition signed by 65 citizens of Jane Lew, Clarksburg, and Grafton, W. Va., praying for the enactment of the so-called Patman anti-chain-store bill, being the bill (H. R. 1) providing for an excise tax on retail stores, which was referred to the Committee on Finance.

He also presented a paper in the nature of a memorial signed by 500 citizens of the State of West Virginia, remonstrating against the levying of excise or other taxes on bread and other necessities of life, which was referred to the Committee on Finance.

REPORTS OF THE COMMITTEE ON CLAIMS

Mr. HUGHES, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 3093. A bill for the relief of Addison B. Hampel (Rept. No. 1412);

S. 3424. A bill for the relief of George O. Elliott and Winslow Farr Smith (Rept. No. 1413); and

S. 3581. A bill for the relief of John L. Pennington (Rept. No. 1414).

Mr. HUGHES also, from the Committee on Claims, to which was referred the bill (S. 3123) for the relief of Joseph Dolak, father of Gene Dolak, deceased, reported it with an amendment and submitted a report (No. 1415) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 881) for the relief of Dr. Hugh G. Nicholson, reported it with an amendment and submitted report (No. 1416) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (S. 3400) for the relief of Capt. Robert W. Evans, reported it with an amendment and submitted a report (No. 1417) thereon.

Mr. BROWN, from the Committee on Claims, to which was referred the bill (S. 3502) for the relief of the Epes Transportation Corporation, reported it without amendment and submitted a report (No. 1418) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 1635. A bill for the relief of the Acme Die-Casting Corporation (Rept. No. 1419); and

S. 1678. A bill for the relief of Charles B. Chrystal (Rept. No. 1420).

Mr. BROWN also, from the Committee on Claims, to which was referred the bill (S. 1356) for the relief of the heirs of Jesus Leyvas, reported it with amendments and submitted a report (No. 1421) thereon.

REPORT OF VIRGINIA (MERRIMAC)-MONITOR COMMISSION (S. DOC. NO. 179)

Mr. BYRD, from the Virginia (Merrimac)-Monitor Commission, submitted a report relative to the creation in Hampton Roads, Va., or on or near the shores thereof, at a site to be selected by the commission, of a suitable memorial in commemoration of the battles in Hampton Roads, Va., participated in by the *Monitor* and the *Merrimac*, which was ordered to be printed.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

S. 3752. A bill for the relief of Anthony Borsellino; to the Committee on Claims.

By Mr. JOHNSON of Colorado:

S. 3753. A bill to amend the Interstate Commerce Act, as amended; to the Committee on Interstate Commerce.

By Mr. ASHURST:

S. 3754 (by request). A bill to amend the Canal Zone Code with respect to the trial of joint defendants, the removal of fugitives from justice, and the regulation of criminal procedure in the Canal Zone; to the Committee on the Judiciary.

By Mr. SHIPSTEAD:

S. 3755. A bill for the relief of Marie Sirophin Rivard; to the Committee on Claims.

By Mr. BYRD:

S. 3756. A bill for the relief of Washington County Sanitary District No. 1; to the Committee on Claims.

By Mr. PEPPER (for himself and Mr. ANDREWS):

S. 3757. A bill authorizing the Secretary of the Treasury to grant to the city of Fort Lauderdale, Fla., an easement or easements, authorizing such city to construct and maintain a highway and utility facilities over the United States Coast Guard Reservation known as base 6 at Fort Lauderdale, Fla.; to the Committee on Commerce.

By Mr. BARBOUR:

S. 3758. A bill to authorize Federal credit unions to invest their funds in shares and accounts of any institution insured by the Federal Savings and Loan Insurance Corporation; and

S. 3759. A bill authorizing the investment of Government funds and funds of Federal instrumentalities in the shares or accounts of institutions insured by the Federal Savings and Loan Insurance Corporation; to the Committee on Banking and Currency.

By Mr. BANKHEAD:

S. 3760. A bill for the relief of certain former employees of the National Reemployment Service; to the Committee on Claims.

(Mr. REYNOLDS introduced Senate Joint Resolution 247, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

HOUSE JOINT RESOLUTION PLACED ON CALENDAR

The joint resolution (H. J. Res. 265) authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry was read twice by its title and ordered to be placed on the calendar.

RECOMMITTAL OF BILL

Mr. OVERTON. Mr. President, with the assent of the senior Senator from Minnesota [Mr. SHIPSTEAD], the author of the bill, I ask unanimous consent that the bill (S. 2305) relating to hours of work of licensed officers and seamen on tugs operating in certain inland waters of the United States be recommitted to the Committee on Commerce.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT TO NAVAL APPROPRIATION BILL

Mr. LODGE submitted an amendment intended to be proposed by him to the bill (H. R. 8438) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

UNDER THE SUBHEAD "AVIATION, NAVY"

On page 48, lines 20 and 21, to strike out "of which amount not to exceed $20,000,000 shall be available" and in lieu thereof insert the following: "all of which shall be obligated prior to July 1, 1941, and not to exceed $20,000,000 of which shall be available."

PRINTING OF INTERMEDIATE REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL LABOR RELATIONS BOARD

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 58, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 25,000 additional copies of House Report No. 1902, current Congress, entitled "Intermediate Report of Special Committee to Investigate the National Labor Relations Board," of which 3,000 copies shall be for the use of the Senate document room and 22,000 copies shall be for the use of the House document room.

Mr. HAYDEN. I move that the Senate concur in the House concurrent resolution.

The motion was agreed to.

INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRNES submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7922) Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 8.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 7, 9, 10, 11, 12, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 30, 31, 32, and 33, and agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$150,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$125,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$144,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement Senate amendments Nos. 1, 2, 13, 14, 17, and 28.

CARTER GLASS,
JAMES F. BYRNES,
RICHARD B. RUSSELL,
ALVA B. ADAMS,
PAT MCCARRAN,
FREDERICK HALE,
JOHN G. TOWNSEND, Jr.,
Managers on the part of the Senate.

C. A. WOODRUM,
JED JOHNSON,
JAMES M. FITZPATRICK,
JOHN M. HOUSTON,
JOE STARNES,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the part of the House.

The report was agreed to.

HON. CHARLES L. M'NARY—ARTICLE FROM THE PORTLAND OREGONIAN

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD an article published in the Portland Oregonian, of the issue of Sunday, April 7, 1940, paying tribute to Senator MCNARY, which appears in the Appendix.]

ADDRESS BY SENATOR MEAD AT COLLEGE HILL STATION, NEW YORK CITY

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by him at the exercises in connection with the first sale of the Booker T. Washington commemorative stamp at College Hill Station, New York City, which appears in the Appendix.]

ADDRESS BY SENATOR MEAD ON CIVIL SERVICE BOARD OF APPEALS

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address delivered by him on April 10 on the bill introduced by him to create a civil service board of appeals, which appears in the Appendix.]

CRAWFORD WILLIAMSON LONG COMMEMORATIVE STAMP—ADDRESS BY POSTMASTER GENERAL FARLEY

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD an address delivered by Postmaster General Farley at Jefferson, Ga., on Monday, April 8, 1940, on the occasion of the first-day sale of the Dr. Crawford Williamson

Long commemorative stamp, which appears in the Appendix.]

ADDRESS BY H. W. PRENTIS, JR., ON MOBILIZING FOR AMERICAN PROGRESS

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD a radio address delivered by H. W. Prentis, Jr., president of the National Association of Manufacturers, on the subject of mobilizing for American progress, which appears in the Appendix.]

RETURN TO THE AMERICAN WAY—REPUBLICAN CAMPAIGN SPEECHES

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial from the Montgomery Advertiser of April 10, 1940, under the head "It is a campaign year," which appears in the Appendix.]

REIMBURSEMENT OF COTTON COOPERATIVES

The Senate resumed the consideration of the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Tennessee [Mr. MCKELLAR] that the pending bill be referred to the Committee on Claims.

Mr. MCNARY. A parliamentary inquiry. Have the yeas and nays been ordered?

The PRESIDENT pro tempore. The Chair is so informed.

Mr. MCKELLAR. Mr. President, yesterday afternoon I prepared an amendment which I think should be satisfactory to the Senate; it certainly should be satisfactory to every member of the Senate who is a friend of the farmers. Under the bill it is proposed that a very large sum of money, about $4,355,000, be turned over to officials of the cooperatives. The farmers, who the officers of the cooperatives say, compose the cooperatives, have never been paid anything. They get what Creekmore calls "reserves." Reserves cannot be used as money unless they are put into the form of money and paid to the farmers. All the farmers have ever gotten out of the cotton cooperatives association has been an interest in so-called "reserves."

If anyone is entitled to any money from the Congress of the United States it is the farmers themselves, not those who have been milking the farmers and milking the Congress for the last 10 years.

I see the distinguished senior Senator from Oregon [Mr. MCNARY] in his place, where he usually is during sessions of the Senate. He had occasion to examine into the cooperatives some years ago—this matter has been pending a long time—and I wish to read from the report the distinguished Senator made after his examination. The report was made August 23, 1935. He stated:

> Another section of the report deals similarly, but more briefly, with the American Cotton Cooperative Association, Cotton Stabilization Corporation, and the 14 State cotton cooperatives—borrowers to whom the Farm Board made loans aggregating slightly over $409,000,000.
>
> But officers got that, farmers did not get it.
>
> It was in connection with these two groups of loans—involving, as they did, the major stabilization activities, and also involving the principal instances of sharp dealing with the Government—
>
> To which I referred Tuesday, and up to this time my statement has not been answered—
>
> Sharp dealing with the Government—
>
> A euphemistic way of saying what I stated a little more directly on Tuesday—
>
> by cooperative organizations—that the most of the Board's losses occurred.

I am still reading from the report made by the Senator from Oregon [Mr. MCNARY].

> The losses were costly. The committee in its report has sought to summarize the Board's experiences in a manner most useful as a guide to future policy in financing farm marketing. The prominence which, accordingly, the report gives to the Board's losses and its unfortunate transactions, ought not to obscure the value of the assistance afforded by the revolving fund to scores of smaller-scale cooperatives which utilized it in good faith and punctiliously met their obligations.

Mr. President, this bill should not be passed, but if it is passed, the money should be paid to the farmers who produced the crops and lost enormous sums of money by the action of the cooperatives.

Mr. MCNARY. Mr. President, will the Senator yield?

Mr. MCKELLAR. I yield.

Mr. MCNARY. If the bill proposed by the able Senator from Georgia should be enacted, and money were made available to the cooperatives, would not the farmers comprised in the cooperatives receive the payments which would be made under the appropriation when made?

Mr. MCKELLAR. Does the Senator mean the farmers comprising the cooperatives?

Mr. MCNARY. Yes.

Mr. MCKELLAR. Not a single dime of it. It is provided that the money shall go to pay the debts which the cooperative associations incurred through money borrowed several years ago and turned over to the central office of the A. C. C. A.

Mr. MCNARY. Will the Senator permit a further question?

Mr. MCKELLAR. I yield.

Mr. MCNARY. The basis for the proposed legislation is that the money was loaned to the cooperatives, which consisted of farmers, to bring about a withholding so as to fix the price of cotton at 16 cents a pound. That is the theory upon which this proposal rests, as I view it.

Mr. MCKELLAR. Yes.

Mr. MCNARY. The farmers who comprised the smaller cooperatives were working through this national organization.

Mr. MCKELLAR. That was the theory of it.

Mr. MCNARY. If this national organization, or the cooperatives, are released from this obligation, does it naturally have the effect to render free from the debt the farmers who composed the cooperatives? That is the point I am trying to get at.

Mr. MCKELLAR. The evidence is undisputed that no farmers can personally be held or have ever been personally held for any debt of the cooperatives. They are not liable at all. The only thing the farmers have gotten out of this thing is an advance on their cotton, at enormous rates of interest, when Creekmore and company got their money from the Government at almost nominal rates, such as one-eighth of 1 percent to three-eighths of 1 percent. Then when the Government withdrew its priority on cotton, Creekmore got money at the rate of 1 1/16 percent, and then later when the Congress cut him out of both of those means of getting money, he came back here and got the Farm Credit Administration to loan money not to the American Cotton Cooperative Association, but to the subsidiaries, nearly all which were in bankruptcy, with which to buy stock in the central organization, and to put up the stock as security for the loan; so that it is the central company which gets this money. That is the truth of the business.

Mr. MCNARY. Mr. President, will the Senator again yield?

Mr. MCKELLAR. I yield.

Mr. MCNARY. I am only in pursuit of knowledge in this matter, and I do not desire to enter into any controversy.

Mr. MCKELLAR. I am sure of that.

Mr. MCNARY. But is it not a fact that the growers or producers or makers of cotton in the South, however they may be termed, received 16 cents a pound for their cotton in the way of loans?

Mr. MCKELLAR. They received that when cotton was selling at 17½ cents a pound. Of course, they afterwards lost that equity, because cotton went down, and that ended it.

Mr. MCNARY. The purpose of the whole transaction was to prevent the falling of the price level?

Mr. MCKELLAR. But it did not do so.

Mr. MCNARY. I know it did not, but that was evidently the purpose of the transaction, and the farmers did receive a loan to the amount of 16 cents a pound.

Mr. MCKELLAR. But the Senator understands that those farmers belonged to the predecessor of this concern, the American Cotton Growers Exchange, which has no connection with this organization. The purpose is not to reimburse

the officers of that old concern. It is not to reimburse the farmers who were connected with that concern. The purpose of the measure is to reimburse the officials of the A. C. C. A., which was formed in January and started operations in May or June 1930, after these transactions occurred in 1929.

Mr. McNARY. What I want to do is for a moment to dissociate the growers or the makers of the cotton from the organization.

Mr. McKELLAR. I do not think the Senator can do that. Suppose the officers of this organization had said to the Senate, "We want you to pay our debts. We have been gambling in cotton; we have been working both the farmers and the Government for many years, and we find that we cannot pay the old debts, because everyone would be in bankruptcy if we paid the debts; we owe debts we cannot pay, and we want Congress to give us the money to pay those debts." If they had made such a request, it would not have been granted. But it was, no doubt, under the guise of being cooperatives, under the pretext that it would do something for farmers, that this bill was reported. I wish to say that the farmer is not taken care of in the slightest degree in this bill. I have an amendment which I propose to offer. I shall probably withdraw my motion to refer the bill to the Committee on Claims, because if we are going to make a gift—and that is what it will be if the bill shall pass—I want the money to go to the farmers who actually compose the cooperatives. Therefore, I want my amendment to be adopted.

I hope the Senator will vote for the amendment, for I know the Senator, like many others of us, is a lifelong friend of the farmers. He has been on the side of the farmers ever since I have been here, and if he fails to vote for my amendment, which gives the money to the farmers themselves, and makes it certain that the farmers themselves will get this gift from the Government, it will be the first farmers' bill the Senator has failed to vote for since I have been here.

Mr. McNARY. I thank the Senator for his kind words. I do not think the Senator is following the course that will be indicated by my question. Is it not true that the farmers, or makers of cotton, received 16 cents a pound, and that they are members of cooperatives?

Mr. McKELLAR. They were members of preceding cooperatives, not the present cooperatives.

Mr. McNARY. Will the Senator bear with me please for a moment?

Mr. McKELLAR. Yes.

Mr. McNARY. Is it not also true that the money was paid out of the Treasury to the cotton growers, through the cotton cooperative agencies, so that it would prevent a fall in the price level?

Mr. McKELLAR. Yes.

Mr. McNARY. However, after the cotton was withheld by the growers from the market, the price fell, and a loss was sustained?

Mr. McKELLAR. Yes; an enormous loss; $139,000,000.

Mr. McNARY. And the reason the farmers withheld the cotton from sale was because of an implied obligation on the part of the Government that they would be reimbursed for any losses they sustained. Is that the philosophy of this transaction?

Mr. McKELLAR. No, it is not, so far as the cooperative officials are concerned, for this reason: The cooperative officials, the best lobbyists in the world, lobbied with the Farm Board in 1929, and got the Farm Board to make the 16-cent loan on cotton, and after full settlement with the Government, and after the Government lost $139,000,000, they now want to reopen that settlement and get an additional amount of a little more than four and a quarter million dollars.

Mr. President, I wish to speak a few minutes for the cotton farmers of my section of the country. I am going to follow a somewhat unusual procedure. I am going to speak from a text, and that text is taken from Matthew 25, twenty-ninth verse:

For unto everyone that hath shall be given, and he shall have abundance; but from him that hath not shall be taken away even that which he hath.

Abundance. Every one of these lobbyists who are here has abundance. Mr. Creekmore gets a salary of $35,000 a year. Every one of the members on his board of directors—because that is all it is—gets, I believe, from $6,000 to $8,000. I know some get $6,000 a year, and in many places in this country $6,000 a year is abundance. But the small farmer, the poor Negro who borrows from the seed loan office, or the poor white man who does not want to go on relief, and who borrows from the seed loan office, and pays back the loan by toil and sweat behind the plow and working with the hoe, was deprived by these men, as I showed 2 days ago, of two-fifths of the value of the cotton because of the extraordinary rates charged the poor borrowers.

The importance of this matter is so great I want to read again what those charges were. They are remarkable charges.

Let me read the charges on one bale of cotton. Oh, think of the poor sharecropper in my section of the country. Think of the colored sharecropper, who does not want to go on relief, the white sharecropper who does not want to go on relief, the white renter, or the colored renter, who does not want to go on relief. He wants to live an independent and honest life. Creekmore and his associates sneak up here and get the Farm Credit Administration to require the cotton to be sold through the A. C. C. A. or one of its affiliates. These are the charges on one bale of cotton:

Gross proceeds, $51.31.

Previous cash advance, $5.59.

That item has never been explained, but I believe it to be a commission.

Interest on cash advanced, 60 cents.

Insurance, $1.30.

Charges other than seasonal charges, $1.40.

No one knows what that is.

Storage, $4.55.

Membership fee, $5.

These great merchants, Creekmore and company, sailing under the false colors of the American Cotton Cooperative Association, charged the poor, hard-working Negro in Tennessee, Mississippi, or Arkansas $5 for being a member. They would not take his cotton unless he signed an agreement to be a member. The farmer was charged 50 cents for a farm publication. Of course, that farm publication was gotten up at Government expense. The United States Government paid for it; the taxpayers paid for it. The colored man might not have been able to read, but, just the same, he had to pay "four bits," as we call it down South, for that paper. He may never have read it. I doubt whether he was interested in it, but it was charged up against the cotton, and he had to pay $19.34 charges out of the proceeds of $51.31 for one bale of cotton.

These figures were taken from the seed-loan office. That practice was followed every day. It has not been denied. It cannot be denied, because the head of one of the associations paid for the cotton.

Is the Senate going to stand for such practices? The poor farmers have nothing, and we are permitting a great, rich organization, the head of which received $75,000 a year until the Congress stopped it, to take away what they have. It is for that reason that I quoted the statement of the Holy Saviour of mankind, who knew human nature as no other person in the world ever did:

For unto everyone that hath shall be given—

We are giving to this rich merchandising organization, not a cooperative at all—

and he shall have abundance—

We are going to see that he has abundance. We do not give every cotton firm, every wheat firm, or any other firm, nearly four and a half million dollars every day. This is money—

but from him that hath not shall be taken away even that which he hath.

Mr. President, it was for that reason that I offered an amendment to the bill. I shall read the amendment. I pray

those who feel kindly toward the farmers, those who know what they have to undergo, and what their trials and troubles have been for the past 10 years, to listen to the amendment. It does not give them riches, but it gives them a pittance. My God, what a boon it would be to the farmers in these hard times.

The cooperative officers are lobbying here every day, and have been lobbying all the time for years. They are constantly after the Congress or after the Department to give them something—"give me, give me, give me." They have not done any work. I propose to give this money, not to the lobbyists, but to the dirt farmers. My amendment is in the nature of a substitute, and provides—

That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $4,355,141.40, to be used by the Secretary of Agriculture—

I am turning it over to Mr. Wallace—

for making payments as hereinafter provided to members of the cotton cooperative associations designated in section 2, who are also farmers engaged in producing cotton.

SEC. 2. (a) The Secretary of Agriculture is authorized and directed to ascertain in such manner as he deems most appropriate the names of the persons who are, on the date of enactment of this act, farmers engaged in producing cotton and members of any of the following associations: Alabama Cotton Cooperative Association, successor to Alabama Farm Bureau Cotton Association; California Cotton Cooperative Association; Georgia Cotton Growers' Cooperative Association; Louisiana Cotton Cooperative Association; Mid-South Cotton Growers' Association, successor to Arkansas Cotton Growers' Cooperative Association and Tennessee Cotton Growers' Association; Mississippi Cooperative Cotton Association; North Carolina Cotton Growers' Cooperative Association; Oklahoma Cotton Growers' Association; South Carolina Cotton Cooperative Association; Staple Cotton Cooperative Association, Mississippi; Texas Cotton Growers' Association; Texas Cotton Cooperative Association; Southwestern Irrigated Cotton Growers' Association.

I give the names of the associations just as they are in the bill, beginning with the Alabama Cotton Cooperative Association and going down the list. I include the Mississippi Cooperative Cotton Association, which is a long-staple association, but having no connection with the cooperatives, concerning which the Senator from Mississippi [Mr. BILBO] introduced an amendment yesterday.

Mr. TOWNSEND. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. TOWNSEND. How many farmers are represented by that list?

Mr. McKELLAR. The cooperatives testified that altogether there were about 250,000.

Mr. TOWNSEND. The Senator's plan is to divide the money——

Mr. McKELLAR. To divide the money among the farmers, instead of giving it to those who have an abundance.

It was stated on the floor the other day that the A. C. C. A. had over $6,000,000 in assets. I am not advised as to that. I do not know where the information came from.

Why should we give this money to the A. C. C. A.? If the A. C. C. A. receives the money, it will go into the pockets of the officials. Why should we give it to them? Why should we not give it to the farmers themselves? In subparagraph (b) of section 2, I propose to do it:

(b) The Secretary of Agriculture is authorized and directed to pay to each person who is shown to his satisfaction to be, on the date of enactment of this act, a farmer engaged in producing cotton and a member of any of such associations, an equal part of the money appropriated pursuant to the first section of this act.

That will give every one of these poor devils between $15 and $20 each, one of the greatest possible boons to the poor farmer who has been robbed for these many years. It will not reimburse the poor devils sweating, plowing, and hoeing from early morn to dewy eve, who made loans from the seed-loan office. It will not reimburse them, because the cooperatives charged them an average of about $19 apiece in commissions, fees, subscriptions to newspapers, and various other things with the consent of the Farm Credit Administration. They would not be reimbursed for all that. Surely we might give the farmers this money, however, instead of giving it to the others.

No such payment shall be made to any officer of any such association, or to any cotton merchant, unless he is a farmer engaged in producing cotton. In the event that any person entitled to a payment under this act dies before receiving such payment, the Secretary is authorized to make such payment to such person as he deems to be entitled thereto.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and pursuant to an estimate submitted in accordance with law, such sum as may be necessary for the administration of this act. In the administration of this act the Secretary of Agriculture shall not utilize the services of any cotton cooperative association or any cotton merchant or the Farm Credit Administration or the Commodity Credit Corporation, except for the purpose of obtaining information from them.

In other words, if this amendment should be adopted, it would mean that the money would go to the farmers themselves. We are about to make a gift. We are about to give somebody four and a half million dollars. It seems that the Senate is determined to get rid of that much money. It will go to somebody. The question is, Shall it go to those who have been in control of these associations all the time, drawing rich salaries from the Government of the United States, or shall we give it to those who need it and who are justly and honestly entitled to it? All they ever got was what was called reserves. Reserves will not buy meal, flour, meat, coffee, or sugar.

A poor farmer has to have something else besides reserves with which to buy. So if the Senate adopts this amendment, it will be one time when we can say that we have not subtracted that from him that hath not, and from him that hath not we have not taken away even that which he hath.

Mr. President, there is an old Negro spiritual, which my friend, the distinguished junior Senator from Kentucky [Mr. CHANDLER], with his beautiful tenor voice, I have no doubt has often sung. I am not a singer and I cannot sing it. If I thought he remembered the spiritual, I would ask him to stand up and sing it at this time:

Everybody talkin' 'bout heaven ain't goin' there
Heaven, heaven, heaven!
Everybody talkin' 'bout heaven ain't goin' there.

I have been in the Senate for 23 years. I have heard Senator after Senator, practically all of them, talking about farmers, talking about the dirt farmers, talking about those who toil and sweat to make their living out of the ground, but it is not everybody who talks about the farmer who is willing to do anything.

Farmers, farmers, farmers.

Everybody talking about farmers is not for them.

I propose by this amendment today to see who in the United States Senate are the friends of the dirt farmers, the friends of those who toil and sweat for their living. I am wondering how many of them there are in the Senate. I wonder how many will join me when making this gift to give it to those who are justly entitled to it, if anybody is. I do not know that anybody is, but if we are determined to give $4,322,000, if I recall the amount correctly, to somebody, do not let us give it to those who are well to do, who put up in the best hotels when they come to Washington. These men have been coming here regularly, lobbying with Congress ever since 1930. I do not know whether any of them are farmers or not. They have been farming the Congress; they have been farming the farmer; but whether any of them work the ground, I do not know.

Whom are we here for? Are we to turn over the taxpayers' money to these men who are lobbyists and are probably sitting in the Senate galleries today, as they were the other day? Is it right? What right have we, as representatives of the people of the United States, to deal out $4,322,000 cash to men whose principal business is lobbying here in the Congress and mulcting the cotton farmers of the South, as I have already shown, by enormous charges?

Mr. CHANDLER. Mr. President——

Mr. McKELLAR. I yield to the Senator from Kentucky.

Mr. CHANDLER. The Senator has made reference to one of the most beautiful of all the southern colored folklore songs.

Mr. McKELLAR. I have, and I have enjoyed it every time I have listened to it.

Mr. CHANDLER. I should like very much to vote the relief the cotton farmers and tobacco farmers of our country

are entitled to have. I wish to ask the Senator if he recalls the other words of that song? Some of our people in that section, some of the colored people in the southern section who are tenant farmers do not expect much here but look to the hereafter. In the words of that song—

I got shoes; you got shoes; all God's chill'un got shoes.
And when we get to heaven we're goin' to put on shoes.

They did not expect them here; they expected them hereafter; and they said, "When we get to heaven we're going to put on shoes and we're going to walk all over God's heaven."

Mr. McKELLAR. I thank the Senator. No more beautiful song was ever written, in my humble judgment. I am not an expert on songs or music, as is my distinguished friend from Kentucky, but I love that kind of music; nothing ever gave me more pleasure than to hear the spirituals sung, and I am struck by that particular verse which the Senator recites—

I got shoes, you got shoes, all God's chill'un got shoes—

But not here.

Mr. CHANDLER. "When you get to heaven"——

Mr. McKELLAR. But "when you get to heaven."

Mr. CHANDLER. "You are goin' to put on shoes."

Mr. McKELLAR. I think the people who were singing that song and have sung it so often were borrowers from the cooperative association that imposed on them all these enormous charges.

Oh, Senators, I do not know how many of you have ever worked with your hands; I do not know how many of you have plowed behind a horse or a mule; I do not know how many of you have ever taken the cradle, as we call it, but which is a large scythe, and cut the oats and the wheat. I do not know how many of you have taken the hoe and followed it day after day to get the grass out of the cotton or the corn; I do not know how many of you have had that experience, but it is a hard experience to those who have undergone it; it is a hard life.

Think of the poor Negro—I will say "the poor Negro" because the Negroes of my community borrowed much from the seed-loan office. One of them may borrow $40 to make a crop in order to to feed his family, or he may borrow $50. The law prohibits him from borrowing over $200. Think of it! Two hundred dollars, to take the highest amount, for a man and his family. What a horrid life it must be to live for a whole year on $200 cash; that is all that he has in cash. He has that with which to make his crop, to buy his coarse food, to buy his cornmeal, to buy his side meat, to buy his molasses, and occasionally, perhaps once a month, to buy a little coffee, and probably, if he has the money, to buy a little sugar to put into the coffee.

Mr. REED. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. REED. There is one part of the bill in section 5, on page 6, which attracts my interest. It reads as follows:

SEC. 5. If any of the original cotton cooperative associations that participated in said loans shall have ceased to exist or shall be in receivership, then the sums to which it and its members would otherwise be entitled under this act—

This is the part to which I particularly call attention—

shall be paid to the cotton cooperative association now doing business in said State.

It does not say "the successor in interest."

Mr. McKELLAR. Oh, no. The big fellows could not get the money if it was phrased in that way. Mr. Creekmore, who was getting $35,000 a year, could not get the money if the language were not written as it is.

Mr. REED. If the distinguished Senator from Tennessee will indulge me——

Mr. McKELLAR. I will.

Mr. REED. I was in a committee hearing all day, day before yesterday, and, therefore, was not privileged to listen to the debate. I am wondering about this language and I shall afterward ask the distinguished Senator from Alabama concerning it. It strikes me as being about as loose as any language I have ever seen written in a bill presented to the Senate during my short membership. In other words, if there were cotton cooperatives doing business back in the Farm Board days, and they have disappeared, any money due them shall all be paid to the cotton cooperative associations, regardless of the fact, if I correctly understand the language——

Mr. McKELLAR. The Senator does.

Mr. REED. Regardless of whether the present cooperative is a successor in interest or whether the members of the present cooperative are the same as of the previous cooperative.

Mr. McKELLAR. That is so.

Mr. REED. I inquire of the Senator from Tennessee if my doubts are justified?

Mr. McKELLAR. I think they are not only justified but I think they are verified. I think the Senator by merely stating the case has shown that the purpose of that section is to give to a man by the name of E. F. Creekmore, the principal lobbyist in this matter, a merchant of New Orleans who is buying and selling cotton, a million and a half dollars, and he will do with it—the Senator has a pair of eyeglasses in his hand—he will do with it just what he pleases, as the Senator will do what he pleases with the glasses he has in his hand. Creekmore has absolute control of the entire cooperative situation.

Mr. REED. Really, so far as my State is concerned, it has no interest in this matter.

Mr. McKELLAR. No; it does not have; the Senator's State does not make cotton. I am surprised that Creekmore and his associates did not come to the Senator to get him to introduce a cotton bill. They first got the Senator from North Dakota [Mr. FRAZIER] to introduce a bill.

Mr. REED. But I am certainly surprised to find in a bill of this nature a section of the character I have described, which passes benefits, the payment of which might or might not have been justified, to some former association, to an association now existing, regardless of whether or not the present cooperative association is a successor in interest and regardless of whether or not the membership of the present cooperative association is similar to or has any relation to the membership of the former association.

In time I shall ask the distinguished Senator from Alabama [Mr. BANKHEAD], for whom I have a very high regard, to explain that section, because to me it is an impossible thing.

Mr. McKELLAR. If I do not lose my place on the floor, I will yield to let the Senator from Kansas ask the Senator from Alabama that question at this time.

Mr. REED. If the Senator from Tennessee will be good enough——

Mr. McKELLAR. Yes; I yield at this time.

Mr. REED. I have no desire to take him off the floor.

Mr. McKELLAR. I will get it again.

Mr. REED. I desire to have that provision explained, if the Senator from Alabama will be good enough to do so. It is certainly an extraordinary provision from the point of view of my legislative experience.

Mr. BANKHEAD. Mr. President, I recognize the viewpoint of the Senator, but I am sure he never before dealt with legislation which covered cooperative associations.

Under the law which authorized the organization of associations, and by which the Federal Government is authorized under certain conditions to encourage them by assistance and financial aid, the cooperatives are not profit-earning corporate entities. They are more like churches in their membership and in their organization. They are service organizations rather than primarily profit-earning organizations.

The members of cooperatives come and go. This is not peculiar to cotton; the same thing is true of grain cooperatives, of tobacco cooperatives, of dairy cooperatives, and in all the fields of agricultural cooperation. Members remain in the association for a time, because they are seeking certain services. They may fail to pay their dues and drop out, and others come in, but still the association itself goes on in its field of activity, in its field of service to the farmers

engaged in the production of the commodity which the particular cooperative is serving.

I do not criticise the Farm Board. I think, as the Senator from South Carolina [Mr. SMITH] said, they did a good job. I may have more to say about that matter later. These activities were tremendously helpful to the cotton growers, and to the grain growers, and to others to whom price stabilization was of pecuniary value. The cotton-loan plan of 16 cents a pound was put into operation when cotton was selling at 17½ cents a pound. It was put in operation to prevent a collapse in the price and to encourage the public. The Farm Board announced that they figured that 16 cents was a fair price for cotton under the price conditions and other conditions which prevailed at that time. When they put in the loan, as I say, cotton was selling for 17½ cents a pound, and for some months it continued above the loan price. The Farm Board were authorized to make loans only to cooperatives. They wanted to help the producers in the matter of price, so they had to arrange with the cooperatives to make the loans directly to the farmers on their cotton, or wheat, or whatever commodity went into the loan. They made the loans to the cooperatives, not to the American Cotton Cooperative Association.

All the argument the Senator has heard here has referred to the national association, but these transactions were conducted by the various State cotton cooperative associations. There are no members of the national association. It is simply a representative of the various State organizations. All the State cotton cooperative associations together make up the American Cotton Cooperative Association. The membership is in the State associations; so the members of the State associations got the benefit of the maintenance of the price of cotton and its stabilization.

Finally, as stated, the price went below the point of 16 cents, after most of the crop had been sold. It went down and continued to go down, as the prices of everything else in the country continued to go down in the year 1930. These transactions, for the most part, were in 1929–30. Some of them were in 1930–31, but most of them were in 1929–30. As the price continued to go down, the loan being 16 cents a pound, the cotton was held by the cooperative associations of the members who had put it into the loan; and when the price went down the cotton could not be sold for sufficient to pay the loan to the Federal Farm Board; so settlement day came, and settlement was made.

The reserves which had been accumulated—the profits, so to speak—of the various State cotton cooperative associations, as a result of their experiences up to that time in the cooperative field, aggregated $2,600,000. We had had these cooperatives for many years before the Farm Board was organized. They had accumulated these reserves. That amount was insufficient to pay the loan to the Federal Farm Board; so the Federal Farm Board had organized what is called the Cotton Stabilization Corporation, which took over all of the cotton under the loans, and then a settlement was made under which the entire reserves of $2,600,000—all the available assets of all the State cooperative associations—were taken over by the Federal Farm Board; and in addition to taking over all their assets a balance of $1,700,000 was still due by the State cooperatives to the Federal Farm Board under that settlement. So the cooperative associations gave their notes for the balance of $1,700,000, cleaned it up, wiped it off, gave their notes, reorganized, and started over in the same field of service to the farmer. Of that amount of $1,700,000, up to this time, they have actually paid back $1,100,000, representing losses they had sustained in cooperation with the Federal Farm Board in carrying out the loan program as authorized by the Federal Farm Board, and under the request of the Federal Farm Board not to sell the cotton because they did not want to dump more cotton on the market, and thereby further depress the price.

Mr. REED. Mr. President, may I interrupt the Senator from Alabama?

Mr. BANKHEAD. Certainly.

Mr. REED. I take it that the later payments to which the Senator refers were made either by the original cooperative association or by its successor in interest.

Mr. BANKHEAD. Their successors in interest, the State organizations; yes.

Mr. REED. Very well. What I am trying to get at from the distinguished Senator from Alabama, whose friendship for agriculture is unquestioned, as I hope my own is——

Mr. BANKHEAD. I am sure of that; I so recognize the Senator.

Mr. REED. What I am unable to conceive is, why payment should be made to any cooperative association that is not a successor in interest, that has assumed none of the responsibilities of the original cooperatives, that has paid nothing upon the debt of the original cooperatives, whose membership may be partially different, or—taking an extreme illustration—wholly different than the membership of the original association.

Mr. BANKHEAD. I will state to the Senator that if it is a matter of legal title, he is correct, because there is no other privity in property ownership; but, as I have stated to the Senator, these cooperatives are service organizations which are encouraged by the Government for the service they render to the producers of the commodity they represent. When the Federal Farm Board wiped out the assets of a cooperative in a State, they left the members who belonged to it with that loss. In equity and good conscience, why can they not reorganize and start over in the same field of effort without being deprived of the money represented by the losses to which they have been subjected? In the service they render, they need money. They have to have money. In effect, it belongs to the same people. They do not expect to get dividends from profits and things of that sort. They profit through the cooperative movement, through the services which are rendered to them by their cooperative association.

Mr. REED. Let me say to the Senator from Alabama that, while I have never had any experience with cotton cooperatives, I have had a fairly wide experience with wheat cooperatives. I have seen many of them go into bankruptcy and disappear. It never would have occurred to me that a sum which in equity, if not in law, might possibly be due the original cooperative, should, 10 years later, be paid to a cooperative which had no connection with the original one, which had assumed no liability, which was not a successor in interest, and whose membership—I am now applying this to wheat cooperatives——

Mr. BANKHEAD. The same situation exists as to the wheat cooperatives. They are not going back and trying to pay the money to individuals. In cases where they were bankrupted by this program, their successors have gone right along, because in effect it is the same entity.

Mr. REED. If I ever see a bill, while I am a member of the Senate, relating to wheat cooperatives which proposes to do what section 5 of the pending bill proposes to do, that is, to give money to people who are not successors in interest, who have assumed no responsibility, who have no liability depending upon them, whose membership may be entirely different, I shall vote against the bill.

Mr. McKELLAR. Mr. President, if I may explain one matter to the Senator about the wheat cooperatives; the wheat people had a bill here. They evidently have not as good a lobby as the cotton people have, because they had a bill passed which provided that every claim against the Government for losses should be referred to the Court of Claims. I should be perfectly willing to have a bill go through instantly referring this matter to the Court of Claims, taking the same position Congress took about the claim of the wheat cooperatives. I am perfectly willing, if they have a claim of any kind or description, to have it go to the Court of Claims, where it could be handled.

But that is not what the pending bill provides. The bill gives credit to the cooperative associations—and they are all one, as I shall show the Senator in a moment—for about three and a quarter million dollars, and under section 5 or section 6 the remaining money is to be used in another way. The Senator is entirely correct; there is no successorship; there is no connection between the American Cotton Growers' Exchange, which lost the money, if anyone lost it, and the present American Cotton Cooperative Association. There is no legal connection; there is no successorship. The only

thing they have in common is that they both claim to be for the farmers. But they were working the farmers and the Government at the same time; they were working both sides of the street. As I have shown, by their exorbitant fees they worked the farmers. They worked the farmers by getting the money from the Government under an old law at from one-eighth of 1 percent to 1⅛ percent, and lending it to their middlemen, so to speak, their State associations, at a profit of 2 percent, and then the local associations charged the farmer 2 percent more. So the farmer paid 6 percent, or about 6 percent. They worked him in that way. They worked him by sampling his cotton, by reconcentrating his cotton all over the country at high prices.

It was stated day before yesterday that the reconcentration was done upon bids. The proof shows that there were bids for reconcentrating that cotton, and that John M. Parker & Co., a firm of New Orleans, offered to do it for 40 cents a bale, but the Department let it out at 48 cents a bale at first and 45 cents a bale afterward. A warehouse firm in Memphis, Tenn., offered to do it for nothing, but the Farm Credit Association was so enraptured with Mr. Creekmore that Mr. Creekmore got the job at 43 cents a bale.

Mr. REED. Let me say to the Senator from Alabama that I rose to inquire about this particular section because it so happens that during the period with which the bill deals I happened to be Governor of Kansas. The wheat farmer was suffering from a diminution in price similar to the decline in the price of cotton, and it so happened that many of the cooperatives came to me while I was Governor to discuss their situation. I did what I could to help them. I worked with the Farm Board as much as I could, and some of the wheat cooperatives of the days of 1929 and 1930 have entirely disappeared. It never would occur to me that if the cooperatives of those days, because of some transaction with the Farm Board, might have not a legal claim but some equity, that equity should now be transferred to a present-day cooperative, which might have been organized since that time, and whose membership might be wholly different, and there be no succession in interest and no liability or responsibility assumed by the later cooperative.

If I may be permitted to say it without offense to my very good friend the Senator from Alabama, I think section 5 of the bill is a most extraordinary section. It sets up a very unsound precedent. I am not now discussing the merit or lack of merit of the other provisions of the bill, but I do not believe section 5 can be adopted by the Senate without creating an unsound precedent which in the future might rise many times to haunt us.

Mr. HUGHES. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Tennessee yield to the Senator from Delaware?

Mr. McKELLAR. I yield.

Mr. HUGHES. I had in mind to ask the Senator from Tennessee or the Senator from Alabama for an explanation of another provision of section 5 which was not referred to by the Senator from Kansas and which I do not understand. It provides that the sums "shall be paid to the cotton cooperative association now doing business in said State, less the amount, if any, of the unpaid obligations of such original associations to the United States."

I am ignorant of cooperatives, and I do not know what obligations they owed to the United States or whether they should be deducted, whether this money should come back to the United States.

Mr. McKELLAR. I shall be very happy to explain that to the Senator. When Congress broke up the practice of lending money at one-eighth to 1⅛ percent interest, at which rates the money was borrowed originally, and when the custom of lending money to the individual associations at a 2-percent increase obtained, and then the individual association charged from 5 to 6 percent for the money which they got for one-eighth of 1 percent—when that was broken up, Creekmore and company, which is a big company dealing in cotton, just as much of a company as Weil & Co. or McFadden & Co., of Philadelphia, also cotton dealers, they did not like it.

These lobbyists, these gentlemen who are getting this bill through did not like it, so they came here. They seemed to have some undue influence over the Farm Credit Administration, and they went to that Administration and got them to do what I believe was an illegal act. They got the Farm Credit Administration to waive the Government's prior lien on this cotton, so that they could go to the Chase National Bank, I think it was, and some other banks in New York—I may not name the right ones, but they were very large institutions in New York—they went to them with the waiver of the prior lien on the cotton and borrowed money at 1⅛ percent, or 1.65 percent. Then they continued to operate with that cheap money. They made a tremendous amount of interest, lending the money at 4 percent to the subordinates, and the subordinates lending it to the poor farmer, for whom they claimed such affection. I think in some cases the farmers got it for as little as 5 percent, but the ordinary rate was 6 percent.

When that was found out, the practice was broken up. I protested against that practice to the Farm Board and said I thought it was perfectly outrageous and illegal. By the way, that was done for 2 years before we found it out. When we found it out, we protested against it, and the Farm Board said it could not continue to waive the prior liens. That left the cooperative associations—and I shall refer later to the closeness with which they acted—without money, and they had to have money.

Mr. President, this man Creekmore has more schemes in his head than any man I ever knew. Turn him down one day, and he will turn up the next day or a few days later with a scheme to get money from the Government or through Government influence. After the waiver of prior liens was broken up he evolved this plan. All his State affiliates were either in the hands of a receiver or had just been in the hands of a receiver. To use a common expression, they were all busted financially. One or two of them may have had a little property, but I doubt if all of them had as much as $100,000.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Colorado?

Mr. McKELLAR. I yield.

Mr. ADAMS. Did the cooperatives go through bankruptcy?

Mr. McKELLAR. All the State cooperatives; yes.

Mr. ADAMS. That is, those that are named in the bill?

Mr. McKELLAR. Yes; those that are named in the bill.

Mr. ADAMS. And they were in that way liquidated?

Mr. McKELLAR. They were liquidated; yes. All the cooperatives went through bankruptcy except one. I must say that the Mississippi concern, which was left out, did not go through bankruptcy.

Mr. ADAMS. How much did the operations of the Farm Board in connection with the stabilization of the cotton price cost the Federal Government?

Mr. McKELLAR. About $207,000,000; that is all.

Mr. ADAMS. It is not cheap money; it is free money, I gather, which is being reached for now.

Mr. McKELLAR. It is free money. There are no strings on it. It is not necessary to go to a court to obtain it.

Mr. HUGHES. But, Mr. President——

Mr. McKELLAR. I should like to answer the question asked me by the Senator from Colorado.

Mr. SMITH. Mr. President, the statement just made is not correct. I think the Senator wishes to make a correct statement.

Mr. HUGHES. When the Senator said that these people could go down to the Treasury and get this money——

Mr. McKELLAR. I will show you how it is obtained.

Mr. HUGHES. Would it be deducted?

Mr. McKELLAR. Oh, yes. I will give the Senator the deductions.

Mr. HUGHES. Will the Senator tell us how much would be deducted by the Government? Under the bill a part of

the appropriation would come back to the Government, less the amount, if any, of the unpaid obligations of such original associations to the United States, and that is the question I had in mind. I myself do not understand these things.

Mr. SMITH. If the Senator from Tennessee would answer that question and not wander all over creation to get to the point——

Mr. McKELLAR. I regret that I am unable properly or intelligently to express myself. It may be that I am not. I do not know. But I am going to answer the Senator's question just the same.

When Creekmore found that he was without the means of borrowing this cheap money, he went to these bankrupt affiliates of his—bankrupt in all the States perhaps except one—and got them to come up here to the Farm Board. Of course, he brought them up. He took them right along with him. He got them to borrow certain sums, which are set out fully in the report, and I shall give the sums which he got his affiliates to borrow. They are set out on page 20 of the report which I hold in my hand.

The Alabama Cotton Cooperative Association, which has gone through bankruptcy, borrowed $400,000.

Mr. BANKHEAD. Mr. President, I am advised the Alabama association has never been in bankruptcy.

Mr. McKELLAR. The Senator is mistaken. I will give the Senator the book and page with respect to that matter. I will find it for him.

The Brazos Valley Cotton Cooperative Association borrowed $425,000. The California Cotton Cooperative Association borrowed $175,000. The Louisiana Cotton Cooperative Association borrowed $800,000. The Mid-South Cotton Growers Association, which is in Memphis, Tenn., borrowed $800,000. The Oklahoma Cotton Growers Association, which went into bankruptcy twice, borrowed $500,000. The South Carolina Cotton Growers Association went through bankruptcy. It borrowed $200,000. The South Texas Cotton Growers Association borrowed $200,000. Southwestern Irrigated Cotton Growers borrowed $200,000. The West Texas Cotton Growers Association borrowed $500,000. Which makes in round figures $5,000,000.

Mind you, the affiliates borrowed the money, but who got it? Creekmore got it. They gave their note to the Government for these several sums aggregating $5,000,000, and what security did they have? They had as security the stock of the A. C. C. A.

Mr. ADAMS. Mr. President, will the Senator yield for another interruption?

Mr. McKELLAR. I yield.

Mr. ADAMS. I am rather inclined to follow the Senator's argument as to these cooperatives, but I am wondering now as to the substitute which the Senator proposes to offer. It seems to me that the same line of argument which would deny the bill as it stands would eliminate the substitute which the Senator offers.

Mr. McKELLAR. The same line of argument does; but I say that if the Senate has made up its mind to make a gift to these persons who have been despoiling the farmers for all these years, in Heaven's name let us make it to the farmers themselves, so those who have been despoiled can get some benefit.

Mr. ADAMS. Would it not be better to lay down some sort of formula?

Mr. McKELLAR. We can do it by adopting my amendment.

I now wish to answer the Senator from Delaware [Mr. HUGHES]. These organizations all owe this sum of money to the Government today. They have not paid it back. They have paid a few thousand dollars on it. The Government still holds the stock of the A. C. C. A. and the obligations of its affiliates.

What does the bill propose to do? It proposes to give a credit on the Alabama Cotton Cooperative Association's debt, which borrowed $400,000. It is to pay the Government $412,097. In other words, it is to pay the Government the principal and the interest on the money that the Alabama Cotton Cooperative Association borrowed from the Farm Credit Administration, or the Government, and turn it over to the American Cotton Cooperative Association, the central organization. That is, principal and interest.

The California Cotton Cooperative Association borrowed $132,000, and has paid back some money. But the bill provides that $29,938 is to be credited for that concern.

The Louisiana Cotton Cooperative Association borrowed $800,000, and they are given a credit of $290,522.38.

The Mid-South Cotton Growers' Association borrowed $800,000, and they are given a credit of $110,121.

The Mississippi Cooperative Cotton Association borrowed $800,000. When the proof in this case was taken, all the concerns except one admitted they were in bankruptcy. The South Carolina Cotton Cooperative Association had been through bankruptcy.

Mr. SMITH. No.

Mr. McKELLAR. They said so. I do not know. The Senator from South Carolina says no. All I know is that the witnesses testified that it had been through bankruptcy, and I assume the witnesses were telling the truth until the Senator shows otherwise.

Mr. SMITH. I may tell the Senator from Tennessee that, according to my information, only one of the State cooperatives went into bankruptcy, and that was the one in the State of Georgia. That was the only one that I know of that went into bankruptcy.

Mr. McKELLAR. Let me give the Senator the facts. The Alabama Cotton Cooperative Association had been wound up in a receivership. Receivership and bankruptcy are generally comparable terms. There is not much difference between them.

Mr. HUGHES. They are equally serious.

Mr. McKELLAR. They are equally serious. A concern is in bad condition when it goes into receivership or bankruptcy. A receivership action takes place in the State court; a bankruptcy proceeding takes place in the Federal court. That is the principal difference between the two procedures. The organizations are in bankruptcy.

The Brazos Valley Cotton Cooperative Association had no assets of any kind, and the officers of that concern so testified in the record, volume 1, page 356.

As to the California Cotton Cooperative Association, there was no proof at all.

The Georgia Cotton Producers Association was at the time being wound up in a receivership.

There was no evidence at all about the Louisiana Cotton Cooperative Association.

The predecessors, so-called, of the Mid-South Cotton Growers Association, were the Tennessee Cotton Cooperative Association, the Arkansas Cotton Growers Association, and the Southeast Missouri Cotton Association. All three had failed and gone into bankruptcy. Mr. Henry, of Fort Smith, Ark., I believe it was, got the officers of those three associations to come and form the Mid-South Cotton Growers Association.

The Mid-South Association has been a successful concern. I say "successful." The Mid-South was the one which charged the Negro farmers and the poor white farmers two-fifths of their cotton as commission, and probably that is the way it succeeded. It bought one of the principal corners in the city of Memphis. Let us see how much we are giving to that particular concern, the Mid-South. We are giving them a very modest sum. Poor Henry! I am just as sorry for him as I can be. He is getting only $110,000 by this bill as a gift. Charging enormous fees—two-fifths of the cotton as fees, commissions, and charges—he has bought one of the principal corners in the city of Memphis and built a stone office building, which is absolutely free from debt. Every cent of the purchase price came out of the farmers or the United States Government. That is what we are doing when we pass such bills giving away money.

The Mississippi Cotton Cooperative Association is supposed to be a going concern, but it would not disclose its assets. The Oklahoma Cotton Growers' Association had been twice wound up in bankruptcy, and then the Government reinstated it and sold it to another concern; and the Commodity

Credit Corporation allowed that concern, which had twice been in bankruptcy, to borrow half a million dollars from it. Senators, it is wrong for us to give money to such persons.

The facts with respect to several of the associations were not disclosed. I told the Senator from South Carolina [Mr. SMITH] I would give him the book and page with respect to the South Carolina association. It is volume 1, page 151. Let us see what the record shows. The witness was Dr. R. O. McCutcheon.

Q. How many directors do you have in South Carolina?
A. We have 10.
Q. Ten?
A. Yes, sir.
Q. And you have been on [the board] ever since you were elected?
A. Yes, sir.
Q. All of that time?
A. Yes, sir.
Q. Your organization failed one time, did it not?
A. Well, yes, sir; the Farm Board failed us.

It did. The Farm Board failed. When the Farm Board failed, every one of the cooperative associations went into bankruptcy. They could not pay the debts which Creekmore had them contract with the Government; and a portion of the money we are about to appropriate is going to pay those debts. The other portion will get to Creekmore before it is over.

I think I have answered the question of the Senator from Delaware [Mr. HUGHES]?

Mr. HUGHES. Yes.

Mr. McKELLAR. The Senator will find the answer on page 6 of the report of the committee reporting the bill.

Mr. President, I was interrupted a while ago when I was talking about something which has very deeply touched my heart. Many years ago, when our farmers were so poor, I joined my distinguished friend the Senator from South Carolina [Mr. SMITH]—he was the leader—in doing one of the most humane things ever done by the Congress. It has been fought by the Farm Credit Administration and by the Department of Agriculture from the very beginning; and every effort in the world has been made to abolish the seed-loan office. As the Senator knows, time after time, year after year, the Budget Bureau has failed to make any recommendation for the appropriation of any money to lend to indigent farmers who were honest and who wanted to work to pay their debts. To my knowledge, beginning more than 10 years ago, the Senator from South Carolina [Mr. SMITH] introduced a bill authorizing the appropriation of four or five million dollars.

Mr. SMITH. Fifty million dollars.

Mr. McKELLAR. The first bill was for $50,000,000; but with the opposition of the Department constantly against us, the last one we got through was for about $5,000,000. That money has been loaned out to indigent farmers who could not otherwise make a crop. It was loaned to poor farmers who were either sharecroppers or renters and who wanted to make a crop, but had to borrow some money on which to make it. They had to live while they were making a crop. We had a very active office in Memphis, Tenn., and we still have that office. The Senator from South Carolina has had many honors conferred upon him, but he never did a nobler or better thing than when he stood on the floor of the Senate and undertook to help this class of our citizens down South. I think probably most of them were colored men who were not afraid to work but who did not have the means to live on while they made a crop.

I wish to say something else about the success of the seed-loan office. On the average, borrowers have paid back to the Government about 97 percent of everything they borrowed, together with interest. I stated the other day—and I repeat it today—that one would think that the cooperatives, getting the rich pickings from the Government that they have been constantly getting all these years, would have kept their slimy hands off poor, defenseless, poverty-stricken people of that kind. Did they do it? Oh, no. They came to Washington and got a direction from the Farm Credit Administration to the head of the seed-loan office that the cotton should be sold only to the cooperatives. Think of the Government entering such an order. Think of the poor devil who had worked in the heat and in all kinds of weather, toiling and sweating in our hot country to make a crop to feed his family and to clothe them, if possible, out of his earnings. Our Government in Washington probably knew nothing about the facts, or was misinformed when it entered the order directing that the crop-loan borrower should send his cotton to the cooperative, which took two-fifths of the cotton in commissions and charges.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. ADAMS. Does the Senator mean that the cooperative would take two-fifths of an entire crop for commission?

Mr. McKELLAR. I shall read the figures. There cannot be any doubt about the figures, because the figures from the seed-loan office are there. They are there now. They were there when we took this testimony. I put on the stand Mr. Charles G. Henry, the head of the Mid-South Cooperative Association, and one of the directors of the A. C. C. A.; I showed him this set of figures, and asked him if they were correct. He testified that they were correct according to his books. Here are the charges. I read them once, but I shall read them again. It is unconscionable that this sort of bill should be passed.

The Senator from Colorado [Mr. ADAMS] is not familiar with the cotton business; but his honesty, integrity, and ability are what I admire in men. I have served with him on the Committee on Appropriations for many years, and every year he has added to his stature by his high character and ability.

I read:

February 27, 1934—

These were selections, but they were verified, and this was shown to be the course of business.

One bale of cotton—

Think of the Negro bringing in his cotton—probably in an ox cart—from across the river in Arkansas, or even from Shelby County in Tennessee, and delivering it to the Mid-South Cotton Cooperative Association. He delivered it probably in 1933, though the record is not there.

It is numbered. The number of the loan was 21733; the Mid-South contract number was 7603700; the date of payment—that is probably when the cotton was sold, although there is no telling when it was sold, because these people sold spots and bought futures in their place—the date of payment was February 27, 1934. One bale.

Gross receipts, $51.31.

Previous cash advance—which has never been explained, and although they charged no commission, I assume that that was in the nature of a commission which was charged—previous cash advance, $5.59.

Interest on cash advance, 60 cents.
Insurance, $1.30.
Storage, $4.55.
Charges other than regular seasonal charges, $1.40.

Mr. Henry could not explain that item. The other day I designated those charges as lagniappe, which is a term used in Louisiana. I presume this was some of the Memphis lagniappe of the cooperative.

Charges other than regular seasonal charges, $1.40.
Membership fee, $5.

Did a farmer voluntarily become a member of this association? Heavens, no. What was done was that when a farmer was given a check there was printed on it a statement that he thereby became a member, and he had to endorse that check before he could get his money. He had to have the money. Take the poor ignorant colored man; he had to have the money so as to feed his family. So he was given a check with a statement on it that he thereby became a member of the Mid-South Cotton Cooperative Association, and he was charged $5 for that out of the proceeds of $51.34 for a bale of cotton. He was only charged $5. Think of it. Here is the

great cotton cooperative association, its president drawing $75,000 a year; that very year. Its officials, most of whom are on the board of directors, and Mr. Creekmore controlled it just as I control this report in my hand—its officials getting $6,000 a year apiece. Think of what an honor and credit it was to a poor, hard-working cotton farmer to become a member of this wonderful association, for which he only had to pay $5. The money was gotten under duress, of course, because the farmer had to endorse the check in order to get his money.

Then comes to my mind the greatest shame and calumny of it all. Listen to this:

Association newspaper subscription, 50 cents.

They published some sort of a farm cooperative paper in New Orleans as I remember. The poor colored man might not have been able to read, but consider what an honor was conferred upon him; he got a weekly newspaper. I presume not 200 people ever read it, but he was charged 50 cents for it just the same.

The total of those various charges was $19.34 and the poor Negro farmer, after paying all those charges, got what was left of the $51.31.

Mr. President, I know the facts in this case, because I examined the witnesses. Someone has said there were only a few of them. As I recall, however, something like 100 witnesses were examined, and their testimony is in the two volumes which I hold in my hand [exhibiting]. I am aware that it is unpleasant to hold the Senate to discuss these small matters, but, as God has given me the power to reason, as He has given me the power to understand, I would feel that I had been recreant to my duty, I would feel that I had been recreant to my God, I would feel that I had been recreant to my country if I did not bring these facts before the Senate and ask that this payment to the manipulators of this scheme be stopped. That is what I am appealing to the Senate to do.

Persons interested in wheat came here and tried to get a slice of the Government's money. Congress would not pay them, but sent the matter to the Court of Claims, and the Court of Claims has since rejected the claim. If this claim is sent to the Court of Claims, I suppose it will be rejected there, but surely the Congress should not do more for cotton farmers than it did for the wheat farmers. It is not doing anything for either one of them; it is making gifts to the managers and controllers of this organization.

Why do I say that? May I read from the record for just a moment? I said that this was not a cooperative but a Creekmore and company concern, and I can prove it from the record. My recollection is there were 15 directors of this so-called A. C. C. A. Creekmore is the managing mind, the center, the absolute controller of it all. Six of the managing directors of the State organization are also directors of the central organization. I will give their names. These directors are paid not by their own organizations but by the central organization. Creekmore was taking no chances. He was going to control the organization and control its board of directors. So he puts Mr. C. C. Selden, of the California Association, on his board, and pays him; he puts Mr. W. R. Squires, of the Southwestern Irrigated Association, on his board, and pays him out of the board's money; he puts on the board of directors P. E. Harrill, of the Oklahoma Association; A. D. Stewart, of the Mississippi Association; J. W. Beatty, of the Alabama Association; and J. S. Hathcock, of the South Carolina Association.

Added to them was Mr. N. C. Williamson, of the Louisiana Association. Mr. Williamson, I presume, is known to most Senators, for he is one of the most frequent visitors here in the interest of the A. C. C. A. Mr. Williamson is a large farmer, and does not receive a salary; he merely receives $25 per diem when he is on the A. C. C. A. business.

There is also Mr. Charles G. Henry, the head of the Mid-South Association.

The eight men named have absolute control of this organization, and the head of the organization, the real power in the organization, is Mr. Creekmore.

The men I have named constitute the board of directors to whom the Senate is about to vote, if they pass this bill, a gift of $4,322,000. Such a thing is almost inconceivable to me, and has been for years, for I have been fighting this claim for years—indeed, ever since I took the testimony at the hearing; and I would be recreant to my duty if I did not fight it, because I think it is dishonest; I think it is corrupt; and I shall never give it my vote; but if we are going to make a gift, in Heaven's name, adopt the amendment I have offered and make the gift to the real farmers who lost their money. My amendment would so provide.

I see the Senator from North Carolina [Mr. BAILEY], former chairman of the Committee on Claims, present. I believe he is no longer chairman?

Mr. BAILEY. No; the Senator from Nebraska [Mr. BURKE] is now chairman.

Mr. McKELLAR. The Senator from Nebraska [Mr. BURKE] is chairman of the committee, and the Senator from North Carolina is a member of it. Yesterday or day before yesterday I thought that this claim ought to go to the Claims Committee, and I made a motion to that effect. I am going to withdraw that motion. I am going to let the Senate settle this question. I have offered an amendment providing that if any money is to be paid to anybody it shall be paid to the individual members pro rata. That will mean that the poor devils who were swindled by the amount taken out of their cotton will get back a part of it, because the amendment would pay each individual in the various associations about $15 apiece.

If we want to make a gift—and the Senator from Colorado is exactly right; it is a gift—let us make the gift to the honest-to-God farmers. The Government is able to do it; but, in heaven's name, let us not give it to the managers and controllers and directors of this mercantile company, which has been soaking the farmers all of these years, and mulcting the Government out of more than $200,000,000. In Heaven's name, Senators, let us not do that.

I ask the Senate first to adopt the amendment giving this money to the farmers. Second, I ask it to vote against the bill. The bill ought not to become law, and I hope it will not.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee [Mr. McKELLAR] to refer the pending bill to the Committee on Claims.

Mr. McKELLAR. I desire to withdraw the motion to refer the bill to the Committee on Claims.

The PRESIDING OFFICER. Is there objection to the request?

Mr. McNARY. Mr. President, the Senator cannot do that by his own right. It requires unanimous consent.

Mr. McKELLAR. I ask unanimous consent to do it.

The PRESIDING OFFICER. The yeas and nays have been ordered on the motion, and therefore its withdrawal requires unanimous consent. Is there objection? The Chair hears none, and the motion is withdrawn.

The question now is on agreeing to the amendment offered by the Senator from Mississippi [Mr. BILBO].

Mr. BANKHEAD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lee	Schwellenbach
Ashurst	Ellender	Lodge	Sheppard
Austin	Frazier	Lucas	Shipstead
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barbour	Gibson	McKellar	Stewart
Barkley	Glass	McNary	Taft
Bilbo	Guffey	Maloney	Thomas, Idaho
Bone	Gurney	Mead	Thomas, Okla.
Bridges	Harrison	Miller	Thomas, Utah
Brown	Hatch	Murray	Townsend
Bulow	Hayden	Norris	Tydings
Byrd	Herring	Nye	Vandenberg
Byrnes	Hill	O'Mahoney	Van Nuys
Capper	Holman	Overton	Wagner
Caraway	Holt	Pepper	Walsh
Chandler	Hughes	Pittman	Wheeler
Clark, Idaho	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Donahey	La Follette	Schwartz	

The PRESIDING OFFICER. Eighty-one Senators having answered to the roll call, a quorum is present.

Mr. BANKHEAD. Mr. President, as the author of the pending bill, I feel that I should make a statement about it, and I hope to be as brief as is consistent with what has been said on the floor of the Senate since the beginning of the consideration of the bill.

I shall not undertake to deal with the numerous criticisms made by my beloved friend, the Senator from Tennessee [Mr. McKELLAR], in which he has manifested, as I conceive it, his very great dislike not only for individuals, but for cotton cooperatives. A very large portion of the speech of the Senator has been devoted to transactions alleged to have taken place on the part of individuals, whether in their personal capacity or in their capacity as representatives of the American Cotton Cooperative Association, practically all of which transactions occurred since the liability involved attached.

In short, this claim, or bill, is based upon relations between the Government, through its Federal Farm Board, on the one part, and the cotton cooperative associations on the other part, prior to April 1930. Practically all the charges and allegations made by the Senator from Tennessee have related to transactions long subsequent to that time, which throw no light, as I conceive it, upon whether or not this is a just claim, and one which should be approved by the Congress.

With that general statement, it may be understood as we move along—and I hope to be brief, as I have stated—why I am not dealing with many individual and particular instances recited by the Senator from Tennessee. If Senators have curiosity about any of them, and desire to ask what I know about them, it will give me pleasure to furnish such information as I have, but I hope to discuss the material questions involved, and the one outstanding question is whether or not there is either a legal or a moral obligation upon the Government of the United States growing out of the transactions of the Federal Farm Board while it was in existence.

My feeling toward the Federal Farm Board is much like that of the senior Senator from South Carolina [Mr. SMITH]. I have not criticized that Board. I always thought Congress delegated to the Board an impossible task, one especially impossible as circumstances developed from time to time which drove down, down, down the prices of agricultural commodities, as well as all other commodities in the United States and throughout the world.

The trends and developments could not be foreseen by Congress when it created the Federal Farm Board, but it turned over to that Board a certain amount of money with at least implied instructions to stabilize the prices of agricultural commodities, and at the same time Congress gave the Board no power except as to the use of the amount of money appropriated to it.

We all know that the depression came on in the fall of 1929. The price of cotton the previous year had been above 20 cents a pound. The price not only of cotton, but the prices of grains and all other agricultural commodities began to decline. The Federal Farm Board received suggestions, one from the president of the cotton growers association, that a loan plan be inaugurated. The first suggestion I know of was by Mr. Robert Harris. I have inquired of the Farm Credit Agency, and they furnished a letter written by Mr. Harris prior to the suggestion made by Mr. Moser. However, that may be, the Farm Board, as an agency of the Government, after considering the different suggestions, after taking into consideration the conditions which prevailed marketwise, reached the conclusion that 16 cents a pound was a fair price for cotton under all the circumstances, and announced a loan plan based on that price, to be administered through the Cotton Cooperative Association. The price of cotton at that time was around 17½ cents a pound.

The Farm Board was not authorized to make loans except to cooperatives. They were not authorized to make loans to individuals. So that in order to hold up the price of cotton under their program they called in the cooperatives, and arranged with them to make the loans to the cooperatives, and the cooperatives in turn were to make loans to the farmers, not confining their loans to members of cooperatives alone, but were to make them to any cotton producer who applied for such a loan.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BAILEY. I think the contention is that these cooperative organizations lost this money by way of lending it to the farmers. Is that correct?

Mr. BANKHEAD. That is correct.

Mr. BAILEY. They advanced it to the farmers——

Mr. BANKHEAD. Not necessarily to their own members, but to any farmer who wanted to borrow 16 cents a pound on cotton.

Mr. BAILEY. The bill appears to authorize the appropriation of specific sums, to the Alabama Cotton Cooperative, $419,591.17, and so on. How were those sums arrived at?

Mr. BANKHEAD. I will be very glad to tell the Senator.

Mr. BAILEY. Were they audited?

Mr. BANKHEAD. Yes; by certified public accountants.

Mr. BAILEY. Were they tested and approved?

Mr. BANKHEAD. Tested and checked and approved by the Farm Credit Administration, through certified public accountants.

Mr. BAILEY. Tell me what items make up the amounts. Were they losses in futures?

Mr. BANKHEAD. Let me explain the transactions.

Mr. BAILEY. So that I will not have to ask several questions——

Mr. BANKHEAD. I cannot answer the question yes or no.

Mr. BAILEY. They charged the farmer, when they sold the cotton, for the storage and carrying charges. They got that, did they not?

Mr. BANKHEAD. No.

Mr. BAILEY. How did they lose that if they had the farmer's cotton? That is what I am interested in.

Mr. BANKHEAD. I will come to that, if the Senator will be patient, and let me follow the transactions in a consecutive way; and if I do not cover any point the Senator may have in mind, I hope he will bring it to my attention. There is no question about the Farm Board assuming responsibility for the program that was reported to Congress. I have copies of the report here.

Mr. BAILEY. I do not have much question about that, but I should like to have the Senator discuss, for my enlightenment, the question of the precedent proposed now to be set, of permitting an agency down the street to contract an obligation which the Congress has to pay. I think that is a very serious matter. If we are to do that, then the Reconstruction Finance Corporation and all the other institutions may make representations or offer aid and fail, and Congress pays the bill. The appropriating power is here. We are not bound, except by the necessities—not by obligations made down the street.

Mr. BANKHEAD. We all recognize that, and this bill is here because concededly there is no legal liability. But it is insisted that, as a result of the arrangements entered into, and which the Farm Board really, at the time, thought they were authorized to enter into, these losses accrued. In fact, the Farm Board endeavored to adjust them, and a settlement was arrived at, but the Attorney General, on being approached, ruled that the law did not give the Board the legal power to pay out the money. So I will say to the Senator that this is purely a claim of equity and justice, rather than of legal liability, and that is why the bill is here.

Proceeding briefly, the Farm Board requested the cooperatives to cooperate with them in making loans to any farmer who desired to have a loan. The Farm Board reached the conclusion that 16 cents a pound was a low price for cotton, and that it probably would not go below that. The Board said that was at least a fair price, while the market price at the time was 17½ cents. The Board thought its announcement would tend to hold up the price of cotton, and it did for some months until about 89 percent of the

producers' cotton had been sold at the sustained price, before the price broke through the level.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. ADAMS. Was there any provision in the Federal statute fixing the range of loans that could be made?

Mr. BANKHEAD. There was none.

Mr. ADAMS. It was left to the discretion of the Board?

Mr. BANKHEAD. It was left to the discretion of the Board. In the law there was no limitation on the Farm Board. I said a moment ago that, while the Board was entrusted with this great obligation, no limitation was placed upon it, and no directions were given it; it was simply to use its own discretion.

Mr. SCHWARTZ. Mr. President, will the Senator yield for a question?

Mr. BANKHEAD. I yield.

Mr. SCHWARTZ. As I understand, the different cotton cooperative associations in 1930 had a trust fund. Did the money that was paid out, which is the subject matter of this bill, come out of those trust funds?

Mr. BANKHEAD. That is the next statement I am going to refer to.

Mr. SCHWARTZ. I ask, for my information, if it did come out of the trust funds, would the money appropriated go to the trust funds?

Mr. BANKHEAD. No; I would not call them trust funds. They are reserves or profits accumulated through membership fees, and the sale and purchase and handling of cotton, and things of that sort, during the long period of years these cooperatives have been in existence.

Mr. SCHWARTZ. I am perfectly willing to accept the Senator's explanation; but, if the money should now be appropriated, it would go back to that source?

Mr. BANKHEAD. Exactly.

Mr. President, when it became evident that the price could not be sustained and the loan plan was called off, the Farm Board then arranged for the organization of what is called the Cotton Stabilization Corporation, which took over, under a settlement, all the cotton then under loan, and held by the State cooperatives under the loan plan. The Farm Board had requested them not to sell any of the cotton, because putting cotton on the market tended to drive the price down. It was believed that the loan program, by developing a pool of cotton and taking a large quantity of cotton off of the market at a time when there was no great surplus of cotton, would tend to hold the price up, and, as I have stated, it did do it for a long time, to the great benefit and advantage of all the cotton producers of the country, whether they belonged to the cotton cooperatives or not.

Mr. McKELLAR. Mr. President, will the Senator yield for a question?

Mr. BANKHEAD. Yes; I yield for a question.

Mr. McKELLAR. The Senator spoke of the time after the price of cotton went down. The Senator recalls that when the 16-cent loan of 1929 was authorized, cotton was selling at 17½ cents, or thereabout. That is correct, is it not?

Mr. BANKHEAD. That is correct.

Mr. McKELLAR. There were loans on 1,300,000 bales of cotton. The cooperatives then sold 800,000 of those 1,300,000 bales and bought futures with the money; is that not correct?

Mr. BANKHEAD. Yes; that is correct.

Mr. McKELLAR. Eight-thirteenths of the losses resulted from the buying of futures, and we are proposing to reimburse those losses.

Mr. BANKHEAD. I will proceed to that, although I do not like to be diverted. But the Senator from North Carolina had that subject in mind, and it may as well be dealt with at this time.

The cooperatives, of course, served cotton mills. They are obliged to have buying customers; and, year in and year out, in the due course of business, the cooperatives handle their business and serve their members by building up a trade, by establishing confidence with the buyers of cotton, so as to maintain their business.

When this cotton went into the loan, it went in there in a pool under circumstances quite different from those which prevail under normal conditions. As I have stated, it went in there for the purpose of holding up and maintaining the price of cotton, by making cotton relatively scarce in the market, rather than having this great quantity thrown on the market in addition to the remainder of the crop.

As cotton mills which were customers called upon the cotton cooperatives for the delivery of cotton for their consumption, it became necessary for the cooperators to deliver the cotton they had contracted to sell in the due course of trade and business, as they always do. So it was arranged with the Federal Farm Board that they could deliver the cotton so as to maintain their business relations and to carry out their sales obligations, but they must at the same time buy an equal amount of futures, which in effect took off of the market that much cotton.

Mr. ADAMS. Mr. President, will the Senator help me to understand somewhat better the mechanics of the transaction?

Mr. BANKHEAD. Yes.

Mr. ADAMS. Did the cooperative associations become obligated to the Federal Government for the amount of money that was loaned?

Mr. BANKHEAD. Yes.

Mr. ADAMS. Did the farmer who borrowed from the cooperative organization become obligated?

Mr. BANKHEAD. No. The farmer got the money from his local cooperative under a loan.

Mr. ADAMS. It was not a loan to the farmer?

Mr. BANKHEAD. A loan was made to him on his cotton.

Mr. ADAMS. What I am getting at is, was the farmer obligated to repay it?

Mr. BANKHEAD. No. He was situated like the borrowers under the present program.

Mr. ADAMS. Under the present program, of course, he is specifically excepted.

Mr. BANKHEAD. Yes.

Mr. ADAMS. What control did the Farm Board have over the cotton upon which the cooperative had made the loan and had in its possession?

Mr. BANKHEAD. It had the power of supervision by reason of holding the purse strings.

Mr. ADAMS. It held the cotton as a pledge?

Mr. BANKHEAD. Yes; as security for repayment of the money which the Farm Board was advancing to the cooperatives and which the cooperatives lent to their members.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BAILEY. The Senator was moving into the matter of the purchase of futures contracts.

Mr. BANKHEAD. Yes. I will come back to it.

Mr. BAILEY. I want to see if I have a correct understanding of the Senator's statement. The Senator stated that the cooperatives sold a certain number of bales of cotton, which was spot cotton, to the mills.

Mr. BANKHEAD. Yes.

Mr. BAILEY. As I understood the Senator, he said that the Farm Board then required that the cooperatives buy a certain amount of futures.

Mr. BANKHEAD. Yes.

Mr. BAILEY. Did the Farm Board require them to do it?

Mr. BANKHEAD. Yes; the Board would not release the cotton unless they did, because it held the cotton as security.

Mr. BAILEY. It held not cotton but futures contracts.

Mr. BANKHEAD. Yes; but the Farm Board took over the futures contracts. If the Senator will let me come to that.

Mr. BAILEY. We seem to be getting somewhere now. Then the cooperatives bought the contracts and sold them to the Farm Board?

Mr. BANKHEAD. Yes; in the settlement they turned them over to the Farm Board when they closed out the loan transactions early in the spring of 1930.

Mr. BAILEY. What did the Farm Board credit the cooperatives with when they bought this amount of futures?

Mr. BANKHEAD. I do not know. But according to the record, the Farm Board then called for delivery on the exchanges of actual bales of spot cotton equal in amount to the futures they held.

Mr. BAILEY. Then the Farm Board was in the position of being a purchaser of the cotton from the cotton cooperatives?

Mr. BANKHEAD. It took the cotton in settlement.

Mr. SMITH. The futures sales to the mills, both foreign and domestic, did not guarantee immediate shipment of the cotton. The cooperatives contracted to deliver so many bales. There was a great deal of technicality about it; but, in order to insure the price on the day on which it was agreed to deliver this cotton, for neither the cooperatives nor anybody else could afford to go barefooted, this is what happened: Let us say I sell a thousand bales of cotton, to be delivered in October, at the market price. When I sell that cotton I immediately buy a contract for an equal number of bales on the future market. That is an insurance for the risk I take. Suppose I sold 100 bales of cotton, and the market price was 10 cents. I buy 100 bales at 10 cents. If the next day cotton were to go down to 9 cents, I lose $5 on my contract of purchase, but I can deliver the cotton at $5 a bale cheaper. Therefore one cancels the other.

Suppose cotton were to go up a cent a pound. I have made $5, but I must deliver the cotton at that advanced price, and I get $5 from the insurance company, so to speak.

Mr. BAILEY. That is known as a hedge, and when one has a hedge he has no loss. But here a loss is claimed. Where did the loss occur?

Mr. SMITH. The Senator has a wrong conception of what constitutes the loss. When the Farm Board employed the cooperatives to buy the cotton, and gave them 16 cents, basis middling seven-eighths, the cooperatives went out and bought it. They had to sample it, grade it, store it, and pay insurance.

Mr. BAILEY. And if they hedged, they protected themselves.

Mr. SMITH. No. That was before the price broke. They were giving the farmer 16 cents.

Mr. BAILEY. Then they were not hedging?

Mr. SMITH. They did not have to hedge, because they were not selling to anybody. They were buying the cotton and lending 16 cents.

Mr. BAILEY. They could have hedged with a sale. One can hedge with a purchase or a sale.

Mr. SMITH. If I let the Senator have 16 cents a pound, and I put the cotton in a warehouse, there is no necessity for a sale.

Mr. BAILEY. If I want to fix the price, I can make a sale on the market.

Mr. SMITH. It is not a question of fixing the price. The Senator has the wrong conception. The cooperatives were going to lend 16 cents a pound. No contracts had been made. They assembled the cotton and put it in the warehouse, and from their reserve funds they paid for the insurance, storage, and sampling; and the aggregate of that amount is practically this bill.

Mr. BAILEY. When they sold the cotton, did they not take out the insurance and other charges? Were not such charges always deducted?

Mr. SMITH. Later, when the price of cotton went down after we had the pool, the Farm Board authorized them to sell a certain amount of the cotton.

Mr. BAILEY. And when they sold it, I assume they took out the charges.

Mr. SMITH. No; when they sold the cotton they did not take out the charges. They sold the cotton, but the overhead loss had never been adjudicated, because the Attorney General said it could not be done.

Mr. BAILEY. I will say to the Senator—and with this I shall not interrupt further——

Mr. BANKHEAD. I want the Senator to interrupt me at any time he wishes.

Mr. BAILEY. My difficulty is that I have read the report of the committee. I think the committee took much for granted about this matter. I am not criticizing.

Mr. SMITH. I wish the Senator had been on the committee.

Mr. BAILEY. I wish I had been. I should have known much more about it than the report discloses.

Mr. SMITH. I think the Senator would.

Mr. BAILEY. I read the report and I am perfectly prepared to say that the report does not state wherein these sums were lost. It says they were lost but it does not give the details.

I am in this position: If the Government owes anybody anything, I am in favor of paying it; but before I vote to pay it I should like to be shown the details.

Mr. SMITH. If the Senator will examine the report of the Federal Farm Credit Administration, the report of the Farm Board, and the reports of all the Government officials who, with their paid auditors, went over the whole transaction as agents responsible to the American people, he will find that the Federal officials say it is a just debt.

Mr. BAILEY. Does not the Senator think we ought to make a document of such reports for the information of Senators?

Mr. SMITH. They have been available.

Mr. McKELLAR. But the Department did not recommend the enactment of this bill.

Mr. BANKHEAD. Mr. President, I should like to get back the floor.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BAILEY. I wish to leave one more problem with the Senator.

Mr. BANKHEAD. The Senator may ask me anything he wishes.

Mr. BAILEY. I should like to have the Senator explain to us the theory of section 5, that if a cooperative association is in receivership the money shall not be paid to the receivers but shall be paid to some new association. The Senator is talking about equity and morals. I do not see any equity or morals in that procedure. I should like to have it explained, because I am utterly uninformed about this problem, although I have read the report.

Mr. BANKHEAD. Mr. President, taking up the first question—that is, the nature of the loss involving the futures—on which I have not had an opportunity to present my views, the Federal Farm Board evidently thought the price was going up; so it would not permit the cooperatives to sell spots without replacing them with futures. So the cooperatives bought futures. As they would sell 100 bales, they would take 100 futures.

I know that the Senator from North Carolina is familiar with the usual practices on the cotton exchanges in normal times. All such transactions must be handled on the exchanges. I call to the Senator's attention the fact that if he wants to have cotton delivered to him next July, and the transaction takes place in October or November, somebody has to pay the cost of carrying the cotton from the time of the transaction, when the Senator goes on the exchange to buy a hundred bales of cotton, until next July, when the cotton is delivered. Someone has to carry the cotton until the time of delivery.

As a result, charges for insurance, interest, storage, and similar items accumulate against the person who has the actual spot cotton for delivery. The Senator is familiar with the practice which has prevailed ever since I have known anything about the cotton trade. Except in abnormal times, such as the present, the price for distant months is higher than the price for the current month, and sufficiently higher to pay the charges for carrying the cotton from the time the trade is made until the time of delivery.

Mr. BAILEY. That was true until last year.

Mr. BANKHEAD. Yes. These are abnormal times. That is the basis of the loss on futures.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BAILEY. The Senator is making a statement about purchasing cotton for future delivery, and he says I know something about that. I have had some experience. However, the basis of his statement is that the cooperatives sold the cotton to the mills at the instance of the Farm Board.

Mr. BANKHEAD. No; they wanted to sell it.

Mr. BAILEY. And they replaced the cotton sold with futures. If that was the case, that was not a hedge. That was a gambling transaction. The seller had parted with his cotton. He had received his money, and he took the proceeds and bought cotton, not against a future sale, but in the hope of a rise. That is a gambling transaction.

Mr. BANKHEAD. Assuming that it was, who was doing the gambling? It was the Farm Board, because it was done at the instance of the Farm Board.

Mr. BAILEY. I want to find out who did it; and I should like to know how the Farm Board ordered them to buy futures when they had no spots, and were not committed to sales.

Mr. BANKHEAD. At any rate, it is well known that that is what was done. There is no real controversy about that in the record.

This matter has been under investigation for 6 or 7 years. We did not go into every detail. We took testimony for many days, with almost the full committee present at the hearings on the bill. The question was thoroughly gone into, but we could not go into all the details in the report. I was the author of the bill. I had to leave, and the Senator from Oklahoma [Mr. THOMAS] made the report. If I had made it, probably I should not have made as good a report as he did. However, there was no controversy in the committee when we got through. Not only the cotton representatives, but members of the committee from all other sections of the country were impresed with the validity, justice, and equity of the claim.

I do not think there is a member of the entire Committee on Agriculture and Forestry who is opposed to the bill. Nearly every member of the committee attended the hearings with great regularity. The members of the committee were interested; and the conclusion reached when we finished the hearings on the bill was regardless of section and regardless of party.

I am happy to say that the previous chairman of the committee, who was chairman at the time the Federal Farm Board was in action, is supporting the bill. So we have had no disturbance or trouble about it. I regret that the chairman was not present when I made my statement about the Federal Farm Board. I have always agreed with him that the Farm Board did a great job under the circumstances—the best that could be expected under the conditions with which it had to deal.

The benefits of these transactions were not confined to the members of the cooperatives. The benefits of stabilizing the price of cotton went to every producer of cotton; and every producer who wanted to take a chance on the price of enhancing cotton had the opportunity, whether or not he belonged to a cooperative, to put his cotton in under the loan.

As I have stated, the futures were taken under an arrangement with the Farm Board; and when the settlement was made in the spring of 1930, and the loan transaction was closed, the Farm Board took over the futures which it had authorized to be purchased. It not only took them over, but, as I have stated, called for the delivery of every bale of cotton under those future-delivery contracts, taking the cotton out of the market and placing it outside the channels of trade, in line with its program with the State cooperatives.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BAILEY. Let me ask the Senator a question. When the Farm Board took over the futures contracts for purchases by the cooperatives, what did it pay for those futures?

Mr. BANKHEAD. It did not pay anything. It took them over under the settlement. The price of the cotton which the cooperatives held was lower, and the total quantity of cotton would not bring the amount which the Farm Board had loaned on the cotton held.

Mr. BAILEY. Did the Farm Board simply take the futures for nothing?

Mr. BANKHEAD. Yes. It called for the cotton. It had already paid for it.

Mr. BAILEY. It took the futures and turned the futures into cotton?

Mr. BANKHEAD. That is correct.

Mr. BAILEY. Who suffered the loss?

Mr. BANKHEAD. The Farm Board.

Mr. BAILEY. Was the Farm Board charged with a loss on the futures?

Mr. BANKHEAD. I had nothing to do with the settlement of the Farm Board affairs.

Mr. BAILEY. Did the Farm Board compel the cooperatives to deliver futures which belonged to the cooperatives?

Mr. BANKHEAD. It took over everything the cooperatives had.

Mr. BAILEY. What power did the Farm Board have to do so?

Mr. BANKHEAD. I am not going into the question of power. At any rate, settlement was made. The Farm Board held the dominating position. It held the debts of the cooperatives, and the cooperatives were helpless.

Mr. BAILEY. There was no foreclosure?

Mr. BANKHEAD. No.

Mr. BAILEY. And there was no protest?

Mr. BANKHEAD. The cooperatives settled, and gave the Farm Board notes for the balance. They could not do anything else. They had no money to go forward. They had a lot of cotton for which they could not pay. The price was far below——

Mr. BAILEY. They had a lot of futures for which they had paid for a certain time.

Mr. BANKHEAD. No; they did not pay for the futures. They paid the margin, or commission, or whatever it may be called, on the futures.

Mr. BAILEY. They had to put up a margin?

Mr. BANKHEAD. Yes.

Mr. BAILEY. I should like to know what the state of the futures was when they were taken over. Perhaps the margin had been exhausted.

Mr. BANKHEAD. I have just told the Senator——

Mr. BAILEY. My whole point, Mr. President, is that I am not informed about this question.

Mr. BANKHEAD. I am trying to inform the Senator.

Mr. BAILEY. I have not reached any conclusion. I should like to obtain information showing the items which constitute the claim. My mind is made up in one respect: I am not going to vote for that part of the bill which authorizes the payment of money to an institution in receivership, not to the institution, and not to the receiver, but to somebody else. That is away beyond my conception, but if anyone can show me wherein this is a just claim against the Government, I will do as I always did on the Claims Committee—I will vote for its payment; but I think we need a great deal more information than we have gotten so far.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. BANKHEAD. I yield.

Mr. SMITH. Speaking about futures, let me say that under the Farm Board, when that Board was in operation, they delivered this cotton to their clients and covered that amount in futures. When they had their settlement, the Farm Board then called for specific fulfillment of the contract and had those who held their future contracts deliver them back in cotton. They merely got back the cotton. One can demand specific fulfillment in any contract that he has bought or sold, and there has to be delivered cotton that is tenderable under the Cotton Futures Act. They merely demanded specific fulfillment and got back the cotton on which they had made the money.

I claim that, so far as my knowledge of this transaction goes, it is a loss incurred by reason of the expense and overhead assumed by the different cooperatives. Taking the State of the Senator from North Carolina and my State, they loaned the money, put the cotton into the warehouse when they were accumulating it; they sampled it; they insured it, and stored it. The correct amount is the amount that we are now asking to be reimbursed, the overhead charges; the losses incident to the cotton are a minor part of this amount, as a reading of the report of the committee will disclose.

Mr. BANKHEAD. Mr. President, let me make a further statement on that subject. Certified public accountants examined this claim, and all their audits were submitted to the Farm Credit Administration after this bill was presented to that agency for report. They found that, under the tariffs, that is the published differences in the current price when the cotton was bought and the market futures for the months in which futures were bought, the difference averaged $5 and a few cents a bale. The Farm Credit Administration, however, figured that the actual cost of carrying the spot cotton which they had was $3.76 a bale; so that the amount of carrying charges was reduced to the actual cost of $3.76 for carrying the spot cotton, although automatically the instant they bought the futures they were losing $5 a bale. They were given credit, however, in these accounts for only $3.76 a bale, the average cost of the spot actually carried.

Mr. President, the amount carried by the bill is shown in detail on the last page of the committee report. Those figures were made up finally by the Farm Credit Administration based upon all their records accumulated during the past years. The Farm Credit Administration succeeded, as we all know, the old Farm Board, and have the records of the Board. The Farm Credit Administration took the statements of certified public accountants who examined the records of each of the State cooperatives.

Mr. BAILEY. Mr. President, may I ask the Senator a question?

Mr. BANKHEAD. Yes.

Mr. BAILEY. Were those certified public accountants Government accountants?

Mr. BANKHEAD. No; they were commercial certified accountants.

Mr. BAILEY. Who employed them?

Mr. BANKHEAD. The cooperatives employed them, of course. How else could they get a record made?

Mr. BAILEY. I am on the verge of moving to recommit this bill with instructions to report back an accounting of all the items which are proposed in the bill to be paid. I am making the proposition: If it shall appear that the United States Government owes anybody any money, whether it is more or less than set forth in the bill, I shall vote for it; but, with the lights before me, all I know is that certain people have filed a claim and that their own accountants have certified so much to be due. I know nothing else about it.

Mr. BANKHEAD. Not their regular employees, but certified public accountants.

Mr. BAILEY. I said their accountants. I take it, when I employ a man to make up one of my accounts he is my accountant.

Mr. BANKHEAD. I think the Senator, perhaps, is not well informed as to the standards of certified public accountants.

Mr. BAILEY. I am informed about that, and I am not reflecting on the certified accountants; but I am saying when the United States Government is called upon to pay two and a half million dollars it has the right to have an audit on its own account, and I will stand on that.

Mr. BANKHEAD. The certified statements and audits by certified public accountants were all submitted to the Farm Credit Administration and examined and used by them in connection with all their other records in making a report upon this bill to the committee. They have reported that, under the formulas which they think are fair and just, the figures presented on the last page of the bill are the correct figures if Congress believes that this claim should be paid.

I started to say the amounts here are not based upon theory. When they made settlement the Farm Board took over everything in the world that each of the cooperatives had. The Board took over the accumulated reserves the cooperatives had built up for a number of years; they took over everything they had. My friend says they were in bankruptcy. They were; they did not go into the bankrupt court, although they were broke, of course, but the Farm Board got all they had, and, after taking over everything they had accumulated for the operation of a service association for the benefit of cotton producers, it was found on that settlement that they still owed a balance of a million seven hundred thousand dollars. The Farm Board required notes from them in that amount, and the notes were given.

Since that time, in 1930, when the settlement was made, $1,100,000 of that money built up again as reserves and profits for services by the cooperatives have been paid to the Farm Credit Administration as a credit upon those notes amounting to $1,700,000. So, any way you look at it, Mr. President, the Farm Board got the entire reserves, which are shown to have been $2,600,000 plus, and also got the notes for $1,700,000; in fact, they got everything; and they were, of course, entitled to it under the circumstances. The Attorney General told them they could not do anything else. That is amply shown by the record and by Mr. Stone who succeeded Mr. Legge as Chairman of that Board and went down to Memphis to the McKellar investigation and testified about it. He said he thought this amount ought to be paid, but the Attorney General stopped its payment.

I have a letter here from another member of the Board who was not examined. It came to me through Mr. Benson, the secretary of the National Cooperative Council. It was written by Mr. Denman, a former member of the Board. He says:

> DEAR MR. BENSON: Confirming our understanding in conversations during the past few days concerning losses sustained by certain cooperative marketing associations, under what is commonly referred to as the Federal Farm Board 16-cent loan—as a former member of the Board, I am of the opinion that the cotton cooperatives should be reimbursed to the extent that they bore the expense of the difference between the 16-cent loan and the lower price at which all such cotton was subsequently taken over by the Cotton Stabilization Corporation.

That was the time when they made the settlement which I was pointing out to the Senator.

> In addition to this, the cooperatives should be reimbursed for proper handling and carrying charges incident to such transactions.
>
> The Federal Farm Board moved to protect farmers from drastic price declines which began in 1929 as rapidly as it could and to the extent of its ability under the provisions of the Agricultural Marketing Act. Being limited to loaning only to cooperatives, naturally such moves to check the effect of these declines had to be made through such organizations, but it was not the intent of the Farm Board to penalize cooperative associations, nor to deplete the funds of their members which had been accumulated in prior years.
>
> It should be possible to establish definitely all such losses as were sustained in the above-outlined operations.

That was done as well as any reasonable man could expect it to be done. It was done to the satisfaction of the Farm Credit Agency, with all of the accounts and all of the records in their possession. They have gone through the whole matter, and they say these figures are right. The question is up to Congress as to whether they want to recognize the claim.

So there is Mr. Legge testifying, in effect, that the claim was just. Here is Mr. Denman testifying to it, another member of the Board.

Mr. SMITH. And so did Mr. Stone.

Mr. BANKHEAD. Yes; so did Mr. Stone.

Let me look for a minute at the report to Congress of the Farm Board. I do not know that that is necessary, because the question of the amount seems to be the important thing. This is a report to Congress by the Farm Board:

> It would have bankrupted the associations, and destroyed, through no fault of the farmer members, all the progress toward a farmer-owned marketing system they had made over a period of years.

That is, if they had forced them to act in a certain way.

The maintenance of these stocks in the hands of the cooperatives has helped to support the market for all producers, whether members of associations or not. For that reason it is only just that the losses due to these holding operations should be absorbed by the revolving fund of the Board, rather than charged against the assets of the individual associations involved.

That, I want to impress upon my friend, is the positive finding of the Board itself, deliberately presented to Congress in a document submitted to them; that this claim is just and ought to be paid.

Mr. President, I am not going to take further time. My friend from Tennessee, whom I love like a brother, has his feelings very deeply aroused in this case. I went to Memphis and attended what is known as the McKellar investigation, the investigation secured by him. Never in my life was I treated with more hospitality at any place. I did not stay very long. I could not. I heard 2 days of testimony and then read most of the record after that. I went there with a totally open mind on this subject. I had had no contact with the cooperatives. I was not familiar with their work. I really did not know what was involved in the investigation until I got there. I was not there long before I found out that this was a fight between competitors; this was a fight between the cotton buyers of that territory, in an effort to break down and destroy this agency of the farmers, the cotton cooperatives. The record shows that they raised $60,000 to make this fight. Here is a statement in the report of the president of the Memphis Cotton Exchange in 1936:

Upon taking office last January our president began a movement for the investigation of the cotton cooperatives. For months he has worked tirelessly at this seemingly impossible task. He was finally rewarded, however, when Senator MCKELLAR introduced and the Senate passed Senate Resolution 185 authorizing the appointment of a Senate committee to "investigate the expenditures of the Federal Government for cotton cooperatives and the operations of the old Federal Farm Board."

He is talking about his exchange, the cotton shippers and buyers.

On September 19 a general meeting was held, at which time the president was empowered to "communicate with other exchanges and to meet with representatives of these exchanges if necessary; to take all the steps necessary to fight the matter to a conclusion—

That does not refer to this bill. It refers to the cotton cooperatives.

and should he decide it necessary, to take the fight into the courts and be advised by legal counsel." Never was work better or more thoroughly done. Your president literally devoted his full time, both day and night, with the result that for the first time the Senate will have a full and true picture showing the activities of the cooperatives.

Mr. President, I am not going into any answer to the many assertions made by my beloved friend. I submit to the judgment and intelligence of high-class jurors that his confessed dislike for Mr. Creekmore and his criticism of the cooperatives under his management have nothing to do with whether or not the Farm Board made arrangements with the State cooperatives which resulted in the destruction and depletion of their entire assets, and put them in debt. Mr. Creekmore at that time—most of the time, at least—was not even connected with the cooperatives.

Mr. McKELLAR. Mr. President, I know the Senator from Alabama does not want to do me an injustice.

Mr. BANKHEAD. I certainly do not.

Mr. McKELLAR. I hope he will yield so that I may make a statement.

Mr. BANKHEAD. I yield.

Mr. McKELLAR. The only time I really ever talked to Mr. Creekmore was when he was examined as a witness. I would not know Mr. Creekmore if I should see him. I do not know him. I have no interest in him one way or the other. All I know about him is what his sworn testimony showed in the hearing that was had down there; and upon that sworn testimony I formed my opinion of Mr. Creekmore.

Mr. BANKHEAD. Mr. President, the subject which my good friend has so elaborately discussed here has been handled at length by committees of the Senate. As I have already stated, we had what is known as the McKellar investigation, stimulated and spurred on by the active competitors of the cotton cooperatives, who, like my friend, wanted to put the cooperatives out of business. I knew nothing about it until we got down there. When I got through, I was obliged to differ with my friend. I did not know what was involved when I went there; but I reached the conclusion that there was but one thing involved, and that was the fight to destroy and put out of business the cotton cooperatives—a fight instituted by the cotton buyers of Memphis, the biggest cotton market in the South. It was a fight by them. That is shown by the document which I have just read, in part. The atmosphere was full of it. It was a fight by them to break down and end the cooperative cotton associations as competitors of theirs in the cotton trade. So I promptly reported. The Senator from Tennessee made one report, and I made another.

I always hate to differ with or disagree with my friend, the Senator from Tennessee [Mr. MCKELLAR]. He is a great fellow. I knew him when he was a schoolboy, and I have known him ever since. As he stated on the floor of the Senate, I sat in the same class with him for 4 short or long years, at the University of Alabama. I have kept in touch with him intimately, and in a most friendly way, ever since; and I would not hurt my friend, the Senator from Tennessee's feelings. I would not do him an injustice to pass this bill. I have no interest in the bill. I drifted into this matter. I went down there in good faith to see what the whole thing was about, and I found out, and I have known ever since. Witnesses were there, gathered from all over the country, with plenty of money to back up the investigation. It proceeded, and at the end of it each of us reported. I made my report, and my friend from Tennessee made his. Then, later, as all Senators know, based upon charges similar to my friend's, the Senator from Tennessee [Mr. MCKELLAR], down in South Carolina another investigation was secured under the authorship of my other beloved friend, the senior Senator from South Carolina [Mr. SMITH], the chairman of the Committee on Agriculture and Forestry.

That investigation was amply financed by the Senate. It involved the integrity of the cooperative organization and its officials. It included practically all the transactions to which my friend, the Senator from Tennessee [Mr. MCKELLAR] has alluded here today. An investigator was employed by the committee. Full hearings were conducted.

Weeks and weeks and weeks were given to that investigation by one of our standing and major committees. Good attendance was had at the committee hearings, and after hearing all of the evidence, involving practically everything the Senator from Tennessee has injected into this discussion, what was the result of the deliberations by this impartial committee, made up of Democrats and Republicans, northerners, southerners, westerners, and easterners? What was the conclusion in answer to the numerous castigations by my good friend? The committee made a unanimous report. The Senator from South Carolina, who had brought about the investigation, being fair, as he always is, and having no motive in bringing on the investigation except to get the facts, and ascertain whether the charges were true, and whether these people were worthy to serve in the capacities in which they were serving, along with all the other members of the committee failed to find any of the charges of improper conduct, fraud, deception, or anything else, sustained after that full and thorough investigation.

Mr. ADAMS. Mr. President, I do not wish to divert the course of the Senator's thought, but I am looking at the bill which the Senator introduced, and also at the substitute offered by the Senator from Tennessee, and I find that the authorization of appropriation in the bill of the Senator from Alabama is $1,500,000, while the authorization in the substitute of the Senator from Tennessee is four and a half million. I am wondering what the basis of the difference in the authorizations is.

Mr. BANKHEAD. I have an amendment which I gave notice the first of the week I should present at the proper

time in lieu of section 6. Is that the section to which the Senator refers?

Mr. ADAMS. Yes.

Mr. BANKHEAD. The amendment offered reads as follows:

> The payments authorized to be made by the Farm Credit Administration under this act shall be made from the revolving fund established pursuant to section 6 of the Agricultural Marketing Act, as amended—

The same old revolving fund, or the balance of it, which the Farm Board had when these transactions were occurring—

> and so much of such fund as may be necessary for the purpose of making such payments is hereby made available for such purpose.

Mr. ADAMS. What I was trying to get at was the reason for the difference in the computation. The Senator from Tennessee seems to want to give away four and a half million, the Senator from Alabama seems to want to give away only a million and a half.

Mr. BANKHEAD. I do not agree with either statement of the Senator. The Senator from Alabama is trying to pay an honest debt. If that is giving money away, then I am pleased to have the credit of giving it away. But the difference is not what the Senator from Colorado seems to think it is. Under the amendment $2,749,000, in round figures, will be applied on obligations of the State cooperatives to the Federal Credit Agency. They owe money. After they were wiped out they had to get money from the Farm Board. They borrowed. They have not paid it all back. They paid back $1,100,000. They are still in debt for money borrowed upon which to operate their transactions from that time. There is only $1,500,000, and that is not to be applied on obligations. That is to come out of the revolving fund, and it is to be paid to the cooperatives, which do not owe that money to the credit agency. Some of them have practically paid their notes and gotten their matters wound up, settled in one way or another. Only $1,500,000 is required under this amendment, and that is not an appropriation. It comes out of the fund which the Farm Board had, and out of which it desired, according to its records, to pay these very claims, but it was prevented by reason of an opinion of the Attorney General. The money is still in the Treasury, and we are merely asking for its application.

Mr. President, the amendment offered by the Senator from Tennessee, of course, is intended to defeat the bill, and would have that result. The Senator said he would not vote for the bill even if the amendment were adopted.

There was a bill here to which the Senator has frequently referred, the so-called Frazier bill. The Senator from Tennessee stated that the cotton representatives went to the Senator from North Dakota [Mr. FRAZIER] and got him to introduce a cotton bill. Some of my colleagues heard the statement of the Senator from North Dakota [Mr. FRAZIER] on the floor about that. He interrupted the Senator from Tennessee and said that that was not a correct statement of the situation. He stated what all the members of the Committee on Agriculture and Forestry know, that he, the Senator from North Dakota [Mr. FRAZIER], introduced a bill for the relief of grain growers, and, pending the consideration of that bill in the committee, the members of the committee from cotton States suggested that, along with grain, cotton should be included, and he agreed to it, and cotton was included. I do not think that justifies the statement that those interested in cotton went to the Senator from North Dakota to get him to introduce a bill for them. The Senator from Tennessee seems to have the impression that they were dodging around somewhere getting some man from another section than their own to slip a bill in.

What happened to the Frazier bill? The Senator has argued eloquently today for the payment of money to the farmer. God knows he does not work any harder than I do to get all the money from the Federal Treasury possible for the benefit of the farmer. Everyone recognizes that. What did the Senator do when the Frazier bill was introduced in an effort to have money paid to the farmers? The money involved in the pending matter was not lost to the farmers. According to the testimony in this matter, the cooperatives lost $25,000,000 by virtue of holding their cotton in the pool when they could have sold it at 17½ cents or 17 cents a pound. The bill which the Senator from Tennessee calls the Frazier bill, in addition to the provision for payments to cooperatives for what they lost, contained a provision refunding to the farmers the amount they had lost through this pooling and stabilization program. What did the Senator from Tennessee do about that? Was he as anxious then to pay the farmers as he appears to be today? An opportunity was there afforded to pay them their own money, to pay their just claim. Previously the matter had been here in bills. The Senator fought it then just as he is fighting the pending bill. He would not stand for payment to the farmers. He was willing that the wheat people, the grain people, should get their payments, but he protested when the Frazier bill was before us, the one about which he talks, a bill referring the whole matter, not to the Court of Claims but to the Farm Credit Administration, to investigate and ascertain whether or not these claims should be paid and to ascertain the amount. But he would not let that go to the Farm Credit Administration, under Governor Myers.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. McKELLAR. I will settle this whole matter with the Senator, so far as I am able to do it, by agreeing that there may be done just exactly what was done in the case of the wheat farmers. Under a provision of the law, that matter was referred to the Court of Claims, to ascertain what claims, if any, the wheat cooperatives had, and to report to the Congress of the United States. That was under a law passed many years ago. That was all that was done for the wheat farmers, and I am perfectly willing to follow that course now. Indeed, I expect to offer an amendment directing that this matter be referred to the Court of Claims, under the terms of the law as it now exists, and following the precedent set in the wheat cases. I think wheat and cotton should be put on an equality.

Mr. BANKHEAD. The Senator knows he did not object to the wheat matter being referred to the Farm Credit Administration.

Mr. McKELLAR. I do not object to the cotton matter being referred to the Court of Claims, either.

Mr. BANKHEAD. I did not say the Court of Claims. The bill as it stood when the Senator from North Dakota decided he had better take cotton out or he would not get anywhere, was a bill to refer the questions of grain and cotton to the Farm Credit Administration, and the Senator from Tennessee said:

> If you take cotton out I will agree for grain to go to the Farm Credit Administration.

He did not say anything then about the Court of Claims. I looked the matter up today. I have a copy of the RECORD on my desk.

Why adopt the Senator's amendment when the farmers do not claim that money? There is no justification in the world for donating or giving it to them, as the Senator says. He will not try to give aid to them. He said:

> If you adopt that and destroy the cooperative program I will vote against the other too. Help me ruin it. Help me get the cooperatives out, and I will help you beat the farmers.

That is the proposal.

The $4,000,000, as I have tried to explain, is the loss to the associations from the wiping out, the total depletion, of the reserves built up by them over a long period of years. In addition to that, the Farm Board demanded notes for $1,700,000 to cover the loss, $1,100,000 of which has been paid.

If we desire to pay the farmers, we must place in the bill in addition to the $4,000,000, the $25,000,000 which the record shows they lost under the pool and stabilization program, instead of going ahead, as all the farmers did who did not

come into the pool, and selling their cotton at a price in excess of 16 cents a pound.

Mr. ADAMS. Mr. President, will the Senator yield further on the question?

Mr. BANKHEAD. I yield.

Mr. ADAMS. The statement which the Senator makes as to the source of this liability, whether it be moral or legal, does not seem to me to apply to section 5. Section 5 provides for the distribution of money to cooperatives which were not in existence at the time of these transactions.

Mr. BANKHEAD. I will make a statement about that.

In the first place that provision has a very limited application. My friend the Senator from Tennessee [Mr. McKELLAR] said that these concerns were all in bankruptcy. I think the Senator meant that they were broke. They did not go into court. Of course, they were broke when the Farm Board took all they had. But my information is that only one of the cooperatives, the Georgia cooperative, went into the bankruptcy court. It is now under receivership, and under the provisions of the bill it is intended that the money going to that cooperative association shall be paid to the receiver. If that is not the language of the measure, I will be glad to correct it. That is its purpose.

The Alabama organization was reorganized. The name was changed slightly, as will be noted, and 7 out of the 11 directors in the organization were elected in the new organization. They proceeded right on in the same office and with the same stationery, as an active organization, simply with a change of name.

In respect to the Tennessee and Arkansas organizations, I am advised that there was a legal transfer of the assets and liabilities. There was a legal consolidation of those two organizations into the Mid-West organization, with its headquarters in Memphis. So naturally the money would go to the consolidated company. The name of the Alabama association was slightly changed, but in substance and effect the two organizations were the same. That slight change furnishes no reason why their lost money should not be replaced. If the claims are paid elsewhere, there is no reason why in the case of the Georgia organization the claim should not be paid to the receiver.

So I submit that these matters have been considered, and there is no desire that the money should go anywhere except to associations which are trying to serve the welfare of the cotton farmers.

Mr. President, at Memphis we went into the whole subject of the value of the services rendered by the cooperatives. The real question is whether we are going to uphold the cooperatives or to destroy them. That has been the fight from start to finish. That was the fight at Memphis, Tenn. It was the fight before the Committee on Agriculture and Forestry in another investigation.

Mr. President, I shall make one other statement and then I will be through, unless Senators wish to ask me further questions. I have pointed out that the bill had received the careful consideration of the Committee on Agriculture and Forestry. The committee had been through one long investigation, and every member of the committee became satisfied there was no justification for destroying the cooperatives simply because of the allegations made by their competitors.

The committee, as I have said, went into the details of this bill and conducted elaborate hearings. A great deal of interest was manifested by members of the committee, especially by those not familiar with the subject. Again, the second time, Democrats and Republicans, southerners, easterners, and westerners unanimously reached the conclusion that this was a just debt; that it was based upon real substantial equity; that, by reason of the cooperation of these cotton cooperatives with the Farm Board, a Government agency upon which they had a right to rely, they had been wiped off the board financially and put into debt, without fault on their part, and that in doing so they were not only serving the best interests of their own members but serving the best interests of every cotton producer in the country, all of whom were benefited by these transactions.

Because we recognized the difficulty of securing an appropriation for a large sum of money at this time, we left out the section which had been in previous bills, reimbursing the members of the cooperatives for the losses they had sustained by reason of holding the cotton. There was no connection between the loss by the members, the farmers, and the loss by their organization.

Mr. President, if the bill is passed, it will strengthen the cooperatives. It will announce to the world that Congress will not go along with the cotton buyers and cotton shippers in their determined fight to break down and destroy the cooperative movement.

Mr. President, that is all I have to say. After going through the McKellar hearing, after going through the Smith hearing, after going through the hearings on this bill, it is my deliberate judgment that this is a just, a fair, and an honorable claim, and that Congress should recognize it.

Mr. ADAMS. Mr. President, will the Senator yield for a couple of questions?

Mr. BANKHEAD. I yield.

Mr. ADAMS. The different cooperative associations listed in the Senator's bill have been existent for the past 10 years?

Mr. BANKHEAD. That is my information, just confirmed a few moments ago.

Mr. ADAMS. And they have kept in a reasonably thrifty or prosperous condition since then?

Mr. BANKHEAD. They have had a struggle, of course. They started from scratch. They have had a hard fight. Even now they do not have the money to pay what they owe the Farm Credit Administration. This is not a matter of profit; it is almost a matter of self-existence.

Mr. ADAMS. That was the purpose of my inquiry. The Senator had stated that it was a battle involving the life of the associations.

Mr. BANKHEAD. It is.

Mr. ADAMS. They have survived without the money. Is this money vital to their continuation?

Mr. BANKHEAD. They borrowed most of that money, and if they do not get some relief to pay it back there is grave question whether they can survive or not. That is what the cotton buyers realize.

Mr. ADAMS. I should like to ask another question which has doubtless been covered by the Senator. The cotton cooperatives received 16 cents; that is, the Farm Board paid the difference between what the cooperatives received for the cotton and 16 cents, and this claim is for the amount above that which was involved in insurance and various carrying charges?

Mr. BANKHEAD. No; it is the amount the cooperatives lost when the price of cotton went down. It took all the profits they had. When the price broke through that level they could not get enough money to pay what they owed the Farm Board. They borrowed 16 cents at the insistence of the Farm Board, and at the lower price they were not in position to pay what they owed.

Mr. ADAMS. I got the impression that the amount involved represented carrying charges and other items over the 16 cents.

Mr. BANKHEAD. That was how they lost it in large part. They had to turn over everything they had in payment. They had to carry the cotton in the pool.

Mr. ADAMS. The statement in the bill is that the amount is the difference between the carrying charges and operating cost expended by each cotton cooperative association, and the amount paid in the original settlement with the Federal Farm Board.

Mr. BANKHEAD. That is correct. That is what constituted the law.

Mr. ADAMS. Does the Senator mean to include in the carrying charges and operating costs the amount which was paid to the farmer for his cotton?

Mr. BANKHEAD. No. The cotton farmer received 16 cents. That ended the Farm Board money so far as advances were concerned. That money was turned over to the farmer. He put his cotton into the pool. Some of the

members of the cooperatives sold their cotton and got out with a profit.

Mr. ADAMS. If the Senator will have patience with those of us who do not understand the situation——

Mr. BANKHEAD. I am glad to answer.

Mr. ADAMS. As I understand, the cotton cooperative is composed of farmers.

Mr. BANKHEAD. Yes.

Mr. ADAMS. It is an unincorporated association made up of individual farmers.

Mr. BANKHEAD. Yes.

Mr. ADAMS. And the individual farmers got their 16 cents?

Mr. BANKHEAD. Yes; those who put their cotton in the pool.

Mr. ADAMS. Those who put in their cotton; and if money is paid to the cooperatives under this bill it would be for the benefit of the farmers who have already gotten their 16 cents?

Mr. BANKHEAD. No; it would be paid to place the cooperatives themselves in their previous status, so they would have money with which to operate and pay their debts.

Mr. ADAMS. Who would get the money?

Mr. BANKHEAD. The Farm Credit Administration would get most of it. The cooperatives would not get it.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. McCARRAN. In any event, the producers of cotton would not get it? Am I correct in that understanding?

Mr. BANKHEAD. The organization would get it.

Mr. McCARRAN. The producers of cotton would not get it?

Mr. BANKHEAD. No. There was a bill to pay them the loss of $25,000,000. That was abandoned. They would receive the benefit of the money provided in the pending bill, of course.

Mr. McCARRAN. I wish to ask one or two questions. I apologize because I have not been present during all the debate.

As I understand, the purpose of the bill is to reimburse someone, namely, the cooperatives, for a loss sustained in dealing in cotton. Am I correct?

Mr. BANKHEAD. In part. The Senator does not go far enough. The loss was sustained in handling cotton under a plan adopted by the Federal Farm Board.

Mr. SMITH. Mr. President, I see the Senator's difficulty. It is this——

Mr. McCARRAN. Who pays the money?

Mr. BANKHEAD. It comes out of the revolving fund of the old Farm Board.

Mr. McCARRAN. Does it not come out of the Federal Treasury?

Mr. BANKHEAD. Not in that way. There is no appropriation.

Mr. McCARRAN. There is an authorization, is there not?

Mr. BANKHEAD. No. As I have stated several times, I have changed that part of the bill by an amendment.

Mr. McKELLAR. The bill is an authorization.

Mr. BANKHEAD. I have changed that.

Mr. McCARRAN. Some one dealing in a commodity known as cotton lost some money in the deal. Somebody is going to pay it. As I understand, the payment is to come out of the Federal Treasury.

Mr. BANKHEAD. No; it does not come out of the Federal Treasury by an appropriation. It is to come out of an agency of the Federal Government.

Mr. McCARRAN. The agency must obtain its money from the Federal Government.

Mr. BANKHEAD. It already has it.

Mr. SMITH. Five hundred million dollars was appropriated to the Farm Board for the stabilization of certain crops.

Mr. McCARRAN. That money was appropriated from the Federal Treasury.

Mr. SMITH. Yes; but it was set aside, and it is still there. There is enough left in that fund to meet these obligations. The Senator asks who lost the money. The agents of the producers themselves lost it. Suppose I were a member of a cooperative association, and I received 16 cents for the cotton which I sold. In the ultimate transaction the organization to which I belonged, as the agent of the producers, lost a great amount of money. As a member I am morally obligated to assume my responsibility to my agent.

Mr. McCARRAN. To reimburse the agent.

Mr. SMITH. Exactly. The Government is under obligation to reimburse——

Mr. McCARRAN. Whom?

Mr. SMITH. The various cooperatives throughout the States, for the work which they did for the Farm Board. Yesterday I read a statement from the chairman of the Farm Board, saying, in effect, that "We assume all responsibility for the 16-cent loan. The subsequent action of the market wiped out the reserves of the cooperatives, and we feel that we are morally obligated to repay them."

Mr. McCARRAN. Mr. President, I shall try to boil it down in my own way. Someone lost some money. It is not proposed that we reimburse the farmers. They were the producers of the cotton. It is proposed to reimburse some intervening agency which lost some money. It is proposed that we take money from the Federal Treasury to reimburse the intervening agency. Am I correct?

Mr. SMITH. Let me tell the Senator——

Mr. McCARRAN. Will the Senator answer my question? Am I correct or incorrect in that statement?

Mr. SMITH. The Senator is correct, because the intervening agency was financed by the farmers. It was their money which was put into the reserve fund of every association. That fund was used up in insurance, storage, and the loss per bale, after the farmers had sold 89 percent of their crop at 16 cents. Therefore every organization which receives this money must return to every member what he put in the reserve fund. So the money does go back to the grower in the ultimate result.

Mr. McCARRAN. I am grateful for the explanation.

Mr. McKELLAR. Mr. President, before the Senator resumes his seat——

The PRESIDING OFFICER. Does the Senator from Alabama yield the floor?

Mr. BANKHEAD. I yield the floor.

Mr. BRIDGES obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator from New Hampshire yield in order that I may ask a question?

Mr. BRIDGES. I shall be glad to yield to the Senator for a question.

Mr. McKELLAR. The Senator from Colorado [Mr. ADAMS] asked the Senator from Alabama [Mr. BANKHEAD] whether or not these were voluntary cooperative associations. Quite the contrary. They are all Delaware corporations, from the American Cotton Cooperative Association down to the last one of them. They are organized under the laws of the State of Delaware. The Senator will remember that many corporations throughout the United States are organized under the laws of Delaware. These corporations are all organized under the laws of the State of Delaware, and they are controlled as such corporations. I have copies of the charters, presented by Mr. Creekmore.

Mr. BILBO. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Mississippi?

Mr. BRIDGES. I yield.

Mr. BILBO. I am compelled to leave the Chamber. I should like to obtain action on an amendment which I have to offer. I do not think there will be any objection to it. I wish to offer a substitute for section 6.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Mississippi for that purpose?

Mr. BRIDGES. I have been waiting for some time, but I shall be glad to yield if it is a question of only a minute or two.

Mr. BILBO. That is all.

Mr. President, section 6 of the original bill authorized an appropriation to take care of the money to be paid to the cooperatives. On the first of last August an amendment was adopted which took care of the Staple Cooperative of the Mississippi Delta. If my substitute for section 6 is not adopted, it will be necessary to increase the amount set out in the bill.

Mr. BANKHEAD. Mr. President, I have stated to the Senator that I have taken out section 6. I read my amendment as a substitute for section 6.

Mr. BILBO. I think the Senator's amendment must be in the same words as mine.

Mr. BANKHEAD. I do not think so.

Mr. BILBO. I shall read my amendment as a substitute for section 6:

SEC. 6. The payments authorized to be made by the Farm Credit Administration under this act shall be made from the revolving fund established pursuant to section 6 of the Agricultural Marketing Act, as amended; and so much of such fund as may be necessary for the purpose of making such payments is hereby made available for such purpose.

Mr. BANKHEAD. That is the same language as the language of my amendment.

Mr. BILBO. Mr. President, I offer my amendment as a substitute for section 6, and ask that it be adopted.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. The Senator from New Hampshire [Mr. BRIDGES] has the floor.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. McKELLAR. I hope the Senator from Mississippi will let the amendment go over for the present, because it involves a matter of importance, which I think we ought to have a little time to look into.

Mr. BILBO. Very well. I withdraw the amendment.

Mr. McKELLAR. Mr. President, will the Senator from New Hampshire yield to me for a moment?

Mr. BRIDGES. I yield.

Mr. McKELLAR. Mr. President, I ask to have printed in the RECORD at this point section 151, on page 1138, volume 36, part I, of the United States Statutes at Large, Sixty-first Congress, third session. That section provides that whenever complications arise with respect to claims, except pensions, the Senate or the House may refer the matter to the Court of Claims to report all the facts accurately.

The PRESIDING OFFICER. Without objection, the matter will be printed in the Record as requested.

The matter referred to is as follows:

SEC. 151. Whenever any bill, except for a pension, is pending in either House of Congress providing for the payment of a claim against the United States, legal or equitable, or for a grant, gift, or bounty to any person, the House in which such bill is pending may, for the investigation and determination of facts, refer the same to the Court of Claims, which shall proceed with the same in accordance with such rules as it may adopt, and report to such House the facts in the case and the amount, where the same can be liquidated, including any facts bearing upon the question whether there has been delay or laches in presenting such claim or applying for such grant, gift, or bounty, and any facts bearing upon the question whether the bar of any statute of limitation should be removed or which shall be claimed to excuse the claimant for not having resorted to any established legal remedy, together with such conclusions as shall be sufficient to inform Congress of the nature and character of the demand, either as a claim, legal or equitable, or as a gratuity against the United States, and the amount, if any, legally or equitably due from the United States to the claimant: *Provided, however,* That if it shall appear to the satisfaction of the court upon the facts established that under existing laws or the provisions of this chapter, the subject matter of the bill is such that it has jurisdiction to render judgment or decree thereon, it shall proceed to do so, giving to either party such further opportunity for hearing as in its judgment justice shall require, and it shall report its proceedings therein to the House of Congress by which the same was referred to said court.

Mr. McKELLAR. In accordance with the provision which I have asked to have printed in the RECORD at this point, I submit a resolution and ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection the resolution submitted by the Senator from Tennessee will be received and printed in the RECORD.

The resolution (S. Res. 257) submitted by Mr. McKELLAR is as follows:

Resolved, That the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes, now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

Mr. AUSTIN. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lee	Schwellenbach
Ashurst	Ellender	Lodge	Sheppard
Austin	Frazier	Lucas	Shipstead
Bailey	George	Lundeen	Smathers
Bankhead	Gerry	McCarran	Smith
Barbour	Gibson	McKellar	Stewart
Barkley	Glass	McNary	Taft
Bilbo	Guffey	Maloney	Thomas, Idaho
Bone	Gurney	Mead	Thomas, Okla.
Bridges	Harrison	Miller	Thomas, Utah
Brown	Hatch	Murray	Townsend
Bulow	Hayden	Norris	Tydings
Byrd	Herring	Nye	Vandenberg
Byrnes	Hill	O'Mahoney	Van Nuys
Capper	Holman	Overton	Wagner
Caraway	Holt	Pepper	Walsh
Chandler	Hughes	Pittman	Wheeler
Clark, Idaho	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Donahey	La Follette	Schwartz	

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

THE ADMINISTRATION OF THE DEPARTMENT OF JUSTICE

Mr. BRIDGES. Mr. President, I have no desire to precipitate a controversy or to take any more of the time of the Senate than necessary, but I think the spotlight should be thrown on the Department of Justice because of the serious rumors and reports which have been circulating about it for several weeks. Some of these rumors and reports have even appeared in print, and many of my colleagues have heard them, I am sure, for I have talked with them about them.

Manifestly I have not the facilities to get to the bottom of these matters, but I think they are of sufficiently serious import to be given an airing.

Undoubtedly there are others who have shared my apprehensions concerning the administration of so influential an agency of the Government as that presided over by Mr. Jackson. We know that it is an agency that could be used to harass one's political enemies and protect one's political friends. I make no charge and intend no insinuation that that is being done today; but there are some things about which I want to find out.

Mr. Jackson is a former corporation lawyer, and only a few years back worked for "economic royalists" and drew from them large fees. He has a conservative background. He is a very astute man. He came to Washington and became the "fair-haired boy" of the administration—the "fair-haired boy" of the gentleman at 1600 Pennsylvania Avenue.

He is a sort of head crony of the Corcoran-Cohen-Jackson political combine. He is alined with those two men who are so powerful behind the scenes in Washington, and with the so-called left-wing crowd of the New Deal. I think it fair to assume that Tommy Corcoran and Benny Cohen, two young political adventurers who by one way or another have attained an amazing influence in the Government, have more influence with Mr. Jackson than possibly anyone else in the country except the President, and, of course, he has no time to give to the details of administering a department.

So Mr. Jackson carries on, assisted by Mr. Corcoran and Mr. Cohen.

I should like to learn whether the Department is to be used to deal leniently with or to give protection to Communists and those of Communist leanings, while dealing very firmly with those of an opposite alien philosophy.

For example, why have the cases against 17 Communists in Detroit, involving the recruiting of young men for service in Spain, been dismissed, while the cases against 17 others, members of the so-called Christian Front, are being pressed with enthusiasm?

Congress should investigate the Detroit Communist cases. A great "red herring" is being drawn across the case by charges that the F. B. I., the United States marshal, and others were cruel to the Communist prisoners by arresting them at night and handcuffing them afterward. Five of the Communists have long records. All sight is lost of the fact that a grand jury found these men, who were supposedly acting on orders from Moscow, enlisting American boys and sending them abroad, some of them to die, in the Communist brigades of the Spanish Loyalist Army.

Why were these cases dropped? What influence was used on Jackson to have these cases dismissed? Are Communists to be treated as being above the law?

I have here a copy of Jackson's "alibi." It is, in effect, that "it seems inappropriate to begin prosecution for activities so long known to the Government." He condemns his own Department of inefficiency and of dereliction of duty and then dismisses indictments when the Department finally did its duty. No more silly argument could be advanced. He says "no public injury seems to have been suffered." No injury, when American boys gave up their lives! He refers to "individual Spanish sympathizers who had become so heated over that foreign conflict as to want to fight." Yes; they became heated when needled and harangued and argued into it by the 17 Communists whom Jackson freed.

I have in my hand the official release from Mr. Jackson's Department of Justice which he gives as his excuse for the dismissal of these charges, and I ask that it be included in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DEPARTMENT OF JUSTICE

Attorney General Jackson today issued the following statement:

"On February 6, 1940, 16 persons were indicted at Detroit, Mich., for conspiring to induce enlistments in the Spanish war in violation of the statute of 1818.

"These offenses are charged to have been committed in 1937 and 1938, and the Federal Bureau of Investigation submitted its report on them in March 1939. No action was taken until December 1939, when the United States attorney at Detroit was ordered by Attorney General Murphy to conduct a grand-jury proceeding.

"These indictments present to the Department the dilemma of either discontinuing these cases or entering upon a vastly broader campaign of prosecution. Even-handed and impartial justice would not localize prosecutions of this character to Detroit nor confine them to only one side of the Spanish war, nor even to the Spanish war itself. Similar activities were alleged to have taken place in various parts of the country in 1936, 1937, and 1938 with respect to the Spanish war, the Italian-Ethiopian, and the Japanese-Chinese conflicts, and no indictments have been brought. Unless we are to proceed with all the cases arising during that period, it would be manifestly unjust to single out these Detroit defendants."

Furthermore, I can see no good to come from reviving in America at this late date the animosities of the Spanish conflict so long as the struggle has ended and some degree of amnesty at least is being extended in Spain. Since these acts were not prosecuted when they were new or current, it seems inappropriate to begin prosecution for activities so long known to the Government. (No public injury seems to have been suffered from the fact that individual Spanish sympathizers, who had become so heated over that foreign conflict as to want to fight, left this country to do so.)

However, the Department should in the future, and it will, be diligent to apply this statute to prevent organized enlistments in this country to engage in European wars. The Federal Bureau of Investigation will watch closely any activities of this character. No such activities will be permitted to become a menace to our foreign or domestic peace.

I have ordered the indictments in Detroit dismissed. The United States attorney is subject to no criticism in this connection, for he has acted strictly in accordance with his instructions from Washington.

Mr. BRIDGES. These Communists were guilty of subversive activities which constituted a violation of Federal statutes. They were indicted and freed by Jackson.

In New York City 17 others have been indicted and are now being tried for violating particular Federal rules in another subversive case. The New Yorkers are accused of wrongdoing. The New Yorkers, I am informed, are not Communists but are members of various religious faiths which are very strongly opposed to communism.

Mr. Jackson is going ahead with the prosecution of the 17 New Yorkers on a subversive charge after freeing the 17 Communists in Detroit on a like charge. Does this mean he is treating some groups one way and Communists in another? Both groups have supposedly violated the laws of the United States. But Jackson finds an excuse—a feeble one it is true, but one that satisfied his own conscience—and dismisses indictments against 17 Communists in Detroit but proceeds against others in New York. The Communists were veterans, agents of Moscow, experienced men, some with long records, all of them troublemakers. I have in my hand the complete prison and criminal records of these Communists in Detroit.

The others, the New Yorkers, I am informed, are mostly misguided youths, committing their first offense against the Government. Is it one rule for Communists, another rule for those opposed to communism?

Is the Department of Justice on a sit-down strike against putting Communists in jail?

We have instances on every hand of Communists violating our laws, and this with the knowledge of the Department of Justice, but none are sent to jail. We have the instance of Charles Recht, the New York attorney and agent of the Soviet Government.

Last year Congress passed a law making it illegal to represent foreign interests in this country without first registering at the State Department. Some minor Communist agents were indicted in early December 1939 by the District of Columbia District Court grand jury. The indicted agents raced into court and pleaded guilty, getting off with suspended sentences and fines.

Immediately after the indicted agents pleaded guilty, Mr. Charles Recht, long-time agent for Soviet interests, went to the State Department in December 1939 and registered as the American agent for seven or eight Soviet governmental corporations. There is reason to believe that he was representing the same Soviet corporations all the time from the date when the law took effect until December, when he finally registered. Why has he not been indicted for violating the law between July and December? Who is protecting him from his own admitted violation of the law, since if he had acted lawfully prior to December there was no need for him to register in December, and if his work required registration in December then certainly he was acting unlawfully before December? Who is protecting him?

Is Mr. Jackson on a sit-down strike against the administration of justice?

On March 13, 1930, the District of Columbia district court grand jury again handed down some indictments against Soviet agents doing business in this country without registering with the State Department. Those indicted were officers of the World Tourists, Inc., the Soviet Travel Agency.

On Saturday, March 16, 1940, the State Department announced that five Communist agents had just registered. These five are identified as the "kingpins in the dissemination of Communist propaganda in the United States." One of the five is Robert Minor, president of the Workers' Library Publishers, Inc., of New York City, which publishes the organ of the Communist Party, the Communist International. He is a member of the powerful international control commission of the Communist International. William Weiner, vice president of the company, who was also indicted, is treasurer of the Communist Party in the United States.

Now that these Communists have come in and confessed by registering that they have been serving Soviet masters in the United States, the question is, are they going to be

prosecuted for violating the law since July 1? Or is there some powerful personage in or behind the Department of Justice who is going to protect them from just punishment for violating our laws?

Where does this immunity come from? Where do the Communists get their protection?

The District of Columbia district grand jury was convened last January with a great fanfare of publicity. Mr. Murphy, who was then the Attorney General, announced that the Department of Justice had all sorts of evidence of sabotage by foreign agents in airplane, munitions, and automobile factories. Rumors flew thick and fast that big indictments were coming. Then there were rumors that some high personage in the Government was trying to prevent these indictments. Well, the grand jury quietly folded up last week without returning an indictment. I should like to know, Mr. President, what it is all about.

Mr. President, is there a sitdown strike in the Department of Justice against the administration of justice? What has become of the prosecution of the Archibald McNeil case, and the grand jury investigation of the same Archibald McNeil, one-time Democratic national committeeman from Connecticut?

What has become of the investigation at Hot Springs, Ark., of charges against city officials and police that they had accepted bribes for harboring Federal fugitives from justice?

When is Mr. Jackson going to take action on the violation of civil liberties and vote frauds in New Jersey—charges raised in the 1938 congressional elections, so that Federal laws are involved?

Mr. SMATHERS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from New Jersey?

Mr. BRIDGES. Certainly.

Mr. SMATHERS. Mr. Annenberg was indicted in the Philadelphia inquiry, was he not?

Mr. BRIDGES. I do not know. I have not seen in the newspapers whether that is the case or not. If so, the Attorney General is proceeding in a particular case, but there are some things up in the Senator's own State—in the city in the Senator's State dominated by a man by the name of Hague—which certainly need investigation. I was very much interested to observe that a candidate for United States Senator from New Jersey, the new, great, and wise Minister to Canada, Mr. James H. R. Cromwell, the other day was quoted by the press as saying:

> I do not know whether or not I shall be a candidate for United States Senator from New Jersey. I have not talked to Mayor Hague as yet.

I thought that was a very wise statement from a very wise man; after making a few more statements like that, the people of New Jersey certainly should have him sized up.

Mr. SMATHERS. Mr. President, will the Senator yield for another question?

The PRESIDING OFFICER. Does the Senator from New Hampshire further yield to the Senator from New Jersey?

Mr. BRIDGES. Certainly.

Mr. SMATHERS. I take it that the Senator is allergic to United States Attorneys General, for I very distinctly remember the two or three bitter attacks that he made on Mr. Justice Murphy before he went to the Supreme Court. The Senator from New Hampshire does not care for United States Attorneys General at all. Is that the answer?

Mr. BRIDGES. I will answer the Senator from New Jersey. I like men of action. I like somebody who gets action. I did oppose Mr. Murphy for Attorney General of the United States when his name came up for confirmation, but at the same time Mr. Murphy did a better job as Attorney General than I expected him to do. He went ahead in many cases which rather surprised me; and, as compared to Mr. Jackson, I take off my hat to Mr. Murphy if we have to get down to a comparison, just as I would take off my hat to the Senator from New Jersey [Mr. SMATHERS] if I had to compare him with Mr. Jimmy Cromwell. [Laughter.]

When is Mr. Jackson going to take action on the numerous charges as to vote frauds in Chicago in the 1938 congressional elections, including the charge that some precincts had reported vote totals without even counting ballots—charges of official corruption?

Remember that the other day, out in Chicago, again the Kelly-Nash machine was functioning. Once again a big vote was rolled up, 7 to 1, for Mr. Roosevelt. I wonder if that machine has been left in power in order that it may deliver for the gentleman in the White House. Perhaps the Senator from New Jersey can answer that question. I do not know.

Mr. SMATHERS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Hampshire further yield to the Senator from New Jersey?

Mr. BRIDGES. Certainly.

Mr. SMATHERS. I thought the Senator from New Hampshire would be worried about the vote that was rolled up out in Illinois.

Mr. BRIDGES. Let me tell the Senator something. I am not worrying about the total Roosevelt vote, but I am very much interested in the total Garner vote, because the Garner vote represents anti-third-term sentiment in the Democratic Party. It means, to my mind, that if Mr. Roosevelt or any other new dealer is nominated by the Democratic Party, it is going to be defeated.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Kentucky?

Mr. BRIDGES. Certainly.

Mr. BARKLEY. The Democrats, of course, appreciate the Senator's interest in the Garner-Roosevelt vote; but is the Senator wholly disinterested as to the Dewey-Vandenberg vote in Wisconsin and Nebraska and other States?

Mr. BRIDGES. No; I followed that with interest; and if the Senator from Michigan [Mr. VANDENBERG] had been able to leave his work in the Senate and go out there, he and the Republican Party probably would have polled a larger vote in those States. I may say that I can appreciate that the Senator from Kentucky has an interest in these things, because, by comparison again, I certainly would take off my hat to him as the candidate of the Democratic Party compared to Mr. Jackson and some of the other would-be candidates.

Mr. BARKLEY and Mr. SMATHERS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire further yield; and if so, to whom?

Mr. BRIDGES. I yield first to the Senator from Kentucky. Then I will yield to the Senator from New Jersey.

Mr. BARKLEY. I appreciate the Senator's compliment, but I hope he does not damn me with too much faint praise.

Mr. SMATHERS. Mr. President, I should like to have the Senator comment on his opinion of the Senator from New Hampshire [Mr. BRIDGES] in his capacity as candidate for the Presidency of the United States.

Mr. BRIDGES. Let me say to the Senator from New Jersey that the Senator from New Hampshire is a rather biased witness so far as his own candidacy is concerned. Undoubtedly he thinks well of his own candidacy. [Laughter.]

I might say, in answer to the Senator from Kentucky, that I realize that when I compared him with Mr. Jackson, and said the Senator from Kentucky would be a better candidate, it was faint praise; but I would even be willing to add on a little for good measure.

Mr. BARKLEY. Mr. President, if the Senator will yield at that point, I thank him for announcing my candidacy, but I believe I shall be able to attend to that myself if it should ever develop.

I wish to say to the Senator, however, that I am not interested in or disturbed by his diatribes against Mr. Jackson or anybody else in the Democratic administration. I do not know just what his peculiar point of grievance against Mr. Jackson is; but I regard Mr. Jackson not only as one of the ablest men in the public service but as a sincere public servant. While I am not familiar with the details of the prosecution of all the indictments which have been brought by

grand juries in the United States against persons charged with crime, I am quite satisfied that whatever Mr. Jackson's action has been in that regard it has been prompted by a sincere, disinterested motive to bring about justice in the courts of the United States.

The Senator from New Hampshire evidently does not agree with that statement, and he would not agree with any reasons which Mr. Jackson might assign for any action which has been taken in regard to any of these cases; but the mere fact that a few indictments, or even the 17 indictments referred to by the Senator in Detroit—the details of which I have not on my desk, and which I do not intend to discuss without the details—have been dismissed, and that indictments against other persons in New York or elsewhere are being tried, certainly offers not even superficial evidence that Mr. Jackson has been motivated by anything except a desire to see that his Department carries on the dispensation of justice as it ought to be done, however much the Senator may disagree with Mr. Jackson.

The Senator does not in any way impugn the motives of Mr. Jackson, as he stated at the beginning of his remarks. He does not in any way doubt Mr. Jackson's ability. I do not think he would doubt his sincerity. Whether some of these men may be Communists, I do not know; whether they sympathized with the Spanish Republic, I do not know. The newspapers carried the statement that they were active in some way in fomenting some assistance to the Spanish Republic during the Spanish revolution. Frequently men who are technically guilty of some violation of law cannot be convicted, and those in charge of prosecutions do not feel that the ends of justice would be served by entering upon trials in cases of that sort. I do not know about that. I have not asked Mr. Jackson anything about any of these cases. However, it seems to me that the mere fact that a group of men in Detroit were dismissed and a group in New York are being tried cannot be regarded in any way as a reflection either upon the motives or the sincerity or the ability or the public service of the Attorney General.

Mr. BRIDGES. I think the Senator from Kentucky is using his generally very generous gracious efforts in coming to the defense of Mr. Jackson. I know he has very blindly come to the defense of Mr. Roosevelt in the past, and I am not surprised that he blindly comes to the defense of Mr. Jackson.

Mr. BARKLEY. I am not saying what I do say as a matter of generosity. I am saying it as a matter of justice.

Mr. BRIDGES. The Senator admits he has no facts.

Mr. BARKLEY. I have never defended anyone blindly.

Mr. BRIDGES. The Senator certainly is defending Mr. Jackson blindly, is he not?

Mr. BARKLEY. If I were to defend the Senator from New Hampshire, which I might some time be called upon to do, I would not do it blindly.

Mr. BRIDGES. I admit the Senator might have to do that blindly.

Mr. BARKLEY. I shall not ever do it blindly. If I did it, I would do it with my eyes open.

Mr. BRIDGES. I would like to have the Senator tell me how he can say he is not defending Mr. Jackson blindly when he stands here and says he knows nothing about these cases. He says he has faith in Mr. Jackson because he is Mr. Jackson. I merely said that I thought it due to his usual gracious inclination of blindly defending new dealers.

Mr. BARKLEY. I have not read the indictments against these men. I have not read the proof. I do not know what the witness would swear to. All I know is probably all the Senator knows, what he has read in the newspapers, that these cases have been dismissed.

Mr. BRIDGES. At times the newspapers are a very good source of information.

Mr. BARKLEY. Of course, that is true, but in stating that the indictments have been dismissed, the newspapers do not carry any information as to the evidence which could be adduced on the trials, or whether convictions could be had or not. I am perfectly frank in saying that I have not investigated the details of these cases; but the mere fact of their dismissal, the mere fact that there were 17 of them, carries no conviction as to anything at all, because not only in the Federal courts but all over the United States, in the district, city, county, and State courts, men are frequently indicted, and then the indictments are dismissed, because it turns out later that the indictments were either a mistake, or the men could not be convicted, or that the ends of justice do not require the continuation of the prosecutions.

Mr. BRIDGES. Would the Senator from Kentucky be surprised if I should produce a statement by United States District Attorney John C. Lehr and United States Marshal John L. Barc, who had charge of these cases, questioning the advisability of Mr. Jackson dropping the cases? Apparently there is a division in the Department of Justice.

Mr. BARKLEY. That may be. The Senator asked me if I would be surprised at him producing that information. Whether I would be surprised or not is entirely beside the question. I am not surprised, I will frankly say. I am not familiar with the circumstances under which those statements were given out, whether they were given out before or after the dismissal. What difference does it make, anyway?

Mr. BRIDGES. It does make some difference when a man assumes the office of Attorney General of the United States, when there are pending against 17 outstanding Communists in this country indictments brought by his predecessor in office, Mr. Murphy, and in one of his first official acts as Attorney General he dismisses those indictments with a weak excuse such as I will insert in the RECORD, and then proceeds to prosecute other cases in the city of New York.

Mr. BARKLEY. Does the Senator think that because these cases in Detroit were dismissed those in New York ought to be dismissed?

Mr. BRIDGES. No; I think they all should be prosecuted.

Mr. BARKLEY. I do not wish to pass on the guilt or innocence of those men; they are now being tried in the courts——

Mr. BRIDGES. That is correct.

Mr. BARKLEY. The courts will pass on that question.

Mr. BRIDGES. In the Detroit cases Jackson passed on the question.

Mr. BARKLEY. Jackson passed on it, I presume, by advising that the cases be dismissed.

I have not seen the statement of the United States marshal——

Mr. BRIDGES. I will put it in the RECORD.

Mr. BARKLEY. I do not know what his statement was or the occasion for it, but it is a little unusual for a United States marshal, whose duty it is to carry out the orders of the court, to arrest people and keep them in custody and perform other ministerial duties in connection with his office, to decide whether the Attorney General of the United States has acted wisely in determining whether a case should be dismissed or not. The district attorney, who has some duty in connection with prosecutions, may have an opinion upon it, but it does not strike me as the duty of the United States marshal to pass on such a question.

Mr. CONNALLY. Mr. President, will the Senator from New Hampshire yield that I may ask the Senator from Kentucky a question?

Mr. BRIDGES. I yield to the Senator for that purpose.

Mr. CONNALLY. Is it the understanding of the Senator from Kentucky that the Senator from New Hampshire thinks the marshal should be Attorney General and probably the Attorney General should be the marshal? [Laughter.]

Mr. BARKLEY. That is the inference to be drawn from the statement that the United States marshal has criticized the action of the Attorney General in determining whether these cases should be prosecuted.

Mr. BRIDGES. For the benefit of the Senator from Texas, that might go in Texas but probably not in Michigan, where the cases have been pending.

Mr. SMATHERS. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. SMATHERS. What makes the Senator from New Hampshire reach the conclusion that someone should defend Attorney General Jackson?

Mr. BRIDGES. I do not know why anyone should defend him, but I think perhaps before he gets through he will either have to defend himself or someone else will have to defend him; and I am sure the Senator from New Jersey would be a very able defender for him. Of course, I do not wish to incite the Attorney General to go to New Jersey and investigate the Hague machine. Nevertheless, I would not feel bad if he did. I just brought out the New Jersey situation as a matter of course.

I wish to ask one or two more questions. When is Mr. Jackson going to take action on numerous charges against officials and the policy of corruption at Miami, Fla., involving Federal phases?

What does Mr. Jackson propose to do about graft, "hot oil", and income-tax fraud indictments already returned against leading Democratic New Deal politicians in Louisiana?

What does Mr. Jackson intend to do about the indictment of Willie Bioff in Los Angeles, Calif., on charges of owing the United States $84,336.40 on his 1936–37 income?

When will he take action upon vote-fraud charges in other sections, which involve Federal charges, congressional elections, and kindred matters?

Mr. President, in order to make the record complete and not to occupy the time of the Senate, I ask to have printed in the RECORD an article from the Washington Times-Herald of March 31, 1940, under the headline "United States Spy Jury Passes; Only One Indicted."

The PRESIDING OFFICER. Is there objection.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of March 31, 1940]

UNITED STATES SPY JURY PASSES; ONLY ONE INDICTED—HAS LITTLE TO BOAST IN 10-WEEK INQUIRY

(By Samuel Shaffer)

Born of spy fears which swept the Department of Justice after the outbreak of war in Europe, the special grand jury, impaneled in January to probe subversive activities of foreign agents in America, folded its tents last week and, like the proverbial Arab, silently slipped away.

Few investigating groups in recent years have gotten under way to the fanfare of publicity that surrounded this grand jury.

THE FANFARE FADES

But the fanfare expired with expiration of the jury's time limit. Despite a probe that lasted 10 weeks, the record discloses only one major accomplishment—the indictment of the director of a travel agency in New York City, for failure to register with the Department of State as a foreign agent.

Within 24 hours after he was indicted, Jacob Raisin, director of World Tourists, Inc., pleaded guilty before Justice Peyton Gordon in the United States district court, was fined $500 and given a suspended sentence of 4 months to a year.

Last December the then Attorney General Frank Murphy announced a special grand jury would be impaneled to devote itself exclusively to subversive activities.

LISTED "RED" OFFICIALS

The Department of Justice, Murphy said, had evidence of carefully planned sabotage by foreign agents in munitions, airplane, and automobile factories. He listed by name a number of Communist Party officials who were suspected of stealing American military secrets.

No indictments have been returned against saboteurs or spies.

Murphy's announcement came on the heels of complaints of Representative MARTIN DIES, chairman of the House committee investigating un-American activities, who had accused the Justice Department of failure to do anything about the menace of subversive agents.

Shortly after the jury was impaneled, Murphy was named to the United States Supreme Court as Associate Justice to fill the vacancy created by the death of Justice Pierce Butler.

SOURCE OF EMBARRASSMENT

The failure of the special grand jury to accomplish much is a source of great embarrassment to the Department of Justice. The reason why so little was done is just beginning to leak out.

The investigation of subversive activities by the Department of Justice was far from complete when Murphy announced the grand-jury probe.

The announcement came as a painful surprise to those agents in the Department engaged in digging up evidence. They asked for more time before impaneling the jury, but they were told it had to be done at once. The order went out during the Christmas season that the grand jury was to begin hearing evidence on January 2.

It was impossible, however, to impanel the jury before January 16 because the statute requires that 550 persons be subpenaed before the final 23 are selected.

GET 2-WEEK RECESS

A month after the probe began the jury had to be given a 2-week recess because the investigators ran out of material. Thereafter, the jurors seldom heard evidence more than 3 days a week because there was so little evidence to place before them.

The probe did accomplish a few things in addition to the lone indictment. Officials of the International Publishers and Workers' Library, Inc., hastened to the State Department to register as agents of the Soviet Union.

An investigation was made of the financial sources and the control of the Communist Party publications, Daily Worker and New Masses. The information turned up, it is reported, will be turned over to New York City authorities for further action there.

Mr. BRIDGES. Mr. President, I also ask to have printed in the RECORD an article appearing in the New York Times on Saturday, April 6, 1940, under the headline "Plot To Seize United States Traced by Witness."

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of April 6, 1940]

PLOT TO SEIZE UNITED STATES TRACED BY WITNESS—HEALY SAYS HE ABETTED PLANS AND KEPT F. B. I. INFORMED—"RED PLANT," DEFENSE HOLDS

The 17 defendants now on trial in the Brooklyn Federal court for activities in the Christian Front were pictured yesterday as having been in training to become squad leaders through a long period of disorder and street fighting that they expected would culminate in a Communist revolution abetted by Government officials and a counterrevolution in which the Christian Front would take over the United States Government.

Seated almost directly beneath the folds of an American flag that stood beside the witness chair, Dennis A. Healy, an expert machine gunner of the New York National Guard, testified for 2 hours that he had participated in numerous meetings of the alleged plotters, meanwhile keeping the Federal Bureau of Investigation informed from day to day of every development.

Documenting his story with a brown paper notebook to which he referred constantly for names, dates, and extensive conversations, Healy told at length of how the conspirators had urged him to steal dynamite with which to bomb the Daily Worker, Communist newspaper, and had promised to have policemen on duty nearby to expedite the getaway of the bomber.

Large numbers of policemen, firemen, and members of the military and naval services were members of the anti-Semitic, anti-Communist group, according to Healy, who said that he had been informed last fall that its membership was already 300,000 and was growing by "leaps and bounds." He said that he had been assured that high officers of the National Guard would cooperate with the Christian Front when the expected Communist revolution began.

MENTIONS OFFICERS IN GUARD

Healy said he had been assured by William Gerald Bishop, one of the 17 defendants on trial, that certain officers of the New York National Guard, including Brig. Gen. Alexander E. Anderson, Lt. Col. Martin H. Meaney, of the One Hundred and Sixty-fifth Infantry, and Capt. John T. Prout, Jr., of the same regiment, had told him that when the revolution came they would "hold the armories for the Christian Front."

Brigadier General Anderson is commanding officer of the Ninety-third Infantry Brigade of the New York National Guard. Lieutenant Colonel Meaney of the One Hundred and Sixty-fifth Regiment is also fifth deputy police commissioner. Efforts to communicate with them were not successful last night. Captain Prout is one of the defendants on trial.

In his account of the alleged plottings, Healy referred indiscriminately to the Christian Front and to the action committee to which the defendants are alleged to have belonged, but in his opening address to the jury Harold M. Anderson, United States attorney, had emphasized that the members of the committee, and not the Christian Front as a whole, were on trial.

Mr. Anderson, in his brief and matter-of-fact summary of what he expected to prove, said the defendants had been trained to gather about them people who could be convinced that a Communist revolution was imminent; that the Government was communistically inclined, and that they could and should take over the Government. To further this purpose, he said, they stole quantities of ammunition through the cooperation of members of the National Guard.

CHARGE COMMUNIST "PLANTS"

The entire indictment is based upon the activities of two provocateurs who were "planted" by the Communist Government of Russia, the Communist Party of New York State, and by "certain officials holding high Government positions in Washington" with the object of eventually discrediting the Christian Front, former Magistrate Leo J. Healy, who is defending 11 of the 17 men on trial, told the jury.

Contending that the defense would show that if there was any conspiracy at all, it was simply a conspiracy to block the efforts of "the Communist front" to overthrow the United States Government,

Mr. Healy said that his clients were loyal, law-abiding American citizens whose one desire was to protect the Constitution of the United States.

The defense lawyer said that one of these two provocateurs bore his own last name—Dennis Healy, who appeared on the stand for the Government. He charged that Healy had often invited some of the defendants to his home in Queens, where F. B. I. agents listened through dictaphones to their conversations, and that on the night the arrests were made Healy begged the defendants to make certain admissions on the promise that this would save them from indictment.

Although he never named the second provocateur, the defense counsel pictured him as a brilliant orator, the master of five languages, who persuaded some of the young men that he had served with Lawrence in Arabia, had been personal secretary of Generalissimo Francisco Franco, and later had held a commission in the British Army.

IDENTIFIES PROVOCATEUR

The identity of the second provocateur was not left in doubt very long, however. A few minutes after Mr. Healy had finished, Walter N. Thayer, counsel for Captain Prout, identified the provocateur as Bishop, the only one of the 17 defendants who has been unable to obtain his release in bail pending the trial. From the remarks of Mr. Thayer and other defense lawyers who followed, it was evident that most of the defendants would try to throw the blame for anything sinister entirely on Bishop's shoulders.

So great was the cumulative effect of the uncomplimentary references to Bishop by counsel for both sides that when his own lawyer, Emanuele Trotta, rose to make his opening address to the jury, he asked them to remember that Bishop, too, was one of the defendants and asked that judgment on him be reserved until he had had a chance to prove his innocence.

Before the opening of the session yesterday Judge Marcus B. Campbell, who is presiding, called into his chambers the lawyers for both sides; Harry Bates, a reporter for the Associated Press; Roger D. Green, a rewrite man for that organization; and Max Hill, city editor of the Associated Press in New York, to pursue his investigation of a story sent out by the news service Wednesday to the effect that the Government would seek an all-Protestant jury for the case.

The conference lasted for about 45 minutes, and afterward those who were present declined to reveal what had occurred, or even to disclose whether the investigation had been completed or some further action might be expected.

Headed by its woman foreman, Mrs. Helen R. Titus, the jury filed into its box, and Mr. Kennedy began his outline of the case. At the outset he declared that "neither race nor religion is on trial here" and asked the jurors to consider solely whether the defendants had, as charged, conspired to overthrow the Government by force and had conspired to steal Government property.

TRACES HISTORY OF GROUP

"We expect to prove that in the spring of 1939 a loose organization known as the Christian Front was functioning in Brooklyn," the youthful prosecutor said. "In the late spring the defendant Cassily (John F. Cassidy) and some others began to put into force a plan to make that organization, or a part of it, into a military organization. As part of their plan to do so they organized a shooting club."

About the same time, Mr. Kennedy said, these men were holding meetings at which communism was denounced and charges were made that "Communists held key positions in the United States Government." Also about this time Bishop, whom Mr. Kennedy described as an alien illegally in this country since 1926, began addressing Christian Front meetings. The prosecutor said he did not use his correct name, but was known as "plain Bill" and on one occasion as Robinson.

"About July secret meetings of an action committee began to be held," Mr. Kennedy went on. "The 17 members were to be trained to be squad leaders, who were to group around them people who were persuaded that the Communist revolution was imminent, and that they were to take over the Government.

"They began to accumulate powder and munitions, to stir up trouble, and cause disorder at such spots as the Cameo Theater and the American League for Peace and Democracy. They expected that it would take at least 5 years to create the situation they wanted, in which there would be imminent fear of a Communist revolution."

Mr. Kennedy said they obtained the assistance of certain members of the National Guard for the theft of materials from various Government armories.

DEFENSE IS OUTLINED

He was followed by former Magistrate Healy, a large, bald-headed man, who begged the jurors not to confuse the 17 defendants with the almost equally numerous defense counsel. Mr. Healy said that the 11 defendants he represented would present 11 distinct defenses, but that all were equally innocent.

"We will prove by a mass of testimony that there are three fronts in this case," he declared. "There is a Christian Front and a Jewish Front, both of which are excellent fronts, resting on true American principles, but we will also prove there is a third front—the front of communism—which is a bad front, absolutely opposed to the Christian Front and the Jewish Front."

Mr. Healy promised to prove by the testimony of defendants and others that "the touchstone of the action committee was the defense of the Constitution of the United States," and he said he agreed with Mr. Kennedy that the action committee, and not the Christian Front as a whole, was under indictment.

"We will prove that this whole indictment is founded on the testimony of provocateurs, whom we will prove are in the employ of the Communist Government of Russia and the Communist Party of the United States, to stir up religious bigotry and discontent and un-Americanism—that they were planted by the Communist Party and by certain officials holding high Government positions in Washington," Mr. Healy asserted.

After court had recessed he was asked about the Government officials and he replied that he had said "Communists who hold public office," which, he explained, was a broad term that might include Members of Congress or anyone else in an official position.

Mr. Healy told the jury that John A. Viebrock, one of the defendants, had listened to "the ravings and the rantings of the provocateur" to get evidence on which he could make a complaint to the Government.

He said that when 18-year-old William Bushnell, Jr., was arrested, the F. B. I. agents found in his home "a rusty blunderbuss, a relic of the American Revolution," and a sword that Bushnell's grandfather had carried in the Civil War and had made this the basis for charging him with the illegal possession of weapons.

SAYS AGENT PLAYED ON FEARS

Macklin Boettger, another defendant, was persuaded by provocateur No. 155 to study communism "from a theoretical standpoint," Mr. Healy went on, and he told how 19-year-old John F. Cook was to have been graduated from Textile High School less than a week before his arrest in January. Mr. Healy revealed how provocateur No. 1 had played on Cook's fears.

"He kept saying, 'You're going to have trouble with the Communists; you'd better be ready; you need better training,'" the lawyer said. "And when this defendant asked, "What's the matter with the police?' he was told, 'LaGuardia won't let the cops have billies when the Communists have meetings in Madison Square Garden, and the C. I. O. has 3,000,000 rifles in a cache in New York City.'"

Mr. Healy said that the provocateur told Cook that he had proof that if Browder were convicted at his trial, which was then approaching, "the Communists will rise" and that "I'm an army man and I'm going to train you to be ready to cooperate with the police and the National Guard."

John F. Cassidy, the so-called leader of the Christian Front, had had Bishop thrown out of its meetings, according to Mr. Healy, who said that Cassidy had passed his bar examinations and was to have appeared before the character committee for admission to the bar only 3 days before his arrest. The lawyer charged that the Government has in its possession a statement Cassidy had written complaining of Bishop's activities. F. B. I. agents seized it, he said, just before Cassidy intended to turn it over to the Government.

He went through the roster of his remaining clients, Leroy Keegan, Claus Ernecke, Edward J. Walsh, Francis W. J. Malone, minimizing the parts they had played and telling how Bishop and Dennis Healy had tried to lead them into trouble. He said that Walsh's only connection with the case was that he was visiting his sister, Boettger's wife, when the F. B. I. men came and decided to take him along, too.

REQUEST FOR AMMUNITION

Mr. Thayer said that Captain Prout, whom he represents, met Bishop at the Sixty-ninth Regiment Armory and was impressed by his knowledge of military affairs. He said that Prout declined Bishop's invitation to join his shooting club, and that Bishop asked him for any ammunition that might be available.

Some time later, after his company had been drilling at Camp Dix, Captain Prout found that 1,500 rounds had been left over, Mr. Thayer said, and he ordered the supply sergeant to return it to the Ordnance Department. He found out later that the sergeant had failed to comply with orders and rather than go through with the red tape that would have been necessary to return it then, he gave the ammunition to Bishop for his club, according to Mr. Thayer.

Francis Adams, on behalf of Michael J. Beirne, said that his client had a good job with the New York Telephone Co., that he was married and had two children, a nice home and an automobile, and asked the jury what possible motive he could have had for plotting to overthrow the Government.

Edmund D. Wilson, attorney for Andrew Buckley and Alfred J. Quinlan, both sergeants in the One Hundred and Sixty-fifth Infantry, said that Buckley met Bishop at the armory of that regiment and was invited by him to a study club in Brooklyn. The meetings were very innocent and rather tiresome to Buckley, Mr. Wilson said, but when the F. B. I. agents went to Buckley's home at the time of the round-up they found an empty howitzer shell he had brought back from Plattsburg several years before, intending to make a lamp of it, and so they arrested him. As for Quinlan, Mr. Wilson said, his only offense was in turning over the surplus ammunition to Bishop at Captain Prout's orders.

When Mr. Trotta rose to speak on behalf of the mysterious Mr. Bishop, he added to the mystery of his client's past. He said that Bishop himself did not know who his father was. Bishop and his mother were interned in Austria for the duration of the war, he said, and then for several years wandered about the world, with no place they could call home.

While Bishop, a slight, rather handsome man, with wavy, chestnut hair, sat listening impassively, Mr. Trotta said that he had enlisted in the Spanish Foreign Legion under Major Franco and had served so well that at the end of 2 years he was discharged with the highest military honors. After that he came to the United States, Mr. Trotta said.

Taking cognizance of statements by some of the other defense lawyers to the effect that Bishop had sometimes claimed to have been expelled from the Communist Party, Mr. Trotta said that, as a matter of fact, Bishop had never been a Communist, but had always been a very bitter enemy of communism.

The first witness to take the stand after the opening addresses was Sgt. Henry F. Fischer, of a machine-gun platoon of Troop A of the One Hundred and First Cavalry, New York National Guard. He testified that Ernecke was also a member of the troop and had tried to persuade him to join a secret organization, to which Ernecke belonged, that he said had one or two light machine guns.

He said I would be surprised at the type of people who belonged to it, such as policemen and firemen, and some very well-known people, Sergeant Fischer said. He said that the sellers of Social Justice were not a pack of dopes, and were ready to swing into action.

To the evident interest of the crowd that filled the courtroom, Mr. Kennedy next called Dennis Healy to the stand. He is a ruddy, neatly groomed man of medium height, dressed in a well-fitting brown suit. He seemed calm and precise as he told his story under the questioning of T. Vincent Quinn, one of Mr. Kennedy's assistants.

Born in Dublin 36 years ago, he came to this country in 1926, and is now a citizen, he said, with a job with the New York Central Railroad as a junior civil engineer. He said he had been a member of a machine-gun platoon of Troop A of the One Hundred and First Cavalry for 2½ years.

SAYS HE RESENTED REBUKE

He said that he had known Ernecke for several years, and that once, when Ernecke was reprimanded by an officer, he had later said he would take that from a German officer but not from any American officer. He said Ernecke had often spoken of returning to Germany to fight for the Reich.

After talking to Ernecke and to Sergeant Fischer last June or July, Healy went on, he communicated with the Federal Bureau of Investigation, and from then on he remained in close touch with agents of the Bureau. He said that Ernecke tried to persuade him to join an organization he described as anti-Semitic and anti-Communistic. Healy said that under the guidance of F. B. I. agents he continued his contacts with the group.

He told of going to a Christian Front meeting in Erasmus High School last September 7, at which he said Boettger, Cassidy, Byrne, Malone, Michael Vill, John A. Graf, and others were present. He said Ernecke introduced him to them as a "future machine-gunner for the Christian Front," and that later he was introduced from the speaker's platform as a squad leader, but he did not recall by whom.

"Was Cassidy given any title?" Mr. Quinn asked.

"We knew him as 'Little Fuehrer,'" the witness replied as a snicker ran through the courtroom. Later he said that Cassidy was known as "President of the Christian Front," and Bishop as his military aide.

Ernecke told him at another meeting, Healy went on, that the organization was formed to "eradicate the Jews," and that its membership was 45-percent Irish, with the balance made up of Italians and Germans. He said that Ernecke held out to him the example of Hitler's success and the high positions that it had brought to his few early followers, and said that "if we got in on the ground floor, we would be high in time, too."

Healy declared that there was a difference of opinion on whether the action committee, which, he said, was also known as the Sports Club and the Country Gentlemen, should have military training, and that Cassidy backed up Bishop in his contention that it should.

SOUGHT TO MAKE JEWS RIOT

"The organization was to build up and train men to be officers, who in time could train other men," Healy testified. "The ultimate idea was to incite the Jews to riot and then have a revolution and a counterrevolution."

He said that at a meeting in Prospect Hall, and many times thereafter, Bishop said that General Anderson, Colonel Meaney, and Captain Prout had told him "that when the revolution had come, the National Guard, if ordered by higher-ups to dislodge the Christian Front from arsenals and armories, they would request the Christian Front to leave the armories, and the National Guard officers would hold the armories for the Christian Front."

Mr. Thayer complained that this statement "doesn't make sense to me," but Judge Campbell let it stand.

Healy told of "lightning badges," which he said were issued to members of the action committee, and said they resembled the badges worn by the Hitler youth movement in Germany. He rose from the witness chair and held his arm straight up when Mr. Quinn asked him to show the salute of the organization.

"I think that the palm should be bent up a little bit, sor," he said in his soft brogue, turning his hand to correspond with his words.

At another meeting Bishop said there was a good deal of talk of the United States entering the war, Healy went on.

"He said that if the United States should enter the war, the action committee would stay at home and commit acts of sabotage," the witness proceeded calmly. "He said that the Jews would stay home and defile the women of the United States, and so we would stay and take care of them."

Healy identified a rifle of the 1903 army model, but with a sporting stock, which he said he had bought for $29.53 through Bishop. As the court clerk marked it for identification, he unintentionally pointed it at Magistrate Healy, who protested sharply. The clerk swung it around so the muzzle was pointing toward Judge Campbell, who seemed unconcerned at this procedure.

Healy was still on the stand when adjournment was taken until Monday morning.

Mr. BRIDGES. Mr. President, I ask to have printed in the RECORD an article from the New York Journal American of Friday, March 15, 1940, relative to the statements of the United States marshal and United States district attorney in Detroit, which I have discussed with the distinguished Senator from Kentucky.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Journal American, March 15, 1940]

CLEAR HOOVER IN DETROIT QUIZ—F. B. I. CHIEF DIDN'T INSTIGATE PROBE OF RECRUITING FOR THE LOYALISTS

DETROIT, March 15.—Back of the Spanish Loyalist investigation in Detroit, which has been made a part of the Communist-inspired campaign to smear J. Edgar Hoover, Chief of the F. B. I., is a story of switched orders and misrepresentation, with Hoover's Department as the apparent goat.

That story came today from United States District Attorney John C. Lehr and United States Marshal John L. Barc. It disproves the loose gossip that Hoover:

(1) Instigated the investigation;

(2) Chained the prisoners taken as a result of the recruiting probe or,

(3) Made any special issue of the case.

Barc said sentiment was against dropping the cases as they later were on orders from Attorney General Robert H. Jackson.

ORDERED TO PROBE

"The better element of Detroit—the patriots and patriotic societies—protested the release of these people," he asserted.

Lehr told International News Service that the recruiting of men for the Loyalist forces came to his attention in 1938. He informed Assistant United States Attorney General Brien MacMahon in Washington on May 12 of that year.

MacMahon told him, Lehr said, to investigate.

A few weeks later Assistant United States Attorney General John Rogge asked Lehr who told him to start the investigation. He replied "MacMahon," and was told by Rogge to drop the probe. Later Rogge reversed the order.

In December 1939, Rogge ordered Lehr to put his information before a Federal grand jury. On February 3 indictments were handed down.

Lehr asked bonds of $20,000 in six cases and $10,000 in four cases. He believed that if freed on a lower bond the defendants would leave the jurisdiction of the court.

Bond in the case of the single girl arrested was set at $2,500 and the same bonds were set for two doctors.

According to Marshal Barc, after arraignment, the prisoners became his charges, and the F. B. I. had nothing further to do with them.

Following his usual custom, the prisoners were handcuffed to a chain and taken to a cell block where the handcuffs were removed. The girl was not handcuffed at any time, according to Barc.

There are only four deputy marshals in the Detroit court and it is common practice to handcuff prisoners to a chain when their number exceeds that of the marshal's staff.

Lehr and Barc were of the opinion that the cases should have been prosecuted and that if they had been prosecuted there would have been no subsequent uproar about the handling of the prisoners.

Mr. BRIDGES. Mr. President, I realize that the charges I have made are of some concern, but I think it is very wise that a man who occupies the position of Attorney General of the United States, who, it is rumored, is the favorite "fair-haired boy" of the White House as the President's choice as his successor, if he ever decides not to run, should have a few questions asked him as to some of these cases which have been so mysteriously quashed since Mr. Jackson took office as the highest law-enforcement official in the land.

PROPOSED TERRITORIAL EXPANSION OF THE UNITED STATES

Mr. REYNOLDS. Mr. President, some week or so ago I offered a resolution authorizing the President of the United States to enter into negotiations with the British Government with a view to acquiring certain islands in the Caribbean, the island of Bermuda as well as British Honduras, which lies between Mexico and Guatemala.

At that time I stated that if negotiations could be consummated the amounts agreed upon as the purchase price should be credited to the indebtedness of Great Britain to the United States, which is in excess of $5,500,000,000.

At the same time I made a statement to the effect that I would the next day, or shortly thereafter, offer a similar res-

olution, which would have its application to the possessions of the French in certain portions of the Western Hemisphere. I had in mind the two main British islands in the Carribean. Of course, there are in the Caribbean innumerable smaller islands, such as Martinique and Guadeloupe. They are just north of Trinidad, that is north of Port of Spain, the capital of Trinidad.

I also had in mind Miquelon Island and St. Pierre. They are small islands which lie in the waters of Newfoundland. One of them is quite small, having an area of only 6 or 7 square miles. However, the larger has an area of 87 square miles.

The larger of those islands is admirably adapted for the establishment of a naval base, if we should find it necessary, or certainly for an air base in case we should ever be afraid of an attack from the northeast.

By the way, in speaking of being somewhat afraid of an attack from the northeast, I was greatly interested the other day when several representatives of the press called me over the telephone and wanted to know what my idea of the situation was in reference to the Germans attacking this country, since it had been reported that they had or were shortly going to take possession of Iceland and Greenland. One reporter suggested that he thought the American people would really be frightened at the thought of the Germans getting possession of Iceland and Greenland, for the reason that they might next make a step to American shores.

I did not know then the exact distance, but I called up the map division of the Library of Congress and I ascertained some facts which I find interesting. Iceland is 3,100 statute miles from the island of St. Pierre, which I mentioned a moment ago as being one of the islands possessed by the French in Newfoundland waters. Greenland is actually 1,700 statute miles from St. Pierre. In view of the fact that we learn that Greenland is actually 2,900 miles from New York City, I do not think the American people need have any fear of any enemy force attacking us from Greenland, because truly that distance is about equal to the distance from the city of New York to London.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. ADAMS. The Senator was predicting that we need have no apprehension of an attack. Of course, I am glad to have the assurance that the Senator is a prophet.

Mr. REYNOLDS. Mr. President, I am always delighted to be interrupted by the Senator from Colorado. It is pleasant to be interrupted by my beloved and delightful friend from Colorado, because in making his interruptions he greets me so pleasantly with a smile which has unquestionably contributed for him thousands upon thousands of votes in Colorado. I am always glad to be interrupted by him.

Mr. President, the Senator from Colorado has in mind a prediction which I made the other day, and I am going to come back to that later. Well, no, I had just as well discuss it now. [Laughter.] The other day in my discussion on the floor of the Senate, at which time I took occasion to disagree with Mr. Frederic William Wile, a very able columnist who writes in the Washington Star, I compared the attitude of Mr. Wile, who lives here in the capital city of Washington, with the attitude of the people of Norway, Sweden, and Denmark. At that time I stated that during the last war the Scandinavian countries had been entirely successful in keeping in the clear, in maintaining their neutrality, and in keeping out of the last World War, in which we unfortunately participated.

I read extracts from a newspaper article which I had that morning clipped from the columns of the Washington Times-Herald. I quoted one of the high officials of Norway, who stated that they were going to stay out of the present struggle; that they wanted to have nothing to do with the quarrels of Europe; that it was none of their business who won the war, and, for that matter, they did not care; that all they were interested in was the neutrality of Norway, and I argued that all they were interested in was the welfare of the people of Norway. I said the Norwegian people are going to stay out of the war, and, insofar as they were concerned, my prediction stands correct, because I assure my beloved friend that the Norwegians did not of their own individual personal accord violate their neutrality. It was their desire, it was their supreme wish, that they might be permitted to remain neutral, as for 4 years they had remained neutral during the World War.

Mr. WILEY. Mr. President, will the Senator yield to me?

Mr. REYNOLDS. I am delighted to yield to the Senator from Wisconsin.

Mr. WILEY. In confirming the distinguished Senator's prophecy, I may suggest that he apparently agrees with Hitler, because Hitler said also that he was not at war with Norway.

Mr. REYNOLDS. Oh, I certainly do not agree with Hitler; I do not agree with Hitler at all. I condemn the aggressions of any power upon the face of the earth directed upon or against a weaker nation. Since the Senator has mentioned Hitler—I dislike to be going around in a circle, but, nevertheless, I shall come back to the subject of Norway—since the Senator has mentioned Hitler, let me say that I hope the United States may succeed in having the German Government and the German people pay their indebtedness to the United States of America, which amounts to millions of dollars. After the end of the World War we advanced millions upon millions of dollars to the German people for the purpose of rehabilitation. They built roadways, electrical plants, great buildings, and they owe us millions of dollars which they never have attempted to pay back. The only payment we have gotten from them is sneers and a lack of appreciation from the German Government for the aid which the United States of America gave Germany after the World War.

By the way, we must not forget that when Germany aggressed upon Czechoslovakia and Poland those countries were indebted to our country in the sums of millions of dollars, and I say that the German Government should be held entirely responsible for the debts of those countries.

Recurring to the suggestion made by my friend with regard to my prediction with respect to the neutrality of Norway, I say now, as I have heretofore said, that we all know from the reports in the columns of the press that it is plain that the situation was precipitated by the laying of mines in the neutral waters of Norway at a time when Norway was strictly desirous of maintaining what she claims to be a tradition, her neutrality, and we learned from the columns of the newspapers of today that prior to the march across the frontier of Denmark by the Germans both the Germans and the British had for weeks, or perhaps months, been preparing to enter the Scandinavian countries, perhaps to use them as a battleground.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. ADAMS. I wish to add a word to my appreciation for having heard what I knew I would hear—the vindication of the Senator's prophetic ability. I knew the Senator could vindicate himself. [Laughter.]

Mr. REYNOLDS. I am very grateful to the Senator. As a matter of fact, to be perfectly frank, I always endeavor to provide myself with an "alibi." That is human nature. Who does not? [Laughter.]

Mr. REED. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. REED. Of course I have some reluctance in breaking in upon this mutual admiration society.

Mr. REYNOLDS. Please do not hesitate, because we will gladly welcome the Senator into our mutual admiration society.

Mr. REED. The Senator from North Carolina has expressed his belief that Germany is now or should now be held responsible for the payment of the debts which Czechoslovakia and Poland owed us. Is that correct?

Mr. REYNOLDS. Oh, yes; I think that she should be held responsible.

Mr. REED. I wanted to inquire of the distinguished Senator from North Carolina if he has any plan in mind by which we could collect that money.

Mr. REYNOLDS. I am sure that I have not now, but I wish to say to the Senator that I have given some thought to the matter. I have spoken with some who are supposed to be familiar with matters of that sort, and I hope that this Government may eventually be able to collect from the German Government some of the millions of dollars, in fact sums totaling into the billions, which it owes us. I have not thought about it for a year or so and my recollection is rather vague or dim with regard to the figures, but my present recollection is that the total amount which the German Government owes us is something in excess of $5,000,000,000, taking into consideration the loans made by us to them after the end of the war.

Returning to the original subject pertaining to the introduction of the bill, I am desirous of our acquiring islands in the Caribbean in order that we may more securely protect the eastern entrance to the Panama Canal, specifically and especially now for the reason that we contemplate the expenditure of $290,000,000 or $300,000,000 for the construction of another set of locks in the Panama Canal Zone. Even if that idea should be abandoned, and we should, on the other hand, decide later to construct a canal to the north of that section, nevertheless we should want additional protection of the Panama Canal, or of any canal from the Atlantic. As I stated the other day, we now have Puerto Rico, where we are spending a great many millions of dollars. I think that circle could be strengthened by peacefully acquiring the British and French islands in the Caribbean, from Port au Spain northward to Bermuda; and with the acquisition of Bermuda we should then have the only outpost in the North Atlantic.

I have in mind not only the acquisition of St. Pierre and Miquelon, near Newfoundland, for defense purposes and naval bases or airplane bases—if later we deem it necessary as the result of fear of an attack from the northeast—but, in addition thereto, the use of such places as jumping-off spots for our trans-Atlantic planes which travel the northern route at certain seasons of the year.

In reference to the matter of acquisition, I desire at this juncture to ask that there be printed as a part of my remarks an article from the London Times of March 4, 1920, page 13, entitled "Britain's Debt to America—Suggested West Indian 'Deal'," which article embodies a statement made by a former Secretary of the Treasury and former colleague in this body, Hon. William G. McAdoo, of California, who is now ably serving as chairman of the board of directors of the American President Lines. In 1920 Mr. McAdoo suggested that a partial liquidation of the obligations be made by the transfer of these possessions.

The PRESIDING OFFICER (Mr. HATCH in the chair). Without objection, the article will be printed in the RECORD.

The article is as follows:

[From the London Times of March 4, 1920]

BRITAIN'S DEBT TO AMERICA—SUGGESTED WEST INDIAN "DEAL"

NEW YORK, March 2.—With the object, presumably, of eliciting expressions of British opinion, Mr. W. G. McAdoo, former Secretary of the Treasury, today sponsors a suggestion which hitherto has enjoyed greater popularity in what might be termed strongly Nationalist Republican circles than among his own party colleagues—that Great Britain should wipe out "part" of her war debt to this country by selling the West Indies.

The suggestion—which the New York Times recently attributed in a humorous article to the fears of American prohibitionists lest Bermuda, the Bahamas, Jamaica, and other islands under the British flag might supply liquid relief to the victims of compulsory dryness—is discussed by Mr. McAdoo solely in its bearing on the financial relations of the British Empire to the United States. He observes:

"It is highly desirable, both on our own account and that of our Allies, that a settlement of our loans be rendered as quick and easy as possible. Our chief debtor is, of course, Great Britain, and this arises naturally out of the fact that Great Britain has liberally pledged her credit to sustain that of her Allies. We have now become the leading economic power of the world, and have developed the Panama Canal and the Navy and merchant marine, which make these islands more than ever important to us. The British Empire at this moment comprises one-sixth of the land area of the whole world, and, according to British economic experts, the surplus capital of the mother country will for many years to come be expended in the development of the agricultural and mineral resources of the great self-governing dominions and India. I imagine that Great Britain would not object to such a disposition of these islands, especially as they would go to a friendly power; and I see nothing in such a proposal to offend the just pride of a great people, whereas such liquidation of a portion of the British debt might be a happy solution of part of Great Britain's immediate financial problem.

"The Washington correspondent of the Journal of Commerce says the prosecution of a plan for the purchase of 'some part of Great Britain's territorial possessions in this continent, including the islands of the West Indies, will be the first task to which the new Secretary of State, Mr. Colby, will address himself when he enters on the duties of his office.' The correspondent observes that there is growing apprehension in administration circles lest there may develop through the summer and during the Presidential campaign a strong anti-British sentiment. The condition in which the debt of Great Britain to this country stands is the chief element of danger, and the administration is represented as taking the view that 'the proposed plan would go far to make the American people more reconciled to that debt.'"

"A FINAL QUIETUS"

TO THE EDITOR OF THE TIMES.

SIR: I see by a cable in the evening papers that Mr. McAdoo, who was recently American Chancellor of the Exchequer, has suggested that the United States of America should buy from Great Britain all the islands in West Indian waters—i. e., the Bermudas, Jamaica, etc.—and give us credit against our debt in that country. A few months ago a similar suggestion was made from this side of the Atlantic in respect to certain of these islands (though Jamaica was excluded), and aroused great indignation in the islands themselves, as well as amongst many people over here who are not prepared to barter away these ancient, loyal, and strategically valuable possessions. On that occasion the proposal was negatived in public statements by Lord Milner and Colonel Amery. Now that the specter has arisen again from a different and not less influential quarter, I sincerely hope that His Majesty's Government will give it a final quietus.

I am yours faithfully,

GIDEON MURRAY.

HOUSE OF COMMONS, *March 3.*

Mr. REYNOLDS. Mr. President, in this connection I ask unanimous consent to introduce the joint resolution which I send to the desk.

The PRESIDING OFFICER. Without objection, the joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 247) for the acquisition of French islands in the Caribbean and the North Atlantic Ocean, was read twice by its title and referred to the Committee on Foreign Relations.

Mr. REYNOLDS. Mr. President, at this time I desire to bring to the attention of the Members of the Senate a page which I tore from the New York Daily News of Monday, March 25, 1940, which provides a very excellent map of Central America and the northern portion of South America, showing the territories of Venezuela, Colombia, and part of Ecuador, south of the Equator; likewise the islands of the Caribbean, Cuba, and Florida showing the immediate proximity of Bimini and Nassau to the coast of Florida. On the Pacific coast it shows Goose Island, which I believe belongs to Costa Rica; Cocos Island, a possession of Costa Rica; and a group of islands just south of the Equator belonging to Ecuador. I wish to read this article to the Senate. It is entitled "America's Maginot Line of the Sea."

Look at the six American flags sparsely scattered throughout the broad Caribbean Sea on this map. They are the principal protectors of the Panama Canal, one of the world's most valuable military properties, the key which makes possible the United States' unique two-ocean fleet. Theoretically, of course, every unit of our armed forces is a protector of the Canal, but for obvious reasons only those which are near the Canal are of main importance.

Now comes a plan, sponsored by several Members of Congress, for the United States to take from England certain of her West Indies islands in part payment of her unpaid war debt to us. Those islands which we would get are underlined on the map. Most of the Leeward Islands are British, as are most of the Windward Islands. We would also get British Honduras, an unimportant—except from a military standpoint—steaming tropical jungle in Central America.

Furthermore, the administration has spoken of buying Cocos Island, south of the Canal, from Costa Rica, and perhaps also the strategic Goose Island.

If these purchases and seizures were made, a ring of steel would be forged around Panama, as is indicated on the map. The protective net would guard even the Nicaraguan territory where a new canal may be dug.

It is important to remember that while Puerto Rico, for instance, is not a particularly valuable economic property, it is important to every American that the United States—and not another country—owns it, and that no foreign ships and shells are there.

And it is important for Americans to know that England has a naval base at Jamaica; France one at Martinique; and the Netherlands one at Curacao.

Because naval bases these days mean far more than slow battleships. They mean bombers—big and fast and deadly.

Mr. President, in conclusion, I have an article by which I was greatly impressed this afternoon when I read it. It is taken from the afternoon edition of the Washington Daily News, and is entitled "One Man's Opinion," by Hugh S. Johnson. I ask that this article be published in the Appendix of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILEY. Mr. President, I should like to ask the distinguished Senator from North Carolina what, if anything, to his knowledge has been done in relation to trying to obtain the islands about which he has been speaking today, and which he has mentioned as well at other times. I think he has been doing a really constructive work in bringing the matter before the American people time and time again. I wonder if he knows what has been done by the Executive in trying to obtain from Great Britain the islands which we think are necessary, especially now, as we cast our eyes out upon the world and see the quickly moving events. Has he any knowledge as to what has been done?

Mr. REYNOLDS. I am very grateful to the Senator for his suggestion. The resolution which I mentioned was referred to the Committee on Foreign Relations; and several days ago I inquired of the chairman as to what disposition had been made of it. He replied that he had sent the resolution to the Department of Justice for its consideration and any suggestions the Department might have to make in reference to the matter.

Mr. President, I would that more of the American people appreciated what I believe to be a very important matter in connection with the acquisition of islands in that particular portion of the Western Hemisphere for the purpose, as I stated a moment ago, of safely guarding the Panama Canal from the Atlantic approach.

The other morning, in the Committee on Appropriations—I think the senior Senator from Oklahoma [Mr. THOMAS] was there at the time—I recall that the committee voted either $290,000,000 or $300,000,000 for the construction of dual locks. I have not a very clear recollection of the matter.

Mr. THOMAS of Oklahoma. Mr. President, since the matter is mentioned, I may state that the committee reported yesterday a bill carrying an item which, if approved by the Senate and House and signed by the President, will make available $15,000,000 with which to start the construction of a third set of locks. It is the second canal, but a third set of locks. The bill carries a contract authorization of $99,000,000 which may be exercised now; and the third set of locks, when and if completed, will cost approximately $277,000,000, I think.

Mr. REYNOLDS. Then I was not far wrong when I said $290,000,000.

I note that some of our colleagues look with disfavor upon the construction of additional locks in the Canal Zone. On the contrary, they favor the construction of a canal across Nicaragua. Regardless of which project we center our funds upon, I, like the junior Senator from Wisconsin [Mr. WILEY], am thoroughly of the opinion that if we are to make additional expenditures and investments there to guarantee our safe and unmolested transit through the canal from the west coast to the east coast, we should provide more protection than is provided by our only outpost there, which is at San Juan, Puerto Rico, which the senior Senator from Oklahoma visited during the past year on his tour of American fortifications. I hope some consideration of a serious nature may be given to this all-important question.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. THOMAS of Oklahoma. The Senator mentioned the possibility of constructing a second canal through Nicaragua, going from the ocean on the east to a lake, and through the lake to the ocean on the west. The record shows that we have expended to date almost $1,000,000,000 in the development of the Panama Canal. The record also discloses that to defend the Panama Canal we now have stationed there, or soon will have stationed there, approximately 25,000 soldiers. If we should go up north of Panama and develop a second canal, it would eventually cost perhaps an equal sum, $1,000,000,000; and then, when the new canal was constructed at that cost, we should be obliged to station there an equal number of soldiers, which would be approximately 25,000.

I submit this suggestion as in the nature of an argument against starting at this time the construction of a canal across Nicaragua.

Mr. REYNOLDS. I thank the Senator.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. REYNOLDS. I am glad to yield.

Mr. McKELLAR. I desire to say that even if the expense of building a canal at Nicaragua were slightly greater than the expense of building it at Panama—and I very much doubt whether it would be much more expensive—it would be infinitely safer. I think it is very dangerous to have only one canal by which we can get from the Pacific Ocean to the Atlantic Ocean. It seems to me that in time the Nicaragua Canal must be built, and now is a good time to start it.

Mr. REYNOLDS. Mr. President, for the information of the American public through the pages of the CONGRESSIONAL RECORD, I inquire of the Senator from Oklahoma whether the additional canal which he mentioned a moment ago is to parallel the present Canal, or whether it is to be cut through a different portion of the Isthmus.

Mr. THOMAS of Oklahoma. Mr. President, a very large part of the original Canal's cost was the construction of a gigantic lake. Of course, the construction of the big ditch and the numerous canal locks was expensive. It is now proposed to construct a second canal. The present Canal has two sets of locks. It is now proposed to dig a second ditch across the Panama Isthmus; and the second ditch will be in some places only perhaps two or three hundred yards from the present Canal. In some places it will be a third of a mile away, and in some places perhaps two-thirds of a mile; but it is to be practically parallel to the present Canal, varying, of course, according to the terrain.

Mr. REYNOLDS. I thank the Senator very much.

In conclusion, Mr. President, I ask that there be printed in the RECORD an article by Mr. Frank C. Waldrop, published in yesterday morning's Washington Times-Herald, in regard to Iceland and Greenland.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of April 10, 1940]

HITLER STILL FAR FROM GREENLAND—WHERE WOULD HE BUILD BOMBING BASES IF HE GOT THERE?

(By Frank C. Waldrop)

Of all yesterday's tremendous news, nothing seems to have agitated certain volatile minds in Washington more than the story from London that the Nazis, having taken over Denmark, are also claiming Iceland and Greenland.

Before you declare war on the Nazis, remember that is just the sort of story London would have every reason to put out. Also, think what is involved in a transoceanic war for anybody.

The last time the United States went to war in Europe it had a friendly Asia at its back and it had a safe Atlantic on which to travel. Even so, it took us 13 months to get 500,000 men across, with the aid of the greatest body of naval and merchant marine force in history.

Those men landed at friendly ports, had friendly lines of communication, friendly supply bases, and safe conduct right up to the line of battle.

The American expedition to France was the most gigantic military maneuver in world history. It could not be repeated except under similar easy conditions.

This time we do not have a friendly Japan at our back, and our own Navy is tied to Hawaii as surely as if it were one of those little motorboats that spin around in the Reflecting Pool here on a string and stake.

There is no safe passage across the Atlantic. There is no safety once a force should debark, for if the Germans can bomb Scapa

Flow they can also bomb London and Le Havre. There is just no chance of an easy combine of fleet and shipping power to shoot the Yanks over for the shooting in a blaze of glory.

These are not partisan representations or pacifist squirms, or pro-Nazi or anti-British sentiments. Just cold, stubborn facts. We can't go to war in Europe until we are sure of Japan. Are we?

Now, as to the Nazis landing expeditionary forces in Iceland and Greenland, that, too, presents a slight problem for even the versatile Fuehrer.

Granting that Hitler is just nutty enough to claim Greenland and declare the Eskimos a suppressed German minority, what is his next move? He certainly hasn't any friendly ocean between him and his objective. The British Fleet is still in being, as this is written, and doing very well for itself. Hitler's navy isn't likely to get clear of it for many a day to come, whatever the Berlin high command may be claiming at the moment.

And suppose he did get clear?

Iceland is four-fifths uninhabitable. It lies on the Arctic Circle far north of the Atlantic sea lanes. It produces nothing but hay, geysers, and herring.

Its 108,000 citizens are highly literate, quarrelsome, individualistic Aryans, who know nothing about modern war, but would be mighty mean to an invader.

Granted Hitler could smash them, he couldn't use their country for much. It has no harbor to shelter a fighting fleet.

There is no point in putting airplanes on it as Iceland is a long way from anywhere. About the best value would be as a submarine base. And everything, including the submarines, would have to be brought from Germany, as Iceland does not have even so much as a railroad. Moving a submarine base out to Iceland would take some doing as long as there is a Britain.

What goes for Iceland naturally goes for Greenland several times over. Iceland has at least one seaport big enough to anchor a destroyer, and that is Reykjavik—about the size of Biloxi, Miss., but not so nice.

Greenland's seacoast hardly needs to be described in detail.

Let's agree that landing a military expedition in Greenland, complete with bombing planes and poison gas for Montreal and Boston, is not a probability of the immediate future.

This is not an invitation for Hitler to invade this hemisphere. It is simply a reminder that such an invasion would be a complex and major effort requiring years of preparation and every imaginable aid.

The Fuehrer seems to have his hands full much closer home.

REORGANIZATION PLANS NOS. III AND IV

Mr. McCARRAN. Mr. President, earlier in the day an Executive message, submitting Reorganization Plan No. IV, came to the Senate. I am especially interested in the phase of the plan which deals with the Civil Aeronautics Authority. I therefore send to the desk a concurrent resolution bearing on Reorganization Plan No. IV and also one bearing on Reorganization Plan No. III.

Tomorrow, or as soon thereafter as I may be heard, I desire to address the Senate in furtherance of my concurrent resolutions, the purpose of which would be to make for naught the Executive orders bearing on the Civil Aeronautics Authority.

Mr. ADAMS and Mr. AUSTIN rose.

The PRESIDING OFFICER. Does the Senator from Nevada yield, and if so, to whom?

Mr. McCARRAN. I yield to the Senator from Colorado.

Mr. ADAMS. I was about to ask the Senator from Nevada, in his remarks tomorrow, to give some consideration to the last paragraph in the President's message which accompanies Reorganization Plan No. IV, in which he says he intends to recommend the reenactment of the Reorganization Act without exemptions.

Mr. McCARRAN. I have that matter in mind, and I shall deal with it. In my judgment, that request merely means the rounding out of Executive control over all the affairs of this Government.

The PRESIDING OFFICER. Without objection, the concurrent resolutions submitted by the Senator from Nevada will be received and referred to the Select Committee on Government Organization.

Mr. McCARRAN. Mr. President, I did not know there was a select committee on that subject.

The PRESIDING OFFICER. The Chair has been so informed. The message of the President today went to that committee.

Mr. McCARRAN. I had the idea that the concurrent resolutions would go to the Committee on Commerce, but I may be mistaken. If I am, I am subject to correction.

The PRESIDING OFFICER. The Chair is informed by the parliamentarian that the resolution creating the committee provides that all such matters be referred to it.

Mr. McCARRAN. Mr. President, am I correct in my recollection that about 2 years ago the Chair made a decision to the effect that a Senator introducing a bill or resolution might direct it to any committee he chose?

The PRESIDING OFFICER. The Chair is informed that that may have been the practice heretofore, but in the present case there is an order of the Senate referring such matters to the select committee.

Mr. McCARRAN. If that be true, and the parliamentarian so advises the Chair——

The PRESIDING OFFICER. The parliamentarian has so informed the Chair.

Mr. McCARRAN. I accede to that ruling.

The concurrent resolutions submitted by Mr. McCARRAN were referred to the Select Committee on Government Organization, as follows:

Senate Concurrent Resolution 42

Resolved by the Senate (the House of Representatives concurring), That the Congress does not favor the Reorganization Plan Numbered III transmitted to Congress by the President on April 2, 1940.

And—

Senate Concurrent Resolution 43

Resolved by the Senate (the House of Representatives concurring), That the Congress does not favor the Reorganization Plan Numbered IV transmitted to Congress by the President on April 11, 1940.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HATCH in the chair), as in executive session, laid before the Senate a message from the President of the United States submitting the nomination of Edward H. Davidson, of New Jersey, to be Assistant Chief Inspector of Locomotive Boilers in the Interstate Commerce Commission, vice John Brodie Brown, which was referred to the Committee on Interstate Commerce.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.), the Senate took a recess until tomorrow, Friday, April 12, 1940, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 11 (legislative day of April 8), 1940

INTERSTATE COMMERCE COMMISSION

Edward H. Davidson, of New Jersey, to be Assistant Chief Inspector of Locomotive Boilers in the Interstate Commerce Commission, in place of John Brodie Brown.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 11, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, we praise Thee that we are the children of one God, with common hopes, common aspirations, and with common destinies. As our souls are born for immortality, we pray that we may allow no ventures to daunt us, no tasks to tire us, and no thoughts to overwhelm us. As the days come and go, enable us to go on in vigor, in the way of a living trust, and with a faith that inbreathes the Divine, even as the new spring flower takes in the air and sunlight. The Lord God, stimulate our citizens with the genius of appreciation. Increase our reverence for those who laid down their lives in the struggle for human freedom, righteousness, and justice. Read our hearts, blessed Lord God: No thoughts can exhaust our wonder, no words can express the gratitude that we feel for those who labored

and died to make our Republic possible. O Spirit of the Most High, send out the mighty streamers of Thy light far into the future years of our fair land until all humanity shall become sacred and all men shall have bread enough and to spare. Through Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and joint resolutions of the House of the following titles:

H. R. 289. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 838. An act for the relief of Ray E. Nies;

H. R. 2041. An act for the relief of Tom Kelly;

H. R. 2055. An act for the relief of the K. E. Parker Co.;

H. R. 2086. An act for the relief of Joseph Sciortino;

H. R. 2161. An act for the relief of the Pacific Airmotive Corporation, Burbank, Calif.;

H. R. 2487. An act for the relief of Krikor Haroutunian;

H. R. 3477. An act for the relief of Francisco R. Acosta;

H. R. 3674. An act for the relief of the Allegheny Forging Co.;

H. R. 3769. An act for the relief of the Keuffel & Esser Co. of New York;

H. R. 3784. An act for the relief of the estate of J. D. Warlick;

H. R. 3970. An act for the relief of Charles Sidenstucker;

H. R. 4256. An act for the relief of the estate of George B. Spearin, deceased;

H. R. 4388. An act for the relief of James Henry Rigdon;

H. R. 4436. An act for the relief of Robert Faughnan, a minor;

H. R. 4776. An act to amend section 6 of the Organic Act of Alaska;

H. R. 5257. An act for the relief of R. D. Torian;

H. R. 5295. An act for the relief of the Priest Lumber Co., Inc.;

H. R. 5397. An act for the relief of Richard L. Calder;

H. R. 5812. An act for the relief of Marguerite P. Carmack;

H. R. 5866. An act for the relief of Howard Daury;

H. R. 5928. An act for the relief of Ella Ragotski;

H. R. 6379. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406);

H. R. 6513. An act for the relief of Floyd H. Roberts;

H. R. 7015. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 7081. An act authorizing the Secretary of the Navy to sell certain surplus land owned by the United States in Bremerton, Wash.;

H. R. 7265. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 7420. An act to amend laws for preventing collisions of vessels;

H. R. 7421. An act to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville;

H. R. 7612. An act for the transfer of funds to the town of Wrangell, Alaska;

H. R. 7809. An act authorizing the reconstruction or replacement of certain bridges necessitated by the Rio Grande canalization project and authorizing appropriation for that purpose;

H. R. 7855. An act for the relief of Morrison-Knudsen Co., Inc., and W. C. Cole;

H. R. 7857. An act for the relief of O'Brien Bros., Inc., New York City, N. Y.;

H. R. 7989. An act to legalize a bridge across the Nestucca River at Pacific City, Oreg.;

H. R. 8077. An act to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments;

H. R. 8083. An act to authorize the Secretary of War to furnish certain markers for certain graves;

H. R. 8238. An act providing for the incorporation of the United Spanish War Veterans;

H. R. 8262. An act to regulate, in the District of Columbia, the disposal of certain refuse, and for other purposes;

H. R. 8446. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;

H. R. 8498. An act to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes;

H. R. 8540. An act to authorize an increase in the White House Police Force;

H. R. 8639. An act to change the name of a portion of Twenty-fourth Street NW. to Williamsburg Lane;

H. R. 8669. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H. R. 8702. An act to amend the Judicial Code with respect to the continuation of grand juries to finish investigations;

H. R. 8792. An act to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department;

H. R. 8822. An act to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory;

H. R. 8917. An act to authorize the construction of a waiting room and comfort station in Commodore Barney Circle, United States Reservation 55–56, and for other purposes;

H. J. Res. 433. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1940;

H. J. Res. 453. Joint resolution authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer of the Order of St. Sava;

H. J. Res. 465. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1941, and for other purposes; and

H. J. Res. 466. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1941.

The message also announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, bills and joint resolutions of the House of the following titles:

H. R. 658. An act for the relief of the estate of Dr. B. L. Pursifull, Grace Pursifull, Eugene Pursifull, Ralph Pursifull, Bobby Pursifull, and Dora Little;

H. R. 808. An act to confer jurisdiction upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc., a Florida corporation;

H. R. 1288. An act for the relief of Mrs. Clyde Thatcher and her two minor children, Marjorie Thatcher and Bobby Thatcher;

H. R. 2356. An act for the relief of the International Grain Co., Inc.;

H. R. 2358. An act for the relief of Alfred Joseph Wright;

H. R. 3171. An act for the relief of George L. Sheldon;

H. R. 3406. An act for forest protection against the white-pine blister rust, and for other purposes;

H. R. 3800. An act to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended;

H. R. 3840. An act to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes;

H. R. 4561. An act for the relief of Mrs. George C. Hamilton and Nanette Anderson;

H. R. 5258. An act for the relief of Betty Lou Frady;

H. R. 6039. An act to amend laws for preventing collisions of vessels, to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes;

H. R. 6044. An act to regulate the number of warrant and commissioned warrant officers in the Marine Corps;

H. R. 6693. An act to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration;

H. R. 6901. An act granting increase of pensions to certain widows of veterans of the Civil War;

H. R. 7737. An act to amend the Judicial Code by adding a new section thereto, designated as section 266a, to provide for intervention by States in certain cases involving the validity of the exercise of any power by the United States, or any agency thereof, or any officer or employee thereof, and for other purposes;

H. J. Res. 258. Joint resolution to amend section 8 (f) of the Soil Conservation and Domestic Allotment Act, as amended;

H. J. Res. 289. Joint resolution to amend section 5 of Public Law No. 360, Sixty-sixth Congress; and

H. J. Res. 437. Joint resolution authorizing the President of the United States of America to proclaim Citizenship Day for the recognition, observance, and commemoration of American citizenship.

PERMISSION TO ADDRESS THE HOUSE

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that today at the conclusion of the legislative business and the special orders that have already been entered I may address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in connection with the invasion of Denmark and Norway.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therewith a speech which I had the temerity to deliver at Portland, Maine, at the Maine Republican State Convention on April 4.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE WAGE-HOUR LAW

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GROSS. Mr. Speaker, I have recently heard some talk about "government by blackjack." Here is an example of it. A businessman writes me for certain blanks, saying if he applies to the Labor Department it will bring a host of investigators. He says:

> Fear is rampant, and the activities of the men who represent the wage-and-hour commission in this territory are nothing short of espionage which you might expect in Russia.
>
> We have buried at least five good men, cigar manufacturers, in the era starting October 24, 1938, until date, the last on Friday, B. S. Taylor, who listened to the troubles of a half dozen of his customers just a week ago, then died during the night. Today another cigar manufacturer was taken to the hospital, his condition serious. It has come to a pretty state in America when fear, threats, intimidations are the policy of the men who represent our Government. When decisions and interpretations and constructions are put on laws passed by Congress to fit the need, when one man can sit as judge, jury, and prosecuting attorney in a case in dispute, when the Federal courts are used when a man refuses to go along with a program that in his heart he feels wrong. We know how to remedy this condition * * * but the normal method is too slow. Business will be in disorder, customers will be lost, and men will continue to die from worry. We are not asking for any favors for ourselves, but all that can be done should be done for the hand cigar factories if they are to survive.

PHILIPPINE TRAVEL PAY BILL

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to quote from a committee report.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, it was my privilege to introduce in the first session of the Seventy-sixth Congress H. R. 289, the Philippine travel pay bill to discharge a just obligation long owing by our Government to the veterans of the great volunteer army of the Spanish-American War. On April 17, 1939, the bill passed the House without a dissenting vote. On yesterday the bill was passed unanimously by the Senate and now goes to the White House.

The legislation will discharge the claim of the officers and enlisted men of the volunteer service of the War with Spain who continued to serve in the Philippines beyond the period of their enlistment. It provides for the payment to these volunteers of travel-pay allowance which they were first promised by their superior officers and then later denied because of a technicality. The men who were mustered out were given their travel pay and then immediately reenlisted without leaving the islands. The officers and men whose claims are covered by this bill were not mustered out at the termination of the War with Spain but at the request of their superior officers remained in the service and on the scene in order to be ready and available during the expected insurrection in the Philippines which followed. They were later sent home, true enough, but they did not receive the extra travel pay which the men who were earlier mustered out and later reenlisted received. On account of the technicality of mustering them out 1 minute and swearing them in the next minute was overlooked or neglected, these men have been deprived during the past 40 years of their travel pay which so many of their fellow comrades promptly received. In the case of many of the men this was due to the fact that they were widely scattered throughout the Philippines, were actually on the firing line, and it was a physical impossibility to muster them out and administer the oath of reenlistment as required by law. The men who received their travel pay constituted the Regular Army while these men who did not receive this allowance were volunteers. It is estimated that there are about 8,000 who will benefit and receive an average amount of approximately $400, at a total cost of about $3,200,000.

This bill passed the Seventy-fourth and Seventy-fifth Congresses but each time was passed at such a late date that it met with a pocket veto due, we believe, to a failure to properly submit all the facts to the President. President Roosevelt has many times proven his sympathetic attitude toward meritorious legislation in behalf of the veterans of our wars, their widows and dependents, and this has been particularly true in the case of the Spanish War veterans. We feel confident that if he is correctly and fully apprised of the historical background and facts supporting this measure that it will receive his approval. Gen. Frank T. Hines, Administrator of the Veterans' Administration, himself one of the most distinguished veterans of the Spanish-American

War, and I are going to seek an early audience with the President to lay all the facts before him for his consideration.

I quote from the favorable report of the House Committee on War Claims, dated March 29, 1939, which sets forth quite fully the facts justifying this legislation:

Their retention in service followed an exchange of cablegrams between Adjutant General Corbin and General Otis, in command in the Philippines. On March 6, 1899, Adjutant General Corbin cabled, quoting section 15, act of March 2, 1899 (30 Stat. 981), in part, as follows:

"Section 15 of the Army bill reads in part as follows:

" 'That the President is authorized to enlist temporarily in service for absolutely necessary purposes in the Philippine Islands volunteers, officers and men, individually or by organization, now in those islands and about to be discharged, provided their retention shall not extend beyond the time necessary to replace them by troops authorized to be maintained under the provisions of this act and not beyond a period of 6 months.'

"The President inquires as follows:

" 'If we are not able to get you sufficient forces to replace volunteers under your command before exchange of ratification of treaty, will you be able to enlist your present volunteer force under this section?' "

On March 16, 1899, General Otis replied as follows:

"Believed after inquiry majority volunteer organizations willing to reenlist for 6 months from ratification of treaty, provided that upon original discharge are paid traveling allowances to places of muster in, and that after expiration of second enlistment they are transported to those places by United States."

This reply from General Otis was based on responses he had received from the several organizations of volunteers under his command to whom the inquiry from the President had been submitted. In some units the inquiry had been read to the men by their officers and voted upon, while in others where the men were scattered the officers had spoken for the men and agreed to reenlist and stay for the period required, not to exceed 6 months. The condition contained in the cablegram was in substance a statement of the law then in effect governing travel-pay allowances to officers and men discharged (honorably) and who were again appointed or who reenlisted.

On March 25, 1899, a general advance was ordered against the insurrectionists, and from that date until in June these volunteer troops were in active combat—some of them longer—in the campaign against the insurrectionists. They were required to meet unusual hardships in this campaign, fighting as they were under a tropical sun, badly equipped, without adequate food and water, and continually harassed by surprise attacks. When the date of the exchange of ratifications of the treaty of peace arrived, April 11, 1899, these volunteers were in the field and continued so for months. It would have been a physical impossibility to have effected the signing of a muster-out roll and a muster-in roll, so that the service of these men would actually show a discharge and a reenlistment or reappointment, but these officers and soldiers believed when they accepted the duty of remaining on so long as their services were required in the Philippine Islands, not to exceed 6 months, that they had in effect reenlisted. Their services in the field were accepted and utilized by the Government following almost immediately the agreement to remain in service until troops to replace them could be supplied. This service in active combat continued until after the date of the conclusion of peace with Spain, for some units not longer than 3 months, for others and most of the troops in the volunteer service of the United States for the greater part of 6 months.

Had these officers and soldiers insisted upon their discharge as of the date of the conclusion of peace with Spain, it would have meant the abandonment of the islands to the insurrectionists except for the very limited number of Regular Army troops then in the islands.

The result would have been the retaking by the Aguinaldo forces of the territory then held by these volunteers, the strengthening of the insurrectionist organization, and the expenditure of many millions, not only for the transportation of another army to take up the fight again but also for a long and fierce combat by nonacclimated troops against well-equipped and well-organized native soldiers accustomed to the climate and acquainted with the country. The organized insurrection was broken by the continuous drive of the volunteers and the replacement troops which took their places had but to clear the country of unorganized detached bands. It is pertinent to remark here that the insurrectionists, numbering between 30,000 and 40,000, had been equipped and trained by the United States and had been cooperating with American troops in the War with Spain, and that knowing the volunteers were entitled to be discharged when the War with Spain terminated, they counted upon the withdrawal of the volunteers to make it possible for them to gain control of the islands and eventually their independence.

It is obvious that there is no legal liability on the part of the Government because the formality of mustering the troops out and mustering them in as again-appointed officers and reenlisted soldiers did not take place, but the men did perform valiant service, for which they were commended by President McKinley, and which Congress recognized by the awarding of a special medal; they did remain in service for from 3 to 6 months beyond the termination of the War with Spain on April 11, 1899, on which date they were entitled to their discharge; and they did this all believing that they were to be regarded as having reenlisted in the temporary forces authorized by section 15 of the act of March 2, 1899, and were thereby entitled to the travel pay and allowances authorized by then existing law as though their first enlistment had terminated on April 11, 1899, and they had entered upon a second enlistment beginning April 12, 1899. They fulfilled all the requirements of such temporary enlistment without having formally gone through the process of veteranizing.

Hon. Russell A. Alger, Secretary of War under President McKinley, had the following to say in his report:

"Any discussion of public affairs in the Philippines would be manifestly incomplete which did not include the highest eulogiums upon the western volunteers who remained in the Philippines fighting for their country's honor after they were legally entitled to discharge and return to the United States. The ratification of the treaty of peace, February 6, 1899 (April. 11, 1899), practically entitled all volunteer regiments and the individual members of the Regular Army, numbering many thousands, who enlisted for the war, to immediate discharge from the Army, and yet some of these volunteers did not leave the Philippines until 4 months subsequent to that date, while several of the regiments remained defending their country's flag for 7 months afterward. This is an exhibition of sturdy patriotism which, it seems to me, has never been fully appreciated. No complaint ever came from these soldiers on account of the hardships ever forming part of war, or for the delay in being returned to their homes after they were entitled to discharge. They yielded to the situation as cheerfully as they endured the great and fatiguing privations of hauling guns and carts over the mountain passes and through the trails of muck and mire under the enervating blaze of a tropical sun when even the native draft animals had been overcome with heat and exhaustion.

"The Nation, indeed, owes these noble soldiers a debt which I trust Congress will not fail to recognize in some substantial way."

From the manner in which the President's inquiry contained in Adjutant General Corbin's cablegram of March 6, 1899, was presented to them and the fact that their services were used as though they had reenlisted, these officers and men in the volunteer service of the United States honestly believed at that time that they were to receive travel pay and allowances on that account and that it would be paid to them upon final muster out, and it was not until they appeared to draw their final pay that they learned that the money which they understood and believed had been promised them was not available. They were told that the War Department had no funds and had made no arrangements for the payment, but that Congress would undoubtedly pass an act to pay them.

For over 30 years these men, the officers and soldiers of the volunteer service in the Philippines, have been seeking to get recognition from the Government for what they honestly feel is a just claim. It has been presented in one form or another in practically every Congress since their discharge from the service, but because of a lack of organized support from the men themselves, has failed of favorable action.

As bearing upon the right of these officers and soldiers of the volunteer service to be discharged on April 11, 1899, Comptroller of the Treasury Tracewell, in construing General Orders 54, dated March 22, 1899, and General Orders 67, dated April 11, 1899, said:

"But in construing said orders notice must be taken of the fact that under the provisions of section 4, act of April 22, 1898, supra, and section 15, act of March 2, 1899, supra, the members of the Volunteer Army who entered the service under the act of April 22, 1898, and amendments thereof, became entitled to their discharge on April 11, 1899.

"The fact that the exigencies of the service made it necessary to hold some of them in service to a later date, as soldiers have frequently been held in cases of emergency beyond the full term of their enlistment, did not abrogate their legal right to a discharge on the date of the close of the War with Spain.

"Section 1, act of January 12, 1899, supra, requiring the discharge of all officers and enlisted men from the volunteer service, as far as practicable, to be made at camps within the limits of the United States must also be considered.

"Whether it was practicable to discharge any particular soldier within the limits of the United States, or more for the interests of the Government to discharge him at the place where he was serving, was left by the act to be determined by the Secretary of War and 'public events of great public interest and widespread notoriety,' of which notice must be taken (16 Ct. Cls. 121; 3 How. 24), which made it most desirable to induce as many trained and acclimated soldiers as possible to remain in the islands, where they had been serving, support the conclusion that in issuing General Orders No. 54, supra, the Secretary of War considered primarily the interests of the Government and not the convenience of the soldier."

In a communication dated July 31, 1930, addressed to the chairman of the Committee on Military Affairs, United States Senate, Comptroller General John R. McCarl, in discussing the provisions of an identical bill introduced in the Senate (S. 4403), said:

"Had these volunteers in fact been discharged on April 11, 1899, as thus held and administratively conceded they had a right to be, they would have been entitled to transportation and subsistence to the place in the United States to which returnable, or cash travel allowances in lieu; and had they in fact been so discharged, and had the President, under the authority conferred on him by the proviso to section 15 of the act of March 2, 1899, supra, authorized the volunteers then in the islands and about to be discharged to

temporarily enlist for the time necessary to replace them by Regulars, not in excess of 6 months, and had they so enlisted, instead of, as in fact occurred, their continuance on in their existing enlistments for not exceeding 6 months pending their replacement, it would appear they would have been entitled to cash travel allowances on their discharge for close of the war, and again to travel allowances in kind or in cash on their discharge from their temporary enlisted service of not exceeding 6 months, or, in other words, to cash travel allowances from the Philippines back, additional to the travel allowances in kind and/or in cash they later in fact received on their return from the Philippines and discharge. What the bill, therefore, in effect appears to do is to pay these volunteers entitled to discharge on April 11, 1899, and who continued on for not exceeding 6 months, the cash travel allowances they presumably would have received had they in fact been discharged on said date, or, in other words, cash travel allowances on such a hypothetical discharge—additional to such allowances as in fact received on their later actual discharge."

Your committee feels that the Government, having received the benefits of the services rendered by these volunteers, who after April 11, 1899, on which date they were entitled to receive their discharge, continued in combative service until the organized insurrection had been broken and for various periods approaching 6 months after such date, should not now—nor at any time—avail itself of a technicality to deny to these brave and patriotic officers and the soldiers serving under them the travel pay and allowances which they understood and believed was to be paid them, and which, if not a legal obligation, is certainly a moral obligation on the part of the Government to pay. Thirty-nine years and more is entirely too long a time for the Government to withhold a payment of this obligation. Therefore, after careful consideration of all the facts, your committee unanimously recommends that the bill do pass as amended.

THE CONSTITUTION OF THE UNITED STATES

Mr. NELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. NELSON. Mr. Speaker, some time ago, in cooperation with the American Legion of my district, I made available an all-expense trip to Washington for that high-school student in public, private, or parochial school who delivered the best address on some phase of the Constitution. This contest was concluded last Saturday in my home town, Columbia, Mo.

The winning address is entitled "What the Constitution Means to Us in the World Today," and was written by Miss Maureen Jackson, of Boonville, Mo. Mr. Speaker, I ask unanimous consent to extend my remarks and to include this address therein.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

HON. JOSEPH J. MANSFIELD

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, we hear a great many unpleasant things, but I am glad to make an announcement that I think will bring joy to the hearts of the Members of this House.

We all know that for several weeks our colleague the gentleman from Texas [Mr. MANSFIELD] has been ill. I am happy to announce, and I know the House will be glad to learn, that his health is greatly improved and that on yesterday he left the hospital. We hope he will soon be with us again. [Applause, the Members rising.]

I thank the membership for this demonstration of affection for a Member whom I know has the love and esteem of the entire membership. I doubt if any man ever enjoyed a greater, or more deserved, popularity in this House than the gentleman from Texas, JOSEPH JEFFERSON MANSFIELD.

[Here the gavel fell.]

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. MANSFIELD] may have permission to extend his remarks in the RECORD, remarks which he has just prepared and sent to me.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

DIVORCING PRODUCTION, REFINING, AND TRANSPORTING OF PETROLEUM PRODUCTS FROM THAT OF MARKETING PETROLEUM PRODUCTS

Mr. SUMNERS of Texas. Mr. Speaker, by direction of the Committee on the Judiciary of the House, I ask unanimous consent that the bill (H. R. 2318) to divorce the businesses of production, refining, and transporting of petroleum products from that of marketing petroleum products be referred to the Committee on Interstate and Foreign Commerce.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

THE JONES-BANKHEAD BILL

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon [Mr. PIERCE]?

There was no objection.

Mr. PIERCE. Mr. Speaker, for several hours during a number of days recently the Committee on Agriculture of the House has held hearings on the Jones bill, H. R. 8748, which is a bill amending the Farm Credit Act. These hearings have clearly demonstrated that it is a fight over interest and for retention of control by "money markets" which is causing this legislation to be impeded. The question is, Shall the farmer be entitled by law to the lower interest on Government money that he now ought to have by reason of the market prices of bonds, or shall he be compelled to pay a high percent for the money he must borrow and to take stock in a local association for which he probably will never get anything in exchange?

It has been especially interesting, at these hearings on agricultural credit, to note the large number of bankers and money lenders who have appeared before the committee, all of them "in behalf of the farmers," shedding tears because farmers are going to lose their so-called cooperative farm-credit law. I really wish my farmer friends could have seen the array of big-business representatives who appeared before our committee, pleading for this law to remain as it is, with its 4-percent interest and 5-percent exaction. It was most amusing, and no real farmer would have been taken in by it. They all insisted upon a separate Farm Credit Administration, resenting the change made by Congress.

THE FIGHT AGAINST LOW FARM INTEREST

The hearings to which members of the Committee on Agriculture have listened, the newspaper publicity so freely given opponents of the bill, and the propaganda spread from one end of our country to the other, have made it clear, absolutely clear, that the big interests are determined to continue to control farm lending. They have also allowed it to become apparent that the friends and supporters of the bill are making the fight to give farmers the advantage and the benefits of the low interest rates now prevailing.

United States bonds with 10 or 12 years' maturity are selling in the market at par with less than 2-percent interest. Bonds of 20-year maturity are selling at par with a little over 2 percent. Shall the farmers also have the benefit of low interest, or shall they be compelled to become the victims of the savings banks and insurance companies, which want to keep interest rates high and to dominate the best of the farm-lending market? There is plenty of money now available in the money centers. Insurance companies have their agents in the best farming sections of America, offering money to farmers at 4 percent on terms of 5, 10, or 15 years, often without annual payments on principal. These companies are lending up to 60 and even 70 percent of appraised value.

When the farmer goes to his local loan association of the Farm Credit Administration, under the present law, he is confronted with a 4-percent note and must surrender 5 percent of the face of the loan. He is told that this is to buy

stock in an association, but he knows that he will probably never again have that 5 percent, deducted from the amount paid him, for which he has signed a note; but he must agree to pay interest on this bonus. The insurance company will let him pay out, wholly or partially, whenever he wishes to do so. Which loan will the farmer take? He naturally takes the loan from the insurance company.

Which loan will the farmer take? He naturally takes the loan from the insurance company. Therefore, the insurance companies are securing all the best loans now offered in the United States, and the Farm Credit Administration is getting only the more speculative, the more hazardous loans.

The pending bill (H. R. 8748) would reduce interest to 3 percent, and it would free the farmers from the obligation of surrendering 5 percent of the face of their loans. The House has passed a bill extending the 3½-percent interest on farm loans beyond July 1, 1940, but the bill has not passed the Senate, and a reactionary Congress might quickly repeal such emergency legislation.

The Government has furnished millions for the railroads at 2¾-percent interest, much of which will never be repaid, and is now lending to steamship companies for less. These transportation agencies have always enjoyed large subsidies. This whole matter is a contest over interest and a struggle to compel farmers to furnish profits for private money lenders while others are granted Government loans at cost.

PRESENT SYSTEM NOT COOPERATIVE NOR SOLVENT

These solicitous friends of the farmers talked much about the cooperative features of the present Farm Credit Act. There were few appearing before the committee who told the facts as we who have been borrowers know them. Every money lender was certain that the cooperative features of the association would be forever ruined if the farmer was relieved from deducting the 5 percent off the face of his loan for the purchase of useless stock on which he must pay interest. The Farm Credit Administration does not now provide for cooperation, not by any stretch of the imagination could it be so construed, nor was it ever so intended.

I know how the farm borrowers feel about their cooperatives. The Farm Credit Administration has never been farmer-owned nor farmer-controlled. In fact, farmer control is prohibited. Outside of the local association they do not select the majority of their directors, and their local secretary must be approved by the land bank. It is not farmer-owned for, while the farmers have about $131,000,000 invested in it, the Government has over $877,000,000. It has been admitted that the losses in the Farm Credit Administration up to the present time may have been as much as $300,000,000. Under any rule of business, the system is insolvent.

BILL PROVIDES A SOUND SYSTEM

The bill now pending, H. R. 8748, will not result in unsound credit. It does free the borrower from a deficiency judgment, except in bad-faith cases. The present law is not meeting existing needs and cannot do so unless it is amended. There is now no legal provision for a farmer to refinance when his farm has been overloaned. This bill gives him opportunity to refinance Government loans just as he would with private loans. The bill will not bring inflated farm values.

True, the farmer needs higher prices for his commodities; yes, parity prices, but that alone is not sufficient. He also needs a good farm-credit system, adapted to his needs. Those heard before the committee, and flooding us with propaganda, tried to divert us from our efforts to furnish a sound and helpful credit system by calling attention to the fact that farm prices are too low. We all know that, but they offered no suggestions for raising prices. Their concern for farmers selling on low markets was really pathetic. Farmers should take the opportunity to read these hearings in order to learn who are their real friends.

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein part of a report I received from the Bureau of the Census.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

WOMEN DEMOCRATS AND THEIR POLITICAL SHORT COURSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

Mr. RICH. Mr. Speaker, I note that the women Democrats are going to take a political short course, according to last night's Star. Postmaster General James A. Farley will instruct in political technique at the opening session. Subjects of that session will include "How To Win Votes With Facts," among others. Then they are going to have a motion picture to portray the 7 years of New Deal accomplishments. [Applause.]

I wonder if they will show the killing of the pigs, the plowing down of the cotton, and the burning of the wheat, and so forth. I wonder if they will show the facts about the 9,000,000 men who have been unemployed for 8 years. I wonder if they will show many of the things that are contrary to good, common business sense, so far as putting the Government into all kinds of business is concerned. I wonder if they will show the platform promises made by the Democratic administration in 1932 and on which the New Deal has gone "hay wire." Will they show the squandering of billions of dollars of the thrifty taxpayers' dollars? Is this the Democratic Party which is holding this conference or is it the New Deal? Here is the faculty as is listed and what they will talk about:

Postmaster General James A. Farley will instruct in political technique at the opening session of the institute. Subjects of that session will include "How To Win Votes With Facts," "Financing Organization," "Principles of Effective Speaking," "Contacting First Voters," and "How To Organize the Precinct."

MEMBERS OF FACULTY

Secretary of War Woodring will discuss national defense; Secretary of the Interior Ickes, conservation of national resources; Secretary of the Treasury Morgenthau, Budget and the national debt; Attorney General Jackson, business and Government working together; Secretary of Agriculture Wallace, the farm program of the Roosevelt administration; and Secretary of Labor Perkins, labor policies.

Other speakers will include Miss Josephine Roche on the projected national health program; Arthur J. Altmeyer, Chairman, and Ellen S. Woodward, member, of the Social Security Board; Mrs. Florence S. Kerr, Assistant Commissioner of the Works Projects Administration; Nathan Straus, Administrator of the United States Housing Authority; Representative Mary Norton, who will lead a round table on wage and hour legislation; Charles Fahy, General Counsel of the National Labor Relations Board; Miss Mary Anderson, Director of the Women's Bureau; and Miss Katherine Lenroot, Chief of the Children's Bureau.

Will they discuss the third term of the No. 1 new dealer, F. D. Roosevelt? We have had enough New Deal. We want an honest deal. We want a square deal. We want to restore those sound fundamentals of our forefathers—honesty, opportunity, freedom, thrift, dependability. Let us save America by getting rid of the New Deal, as has been administered the past 7 years, before it is too late; before we go in bankruptcy, and before the dictator takes over our country.

THE TWENTY-EIGHT MILLIONTH FORD

Mr. McLEOD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. McLEOD].

There was no objection.

Mr. McLEOD. Mr. Speaker, I want to take this opportunity to call to the attention of the House of Representatives the unbelievable progress of the greatest industrial concern in the world. The Ford Motor Car Co. today, on the plaza of the United States Capitol, displayed its twenty-eight millionth automobile.

Mr. Henry Ford, master of the world industrialists, is to be congratulated upon his unsurpassed feat of human endeavor. Thirty-seven years ago, imbued with a spirit of fortitude and visionary ambition, Mr. Ford blazed the trail of the motor

industry. In that short span of time he has built the greatest industrial empire of employment the world has ever known.

The progress of the Ford company, which this twenty-eight millionth car commemorates, truly reflects the progress of the whole Nation. Despite domestic and international troubles, we have continued to follow our own course of constructive enterprise.

As this twenty-eight millionth Ford travels from city to city, touching virtually every State in the Union, Mr. Ford, the officials of the Ford Motor Co., its engineers, designers, mechanics, and workers, may well feel proud that this, the finished product of their labor, is truly symbolic of this Nation's spirit of progressiveness. [Applause.]

EXTENSION OF REMARKS

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a very short article by William Z. Foster which appeared in the September 1938 issue of the magazine Communist.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. THOMAS]?

There was no objection.

Mr. WILLIAMS of Delaware. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a statement by Senator JAMES G. TOWNSEND, on the foreign silver program entitled "Favors to Foreigners," or a program that "Costs Nothing."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware [Mr. WILLIAMS]?

There was no objection.

VIEWS OF JOSEPH O. CARSON ON SMITH AMENDMENTS TO WAGNER ACT

Mr. ROUTZOHN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. ROUTZOHN]?

There was no objection.

Mr. ROUTZOHN. Mr. Speaker, for 10 years it was my privilege to serve as trial attorney under the Honorable Joseph O. Carson, who is general counsel of the United Brotherhood of Carpenters and Joiners of America, an affiliate of the American Federation of Labor, one of the largest labor organizations, if not the oldest labor organization, in the country. During this 10-year period I learned to know and to respect the ability of Joseph O. Carson, a man who has devoted a lifetime to the interests of organized labor. I learned to know that he was a man who has the interests of labor and his country for which he fought at heart. I learned to know him as a man who has a comprehensive and thorough knowledge of labor law.

Some time ago I wrote Mr. Carson, asking him to analyze carefully the amendments that have been filed by my colleague the gentleman from Virginia [Mr. SMITH] to the National Labor Relations Act and to give me his candid opinion with respect to these amendments. In a letter which I hold in my hand he has heartily endorsed every one of the Smith amendments.

Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include this letter, dated March 25, received by me from the Honorable Joseph O. Carson, of Indianapolis, Ind.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. ROUTZOHN]?

There was no objection.

UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA,
Indianapolis, Ind., March 25, 1940.

Hon. HARRY N. ROUTZOHN,
Congressman, Third Ohio District, House Office Building, Washington, D. C.

MY DEAR CONGRESSMAN: I have noted by the papers many, many "tempests in a teapot" over the amendments your committee recently submitted to the House with reference to amendments to the National Labor Relations Act.

I have read and reread the supplemental bill, which has been introduced by the Honorable HOWARD SMITH, chairman of your committee, having to do with amendments to that act.

Let me say I can honestly concur in the amendments as submitted, and I cannot see anything in those amendments which denies the rights of any parties to a contract, which in all fairness they should have.

As I have said in the past, Mr. Congressman, that I hoped the time would never come when this Government would take up the cudgel for any isolated segregated group, and I could not now use language strong enough to convey that thought for the reason that when the Government takes up the cudgel in such a manner in these United States, it is arraying class against class, citizen against citizen, and group against group. Particularly is this harmful when the agency having to do with any such situation is made up of zealots who are appointed for the purpose of carrying out the provisions of a unilateral law, and these zealots become imbued with the mistaken theory that it is only their right and their right only to ameliorate the conditions of that group for which they are attempting to administer the law.

This is entirely un-American, unpatriotic, and is against all the concepts of what American institutions, having to do with the administration of laws of these United States, should have. There are just a few questions with which we need concern ourselves in regard to the National Labor Relations Act and its administration since its inception.

Why, if the National Labor Relations Act was fairly, impartially, and judiciously administered, is there so much discussion, dissension, and practically private warfare over at least more than 50 percent of the decisions that Board has rendered?

Why has practically every decision rendered by this Board started internecine warfare amongst the very men to whom the act was supposed to be the Magna Carta of liberty?

Why have over 50 percent of the organized men of these United States, who have been organized for an excess of a half century, been so generally opposed to the rulings made by that Board?

Certainly the odor of some of those decisions has not been conducive to pleasant olfactory inhalations.

As I said before, I have read the amendments your committee has introduced, and while in some places the verbiage might be amended, I cannot see the necessity of scrapping them entirely and just putting two more men on that Board.

The Secretary of Labor, the House committee who made an investigation of this act, and the Senate committee, all said the act should stand as it was written, and yet immediately your amendments were submitted they admitted their error and said, "Well, we will put two more men on the Board."

In the past the National Labor Relations Act, its investigators and trial examiners, have been nothing but obstinate zealots, and at no place practically along the whole line except when the strength of the one group was strong enough, has any of the bodies done anything except to find by dark and devious methods for the new groups which have been organized within the past 3 years.

This suggestion of theirs with regard to placing two more men on the Board is nothing but court packing and the appointments would lend nothing to its dignity, nothing to its fairness, and would not be conducive to stopping the great labor unrest with which these older organizations have had to contend during the assumption of power which this Board has exercised.

If we intend to keep America as we have known it, then private industry must succeed and private industry is not just the contractor or the manufacturer making the material or erecting the structure or marketing the certain product, but private industry consists in these United States of four elements; that is, capital, management, labor, and the public. The fourth class is composed of the first three, and you must be fair to each one of those classes if we want America to remain a representative government of the four interests mentioned above.

The purpose of your amendments "in taking one class out of the grease" instead of making that class the slave of this zealot group is worthy of consideration of Congress.

Further, your amendments to the act giving representatives of the groups the right to select their own bargaining agency, rather than have some alien group entirely foreign to their trade or calling, is worthy of the consideration of Congress.

Mainly your amendments dealing with the revision of this Board and the splitting it up in the manner you did is worthy of the consideration of Congress, and as far as I am personally concerned I hope those amendments are approved by Congress practically as you have submitted them, and I feel if this is done capital, management, labor, and the public will not only, as time rolls by, concur in your wise judgment but will applaud and cooperate in every manner possible to bring order out of chaos in the labor ranks which has existed since the adoption of the Wagner Act.

Trusting this will be helpful, and with best wishes, I am,

Cordially yours,

J. O. CARSON.

EXTENSION OF REMARKS

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from a constituent.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARTLEY. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made on the Wood resolution passed by the House yesterday.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a very able speech by Gen. Hugh Johnson.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the antiwar plank of the Socialist Party.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address made by Commissioner of Patents Conway P. Coe at the Patents sesquicentennial dinner at the Mayflower Hotel, Wednesday evening, April 10.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I should like to ask the majority leader, who is serving as Speaker at the present moment, if he can tell us what the program will be for next week?

The SPEAKER pro tempore. Monday, of course, is Unanimous Consent Day. The first rule that will be taken up next week is the rule making in order the consideration of the so-called Walter-Logan bill. If we complete the call of the Consent Calendar early enough on Monday, we will take up that bill for general debate only and try to complete its consideration on Tuesday. Whether any committee wants the call on Wednesday, I am not now informed. However, one committee at least will be called. I do not know when the report of the committee of conference will be ready on the agricultural appropriation bill. If the conference report on the independent offices appropriation bill is not adopted tomorrow, it will be taken up next week. Also, another rule will be taken up, that making in order the consideration of the bill to amend the Crop Insurance Act. This is all the program for next week that has been arranged so far.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REORGANIZATION PLAN NO. IV (H. DOC. NO. 692)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Select Committee on Government Organization and ordered to be printed:

To the Congress of the United States:

One year ago the Congress directed the President to investigate the organization of the executive establishment and to submit plans for such transfers, consolidations, and abolitions of agencies as were found necessary and desirable.

Shortly thereafter I submitted Reorganization Plan No. I which improved the over-all management of the executive branch. This was followed by Reorganization Plan No. II which effected a better allocation of certain agencies and activities among departments. Although these two plans have been in effect less than a year, their benefits have already been gratifying. I have found the task of coordinating the work of the executive branch less difficult. Many improvements in service have occurred, and substantial economies have resulted.

Reorganization Plan No. III, recently submitted, is a third step which will improve intradepartmental management through internal adjustments in certain agencies.

I am now proposing a fourth reorganization plan which provides for a number of interdepartmental reorganizations. These changes are designed to increase efficiency in the administration of Government services by a more logical grouping of certain functions and by a further reduction in the number of independent agencies reporting directly to the Chief Executive.

Accordingly, I am transmitting herewith Reorganization Plan No. IV, which, after investigation, I have prepared in pursuance of section 4 of the Reorganization Act of 1939 (Public, No. 19, 76th Cong., 1st sess.), approved April 3, 1939; and I declare with respect to each reorganization made in this plan, that I have found such reorganization necessary to accomplish one or more of the purposes of section 1 (a) of the act:

1. To reduce expenditures.
2. To increase efficiency.
3. To consolidate agencies according to major purposes.
4. To reduce the number of agencies by consolidating those having similar functions and by abolishing such as may not be necessary.
5. To eliminate overlapping and duplication of effort.

The plan I now transmit I shall describe briefly as follows:

Department of State: The Dominican Customs Receivership is transferred to the Department of State from the Division of Territories and Island Possessions in the Department of the Interior. The State Department is the most appropriate agency to supervise this activity which involves relations with a foreign government.

Treasury Department: The plan transfers to the Secretary of the Treasury the function of the Attorney General of approving out-of-court settlements—technically termed compromises—of cases arising under the Federal Alcohol Administration Act which have not, prior to compromise, been referred to the Department of Justice for prosecution. The present requirement that the Attorney General approve all compromises results in a cumbersome, time-consuming procedure which the small amounts involved do not warrant. The proposed handling will be simpler, less likely to cause delay, and consistent with the procedure now followed in compromises arising under other acts which the Treasury Department administers.

Department of Justice: Executive Order No. 6166, issued June 10, 1933, provided for the centralization of the disbursement function in a Division of Disbursement in the Treasury Department. The resulting increase in efficiency has amply demonstrated the wisdom of centralizing disbursement work. In effectuating the plan, however, I have found it necessary to postpone its application to United States marshals because of the unusual character of their disbursing work in serving the courts. Experience indicates that this arrangement should be continued. I am proposing, therefore, the permanent transfer of the disbursement function of United States marshals from the Treasury Department to the Department of Justice.

Post Office Department: It has also been found desirable to continue permanently in the Post Office Department the disbursement of Post Office funds. The special character of the work of this Department, involving disbursements in thousands of post offices throughout the Nation, requires here, as well as in the case of the United States marshals, a departure from the sound theory of central disbursing. With its far-flung facilities the Post Office Department is better equipped to carry on this work than the Division of Disbursement.

Another proposal affecting the Post Office Department relates to the transportation of mail and other material between departments. In the early colonial days the interchange of correspondence and messages was by the simple hand-to-hand method. Gradually a more systematic device became necessary to transport messages, with the resultant evolution of the Postal Service. Business and private citizens in general have made use of that Service, and today we have in our Post Office Department the most efficient organization of its kind in the world. However, here in the Capital City, the Federal Government, instead of utilizing

fully the resources of the Post Office Department to maintain its mail and messenger service, has permitted a multiplicity of interdepartmental messenger services, each serving its own department, bureau, or agency. This duplication of services is uneconomical and results in a constant criss-crossing and overlapping of personnel and equipment, all engaged in a common activity. I am sure that the average citizen in Washington, as well as officials of the Government itself, have wondered at this paradox whereby the Federal Government is failing to make the fullest use of one of its own agencies which is specially equipped to render a simple, centralized service for all the other agencies. This reorganization plan proposes to do exactly that; to provide for the transportation of mail, documents, packages, and similar material between all buildings occupied by Government offices on a regularly scheduled basis of sufficient frequency to meet the reasonable and normal requirements of these offices and to reduce to a minimum the constant dispatching of messengers on so-called urgent and emergency errands. This service will be available on a reimbursement basis to the agencies exempted by the Reorganization Act.

Department of the Interior: I propose to transfer to the Department of the Interior the activities of the Soil Conservation Service relating to soil and moisture conservation on lands under the jurisdiction of the Interior Department. With respect to private lands, the soil-conservation work of the Federal Government is primarily of a consultative character and can best be carried on by the Department of Agriculture through cooperation of the farmers throughout the country. In the case of Federal lands, this work includes the actual application by the Government of soil-conservation practices and is an appropriate function of the agency administering the land.

Department of Commerce: One of the purposes of the Reorganization Act is to reduce the number of administrative agencies and thereby simplify the task of executive management. We have made substantial progress toward this objective under previous reorganization plans. I am now proposing another step in this direction by placing the Civil Aeronautics Authority within the framework of the Department of Commerce. Reorganization Plan No. III, which deals with interdepartmental changes, draws a more practical separation between the functions of the Administrator and the Civil Aeronautics Board. In plan IV, which is concerned with interdepartmental reorganization, I am bringing the Authority into the departmental structure. The Administrator will report to the Secretary of Commerce. The five-member board, however, will perform its rule-making, adjudicative, and investigative functions independent of the Department. In the interest of efficiency it will be supplied by the Department with budgeting, accounting, procurement, and other office services. As a result of the adjustments provided in plans III and IV, I believe the Civil Aeronautics Board will be able effectively to carry forward the important work of accident investigation heretofore performed by the Air Safety Board. In addition to the effective and coordinated discharge of accident investigation work which this transfer will facilitate, economies in administration will be possible.

The importance of the Weather Bureau's functions to the Nation's commerce has also led to the decision to transfer this Bureau to the Department of Commerce. The development of the aviation industry has imposed upon the Weather Bureau a major responsibility in the field of air transportation. The transfer to the Department of Commerce, as provided in this plan, wil permit better coordination of Government activities relating to aviation and to commerce generally—without in any way lessening the Bureau's contribution to agriculture.

Department of Labor: The plan transfers to the Secretary of Labor the functions of the Secretary of the Treasury and the Secretary of the Interior relating to the enforcement of the minimum-wage provisions in contracts for Federal construction. The Secretary of Labor is responsible by law for the determination of the prevailing wage rates included in Government contracts and should properly have complete responsibility for their enforcement.

United States Maritime Commission: I propose to transfer to the United States Maritime Commission the functions of the Secretary of the Navy relating to State marine and nautical schools. These schools are devoted to training young men for junior-officer positions in the merchant marine. The general responsibility for developing facilities for the training of merchant-marine personnel is vested in the Maritime Commission. The proposed transfer will thus permit closer coordination of the nautical schools with the training work of the Maritime Commission.

Federal Security Agency: The Federal Security Agency has as its major purposes the promotion of social and economic security, educational opportunity, and the health of the citizens. The functions of St. Elizabeths Hospital, Freedmen's Hospital, Howard University, and Columbia Institution for the Deaf plainly come squarely within these purposes. Consequently, I find it necessary and desirable in pursuance of the objectives of the Reorganization Act to transfer to the Federal Security Agency the responsibilities of the Interior Department relating to these institutions. The work of St. Elizabeths Hospital and Freedmen's Hospital is much more akin to the activities of the Public Health Service in the Federal Security Agency than to those of any other Federal establishment. Similarly, Howard University and Columbia Institution for the Deaf can derive more benefit from association with the Office of Education in the Federal Security Agency than with any other Federal organization.

I further propose to transfer to the Federal Security Agency the Food and Drug Administration, with the exception of two activities intimately related to the work of the Department of Agriculture. The work of the Food and Drug Administration is unrelated to the basic functions of the Department of Agriculture. There was, however, no other agency to which these functions more appropriately belonged until the Federal Security Agency was created last year. I now believe that the opportunity for the Food and Drug Administration to develop along increasingly constructive lines lies in this new Agency. There is also need for coordination of certain of its functions with those of the Public Health Service. To accomplish these objectives the plan establishes the Administration as a separate unit within the Federal Security Agency.

Economies: Functions may be transferred or consolidated under this Reorganization Act, but the abolition of functions is prohibited. Congress alone can curtail or abolish functions now provided by law. Savings must come from administrative expenses which comprise only a small fraction of Federal expenditures. This precludes the making of large reductions in expenditure through reorganization plans. The major achievements in reorganizations under this formula must inevitably be found in improved management and more effective service. However, some savings in administrative expenses will be possible under this plan. I estimate the immediate annual savings at approximately $300,000.

Future reorganization needs: The reorganization plans thus far submitted do not exhaust the transfers, consolidations, and abolitions that may be necessary and desirable. Some changes that now appear to have merit require further study. It is the responsibility of the President as Chief Executive to see that needed adjustments and improvements in administrative organization are made. But this he cannot adequately accomplish without proper statutory authority. The present Reorganization Act entirely exempts some 21 administrative agencies from consideration. Furthermore, this act expires on January 20, 1941.

I strongly recommend the reenactment of the Reorganization Act without exemptions. The structure and management of our Government, like the activities and services it performs, must be kept abreast of social and economic change.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 11, 1940.*

REORGANIZATION PLAN NO. IV

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 11, 1940, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939)

DEPARTMENT OF STATE

SECTION 1. Transfer of Dominican Customs Receivership: The functions of the Division of Territories and Island Possessions in the Department of the Interior relating to the Dominican Customs receivership are transferred to the Department of State and shall be administered by the Secretary of State or under his direction and supervision by such agency in the Department of State as he shall designate.

DEPARTMENT OF THE TREASURY

SEC. 2. Approval of compromises: The functions of the Attorney General relating to the approval of compromises made in accordance with the provisions of section 7 of the Federal Alcohol Administration Act are transferred to the Secretary of the Treasury, to be exercised by him or under his direction and supervision by such officer in the Department of the Treasury as he shall designate: *Provided*, That exclusive jurisdiction to compromise cases arising under the Federal Alcohol Administration Act which are pending before the courts or which have been or may hereafter be referred to the Department of Justice for action shall be vested in the Attorney General, and may be exercised by him or by any officer in the Department of Justice designated by him.

DEPARTMENT OF JUSTICE

SEC. 3. Disbursement functions of United States marshals: All functions relating to disbursement by United States marshals which would otherwise become functions of the Treasury Department on July 1, 1940, by virtue of the provisions of Executive Order No. 6166 of June 10, 1933, as amended, are transferred to and vested in the Department of Justice to be exercised by United States marshals under the supervision of the Attorney General in accordance with existing statutes pertaining to such functions: *Provided*, That the Attorney General shall furnish the Secretary of the Treasury, when requested by him, such information as the Treasury Department may require with respect to the amounts of money received and disbursed by marshals and the procedure followed in connection therewith: *Provided further*, That upon the request of the Secretary of the Treasury, and with the approval of the Attorney General, the facilities of the Department of Justice may be utilized in the disbursement, or aiding in the disbursement, of public moneys of the United States available for expenditure by any agency of the Government.

POST OFFICE DEPARTMENT

SEC. 4. Functions of postal disbursements: All functions relating to the disbursement of the postal revenues and all other funds under the jurisdiction of the Post Office Department and the Postmaster General and the Board of Trustees of the Postal Savings System which would otherwise become functions of the Treasury Department on July 1, 1940, by virtue of Executive Order No. 6166 of June 10, 1933, as amended, are transferred to and vested in (a) the Board of Trustees of the Postal Savings System as to postal savings disbursements, and (b) the Post Office Department as to all other disbursements involved, and such functions shall be exercised by postmasters and other authorized disbursing agents of the Post Office Department and of the Postal Savings System in accordance with existing statutes pertaining to such functions: *Provided*, That the Postmaster General shall furnish to the Secretary of the Treasury, when requested by him, such information as the Treasury Department may require with respect to the amounts of money received and disbursed by the Post Office Department, its postmasters and other fiscal officers, and the procedure followed in connection therewith: *Provided further*, That upon request of the Secretary of the Treasury, and with the approval of the Postmaster General, the facilities of the Post Office Department may be utilized in the disbursement, or aiding in the disbursement, of public moneys of the United States available for expenditure by any agency of the Government.

SEC. 5. Transfer of interbuilding messenger functions: (a) Except as prohibited by section 3 (b) of the Reorganization Act of 1939, the function of regular interbuilding messenger service (including the transportation of mail) and the function of transportation of mail between Government agencies and the city post office, now exercised in the District of Columbia by agencies of the Government, are transferred from such agencies to and consolidated in the Post Office Department, and shall be administered by the Postmaster General under such rules and regulations as the President shall prescribe: *Provided*, That this section shall not apply to the transportation of moneys and securities by armored truck or by other special services, or to messenger service between contiguous buildings.

(b) The Director of the Bureau of the Budget may waive the transfer of any motor vehicle coming within the purview of section 14 of this plan where he finds that the retention of such vehicle is essential to the performance of functions other than those transferred by this section.

DEPARTMENT OF THE INTERIOR

SEC. 6. Certain functions of the Soil Conservation Service transferred: The functions of the Soil Conservation Service in the Department of Agriculture with respect to soil- and moisture-conservation operations conducted on any lands under the jurisdiction of the Department of the Interior are transferred to the Department of the Interior and shall be administered under the direction and supervision of the Secretary of the Interior through such agency or agencies in the Department of the Interior as the Secretary shall designate.

DEPARTMENT OF COMMERCE

SEC. 7. Transfer of Civil Aeronautics Authority: (a) The Civil Aeronautics Authority and its functions, the Office of the Administrator of Civil Aeronautics and its functions, and the functions of the Air Safety Board are transferred to the Department of Commerce.

(b) The functions of the Air Safety Board are consolidated with the functions of the Civil Aeronautics Authority, which shall hereafter be known as the Civil Aeronautics Board and which shall, in addition to its other functions, discharge the duties heretofore vested in the Air Safety Board so as to provide for the independent investigation of aircraft accidents. The offices of the members of the Air Safety Board are abolished.

(c) The Administrator of Civil Aeronautics, whose functions shall be administered under the direction and supervision of the Secretary of Commerce, and the Civil Aeronautics Board, which shall report to Congress and the President through the Secretary of Commerce, shall constitute the Civil Aeronautics Authority within the Department of Commerce: *Provided*, That the Civil Aeronautics Board shall exercise its functions of rule making (including the prescription of rules, regulations, and standards), adjudication, and investigation independently of the Secretary of Commerce: *Provided further*, That the budgeting, accounting, personnel, procurement, and related routine management functions of the Civil Aeronautics Board shall be performed under the direction and supervision of the Secretary of Commerce through such facilities as he shall designate or establish.

SEC. 8. Transfer of Weather Bureau: The Weather Bureau in the Department of Agriculture and its functions are transferred to the Department of Commerce and shall be administered under the direction and supervision of the Secretary of Commerce: *Provided*, That the Department of Agriculture may continue to make snow surveys and to conduct research concerning (a) relationships between weather and crops, (b) long-range weather forecasting, and (c) relationships between weather and soil erosion.

DEPARTMENT OF LABOR

SEC. 9. Transfer of certain functions relating to enforcement of wage payments on public construction: The functions of the Secretary of the Treasury and the Secretary of the Interior under section 2 of the act of June 13, 1934, entitled "An act to effectuate the purpose of certain statutes concerning rates of pay for labor, by making it unlawful to prevent anyone from receiving the compensation contracted for thereunder, and for other purposes" (48 Stat. 948), are transferred to the Secretary of Labor, and shall be administered by him or under his direction and supervision by such agency in the Department of Labor as the Secretary shall designate.

UNITED STATES MARITIME COMMISSION

SEC. 10. Transfer of nautical school functions: The functions of the Secretary of the Navy with respect to furnishing, maintaining, and repairing vessels for the use of State marine or nautical schools and with respect to administering grants of funds for the support of such schools are transferred to and shall be administered by the United States Maritime Commission. Jurisdiction over vessels, apparel, charts, books, and instruments now loaned to State marine or nautical schools is transferred from the Secretary of the Navy to the United States Maritime Commission.

FEDERAL SECURITY AGENCY

SEC. 11. Transfer of certain Interior Department institutions.

(a) St. Elizabeths Hospital: St. Elizabeths Hospital in the Department of the Interior and its functions are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be submitted to the Congress by the superintendent of the hospital shall be submitted through the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the board of visitors shall be furnished to the Federal Security Administrator.

(b) Freedmen's Hospital: Freedmen's Hospital in the Department of the Interior and its functions are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator.

(c) Howard University: The functions of the Department of the Interior relating to the administration of Howard University are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the president and directors of the university shall be furnished to the Federal Security Administrator. The Office of Education shall continue to make its inspections of and reports on the affairs of Howard University in accordance with the provisions of existing law.

(d) Columbia Institution for the Deaf: The functions of the Department of the Interior relating to the administration of the Columbia Institution for the Deaf are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the president and directors of the institution shall be furnished to

the Federal Security Administrator, and the annual report of the superintendent of the institution to the Congress shall be submitted through the Federal Security Administrator.

(e) Federal Security Administrator: The functions transferred by this section shall be administered under the direction and supervision of the Federal Security Administrator through such officers or subdivisions of the Federal Security Agency as the Administrator shall designate.

SEC. 12. Transfer of Food and Drug Administration: The Food and Drug Administration in the Department of Agriculture and its functions, except those functions relating to the administration of the Insecticide Act of 1910 and the Naval Stores Act, are transferred to the Federal Security Agency, and shall be administered under the direction and supervision of the Federal Security Administrator. The Chief of the Food and Drug Administration shall hereafter be known as the Commissioner of Food and Drugs.

GENERAL PROVISIONS

SEC. 13. Transfer of functions of heads of departments: Except as otherwise provided in this plan, the functions of the head of any department relating to the administration of any agency or function transferred from his department by this plan, are transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this plan.

SEC. 14. Transfer of records, property, and personnel: Except as otherwise provided in this plan, all records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred by this plan, and all personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration and whose offices are not abolished) are transferred to the respective agencies concerned, for use in the administration of the agencies and functions transferred by this plan: *Provided*, That any personnel transferred to any agency by this section found by the head of such agency to be in excess of the personnel necessary for the administration of the functions transferred to his agency shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10 (a) of the Reorganization Act of 1939.

SEC. 15. Transfer of funds: So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred by this plan, or for the use of the head of any agency in the exercise of any function so transferred, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the agency concerned for use in connection with the exercise of the function so transferred. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

EXTENSION OF REMARKS

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein letters received by me advocating a continuation of the appropriations for the Bankhead-Jones Farm Tenant Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain parts of testimony before the Committee on Ways and Means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS F. FORD and Mr. HOUSTON asked and were given permission to extend their own remarks in the RECORD.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two particulars.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. WARREN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 65]

Allen, Pa.	Folger	McLaughlin	Shafer, Mich.
Beam	Gilchrist	McLean	Sheridan
Bell	Green	Maas	Simpson
Boykin	Halleck	Maciejewski	Smith, Ill.
Bradley, Mich.	Hartley	Mansfield	Smith, Wash.
Brewster	Hook	Martin, Ill.	Smith, W. Va.
Buckley, N. Y.	Hunter	Merritt	Somers, N. Y.
Burgin	Jarman	Monkiewicz	South
Carter	Jennings	Mott	Starnes, Ala.
Coffee, Wash.	Johns	Murdock, Utah	Taylor
Cole, N. Y.	Jones, Ohio	O'Leary	Ward
Corbett	Kelly	Oliver	Weaver
Crowther	Kerr	Osmers	Welch
Cummings	Kocialkowski	Powers	Wheat
Darrow	McArdle	Rabaut	Whelchel
Disney	McDowell	Reed, Ill.	White, Idaho
Doughton	McGehee	Risk	White, Ohio
Douglas	McGranery	Romjue	Woodrum, Va.
Flannagan	McKeough	Sabath	Zimmerman

The SPEAKER pro tempore (Mr. MCCORMACK). Three hundred and fifty-three Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

CONFERENCE REPORT ON INDEPENDENT OFFICES APPROPRIATION BILL

Mr. JOHNSON of Oklahoma rose.

The SPEAKER pro tempore. For what purpose does the gentleman from Oklahoma rise?

Mr. JOHNSON of Oklahoma. Mr. Speaker, I rise for the purposes of submitting, for the gentleman from Virginia [Mr. WOODRUM], conference report and statement on the bill (H. R. 7922) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1941, and for other purposes, for printing in the RECORD.

The Clerk read the title of the bill.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial from one of the newspapers of my district.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein some letters I have received from constituents regarding the price of hogs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FIFTEENTH AND SUBSEQUENT DECENNIAL CENSUSES

Mr. NELSON. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 456 and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 456

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2505, an act to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Census, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on the Census now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. NELSON. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH], and at this time I take 3 minutes for myself.

It is not my intention, Mr. Speaker, to go at length into the provisions of the resolution under which it is proposed to make in order consideration of a bill to correct a situation which was brought about by the adoption of the so-called lame-duck amendment.

In brief, though, it may be said that this rule seeks to make in order consideration of a bill reported by the Census Committee to reapportion the membership of the House according to the 1940 and subsequent censuses.

The bill referred to proposes changes in existing law made necessary by adoption of the lame-duck—twentieth—amendment to the Constitution. Under the present law, the President is required to submit to Congress a statement of the number of Representatives to which each State is entitled within a week after the opening of the second session of the Seventy-sixth Congress.

Since this could not be complied with under the twentieth amendment, which changed the date for Congress to meet in its regular second session, and moved the inauguration of the President up to January 20, the bill recommends that the date for sending such statement to Congress be changed to 1 week after January 3, 1941.

I do, however, wish to make an observation and a confession. As one who voted for the twentieth amendment, I recall very well the warning given us by that fine democratic aristocrat, Hon. Nicholas Longworth, when he said to us, "If you do not fix some time limit on the second session, Congress will be in session practically all the time." I thought at that time that Mr. Longworth was wrong. I have become thoroughly convinced that he was right, and I feel that when we do our full duty we will submit an amendment fixing a limit on the second session of the Congress. [Applause.]

As I have said, Mr. Speaker, it is not my intention to discuss the bill. The rule speaks for itself, and at this time I yield 15 minutes to the gentleman from North Carolina [Mr. WARREN]. [Applause.]

Mr. WARREN. Mr. Speaker, article XIV, section 2, of the Constitution reads as follows:

> Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed.

While this bill merely corrects an error, I think we should always approach the question of a reapportionment on the highest constitutional grounds. I wish to repeat and record again what I have said in the past, that I would vote to carry out the plain mandate of the Constitution regardless of the effect that it might have on any State; and were I to know in advance that North Carolina would lose a Member, I would still vote for reapportionment.

There has been a reapportionment every 10 years in the history of the Nation except for the period based on the 1920 census. During that time and up to and including the 1930 census the Republican Party was in full control. They felt, with the greatest concern, that there had been no reapportionment in 1920; and in 1929, prior to the 1930 census, they brought forward a bill which received strong bipartisan support, and after months of effort and debate it became a law. There are only three Republicans in the House today who voted against that measure, and a large majority of the Democrats here today who were Members in 1929 supported that measure. That bill provided for an automatic reapportionment of the House, based on the present membership of 435, in the event that the Congress did not act within a specified time. It was a definite, fixed, and sure guaranty that the Constitution would be observed, and it was hailed widely throughout the Nation as a constructive measure and an admirable solution of a difficult problem.

That act provided that during the first week of the second session of the Seventy-sixth Congress the President should transmit to the Congress a statement showing the new reapportionment by two methods, one known as the equal proportions and the other as major fractions. And if the Congress did not act otherwise during the session—that is, the short session of only 3 months—then a reapportionment by major fractions, under which we are now apportioned, would become automatic.

The present law was passed prior to the Norris or "lame duck" amendment. We do not meet in December 1940, and the second session of the Seventy-sixth Congress has already passed. The 1929 act, therefore, is vitiated. This bill was introduced in the Senate in a slightly different form by Senator VANDENBERG and passed that body unanimously. I have offered it here in the House, and Senator VANDENBERG has stated to me that the measure introduced by me is preferable to his. It merely corrects the error caused by the "lame duck" amendment.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. MARTIN of Massachusetts. The measure that passed the Senate and the one that the gentleman from North Carolina offered did not include this last statement with reference to aliens.

Mr. WARREN. I am coming to that. That was not in my measure. I shall come to that in a moment. This bill simply provides that the President shall report during the first week of the Seventy-seventh Congress, and if the Congress does not act on the matter during that session, which is of 7 or 8 months' duration then the apportionment shall become automatic. It would therefore not apply until the 1942 elections. The House committee saw fit to provide an amendment providing for the exclusion of aliens from the population totals in making the apportionment. This provision, in my opinion, is clearly unconstitutional. The Constitution provides for the counting of persons. I am told that since reporting out this bill, the Committee on the Census has again met and has authorized a committee amendment to strike this provision from the bill. This, of course, should be done. Those who may be interested in such a proposal have, in my opinion, only one recourse, and that is a constitutional amendment.

Mr. DUNN. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. DUNN. I am authorized to present an amendment to strike out that clause.

Mr. MARTIN of Massachusetts. Did I understand the gentleman from Pennsylvania [Mr. DUNN] to say that the committee would offer an amendment to strike that phrase out?

Mr. DUNN. Yes.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. O'CONNOR. Does not the gentleman feel that Indians should be counted who are subject to taxation?

Mr. WARREN. The Constitution says that we shall exclude Indians not taxed.

Mr. O'CONNOR. That is true, but all Indians are taxed in some form or another. Therefore I think that all Indians should be counted.

Mr. WARREN. That is all right with me, just so long as we do not run contrary to the Constitution. We can debate that under the 5-minute rule.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. MURDOCK of Arizona. I call attention to the fact that our Indians are now taxed wherever a sales tax prevails, as it does in many States. Conditions with regard to Indians have greatly changed in 150 years, and I feel that a different interpretation concerning Indians is now logical and needed in fairness.

Mr. WARREN. Mr. Speaker, I understand that the gentleman from Michigan [Mr. MCLEOD], who was quite active in the passage of the 1929 act, and who has given much study to this subject, will propose an amendment providing that

if Congress does not act within 60 days of the President's message, then the reapportionment shall become effective. The only difference is this: Prior to the Norris amendment we had about two and a half months in which to act. The McLeod proposed amendment would give us 60 days in which to act, while the bill we are now considering would give us approximately 7 months in which to act. The several State legislatures will have full notice in January. Probably only a dozen States will be affected, and it would be a very easy and simple thing for them to pass anticipatory legislation. I have no personal objection whatever to the McLeod amendment if the House thinks best to adopt it. This error, Mr. Speaker, caused by the Norris amendment, should be corrected now. It should be done on the high ground of the Constitution. We do not know what the census will bring forth as to any State. We are all on the same par. If it is not corrected now, I predict there will be no reapportionment based on the 1940 census. [Applause.]

Mr. Speaker, I yield back the remainder of my time.

The SPEAKER pro tempore. The gentleman yields back 3 minutes.

Mr. FISH. Mr. Speaker, this question of reapportionment is always a difficult one. It is one of the most difficult problems for the House to solve on a fair and nonpartisan basis. Every Member should approach it from a constitutional standpoint. I join with the distinguished gentleman from North Carolina [Mr. WARREN], in saying that no matter what would happen to the State of New York, whether we lost or gained, but particularly if we lost, I should gladly vote to carry out the mandate of the Constitution, for a reapportionment of Representatives every 10 years.

It seems to me this bill for automatic apportionment is just plain, ordinary, common sense, in order to prevent what has happened in the past, and which assuredly will happen again. That is, that the Members of the House from those States which might lose one or two Representatives will come in here and make a bitter fight to prevent any kind of reapportionment going through. They will throw monkey-wrenches into the machinery. They will use all kinds of dilatory tactics in order to protect what they say is the right of their State, because some State, no matter whether it is in the North, East, South, or West, may lose some Representative under the reapportionment act.

We have before us what I think is a fair, automatic reapportionment bill and in accordance with the Constitution and assuredly carrying out its mandate, or rather enabling us to carry out the mandate of the Constitution in a fair and equitable way as soon as the census has been completed.

There is no opposition that I know of to the rule on this side.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. RANKIN. In that connection, let me call the attention of the gentleman from New York to the fact that in his own State one district has only about 90,000 population, while other districts have more than 800,000 population, and the State has made no effort, as far as I know, to correct those inequalities. Then why jump on Congress?

Mr. FISH. I am in entire accord with the gentleman's views. I was a member of the State constitutional convention in New York in 1938 and did everything I could at that time to put through a reapportionment bill for the State of New York, based on approximately equal congressional districts. I believe that that will be done in the near future.

Mr. Speaker, I yield 5 minutes to the gentleman from California, Mr. LELAND M. FORD, a member of the committee.

The SPEAKER pro tempore. The gentleman has consumed 4 minutes.

Mr. LELAND M. FORD. Mr. Speaker, this was originally the Vandenberg bill, for which was substituted what was originally the Warren bill, No. 8653. The only difference between those bills, and I understand Senator VANDENBERG has concurred in this, would be to have Congress act before 2 years. After that time the reapportionment would then become automatic. Under the Vandenberg bill it might possibly be postponed until 1942. Under the Warren substitute, known as 2505, this can happen, and should happen, within 6 or 8 months. The bill only restores that position that reapportionment had before the Norris amendment, known as the "lame-duck" amendment, went into effect. It simply changes the date.

On page 2 of the committee report I read the following:

Under the present law that statement is required to be submitted within 1 week of the beginning of the second regular session of the Seventy-sixth Congress.

That is the statement of the President.

The adoption of the twentieth amendment since the Reapportionment Act of 1929 has made it impossible that that requirement be complied with. Under the present law that statement would have to be submitted within 1 week after January 3, 1940, which is before the census of 1940 could be taken.

As a matter of fact, that time has passed.

The bill as referred to the committee and the committee amendment postpone that date to within 1 week of the beginning of the first regular session of the Seventy-seventh Congress—

Instead of the second session, as mentioned.

the statement must be transmitted within 1 week after January 3, 1941.

Now I am speaking on this matter under the assumption that the alien provision that was made to Mr. WARREN's bill will be taken out. I believe the committee will offer an amendment to remove that. This bill simply corrects an error. I do not think there is any point on which to orate. It does not add anything to, and it does not take anything away from, the old law. It does not change the type of apportionment as we have had it heretofore. The facts are simple. We can get up here and talk for 2 hours or 2 weeks or 2 months, and I think after you are all through the only thing involved will be that we have changed a couple of dates to conform with the law known as the "lame-duck" amendment.

At the time the bill was originally passed there was a bitter fight on it. It may be possible that there are those who would continue that fight because some people do not want this bill enacted at all. They did not want it enacted then and they do not want it enacted now. It is their privilege to take that stand if they care to. In my opinion and in the opinion of others, if this bill is not passed now we may again lose our apportionment under the 1940 census as we did under the 1920 census. I think it is the constitutional thing to do. I do not set myself up as a constitutional lawyer, but, after all, I have had some very good advice on this, and we do have certain general fundamental principles involving our Constitution and our actions in Congress. The question resolves itself into this: Are we going to be guided by the requirements of the fundamentals of our Constitution or are we going to let some selfish interest, perhaps, interfere with our official duty? I think the question comes squarely to us in that form. It is not a partisan question. That law was passed under a Republican majority in this House in 1929. We did have this law, we did work under it, we worked satisfactorily; and I say we can continue to work under it. We did not change the method any.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. LELAND M. FORD. I cannot yield. I am not going to have enough time as it is. As a matter of fact, I was not able to get any time from those in charge of the bill.

Mr. CURTIS. I am not in charge of the bill, I may say to the gentleman.

Mr. LELAND M. FORD. I regret, Mr. Speaker, I cannot yield.

The objection has been raised that we were changing the rules in the middle of the game. We are not. I think the rules of the game should be fixed before the game starts, and that is exactly what we are doing. Under this bill we are going to let the chips lie where they fall. [Applause.]

[Here the gavel fell.]

Mr. NELSON. Mr. Speaker, I yield 7 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, this bill freezes the House at 435 Members now and in perpetuity. This also takes away from the House the right to apportion its own membership and delegates to the Chief Executive one of those prerogatives that, in my opinion, should be reserved to the Congress.

Referring to the attempts to reapportion under the census of 1920, permit me to say that I was one of the men who went through that fight. In the first place, the census of 1920 was taken under unusual conditions. For the first time in history it was taken in the wintertime when farmers invariably were away from home, and the agricultural sections suffered, because in many cases the farmers were not counted. We were just emerging from the World War, and thousands of men had not returned to their homes, and many other thousands had been temporarily concentrated in the great industrial centers as a result of war activities. When that census was brought out we realized that it was not just to the agricultural States. We offered an amendment and reported a bill to raise the House to 460 Members. It would have saved most of the agricultural States. We fought over it for a whole day, and it was recommitted by the Members from the very States that are now demanding the passage of this measure. There was, therefore, no reapportionment under the census of 1920.

The Constitution of the United States does not require that we reapportion Congress every time the census is taken, but it does require that when Congress is reapportioned the reapportionment must be based upon persons, and that means American persons; it does not mean alien persons who owe no allegiance to the United States.

In 1929 the distinguished Senator from Michigan offered this provision as a rider on the census bill. It passed the Senate, and we had to accept it in order to keep them from killing the bill providing for the census of 1930. The administration went ahead and reapportioned the House automatically on a basis of 435.

If this measure is not passed, it simply means that Congress will have a whole session in which to reapportion its membership. Even then I doubt if you can go beyond that, because the law is still in effect, regardless of the lame-duck amendment. So if you pass this measure, I want you to understand—because I do not intend to wear myself out fighting on this proposition—you shut the door in your own faces, in the face of this House, so far as reapportionment is concerned, because even if you give yourself 60 days I can pick out a dozen Senators—yes, I can pick out half a dozen—who can talk 60 days, and play golf in between times. [Laughter.] Do not forget that if this measure is passed by this House, the probabilities are that Congress will never again reapportion the House of Representatives.

You will probably hear a good deal today about the question that has been raised of rotten boroughs. A man from New York came before the Committee on the Census and brought his photographers with him. Whenever you see a lobbyist bring his photographers you may know that he has his case already prepared. He talked about rotten boroughs. I took the Congressional Directory and went over the districts in the State of New York. I found that one district which has a very large proportion of aliens has only 90,000 population, while another district that has a preponderance of Americans, or natives, has 776,000 population. Another has 779,000 population. One gentleman from Illinois came in and talked about rotten boroughs. I turned to Illinois and showed that some of the districts in that State had 150,000 or 200,000 population while others had almost 1,000,000. Congress is not responsible for that rotten borough situation, if you want to call it that. It is a matter for the State legislatures.

They raise a great hue and cry about excluding aliens. I submit it is an outrage to exclude these Indians whom we found here and ran off their lands, yet still count every alien that is in the country in violation of law—and many of them attempting to wreck the American Government.

Mr. GEYER of California. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. GEYER of California. I wonder what the gentleman thinks about those eight States that exclude persons on account of nonpayment of poll tax—63 percent of the white vote excluded. What does the gentleman have to say about that?

Mr. RANKIN. I suggest that the gentleman go into those States he is talking about and learn something about the situation. Then he might have something to say.

Another thing, the State of New York excludes aliens from the count when it comes to apportioning the State legislature. They are not proper persons to be represented in the legislature. If not, why are they entitled to be represented in the Congress?

The best thing you can do is to recommit this bill to the Committee on the Census and let this matter rest until it comes before the Congress after we have taken a census. Then we can proceed in the proper manner. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, it seems to me the gentleman from Mississippi should be the last man in the House to oppose the counting of aliens, when down in his State of Mississippi, they count all the colored people, but they do not permit them to vote. If we were consistent we would change this law in accordance with the fourteenth amendment, and reapportion on that basis, and prohibit representation where American citizens have been denied the right to vote.

The gentleman seems to think it is very dangerous to freeze the size of the House. I think that is the very best feature of the bill. The House is far too large and too cumbersome at present to be an effective deliberative body, and if someone should offer an amendment to reduce the size of the House to 300 I would be glad to support it.

Mr. Speaker, I now yield 7 minutes to the gentleman from Michigan [Mr. McLEOD].

Mr. McLEOD. Mr. Speaker, I wish at this time to explain an amendment I will offer during the reading of the bill, the purpose of which is to carry out the full purpose and intent of the Congress as early as it is practicable to obtain a reapportionment of the representation among the several States in the House of Representatives based upon the returns of the 1940 and subsequent decennial censuses. In carrying out the spirit of the reapportionment legislation, it is incumbent upon the individual States to rearrange their distribution of population in congressional districts to insure an equitable allotment of this population in proportion to the number of Representatives according to the States.

It is the function of the State legislatures to enact the necessary legislation for distribution of the population in the congressional districts within the States. Unless and until the several legislatures enact redistricting legislation, the boundaries and confines of existing congressional districts must remain unchanged despite the shifts in population that the new census may disclose.

Unless the Congress, within a reasonably early period of the 1941 session—the first session of the Seventy-seventh Congress to be elected next November—determines the method to be used in apportioning congressional representation, it will be next to impossible to bring about State redistricting in a greater number of the States in time to apply to the elections of 1942, unless, however, special sessions of the legislatures are called for the specific purpose of enacting State redistricting laws.

The legislatures of 42 of the 48 States to be elected next November will convene in January 1941. One other will assemble in April 1941. Of the remaining 5, 4 will meet in 1942, and 1, which assembles only quadrennially, in 1943. Of the 43 legislatures meeting in 1941, 39 hold biennial sessions. Only 4 convene annually.

If these 39 legislatures do not enact redistricting laws next year, they will have no chance to act, except in special session by call of the Governor, until 1943, which would prevent redistricting legislation from becoming effective until the elections of 1944, 4 years after the completion of the census.

The bill before the House as reported by the Census Committee would permit the Congress to delay until the closing days of the 1941 session the consideration of any reapportionment legislation. As the Congress in recent years has remained in session until well in the summer, not adjourning until June, July, or August, this would mean that reapportionment legislation might and probably would be delayed until after all of the 39 legislatures had adjourned and gone home.

Three States limit their legislature to 40 legislative days, 1 to 50 days, 16 to 60 days, 1 to 70 days, 1 to 75 days, 2 to 90 days, 1 to 100 days, 1 to 132 days, and 1 to 150 days. Twelve States have no statutory limitations but usually wind up with their sessions within about 3 months at the most.

Unless the States can be informed by Congress relatively early in 1941 as to just what representation they are to have for the next decade, the legislatures will be deprived of the opportunity to act on redistricting measures within the statutory limitations of their sessions, and except for an extra session recourse, must let the matter of redistricting go over to the next legislature to be chosen in 1942.

My amendment would make it obligatory on the Congress to dispose of the matter of reapportionment within the first 2 months of next year's session. Failure of the Congress within that period to enact a new reapportionment statute would automatically invoke mandatory reapportionment as provided for in the Reapportionment Act of 1929, which the bill now pending before the House seeks to revise and correct in accordance with conditions created by the ratification of the Norris "lame duck" constitutional amendment changing the time for the convening of Congress and the inauguration of the President and Vice President.

Prior to the adoption of the Norris amendment, the Congress convened on the first Monday in December each year. The second regular session of each Congress expired by limitation on March 4 of the odd-numbered years. For example, the second regular session of the Seventy-first Congress, the only Congress to which the 1929 Reapportionment Act has applied thus far, convened on the first Monday in December 1930, and expired by limitation on March 4, 1931. That was the last day that Congress had to dispose of any reapportionment legislation.

The Congress was limited then to a maximum of approximately 90 calendar days in which to deal with reapportionment. Out of that 90 days came the usual Thanksgiving, Christmas, and New Year holidays. These, in effect, reduced the time for consideration of reapportionment legislation to about 75 days. The Congress in 1929 considered that ample time in which to deal with this question.

This amendment restricts Congress to 60 calendar days for consideration of the reapportionment question and places the dead line at approximately the same time of the year for Congress to act, namely, March 4. The President's report on the census under the present law must be submitted on the day Congress convenes, January 3, or within one week thereafter. Sixty days from January 3 is March 4. Thus the extreme limit should the President's statement not reach Congress earlier than January 10, or one week after the convening date, would be March 11.

This date would still find virtually all of the legislatures assembled in January 1941 in session. In many of the States the legislatures take recesses of 2 weeks or more in midterm to permit legislative committees to visit and inspect State institutions or to attend to other committee work contingent on proper consideration of measures pending before it. Thus the 60-day sessions are projected on to as late as April 1, or even later, giving reasonable time for considering redistricting legislation before their final adjournment after Congress has advised them as to what congressional representation their State is entitled.

If the reapportionment question is left open until Congress adjourns in June, July, or August, by that time the legislatures will have finished up their work and gone home, and the only way they could approach redistricting would be through an extra session. This would entail an added and unnecessary expense on the taxpayers for legislative per diem mileage and other contingent expenses. It is reasonable to assume that some of the States would forego action as an economy measure to save this extra cost.

The gentleman from Mississippi [Mr. RANKIN] said a moment ago that if this bill is passed the House will never again reapportion its membership. I want to differ with him, for the reason, the gentleman will recall, that the provisions of the 1929 act, which was the outcome and the result of the failure of Congress to act on reapportionment for the longest period in history, 20 years, included the so-called automatic feature, designed for the specific purpose of enforcing redistribution of congressional seats in the event Congress refused to act. If this bill is passed, the automatic feature will remain intact. However, that automatic feature just goes into effect if the Congress does not act after 60 days.

Mr. RANKIN. Will the gentleman yield?

Mr. McLEOD. I yield to the gentleman from Mississippi.

Mr. RANKIN. Within that 60 days all these legislatures the gentleman has been talking about will have adjourned. Many of them adjourn in the first 40 days.

Mr. McLEOD. The figures I have indicate that most legislatures convene in January. Some of them remain in session only 90 days, while some remain in session as long as 5 months, which, I believe, is about the maximum. If we adopt my amendment, the State Legislature of my State, Michigan, will be in session, and it would have the opportunity to reapportion the State in time for the following congressional election.

Mr. RAMSPECK. Will the gentleman yield?

Mr. McLEOD. I yield to the gentleman from Georgia.

Mr. RAMSPECK. What would happen in the gentleman's State, for instance, if Congress had not acted and the legislature reapportioned without waiting for action of the Congress the required 60 days?

Mr. McLEOD. I do not believe they could legally do that. It would have to be anticipatory legislation on the part of the State legislature. They would not have a basis on which to act because there would not be a Federal reapportionment act effective.

Mr. RAMSPECK. If the number of Representatives allotted to Michigan were changed by virtue of this census, would that require all the Members of Michigan to run State-wide?

Mr. McLEOD. If Michigan lost in accordance with the 1940 census, that is right. If the legislatures failed to act, and they will fail to act if that provision is not corrected here, it would oblige the total membership from those States that lose Representatives to run at large.

From a study of available statistics and estimates of prospective State populations that the census to begin April 1 will disclose, it would appear that the new census will necessitate a readjustment of congressional representation affecting from one-fourth to one-third of the 48 States. About half of those affected States it would appear will gain representation at the expense of the other half. Without redistricting, those States gaining additional representatives would elect them at large. This would necessitate aspirants for the extra seats to engage in State-wide primary and general election campaigns, instead of in a restricted area embracing some 300,000 persons.

In those States that would lose population, without redistricting all of their representatives would be required to run from a State at large. This was the case in 1932 in the States of Kentucky, Minnesota, Missouri, and Virginia. Kentucky and Virginia were prevented from redistricting in 1931 because their legislatures do not meet in the odd numbered years. In Missouri and Minnesota, the legislatures failed to act on redistricting at the 1931 session. In the other States that lost representation by the 1931 census, however, the legislatures were very prompt to act after the March 4 dead-line that settled the question as to what their representation would be. Likewise, most of the States that gained representation by the 1930 census acted promptly at their 1931 sessions by passing redistricting measures.

In the main, the States were more than anxious to rearrange their congressional districts and provide a more equitable distribution of their congressional representation after the long 20-year period of no reapportionment between the 1910 and 1930 censuses.

The importance of redistricting and the inequality of representation that results when redistricting does not occur is strikingly illustrated by conditions existing today in some of the States that have failed to redistrict since the last census. The State of Illinois has gone for practically 40 years without a readjustment of its congressional districts. The State was last redistricted following the 1900 census. In Cook County, Ill.—the city of Chicago and its immediate suburbs—under the redistricting following the 1900 census, the largest district among the 10 from that county had a population of 286,643. The smallest had a population of 181,936, a spread between the two of 104,707. By the 1930 census, the largest Cook County district had 889,349 population and the smallest 138,481, a spread of 751,868. In other words, 10 years ago, one Chicago district had more than three-quarters of a million greater population to be represented by a single Representative than another district within that same city. By this time, after another 10 years have elapsed, the difference between these two districts undoubtedly is well over 800,000.

Redistricting has gone by default in New York State for the 30 years since the 1910 census. Within the municipal limits of New York City and suburban Long Island and Westchester County, there are 25 congressional districts that have remained unchanged for approximately 30 years. When New York was last redistricted, following the 1910 census, the largest of these districts had a population of 221,206 persons and the smallest 197,344, a difference of less than 25,000. By the 1930 census, the largest district in metropolitan New York had 799,407 population and the smallest 90,671, a difference of more than 700,000. By this time, that difference undoubtedly exceeds three-quarters of a million persons.

In 1930 the smallest New York City district had less population than even sparsely settled Nevada, the smallest State in population in the United States. Today Nevada's population is probably one-third greater than that of this one district of New York. That New York City district is the smallest in the entire United States.

While these may be regarded as extremely rare cases, they do emphasize the importance of a periodical readjustment through redistricting within the States to insure that equality of representation in the Congress as guaranteed by the Constitution.

I do not believe this House should place any obstacles in the way which would prevent the States from redistricting at the earliest possible moment following the taking of the census. For that reason I consider it extremely important that my amendment designed to speed up redistricting before the next year's legislatures adjourn should be adopted by this Congress. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Speaker, I shall not have spoken a very few of these minutes before you will realize that I cannot add very much to this discussion. Some observations have been made in the debate thus far that have attracted my attention, which may be worthy of mentioning.

The gentleman from New York [Mr. FISH] has stated his conviction that the House of Representatives is already large enough numerically and perhaps too large. I can remember as a youngster sitting in these galleries and watching the House in session in the late nineties and the early 1900's. In those days each Member had his own desk here. I think the total number of Members at that time was something around 350, although I may be mistaken. The membership is now 435. I should greatly regret its ever being made larger. My idea of an effective legislative body is one in which each Member has an opportunity to become well acquainted with all other Members. If this cannot be accomplished by the individual Member, he may not be as effective as would be the case if he knew all the Members well.

I have always contended the most interesting and perhaps as effective a legislative body as I ever came in contact with was the New York Assembly, which consists of 150 members. The business assigned to the assembly is important enough to attract and hold the attention of every one of the 150, yet the number is so small as to permit each one to know 149 men intimately. It would be a pity, I think, if this House were increased; and from a personal standpoint, as I have tried to say, it always strikes me that we would have exceeded and gone beyond the point of the maintenance of interest, we would be at the point of diminishing interest amongst the Members at large, if this body were increased. The thing I dread is that in the future, as a result of certain factional combinations and political machinations, with no rule to guide us, the House will be enlarged. I am glad the act of 1929 was passed.

It does not frighten me a bit that the House has apparently frozen itself, although that is not an absolutely true statement, at 435. Of course, some future House, despite the passage of this bill and despite the passage of the act of 1929, if it wants to, will have, under the terms of this bill, 6 or 7 months in which to change that number 435 either up or down, but I think it is a very, very rare occasion when any legislative body reduces itself downward. Very seldom does that happen. The danger is that the number keeps going upward, upward, upward, in order to make it a little easier for everybody to stay here.

I do not believe this bill confides to the President any dictatorial powers any more than I think it takes from the House any of its constitutional powers. As I read this measure and the measure of 1929, the function performed by the President is purely ministerial. Under this bill he will simply send to the Congress the census returns next January. Based on those returns, and using the number 435 as the quotient, each State will be found to be entitled to so many Members. There will be a few changes, not very drastic, but I would rather have that rule adhered to than to throw the whole thing wide open, year after year, to confusion, and delay, and the play of politics, with the ultimate result that this great institution—the House of Representatives—would be less great. [Applause.]

Mr. NELSON. Mr. Speaker, I yield the remaining time at my disposal to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I am very happy to note that the Committee on the Census is going to introduce an amendment striking out the provision with reference to aliens in section 2 of the bill, and that if the amendment carries—and I am sure it will—aliens will be included in the numerical count for congressional reapportionment. The constitutional provision which bears on that amendment is contained in the first sentence of section 2 of the fourteenth amendment, which reads as follows:

> Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed.

It will be observed that the term used in the foregoing provision of the Constitution is "persons" and not "citizens." Indians not taxed are expressly excluded. Nothing is said about aliens. The word "person" is likewise used in the first section of the fourteenth amendment, which contains clauses relating to due process of law and equal protection of the laws. If the word "person" were not used in that section, then an alien might be precluded from the constitutional protection with reference to due process and with reference to equal protection of the laws. But aliens are not so precluded. They are protected alike with citizens as to due process and equal protection of the law.

We know that the Supreme Court has given us a number of famous decisions which unequivocally hold that the word "persons," when used in the fourteenth amendment, either in the first or second sections or anywhere else, includes aliens. These cases, which I shall place in the RECORD, are *Yick Wo* v. *Hopkins* (118 U. S. 356, 369); *United States* v.

Wong Kim (169 U. S. 649, 695); and *Truax* v. *Raich* (239 U. S. 33, 39).

That it has been recognized that the Constitution bars the exclusion of aliens from computations of population for purposes of apportionment appears from the fact that in 1930, at the time of the Fifteenth Decennial Census, at least two proposed constitutional amendments were introduced in order to change the rule on this point (71st Cong., 2d sess., H. J. Res. 263; H. J. Res. 356; and S. J. Res. 187). Both attempts, incidentally, failed. If the Members of the House in their wisdom in 1930 felt that you could not strike aliens from the count except by constitutional amendment, it seems rather anomalous now that you do it by a mere act of this Legislature. It cannot be done that way. If you want aliens out, you must amend the Constitution.

It is well, and I ask the gentleman from Mississippi, who is in the Chamber, to do so, to go back over the history of the founding fathers and see how they came to the idea of including aliens in the count. That was the result of the so-called great compromise. In opposition to the aforesaid attempted amendments as to aliens, in a report which I helped write in 1931, which was signed by the then chairman of the Committee on the Judiciary, the distinguished gentleman from Pennsylvania [Mr. GRAHAM], and also signed by Mr. Dyer, Mr. Stobbs, and the now distinguished mayor of New York City, Fiorello LaGuardia, as well as myself, we drew attention to that compromise in this language. We first said, however, that there was great conflict in the Constitutional Convention with reference to representation in the House of Representatives and with reference to taxation. The smaller States wanted not only equal representation in the Senate but equal representation in this Chamber, and be it said that Washington, Hamilton, Franklin, and even Madison wished equal representation in this Chamber for the small States as well as the large States. There was great tumult. The larger States refused to abide by the idea of equal representation and there was great argument pro and con.

Finally, when they were just on the eve of breaking up altogether, Franklin suggested an adjournment for 48 hours to enable them to see whether any compromise could be effected, and you remember that Franklin made the wise suggestion that the Members should talk with the Members with whom they differed, and not with the Members with whom they agreed. As a result of the 48-hour adjournment, when they reconvened there was a more amicable spirit, and finally the great compromise was made of equal representation in the Senate and proportional representation in the House, but based upon some equitable method of ascertaining what might be called the equities of contribution to the common Treasury. How then did the expression "free, white persons" come into it, "excluding Indians not taxed"? The original idea was to base each State's contribution to the Treasury upon the landed wealth of the various States. That was found to be impracticable, partly because so many had lands of only conjectural value, partly because they had not the facilities to determine the relative wealth of the country. Then they adopted the idea which is the historical basis for the present Constitution, that, as there was no method of measuring the relative wealth of the States, according to which political power in the House of Representatives should be apportioned, the only way was to assume that the population which created the wealth would create it in approximately equal amounts; that if New York had 10,000,000 people, and another State had 1,000,000, New York would create 10 times as much wealth.

That is how the great compromise arose, which found its way into article I, section 2, of the Constitution, and finally into the fourteenth amendment.

For 150 years we have included aliens in the count. We cannot, by mere resolution of this body or the adjoining body, change that constitutional requirement. If you strike out aliens you have parted with a principle of government upon which the fathers agreed some 150 years ago, which they thought a reasonable adjustment of the whole problem. When we use the word "persons" we include all peoples. We include even those who do not choose to vote, and, I may say to the gentleman from Mississippi, we even include convicts, who have lost their citizenship, who have lost the right to vote. We include children under age, insane people, persons under disability. All are counted including—now—Negroes—originally three-fifths of the Negroes. We include women and minors; we include all persons, and it would be rather anomalous now for the first time to say that we shall not include aliens as now being persons.

As a result of that compromise——

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. In just a moment, I will yield.

As a result of that compromise, population becomes a yardstick to determine two things, taxation and representation in the House. Now, shall we, by a mere fiat of this body and the Senate, destroy that great compromise that has been deemed sacred for all these years, for a century and a half? I am sure we cannot do it and we will not do it upon mature reflection.

I may say also that not so many years ago, as far as aliens are concerned, aliens were allowed to vote upon mere declaration of intention to become a citizen. They were allowed to vote up until 1917 in seven different States, and prior to 1917 aliens were permitted to vote in over a dozen States, like Alabama, Arkansas, Arizona, Indiana, Kansas, Michigan, Missouri, Nebraska, North Dakota, South Dakota, Texas, and Oregon. Those States at that time needed the alien. They needed him to build the roads and dig the ditches and tunnel the mountains, lay the railroad tracks and build the bridges and all the other structures that were required, and there were not enough hands to do all the work and therefore those voting rights were accorded the alien to induce him to come to those States.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I now yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman confesses, then, that they will not let them vote, but they want to count them and give them representation in a Congress that they cannot vote for, and I want to ask the gentleman this question. Does he contend that aliens who are in this country in violation of law have the right to be counted and be represented in the Congress of the United States?

Mr. CELLER. The Constitution says that all persons shall be counted. I cannot quarrel with the founding fathers. They said that all should be counted. We count the convicts who are just as dangerous and just as bad as the Communists or as the Nazis, as those aliens here illegally, and I would not come here and have the temerity to say that the convicts shall be excluded, if the founding fathers say they shall be included. The only way we can exclude them would be to pass a constitutional amendment.

If we do what the gentleman wants to do, namely, exclude aliens, we create greater disproportion, aside from destroying that aforementioned sacred compromise. We know, for example, that there is overrepresentation of smaller States, not only in the Senate, but also in the electoral college. What about that overrepresentation? Way back, 150 years ago, the constitutional fathers said that we will allow that overrepresentation of the smaller States in the electoral college and in the Senate, a condition there of a price, therefore the larger and more populous States have had larger, that is, proportionate, representation in this Chamber. Therefore we must give the larger States their due. We must determine taxation and representation in the House by the population, by the total population.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. O'TOOLE. Speaking of overpopulation, does the gentleman know that I have more voters in my district than the entire State of Mississippi, which has more than seven times as much representation as my district? [Applause.]

Mr. CELLER. I thank the gentleman for his contribution.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. MURDOCK of Arizona. How does the gentleman feel about the counting of Indians?

Mr. CELLER. The Indians were taken care of by the fathers in the way indicated in the second section of article I. I cannot quarrel with that, because that is in the Constitu-

tion. We cannot change it. We can only change it by a constitutional amendment. If you want to exclude aliens, I do not quarrel with you; but do it by a House joint resolution, by way of a constitutional amendment.

If we exclude the alien in the count, and follow the suggestion of the gentleman from Mississippi, Representative RANKIN, as I said before, we give an undue representation to the smaller States. These smaller States would say, in effect, "Despite the original solemn agreement and compromise of the Constitutional Convention, we, the smaller States, want to take some more from the larger States. But we are nevertheless going to preserve the advantage which we have in the Senate as well as in the electoral college, which advantage was given to us in that original agreement and compromise." I have not gone into the figures, but I am of the opinion that over half our population resides in about 9 States. Less than half our population resides in the other 39 States. Thus, these larger States, with their larger wealth and larger population, have only 18 Senators, and only 18 senatorial votes in the electoral college, whereas these smaller States have 78 Senators and 78 senatorial votes in the electoral college. This is a startling inequality. It is a constitutional inequality. But, shall we increase that inequality? We would increase it if we would exclude the alien in the count.

I made a very exhaustive study of the methods that were adopted by other countries. It will be found on page 63 of the hearings before the Committee on the Judiciary of the House of Representatives, Seventy-first Congress, third session, on House Joint Resolutions 20, 101, 356, and 484, serial 16, January 14, 21, 28, 29, 1931. It is interesting to note that the South American countries—for example, Argentina, Brazil, Chile, and many others—when they determine the number of representatives in the more popular branch of their legislature have always considered the entire population, aliens as well as natives. It is curious that England does the same thing. Canada does the same. Australia does the same. New Zealand does the same. The Union of South Africa does the same. France does the same. The only nation that I have discovered that departed from the practice was Germany, and there, for purposes of reapportionment, only nationals were considered. I presume only Nazis would be considered of the amount for representation in their more popular legislative branch. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, will the gentleman from Pennsylvania [Mr. DUNN] yield?

Mr. DUNN. Certainly.

Mr. FISH. Mr. Speaker, will the gentleman state whether he speaks for the committee or simply for himself when he says that he is going to offer an amendment to strike out the clause in respect to aliens?

Mr. DUNN. Mr. Speaker, in response to the gentleman from New York, a majority of the members of the committee, a quorum being present, voted to strike that out. The vote was 6 to 4. Two or three members did not vote. Does that answer the gentleman's question?

Mr. FISH. Yes. Mr. Speaker, we have no further speakers on this side.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. DUNN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2505) to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 2505, with Mr. JONES of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DUNN. Mr. Chairman, I shall take only a few minutes because many Members desire to speak. I hope that we will be successful in adopting this bill, because it is a very democratic measure.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. DUNN. Yes.

Mr. CASE of South Dakota. Under the provision which is carried in the act which this seeks to amend it repeats the words, "citizens, excluding Indians not taxed." Does not the gentleman feel that "not taxed" is the equivalent to meaning not subject to taxation?

Mr. DUNN. That would be my interpretation, but I would be willing to vote for an amendment to the Constitution, if that is necessary, to give Indians the right to vote.

Mr. CASE of South Dakota. Of course, the Indians do vote now and are citizens under the act of 1924.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. DUNN. Yes.

Mr. O'CONNOR. Is it not a fact that that provision of the Constitution has been construed and is construed in the manner in which the gentleman from South Dakota [Mr. CASE] has just said, that it means Indians not subject to taxation?

Mr. DUNN. Yes. That is according to my understanding, but I was under the impression that Indians not taxed are not permitted to vote.

Mr. O'CONNOR. But all Indians subject to taxation are included in this bill, and in fact I think all Indians pay taxes in some form either directly or indirectly.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. DUNN. Yes.

Mr. COCHRAN. Would not an amendment of that character, regardless of its merit, result in the bill being declared unconstitutional?

Mr. DUNN. There is no such amendment. However, I am one of those persons who is democratic enough to feel that democracy includes everybody and that everybody should have a right to vote, because everybody pays taxes.

Mr. COCHRAN. But regardless of the merits of the question, the Constitution provides that Indians not taxed shall not be counted in connection with apportionment.

Mr. DUNN. That is correct.

Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, as a member of the House Committee on the Census, having followed this bill through the hearings, I am thoroughly in favor of it and hope for its passage. I do not believe for one minute that, if we pass this bill, we will be precluded from a further change in the membership of this House, or that the House will be estopped from further apportionment after some subsequent census. We cannot tie the hands of the House in future years by our action today.

I think we will be acting according to the mandate of the Constitution by passing some such measure based on this census now going on; and I believe thoroughly that, in approximate fairness and justice, we ought to do the thing according to the provisions of the law of 1929, which means that we ought to amend the law of 1929, which this bill proposes to do, because of the "lame duck" amendment, and merely put into effect again the law of 1929.

Of course, if I had my way about it, I would prefer a different formula than that of major fractions, but that is a mathematical question which it seems is not worth risking the bill over at this time. The newer method of equal proportions seems to me fairer than the historic method of major fractions.

If I may say one other thing, something has been said here regarding the constitutional provision concerning excluding Indians not taxed. I agree with the gentleman from South Dakota [Mr. CASE] and my colleague the gentleman from Montana [Mr. O'CONNOR] that that really means Indians not

subject to taxation. No Indians in any State should be excluded as a basis of representation of that State in this body unless such Indians are absolutely free from any form of taxation—National, State, or local—and where are there any such Indians?

Now, I am not going to offer any amendment, and I do not understand that my colleagues propose to offer any amendments. But the proposition is this: It is an administrative detail which may properly be left to the Bureau of the Census carrying out a common-sense meaning of the Constitution.

Let me say that back 150 years ago, when that provision was written into the Constitution, most of the Indians of America were wild men in the forest. Scarcely any of them had any property nor were they within reach of any governmental taxing power. They were regarded outside our political realm. Prior to 1924 we had dealt with them as such, making treaties with the different tribes, as you know, just as if they were foreign nations.

Mr. O'CONNOR. Will the gentleman yield?

Mr. MURDOCK of Arizona. I yield.

Mr. O'CONNOR. In view of the very common-sense interpretation already placed upon that provision of the Constitution, an amendment to this bill is unnecessary, as it has really been interpreted to include all Indians subject to taxation. As a matter of fact, in view of all of the methods and various taxes, it would be impossible for any person, Indian or white, to escape taxation today. Moreover, it would be impossible to determine who would fall in the exception named in the Constitution, as all persons who have even a sixty-fourth degree of Indian blood are spoken of as Indians.

Mr. MURDOCK of Arizona. The gentleman is exactly right, it seems to me.

Great changes have occurred in 150 years. Many of those Indians are now prosperous, wide-awake, progressive American citizens. They are subject to taxation in every State of the Union in many ways, whether they have allotments of land or whether they simply eat food which they purchase or buy gasoline. They must pay a sales tax, and in that respect they are taxed and are subject to taxation. I am sure the founding fathers who made it possible for us to count all living beings as persons within the meaning of the constitutional provision—aliens, even criminals, those behind prison bars—certainly did not intend to exclude forever civilized men of red skin, the original occupants of this land.

I call this changed situation to your attention. In my opinion, those words in the Constitution, "excluding Indians not taxed," may be interpreted "excluding Indians not subject to any form of taxation," and that will take care of the desired difference, as I see it.

Now, Mr. Chairman, let us, in passing this bill, provide for carrying out our constitutional duty after this census is taken. Let us automatically reapportion the seats. We ought to do that according to a rule—this rule—established before the census has been completed. To arrange the rules fairly before the game starts is both expedient and just. [Applause.]

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 13 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I am opposed to the reapportionment bill now before this House principally because of the automatic provision contained in it. Section 2 provides that in case future Congresses take no action reapportionment automatically takes place.

Also I cannot endorse the position that some Members take that an apportionment measure must be passed at this session of Congress before the census returns are known; that unless this is done now no apportionment act will be passed, because once the census figures are known the States that will lose will oppose it.

The minority report, which I signed, partly sets forth my reasons for opposing the automatic feature. The purport of this can be nothing other than to attempt to bind future Congresses to the specific will of this Congress. To say that future Congresses are not affected by this measure should it pass, that they would be as free to act as though we had not passed it, is wholly untrue. It would be much easier for future Congresses to do nothing should this automatic feature become law than to enact reapportionment legislation. With respect to a measure like reapportionment, they would in all likelihood be inclined to follow the line of least resistance, which might or might not be in the best interests of the country.

Furthermore, as pointed out in the minority report, this would virtually hand over to the Senate a large part of the authority which the Constitution makers specifically intended should be vested in the lower House alone. Merely by default the Senate would receive extraordinary powers.

What does this measure say to future Congresses? In substance it says this: "We, the Seventy-sixth Congress, will see to it that you obey the Constitution and reapportion as it provides." That, in effect, is precisely what this bill says.

What right have we to do anything like that?

When I took my oath as Congressman I swore only to bind myself to obey the Constitution.

So far as I know, there is nothing anywhere in any of the laws of the land that imposes upon me any duty to attempt to bind future Congressmen to uphold the Constitution.

We go even beyond that presumption when we make it possible, as we actually do, to give over to the Senate the authority to reapportion. This law, if enacted, has the definite effect of altering the Constitution not by direction but indirection.

Certainly, this House has not yet lost its sense of duty and responsibility to a point where this can come to pass.

I have heard it argued there can be no possible condition in the future that could affect the rights and duties of Congress under the apportionment clause. The reason given for this is that Congress must apportion in any event. The assumption apparently is that Congress would have to pass the same kind of law as the one proposed. The premise upon which this reasoning is based is wholly false, because it is possible for conditions to present themselves in the future that would vitiate entirely this assumption.

The Constitution writers fully realized this and were very careful not to bind any Congress too strictly in reapportioning the National Legislature.

The argument that unless we pass this act before the returns of the census are in there is danger of no reapportionment being made, rests altogether on lack of faith in the integrity and responsibility of future Congresses. If Congress has reached that stage, the sooner the country knows about it the better it will be for all of us.

I want a reapportionment act passed just as much as any man in this House, but not on any ground that it must be done before the census returns are in, lest States that will lose Representatives might defeat the measure.

However, the consideration of the question of apportionment should at this particular moment call up in our minds the basic purpose of the apportionment provision in the Constitution. We have present in our country today certain peculiar conditions which should remind us most vividly of the basic purpose the Constitution makers had in mind when they wrote the apportionment provision into our basic law.

I refer, of course, to the preservation of private-property rights. There can be no question that the underlying purpose of the apportionment provision in section 2 of the Constitution was to make secure for all time to come the right of every individual citizen in our country to the fruit of his labor.

But read the debates on this question in the Constitutional Convention, as recorded in Madison's Journal.

Gouverneur Morris and James Wilson, of Pennsylvania; Rufus King, of Massachusetts; Pierce Butler and Charles Pinckney, of South Carolina; Hu Williamson, of North Carolina; Dr. Johnson, of Connecticut; and others of the founding fathers all expressed in no uncertain terms that the primary purpose of providing for apportionment of Representatives in

the first branch of the National Legislature was the security of private property.

Madison apparently wished to repose in the second branch of the legislature the duty and responsibility of preserving inviolate the right of private ownership of property, and that "the first branch of the States should be represented according to the number of free inhabitants."

Practically all the men who took part in this discussion were agreed that the basic purpose for providing for apportionment of Representatives was the preservation of private property.

That provision for the future guardianship of private property was uppermost in the minds of the Constitution builders throughout their deliberations, there can be no question. With them, private-property right was synonymous with human liberty. They were thoroughly familiar with the history of the development together of liberty and private property down through the ages, especially since Magna Carta. They were determined nothing should be left undone to make secure the fruit of the hard-won struggle of liberty and private property right.

Indeed, the very soul of the Constitution is the guardianship of the right of every individual to have free title to all the produce which he earns with his own hands and brain.

It should not be overlooked that at the time the Constitution was written, private property right was in a precarious position. It had been insecure during a great part of colonial development.

Indeed, the Revolutionary War itself was generated in no small measure because of the precarious state of private property—see William Sumner in his History of Currency in the United States.

No wonder, then, that the Constitution makers were so deeply concerned with this particular problem. No wonder they bent every effort to lay down a basic law to protect private property. To accomplish this they put their faith in representative government, a legislature elected at frequent intervals by the people—this they thought the surest guaranty of the basic principle they sought to establish and maintain.

In providing for apportionment they thought numbers could be sufficiently relied upon to equitably represent property, but not altogether, which is the reason they tied taxation into the apportionment provision.

"Representatives and direct taxation shall be apportioned among the several States," and so forth, is the way the Constitution reads. Why taxation, and not numbers alone? Because, if based on taxation as well as numbers, there would be provided the necessary interest and incentive for a check-up on public spending and extravagance, a check-up on taxation.

To prevent excessive taxation, therefore, was the real and ultimate underlying purpose of providing for equitable apportionment of representatives to Congress.

We should not overlook the fact that the Constitution was far more concerned with protecting the people against political exploitation than it was with protecting the individual citizens from aggressing upon each other.

Now it is because our country again finds itself with private property rights in great jeopardy, perhaps more so than in the time of the Revolution, that we are forced to give consideration to this supreme economic and social plague.

The basic means now operating to abolish private property ownership is, of course, the political confiscation of our gold money, and forcing our Nation on irredeemable paper currency. However, we are not discussing this phase now. We are considering another process that is rapidly disintegrating our entire economy and abolishing private property; that is, the right of every working person to enjoy the fruit of his labor.

I wish to say at this time I intend to ask unanimous consent later to have inserted in the RECORD some tables which reduce to arithmetic this disintegrating process which I have referred to that is destroying our economy and is destroying property rights in this country. While we cannot avail ourselves of this material in this discussion, I ask all serious-minded men in Congress to read and study those tables, and then judge for themselves whether or not the right of private ownership of property in this country is in a precarious condition today. [Applause.]

The following tables are largely self-explanatory.

The important thing to be noted in all of them is the shift of wealth that is taking place from certain States to others. It will be noted that this is mainly from the Northern to the Southern States. It must not be thought, however, that this shift takes place only with respect to States. The process involves a shift among groups and individuals of all States.

It is very important that we understand clearly what is meant by the term "wealth," that it is simply the produce of labor. Hence, by shifting of wealth we mean the taking away, by taxation, of the produce of labor from some States, groups, and individuals, and giving it to other States, groups, and individuals. In between, of course, is the political machine which in this process is now taking a toll of about a billion dollars a year.

A study of table 1 will show that in the 6 fiscal years, 1934–39, the first 30 States on this list have paid and obligated themselves for about $5,270,000,000 but have received in the same period of time $11,113,000,000, or, in other words, have had all taxes and debt returned to them and a bonus of $5,843,000,000 in addition.

The 18 remaining States have paid and obligated themselves for $35,227,000,000 and have received $15,000,000,000 in grants and subsidies, which means they have paid and obligated themselves for $20,000,000,000 more than they received. Which all adds up to this; the 30 States have had all costs refunded, hence the Federal Government has cost them nothing during this 6-year period and they have made a clear profit of nearly $6,000,000,000, while the other 18 States have had to pay all Government costs, assume the whole burden of the added debt, pay their own subsidies and give the 30 States the $6,000,000,000 bonus.

Thirty-seven percent of the population lives in the first 30 States listed in table 1. They paid during this period about 13 percent of the Federal taxes and received 42.5 percent of grants and subsidies.

The remaining 18 States with 63 percent of the population paid 87 percent of the taxes and received only 57.5 percent of the grants and subsidies.

The 30 States received 42.5 percent of grants and subsidies, or $11,113,126,069. Had they received grants and subsidies in proportion to the taxes they paid they would have received 13 percent of the total grants and subsidies, or $3,401,383,687. The excess these 30 States received in proportion to the taxes paid was $7,711,742,382, which represents the shift in wealth from the 18 States to the 30.

In connection with table 3, on a population basis, the farmers' share of the increase of the Federal debt in the 6 fiscal years 1934–39 is more than $4,000,000,000. So that the farmers have obligated themselves in Federal debt for much more than they received in benefit payments.

Note in table 4 the extraordinarily wide extremes in the amounts of farm-benefit payments paid to States. Mississippi farmers in the 6 fiscal years 1934–39 received in payments 23.8 percent of their farm-land value, while Rhode Island farmers in the same time received only three-tenths of 1 percent of their farm-land value.

No nation can possibly long endure a process of disintegration and destruction such as this study reveals. What permanent damage may already have been done to our economy there is no way of knowing.

Considering the fact that a multitude of all-powerful bureaus and nearly 500,000 fixed and permanent political jobs are now set up to operate this dissipating process, at an added cost of about $1,000,000,000 a year; considering, also, that there are other processes of the same nature now operating upon our economy—some more vicious than the one here considered—who can possibly doubt that our country is confronted with a most serious problem?

TABLE 1.—*Grants, payments, subsidies, etc., received by each State, cost to same, etc., from June 30, 1933, to June 30, 1939* [1]

State [2]	Cost to each State of the New Deal from June 30, 1933, to June 30, 1939	Grants, subsidies, etc., received by each State 1933-39	Gain (+) or loss (−) in grants, subsidies, etc.	Per capita cost	Received per person	Per capita gain (+) or loss (−)
Arkansas	$51,863,359	$449,542,157	+$397,678,798	$25.6	$222.2	+$196.6
Mississippi	40,658,778	434,549,178	+393,890,400	20.2	216.4	+196.2
Iowa	210,708,725	543,815,031	+333,106,306	82.8	213.8	+131.0
Washington	241,251,233	564,290,314	+323,039,081	146.8	343.4	+196.6
Alabama	121,108,534	441,844,809	+320,736,275	42.2	154.2	+112.0
Montana	51,821,375	371,528,936	+319,707,561	97.5	699.6	+602.1
Kansas	199,929,568	509,087,296	+309,157,728	106.0	269.9	+163.9
South Dakota	15,890,340	301,355,576	+285,465,236	22.9	435.4	+412.5
North Dakota	14,728,242	287,354,283	+272,626,041	20.9	408.7	+387.8
Nebraska	141,296,115	386,044,470	+244,748,355	103.5	283.0	+179.5
Arizona	27,924,980	250,385,834	+222,460,854	68.7	616.7	+548.0
Oregon	103,088,772	322,510,952	+219,422,180	101.3	317.1	+215.8
Tennessee	236,218,662	445,233,842	+209,015,180	82.4	155.4	+73.0
South Carolina	127,213,072	333,016,627	+205,803,555	68.3	179.0	+110.7
New Mexico	17,594,271	214,699,177	+197,104,906	41.6	508.7	+467.1
Georgia	279,101,772	474,255,105	+195,153,333	91.2	154.9	+63.7
Texas	967,386,234	1,154,640,812	+187,254,578	158.1	188.7	+30.6
West Virginia	159,083,475	334,580,871	+175,497,396	86.9	182.8	+95.9
Idaho	27,738,452	202,858,793	+175,120,341	57.1	418.2	+361.1
Louisiana	320,067,322	439,803,057	+119,735,735	150.8	207.2	+56.4
Colorado	241,248,275	359,694,946	+118,446,671	226.3	337.4	+111.1
Wyoming	21,242,492	134,893,601	+113,651,109	91.1	578.9	+487.8
Minnesota	559,142,095	668,415,115	+109,273,020	212.1	253.6	+41.5
Utah	59,622,631	168,244,166	+108,621,535	115.5	326.0	+210.5
Nevada	30,961,411	99,252,154	+68,290,743	309.6	992.5	+682.9
Oklahoma	500,049,626	558,906,628	+58,857,002	197.8	221.0	+23.2
Vermont	29,819,293	85,972,971	+56,153,678	78.4	226.2	+147.8
Maine	104,646,464	147,268,899	+42,622,435	122.6	172.6	+50.0
Florida	305,584,191	344,282,165	+38,697,974	186.1	209.6	+23.5
New Hampshire	63,005,137	84,798,304	+21,793,167	124.0	166.9	+42.9
Wisconsin	682,585,128	658,493,937	−24,091,191	234.7	226.4	−8.3
Rhode Island	222,295,540	109,228,964	−113,066,576	326.4	160.3	−166.1
Indiana	802,057,860	632,231,175	−169,826,685	231.8	182.7	−49.1
Missouri	1,012,148,210	805,930,224	−206,217,986	255.6	203.5	−52.1
Connecticut	606,524,844	240,287,381	−366,237,463	349.7	138.5	−211.2
Delaware	490,720,873	54,024,156	−436,696,717	1,894.6	208.5	−1,686.1
Maryland	753,016,362	287,290,527	−465,725,835	449.8	171.6	−278.2
Massachusetts	1,354,696,478	880,148,388	−474,548,090	306.1	198.9	−107.2
Kentucky	1,011,355,074	436,991,895	−574,363,179	350.8	151.5	−199.3
California	2,288,700,822	1,445,245,342	−843,455,480	377.7	238.5	−139.2
Ohio	2,240,373,926	1,380,074,712	−880,299,214	333.7	205.5	−128.2
New Jersey	1,574,397,289	691,203,797	−883,193,492	363.7	159.7	−204.0
Michigan	2,084,690,566	849,210,607	−1,235,479,959	435.8	177.5	−258.3
Virginia	1,643,694,289	405,629,113	−1,238,065,176	615.3	151.8	−463.5
Pennsylvania	3,357,164,781	1,743,456,390	−1,613,708,391	331.2	172.0	−159.2
Illinois	3,527,809,955	1,506,230,773	−2,021,579,182	231.8	182.7	−49.1
North Carolina	2,901,326,849	434,277,613	−2,467,049,236	839.2	125.6	−713.6
New York	8,673,202,594	2,491,408,838	−6,181,793,756	670.5	192.6	−477.9
Total	[3]40,496,756,336	26,164,489,901				

[1] Data from No. 9 report, Office Government Reports, and Consolidated State Report of Selected Federal Loans and Expenditures, and annual reports of the Secretary of the Treasury for years 1933-39, inclusive.

[2] We have assumed that each State will be charged for its share of the Federal debt, added during this period, in the same proportion as the taxes it has paid bear to the total Federal taxes paid during these years.

[3] This $40,496,756,336 does not represent the entire cost of the 6-year period. In the operation of the Treasury there are sources of income that cannot be credited directly to the various States. Also a study of the "Report submitted by the Secretary of the Treasury to the Senate of the United States pursuant to S. Res. 150" indicates that a true accounting and audit of the operations of the numerous agencies with which this report deals, would show heavy losses. Eventually all costs must be borne by the States in proportion to the taxes they pay.

TABLE 2.—*Apportionment to each State under the Federal Emergency Relief Administration, Civil Works Administration, and Works Progress Administration, June 30, 1933–39* [1]

State	Amount received by each State of Federal Emergency Relief Administration, Civil Works Administration, and Works Progress Administration funds	Amount of Federal taxes and debt assumed for funds disbursed under the program	Excess of the amount received over the amount assumed in taxes and debt	Excess of the amount assumed in taxes and debt over the amount received
North Dakota	$84,634,000	$3,813,000	$80,821,000	
South Dakota	96,151,000	4,130,000	92,021,000	
New Mexico	49,219,000	4,554,000	44,675,000	
Wyoming	23,685,000	5,507,000	18,178,000	
Idaho	44,282,000	7,201,000	37,081,000	
Arizona	47,328,000	7,201,000	40,127,000	
Vermont	17,150,000	7,731,000	9,419,000	

[1] Data from Report No. 9, Direct and Cooperative Loans and Expenditures of the Federal Government; Office of Government Reports.

TABLE 2.—*Apportionment to each State under the Federal Emergency Relief Administration, Civil Works Administration, and Works Progress Administration, June 30, 1933–39*—Continued

State	Amount received by each State of Federal Emergency Relief Administration, Civil Works Administration, and Works Progress Administration funds	Amount of Federal taxes and debt assumed for funds disbursed under the program	Excess of the amount received over the amount assumed in taxes and debt	Excess of the amount assumed in taxes and debt over the amount received
Nevada	$12,751,000	$8,049,000	$4,702,000	
Mississippi	101,810,000	10,590,000	91,220,000	
Montana	78,722,000	13,450,000	65,272,000	
Arkansas	125,169,000	13,132,000	112,037,000	
Utah	54,259,000	15,568,000	38,691,000	
New Hampshire	31,419,000	16,415,000	16,004,000	
South Carolina	101,958,000	32,830,000	69,128,000	
Alabama	145,222,000	31,665,000	113,557,000	
Oregon	74,766,000	26,900,000	47,866,000	
Maine	39,745,000	27,323,000	12,422,000	
Nebraska	97,593,000	36,855,000	60,738,000	
Kansas	138,968,000	52,211,000	86,757,000	
West Virginia	154,453,000	41,514,000	112,939,000	
Iowa	108,564,000	55,070,000	53,494,000	
Delaware	10,212,000	128,250,000		$118,038,000
Georgia	154,626,000	72,968,000	81,658,000	
Tennessee	120,121,000	61,742,000	58,379,000	
Washington	153,645,000	63,013,000	90,632,000	
Rhode Island	49,091,000	58,036,000		8,945,000
Louisiana	148,137,000	83,664,000	64,473,000	
Florida	140,535,000	79,852,000	60,683,000	
Minnesota	256,528,000	146,148,000	110,380,000	
Colorado	122,977,000	63,013,000	59,964,000	
Oklahoma	183,852,000	130,686,000	53,166,000	
Connecticut	108,406,000	158,539,000		50,133,000
Wisconsin	288,505,000	178,841,000	110,056,000	
Maryland	85,194,000	195,923,000		110,729,000
Indiana	282,382,000	209,691,000	72,691,000	
Missouri	288,811,000	263,702,000	25,109,000	
Texas	279,971,000	252,899,000	27,072,000	
Kentucky	146,819,000	264,443,000		117,624,000
Massachusetts	477,881,000	353,720,000	124,161,000	
New Jersey	384,508,000	410,909,000		26,401,000
Virginia	86,591,000	429,760,000		343,169,000
Michigan	444,624,000	544,348,000		99,724,000
Ohio	768,227,000	585,651,000	182,576,000	
California	540,489,000	598,465,000		57,976,000
North Carolina	113,243,000	758,698,000		645,455,000
Illinois	763,467,000	922,426,000		158,959,000
Pennsylvania	1,047,582,000	877,841,000	169,741,000	
New York	1,516,148,000	2,268,046,000		751,898,000
Total	10,590,430,000	10,582,591,000	2,496,890,000	2,489,051,000

TABLE 3.—*Farm-benefit payments for years 1933–39* [1]

[Data from special report furnished by Department of Agriculture]

State	Farm-benefit payments received	Amount of Federal taxes and debt assumed for funds disbursed under the program	Excess of the amount received over the amount assumed in taxes and debt	Excess of the amount assumed in taxes and debt over the amount received
North Dakota	$117,349,000	$1,075,000	$116,274,000	
South Dakota	97,191,000	1,164,000	96,027,000	
New Mexico	16,226,000	1,284,000	14,942,000	
Wyoming	12,151,000	1,553,000	10,598,000	
Idaho	31,115,000	2,030,000	29,085,000	
Arizona	11,516,000	2,030,000	9,486,000	
Vermont	2,250,000	2,180,000	70,000	
Nevada	747,000	2,269,000		$1,522,000
Mississippi	104,012,000	2,986,000	101,026,000	
Montana	53,385,000	3,792,000	49,593,000	
Arkansas	96,810,000	3,702,000	93,108,000	
Utah	10,946,000	4,389,000	6,557,000	
New Hampshire	883,000	4,628,000		3,745,000
South Carolina	61,957,000	9,256,000	52,701,000	
Alabama	89,036,000	8,927,000	80,109,000	
Oregon	22,434,000	7,584,000	14,850,000	
Maine	4,284,000	7,703,000		3,419,000
Nebraska	135,810,000	10,390,000	125,420,000	
Kansas	186,872,000	14,720,000	172,152,000	
West Virginia	4,987,000	11,704,000		6,717,000
Iowa	242,504,000	15,526,000	226,978,000	
Delaware	2,358,000	36,157,000		33,799,000
Georgia	89,749,000	20,572,000	69,177,000	
Tennessee	58,584,000	17,407,000	41,177,000	
Washington	35,509,000	17,765,000	17,744,000	
Rhode Island	116,000	16,362,000		16,246,000
Louisiana	78,081,000	23,587,000	54,494,000	
Florida	11,348,000	22,512,000		11,164,000
Minnesota	101,408,000	41,203,000	60,205,000	

[1] Includes county association expenses (including committeemen), but not Federal administrative expenses. Figures supplied me by the Agricultural Department indicate county association expenses to be about 5.3 percent of the amounts disbursed.

TABLE 3.—*Farm-benefit payments for years 1933–39*—Continued

State	Farm-benefit payments received	Amount of Federal taxes and debt assumed for funds disbursed under the program	Excess of the amount received over the amount assumed in taxes and debt	Excess of the amount assumed in taxes and debt over the amount received
Colorado	$43,695,000	$17,765,000	$25,930,000	
Oklahoma	127,929,000	36,844,000	91,085,000	
Connecticut	4,054,000	44,696,000		$40,642,000
Wisconsin	57,685,000	50,310,000	7,375,000	
Maryland	9,210,000	55,236,000		46,026,000
Indiana	84,412,000	59,117,000	25,295,000	
Missouri	106,969,000	74,345,000	32,624,000	
Texas	362,259,000	71,299,000	290,960,000	
Kentucky	59,128,000	74,554,000		15,426,000
Massachusetts	2,998,000	99,723,000		96,725,000
New Jersey	3,421,000	115,846,000		112,425,000
Virginia	22,401,000	121,161,000		98,760,000
Michigan	38,243,000	153,467,000		115,224,000
Ohio	72,449,000	165,111,000		92,662,000
California	53,870,000	168,724,000		114,854,000
North Carolina	82,395,000	213,898,000		131,503,000
Illinois	146,654,000	260,057,000		113,403,000
Pennsylvania	16,629,000	247,487,000		230,858,000
New York	11,713,000	639,424,000		627,711,000
Total	2,985,732,000	2,983,521,000	1,915,042,000	1,912,831,000

TABLE 4.—*Farm benefit payments—percentage of farm benefit payments each State received of its farm land valuation*

State	Farm "benefit" payments 1933–39 [1]	Valuation of farm property (land and buildings) [2]	Percent of farm benefit payments of farm land value arranged in order of amounts
Mississippi	$104,011,881	$436,154,000	23.8
Arkansas	96,809,734	406,283,000	23.8
Louisiana	78,080,567	333,904,000	23.3
Alabama	89,035,641	411,305,000	21.6
South Carolina	61,956,620	329,580,000	18.7
Georgia	89,748,871	482,152,000	18.6
North Dakota	117,348,659	640,755,000	18.3
South Dakota	97,190,906	604,018,000	16.0
Oklahoma	127,928,716	851,924,000	15.0
Texas	362,258,620	2,721,676,000	13.3
Montana	53,384,782	404,804,000	13.1
Kansas	186,871,647	1,543,994,000	12.1
North Carolina	82,395,177	769,741,000	10.7
Missouri	106,969,473	1,091,598,000	9.7
Idaho	31,114,719	325,519,000	9.5
Tennessee	58,583,761	635,177,000	9.2
Nebraska	135,810,283	1,472,592,000	9.2
Colorado	43,695,090	475,459,000	9.0
Iowa	242,504,496	2,718,153,000	8.8
New Mexico	16,226,117	185,401,000	8.8
Arizona	11,516,416	136,821,000	8.4
Kentucky	59,128,198	761,084,000	7.7
Minnesota	101,408,063	1,425,938,000	7.0
Wyoming	12,150,894	177,702,000	6.7
Indiana	84,411,695	1,242,205,000	6.7
Utah	10,946,457	168,711,000	6.4
Washington	35,508,595	600,269,000	5.9
Illinois	146,653,665	2,598,435,000	5.6
Ohio	72,449,221	1,474,321,000	4.9
Oregon	22,434,159	495,732,000	4.5
Wisconsin	57,685,094	1,294,244,000	4.4
Michigan	38,243,049	918,012,000	4.1
Delaware	2,358,420	56,215,000	4.1
Florida	11,347,972	332,602,000	3.4
Maryland	9,209,577	268,191,000	3.4
Virginia	22,400,879	672,976,000	3.3
Maine	4,283,897	142,552,000	3.0
California	53,869,553	2,427,734,000	2.2
West Virginia	4,986,988	258,774,000	1.9
Vermont	2,249,738	114,933,000	1.7
Pennsylvania	16,629,186	925,476,000	1.7
Nevada	746,804	44,910,000	1.6
Connecticut	4,054,119	287,010,000	1.4
New Jersey	3,420,632	246,250,000	1.3
New Hampshire	882,814	68,819,000	1.2
Massachusetts	2,998,213	261,553,000	1.1
New York	11,713,103	1,071,627,000	1.0
Rhode Island	115,851	35,308,000	.3
Total, continental United States	2,985,730,000	35,355,773,000	

[1] Figures from Department of Agriculture, Feb. 17, 1940.
[2] Department of Commerce, June 10, 1939, Summary of Finances of State Governments, No. 20.

TABLE 5.—*Loans, closed and insured, made to States for fiscal years 1934–39*

State	Amount of loans made to each State [1]	Property valuation of each State subject to general and selective taxes [2]	Percent of loans of assessed property valuation	Portion of Federal security of loans pledged by each State based on its property valuation in relation to total valuation	Excess of loans received over security pledged by each State based on its property valuation in relation to total valuation	Excess of security pledged by each State over loans received based on its property valuation in relation to total valuation
	(000 omitted)	(000 omitted)		(000 omitted)	(000 omitted)	(000 omitted)
Mississippi	$242,824	$442,508	54.9	$48,473	$194,351	
Arkansas	229,745	427,173	53.8	46,958	182,787	
South Carolina	161,260	360,000	44.8	39,384	121,876	
Montana	141,195	334,015	42.3	36,355	104,840	
North Dakota	179,274	487,266	36.8	54,532	124,742	
Florida	183,006	601,954	30.4	66,650	116,356	
Idaho	113,271	381,047	29.7	42,414	70,857	
Georgia	282,959	1,060,314	26.7	116,637	166,322	
Alabama	245,792	924,791	26.6	101,490	144,302	
Texas	855,151	3,247,532	26.3	357,486	497,665	
New Mexico	64,591	288,389	22.4	31,810	32,781	
Arizona	79,306	359,991	22.0	39,384	39,922	
Washington	221,321	1,083,330	20.4	118,152	103,169	
Illinois	1,049,124	5,153,118	20.4	566,525	482,599	
Wyoming	57,688	285,140	20.2	31,810	25,878	
Oklahoma	232,999	1,221,660	19.1	134,815	98,184	
Utah	99,644	524,417	19.0	57,561	42,083	
Minnesota	378,838	2,042,102	18.6	224,186	154,652	
Oregon	161,853	892,808	18.1	98,460	63,393	
California	1,337,097	7,862,281	17.0	863,420	473,677	
Tennessee	248,825	1,474,958	16.9	162,081	86,744	
Iowa	523,939	3,242,806	16.2	355,971	167,968	
South Dakota	167,405	1,034,664	16.2	113,608	53,797	
Louisiana	209,560	1,338,883	15.7	146,933	62,627	
Nevada	28,078	181,773	15.4	19,692	8,386	
Nebraska	329,230	2,174,013	15.1	237,819	91,411	
Maine	95,673	663,532	14.4	72,709	22,964	
Michigan	820,438	6,250,022	13.1	686,192	134,246	
Vermont	42,277	322,312	13.1	34,840	7,437	
Colorado	140,939	1,103,564	12.8	121,182	19,757	
Ohio	905,862	8,782,066	10.3	964,910		$59,048
Kansas	278,299	2,716,560	10.2	298,410		20,111
North Carolina	213,513	2,199,518	9.7	242,364		28,851
Missouri	336,507	3,797,473	8.9	418,077		81,570
Wisconsin	413,511	4,816,474	8.6	530,170		116,659
New Jersey	535,800	6,249,659	8.6	686,192		150,392
Virginia	176,711	2,080,390	8.5	228,731		52,020
Maryland	204,910	2,650,730	7.7	290,836		85,926
Indiana	381,671	5,069,098	7.5	557,436		175,765
Kentucky	162,167	2,449,220	6.6	269,629		107,462
New York	1,491,035	25,667,926	5.8	2,820,506		1,329,471
Delaware	15,617	306,692	5.1	33,325		17,708
West Virginia	84,986	1,737,626	4.9	190,861		105,875
Pennsylvania	570,909	12,354,043	4.6	1,357,236		786,327
Massachusetts	264,225	6,269,393	4.2	689,221		424,996
New Hampshire	23,293	585,628	4.0	65,135		41,842
Rhode Island	52,443	1,357,304	3.9	149,962		97,519
Connecticut	112,960	2,978,740	3.8	327,191		214,231
Total	15,147,721	137,834,903		15,147,721	3,895,773	3,895,773

[1] Report No. 9, Office Government Reports.
[2] Department of Commerce, Summary of Finance of State Governments, No. 2)

Mr. DUNN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Chairman, it seems that every time we have a reapportionment question under consideration we hear about the aliens in this country. There are aliens in this country today that you are attempting to exclude who are becoming citizens daily. If I had my way, you would have no alien population, if some of the bills recommended by the committee of which I have the honor to be chairman were adopted.

Insofar as the aliens who have no right to be here are concerned, they are being deported at the rate of from 7,000 to 9,000 a year. Now, you are trying to exclude aliens, people who have been here for 30 or 40 years, who possibly could not read the whole Constitution of the United States and know all about the history of the Government, and therefore were unable to qualify for citizenship. They have reared five or six or more children in this country. Some of them have served

in the World War, and still you are trying to exclude those men and women, pioneers, who have built this country and made this great democracy and this great country of ours. No, my friends; we should not have to have an attack on aliens here every time we have a reapportionment bill. I do not think it is the proper thing to do. I do not think the Congress should do it. I believe that the statement made by my colleague the gentleman from New York [Mr. CELLER] has been very specific on that question.

Now, we have a bill before this Congress that would take care of old people who have been here 40 or 50 years, to give them the right to become citizens, but under the present rules and regulations those old people cannot possibly pass the test. If you will pass this bill, you can allow over a million old people to register and become citizens, because they are citizens in their hearts. They have adopted this country as their real country. They have adopted every principle of democracy. In fact, they are better citizens than some I know who are parading around this country wrapping themselves in the American flag.

Mr. Chairman, there ought to be some way by which we could once and for all try to assimilate these aliens who are here permanently and who want to become citizens. They should have some opportunity to do it. At the present moment there are pending before my committee several hundred bills, about 80 percent of them nothing but alien-baiting bills. Some bills have for their purpose the deportation of three and one-half million people. I do not know that I could get enough ships to deport them, and there is no justification for such action in the first place. Some want to deport aliens because they have been on relief. Some of our courts have even denied citizenship to aliens if they have been on relief for a day or a month, and they cannot become citizens because of that fact.

I say to you we ought to be more friendly and more kindly to those people who are permanently in this country who have committed no crime. We should give them the right to be assimilated into our country and find some better method of proceeding in the matter of granting citizenship. Figures submitted by the Department of Labor show that aliens are being naturalized and becoming citizens at the rate of 200,000 a year. The very people you want to exclude under the reapportionment are those who will be citizens within the next year or two. I venture to say that within the next 10 years the bulk of these people whom you desire to exclude under this reapportionment plan will become citizens; and I say to you it would be a discrimination against them, it would be unfair, it would be in violation of the Constitution of the United States to adopt this proposal. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. KINZER. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I suggested that I might like 5 minutes this afternoon after considering one item in the bill. I was amazed to read the last clause excluding aliens. I could not believe it. I immediately referred to the Constitution. I am not a constitutional expert but this exclusion is too plainly unconstitutional. However, I would like to remind the House in line with what the first speaker on the bill said this afternoon, that the twentieth amendment to the Constitution was known here as the Gifford amendment. I was chairman of that committee, having charge, and claim full right of authorship of the second half of the twentieth amendment, but not the "lame duck" portion of it. At that time I made myself somewhat familiar with this portion of the Constitution. It was pleasing to me to have him say he wished now that we could have insisted and won out in conference on the proposition that the second session of the Congress should have a determined date of adjournment. We fought strenuously for that in the House but the conferees could not agree. The whole matter failed in one Congress, but at the next election the Democrats won and we now suffer from their action in agreeing to indefinite session.

I am told that the committee itself will offer an amendment to take out this last clause "excluding aliens." The gist of the remarks I expected to make, therefore, perhaps are not now germane. As I read the Constitution—and I think you will read it that way, too—we must count all persons, and we have always counted all persons except Indians not taxed or subject to tax. To me it is amazing that the committee could have thought of excluding aliens in this matter. Aliens cause a Congressman more work than others, for they have more complications with their relatives and families, especially in general immigration matters. I have some aliens in my section, old people now, of a higher type even perhaps than their children whom we have educated. Many of them pay large taxes but never have learned to read and write and at this late date will not learn to read and write. Yet they are good citizens. Some State laws regarding citizenship are severe, however. When they go to the naturalization court the judge asks them rather difficult questions and, of course, they are required to read and write.

So I am deprived, if you please, of saying what I might have said if I thought there was the slightest chance of this alien clause remaining in the bill.

You say anybody ought to be able to read and write. Maybe—I once read of a case—

"Can you read and write?"

"No; I can write."

"Write me something."

He wrote it.

"Read it."

"I told you," he said, "that I could not read." [Laughter.]

They may be able to read and write in another language. Again, if I thought this clause would remain in this bill, I might draw some comparisons here that would not be, perhaps, too agreeable. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. DUNN. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, if this bill passes in its present form, unless some saving clause is added, in my opinion you might just as well throw it in the wastebasket now.

The language providing for the exclusion of aliens from the population total is in direct violation of the Constitution. There is no doubt about that being a fact. Simply read section 2 of amendment 14 of the Constitution and you will agree with my contention.

I cannot conceive that this House would pass a bill knowing it is a direct violation of the Constitution, regardless of one's personal views on the subject.

Mr. Chairman, we have just heard some remarks in reference to aliens and the naturalization of aliens. I do not agree with the gentleman from New York [Mr. DICKSTEIN] on this subject. Aliens should not be naturalized unless they prove that they are qualified to become citizens of this country. The fact that aliens have not become naturalized is due to their inability to meet the requirements; until they can meet the requirements, I say they have no business becoming citizens of this country, which would enable them to exercise the same right of suffrage as those born in this country.

Mr. DICKSTEIN. Mr. Chairman, will the gentleman yield for a question?

Mr. COCHRAN. I yield for a question.

Mr. DICKSTEIN. The only way in which they cannot meet the requirements is to answer the question whether they have read the Constitution, can read and write English, and know about the history of this country. Otherwise they are of good character and sound health, in spirit they are Americans, they raise American children, they are fine people, they have adopted this country, but they cannot pass the test laid down by certain judges in regard to reading and writing the language. At the same time many of them are better citizens than some of the people who were born in this country.

Mr. COCHRAN. I did not yield to the gentleman to make a speech.

Mr. DICKSTEIN. I am not making a speech. I am asking the gentleman a question, that is all.

Mr. COCHRAN. The gentleman is more interested or as much interested in another class of aliens that is not included in those to which he has just referred. He wants laws passed, and he openly tells the House he does, legalizing the entry of millions of aliens who came here illegally. That is the class which is excluded that he would permit to be naturalized. I would not be willing to permit them to become citizens.

As the gentleman from Massachusetts said, it is true that there are lots of aliens in this country who have been here for many, many years and who are not capable of reading and writing the English language. Why should people be made American citizens who cannot read nor write our language after being here for years? True they have American-born children, but they should be made to meet the requirements of our laws or remain in the alien class.

I do not think that we should let down the bars and permit them to become citizens and participate in our elections which means they help select public officials. One who cannot learn our language should never be permitted to become a citizen no matter what other qualifications he possesses. I hope the House will appreciate that the last sentence of this bill is unconstitutional and strike it from the bill. You cannot amend the Constitution by an act of Congress.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. I do not understand why the people are so concerned about aliens not becoming naturalized. I do not understand why they want to force them into the councils of the Nation. If they do not want to be citizens or if they are not able to discharge the serious duties of American citizenship, it is a good thing for the country that they are not citizens, as it appears to me these foreign peoples are among us by our invitation. They have no voice in our Government now. That is as it should be until they are fit to be and ready to be a part of this people.

Mr. COCHRAN. I agree with the gentleman from Texas, and I also say they should be qualified to become citizens under existing law, and until they are we should see to it they are not permitted to become citizens of our country. That is my viewpoint. [Applause.]

[Here the gavel fell.]

Mr. DUNN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. Mr. Chairman, ever since I have been a Member of this House I have been more or less confused by the action of other Members as to whether or not this is a legislative body creating the laws or a judicial body interpreting the laws.

It seems that every time certain Members are opposed to particular pieces of legislation they fall back on one of three things: First, it is alien legislation; secondly, they will rise and wave the flag; or, thirdly, they will decide that they are the Supreme Court and therefore interpret the constitutionality of the measure. I believe that the Constitution implicitly states that we are here merely to make laws and that we shall allow the judicial branch of the Government to interpret them.

The alien has great uses in this body. Despite the fact that he is here legally and we have invited him to our shores to a greater or lesser degree it always seems to be open season for aliens on the part of some of the Members. Since we have allowed them to come here, why not give them the opportunity to become good, decent, law-abiding citizens? Do not create the impression in their minds that we are putting every process that we can invent in the way of their becoming citizens of this country and do not discourage them from taking on the responsibility of citizenship.

The ancestors of most every Member of this House, whether they came over on some Dutch vessel in the seventeenth century or whether they came over in the nineteenth century, were aliens and for the major part they came here with their mattresses on their backs, even though some of the Members would like to forget it today.

Our forefathers became good citizens and did their part in the upbuilding of the American civilization. Why not give a like opportunity to those aliens who have been legally admitted in the last few years.

As to the reapportionment of congressional districts, every time the question comes up technical questions and technical objections are raised. Never will there be a bill before this House that will be satisfactory to every Member. The millennium has not as yet arrived. But, I believe that we can be fair about this question. We know that some States are overrepresented and some States are under-represented. Looking through the Congressional Directory I find that in the State of Alabama there are 9 congressional districts although the vote for the State of Alabama is about one-half of the vote in my congressional district. The Directory shows that for the State of Arkansas there are 7 Members of Congress and there, too, the vote is not comparable to that of my district. Florida has 5 Congressmen, and, likewise, its total vote is less than that of the Eighth Congressional District of New York and several other districts. There are 10 Representatives from the State of Georgia despite the fact that there are not as many voters as in my own district. And so on down the line.

Since my time is limited, I cannot say much more on this gross irregularity of representation. Let us remember as Members of the House of Representatives that we have a certain dignity to uphold and that we are bound not only by an oath but also by a code of honor to see that the people of these United States shall receive proper representation. Politically speaking, I would be far better off with a large district. If I were merely considering the political angle it is much easier for an incumbent to hold his seat in a large district as the problem of an independent to get organized is a huge one. But I am not speaking of the political aspect. If I were, I would be opposed to reapportionment. I am thinking that the people of my district who number over 1,000,000 are entitled to more than one Representative in this National Legislature. I am thinking of other gigantic districts that have but one Representative in this Congress whereas they should have at least two or three.

In conclusion, let us abide by the Constitution of the United States, by the moral obligation we owe our people, and above all by the spirit of fair play that has at all times dominated American life.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

INDIANS AND CONGRESSIONAL APPORTIONMENT

Mr. CASE of South Dakota. Mr. Chairman, I wish to address myself to the question of the counting of Indians in congressional apportionments. The phrase used in the Constitution and in the amendment to the Constitution excludes Indians "not taxed." The language of section 2, of the fourteenth amendment, is:

> Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed.

I have given some study to the effect of that language and have consulted authorities on Indian legislation, officials of the Indian Office, and officials of Census Bureau. It is my conclusion and, I believe, the conclusion of those I have consulted that the Indians not taxed today are nonexistent. I know of none such. Certainly they are of a negligible number within the meaning of the Constitution, and therefore the provision in question has ceased to be operative for all practical purposes.

Today, what Indian is not subject to taxes—taxes used to defray governmental expenses? Even though an Indian may have some property held in the name of the United States in trust for him and which is not taxed, the Indian himself is subject to a great many taxes—gasoline taxes everywhere, cigarette and tobacco taxes everywhere, sales taxes in many States, income taxes on income from lands held in trust, such as oil-land royalties, even taxes on property bought with restricted funds in many cases, taxes on any property not held for him in trust by the Government under special legislation.

No one who is familiar with the facts in the matter will disagree with the common-sense attitude of the distinguished chairman of the Census Committee, the gentleman from Pennsylvania [Mr. DUNN], when I asked him his thought in the matter a few minutes ago. He agreed with my observation that to be subject to taxation is to be taxed within the meaning of the Constitution.

It will interest Members of this body, perhaps, to know that this opinion is fortified by a decision of the Supreme Court of the United States. The question was passed on in the case of *United States* v. *Kagama* (118 U. S. 378), in which the Court said:

> In declaring the basis on which representation in the lower branch of the Congress and direct taxation should be apportioned, it was fixed that it should be according to numbers, excluding Indians not taxed, which, of course, excluded nearly all of that race, but which meant that if there were such within a State as were taxed to support the Government, they should be counted for representation, and in the computation for direct taxes levied by the United States.

Such there be today. Indeed, what Indian is not subject to Federal gasoline taxes that go into the Federal Treasury and are there expended for the support of the Government?

For a time there was another question which it seemed necessary to decide the question of citizenship. In a case before the Supreme Court, *Elk* v. *Wilkins* (112 U. S. 102), the Court had said:

> Indians not taxed are still excluded from the count, for the reason that they are not citizens.

But that matter was taken care of by an act of Congress, the Indian Citizenship Act signed by President Coolidge June 2, 1924, 43 Statutes 253, the first paragraph of which reads as follows:

> All Indians born within the territorial limits of the United States are declared citizens of the United States. The granting of citizenship to Indians shall not in any manner affect the right of any Indian to tribal or other property.

Today Indians are citizens, and citizenship and total exemption from taxation are mutually inconsistent.

So the two constitutional questions involved have been settled by decisions of the Supreme Court and the act of citizenship.

The only question remaining to be settled, then, is the question of fact. In a given case, as a matter of fact, is this Indian taxed or is he not taxed? The State of Washington has a constitutional provision which uses the same phrase with respect to the right of suffrage. It denied the ballot to Indians not taxed. The interpretation given there is in point here. The attorney general of that State in an official opinion, No. 4086, dated April 1, 1936, stated:

> The payment of sales taxes and gasoline tax is a sufficient qualification on the part of an Indian offering to vote to comply with the provisions of article VI, as amended.

Since Indians are subject to the Federal gas tax throughout the United States, it follows then that they cannot be excluded from counting in apportionment as being "Indians not taxed."

Within the last few years the Supreme Court of the United States has also held that the income of an Indian, in the form of royalties from oil lands, even though the land itself be exempt, is taxable under the income-tax laws of the United States.

I might point out further that in most States where the sales tax exists it is a lieu tax levied in place of property taxes, and the receipts from that go into the general fund of the State treasury and are used for the payment of the general expenses of the State government. That is the situation in my own State of South Dakota. We abolished the State levy on real estate and established a 3-cent sales tax, which is paid by the Indians as well as the whites. The proceeds go into the State treasury and are used to pay the running expenses of the State government—old-age assistance, bond issues, and every other purpose for which State revenues are spent. Obviously these Indians are all taxed and should be included in the enumeration on which the number of Representatives is based.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Montana.

Mr. O'CONNOR. I wish to thank the gentleman for his splendid presentation of this matter that affects the Indians. It is inconceivable under our present set-up, considering all of our taxation evidence, to think of an Indian who is not taxed today. Is that not correct?

Mr. CASE of South Dakota. That is right. They all do pay taxes, and I may say they all serve in case of war.

Mr. O'CONNOR. They pay taxes in some form or other.

Mr. CASE of South Dakota. Yes.

Mr. O'CONNOR. They are citizens of the United States and, as the gentleman has just said, they serve in the Army in time of war.

Mr. CASE of South Dakota. Yes; the gentleman certainly knows that to be the truth. He knows that our Indians in the Northwest are a brave people and he always fights for them.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Is it not true that at the time the Constitution was framed 150 years ago most of the Indians of this country were not within the reach of our taxing power? They were men without property, and many of them were in the distant wilderness, where they could not be reached even if we had attempted to tax them.

Mr. CASE of South Dakota. Yes. Of course, there has been a good deal of change in conditions and in statutory law since that time. [Applause.]

[Here the gavel fell.]

Mr. DUNN. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. EDELSTEIN].

Mr. EDELSTEIN. Mr. Chairman, I have heard with much concern the discussion which has been aroused by the committee's amendment which proposes to exclude aliens from population totals in apportioning representation. As a part of this discussion, although not necessarily related to it, one Member has stated on the floor of this House that aliens should not be admitted to citizenship unless they are qualified. That statement, it seems to me, merely begs the question. The statutes in relation to the admission of persons to citizenship distinctly provide that no person is subject to naturalization unless he or she is qualified. Therefore, to talk about aliens and to say that they should not be admitted to citizenship unless they are qualified is begging the question.

I come from a district whose population consists of American citizens of diverse origin. Some of them had native-born parents and can probably say that they are Americans of the second, third, fourth or even of a greater generation. Others were born in this country of foreign parentage and with equal pride can say that they are first-generation Americans.

There are other citizens living in my district who are equally good Americans, but who became citizens by naturalization. They are of Russian, Polish, Italian, Jewish, Ukranian, German, Hungarian, French, and Irish birth. There is scarcely a European race which does not have some representatives living in my district. These people are members of all the different Protestant sects, Roman Catholic Church, Greek Orthodox Church, and the Hebrew religion. In short, the population in my district comprises all races and all religions.

These people came to this country because they believed it to be a land of opportunity and a land of freedom. They availed themselves of the democratic privilege of becoming citizens of this democracy. They have been good American citizens, they have reared families, and their children are some of the most representative people in our community. It is with regret that I notice that the discussion with respect to aliens overlooks the fact that the great majority of aliens

in this country are law-abiding, substantial people, most of whom have become citizens. To accuse aliens of faults or weaknesses which they do not have, as a group, is not consistent with the facts and ignores the rights which those aliens and their children have under our form of government.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. EDELSTEIN. I yield to the gentleman from Montana.

Mr. O'CONNOR. I wish to approve what the gentleman has said in the light of my experience. I have known some of the finest people who came from foreign countries and who would not have been able to read their own names if they saw their names written in boxcar letters.

Mr. EDELSTEIN. Notwithstanding what the gentleman has said about a half a dozen judges in the United States who have sworn to support the Constitution, in the last few years have denied citizenship to aliens who were otherwise qualified to obtain that great privilege, on the sole ground that since they were aliens they had no right to seek relief, even though economic conditions made it imperative that they do so. Because these aliens had obtained relief these judges denied them admission to United States citizenship without any provision of the law authorizing them to take such action.

It seems to me that a good many attacks have been launched on aliens without justification for such attacks and that they are increasing in number. I wish to say that every time I hear such statements made about aliens as a group I find it necessary to determine whether the assertion is made sincerely or whether it is made merely for political capital. In my humble opinion, I believe that such remarks which are made only for political capital are both unfair and unjust. [Applause.]

[Here the gavel fell.]

Mr. DUNN. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. HAWKS].

Mr. HAWKS. Mr. Chairman, I believe the fact that the committee of which I am a member is going to offer an amendment to the bill striking out the alien clause is sufficient evidence that it should never have been in the bill originally.

The gentleman from Missouri brought up the question of qualification for citizenship. I have no particular sympathy for an alien who is an announced anarchist, or who is a member of the Communist Party, or of any other group in this country that is opposed to the American form of government; but I have much less use for the American-born citizens, the sons and daughters of upstanding and outstanding American people, who are "parlor pinks," masquerading under the guise of citizenship granted them by birth, and belonging to communistic and other subversive organizations in this country, and who are going around in the parlors of the wealthy of the country preaching their "pink" communism and the overthrow of this Government. These people have had every single advantage that America could offer them, and still they are out trying to overthrow the form of government we all love.

This alien question is exaggerated. It is talked about altogether too much. This provision never should have been in this bill, and I am happy that the Committee is going to strike it out, because if we have a problem in this country it is not with the few hundreds of thousands of aliens, or even the few millions of aliens we have here, it is with the American-born citizens, educated in our schools and our universities, who are turning against their mother country, and turning against the principles of the Government that has given them every advantage in the world. This is the gang we have to watch out for, and we had better go into our schools and into our universities, if we are going to find the correction for this whole problem. [Applause.]

In Wisconsin we have some fine German immigrant folks, who have been so busy on the farm, making a living and raising a good family they have not given thought to obtaining citizenship papers. They are embarrassed because they cannot properly express themselves in English, and hesitate to take the examination. Who would say they were not good citizens? Who would condemn them? Certainly no one in their right mind.

[Here the gavel fell.]

Mr. KINZER. Mr. Chairman, I yield myself the remaining time, and I ask unanimous consent to revise and extend my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KINZER. Mr. Chairman, we have listened for an hour to a discussion of this bill, but I, for one, as a Member of this House, cannot agree that unless we amend the Census Act of 1929 there can be no apportionment. The fact is that if we do not pass any of these amendments as contained in S. 2505, then the reapportionment will be left in the hands of the Congress where it properly belongs. Nor can I see any reason for using the 1930 census figures as a basis for the 1940 apportionment. The amendment before us is brought here after action by the Senate, when in fact the whole matter much more vitally concerns the membership of the House of Representatives, where apportionment legislation should originate. No constitutional provision requires Congress to pass an automatic reapportionment act, nor to pass any reapportionment act, before the census has been taken. If we do not pass this bill, the reapportionment will be left in the hands of Congress, where it belongs. If this bill becomes law the next apportionment will be made by an agency of the Government, and not by the Congress, by the method of major fractions. And, unless further amended the automatic new apportionment would not take effect prior to the 1944 election when the Seventy-ninth Congress will be chosen.

The first congressional apportionment was made by the Constitution itself, and from that time to the present, Congress has met its responsibility in the matter after every decennial census with the single exception of that of 1920.

We should postpone the enactment of an apportionment law until the census has been taken, and until we know how the population of our country is distributed. I am quite sure that when this is done the Congress will meet its obligation and be in a better position to legislate on the subject of apportionment.

I have given some of the reasons why the Congress should reserve to itself its full power of legislation, instead of, by legislation of this kind, turning over to a bureau of the Federal Government further rights and duties which properly belong here.

I cannot subscribe to the theory that we must automatically provide for the taking of a census for fear the next Congress will not be of sufficient integrity to pass upon the subject.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. KINZER. Yes.

Mr. CURTIS. A great deal has been said about the constitutionality of certain features of this bill. I know the gentleman has given it very close attention for weeks. Is there anything in the Constitution that requires or even implies or infers that Congress should pass an automatic reapportionment measure?

Mr. KINZER. I find no such provision in the Constitution, and I do not think anyone else can.

Mr. CURTIS. And, on the contrary, the implication is that the census shall come first. Is not that right?

Mr. KINZER. Yes.

As has been stated here, I can see nothing sacred about the static number of 435 as the membership of this body in the growth of our country, and I feel sure that the next Congress will be just as able, just as capable, and just as efficient as we are; and when they know the population of the States, they will be honest enough to pass an apportionment bill, which they should pass after they have before them the full returns of the census of this country.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. KINZER. Surely.

Mr. WARREN. I think the gentleman is mistaken when he states that the act of 1929 freezes the membership at 435.

That is surely not the case, because under this bill, if the amendment is adopted here today to clarify the matter, Congress has the right at any time to increase the membership of the House or to reapportion or to do anything else it wants to do.

Mr. KINZER. Yes; but does not the gentleman from North Carolina really know and agree with me that that is the purpose of this bill? This bill first was introduced at the other end of the Capitol by a Member of that body who certainly is not so much concerned about the representation here as we ourselves are, and I know, and I think the gentleman will agree with me, that if this bill passes, by negative action on the part of the Senate they can hold the membership of this House static at 435, and we will never be able to change it.

Mr. WARREN. There ought not to be any criticism of a Member of another body introducing this bill.

Mr. KINZER. I am not criticizing anyone.

Mr. WARREN. Surely he is interested in seeing the mandate of the Constitution carried out, and surely he is interested in seeing whether his State would gain or lose in the electoral college.

Mr. KINZER. I do not know. I am not attacking any Member of the other body; but I do say that the apportionment which concerns the membership of this body, or legislation affecting it, should in all good conscience and judgment originate in this body. [Applause.]

Mr. DUNN. Mr. Chairman, I yield the remainder of my time to the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Chairman, on behalf of the committee, I wish to summarize briefly the case for the proponents of this bill. Before doing that, however, I shall pay tribute to the chairman of our committee, the gentleman from Pennsylvania, Hon. MATTHEW DUNN. He has presided over the sessions of our committee with unusual patience and ability, and it is with regret that we learn he is going to retire from this body at the end of this session.

Mr. Chairman, it seems to me there has been a great deal of irrelevant and immaterial discussion here in respect to this bill. The chairman of the committee is going to offer a committee amendment to strike from the bill the provision relative to aliens; so the argument, insofar as the committee is concerned, respecting the alien section of the bill is immaterial.

There is very little to discuss because this bill is simply a curative measure. Had it not been for the twentieth amendment to the Constitution, we would not now be discussing this bill. It simply adjusts the legislation of 1929 and brings it up to date, in conformity with the change in the convening dates of Congress, as a result of the twentieth amendment. There are two reasons why the bill should receive favorable consideration: In the first place, it is a clear mandate of the Constitution that this body should be apportioned in accordance with the population of the country. The legislation of 1929 was enacted in pursuance to this constitutional mandate. A second reason why this bill should have our favorable consideration is that this is a democratic country and a democratic government, and those of us who sit in this body do so because of the suffrage of the American people. The easiest and quickest way to bring democratic institutions into ill repute—and they have been attacked from abroad, as we know, and also at home—is for us to be partisan and unfair in our deliberations. Representation in Congress should be apportioned in accordance with population, not alone because required by the Constitution but also because fairness and justice require it. I was much impressed by the statement of the gentleman from North Carolina [Mr. WARREN] that if he knew, as a matter of fact, that his State would lose representation he would still vote for this bill because it is a just bill, and I think most of us agree with that comment. The bill under consideration passed the Senate unanimously. The only change here is to compel a reapportionment in the next Congress rather than possibly in the Seventy-eighth Congress. There can be no reasonable objection to the bill, it seems to me, and on behalf of the Census Committee I appeal to Members for their favorable consideration of the bill at this time. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

That an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, is hereby amended in the first sentence of section 22 (a) by striking out the words "second regular session of the Seventy-first Congress" and substituting the following words: "first regular session of the Seventy-seventh Congress", and by striking out "fifteenth" and inserting "sixteenth."

Mr. MOTT. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MOTT: Page 2, line 8, after the period insert:

"The said act is further amended in the first sentence of section 22 (a) by striking out the words, 'the then existing number of Representatives' and substituting the following words, '300 Representatives.' "

Mr. WARREN. Mr. Chairman, I make the point of order against the amendment that it is not germane. If the gentleman desires to speak for a moment I shall be very glad to withhold the point of order.

The CHAIRMAN. Does the gentleman from Oregon desire to be heard on the point of order?

Mr. MOTT. Mr. Chairman, the gentleman from Oregon would like to reply to the argument, when the gentleman from North Carolina makes it.

Mr. WARREN. Mr. Chairman, I would be glad to reserve the point of order.

Mr. MOTT. Mr. Chairman, I doubt very much whether there is a single Member of this body who has not at some time expressed it as his opinion that the membership of the House of Representatives is too large. When the act of 1929 fixed the membership, or froze it at the then-existing number of 435, I believe a majority of the Members realized that it should have been frozen long before the census of 1910 brought it up to that number. The membership of the House should be reduced at least to the size that it was before it was increased to 435, and I believe if it were reduced to 300 we would have a still more effective and efficient body. The House of Representatives at the present time is so large that it is unwieldy, and I think all of us, through our experience, have come to that conclusion a long time ago.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield.

Mr. EBERHARTER. Does the gentleman think that his State of Oregon would be better represented if they had only one Representative instead of three, as at present?

Mr. MOTT. Well, in the first place, the State of Oregon would be represented by more than 1 Representative, even if the membership were 300. The State of Oregon was represented by 2 Representatives when the membership of this House was much smaller than it is now. It had 2 Members back in 1890, when the population of our State was not half as large as it is now. In that regard, I think the State of Oregon could be just as well represented by 2 Members as by 3. The number would make no difference so long as its proportional representation was the same as all other States. I think the State of New York would be just as well represented by 35 Members as it is by 45 Members, as at the present time, provided that representation was proportional to that of the other States.

The House could conduct its work much more expeditiously and carefully and the people of the United States would, therefore, be better represented. They are just as well represented in the Senate, as a matter of fact, as they are in the House at the present time, and the Senate, of course, is less than one-fourth as large as the House. I think that 300 men in the House of Representatives could give the people of the United States better representation, and do it more easily and thoroughly, than they can with a membership of 435. I think nearly all of us believe that, although for political reasons many would not be willing to vote for the change.

The words which this amendment changes occur four times in the 1929 act. If this amendment should be adopted, I will offer amendments following that to make identical changes in other parts of the act where this language occurs.

Mr. CASEY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MOTT. I yield.

Mr. CASEY of Massachusetts. How many new men came in when we froze the number of the House at 435?

Mr. MOTT. One hundred and thirty-five, I think.

Mr. CASEY of Massachusetts. One hundred and thirty-five were added?

Mr. MOTT. I may be mistaken as to the number. The last increase, I believe, was in 1910.

Mr. BLOOM. In 1900 there were 391 Members.

Mr. MOTT. Was that the figure before it was changed to 435?

Mr. BLOOM. Before it was changed to 435 it was 391. That was in 1900. In 1910 there were 435 and in 1930 there were 435.

Mr. MOTT. Well, the figure does not make a great deal of difference. The fact is simply that the House has grown into too large a parliamentary body. It is my opinion that if the membership of the House were 300 or 350, instead of 435, we could carry on our business a great deal better than we are carrying it on now and the people of the United States, accordingly, would have better representation than they are getting at the present time. [Applause.]

[Here the gavel fell.]

Mr. WARREN. Mr. Chairman, I insist on the point of order.

The CHAIRMAN. The Chair is ready to rule.

Mr. MOTT. If the gentleman is going to insist on the point of order, I would like to be heard, Mr. Chairman.

Mr. WARREN. Then I will state, Mr. Chairman, that section 1 merely provides for the time that the President shall report to Congress. The act of 1929, which this bill today seeks to amend, provides for an apportionment based on a House membership of 435. The amendment offered by the gentleman from Oregon [Mr. MOTT], of course, would change the entire procedure of the act of 1929, and it is certainly not germane to this bill.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WARREN. I yield.

Mr. MICHENER. I just read the bill. The bill is an amendment to the general act. Inasmuch as the purpose of this bill now before us is to amend another bill, would not an amendment to the other bill be germane and in order?

Mr. WARREN. No; I do not think so, when the other bill sets up a method based upon a membership of 435 and sets forth the entire procedure of reapportionment.

Mr. MICHENER. But this is a bill to amend an act "to provide for the fifteenth and subsequent decennial censuses, and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments." That is the title of the bill that is now before us. It seems to me that the entire act is now before the House. We are attempting to amend that act in certain respects designated in this bill, but the whole bill is the subject of this amendatory bill. If we can offer an amendment to any part of the original act, then we could offer it here, even though it is not in this amendatory act.

The CHAIRMAN. The Chair is ready to rule.

Mr. MOTT. Mr. Chairman, I have had no opportunity as yet to answer the gentleman on the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. MOTT. Mr. Chairman, the bill which is now under consideration is a bill to amend an act approved June 18, 1929.

The act of June 18, 1929, sets up the formula and the machinery for apportionment. It provides in that connection that the President within 1 week thereafter of the second regular session, and so forth, shall file a statement showing the whole number of persons in each State, as ascertained under the fifteenth and each subsequent decennial census of the population, and the number of Representatives to which each State would be entitled under an apportionment of the then existing number of Representatives.

The act provides that the representation shall be apportioned on a basis of the then existing number of 435 Members. This amendment simply changes that basis from 435 to 300. This is offered as an amendment to the act of 1929. The bill the committee now has under consideration is also offered as an amendment to the act of 1929. They are both amendments to the same act, and both amendments relate to the same subject. I feel, therefore, that an amendment along this line would be perfectly germane.

Mr. ENGLEBRIGHT. Mr. Chairman, may I be heard briefly on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from California.

Mr. ENGLEBRIGHT. Mr. Chairman, I believe this amendment is not germane to the act of 1929 inasmuch as the act of 1929 applies a specific mathematical formula to a membership of 435. In other words, three factors are involved in the act of 1929: A House of 435 Members with a membership divided or apportioned to the respective States according to a definite formula based upon a certain population to be reported by the census. Two things are constant in that formula: First, the number 435; second, the method of dividing the population. If you insert "300," then you have set up an entirely new proposition, because you have put two variable factors into a mathematical proposition in which you originally had but one, that variable factor being the population of the country. You have, therefore, a new matter, a new subject, each differing from the other just as much as an appropriation for agriculture differs from an appropriation for military affairs. The original proposition being a mathematical formula, I do not believe that any amendment to the formula can be germane.

If the gentleman desires to offer an entirely new method of apportionment to 300, then I think such a substitute would be in order.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. ENGLEBRIGHT. I yield.

Mr. MOTT. How does the gentleman contend that the formula is changed when only the number of Representatives is changed? The method of arriving at the proportional representation of each State is exactly the same. Does the gentleman further contend that because there would be two variables in this new formula that the two variables would make it not germane?

Mr. ENGLEBRIGHT. Yes; because I think the law provides a mathematical method in which only one variable was set out, that variable being the census of the population.

The CHAIRMAN (Mr. JONES of Texas.) The Chair is ready to rule.

There is no question that the amendment would have been germane to the act of 1929. The precedents, however, seem to be very definite on the proposition that when a bill proposes to amend an act in several particulars an amendment proposing to modify the act but not related to the bill is not germane.

In this connection the Chair reads from Cannon's Precedents, volume VIII, section 2947, the following:

> The House was then, May 14, 1924, considering the bill (H. R. 2169) proposing to amend several sections of the National Defense Act, when Mr. John J. McSwain, of South Carolina, offered an amendment proposing to modify a section of the national defense act not referred to in the pending bill.
>
> A point of order was made that the amendment was not germane either to the bill or to the pending section. After a brief debate the Speaker ruled:
>
> It does not seem to the Chair that this bill brings the whole National Defense Act before the House. It only brings before the House a very limited portion of it and not the portion affected by the amendment offered by the gentleman from South Carolina. The Chair is disposed to sustain the point of order. The point of order is sustained.

The pending section of the bill does not in any way affect the total number of Members of the House but only proposes to change the time when the statement of the President must be transmitted to Congress. The Chair is of the opinion therefore that the amendment is not germane and sustains the point of order.

Mr. SMITH of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Ohio. Is a substitute amendment in order at the present time?

The CHAIRMAN. That depends upon the wording of the substitute and its form.

Mr. SMITH of Ohio. Is an amendment in order at the present time?

The CHAIRMAN. Amendments are in order to the first section of the pending committee substitute amendment.

Mr. SMITH of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Ohio: On page 2, strike out the first section of the committee amendment and insert the following as a substitute therefor:

"On the first day, or within one week thereafter of the first regular session of the Seventy-seventh Congress, the President shall transmit to the Congress a statement showing the whole number of persons in each State, excluding Indians not taxed, as ascertained under the Sixteenth Census of the population of the United States. The Congress to which the statement required by this act is transmitted shall apportion Representative among the several States based upon the method used in the last apportionment."

Mr. SMITH of Ohio. Mr. Chairman, the effect of this amendment is simply to do away with the automatic provision of the amendment now being considered by the Committee. I have already expressed myself on this matter. It is the prerogative of this Congress to pass an apportionment bill. I want to repeat, however, it is not the prerogative of this Congress to pass apportionment bills for the future.

It is argued at great length that the Congress still has the freedom and the liberty to pass such apportionment legislation as it may decide upon after this bill is agreed to. I grant that, but I maintain that it would be more difficult for Congress to enact legislation pertaining to any particular apportionment if we leave the automatic feature in this bill than it would be otherwise.

I make the point that we certainly should have faith and trust in future Congresses to take care of their own legislation. It may be constitutional and probably is, but we cannot expect that conditions will always remain as we believe they might remain. In the future conditions may arise in which a Congress may decide differently. We do not know what those conditions are going to be or what they may be. I, therefore, submit that my amendment should be agreed to.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Do I understand the purpose of the gentleman's amendment is this: It simply proposes to carry out the philosophy of this bill for this decade that is now before us? In other words, the gentleman wants the philosophy of this bill carried out so far as the census of 1940 is concerned, but he does not want to bind any other Congress for the next 10 years, or any future Congress. He is opposed to binding any future Congress?

Mr. SMITH of Ohio. That is correct.

Mr. WARREN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Ohio.

Mr. Chairman, the gentleman from Ohio [Mr. SMITH] misses the mark when he states that the act of 1929 binds all future Congresses on all future censuses. Why, the Congress has every right in the world to change and wipe out this whole thing today, or after the President sends down his report in January or at any time hereafter. This act—and I think someone else has stated it today—was conceived in the brain of one of the most able men whom it has been my privilege to serve with in this House. He was a great Republican Speaker of this House from the State of Ohio, Nicholas Longworth. He, with his associates, conceived this measure at that time because Congress had plainly shown for a period of 10 years following the 1920 Census that it would not act and would not reapportion itself as required by the Constitution.

Mr. Chairman, I ask that the amendment be voted down and that we preserve this splendid act in its entirety.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. SMITH].

The amendment was rejected.

The Clerk read as follows:

SEC. 2. The first sentence of section 22 (b) of such act is amended to read as follows: "If the Congress to which the statement required by subdivision (a) of this section is transmitted has not, at the session during which such statement is transmitted, enacted a law apportioning Representatives among the several States, then each State shall be entitled, in the next Congress and in each Congress thereafter until the taking effect of a reapportionment under this act or subsequent statute, to the number of Representatives shown in the statement based upon the method used in the last preceding apportionment." In submitting the statement to Congress he shall exclude aliens from the population total in the several States and apportion the number of Representatives accordingly.

Mr. DUNN. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. DUNN: On page 2, line 19, after the word "apportionment", strike out the remainder of the section.

The committee amendment was agreed to.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SCHAFER of Wisconsin: Page 2, after the period at the end of the last line insert: "*Provided*, That in submitting the statement to Congress and making the apportionment, the reduction provided in section 2 of the fourteenth amendment to the Constitution shall be made."

Mr. WARREN. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state the point of order.

Mr. WARREN. Mr. Chairman, of course the amendment is not germane.

The CHAIRMAN. Does the gentleman from Wisconsin [Mr. SCHAFER] desire to be heard?

Mr. SCHAFER of Wisconsin. Mr. Chairman, I would like to be heard on the point of order.

Mr. Chairman, the committee reported the bill with an amendment excluding two classes of people who are not to be counted in the apportionment, namely, aliens and Indians. This amendment therefore opens up the bill so that under the rules of the House we can add another class of those to be excluded in the count, particularly a class which is specifically excluded under the clear mandatory provisions of section 2 of the fourteenth amendment to the Constitution. I respectfully suggest that the amendment is therefore in order.

The CHAIRMAN (Mr. JONES of Texas.) The Chair is prepared to rule.

If this were a question of first impression, the Chair might have some embarrassment; but the decisions on this and similar questions seem to be very clear.

On June 6, 1929, when the original act was before the House, an amendment was offered by Mr. Hoch, of Kansas, to exclude the term "aliens" in making the apportionment. The gentleman from Illinois, Mr. Chindblom, was chairman of the Committee of the Whole at that time. The language of the amendment offered by the gentleman from Kansas was as follows:

The word "persons" as used in this section shall not be construed to include aliens.

In holding that that amendment was not germane to a very similar provision of a very similar act the Chair stated:

This is the general proposition laid down. One individual proposition may not be amended by another individual proposition, even though the two may belong to the same class.

He illustrated, saying:

In a bill admitting a Territory an amendment admitting another Territory was held out of order.

In a bill for the relief of one individual an amendment for similar relief to another individual was held out of order.

The Chair there sustained the point of order against an amendment very similar to the language which has just been stricken from the bill. That particular language would have been subject to a point of order but for the fact that the rule itself states that the committee amendment shall be in order.

There is another ruling on the exact question. On January 19, 1921, when a reapportionment bill was under consideration, the gentleman from Massachusetts, Mr. TINKHAM, offered an amendment to section 1 of the bill, which read as follows:

Provided further, That if any State deny or abridge the right of any inhabitants thereof, being 21 years of age and citizens of the United States, to vote at any election named in the amendment to the Constitution, article XIV, section 2, except for participation in rebellion or other crime, the number of representatives apportioned to that State shall be reduced in proportion to the number which such citizens shall bear to the whole number of citizens 21 years of age in such State.

The gentleman from Ohio, Mr. Longworth, made the point of order that the amendment was not germane to the section under consideration. In passing on the question the gentleman from Kansas, Mr. Campbell, who was presiding, stated among other things—

It has been held by well-considered decisions that even though a subject relates to the same matter, yet if it introduces a new element or an element of uncertainty, or if it provides a future action upon the happening of something indefinite, the matter so offered is not then germane as an amendment.

That decision goes even further than the previous one, but in the light of these decisions and the fact that this amendment follows in substance the exact amendment that has heretofore been held out of order, and since the pending bill only deals with the mechanics of an apportionment and does not deal with the census itself, the Chair sustains the point of order.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I ask unanimous consent to address the House for 5 minutes out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I well remember that during the consideration of the last apportionment bill the dry forces offered a do-not-count-alien amendment in order to reduce the representation from the so-called wet-city districts in the country. The wet forces countered with an amendment to enforce the provisions of section 2 of the fourteenth amendment to the Constitution, and make the mandatory reductions specified in that section. Both of these amendments were held in order, and they were voted on in the Committee of the Whole House and adopted in the Committee of the Whole House.

We hear so much about the Constitution on the Fourth of July and on and off the floor of the House. We also hear so much about the subversive activities which are undermining the Constitution of the United States; and to refresh the memory of some of you, I wish to read a few passages from the Constitution. No weasel interpretation could lead one to the conclusion that the principles included in my amendment should not be incorporated in this apportionment bill.

Section 2 of the fourteenth amendment to the Constitution reads as follows:

Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the executive and judicial officers of a State, or the members of the legislature thereof is denied to any of the male inhabitants of such State, being 21 years of age and citizens of the United States, or in any way abridged, except for participation in rebellion or other crimes, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens 21 years of age in such State.

Down South you count the colored brethren for apportionment but do not let them vote, and the total vote cast in the entire State of Mississippi in a Presidential or congressional election is less than the vote cast in most of the individual congressional districts in the United States above the Mason and Dixon's line.

It is about time that the clear, mandatory language embodied in section 2 of the fourteenth amendment to the Constitution by our forefathers is enforced, so that these southern New Deal States cannot continue by "Foxy Grandpa" clauses, educational tests, and your unconstitutional poll taxes to deny the right of the colored people to vote, although you count them in the census and for apportionment of Members of Congress and Presidential electors. In the last election the 7 congressional districts of Mississippi cast a total of only 36,000 votes. I want to call to the attention of the gentleman from Texas [Mr. DIES] and the gentleman from Alabama [Mr. STARNES], whose States have these poll-tax laws, that if they are interested in getting after real subversive elements who sabotage the Constitution, they should have the Dies committee go to Texas, Alabama, and other Southern States and investigate and expose the willful flaunting of the spirit and the letter of section 2 of the fourteenth amendment.

The Constitution does not say "may," it says "shall," with reference to reducing the representation in the Congress and electoral college when the right to vote is abridged, as it is in Texas, Alabama, and many other Southern New Deal States.

I sincerely hope that before many months elapse we shall enforce these provisions of the Constitution and stop these Southern States, which have poll tax and other laws to prevent the colored people from voting, from receiving far more representation in the electoral college and the House of Representatives than they are entitled to under the clear provisions of section 2 of the fourteenth amendment to the Constitution.

Mr. WARREN. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield to the gentleman from North Carolina.

Mr. WARREN. I hope the gentleman is not recanting his former position on this bill. I looked at the roll call in 1929 and find the gentleman from Wisconsin to be one of the most active and vigorous supporters of this measure. I hope the gentleman is still for it today.

Mr. SCHAFER of Wisconsin. I may say that if he examines the RECORD, the gentleman will find that the gentleman from Wisconsin, together with the distinguished Member from Massachusetts, the cradle of liberty, Mr. TINKHAM, was very active on the floor, off the floor, and in the Well of the House in favor of adopting the amendment to comply with the mandatory provisions of section 2 of the fourteenth amendment to the Constitution, and prevent you people down below the Mason and Dixon's line from counting the colored people for representation, but denying them the right to vote. [Applause.]

[Here the gavel fell.]

Mr. McLEOD. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: On page 2, line 12, strike out "at the session during which" and insert "within 60 calendar days after."

Mr. McLEOD. Mr. Chairman, I took the floor a few moments ago while the rule was being discussed to explain the amendment that has just been offered.

The bill before the House, as reported by the Census Committee, would permit the Congress to delay until the closing days of the 1941 session the consideration of any reapportionment legislation. As the Congress, in recent years, has remained in session until the summer, not adjourning until June, July, or August, as I stated some time ago, this would mean that reapportionment legislation might, and probably would be delayed until after most of the 1939 legislatures had adjourned and gone home. This amendment would tend to

prevent Representatives from those States that lose representation under a reapportionment bill from running at large. The amendment would make it obligatory on Congress to dispose of the matter of reapportionment within the first 2 months of the next year's session. Failure of the Congress, within that period, to enact a new reapportionment statute would ordinarily invoke mandatory reapportionment as provided by the act of 1929. This amendment restricts Congress to 60 calendar days for consideration of the reapportionment question, and places the deadline at approximately the same time each year for the Congress to act, namely about March 4.

The President's report on the census, under the present law, must be submitted on the day Congress convenes, January 3, or within 1 week thereafter. Thus the extreme limit, should the President's statement not reach the Congress earlier than January 10, or 1 week after the convening date, would be March 11. This date would still find virtually all the legislatures assembled in their January 1941, sessions.

I would like at this point to ask the gentleman from North Carolina [Mr. WARREN] if the statement that I am now making is correct and also if this amendment would be agreeable to him.

Mr. WARREN. I am in a rather embarrassing position on that question because I am not a member of the Committee on the Census. As I stated in my first statement this morning, I personally have no objection to the amendment now being offered by the gentleman. It is just a question of whether the House desires to have, say, seven and a half months to change it, if they see fit to do so, or 60 days. Under the 1929 act we had 3 months with about 2 weeks taken out of that time for the Christmas holidays. It is really immaterial to me although, of course, I cannot speak for the committee. It is simply a question of what the Committee of the Whole wishes to do.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. McLEOD. I yield.

Mr. DONDERO. Let us understand this amendment. Suppose the State of Ohio should lose a seat and the legislature of that State adjourned on the 1st day of April, we will say, but the Congress had done nothing between January 1 and the 1st day of April, that would mean that every Member in the State of Ohio would have to run at large.

Mr. WARREN. No; the State of Ohio is not a good illustration. Some other States might be.

Mr. DONDERO. I only used the State of Ohio as an illustration.

Mr. WARREN. The State of Ohio has two Members at large now and therefore if the State of Ohio would lose one, it would be one of the Members at large.

Mr. DONDERO. Then take my State of Michigan. We have no one running at large in Michigan, but if this amendment were not adopted and the State legislature should adjourn, every Member from the State of Michigan would have to run at large.

Mr. WARREN. That is true if your State legislature refused to act.

Mr. McLEOD. That is the very point I wanted to bring out. In the event the State of Michigan, my own State, for example, would lose one Member under this reapportionment—and there are going to be several States that will lose—if the Congress does not act while the State legislature is in session, all Members from the State of Michigan would be obliged to run at large. This applies, of course, to all the States that are similarly situated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken and on a division, demanded by Mr. McLEOD, there were—ayes 81, noes 89.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. McLEOD and Mr. GOSSETT to act as tellers.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that the amendment of the gentleman from Michigan may be again reported.

The CHAIRMAN. Without objection the Clerk will again report the amendment offered by the gentleman from Michigan.

There was no objection and the Clerk again reported the McLeod amendment.

The Committee divided and the tellers reported—ayes 119, noes 91.

So the amendment was agreed to.

The CHAIRMAN. The question now is on the committee substitute as amended.

The substitute was agreed to.

The CHAIRMAN. Under the rule the Committee will rise.

Accordingly the Committee rose, and the Speaker pro tempore having resumed the Chair, Mr. JONES, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill S. 2505, and pursuant to House Resolution 456, he reported the same back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule the previous question is ordered. The question is on the adoption of the amendment.

Mr. TARVER. Mr. Speaker, the rule provides that a separate vote may be had in the House upon any amendment to the substitute.

The SPEAKER pro tempore. That is correct.

Mr. TARVER. Mr. Speaker, I demand a separate vote upon the committee amendment striking out the language excluding aliens from the count.

The SPEAKER pro tempore. The Clerk will report the amendment referred to.

The Clerk read as follows:

Amendment offered by Mr. DUNN: Page 2, after the word "apportionment" in line 19, strike out the remainder of the section.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. TARVER and Mr. GATHINGS) there were—ayes 209, noes 23.

So the amendment was agreed to.

The SPEAKER pro tempore. The question now is on the substitute for the Senate bill as amended.

The substitute, as amended, was agreed to.

The SPEAKER pro tempore. The question now is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. DUNN a motion to reconsider the vote by which the bill was passed was laid on the table.

ORDER OF BUSINESS

Mr. COCHRAN. Mr. Speaker, may I ask whether or not the conference report on the independent offices bill is to be taken up tomorrow?

The SPEAKER pro tempore. That is the intention.

GENERAL LEAVE TO EXTEND REMARKS

Mr. DUNN. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days within which to extend their own remarks on the bill just passed.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Washington Daily News of today, and also to extend my remarks and include a short article by Hugh Johnson.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to include in the RECORD in connection with my remarks some charts of my own making, for which I have an estimate from the printer.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address delivered by the gentleman from California [Mr. LEA].

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, in view of an important national event taking place on Tuesday next, I ask unanimous consent that the special order which I had for Tuesday be transferred to Wednesday of next week.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks and include two short excerpts entitled "Battle for the Land" and "Citizenship or the Dole for Farm Labor."

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two letters which I have received today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a statement put out by the Press Cafeteria and the union of the cafeteria.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CREAL. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a protest of the citizens of Meade County, Ky., to the proposed expansion of Fort Knox.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks and include some election statistics and a few statistics from the Congressional Directory as far as the membership of the House is concerned.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Baldridge, one of its clerks, announced that the Senate had agreed without amendment to a concurrent resolution of the House of the following title:

H. Con. Res. 58. Concurrent resolution authorizing the printing of additional copies of House Report No. 1902, entitled "Intermediate Report of Special Committee to Investigate the National Labor Relations Board."

The message also announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 349. An act for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.;

S. 456. An act for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany;

S. 993. An act for the relief of J. H. Wootton;

S. 1308. An act for the relief of J. M. Swinney;

S. 1777. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Little Missouri River;

S. 2111. An act to amend the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended;

S. 2191. An act authorizing the Secretary of the Interior to grant to the State of Montana for the use and benefit of the Montana School of Mines a patent to a certain tract of land;

S. 2204. An act conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representatives of the estate of Robert Lee Wright;

S. 2303. An act authorizing the continuance of the Prison Industries Reorganization Administration, established by Executive Order No. 7194, of September 26, 1935, to June 30, 1941;

S. 2328. An act to promote on the retired list officers who were decorated and recommended for promotion for distinguished service during the World War and who have not attained the rank to which recommended;

S. 2552. An act to authorize the Secretary of the Navy to purchase certain privately owned property located at the naval air station, Lakehurst, N. J.;

S. 2570. An act for the relief of Mary Boyd;

S. 2661. An act to create a board of inspectors, Bureau of Marine Inspection and Navigation, at Miami, Fla.;

S. 2686. An act authorizing the reenlistment of John Mudry in the United States Army;

S. 2704 An act for the relief of Mr. and Mrs. C. W. Black and Marion Rabren;

S. 2717. An act for the relief of Edward J. Broggi;

S. 2799. An act for the relief of James George Mayfield;

S. 2800. An act for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor;

S. 2817. An act for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla.;

S. 2980. An act providing for the sale of certain lands to the Arizona State Elks Association Hospital;

S. 3009. An act authorizing the President to present the Navy Cross to Capt. Frank N. Roberts, United States Army;

S. 3010. An act authorizing the Secretary of the Navy to issue the Navy Expeditionary Medal to certain Army and civilian personnel;

S. 3013. An act to amend section 5 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1925 (43 Stat. 1190; 34 U. S. C. 893), so as to authorize the payment of a per diem in connection with naval aerial surveys and flight checking of aviation charts;

S. 3014. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902 (32 Stat. 662), so as to provide unformity in the pay of all civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

S. 3016. An act to amend the act approved February 15, 1929, entitled "An act to permit certain warrant officers to count all active service rendered under temporary appointments as warrant or commissioned officers in the Regular Navy, or as warrant or commissioned officers in the United States Naval Reserve Force, for purposes of promotion to chief warrant rank," so as to permit service in the National Naval Volunteers to be counted for purposes of promotion;

S. 3017. An act to amend the act entitled "An act to authorize an exchange of lands between Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.," approved June 24, 1935 (49 Stat. 395), so as to permit the removal of certain encumbrances on the lands concerned;

S. 3018. An act to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense;

S. 3023. An act for the relief of Clarence E. Enders and Gertrude Ray Enders;

S. 3028. An act for the relief of R. Stern;

S. 3035. An act authorizing certain appointments to the United States Military Academy to fill cadetships heretofore created;

S. 3039. An act for the relief of Twila Snyder;

S. 3042. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended;

S. 3052. An act for the relief of Dollie C. Pichette;

S. 3059. An act for the relief of Velvie W. Smith, and the legal guardian of Glenn Richards Smith;

S. 3062. An act for the relief of the Rodgers Tile Co.;

S. 3065. An act authorizing the sale of fuel, electric current, ice, and water at isolated naval stations;

S. 3071. An act for the relief of Luther Devoe;

S. 3073. An act for the relief of Verle S. Ward;

S. 3091. An act for the relief of Barnet Warren;

S. 3092. An act for the relief of Maj. John R. Holt;

S. 3095. An act for the relief of Harry Huston;

S. 3098. An act authorizing the Secretary of the Navy to accept on behalf of the United States a bequest of certain personal property of the late Dudley F. Wolfe;

S. 3111. An act for the relief of Thomas L. Gardner;

S. 3195. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department;

S. 3203. An act to amend section 1262 of the Code of Laws for the District of Columbia;

S. 3233. An act for the relief of C. T. Jensen;

S. 3237. An act to amend section 301 (a) of the Sugar Act of 1937;

S. 3251. An act to amend sections 16 and 17 of chapter II of the act of June 19, 1934, entitled "An act to regulate the business of life insurance in the District of Columbia";

S. 3262. An act to authorize the Secretary of the Interior to grant a right-of-way to the Highway Commission of the State of Montana;

S. 3280. An act for the relief of the estate of Leslie Everett, deceased;

S. 3304. An act for the relief of J. Frank Kuner, private, uniformed force, United States Secret Service;

S. 3306. An act for the relief of Roy F. Lassly, former acting chief disbursing clerk, Department of the Interior;

S. 3308. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Robert E. Newton;

S. 3324. An act relating to the existing flood-protection project at East Hartford, Conn.;

S. 3325. An act to provide for the transfer of the duplicates of certain books in the Library of Congress to the Beaufort Library, of Beaufort, S. C.;

S. 3328. An act for the relief of Dorothy Crossing;

S. 3337. An act for the relief of the Lewis State Bank, of Tallahassee, Fla.;

S. 3338. An act for the relief of Alice C. Wainwright;

S. 3354. An act for the relief of Nannie E. Teal;

S. 3383. An act to authorize certain future adjustments in the accounts of the Treasurer of the United States when erroneous payments have been made by him in good faith and without negligence, and for other purposes;

S. 3401. An act for the relief of Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, and for other purposes;

S. 3402. An act to authorize the granting of a right-of-way for roadway purposes on the Fort Thomas Military Reservation, Ky., in exchange for the release of property rights in and to a certain road on said reservation;

S. 3423. An act to increase the number of brigadier generals of the line of the Regular Army by four;

S. 3436. An act for the relief of Ethel G. Hamilton;

S. 3440. An act to amend the Locomotive Inspection Act of February 17, 1911, as amended, so as to change the title of the chief inspector and assistant chief inspectors of locomotive boilers;

S. 3456. An act to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938;

S. 3470. An act to amend the National Defense Act of June 3, 1916, as amended, to provide for enlistments in the Army of the United States in time of war, or other emergency declared by Congress, and for other purposes;

S. 3496. An act to prevent retardation in promotion and in pay and allowances of permanent professors of the United States Military Academy appointed by the President from the commissioned officers of the Regular Army;

S. 3528. An act authorizing the adoption for the Foreign Service of an accounting procedure in the matter of disbursement of funds appropriated for the Department of State;

S. 3530. An act to prohibit the exportation of tobacco seed and plants, except for experimental purposes;

S. 3552. An act to authorize the construction of works for flood control and other purposes on Autauga Creek at Prattville, Ala.;

S. 3575. An act to make better provision for the teacher of music, the leader of the Military Academy Band;

S. 3633. An act to amend section 24e, National Defense Act, as amended, so as to add an alternative requirement for appointment in the Dental Corps;

S. 3636. An act to amend the National Defense Act, as amended, so as to provide for retirement of assistant chiefs of branches and of wing commanders of the Air Corps with the rank and pay of the highest grade held by such officers as assistant chiefs and wing commanders, and for other purposes;

S. 3654. An act to amend section 10, National Defense Act, as amended, with relation to the maximum authorized enlisted strength of the Medical Department of the Regular Army;

S. 3661. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended, and for other purposes;

S. J. Res. 101. Joint resolution defining and classifying gratuity expenditures allowable as offsets in favor of the United States and against the Five Civilized Nations or Tribes of Indians;

S. J. Res. 133. Joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.;

S. J. Res. 213. Joint resolution authorizing the acceptance of the invitation of the Government of Italy to participate in the Rome Universal Exhibition to be held at Rome, Italy, in 1942;

S. J. Res. 217. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair, 1939, authorizing an appropriation therefor and for other purposes," approved July 9, 1937, to provide for participation in the New York World's Fair, 1940, to authorize an appropriation therefor, and for other purposes; and

S. J. Res. 218. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7922) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1941, and for other purposes."

The SPEAKER pro tempore. Under previous order of the House heretofore made, the gentleman from Ohio [Mr. BENDER] is recognized for 30 minutes.

AFTER THE NEW DEAL—TOWARD A CONSTRUCTIVE REPUBLICAN PROGRAM

Mr. BENDER. Mr. Speaker, critics of the Republican Party have been loud in their insistence that we have no program of leadership to offer the Nation. They lose no time in reminding us that the role of the gad-fly is always

joyous; it is easy to criticize. There has never been a figure in public life whose record was invulnerable; nor has there ever been a national administration which did not make mistakes. Our opponents declare that the Republican Party has confined its efforts in the last 7 years to petty sniping, offering no constructive outlook, presenting no plan for national guidance. Some of them are willing to concede, if only for the sake of argument, that the New Deal itself has been guilty of many failures, both of omission and commission. Yet, they argue, no matter how drastic the failures of the national Democratic Party, a failure is better than nothing attempted. In the eyes of these adversaries, we are a do-nothing, fence-sitting, inept party, playing the part of the political opportunist instead of the political leader.

In terms which must not be lightly ignored, we are challenged to state our case. "After the New Deal—what?" they demand. "What difference in the conduct of national affairs may we expect if the Republican Party comes into power in 1940? Will there be a major upheaval in the Washington scene by the beginning of 1941? Does the G. O. P. propose to amend existing legislation affecting the lives of millions of our people? Specifically, is it the intention of the Republican leadership to make radical alterations in the workings of the Social Security Act? Is there any prospect of a drastic change in the Wagner National Labor Relations Act? Does the Republican Party intend to modify the Fair Labor Standards Act, fixing maximum hours and minimum wages?" All these questions, and a score of others as well, must be pondered and answered before we open the campaign of 1940.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman spoke of the program of his party. Has his party any program to curb monopolies and bring the price between manufactured products and farm products to a parity?

Mr. BENDER. If my friend will listen, I expect to answer his question.

Mr. WHITE of Idaho. I would like very much to have an answer. Does the gentleman's party have any program to give this country a workable monetary system sufficient to the needs of business?

Mr. BENDER. The gentleman is somewhat confused. He asks questions of Republican speakers. He interrupts them repeatedly just for the sake of interruption and not with the idea of getting a constructive reply.

Mr. WHITE of Idaho. I say the gentleman is in error. I should think the gentleman would like to show that there is some dialog in his debate; that he, himself, is offering something constructive.

Mr. BENDER. There is no question in my mind about the gentleman's attitude. He reminds me very much of a story I heard at Richmond, Va., the other evening. A schoolroom scene was described. The school teacher was asking questions of her class.

"Children, who gave us this beautiful school building?"

A child raised his hand and the teacher asked him to reply. He said, "Franklin D. Roosevelt."

Then the teacher asked: "Who gave us these beautiful monuments and buildings in the vicinity of this school?"

Another child raised his hand and, upon being directed by the teacher to reply, said: "Franklin D. Roosevelt."

The teacher asked a third question: "Children, who gave us all these beautiful trees and flowers and all this beautiful foliage in the vicinity of this school?"

Another child raised his hand and replied, "God."

With that, a child sitting in the back of the room said: "Throw him out; he is a damned Republican." [Laughter.]

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. HOFFMAN. I might suggest to the gentleman from Idaho that if he would just wait, he will have an answer to all these questions, I am sure.

Mr. WHITE of Idaho. I would like to ask the gentleman from Ohio if he does not believe that the money question is one of the most pressing questions that faces the country today?

Mr. BENDER. I will answer the gentleman's question if he will permit me to proceed; and I will attempt to answer other questions. I expect to be questioned by the gentleman and by others.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I shall be pleased to yield later.

There can be no doubt in the mind of every American citizen that the great promise with which the Democratic Party assumed national control in 1933 has gone completely unfulfilled. The more abundant life, the restoration of national prosperity, the elevation of our annual income to a point approximating its position in years gone by, were glowing visions. They captured the Nation's enthusiasm with the greatest of ease. But the magnitude of our optimism was in direct proportion to the size of our disappointment. We have come down to earth with the usual sickening thud. Nowhere do we see the realization of the New Deal's happy pledges. Not a single major group in our Nation can look upon the activities of the national administration with genuine satisfaction. Capital has watched with growing apprehension as it has recognized the increasing menace of Government in business. Industry has discovered to its deep chagrin that the Federal Government regards businessmen as distinctly antisocial creatures. For the first time in many years, the employers of labor have become consistent targets for the scorn of high officials, whipping boys for the national administration. The experience has been novel, and distinctly unpleasant.

Labor, in whose name a host of measures have been sponsored and enacted by the fertile minds of the "brain trust," finds to its dismay that harmony and peace do not necessarily follow in the path of legislation. Nor have the leaders of labor discovered any formula for permanent employment in the multitude of laws hatched by the New Deal. Despite the intensified interest in labor problems, labor relations, and union organization, the working men and women of the Nation, after 7 years of new dealing, are still lost in the shuffle. They are out of work, despondent, fearful of the future. And even now, with a European war stimulating a temporary boom in private reemployment, there are few who hold out hope for any lasting effect upon the 10,000,000 unemployed who have been with us these many years.

Farmers, too, have been taken up to the high places to view a new era of prosperity and independence. In every campaign since 1932, the Democratic Party has boasted long and loud of its undying concern over the plight of American agriculture. Markets were going to be opened. Farm prices were going to be maintained at a level consonant with the American standard of living. The heavy burden of mortgage debts which had hung over the Corn Belt like a never-lifting dust cloud was to be removed. The words are ashes in the mouths of our people today.

Farm dwellers are still living under desperate circumstances in every rural community of the land. The process of concentrating farm ownership in the hands of absentee landlords, holding large acreage, is still continuing. Mortgages have been transferred from private mortgagees to public mortgagees, but the necessity for continued payments out of appallingly meager earnings is still there. Farmers are no longer described by their fellows as prosperous. If they are getting by at all, they are called industrious.

The American people know this picture quite as well as the Republican Party. It is saying to us today, "How do you propose to repaint the scene? What do you offer?" We are developing our answers day by day. The solution of these problems cannot be visionary. It must be realistic. It must spring from the bitter experiences through which we have passed in the last decade.

We are not dealing with a partisan issue. We are discussing the future of the Nation in the formulation of our solutions.

Americans of every section must recognize the difficulties in our way. The day of extensive activity is passed. Our frontiers are no longer beckoning every adventurous son of the Nation. Soils are no longer lying beneath our feet in the first fertility of the nineteenth century. Populations are no longer increasing by the millions annually, demanding new products in never-ending succession. Today we must stimulate, we must encourage. Our economy is changing from extensive to intensive.

The Republican Party is recognizing this basic factor. No return to the era of "Go West, young man" is possible. We have literally millions of men and women whom we must plan for on the theory that they will require assistance for many years ahead. America can take care of them. This Nation can and will retrain many of them for new tasks. It will provide work for all of them. We must not yield to the temptation to pauperize those who cannot be reemployed. And while the process goes on we shall seek the middle course which has always been the American technique.

Social security legislation will not be scrapped. It will be modified from time to time as experience demonstrates its weaknesses and its strengths.

Labor legislation will recognize the inherent rights of men to organize for their legitimate objectives. Gains already realized will not be threatened.

Industry will move out of the dog house back into the good graces of the Nation for whose growth it has been so largely responsible. The epoch of name calling, witch hunting, and public hanging will end. Encouragement rather than deterrents will keynote the return of Republican leadership to our National Government.

Farms can still be made to pay in our land. The work of our State and Federal agricultural bureaus makes it evident that there are new crops, new methods, new ideas in farming which may yet restore agricultural prosperity. What we need most is a market.

In this connection, may I say that I had the opportunity of visiting a dairy farm quite recently. I was told by the dairyman that in this country we could consume very readily and should consume twice as much milk and dairy products as we do, if we developed the market. What is true in connection with that dairyman's statement is equally true in connection with other agricultural products. It certainly is possible for us to develop our home markets and to concern ourselves with a greater intensity in the development of our home markets.

A revived nation, with industry regaining the confidence it has lost, will build that market up anew. The frantic search for foreign outlets, initiated and promoted by the New Deal, must give way to the sounder economy of an increased American market.

Government will get out of business, because it has demonstrated repeatedly that it does not belong there. An institution which seeks to regulate by destroying is either blind or willful.

We Republicans are not recommending that people be taken off relief who are in need. We are not recommending that people who need W. P. A. be taken from W. P. A. We are asking the removal of some four or five hundred thousand people who are on Government pay rolls in bureaus and agencies which are not essential. If a proper survey is made of the various departments of Government surely we will find the agencies where that number can be taken off. There are thousands of people working here in Washington, D. C., who could find better jobs in private industry, if they were relieved from their Government jobs. They would not have to go on the relief rolls. If we have the determination to do that which the Democratic Party promised in 1932 when it made its campaign on decreasing Government costs 25 percent and bringing down the cost of government, I am sure we will do much toward solving our present economic situation.

The multitude of bureaus and agencies created by the Federal Government in the last 7 years will be decimated, retaining only those which can justify their existence through their constructive achievements. Federal expenditures will drop.

But above all else, these specific steps will restore the Nation's confidence in the future. Once the restraint upon private investment has been removed through more equitable tax laws, the millions of dollars now held in the vaults of our banks will be given opportunity to get to work.

"Idle money, idle men," bemoaned our President recently. Let us put them to work. Their employment waits upon the restoration of the Republican Party to national leadership.

Mr. Speaker, if you are at the head of a business, you know that you are the hardest-working person in that business. You have a responsibility, and when the Government taxes you as excessively as our business interests are being taxed—even before they open their doors—you take away the incentive for American industry to continue. You take away the incentive to provide employment, the incentive to provide regular jobs at regular pay, and when you take that incentive away you lessen the possibility of employment in all regular industries. The greatest crime of the New Deal experiment is best explained by the following incident: I have a relative who is secretary of one of the large industries in Cleveland. Recently they had occasion to hire some five or six hundred additional skilled mechanics and when they went out into the market to find these skilled workers they could not find them. There were over 500 jobs in that concern waiting to be filled by citizens of Cleveland, but they were not ready because the period of apprenticeship that every person in industry and in business was expected to experience before the New Deal seems to have vanished. As a matter of fact, today if you are over 45 years of age in the city of Cleveland or any other American city, you cannot find a job. Very rarely will an employer take you on and make you a part of his organization if you are over 45. There is no incentive for employers to keep their old employees. My father worked for one concern for 52 years and I know something about that concern. I know something of their experience. They loved to take care of their old people. That concern felt a responsibility to the old people. Today there is no incentive for them to do it because they have all kinds of inspectors and agents of the Government telling them how to run their business. If you have a card in some organization, whether you have had experience or not, you start at the prevailing wage or else you do not start at all.

Mr. SECCOMBE. Will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Ohio.

Mr. SECCOMBE. Is it not a fact that the way relief and W. P. A. is being handled throughout the various States, and particularly in the State of Ohio, has resulted in breaking down the morale of the men?

Mr. BENDER. Absolutely. There is no question about that. The other day I was riding along the highway of my own State, going from Columbus to Mt. Gilead, to attend the funeral of our secretary of state. As we traveled along that road we saw 50 or 60 W. P. A. workers leaning on their shovels. Only 1 was working. The people in the car laughed about it; but it is not a laughing matter. The laugh is on you and me, because we are paying the freight. We are plunging this country into debt, and the Government of the United States is not only the laughing stock of citizens generally, but it is the laughing stock of those engaged in that work and on those jobs. Having the Government engage in the kind of thing which creates a feeling that people can get by with this attitude is a terrible mistake. I am not blaming anyone on W. P. A. As a matter of fact, if I knew of anybody who needed work and could not get it any other way I would be glad to do my very best to get him on W. P. A. in the absence of anything better. That is all right. But I say that kind of morale is not in keeping with the thing that has made America great.

Another phase of this issue is the lack of opportunity for our young people. Of course, the N. Y. A. is fine, and I would vote for any appropriation for that organization. I believe in such agencies, and in the absence of anything better they are all right, but when you have a philosophy

such as the New Deal has given out in the last 7 years and you fail to provide an opportunity for young people in industry and in business, or you fail to make it possible for them to get into industrial plants, starting as apprentices and getting apprentice wages, you are harming the youth of the land. I know that in the State highway department in the city of Cleveland, for example, we have at least a dozen professional men such as doctors, lawyers, and dentists, who are working with picks and shovels on the State highways. There are as many persons in America today who need medical attention as there ever were, and as many people who need their teeth fixed, but they cannot have their teeth fixed because they cannot pay the dentist. Therefore the dentist is unemployed. He does not have the income to pay for his office expense, and of necessity he has to do other things in order to keep himself and his family going. That is the most serious part of this business.

I have heard on the floor of this House some of the most ardent new dealers pointing out new philosophies and new Utopias and saying to us, "This is the way and that is the way;" yet those very persons are the persons who are closest to the President. Certainly, the President has had 7 years and the administration has had 7 years to solve the problem, and we have tried everything imaginable.

It seems to me that the only safe and sound solution to this problem is for us to get back to first principles; that is, to get back to operating our business, our industry, on a sane and sound basis. Unfortunately, there are people in business who are not honorable, but they are not as numerous as the new dealers would have you think. Because there happens to be one crook out of a hundred men in business why condemn the other 99? Why develop a lot of new angles and new ideas for that whole industry because of one person's dereliction?

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. BENDER. In just a moment.

May I say that I remember the time in America, as young as I am, when our people worked 7 days a week, not 6 days a week and not 5 days a week but 7 days a week. Because of progress, because of the march of time, because of a disposition on the part of our people to provide a better living standard in America in keeping with the principles upon which this Nation was founded, those Christian principles and democratic principles, that condition was gradually eliminated until our people worked 6 days a week, and then they worked 5½ days a week. All that came long before we ever heard of Franklin D. Roosevelt. All of these benefits to the American citizen came long before we ever heard of Franklin D. Roosevelt.

I remember the days when my own father used to go to work at 6 in the morning; that is, he used to have to be at work at 6 in the morning, and he would quit his work at 6 at night. Then, after the 12-hour day, came the 11-hour day, then the 10-hour day, then the 9-hour day, and then the 8-hour day. That came as a gradual thing, and it came in the regular way and not through any upheaval, not through the overthrow of our fundamental way of doing things.

[Here the gavel fell.]

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio may be permitted to proceed for 5 additional minutes.

The SPEAKER pro tempore (Mr. KEFAUVER). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. Many of these New Deal half-baked crackpots denounce our American capitalistic system and their alleged economic royalists and princes of special privilege notwithstanding that their New Deal fuehrer in the White House, President Roosevelt, is one of the richest men in America, who has more than 150 of the richest men in the country among his chief supporters and lieutenants. Is not that a fact?

Mr. BENDER. Apparently so.

Mr. SCHAFER of Wisconsin. Is it not a further fact that many of the New Deal disciples of the Moscow Soviet system of government have been denouncing the machine progress in America, notwithstanding the fact that their New Deal fuehrer in the White House, only a few years ago, was the big shot of the Consolidated Automatic Merchandising Co., Camco, a slot-machine outfit promoted to improve and expand the machine age, particularly with reference to slot machines. The President and his fellow promoters took the people for a ride at that time to the tune of many millions of dollars, by selling them fake watered and worthless Camco stock.

Mr. BENDER. I recall having read something about that in the New York Times at the time.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from California.

Mr. VOORHIS of California. The point about which I wanted to ask the gentleman a question has passed long since, but the gentleman mentioned something about there being a few people in business who, he thought, might not be up to the standard of the rest, and so on. I wish to say to the gentleman that it is not with any spirit whatever of blaming anybody in business or any place else that some of us are concerned about this problem. What does the gentleman think about a situation wherein it is true—at least I am convinced it is true—that under the very best of circumstances, with the very best of intentions on the part of everybody, we simply have come to a place where there is not under present circumstances and with our present distribution and monetary system room enough for profitable investment of the volume of funds that seek investment currently? That is not anybody's fault. You do not need to blame business, you do not need to blame anybody, but there is a problem that I believe we have to face up to, and I do not believe we can face up to it simply by passing it to one side and letting it go.

Mr. BENDER. I appreciate the gentleman's contribution. However, I wish to point out that before the New Deal, in the city of Cleveland and elsewhere in Ohio you could get 4-percent interest on your money by the banks, and today you are lucky if you can get 1- or 2-percent interest on your money. The reason we have that condition is because there are not the people who want to borrow money, and there are not the people who are willing to take the chances that must be taken under the New Deal. They have created this situation, they have created the problem and have increased it rather than decreased it.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman.

Mr. MURRAY. I wonder if one of the answers to the problem is not that we are working too much at cross-purposes. Do you not think, personally, that if we had produced the $4,000,000,000 worth of competitive agricultural products that have come into this country during the last 7 years, we would not have heard so much about W. P. A. and that thousands of people could have been taken off of W. P. A. and given real jobs?

Mr. BENDER. I am in thorough accord with the gentleman. I recall butcher shops having their windows full of Polish hams a year or so ago, and we have been relieved of the Polish hams in the last year, and somehow or other our people are not losing anything by it. We are using our hams today, but I will say this to you: A lawyer in Richmond, Va., a gentleman by the name of Beale, said to me the other night that he has a farm which he operates on the side, and he stated that whatever money he makes in the law business he loses on the farm, and he also stated that he took some hogs to market where he got $3.41 for a great, big hog under the New Deal.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. PITTENGER. I was just wondering if the gentleman cared to comment on the question of whether or not the President is going to run for a third term.

Mr. BENDER. Frankly, I do not care whether he runs or not. We are ready for him, and if he runs we will take care of him. [Applause.]

[Here the gavel fell.]

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Alabama [Mr. SPARKMAN] is recognized for 30 minutes.

ALL-RISK CROP INSURANCE FOR COTTON

Mr. SPARKMAN. Mr. Speaker, next week, if I understand the schedule correctly, there is due to be taken up for consideration in the House a measure to extend crop insurance to cover cotton. I believe this is a measure entitled to the very hearty support of this House on both sides. It is not a partisan matter. Such a plan was carried in the platform of each of the major parties the last time.

We have already initiated the program in the insurance of wheat, and now in the progressive extension of this program to all of the major crops of the country it is proposed to extend it to cotton. I want to discuss this measure and some of the things that it seeks to do during the time that I have allotted to me this afternoon.

Most cotton farmers have at one time or another seen their crop destroyed or substantially damaged from causes over which they have no control. In view of the fact that cotton has always been a cash crop, produced largely on borrowed money, the loss of a crop brings about financial difficulties, not only for the current year but frequently causes increased debt burdens for several additional years.

Crops losses from drought, excessive moisture, flood, hail, and so forth, cannot be prevented. They occur every year in one part of the Cotton Belt or another. Is there, then, any economically sound method by which farmers can secure protection against such losses? Many of the risks from the standpoint of the individual are eliminated or reduced through insurance in practically every type of business enterprise except farming.

Whether or not insurance against unavoidable production hazards is feasible for crops such as cotton or wheat depends to a substantial degree on (1) the development of a sound actuarial basis by which the risks can be measured; (2) the development of a program that will be attractive to all growers, in order to avoid adverse selection of risks in a county or area and between areas; and (3) competent administration of the program, including the setting up of farm coverage and premium rate per acre figures that will reflect the risks on the farm as nearly as possible, and the fair and just settlement of losses.

The Federal crop-insurance program, which provides for all-risk insurance coverage against unavoidable production hazards on wheat crops, was placed into operation for the first time on the wheat crop harvested in 1939. It was expected that experience with the insurance of wheat crops would illustrate the practical application of crop-insurance principles to this crop, and would at the same time serve as an indication of how some of the problems in connection with the insurance of other crops could be worked out.

During its first year of operation, the Federal Crop Insurance Corporation wrote 166,000 insurance contracts which were distributed over about 1,200 counties in 30 States. Wheat growers paid in nearly 7,000,000 bushels of wheat or the equivalent in cash as premiums for insurance on about 7,589,000 acres. Claims for indemnities amounting in all to nearly 9,800,000 bushels were paid on about one-third of the policies.

The Federal Crop Insurance Corporation has already written over 345,000 insurance contracts covering over 10,000,000 acres of the 1940 wheat crop. This includes largely winter wheat, and estimates indicate that a total of possibly 385,000 growers will use the all-risk insurance as a means of insuring their 1940 wheat crops. The increased interest in wheat-crop insurance in the second year amply demonstrates the popularity of all-risk insurance for that crop. It also gives some idea of how cotton-crop insurance would be accepted by cotton growers.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mr. MURRAY. Did the gentleman give any figures of how much the Government lost on its wheat-insurance program?

Mr. SPARKMAN. I shall come to that later on in the discussion.

The plan for insuring cotton crops developed in the Bureau of Agricultural Economics and outlined in House Document No. 277, Seventy-sixth Congress, first session, entitled "A Suggested Plan for Cotton-Crop Insurance," is comparable in most respects to the wheat-crop insurance program except for certain differences due to the nature of the crops. The need for and applicability of such a program in a typical southeastern cotton area can be shown by further and more detailed analysis of cotton-yield data collected by the Bureau and used in the development of the suggested insurance plan.

The hazards that the cotton farmer must face in producing a crop of cotton are no less than those involved in producing wheat or any other major crop. Consequently, the need for cotton-crop insurance, as reflected by crop failures or substantially reduced cotton yields from these unavoidable production hazards is as pronounced as for other crops. It is true that widespread crop failures occur less frequently in most of the Cotton Belt than in the Great Plains. Losses that do occur are therefore less spectacular than the wheat-crop failures in 1934 and 1936.

The fact that severe damage to cotton crops such as that suffered by farmers in parts of Alabama and Mississippi in 1939 occurs infrequently is not an indication that insurance protection is not needed. This point can be illustrated by the experience with wheat-crop insurance. The demand for insurance on wheat crops has been just as pronounced east of the Mississippi River, where crop failures are infrequent, as in the Great Plains, where crop failures are common. One reason for this is the fact that wheat yields are higher and premium rates are lower in the Eastern States, so that risks to be carried are smaller, and more protection against crop loss is available at a lower cost.

Similar demands for cotton-crop insurance will no doubt exist, because under the plan now being considered a farmer does not have to lose his crop in order to be eligible for indemnification. He can get insurance coverage up to 75 percent of his average yield. If his average yield per acre during a representative period of years is 400 pounds, he could get insurance protection up to 300 pounds per acre. If his yield on a crop insured for 300 pounds per acre amounted to 200 pounds, he would be indemnified for 100 pounds per acre, or the difference between his yield and his coverage.

That this type of protection against crop losses from unavoidable causes would be highly desirable is illustrated by table 1, which shows the annual yields of a representative sample of farms in typical counties during the years 1933–38, inclusive, the percent of farms in this sample selected in each county on which losses would have been sustained each year under the 75-percent plan, and the estimated number of farms in each county to which this percentage would apply. Included in the table are all of the seven counties of the Eighth Congressional District of Alabama which I have the honor to represent, also typical counties in Arkansas, Georgia, and Mississippi. These counties are representative of an area where cotton yields are fairly stable. The estimated number of farms in each county on which losses would have occurred had this period been used as a basis for insurance represents the percentage of all farms in the sample on which yields each year fell below 75 percent of the 1933–38 average for the farm applied to the total number of farms in the county. This means that if 10 percent of the farms in the sample studied had losses in a given year, then about 10 per-

cent of all farms in the county could be expected to have losses that year. The 6 years 1933–38 probably do not represent a period of sufficient length on which to base insurance. However, a study of yields during this period should give some idea of how yields fluctuate from farm to farm and county to county in a normal period of years.

TABLE 1.—*Annual cotton yields of a representative sample of farms, by counties, showing the estimated number and percentage of all farms in each county that would have had losses under the 75-percent insurance plan during each of the years 1933 to 1938, inclusive*

State and county	Year	Annual yield all sample farms		Farms having losses	
		Pounds	Percent of the 6-year average	Percent of farms in sample	Estimated number of farms in county
Alabama:					
Colbert County	1933	189	78.8	51.8	1,134
	1934	231	96.3	16.5	361
	1935	197	82.1	28.2	618
	1936	243	101.3	4.7	103
	1937	301	125.4	5.9	129
	1938	277	115.4	4.7	103
Jackson County	1933	285	93.4	20.5	986
	1934	287	94.1	13.3	640
	1935	270	88.5	27.7	1,332
	1936	317	103.9	7.2	346
	1937	343	112.5	2.4	115
	1938	326	106.9	14.5	697
Lauderdale County	1933	210	84.7	30.6	1,194
	1934	259	104.4	7.1	277
	1935	199	80.2	36.5	1,425
	1936	250	100.8	4.7	183
	1937	266	107.3	5.9	230
	1938	303	122.2	1.2	47
Lawrence County	1933	234	83.9	30.6	1,103
	1934	274	98.2	5.9	213
	1935	217	77.8	55.3	1,993
	1936	271	97.1	16.5	595
	1937	366	131.2	2.4	86
	1938	311	111.5	5.9	213
Limestone County	1933	256	96.2	20.0	717
	1934	283	106.4	1.2	43
	1935	213	80.1	36.5	1,308
	1936	208	78.2	42.4	1,520
	1937	296	111.3	1.2	43
	1938	337	126.7	1.2	43
Madison County	1933	218	83.2	31.2	1,371
	1934	261	99.6	7.5	330
	1935	219	83.6	30.0	1,318
	1936	247	94.3	15.0	659
	1937	320	122.1	5.0	220
	1938	309	117.9	6.2	272
Morgan County	1933	275	92.6	21.2	914
	1934	277	93.3	14.1	608
	1935	229	71.1	41.2	1,775
	1936	315	106.1	.7	30
	1937	364	122.6	1.2	52
	1938	324	109.1	7.1	306
Arkansas: Drew County	1933	193	82.5	29.4	564
	1934	184	78.6	55.3	1,061
	1935	204	87.2	23.5	451
	1936	238	101.7	10.6	203
	1937	326	139.3	5.9	113
	1938	261	111.5	18.8	361
Georgia:					
Mitchell County	1933	187	82.0	44.7	603
	1934	234	102.6	8.2	111
	1935	214	93.9	21.2	286
	1936	251	110.1	11.8	159
	1937	248	108.8	15.3	206
	1938	232	101.8	14.1	190
Sumter County	1933	210	97.7	20.0	229
	1934	208	96.7	14.1	162
	1935	215	100.0	14.1	162
	1936	220	102.3	18.8	215
	1937	239	111.2	14.1	162
	1938	196	91.2	34.1	391
Mississippi:					
Lee County	1933	198	72.8	52.4	1,256
	1934	253	93.0	13.1	314
	1935	215	79.0	50.0	1,198
	1936	305	112.1	3.6	83
	1937	356	130.9	0	0
	1938	308	113.2	8.3	199
Marshall County	1933	176	77.9	44.7	933
	1934	227	100.4	17.6	367
	1935	161	71.2	62.4	1,303
	1936	218	96.5	22.4	468
	1937	259	114.6	4.7	98
	1938	317	140.3	5.9	123

It will be noted from the table that losses occurred each year in all of the 12 counties studied, except in Lee County, Miss., in 1937. The proportion of farms having yields below three-fourths of their average ranged from 62.4 percent, or 1,303 farms in Marshall County, Miss., in 1935 to none in Lee County, Miss., in 1937. During 1935, which was probably the most unfavorable year from 1933 to 1938 in this area, due to drought, over 36 percent, or 9,769 farms out of a total of 26,795 farms in the 7 Alabama counties studied, probably had yields low enough to justify a claim for indemnity under the 75-percent insurance plan. Nearly 56 percent of the 4,485 farms in Lee and Marshall Counties, Miss., would have had losses below three-fourths of their average yield during 1935.

A study of actual farm yields from year to year shows that losses in cotton yields occur every year in one place or another. Even in 1937, when cotton yields generally were the highest in history, 3.3 percent or about 875 of the approximate 26,800 farms in the 7 Alabama counties shown in table 1 had less than three-fourths of an average crop. In Mitchell and Sumter Counties, Ga., nearly 15 percent of all farms produced less than 75 percent of an average crop in 1937 in spite of the fact that the average yield in these counties was 10 percent above normal in 1937.

It is significant to note that these crop losses continue to occur each year, even though the average yield of all farms has generally shown an upward trend since 1933. For instance, the average yield of the 12 counties shown in table 1 was about 30 percent higher in 1938 than it was in 1933, yet the 1938 yield on more than 8 percent of all farms studied in these counties was less than three-fourths of their 1933–38 average.

The number and percentage of all farms in the 12 selected counties on which yields were below three-fourths of the 1933–38 average during one or more of the years 1933–38 is shown in table 2. The advantages of having protection against crop losses through crop insurance are demonstrated by the fact that 47 percent of the farms in these counties had yields below three-fourths of their average in at least 1 year of the 6; 21 percent suffered such losses during 2 years of the 6; and 5 percent lost in 3 or more years. These percentages remained somewhat uniform from county to county, indicating that about the same percentage of farms in each county had losses one or more years. Individual farms are not identified in this table, and as a consequence, a given farm having loses in 3 years may or may not be included in those having losses in 2 years or 1 year.

TABLE 2.—*Percentage of farms in a sample group in selected counties having yields during 1 or more of the 6 years 1933–38 which were below 75 percent of their 6-year average, and the estimated total number of farms in the counties having such losses in yields*

State and county	Farms having yields below 75 percent of their average					
	1 year		2 years		3 years or more	
	Percent of farms in sample	Estimated number of farms in county	Percent of farms in sample	Estimated number of farms in county	Percent of farms in sample	Estimated number of farms in county
Alabama:						
Colbert	49.4	1,082	25.9	567	3.5	77
Jackson	41.0	1,972	16.9	813	3.6	173
Lauderdale	42.4	1,655	20.0	781	1.2	47
Lawrence	55.3	1,993	20.0	721	7.1	256
Limestone	52.9	1,896	22.4	803	1.2	43
Madison	42.5	1,868	16.2	712	6.2	273
Morgan	49.4	2,129	16.5	711	2.4	103
Arkansas: Drew	49.4	948	25.9	497	13.0	249
Georgia:						
Mitchell	58.8	793	18.8	254	5.9	79
Sumter	48.2	552	23.5	269	5.9	68
Mississippi:						
Lee	41.7	1,000	28.6	686	9.5	228
Marshall	37.6	785	40.0	835	11.8	246
Average	46.7		21.4		5.2	

The fact that losses occurred during each year does not necessarily mean that premium rates for insurance based on past loss would be high, because many of the losses were small. It is true, however, that losses were most severe in the years when the most farms had losses.

In 1933, nearly 31 percent of the farms in the 12 counties had yields below three-fourths of their average, as shown in table 3. However, few, if any, of these crop losses were complete crop failures, because the average loss in 1933 on the

sample farms studied amounted to about 14 pounds of lint per acre. While crop losses occurred on more than 60 percent of the farms in Marshall County, Miss., in 1935, the average loss per "insured" acre was only 22 pounds in that county in 1935. On the other hand, the average loss per "insured" acre in Lawrence County, Ala., during 1935 was 24 pounds, and losses occurred on 55 percent of the farms. The fact that crops losses are usually not extreme in this area indicates that premiums taken in would have exceeded losses paid out during 4 of the 6 years 1933–38. During the 2 years when indemnities would have exceeded premiums, more than one-third of all farms sustained losses justifying indemnification, and the county yields amounted on the average to about 80 percent of normal.

TABLE 3.—*Percentage of farms having losses in yields and the average lint loss per "insured" acre under the 75-percent plan in selected counties by years, 1933–38, inclusive* [1]

State and county	Percentage of farms having losses and average lint loss per acre by years, 1933 to 1938, inclusive											
	1933		1934		1935		1936		1937		1938	
	Farms having losses	Average loss per insured acre	Farms having losses	Average loss per insured acre	Farms having losses	Average loss per insured acre	Farms having losses	Average loss per insured acre	Farms having losses	Average loss per insured acre	Farms having losses	Average loss per insured acre
Alabama:	*Percent*	*Pounds*	*Percent*	*Pounds*	*Percent*	*Pounds*	*Percent*	*Pounds*	*Percent*	*Pounds*	*Percent*	*Pounds*
Colbert	52	21	17	4.0	28	9	5	1	6	1	5	1.0
Jackson	21	5	13	5.0	28	8	7	2	2	1	15	5.0
Lauderdale	31	14	7	1.0	37	9	5	3	6	1	1	.3
Lawrence	31	16	6	1.0	55	24	17	4	2	4	6	2.0
Limestone	20	10	1	.2	37	9	42	15	1	1	1	1.0
Madison	31	18	8	2.0	30	10	15	5	5	1	6	4.0
Morgan	21	5	14	4.0	41	16	1	2	1	3	7	4.0
Georgia:												
Mitchell	45	18	8	2.0	21	8	12	2	15	5	14	6.0
Sumter	20	5	14	5.0	14	5	19	6	14	2	34	6.0
Mississippi:												
Lee	52	24	13	3.0	50	13	4	1	0	0	8	2.0
Marshall	45	20	18	5.0	62	22	22	4	5	2	6	.2
Arkansas: Drew	29	13	55	12.0	24	5	11	2	6	1	19	3.0

[1] A farm would have a "loss" when the yield in any year fell below 75 percent of the 6-year (1933–38) average yield for the farm. The average loss per insured acre is the total deficiency in yield below 75 percent of the average, divided by the acreage of farms in the sample.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mr. JOHNSON of Oklahoma. The gentleman is making a very interesting, convincing, and informative address, as he always does. The gentleman's statistics, carrying details, show very clearly that he has made a wide and exhaustive study of this important subject. I am sure that the distinguished gentleman's address will meet with the approval of millions and millions of cotton farmers in the South who feel that they are not getting a square deal under the present program.

Mr. SPARKMAN. Mr. Speaker, I appreciate more than I can say the remarks of the gentleman from Oklahoma. I do believe in the program so thoroughly that I am convinced that all of us who will make a study of it will be in favor of it, because it is simply good business, applied to the farmer, or rather it simply enables the farmer to apply good business to his own productive work.

During the years 1933–38 losses occurred on about 10 percent of the sample farms in years when the crop equaled the 6-year average and losses during such years amounted to about one-third of premiums paid in. In years when the crop was 75 percent of the 6-year average, losses about doubled the premiums and would have been paid on about 60 percent of the farms. Premiums and indemnities would probably have balanced in years when the crop amounted to about 85 percent of average, during which years indemnities would have been paid on about 25 percent of the farms.

These estimates probably would not prove accurate in any given year, because they are based on average conditions, assume for the county as a whole the same relationship between average yields and average losses per insured acre as for the sample farms, and do not reflect any adverse selection of risks. Furthermore, the years 1933–38, inclusive, probably do not represent a period of sufficient length to serve as the basis for a crop-insurance program. However, the estimates do illustrate the crop-insurance principle of building up in years of good crops when premiums exceed indemnities of reserves that could be used for payment of losses in years of poor crops when indemnities would exceed premiums.

The average premium rate per acre for insurance of 75 percent of the average yield for a farm, based on losses during a representative period of years, would amount to about 10 pounds of lint per acre in the Alabama counties listed, or the equivalent of about $1 per acre at 10-cent cotton. This premium rate figure would be higher than the average lint loss per acre during the 6 years 1933–38, because it would include insurance coverage against average losses of cottonseed, as well as lint. The indemnities for losses would also be higher when indemnities for average loss in yield of cottonseed are included. However, the premium rate and the indemnity per acre would be increased by the same percentage in order to offer insurance against average losses in yields of cottonseed.

The average yield for these counties during the 6 years 1933–38 was about 260 pounds, so that this premium rate would be for a coverage of about 195 pounds per acre. Thus farmers would, on the average, pay for this "all-risk" insurance a premium amounting to a little more than 5 percent of the coverage.

These yield and premium-rate figures constitute a part of the actuarial basis for cotton-crop insurance developed by the Department of Agriculture from a study of cotton yields for the 6 years 1933–38 on nearly 70,000 farms in over 900 cotton-growing counties. The Department's suggested plan for crop insurance with respect to cotton is based on this and other research conducted during the past several years.

HOW THE COTTON-CROP INSURANCE PLAN WOULD HAVE WORKED IN SELECTED COUNTIES IN 1939

I do not for the moment know just what the cotton-crop conditions were in all of the various sections of the country during 1939. I do know that in parts of my district it was a very poor cotton year. Two counties in particular, Colbert and Lauderdale, suffered heavy losses in cotton production. I therefore asked the Department of Agriculture to give me some statistics as to how the cotton-crop insurance plan would have worked had it been in effect in 1939 and asked that Colbert and Lauderdale Counties in my district be included.

At this point, I might call your attention to the fact that as a result of the disastrous crop conditions during 1939 in Colbert and Lauderdale Counties, the Federal Government was called upon to spend large sums of money for farm relief.

I have obtained from the several agencies of the Government the amount of money, or the equivalent of money in

commodities, expended in Lauderdale and Colbert Counties, Ala., during 1939, such outlays being considered as resulting from the disastrous crop conditions in these two counties:

	Colbert County	Lauderdale County
Farm Credit Administration (Emergency Seed Loan Office)	$290.00	$1,775.00
Reconstruction Finance Corporation (Disaster Loan Division)	305.00	1,780.00
Farm Security Administration	[1] 12,400.00	[2] 13,300.00
Department of Public Welfare (representing commodities furnished by Surplus Commodities Corporation)	23,199.15	40,636.02
Total	36,194.15	57,491.02
Total for 2 counties	93,685.17	

[1] Represents 758 grants. [2] Represents 843 grants.

Mr. Speaker, that represents money paid out during the winter months of 1939, and does not include all of the additional funds that will have to be paid to help those same people in their crop planting this year and to some extent get them rehabilitated.

As a matter of fact, I am thoroughly convinced that even though the Federal Government is required to bear the administrative expense of the crop-insurance program, in the long run it is the finest economy possible for the Government. It not only gives security and stability, but over a long period of years it will effect considerable savings in farm relief expenditures. In fact, over the 10-year period from 1926 to 1936, the Federal Government spent for emergency agricultural relief $600,000,000. This was largely necessitated by crop failures.

Mr. FULMER. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mr. FULMER. I have a letter from Secretary Wallace referring to that same matter. He states that they expect to pay over $9,000,000 in the way of grants to these people. Referring to the relief, here is the difference. When you give certain grants to a farmer, certain amounts of money, and we are spending millions along that line, he uses it to take care of himself and his family, but if he had insurance, he would be able to largely pay his obligations and go on in fairly good state. Relief money does not pay his obligations, and the result is he commences his next year in bad condition because he has been unable to pay his obligations.

Mr. SPARKMAN. I fully agree with the gentleman in that statement. As I say, this simply helps the individual farmer to get stability.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mr. MASSINGALE. The gentleman observed a while ago that putting into effect an insurance program on cotton such as we have on wheat, is nothing more or less than pursuing good business principles. With that I entirely agree. I do not know what the conditions are in the State of Alabama, but out in our country where we are in the habit of mortgaging crops, such as wheat crops and cotton crops, where the farmers go to the bank, it has been a practice for a large number of years for the lender to require the owner of the crop to have it insured before he can even consummate his loan, and the same principle, of course, as the gentleman has stated should apply in loans by the Government, and if the Government can make the insurance policy, of course, it is a more direct way of getting at it. It is pure business and nothing else.

Mr. SPARKMAN. Mr. Speaker, I appreciate that contribution from the gentleman from Oklahoma. Now, in answer to the gentleman from Wisconsin [Mr. MURRAY] about the loss on wheat insurance last year, I have found a figure here that I believe is an answer to his question. One million eight hundred thousand dollars was used the first year in the payment of losses. Of course, I know that to some people that seems to give a bad picture, but I call attention to a few things that affect that loss. First of all, it is not fair to measure an insurance program by 1 year.

Mr. MURRAY. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I will in a moment. It is not fair to measure it by a single year.

As a matter of fact, in order to get a correct measure, we ought to have 5 or 10 years. I said in my statement that even a 6-year period was not sufficient.

Then another thing I want to call attention to, and that is that in this first year's program the wheat farmer was allowed to take out his insurance even after his crop had been seeded, and for that reason a great many bad risks were written. That has been changed now, and he must take out his contract prior to the seeding of his crop.

Then another thing: Last year there were only 165,000 policies. It is estimated that for the next crop there will be more than 375,000 policies. Naturally, the wider the spread, the more areas covered, the lower may be expected to be the loss.

I now yield to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY. This is rather confusing to me. I am sure that my fellow member on the committee, the gentleman from South Carolina [Mr. FULMER], will know that personally I am not trying to pick on cotton in any way, but when a Member, like the gentleman from Oklahoma [Mr. JOHNSON], gets up here and says that cotton has not had very fair consideration under this agricultural program, if it has not, I would like to know what has. For example, cotton has had 45 percent of the parity money. Some States, as you know, have had up to 27 percent of it. Your State, as I remember the figures, has paid into the Treasury $28 per capita, and has had back in benefits $135. Then I understand that in that section of the country 35 percent of the farmers are delinquent on Federal loans today. With all of this money pouring in, which represents 35 percent of the assessed valuation, then tell me you have not been treated correctly, I would like to know what you think about Wisconsin, Minnesota, and such States as those.

Mr. SPARKMAN. I should first like to say that I did not make any such statement, and it is not my purpose to argue that question. I do not want to argue that point, and I do not want to go into the question of the revenues that have been collected from the States and the benefits that have been received by the States. I have never believed that that was a sound argument. That is one of the very reasons for which the Federal Government was organized, in order that the States might stand together, and the strong States help support the weak States. But I am talking about the application of good business to the growing of cotton, in order to let the farmer carry for himself an insurance policy on his crop, with the Government simply paying the administrative expense.

Mr. GRANT of Alabama. Will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. GRANT of Alabama. Is it not a fact that you are basing your argument upon the fact that it will in part do away with a lot of Federal grants?

Mr. SPARKMAN. I certainly do think that. I brought out the fact a few minutes ago that over the 10 years from 1926 to 1936, over $600,000,000 was spent in the form of emergency agricultural relief. This kind of plan, when applied to all of the major crops, will, I believe, certainly enable our Government to cut down that vast amount of agricultural relief expenditure.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. I yield.

Mr. LEAVY. I have been very much interested in the splendid address that the gentleman is making upon this subject of cotton insurance. As a member of the Appropriations Committee and the Agriculture Department Subcommittee on Appropriations, I was proud to have part in getting ample appropriations for the last fiscal year to carry on wheat insurance. My district has many wheat growers in it. The fight was made on the initial appropriation here on the floor, and a rather bitter one, on the ground that we were proceeding on an uneconomical basis and in a manner that would lead to nothing but failure. The gentleman has shown that in the first year of operation an unusually high degree of success

has been attained. It is true a loss resulted, but that was by reason of an unusual weather condition throughout the States of North Dakota, South Dakota, Nebraska, Kansas, and Oklahoma, an unprecedented loss, and the loss that was paid through the Crop Insurance Corporation was small compared with the money that would have had to be given had there been direct relief. But the fact that 1 year's experience has proven the potential possibilities of this as a stabilizing influence on wheat would seem to me to justify an extension of this program into our next major crop, cotton; and if that is worked successfully, then on into corn, and then on into other fields of agriculture, and then these critics of some of the present farm program would have less to criticize. I cannot for the life of me see how an individual can oppose this, because it is along the most constructive lines. The lean years are cared for by the results of the abundant years. It comes more nearly establishing an ever-normal granary, in a practical way, and yet not going into the field of what some call socialism. I commend the gentleman and I would be glad to support an extension of the program into cotton.

Mr. SPARKMAN. I surely thank the gentleman from Washington. And I should like to add that, regardless of how bitterly some may criticize our present agricultural program or any other proposed agricultural program, at no time since both major parties in their respective platforms of 1936 went on record for crop insurance has any agricultural program been seriously proposed that did not include as a part of it a crop-insurance plan.

Mr. FULMER. Is it not also true that the farmer is expected to pay his own way in paying the premium?

Mr. SPARKMAN. He surely is. He pays for everything except the administrative expense.

Mr. FULMER. And the thing that should appeal to the average man representing districts other than agricultural districts is that the millions we are giving now by way of relief and for employment of farmers by W. P. A. would be eliminated to that extent and would give to the Members representing city districts where there is unemployment and relief as much as if we were to increase the total appropriation.

Mr. SPARKMAN. I think that is a powerful argument.

A general idea of how the cotton-crop insurance plan might have operated in selected counties had the insurance been in effect on the 1939 crop may be obtained by assuming that insurance had been written in 1939 on the same representative farms selected at random which were used in developing the actuarial basis for insurance. From available acreage and yield data it was possible to develop average yields and premium rates per acre for insurance on the 1939 crop for the sample farms in accordance with the insurance plan outlined by the Department of Agriculture in the publication entitled "A Suggested Plan for Cotton-Crop Insurance."

Under this plan the average yield for each farm for the base period 1933–38, inclusive, was determined as the average of the yield figures for the farm for these 6 years. These annual-yield figures for a substantial proportion of farms in each county are on file in the office of the county agricultural conservation committee. The 6-year average yield was then adjusted by a statistical process in order to reflect the yield on the individual farm for the longer, more representative period of years, 1928–38, inclusive. The amount of insurance per acre for the farm under the 75-percent plan would be 75 percent of the adjusted-average yield. This figure is commonly referred to as the coverage per acre.

The premium rate per acre was computed for each farm by averaging the loss experience for the farm with the loss experience for the county. The county-loss experience, or loss cost, represents the average of the loss experiences of all sample farms in the county. As in the case of average yields, the loss experience figures represent 6-year data for individual farms adjusted to the 11-year basis. Thus the premium rate per acre for a farm would be the loss experience—or average loss per planted acre—for the farm for the 6 years 1933–38, adjusted to reflect the 11-year, 1928–38, loss experience, and then averaged with the county loss experience for the same 11 years. Consequently the farm premium rate reflects both the risks that affect the individual farm and those that affect all farms in the county alike.

The premium rate per acre thus developed was applied to the acreage planted to cotton in 1939 on each sample farm to arrive at the total premium that would have been paid for the farm.

In order to determine the loss in yield per acre, if any, that each farm sustained in 1939, the actual yield for each farm in 1939 was compared with the amount of insurance per acre. Had a farm been insured for 200 pounds of lint per acre and the 1939 yield amounted to 150 pounds per acre, then the grower would be entitled to indemnification for 50 pounds per acre, or the cash equivalent thereof, determined from current market prices. In case the farm yielded 200 pounds per acre or more in 1939, then no indemnity for loss would be due.

The five counties in which 1939 yields have been analyzed in this study to determine the extent of crop losses had an insurance program been in effect in 1939 are Lauderdale and Colbert Counties in northwestern Alabama in my district, Marengo County in southwestern Alabama, Chickasaw County in eastern Mississippi, and Washington County in the Mississippi Delta. All of these counties except Washington represent an area in which widespread crop losses occurred in 1939. Cotton yields in the Delta were considerably above the average in 1939, so that the experience in Washington County serves as a contrast to that in the other counties.

A summary of the results that could have been expected in the 5 selected counties in Alabama and Mississippi had the sample farms been insured under the 75-percent plan in 1939 is shown in table 1.

TABLE 1.—*Average basis for insurance in selected counties, had a cotton-crop insurance program been in effect in 1939* [1]

State and county	Adjusted average yield per acre	Average coverage per acre	Average premium rate per acre, 1939	Average premium rate per acre as a percentage of the average coverage per acre, 1939	Average premium per farm, 1939	Average cotton acreage per farm, 1939
Alabama:	*Lbs. lint*	*Lbs. lint*	*Lbs. lint*	*Percent*	*Lbs. lint*	*Acres*
Colbert	214	161	7.4	4.6	75	10.1
Lauderdale	236	177	5.9	3.3	78	13.3
Marengo	159	119	8.5	7.1	145	17.0
Mississippi:						
Chickasaw	180	135	13.2	9.8	213	16.1
Washington	291	218	14.4	6.6	1,646	114.3

[1] Yield and premium rate figures are based on the plan and the procedure outlined in H. Doc. 277, 76th Cong., 1st sess., entitled "A Suggested Plan for Cotton-Crop Insurance." They represent average figures for sample farms in each county for the years 1933–38 inclusive, adjusted to reflect the experience during the years 1928–38 inclusive. Premium rates shown are for lint coverage, and were not increased to provide additional protection against losses of cottonseed. Actual acreage and yield data for 1939 were obtained for each sample farm.

The average of the yields used as a basis for insurance ranged from 291 pounds of lint in Washington County, Miss., to 159 pounds in Marengo County, Ala. Within the counties the yields showed wider variations between farms, ranging from 485 pounds to 76 pounds in Washington County and from 287 pounds to 35 pounds in Marengo County. Yields that would be used as the basis for insurance on the 1941 crop would include the 1939 experience and would not be the same as those used for the insurance in 1939.

Premium rates per acre also varied widely between farms, although the premium rate for a farm would be based partly on the variation in yield on the farm and partly on the average variation in yield on sample farms in the county. The county average premium rate per acre was highest in Washington County—14.4 pounds—but was lower in Lauderdale County, Ala.—5.9 pounds—than in Marengo County—8.5 pounds. In Washington County the premium rate per acre for individual farms ranged from 38 pounds to 9 pounds, and in Marengo from 33 to 5 pounds. As in the case of yields, premium rates for insurance in 1941 would include the 1939

experience and might be lower or higher than for 1939. Furthermore, the premium rates used in this study were based on lint coverage and were not increased to provide insurance protection against losses in yields of cottonseed.

A comparison of the premium rates per acre for the country as a whole or for an individual farm does not reflect the cost of insurance in terms of the protection offered, because yield, or coverage, and premium rates per acre are not often directly related to each other. This means that a high-yielding farm may have a low premium rate, or vice versa. Premium rates per acre expressed as a percentage of the coverage affords a better comparison. On this basis the per-acre cost of this all-risk crop insurance to the average farmer was 9.8 percent in Chickasaw County, 7.1 percent in Marengo County, 6.6 percent of the coverage in Washington County, Miss., 4.6 percent in Colbert County, and 3.3 percent in Lauderdale County, Ala. Thus the premium rate in terms of protection afforded was highest in Chickasaw County, Miss., and lowest in Lauderdale County, Ala.

The average acreage planted to cotton per farm in 1939 varied from 114.3 acres in Washington County, Miss., to 10.1 acres in Colbert County, Ala. Consequently, the total premium per farm amounted on the average to 1,646 pounds of lint in Washington County, and 75 pounds for the average grower in Colbert County. In four of five counties shown in table 4, the average premium payment per farm would have been less than a bale of cotton. Even in Washington County, the total premium for almost 54 percent of the farms would have amounted to less than 500 pounds of lint. In the other four counties, the total premium would have amounted to as much as 500 pounds of lint on only 4 percent of the farms studied. This indicates that the payment of premiums in the cash equivalent or by some means other than in lint cotton would be desirable or necessary in practically all cases.

CROP LOSSES IN 1939

The county average yield per acre in 1939, the percent of all farms studied on which losses would have been sustained had the farms been insured under the 75-percent plan in 1939, and the average loss per insured acre are shown in table 5. The 1939 crop was below 70 percent of the average for the 11 years 1928–38 in all of the five counties except Washington, Miss. In Colbert, Marengo, and Chickasaw Counties, the yield in 1939 was about 55 percent of 11-year average, and losses were sustained on three-fourths of all farms studied in these counties. The premium rate that would have been paid for insurance in 1939 amounted on the average to 9.7 pounds per acre in these three counties, and the average loss that would have been sustained was 48.1 pounds per insured acre. Thus the average loss per insured acre that would have been sustained in 1939 in these three counties was over five times as large as the premium per acre that farmers would have paid for insurance. It should be kept in mind that the 1939 average yield per acre in each of these counties was lower than for any year during the 11 years 1928–38. In fact, complete crop failures in 1939 were reported on about 9 percent of the farms studied in these three counties. As in the premiums, the indemnities shown are for lint loss, and were not increased to provide for additional indemnification for losses in yields of cottonseed.

The most important single factor contributing to the severe crop losses in this area was excessive rains, which began in May and continued into July. Most farmers were only able to cultivate a small portion of their crops. Most of the cotton on bottom land was either washed up, covered up, or drowned out. A few crops were destroyed by hail. Conservative estimates made late in June indicated that the crop could not exceed 40 percent of average.

Washington County, Miss., was included in this study for the purpose of comparing the experience in a county in which very few losses occurred with that in the other counties where losses were common. The county yield in this county in 1939 was 34 percent above the 11-year average, and losses in yield under the 75-percent insurance plan occurred on only 3 percent of the farms studied. The average indemnity per insured acre amounted to only 0.6 pound, or about 4 percent of the county average premium rate per acre that would have been paid in 1939.

If insurance had been written on one-half of the acreage in each of the five counties, the total indemnities collected by farmers would have exceeded the premiums they paid by 3,791 bales, as shown in table 6. In this table, the average premium rate per acre and average loss per insured acre for each county were applied to one-half the acreage planted in the county in 1939. The highest loss ratio would have been in Colbert County, where indemnities would have exceeded premiums by 1,434 bales; while the lowest ratio would have occurred in Washington County, where premiums would have exceeded indemnities by 1,583 bales. The similarity between total premiums and total indemnities and the excess of indemnities over premiums in the three Alabama counties is striking.

TABLE 2.—*Average cotton yield, the percentage of farms on which losses would have been sustained had the 1939 crop been insured under the 75-percent plan in selected counties, the average lint loss per insured acre in pounds and as a percent of the 1939 premium* [1]

State and county	Average yield 1928–38, inclusive	Average yield all sample farms in 1939		Percent of sample farms having losses under 75-percent plan in 1939	Average loss per insured acre, 1939	Percent 1939 indemnity was of 1939 premium
		Lint	Percent of 11-year average			
Alabama:	*Lbs. lint*	*Lbs.*	*Percent*	*Percent*	*Lbs. lint*	*Percent*
Colbert	214	119	55	75	50.6	686
Lauderdale	236	164	69	54	35.0	591
Marengo	159	89	59	74	34.8	410
Mississippi:						
Chickasaw	180	83	51	75	58.9	445
Washington	291	380	134	3	.6	4

[1] Based on data for sample farms selected at random in each county. These farms would reflect the county experience in 1939 had they been representative of the farms insured. Indemnities are for lint cotton and were not increased to provide additional indemnification for losses in yields of cottonseed.

TABLE 3.—*Total premium, total indemnity, and excess of indemnity or premium had one-half the total acreage in each county been insured under the 75-percent plan in 1939*

State and county	One-half of 1939 cotton acreage	Total premium	Total indemnity	Excess	
				Indemnities over premiums	Premiums over indemnities
Alabama:	*Acres*	*Bales* [1]	*Bales* [1]	*Bales* [1]	*Bales* [1]
Colbert	15,850	244	1,678	1,434	
Lauderdale	22,650	281	1,658	1,377	
Marengo	22,600	401	1,645	1,244	
Mississippi:					
Chickasaw	13,810	383	1,702	1,319	
Washington	54,925	1,653	70		1,583
Total	129,835	2,962	6,753	3,791	1,583

[1] 500-pound gross-weight bales.

The accuracy of an estimate of the result of an insurance program in the area represented by this group of counties had the 1939 crop been insured would depend on the extent to which the sample farms represented the farms on which insurance would be written in an insurance program. Moreover, the experience in these five counties could hardly be expected to accurately represent the experience in any large area of Alabama or Mississippi. However, four of the counties do represent a section in western Alabama and eastern Mississippi in which cotton yields were generally lower in 1939 than they had been for a number of years. The other extreme is represented by Washington County, Miss., where yields in 1939 were considerably above the average.

This wide variation in yields between comparatively small areas shows how very low yields, causing severe losses, even in one section of a State might be offset by high yields and very few losses in another section of the State. It also demonstrates that by a spread of risks over the entire Cotton Belt severe losses in a given area during any year would be offset by fewer losses in other areas, because extreme crop losses over the entire cotton-growing area have never occurred simultaneously.

While crop failures occur every year in one part of the Cotton Belt or another, losses as severe as those in part of Alabama and Mississippi in 1939 are very infrequent in that area. Consequently growers in the area are not as well prepared to meet financial difficulties brought about by crop failures as those in areas where losses are expected at more frequent intervals. For many farmers in the area the indemnity that would have been received for their 1939 crop loss would have been sufficient to pay premiums on insurance for as many as 10 or 12 succeeding years, provided such severe losses did not reoccur during that period. [Applause.]

[Here the gavel fell.]

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein certain tables referred to.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

The SPEAKER pro tempore. Without objection the Chair recognizes the gentleman from Maryland [Mr. KENNEDY].

INTERNATIONAL GRAIN CO., INC.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2356) for the relief of the International Grain Co., Inc., with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read as follows:

Page 1, line 7, strike out "$18,499.61" and insert "$18,490.81."

The Senate amendment was agreed to and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Michigan [Mr. DONDERO] is recognized for 15 minutes.

A MILLION FORD CARS IN A YEAR

Mr. DONDERO. Mr. Speaker, on the streets, in business and financial circles, in public forums and in the public press, much has been heard about idle funds—dollars without jobs as well as men without jobs, banks filled with money waiting to go to work, idle capital that has been driven into seclusion only waiting for a fair chance to come out and begin new industries and expand old ones.

Why this condition exists is no longer a secret. Some blame industry and business for not putting this money to work and thus provide employment for those now unemployed. The opposite view is that unwise legislation and the attitude of Government itself has made capital unwilling to assume the risk and take chances with crushing taxes, Government competition, increased labor costs, and uncertainty.

Here in the Nation's Capital recently a man came into possession of a substantial sum of money. He was enthusiastic to start a small industry which had long been his dream. It would employ about 40 men. But when he was informed that his dream of establishing a factory would cost him about $3,000 in registration fees and corporation expenses under rules and regulations imposed by the Securities and Exchange Commission his courage collapsed, his enthusiasm died, and with it his dream of engaging in industry. Forty men will continue to walk the streets looking for jobs. They and their dependents might have been provided with the necessities of life from good wages from this employment, and their visions and hopes and dreams of better days also died with the dream of the man who would have employed them. The fate of one was the fate of the others, and who was to blame for the failure?

This man's experience came to my mind as I stood on the steps of this Capitol Building with other Representatives from my State of Michigan, to be photographed with the twenty-eight millionth Ford car, which came into Washington today on an international goodwill tour.

A year ago we stood on the same step when the twenty-seven millionth Ford car came to Washington. Not long ago the General Motors Co., which has a number of its factories situated in my congressional district, celebrated the production of its twenty-five millionth Chevrolet car.

What does it mean to build a million cars? In 1 year a million Ford cars are manufactured. I have obtained some facts concerning the automobile industry. It ought to be encouraging to all of us, and it ought to awaken in all of us increased confidence in the capacity of private enterprise to provide employment and its ability to contribute so much to the general welfare of the American people. The building of a million cars in 1 year by this one company, the Ford Motor Co., has provided employment for thousands of workers, directly and indirectly. What is said about this one company can also be said about the Chrysler Corporation, the General Motors Corporation, the Hudson Motor Co., and other motor industries in Detroit and Michigan. Over 100,000 persons, including many women, have been working on these 1,000,000 Ford cars at the Ford factory at Detroit, Mich., and other Ford plants throughout the country. In every one of the 48 States of the Union something is obtained that goes into the production of these cars.

I believe that one of the greatest aids we have in the solution of our economic problems can be found in the expansion of private business and industry, and for that reason I have made it a point to discover and learn what materials go into, and what it means to manufacture a million Ford cars.

In metallurgy alone I find that this twenty-eight millionth Ford car, of which I have just spoken, requires 4,600 pounds of iron ore, 1,500 pounds of limestone, 400 pounds of iron, and 1,900 pounds of steel. It requires nearly 2½ tons of coal to furnish the heat, and then there is, also, aluminum, cadmium, and steel, and strange as it may seem 694 pounds of sand for molds and the glass plant. Wages are paid to obtain this sand and transport it before it ever reaches the workers in the factory. This is also true of the iron ore, the limestone, and the coal. In order to arrive at some idea or opinion of what it means to manufacture a million cars, multiply these figures I have just given by a million and you have the total metals and minerals used in the production of Ford cars last year.

Let us now turn our attention to agriculture. What has the building of a million Ford cars done in the past year for the products of the farms, ranches, and plantations. Let us begin with cotton. It requires more than half a million acres, 577,500 acres to be exact, to produce the cotton used by the Ford Motor Co. in upholstery, tires, brake linings, timing gears, safety glass, top and curtain materials, 112,000,000 feet of lumber is used in the body construction and shipping containers. A countless number of shipping containers are required for which nails must be purchased and carpenters employed to make the boxes and drive the nails.

Sixty-nine million pounds of rubber are used not only in the manufacture of tires but in mountings, gaskets, mats, running-board covers, insulation, steering wheels, and convertible top materials. And here let me say that we Americans both of North and South America can take pride in the pioneering done by Henry Ford to grow rubber in this Western Hemisphere. From the Ford plantation, 600 miles up the Amazon River in Brazil, latex is now being shipped to the monster automobile factory at Detroit to be used in the new tire plant.

In Indiana, Michigan, and other States soybeans have become not only an important but a rapidly increasing cash crop to farmers due to the experimentation carried on by Ford. The oil from this lowly bean is used in paint, enamel, shock absorbers, and core oil. The meal which remains or the residue is used in molded parts, horn buttons, coil covers, light switches, and gear-shift knobs. The farmers of this land plant 50,000 acres each year of soybeans to grow the amount necessary to produce these million Ford cars.

To this must be added 17,500,000 acres of flax for paint, core oil, soft soap, and glycerin for these cars. Sixteen thousand acres must be planted to produce the tung oil for top materials, varnish, and brake linings.

It required the corn that grows on 11,280 acres to produce the butyl alcohol, top-coating materials, and artificial rubber that are necessary in places which come in contact with oil and gasoline. Jute, hemp, sisal, and manila fiber also

are used in this mass production, as well as a million gallons of alcohol and other products of sugarcane. The gaskets on these cars require 250,000 pounds of cork. Leather and lacquers use up 240,000 pounds of castor oil.

Let us now turn from agriculture to the animal kingdom. The wool from 800,000 sheep is used in the floor coverings, gaskets, upholstery, and antirust lubricants. Thirty thousand cows furnish the leather that goes into these 1,000,000 Ford cars. Twenty thousand hogs contribute to the lard oil, and their bristles are used for brushes. Let us not overlook the goats. Seventy-eight thousand five hundred of them yield 350,000 pounds of mohair for pile fabric and window-channel fabric.

With the addition of this latest million cars manufactured through the past year by this one company, the Ford Motor Co., not to say anything about the great General Motors Co. and others, has paid $700,000,000 in taxes, nearly $5,000,000,000 in wages to its employees, and more than twice as much, or $10,000,000,000, to other companies for materials.

So, while newspaper headlines have been focusing our attention on the war-torn countries of the Old World during the past year, this one industry, the Ford Motor Co., has gone on quietly producing another million cars, with all that it means to the wage earner, to the distribution of American purchasing power, and the welfare of the American people. [Applause.]

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 9016. An act to amend the joint resolution creating the Niagara Falls Bridge Commission.

BILL PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 9016. An act to amend the joint resolution creating the Niagara Falls Bridge Commission.

ADJOURNMENT

Mr. BOLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.) the House adjourned until tomorrow, Friday, April 12, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10 a. m., Friday, April 12, 1940, for the consideration of House Joint Resolution 487. Important. Hearing will be held in room 1304, New House Office Building.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet at 10:30 a. m., Friday, April 12, 1940, to consider House Joint Resolution 501, for the relief of the distressed and starving men, women, and children of Poland.

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

There will be a meeting of the Committee on Merchant Marine and Fisheries at 10 a. m., Tuesday, April 16, 1940, at which time the committee will consider the bill (H. R. 8475) to define American fishery.

COMMITTEE ON THE CIVIL SERVICE

Hearings on boards and courts of appeals bills will begin on Tuesday, April 16, 1940, at 10 a. m., room 246, Old House Office Building.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 16, 1940, at 10:30 a. m., in room 328, House Office Building, to consider H. R. 7152.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1542. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to amend an act entitled "An act providing for the transfer of the duties authorized and authority conferred by law upon the board of road commissioners in the Territory of Alaska to the Department of the Interior, and for other purposes," approved June 30, 1932; to the Committee on the Territories.

1543. A letter from the chairman, Virginia (Merrimac)-Monitor Commission, transmitting the report of the Virginia (Merrimac)-Monitor Commission; to the Committee on the Library.

1544. A letter from the Secretary of the Interior transmitting a communication from the Commissioner of the Bureau of Reclamation submitting a report relative to the feasibility of constructing reservoirs for joint irrigation and flood control purposes on the San Luis Valley project on the Rio Grande headwaters in Colorado (H. Doc. No. 693); to the Committee on Irrigation and Reclamation and ordered to be printed, with illustrations.

1545. A letter from the Acting Attorney General, transmitting recommendations for the amendment of the Canal Zone Code; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HEALEY: Special Committee to Investigate the National Labor Relations Board. Part II, minority views on House Resolution 258. Resolution creating a select committee to investigate the National Labor Relations Board (Rept. No. 1902). Referred to the Committee of the Whole House on the state of the Union.

Mr. WOODRUM of Virginia: Committee of conference. H. R. 7922. A bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 1953). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on World War Veterans' Legislation was discharged from the consideration of the bill (H. R. 9076) for the relief of Bruno Capogrecco, and the same was referred to the Committee on Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of Indiana:

H. R. 9345. A bill to restore certain disabled veterans of the Regular Establishment who were disabled in line of duty to the pension roll; to the Committee on Invalid Pensions.

By Mr. LEAVY:

H. R. 9346. A bill to promote the rehabilitation of the migratory fish of the Columbia River required by the construction of the Grand Coulee Dam; to the Committee on Merchant Marine and Fisheries.

By Mr. GEARHART:

H. R. 9347. A bill to provide for the acquisition of certain public and private lands within the Sierra National Forest, in the State of California; to the Committee on the Public Lands.

H. R. 9348. A bill providing for the punishment of persons who shall knowingly make use of false statements in connection with the preparation or presentation of claims against foreign governments; to the Committee on the Judiciary.

By Mr. CANNON of Florida:

H. R. 9349. A bill authorizing the Secretary of the Treasury to grant to the city of Fort Lauderdale, Fla., an easement or easements authorizing such city to construct and maintain a highway and utility facilities over the United States Coast Guard reservation known as Base Six at Fort Lauderdale, Fla.; to the Committee on Merchant Marine and Fisheries.

By Mr. JONES of Ohio:

H. R. 9350. A bill to provide for the continued payment of pension or other compensation to widows of war veterans who remarry; to the Committee on Invalid Pensions.

By Mr. DEROUEN:

H. R. 9351. A bill to amend the act for the preservation of American antiquities, approved June 8, 1906 (34 Stat. 225), and for other purposes; to the Committee on the Public Lands.

By Mr. BUCKLER of Minnesota:

H. R. 9352. A bill for the relief of the Red Lake Band of Chippewa Indians of Minnesota; to the Committee on Indian Affairs.

By Mr. SACKS:

H. J. Res. 512. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary; to the Committee on the Library.

By Mr. SHERIDAN:

H. J. Res. 513. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary; to the Committee on the Library.

By Mr. RUTHERFORD:

H. J. Res. 514. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary; to the Committee on the Library.

By Mr. WOLVERTON of New Jersey:

H. J. Res. 515. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary; to the Committee on the Library.

By Mr. SCHWERT:

H. J. Res. 516. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary; to the Committee on the Library.

By Mr. COX:

H. Res. 463. Resolution providing for the consideration of H. R. 8813, a bill to amend the National Labor Relations Act; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND:

H. R. 9353. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim, or claims, of Paula Lieban Anderson; to the Committee on Claims.

H. R. 9354. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim, or claims, of Dan T. Kennedy, a resident of the Territory of Alaska; to the Committee on Claims.

By Mr. GILCHRIST:

H. R. 9355. A bill for the relief of O. A. Thoreson; to the Committee on Claims.

By Mr. GARRETT:

H. R. 9356. A bill for the relief of Hjalmar M. Seby; to the Committee on Claims.

By Mr. GUYER of Kansas:

H. R. 9357. A bill for the relief of Dewey S. Elliff; to the Committee on Claims.

By Mr. GROSS:

H. R. 9358. A bill for the relief of John S. Small; to the Committee on Claims.

By Mr. TENEROWICZ:

H. R. 9359. A bill for the relief of Anthony Probe; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7410. By Mr. HARNESS: Petition of 93 members of the Townsend Club of Hartford City, Ind., urging that the Congress give due and favorable consideration to House bill 8264; to the Committee on Ways and Means.

7411. Also, petition of 55 members of Townsend Club, No. 1, Fairmount, Ind., urging discharge of the Committee on Ways and Means and passage of House bill 8264; to the Committee on Ways and Means.

7412. By Mr. KEOGH: Petition of the American Federation of Labor concerning House bill 9195, with reference to amendments to Labor Relations Act; to the Committee on Labor.

7413. Also, petition of the Wholesale Licensed Alcoholic Beverage Salesmen's Union, New York City, concerning House bill 9195, with reference to amendments to National Labor Relations Act; to the Committee on Labor.

7414. Also, petition of American Graphite Co., Ticonderoga, N. Y., concerning Smith committee amendments to Labor Act; to the Committee on Labor.

7415. Mr. KRAMER: Resolution of the Southern California Chapter of the American Institute of Architects, relative to the provisions of Senate bill 591; to the Committee on Banking and Currency.

7416. Mr. PFEIFER: Petition of the American Graphite Co., Ticonderoga, N. Y., urging support of the Smith amendments to the Labor Act; to the Committee on Labor.

7417. Also, petition of the Wholesale Licensed Alcoholic Beverage Salesmen's Union, New York City, urging support of House bill 9195, amending the National Labor Relations Act; to the Committee on Labor.

7418. Also, petition of the American Federation of Labor, Washington, D. C., approving amendments to House bill 9195, the National Labor Relations Act; to the Committee on Labor.

7419. By Mr. SPRINGER: Resolution of the highway industry of Indiana, through Indiana Highway Constructors, Inc., urging that Congress, in making any appropriations for financing relief projects, require that construction projects be performed under the contract system; to the Committee on Appropriations.

7420. By the SPEAKER: Petition of the San Francisco Labor Council, San Francisco, Calif., favoring the passage of Senate bill 591; to the Committee on Banking and Currency.

7421. Also, petition of the International Hod Carriers, Building, and Common Laborers' Union of America, Local No. 1135, Bowling Green, Ohio, supporting Senate bill 591; to the Committee on Banking and Currency.

7422. Also, petition of the State Conference of the Daughters of the American Colonists in New York City, asking Congress to set aside August 25 as Mary Ball, Mother of Washington Day, in commemoration of Mary Ball Washington, the mother of George Washington; to the Committee on the Post Office and Post Roads.

7423. By Mr. VAN ZANDT: Petition of the Charles R. Rowan Post, No. 228, of the American Legion, Altoona, Pa., protesting against the proposal of the War Department to cancel the existing list of eligibles for appointment as warrant officer, United States Army; to the Committee on Military Affairs.

SENATE

FRIDAY, APRIL 12, 1940

(Legislative day of Monday, April 8, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Most gracious God, whose tender mercies are over all Thy works, who seest the suffering and misery which reign in a world today: We commend to Thy fatherly pity all who are oppressed with care and are heavy laden with labor and sorrow. Deal tenderly, dear Lord, with all the poor, with the sick and afflicted, and all who are dependent on the public care. Give unto us and this whole people grace to show kindness toward all whom Thy dear Son has called his brethren, that by the sacrament of human sympathy, there may, through us, be mediated some measure of Thy love divine.

We implore Thy help in this time of our world's great need. Quicken to repentance those who by willful indifference or blatant selfishness are responsible for this all-but-universal chaos. By Thy holy will assuage, we beseech Thee, the bitterness of this great calamity, and help us as a nation to seek more diligently to do Thy bidding and to live more and more in humble dependence upon Thee; through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, April 11, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate, by Mr. Latta, one of his secretaries, who also announced that on April 11, 1940, the President had approved and signed the following acts and joint resolution:

S. 166. An act for the relief of Nathan Kaplan;

S. 454. An act for the relief of Ernest S. Frazier;

S. 607. An act to amend section 40 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended;

S. 1442. An act for the relief of Max J. Mobley;

S. 1510. An act for the relief of George Louis Artick;

S. 1856. An act conferring jurisdiction upon the United States District Court for the District of Rhode Island to hear, determine, and render judgment upon the claim of George Lancellotta;

S. 2201. An act for the relief of Alabama Lewis Poole;

S. 2252. An act for the relief of Louis Simons;

S. 2491. An act for the relief of Edward J. Gebhart;

S. 2492. An act for the relief of Dane Goich;

S. 2527. An act for the relief of Mary Nouhan;

S. 2531. An act for the relief of Stanley Falk, Howard Franklin, Mrs. Nathan Falk, and Rose Winter;

S. 2609. An act to reimpose the trust on certain lands allotted to Indians of the Crow Tribe, Montana;

S. 2689. An act to amend section 33 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes;

S. 2977. An act authorizing the construction and maintenance of a dike or dam across Stansbury Creek in Baltimore County, Md.;

S. 3068. An act to provide an additional sum for the payment of a claim under the act entitled "An act to provide for the reimbursement of certain personnel or former personnel of the United States Navy and United States Marine Corps for the value of personal effects destroyed as a result of a fire at the Marine Barracks, Quantico, Va., on October 27, 1938," approved June 19, 1939;

S. 3209. An act granting the consent of Congress to the Mississippi State Highway Commission to construct, maintain, and operate a free highway bridge across the Pearl River at or near Carthage, in the State of Mississippi; and

S. J. Res. 153. Joint resolution to approve the action of the Secretary of the Interior in deferring the collection of certain irrigation charges against lands under the Blackfeet Indian irrigation project.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the bill (S. 2505) to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2356) for the relief of the International Grain Co., Inc.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Schwartz
Ashurst	Downey	La Follette	Schwellenbach
Austin	Ellender	Lee	Sheppard
Bailey	Frazier	Lodge	Shipstead
Bankhead	George	Lucas	Smathers
Barbour	Gerry	Lundeen	Smith
Barkley	Gibson	McCarran	Stewart
Bilbo	Gillette	McKellar	Taft
Bone	Glass	McNary	Thomas, Idaho
Bridges	Guffey	Maloney	Thomas, Okla.
Brown	Gurney	Mead	Thomas, Utah
Bulow	Harrison	Miller	Tydings
Burke	Hatch	Murray	Vandenberg
Byrd	Hayden	Norris	Van Nuys
Byrnes	Herring	Nye	Wagner
Capper	Hill	O'Mahoney	Walsh
Caraway	Holman	Overton	Wheeler
Chandler	Holt	Pepper	Wiley
Clark, Idaho	Hughes	Pittman	
Connally	Johnson, Calif.	Reed	
Danaher	Johnson, Colo.	Russell	

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from New Mexico [Mr. CHAVEZ], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Rhode Island [Mr. GREEN], the Senator from Indiana [Mr. MINTON], the Senator from West Virginia [Mr. NEELY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Illinois [Mr. SLATTERY] are detained from the Senate on public business.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS], and the Senator from Delaware [Mr. TOWNSEND] are unavoidably absent.

The Senators from Maine [Mr. HALE and Mr. WHITE] are absent in attendance upon the funeral of late Representative Smith of Maine.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

TRIBUTE TO SENATOR BURKE, OF NEBRASKA

Mr. BROWN. Mr. President, I should like to make a very brief statement regarding the defeat of the junior Senator

from Nebraska [Mr. BURKE] in the Democratic primary in Nebraska last Tuesday.

This is no time to write a political obituary for Senator BURKE. Nebraska has proven its independence of political partisanship many times. What the future holds I do not know, but the Democratic Party has lost a great Senator. No man in the Senate has greater political courage than has Senator BURKE. There must be some quality in the wide, windswept plains of Nebraska that infuses the sons of Nebraska with courage. The great senior Senator from Nebraska [Mr. NORRIS] bucked the tide of conservatism which overran this Government in the twenties, and his independence has made him a national figure.

I have not always agreed, in fact, I have often disagreed, with the junior Senator from Nebraska. I know nothing of his opponent, and I do not speak of him today. But I would rather be represented by a man of courage and conviction who disagreed with me than by one whose guiding star was political expediency.

Only the game fish swim upstream. ED BURKE often resisted the tide. He always spoke and he always voted his convictions. Expediency often urged him to "go along." When expediency met head on with his beliefs, he never went along. It is probable he would have been victor last Tuesday if he had gone along. When his beliefs were with the administration, he had the same courage.

Many thought that Senator BURKE antagonized powerful groups in his State when he boldly expressed the hope that the Allies would win in the present war, and that we should do all within our neutrality to aid them. Politically, silence in his case might have been better. ED BURKE would not remain silent to be expedient.

Mr. President, there are many courageous men in the Senate. The man Nebraska's Democracy turned down was one of the first among them.

APPORTIONMENT OF REPRESENTATIVES IN CONGRESS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2505) to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments, which was, to strike out all after the enacting clause and insert:

That an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, is hereby amended in the first sentence of section 22 (a) by striking out the words "second regular session of the Seventy-first Congress" and substituting the following words: "first regular session of the Seventy-seventh Congress", and by striking out "fifteenth" and inserting "sixteenth."

SEC. 2. The first sentence of section 22 (b) of such act is amended to read as follows: "If the Congress to which the statement required by subdivision (a) of this section is transmitted has not, within 60 calendar days after such statement is transmitted, enacted a law apportioning Representatives among the several States, then each State shall be entitled, in the next Congress and in each Congress thereafter until the taking effect of a reapportionment under this act or subsequent statute, to the number of Representatives shown in the statement based upon the method used in the last preceding apportionment."

Mr. VANDENBERG. I move that the Senate concur in the House amendment.

The motion was agreed to.

FRANK CASEY—VETO MESSAGE (S. DOC. NO. 180)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Military Affairs and ordered to be printed:

To the Senate:

I am returning herewith, without my approval, S. 2433, an act for the relief of Frank Casey.

The bill provides that in the administration of the pension laws or any laws conferring rights, privileges, or benefits upon persons honorably discharged from the United States Army, Frank Casey shall be held and considered to have been honorably discharged on November 18, 1889, as a sergeant, Company B, Fifth Regiment United States Infantry.

The military record of this former soldier shows that he received an honorable discharge as a private from a 5-year enlistment in the Army on June 21, 1884; that he reenlisted on July 15, 1884, and while serving as a sergeant in the above company, was tried by general court martial on August 5, 1889, upon charges involving disobedience of lawful orders and drunk and disorderly conduct. He was convicted and sentenced to reduction to the grade of private and confinement at hard labor for 3 months and was discharged as a private on November 19, 1889, when his sentence expired, at which time he was not in a status of honor at discharge and his discharge was therefore held not honorable.

The Secretary of War recommends that the bill be not approved for the reason that there appears to be no justification for the proposal to place the beneficiary of this bill in a different status from that which applied to others discharged from the Army other than honorably, and I concur in the opinion and recommendation of the Secretary of War.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 12, 1940.*

ACCEPTANCE OF LAND GRANTED BY SOUTH CAROLINA

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to accept the grant to the United States of certain land by the State of South Carolina and to authorize its use by the United States Coast Guard, which, with the accompanying papers, was referred to the Committee on Commerce.

TRANSPORTATION OF EMPLOYEES OF ALASKA ROAD COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the transportation of employees of the Alaska Road Commission, and to validate payments made for that and other purposes, which, with the accompanying paper, was referred to the Committee on Territories and Insular Affairs.

PETITIONS

The VICE PRESIDENT laid before the Senate a resolution of Union No. 450, United Brotherhood of Carpenters and Joiners of America, of Ogden, Utah, relative to the W. P. A. construction program, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution on neutrality and peace adopted by the Texas district of the American Lutheran Church, favoring the taking of all necessary action to keep the United States out of the present European conflict, which was referred to the Committee on Foreign Relations.

Mr. GIBSON presented petitions signed by 275 members of the American Post Office Employees of New York City, N. Y., praying for the enactment of the so-called Gibson bill, being the bill (S. 540) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, which were referred to the Committee on Civil Service.

REPORTS OF COMMITTEES

Mr. BYRNES, from the Committee on Appropriations, to which was referred the bill (H. R. 8438) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes, reported it with amendments and submitted a report (No. 1422) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 3712) to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes, reported it without amendment and submitted a report (No. 1423) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

S. 3761. A bill granting an increase of pension to Margaret B. Leppelman (with accompanying papers); to the Committee on Pensions.

By Mrs. CARAWAY:

S. 3762. A bill for the relief of Christine E. Needham; to the Committee on Finance.

By Mr. SHEPPARD:

S. 3763. A bill for the relief of Capt. David H. Passell and First Lt. Paul E. LaMaster; to the Committee on Claims.

(Mr. BRIDGES introduced Senate bill 3764, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. DOWNEY:

S. J. Res. 248. Joint resolution to authorize the President to present the Distinguished Flying Cross to Frank W. Seifert and Lt. V. Hine, deceased; to the Committee on Military Affairs.

PRINTING OF JUDICIAL DECISIONS AFFECTING THE CORRUPT PRACTICES LAWS

Mr. NYE submitted the following resolution (S. Res. 258), which was referred to the Committee on Printing:

Resolved, That the manuscript entitled "Judicial Decisions Affecting the Corrupt Practices Laws in the United States," submitted by Senator GERALD P. NYE on April 10, and referred to the Committee on Printing, be printed as a Senate document.

TRIBUTE TO SENATOR GLASS BY JESSE H. JONES

[Mr. BYRNES asked and obtained leave to have printed in the RECORD an address by Hon. Jesse H. Jones at the sixteenth annual banquet of the Virginia State Chamber of Commerce, at Richmond, Va., on April 11, 1940, paying tribute to Senator GLASS, which appears in the Appendix.]

ADDRESS BY ACHILLES CATSONIS AT AHEPA BANQUET

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD the address delivered by Mr. Achilles Catsonis at the Ahepa banquet, held at the Mayflower Hotel, Washington, D. C., on March 4, 1940, which appears in the Appendix.]

COMMON SENSE FROM LANDON, EDITORIAL FROM THE KANSAS CITY STAR

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial from the Kansas City Star of April 5, 1940, entitled "Common Sense from Landon," which appears in the Appendix.]

THOMAS C. CORCORAN—SECURITIES AND EXCHANGE COMMISSION

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article from the United States News of April 12, 1940, entitled "Tom Corcoran's Success," and an editorial from the Cleveland Plain Dealer of March 23, 1940, entitled "Investigate the S. E. C.," which appear in the Appendix.]

REIMBURSEMENT OF COTTON COOPERATIVES

The Senate resumed the consideration of the bill (S. 2585) to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes.

The VICE PRESIDENT. When the Senate took a recess yesterday the parliamentary situation, as the Chair understands it, was that a resolution (S. Res. 257) had been submitted by the Senator from Tennessee [Mr. MCKELLAR] to refer the pending bill to the Court of Claims. The question comes upon that resolution.

Mr. MCKELLAR. Mr. President——

The VICE PRESIDENT. The Senator from Tennessee.

Mr. BARKLEY. Mr. President, will the Senator from Tennessee yield to me to make a parliamentary inquiry?

Mr. MCKELLAR. Certainly.

Mr. BARKLEY. I inquire if that is an independent resolution or is it in the form of an amendment to the bill?

The VICE PRESIDENT. It is an independent resolution.

Mr. MCKELLAR. Mr. President, I will explain it in a moment, and I may say to the Senate that I shall take but a very short time this morning, and that we will have a vote, I hope, in a few minutes, and dispose of this matter finally. Before explaining as to the resolution I wish to make reference to a statement that was made yesterday about the experts examining these accounts. Fortunately, we have in the testimony a statement as to the examination of the accounts. Take the Alabama association, for instance. I quote from a letter from the Alabama Farm Bureau Cotton Association:

> During the period of approximately 9 years intervening between the respective dates of the original transactions and the present time, many of the underlying records necessary to an accurate determination of carrying charges and carrying time have been abandoned by the association, and, for the most part, the employees who originally handled the transactions for the association have severed their connections with the association.
>
> It was, therefore, impracticable for us at this late date, to make specific identifications of transactions to the cotton in question.
>
> The foregoing paragraphs have particular reference to carrying charges incident to future contract cotton, such as transfers and transfer costs, fluctuations in the differences between the futures contract months, etc.

The Senate will recall that it has come out in the testimony that of the 1,300,000 bales of cotton comprised in the 16-cent loans the cooperatives immediately sold 800,000 bales, and bought 800,000 bales of futures. That set up a complicated condition that ought to be examined into before the Senate pays out this large sum of money.

I also refer to the audit of the Georgia association, prepared by Ernst & Ernst. It states that the auditors had been notified by the officials of the American Cotton Association that practically all of the Georgia records had been lost or destroyed, and that to arrive at the figures the auditors, on instructions of the American Cotton Cooperative Association, used the per-bale figures of Alabama, as the carrying charges and the holding time of Georgia and Alabama are "closely parallel and reasonably comparable."

Here is testimony that the Alabama cooperatives did not have the records and did not know what the carrying charges were; and the Georgia association was in exactly the same fix, but based its guesses upon the Alabama figures, which nobody knew anything about. So that is the way these figures have been arrived at. These figures by the so-called experts of Ernst & Ernst were brought here upon the statement made by the American Cotton Cooperative Association, which wants to have these large sums given to it—given to it—when we referred the wheat claims of the remainder of the country to the Court of Claims to establish if there was any reason why a legal or a moral claim should be allowed against the Government.

I desire to read to the Senate the authority for the motion which is now made.

Section 151 of the Revised Statutes of the United States, page 1138, volume 36, part 1, has the following provision:

> Whenever any bill, except for a pension—

When pension bills come up, we allow them or disallow them—

> is pending in either House of Congress providing for the payment of a claim against the United States—

Just as this is—

> legal or equitable, or for a grant, gift, or bounty to any person, the House in which such bill is pending may, for the investigation and determination of facts, refer the same to the Court of Claims, which shall proceed with the same in accordance with such rules as it may adopt, and report to such House the facts in the case and the amount, where the same can be liquidated, including any facts bearing upon the question whether there has been delay or laches in presenting such claim or applying for such grant, gift, or bounty, and any facts bearing upon the question whether the bar of any statute of limitation should be removed or which shall be claimed to excuse the claimant for not having resorted to any established legal remedy, together with such conclusions as shall be sufficient to inform Congress of the nature and character of the demand, either as a claim, legal or equitable, or as a gratuity against the United States, and the amount, if any, legally or equitably due

from the United States to the claimant: *Provided, however,* That if it shall appear to the satisfaction of the court upon the facts established that under existing laws or the provisions of this chapter the subject matter of the bill is such that it has jurisdiction to render judgment or decree thereon, it shall proceed to do so, giving to either party such further opportunity for hearing as in its judgment justice shall require, and it shall report its proceedings therein to the House of Congress by which the same was referred to said court.

Mr. President, why is not that entirely fair? Here are these claims, with doubt about every one of them. There is no question that there is doubt about them. We are all in doubt about them. I presume I have less doubt about them than most other persons, because I have examined them more carefully, probably, than anyone else; but if there is a legal or an equitable claim on account of this cotton, and it is established by an independent and an impartial court like the Court of Claims, I want to say that I will vote for the payment of any such legal or equitable claims as may be found. I am unwilling, however, in the present state of the record and of the proof, the uncertainty about it, to vote for it as one would put his hand into a grab-bag. We do not know whether or not we are doing right. Therefore I have submitted this resolution; and if Senators will listen to it for just a moment—I hope they will; it is very short—they will see what it provides:

Resolved, That the bill (S. 2585) entitled "A bill to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes", now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act—

That is the act which I have just read—

entitled "An act to codify, revise, and amend the laws relating to the judiciary", approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

Mr. President, that resolution was suggested to me by the distinguished senior Senator from North Carolina [Mr. BAILEY]. He felt that that was the proper way to dispose of this matter. I have agreed with him. If we owe these people anything, if there is a legal or an equitable claim, it can be established by the Court of Claims. They will have every opportunity to establish it. All the papers in these hearings will go before the court. They will have every opportunity to determine the matter. I have submitted this resolution so as to give them every opportunity to do so.

I had overlooked the statute of 1911 until the Senator from North Carolina was good enough to call it to my attention. Thereupon I felt that, of course, this was the right way to deal with the matter; and I thank the Senator from North Carolina most cordially for his good advice.

As has heretofore been stated, I do not believe this is a just claim; but, out of abundance of caution, I do not want to deny to any person or to any organization a claim for which there is legal or real equitable ground. If the Government honestly owes a claim, it ought to pay it. The Court of Claims is a tribunal which is accustomed to looking into these questions. That court, without fear, without bias, without interest of any kind, nature, or description, will determine the claim on its merits and will report to us first whether it is a legal claim or an equitable claim and will also report the amount of the claim. I hope the resolution will be agreed to.

With that statement, I ask for a vote; but, before we vote, may the yeas and nays be ordered? I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McKELLAR. Now I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Barkley	Byrd	Clark, Idaho
Austin	Bilbo	Byrnes	Connally
Bailey	Bridges	Capper	Danaher
Bankhead	Brown	Caraway	Donahey
Barbour	Bulow	Chandler	Ellender
Frazier	Holman	Mead	Shipstead
George	Johnson, Calif.	Miller	Smathers
Gerry	Johnson, Colo.	Murray	Smith
Gibson	King	Nye	Stewart
Gillette	La Follette	O'Mahoney	Taft
Glass	Lee	Overton	Thomas, Idaho
Gurney	Lodge	Reed	Thomas, Okla.
Harrison	Lucas	Russell	Thomas, Utah
Hatch	McCarran	Schwartz	Vandenberg
Hayden	McKellar	Schwellenbach	Van Nuys
Hill	McNary	Sheppard	Wiley

The VICE PRESIDENT. Sixty-four Senators have answered to their names. A quorum is present.

The question is on agreeing to the resolution offered by the Senator from Tennessee [Mr. McKELLAR]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS], which I transfer to the senior Senator from Maryland [Mr. TYDINGS], and vote "yea."

Mr. LA FOLLETTE (when his name was called). On this question I have a pair with the junior Senator from Rhode Island [Mr. GREEN]. Not knowing how he would vote, if present, I withhold my vote.

The roll call was concluded.

Mr. BYRNES. I have a general pair with the Senator from Maine [Mr. HALE], which I transfer to the Senator from Indiana [Mr. MINTON], and vote "nay."

Mr. SHIPSTEAD. I have a pair with the Senator from Arizona [Mr. ASHURST], which I transfer to the Senator from Washington [Mr. BONE], and vote "yea." I am advised that, if present and voting, the Senator from Washington would vote "yea."

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS], the Senator from Arizona [Mr. ASHURST], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Rhode Island [Mr. GREEN], the Senators from West Virginia [Mr. HOLT and Mr. NEELY], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Connecticut [Mr. MALONEY], the Senator from Indiana [Mr. MINTON], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Illinois [Mr. SLATTERY] are detained from the Senate on public business.

The Senator from Washington [Mr. BONE], the Senator from California [Mr. DOWNEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Iowa [Mr. HERRING], the Senator from Delaware [Mr. HUGHES], the Senator from Florida [Mr. PEPPER], the Senator from Nevada [Mr. PITTMAN], the Senator from New York [Mr. WAGNER], and the Senator from Montana [Mr. WHEELER] are detained in committee meetings.

The Senator from Delaware [Mr. HUGHES] is paired with the Senator from New York [Mr. WAGNER]. I am advised that if present and voting, the Senator from Delaware would vote "yea," and the Senator from New York would vote "nay."

The Senator from Massachusetts [Mr. WALSH] is attending a naval conference at the White House. I am informed that, if present, he would vote "yea."

Mr. AUSTIN. The Senator from Delaware [Mr. TOWNSEND], who would vote "yea" if present, is paired on this question with the Senator from North Carolina [Mr. REYNOLDS], who would vote "nay."

The Senator from Maine [Mr. HALE], would vote "yea," if present. His pair and transfer have been heretofore announced.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Pennsylvania [Mr. DAVIS] is unavoidably absent.

The Senators from Maine [Mr. HALE and Mr. WHITE] are absent, attending the funeral of the late Representative Smith, of Maine.

The result was announced—yeas 34, nays 29, as follows:

YEAS—34

Adams	Gerry	Lucas	Stewart
Bailey	Gibson	McCarran	Taft
Barbour	Glass	McKellar	Thomas, Idaho
Bridges	Gurney	Mead	Thomas, Utah
Bulow	Hayden	O'Mahoney	Vandenberg
Byrd	Holman	Reed	Van Nuys
Chandler	Johnson, Colo.	Schwartz	Wiley
Danaher	King	Shipstead	
Donahey	Lodge	Smathers	

NAYS—29

Austin	Clark, Idaho	Hill	Russell
Bankhead	Connally	Johnson, Calif.	Schwellenbach
Barkley	Ellender	Lee	Sheppard
Bilbo	Frazier	McNary	Smith
Brown	George	Miller	Thomas, Okla.
Byrnes	Gillette	Murray	
Capper	Harrison	Nye	
Caraway	Hatch	Overton	

NOT VOTING—33

Andrews	Guffey	Neely	Truman
Ashurst	Hale	Norris	Tydings
Bone	Herring	Pepper	Wagner
Burke	Holt	Pittman	Walsh
Chavez	Hughes	Radcliffe	Wheeler
Clark, Mo.	La Follette	Reynolds	White
Davis	Lundeen	Slattery	
Downey	Maloney	Tobey	
Green	Minton	Townsend	

So Mr. McKELLAR's resolution (S. Res. 257) was agreed to, as follows:

Resolved, That the bill (S. 2585) entitled "A bill to reimburse the cotton cooperative associations for losses occasioned by the Federal Farm Board's stabilization operations, and for other purposes," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims, in pursuance of the provisions of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; and the said court shall proceed with the same in accordance with the provisions of such act and report to the Senate in accordance therewith.

The VICE PRESIDENT. The resolution having been agreed to, the pending measure, Senate bill 2585, is disposed of because it is referred to the Court of Claims.

KATHERINE M. DRIER

The VICE PRESIDENT. The Senate has made a special order of Calendar No. 1346, Senate bill 3097.

The Senate proceeded to consider the bill (S. 3097) for the relief of Katherine M. Drier.

Mr. AUSTIN. Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 4 (c) of the Settlement of War Claims Act of 1928, the Secretary of the Treasury is hereby authorized and directed to pay forthwith, out of the German special deposit account in the Treasury of the United States, to Katherine M. Drier, an American citizen, formerly resident in Germany, the sum of $160,000, together with interest thereon at the rate of 5 percent per annum from January 1, 1920, being the amount due said Katherine M. Drier pursuant to an agreement between the United States of America and the German Government under which all the claims of said Katherine M. Drier against the German Government were settled and adjusted.

Mr. AUSTIN. Mr. President, I intend to make a fairly thorough explanation of the claim covered by the pending bill, for the reason that I have just received by messenger the following letter signed by J. Harry Covington, a lawyer here in Washington, as follows:

DEAR SENATOR AUSTIN: I yesterday informed the New York counsel for the American holders of awards from the German-American Mixed Claims Commission (and which awards are still largely unpaid), of your proposed amendment to the bill (S. 3097) for the relief of Katherine M. Drier. They called me yesterday evening to say that after a conference with the committee representing the award holders they are still opposed to the diminution of the special fund in the Treasury available for the partial payment of Mixed Claims Commission awards which will result from payment on account of a claim rejected by the Commission through decision by the umpire. They said that they are therefore wiring the two Senators from the State of New York and Senators on the Finance and Foreign Relations Committees, setting forth their opposition to the Drier bill.

I feel it is proper for me to inform you of their action.

Sincerely,

J. HARRY COVINGTON.

I had supposed on the face of the correspondence previously received, and on the basis of conferences, that the amendment which I intend to offer to the bill entirely satisfied all these lawyers, because the amendment, which I will now read, places the claimant, Mrs. Drier, on substantially the same footing with reference to participation in the German special deposit account as these lawyers and clients are.

I now read the amendment, which I intend to offer at the conclusion of my explanation of the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. KING. I think the view expressed by the Senator as to placing Mrs. Drier in the same category as the other claimants is substantially correct, except that the others who are receiving portions of the fund produced testimony before the committee which justified the awards. With respect to this $160,000 carried by the bill, the claim for that amount was not presented and approved by the Commission, which was set up under the treaty between the United States and Germany. The claim of this lady has not been proven before the Commission in the same manner as the other claims have been proven.

Mr. AUSTIN. Mr. President, there is a misunderstanding on the part of the distinguished Senator from Utah about the real situation. Certainly there must be a misunderstanding on the part of lawyers who would write what has been written in the letter which I just read to the Senate, namely—

On account of a claim rejected by the Commission through decision by the umpire.

That is a misunderstanding of the facts, and it is a misunderstanding that ought not to exist, because the decisions of the umpire are in writing, and they are quoted in the hearings and in the report to the Senate.

I am sorry to have to state the case out of its natural and logical order, but since the Senator from Utah has raised the point at this time let me say that the original bill in the language in which it was couched was based upon something which the Mixed Claims Commission did not have legal jurisdiction of at all, namely, an accord and satisfaction entered into through diplomatic negotiations between the Government of Germany and the Government of the United States. It was the introduction into an already pending petition in the Mixed Claims Commission by Mrs. Drier, of this extraneous and different character of a claim, that caused the umpire to hold that he had no jurisdiction to pass upon the merits of her claim or to find the amount of her damages. So it is not quite exact, and certainly it is not equitable, to deny this woman recovery of justice and recovery of equity, on the theory stated in the letter which I read, that the Mixed Claims Commission have held against her on her claim, or on the other theory stated here, that they have heard it and denied it or that she has failed to prove it.

I shall now read from the memorandum made by H. H. Martin, counsel for the American Commissioner, on the day when this agreement was entered into, compromising and settling a claim of more than $1,000,000 for $160,000, and the interest thereon at 5 percent from January 20 until the time of payment, with an understanding among all that that amount was to be paid within a very short time. Senators will observe as I read that it was referred to as to be settled within 2 days afterward. I now read a letter from H. H. Martin, counsel for the American agent, dated February 28, 1933, addressed to Mr. Aron, who was counsel for the claimant, Mrs. Drier:

DEAR MR. ARON: I am enclosing herewith for your information and any comment and correction you care to make therein, a short

memorandum covering our conference of yesterday with the German agent in relation to the Drier claim, Docket Nos. 4712 and 11485.

The German agent has not as yet called me up in relation to this claim. I assume accordingly that he has not as yet heard from the Foreign Office authorizing his settlement of the claim on the basis arrived at yesterday. As soon as I hear anything from the German agent I shall promptly advise you.

Very truly yours,

H. H. MARTIN, *Counsel.*

Here is what he enclosed:

MEMORANDUM

FEBRUARY 27, 1933.

CONFERENCE RE DRIER CLAIM, DOCKET NOS. 4712 AND 11485

I had a conference this afternoon in regard to the Drier claim. There were present the German agent, H. G. Aron, Esq., counsel for claimant, and myself. This conference began about 2:30 p. m. and ended about 5:30 p. m.

At the beginning of the conference the German agent was advised by me that Mr. Aron had cabled claimant, who is now abroad, asking her for the minimum figure she would take in consideration of a prompt settlement of the claim. Claimant replied to this cable to the effect that she was not interested in a settlement but was willing to allow the matter to follow its regular course before the Commission.

I, however, said that I had talked the matter over with Mr. Aron and it was agreeable to me to proceed with the conference with a view to endeavoring to arrive at a figure that he and Mr. Sargent, who is associated with him in this claim, would agree to submit to the claimant. Mr. Aron in the first place advised the German agent that he had no figure in mind, but that he was, however, willing to proceed with the conference and endeavor to arrive at a figure that he and Mr. Sargent might consider acceptable and then advise claimant by cable of their conclusions and further tell her that if this figure was not acceptable to her they would then withdraw from the claim.

Mr. Aron further said that shortly prior to the entering of the award of April 1929, he had strongly recommended to claimant that she be fully satisfied with an award on the basis of a principal recovery of $500,000 and that he was willing at this time to abide by that advice to his client but that she was thoroughly convinced that she should recover practically the full amount of the claim. On this basis we then proceeded to discuss figures.

After considerable discussion back and forth, Mr. Aron said that in arriving at his figure of $500,000 principal he was willing to have the proposed additional award as of January 1, 1928, reduced by 20 percent in order that the difference in the present value of the dollar and the value of it as of 1928 might be taken into account. In addition, he recognized the justice of taking into consideration a 3-year period of interest during the time between the handing down of the award of April 1929 and the filing of the petition for the further award on November 18, 1932, as during this time it could not be said with any justice that Germany should be responsible for interest.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. AUSTIN. I have not quite finished the reading. I should like to finish reading this memorandum. I call attention, in passing, to the fact that this is a current memorandum, made on the very day that the agreement was entered into, February 27, 1933.

I now continue reading the memorandum:

Applying these principles, we arrived at a figure of $160,000, with interest at 5 percent from January 1, 1928 [this date is typographical error for 1920], as being Mr. Aron's conception of an award his client should be willing to take by way of compromise settlement. This figure the German agent said he would recommend to the Foreign Office for acceptance and Mr. Aron said that he would send off this evening a telegram to Mr. Sargent advising him of the settlement and asking his approval of a joint cablegram recommending her acceptance of the figure. The German agent is to advise me in the morning as soon as he hears from the Foreign Office as to whether it will approve this settlement. I am to immediately advise Mr. Aron as to the position of the Foreign Office in the matter.

If this settlement goes through, it is with the distinct and definite understanding that all claims as of this date the claimant is asserting against the German Government are to be wiped out. This includes not only the claim before the Commission but the diplomatic claim that has been asserted by claimant arising out of the treatment she has received in recent years in Germany.

H. H. MARTIN.

Then follows the letter of March 1 to Mr. Aron:

MARCH 1, 1933.

H. G. Aron, Esq.,
Bar Building, New York, N. Y.

DEAR MR. ARON: This will confirm our telephone conversation of this noon in relation to the proposed settlement of the Drier claim, Docket Nos. 4712 and 11485.

The German agent advised me just a few minutes ago that he had received authority for making settlement of the Drier claim in accordance with our conference of the 27th ultimo. Under this settlement we are to get a further award of $160,000, with interest at 5 percent from January 1, 1920, to date of final payment.

As I understand, this settlement is satisfactory to you and Mr. Sargent as attorneys for claimant, and it is your purpose to cable claimant for her approval. You expect to receive claimant's reply so as to notify me of her attitude sometime tomorrow in order that final disposition of the claim may be made by the Commission at a meeting that will probably be held Friday the 3d instant.

That is, within 2 days.

You, of course, understand the position of the German agent in reference to this and other settlements covering claims that are now pending before the Commission, the understanding being that the arrangement involves the disposition of all claims pending before the Commission. So far as I am now aware, there will be nothing to interfere with carrying out this arrangement.

Sincerely yours,

H. H. MARTIN, *Counsel.*

I now yield to the Senator from Washington.

Mr. SCHWELLENBACH. I should like to ask the Senator a question, and in order to ask the question I shall have to state my understanding.

From hearing the testimony I had no doubt that Mrs. Drier had a justifiable claim. The question in my mind was whether or not she was entitled to 100 percent of her money, while the other claimants to this fund would receive probably only 80 percent of theirs. At the time of the hearing the Senator and counsel for Mrs. Drier appeared before the committee and stated, as I recollect—I am sure with complete reason so to state—that the other claimants had no objection to Mrs. Drier receiving 100 percent. The letter which the Senator has just read, which came in today, indicates that the other claimants do object.

It is true that in the letter the lawyer makes a mistake in describing how the claim happened to be disposed of, but, nevertheless, the letter does indicate an objection on the part of the other claimants. So far as the question of the 100 percent is concerned, as compared with the 80 percent, the impelling motive was the fact that the other claimants did not object. I ask the Senator whether this letter does not change the situation.

Mr. AUSTIN. Mr. President, I am glad the Senator has asked that question at this point because I can clear it up completely.

At the time I presented this matter to the committee it was my understanding that the letters, which are in the hearings on pages 38 and 39 as exhibit 7, one being addressed to H. H. Martin, Esq., counsel to the American agent, Mixed Claims Commission, United States and Germany, Washington, D. C., signed by Davis, Polk, Wardwell, Gardiner & Reed, dated January 2, 1937; another by the same firm to the Mixed Claims Commission, United States and Germany, Department of State, Washington, D. C., dated the same day; and another by the same firm to Harold G. Aron, dated January 2, 1937, expressed the assent of the distinguished lawyers who represented the award holders to the allowance and payment of Mrs. Drier's claim on condition that she would not rely upon the Munich protocol. She withdrew her reference to the Munich protocol and was therefore entitled to the benefit of the waiver.

After the bill had been reported to the Senate, I learned, through distinguished Senators and through Mr. Covington, who represents the firm of Davis, Polk, Wardwell, Gardiner & Reed, that that situation may have been true then, and in the condition of the claim before the Mixed Claims Commission, but that it could not be applied to any other form of recovery.

In other words, merely because Mrs. Drier's claim was turned aside as not within the jurisdiction of the Commission, and she was forced to come to another sanctuary for her relief, these distinguished lawyers now say, "We object."

In connection with that objection I have an amendment, which I was about to read when the interruption occurred, and which will meet entirely and completely the claim that, if this bill should be passed, the other claimants would have to wait a little longer than Mrs. Drier would have to wait for the huge sums of money which they seek to obtain out of the $26,000,000. I am remedying that situa-

tion by offering for the acceptance of the Congress—and it ought to be accepted—this amendment:

On page 1, line 6, strike out "forthwith."

On page 2, line 4, before the period, insert a colon and the following: "*Provided*, That payment of such sum of $160,000 and interest thereon as herein provided shall be made as follows:

"(1) There shall be paid forthwith to the said Katherine M. Drier an amount which bears the same proportion to such sum and interest thereon as the amounts heretofore paid out of such special deposit account to claimants on whose behalf awards have been made by the Mixed Claims Commission, United States and Germany, bear to the total awards so made to such claimants; and

"(2) Payment of the balance of such sum and interest thereon shall be prorated on the basis of the amount of the respective payments authorized by section 2 (b) of the Settlement of War Claims Act of 1928, as amended, and remaining unpaid."

Does the Senator comprehend the effect of that amendment?

Mr. SCHWELLENBACH. I will say to the Senator that, if his statement is correct and she waived her rights under the Munich protocol after the receipt of this letter from the New York firm of attorneys, I think the Senator is going much further than he would need to go. It would seem to me, if she waived those rights upon the basis of this letter, that they would be estopped from later objecting to the award in the amount of 100 percent.

Mr. AUSTIN. Mr. President, I am not standing on an estoppel at all; I am not standing here before the people of America upon a technicality. Let me tell the simple story, and I will leave it to the justice and honesty of every citizen in America as to whether we ought not to pass this bill forthwith.

Mrs. Drier was born in Vermont, and while a young lady went over to Germany to perfect her education in music. There she married a baron. In 1913 her husband died, leaving a will by which he devised to her a castle, called Bonnewitz, which was of a value of more than a million dollars.

This is not a guess. The evidence presented to the Commission included a statement and opinion by a man who certainly was worthy of trust on such a matter—Carl Adolfo von Carlowitz, chamberlain to the King of Saxony, in which kingdom this property was located. This witness, who had been familiar with the property all his life and had always taken a special interest therein, as it originally belonged to one of his ancestors, after looking through the various documents, expressed the opinion that—

The immovable and movable property mentioned in the beforesaid documents must have had a value of from five to six million gold marks in the year 1919. (Exhibit G, filed March 19, 1929, being one of the documents turned over to the German agent June 1, 1927.)

This opinion, coming from a neighbor who held the rank of chamberlain to the King of Saxony, is assuredly entitled to material weight, particularly as there has never been made any suggestion, either directly or indirectly, as to his incompetency or his lack of fairness.

As to the forest land—and the Senate will understand that forest land in Germany is worth more than it is in our great country—the valuator of the forest land was the Royal Forester of Saxony. There were opinions by other experts, who were not American experts, but were German experts; and in the whole record before the umpire of the Mixed Claims Commission there will not be found one particle of evidence qualifying or denying the valuations. In the answer, an answer which was made 2 years after the German agent had had these valuations in hand, knew all about them, and after he had been to Germany where he could interview the witnesses, check any error or any extravagant opinion, and be well advised how to answer, he came in and filed an answer to the effect that he did not have sufficient knowledge either to deny or affirm anything with respect to the valuations placed on the property by the valuators.

Mr. President, I do not expect the United States Senate to pass upon the question of the value of that property, but it should be borne in mind that, in addition to the confiscation of this valuable estate, the German Government has used this woman most shamefully. She was arrested by the German Government on two different occasions and committed to jail under circumstances which called for the condemnation of even the German consul in the city of New York. It was through the efforts of friends and officials that she found bail and was released from jail on both occasions, but the bail was confiscated by the German Government. Thus there arose a diplomatic claim in addition to the claim which came within the jurisdiction of the Mixed Claims Commission, a claim in addition to the claim for the seizure of her property.

As I have pointed out in this memorandum of the American agent, all these claims were compromised and settlement and accord and satisfaction were made and entered into between the German agent and the American agent, which included the diplomatic negotiations between the Secretary of State and the Ambassador of Germany, for the payment immediately of $160,000, with interest thereon at 5 percent from January 1920 to the time of payment, in full accord and satisfaction of all her claims against the German Government.

Mr. President, for 20 years this poor woman has been striving to get justice. She has had two awards. The validity of her claim has been recognized time and time again; but full satisfaction of it has never been accorded to her, although she was awarded $48,000 on one occasion and $250,000 on another occasion. Still her financial condition is such that in 1931 she was just about level with the world, her debts paid, and in a position and at an age in life when the payment of the remainder of the indemnity ought to have been made to enable her venerable years to be passed without suffering what she has had to go through ever since.

Now, let me point out how many distinguished witnesses there are who have testified to the accuracy of this accord and satisfaction as bearing upon the obligation of the United States Congress to see that out of these German moneys held in the United States this claimant at least should be indemnified.

Mr. President, I realize that after 20 years of effort in the attempt to secure justice the file becomes cluttered up, and there are numerous things to which in the time of the Senate I ought to take to give to this matter I cannot refer, but I think those few which are referred to establish beyond any doubt whatever that there is no question here whether this is a debt due to a national of the United States which has been agreed to by the debtor and to collect which there is no forum other than the Congress of the United States to which she can go, she having been turned out of the Mixed Claims Commission solely on a technicality—well, it was more than a technicality; it was on the fact that the Mixed Claims Commission has not the authority of a court to enforce an accord and satisfaction. That was the ground of the rejection of her claim. As to her not having established it before that Commission, that is a queer claim to make today, when this poor creditor has been turned out and has not been given an opportunity to establish the fact that she had closed the incident by an agreement between the two governments concerned.

Mr. President, I ask the Senate to listen to a simple, clear statement by the Secretary of State, Cordell Hull, a man whose word every Senator respects. I read from a letter from Cordell Hull to His Excellency Hans Luther, dated May 7, 1934, in which he said, in part:

I regret that the German Government is unwilling to have this case closed along with the other cases on which agreements were reached by the two agents in February of last year.

Senators will realize that this communication is dated 1934; and we are standing upon an agreement made on February 27, 1933, a year before that.

He says:

The claim was the subject of discussion between the American and German agents and counsel for the claimant at various times, and on February 27, 1933, an additional amount of $160,000 was agreed upon. The German agent, so I am informed, stated

that he could not give his final approval to the settlement until he had consulted his government. It appears that later, namely, on March 1, he informed the American agent that his government had approved the settlement, and this information was conveyed to counsel for the claimant.

That ought to end it, but there is more:

Since that time the claim has been included in the list of claims on which tentative settlements had been reached, and prior to the receipt of your note of May 7, 1934, no condition was stated, except that the work of the Commission be promptly closed. The present correspondence is calculated to limit the work of the Commission so as to bring its work to an end at the earliest practicable date. The failure to settle this claim in accordance with the understanding reached more than a year ago is placing the claimant and this Government in an embarrassing position, since both had relied upon the agreement reached and had considered the case as definitely settled, save for the formal consummation of the arrangement.

That is not hearsay, Mr. President. That is a communication by the diplomatic representative of the United States Government to the diplomatic representative of the debtor, the German Government. Was he bound to say anything? Was the man to whom this communication was addressed bound to reply? Mr. President, as good lawyers, we recognize that mere silence is not evidence; but silence when a man ought to speak is evidence, and the circumstances here were such that the representative of the German Government ought to have spoken or forever hold his peace, for this communication was in the Mixed Claims Commission before the umpire, a place where the truth or falsity of this claim was to be passed upon.

Did the German representative deny that settlement entered into? He did not. He never denied it; and how can we listen and give any force and effect to the claims of these lawyers, with their big fees, coming in here to block and obstruct and hold back this poor woman from recovering on that promise in this the only forum to which she can go for justice?

That is one witness. Now let me call your attention to another, whose probity and whose position as representing us all is worthy of weight. I read, from page 25 of the hearings, a letter from the President of the United States, Franklin D. Roosevelt, written to me August 24, 1935, in which the following occurs; and the whole letter may be read with much benefit by every Senator, for it is in the hearings, and it ought to be read with benefit by these lawyers.

The subject matter of this petition for further award later became the subject of discussions between the American and German agents and counsel for the claimant.

This is the President telling me about this claim concerning which I had written and asked.

And on February 27, 1933, an additional amount of $160,000, with interest from January 1, 1920, was agreed upon by the two agents and acquiesced in by counsel for claimant. On March 1, 1933, the German agent informed the American agent that his government had approved this settlement. Counsel for the claimant was notified of this on the same day.

Like settlements were reached during the month of February 1933 by the two agents with respect to a number of other claims then pending before the Commission. These settlements, that were in the nature of compromise agreements, however, could not be given final validity until submitted to and approved by the Commission.

Shortly thereafter the German Government indicated its readiness to have these compromise settlements submitted to the Commission for approval on condition that the work of the Commission should thereupon be considered as closed and the Commission dissolved. This condition, made subsequent to the settlement negotiations, was one that the Commission, in the absence of instructions from the two Governments, had no power to agree to and the settlements accordingly could not be submitted to the Commission for its final approval.

This is in the letter of the President of the United States.

Counsel for the claimant was notified of this on the same day.

Again, at another place in the letter appears the following, referring to the scene in the Mixed Claims Commission to which I have already referred:

On May 7, 1934, the German Government finally agreed to allow the claims on which the two agents had arrived at compromise settlements in February 1933 to go before the Commission for awards. The German Government, however, excepted from this arrangement the Drier claim, giving as the reason for this exception that the evidence on which the award in 1929 was predicated appeared "to be not beyond suspicion."

In other words, they are trying their case on suspicion.

And that further time would be required for making an appropriate investigation with respect to this evidence.

Now, note this: This is the President saying this:

No evidence, however, on which these suspicions of the German Government were based has ever been furnished the Department.

Senators will notice that I have called attention to the current memorandum, which proves to the satisfaction of any reasonable person the making of the settlement and accord. I have called attention to the presentation of that statement in the Mixed Claims Commission by correspondence between the diplomatic representatives of the United States and Germany, in which the assertion is positively made, and is not denied. I have called attention to the fact that the Chief Executive of one of the parties to that settlement—namely, the President of the United States—has repeated almost in haec verba the exact, substantial terms of the agreement. I am now going to call your attention to one more matter, and that is the statement of the American agent made before the Mixed Claims Commission, not idly made, but the claim of the representative of a party and a great party; namely, a treaty power, a nation, in that tribunal in which each of those nations had a representative, and both had an umpire.

I read from an exhibit in the hearings which begins on page 26, a memorandum relating to the claim of Katherine M. Drier against Germany, filed before the Mixed Claims Commission, United States and Germany, under the agreement of August 10, 1922—42 Statutes 2200:

In the report of the agent of the United States submitted to the Secretary of State on December 31, 1934, the following statements are made with respect to the claim of Katherine M. Drier:

I am turning over to page 27, and quoting therefrom only a paragraph:

An interesting example of the treatment according enemy property in Germany, in at least one instance, is afforded in the claim of Katherine McNider Drier (Docket Nos. 4712 and 11485), an American national who had resided in Germany for a number of years prior to the entry of this country into the war.

On page 28, another paragraph:

Following the filing of the second petition several conferences have been had between H. H. Martin, counsel for the American agent, counsel for claimant, and the German agent. As the result of these conferences a tentative agreement was reached that the two agents would join in recommendation to the Commission that a further and additional award be entered in this claim in the amount of $160,000, with interest at 5 percent a year from January 1, 1920, which amount was approved by the German Foreign Office.

This is a statement of record in the Mixed Claims Commission.

What did the umpire do with this claim? Let us turn to page 30 of the report of the hearing. The Umpire referred to it in this way:

The showing is—

That is, he means the representation which appears in the pleadings—

The showing is that the two Governments, by their authorized agents, orally agreed that this claim, amongst others, should be submitted to the Commission for a further award of $160,000, but that the German agent refrained from signing, and refused to sign, an agreed statement of facts for submission to the Commission in the premises.

Again, the umpire said this—and I am also reading from page 30, at the bottom of the page:

The position of the claimant in the present application is not clear. The relief asked is that the cause be reopened for a further hearing. In this respect this position does not differ from its predecessor. If, however, the prayer should be granted, the function of the Commission would be to reconsider upon the original record, or upon that record as it might now be supplemented, the question of the measure of damages to which the claimant is entitled.

I pause in reading to say that there the claim would have been approximately a million dollars, in view of the accrual of interest. Notwithstanding the allowance previously made, there was still this claim, if it had stood upon that basis. I now resume the reading:

But if there has been an accord and satisfaction, as asserted in the petition, this could not be done.

Mr. President, that is the meat of the coconut. Resuming the reading:

Upon the theory of accord and satisfaction, the petitioner would be entitled to a judgment for $160,000; but the Commission is, as I understand it, without the authority of a court to enforce agreements made between the diplomatic representatives of the two Governments. Thus, if a new cause of action is asserted, based upon an agreement between the diplomatic representatives of the two Governments, I think the Commission is entirely without authority to enter a decree based thereon.

Mr. President, I have read just a sentence of the gravest importance here, in view of the position taken by the learned counsel, which I read at the opening of my remarks. Listen to this, in contrast. I read a phrase in the letter to which I have referred.

They called me yesterday evening to say that after a conference with the committee representing the award holders they are still opposed to the dimunition of the special fund in the Treasury available for the partial payment of Mixed Claims Commission awards which will result from payment on account of a claim rejected by the Commission through decision of the Umpire.

Listen again to what the Umpire said:

Upon the theory of accord and satisfaction the petitioner would be entitled to a judgment for $160,000 but the Commission is, as I understand it, without the authority of a court to enforce agreements made between the diplomatic representatives of the two governments.

It was on that basis that Katherine M. Drier was turned away. I am not criticizing that. I agree with that. I agree that legally the Mixed Claims Commission could not take jurisdiction of an accord and satisfaction, and implement the execution of it. But what is the effect upon Katherine M. Drier? Is she to be cast out without any indemnity for her great loss? Is this Government of the United States going to abandon her to the wiles of Germany, or to the opposition of these greedy persons, also interested in this fund, who would stop a poor woman from her participation, pro rata, in the fund, even though they know the merit of her claim, even though they know that she was turned away from this tribunal purely because it had not jurisdiction to pass upon the accord and satisfaction?

Here, indeed, is cause for Congress to exercise its chancery power, as it is sometimes called upon to exercise it, in order that this great sovereign power shall do justice and equity among its people.

Mr. President, let me now speak of another phase of this matter.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MEAD in the chair). Does the Senator from Vermont yield to the Senator from Utah?

Mr. AUSTIN. I yield.

Mr. KING. When this matter was first brought to my attention a few days ago, it occurred to me that Mrs. Drier, having appeared before the Mixed Claims Commission upon two different occasions, certainly must have submitted some evidence to justify awards which were made. She did receive two awards, and it occurred to me that if she had the opportunity, as apparently she did have, to present to the Mixed Claims Commission any claims she might have arising out of damages to person or to property, they should have been presented. I wondered why, with the two presentations and two awards, there was not included in the final examination of her case the $160,000 which is now the subject of the measure under consideration at this time.

Mr. AUSTIN. That is a fair question, and I will try to answer it. I think I know the answer.

I make no comment about the conduct of the business. I merely show that while there was pending this last petition for reopening of the hearings in the Mixed Claims Commission, based on the theory that what had been awarded to her before was not in conformity with the treaty of Berlin, and the law of the United States and Germany, by all of which she was entitled to have awarded to her the full indemnity for her loss and injury—while there was pending the petition to reopen the case because she had had only lesser amounts awarded to her, there occurred a diplomatic negotiation relating to her false imprisonment. That was a subject concerning which the Mixed Claims Commission had no jurisdiction. The funds which were impounded here in the German special deposit account were not originally impounded with that in view; that is, not in contemplation of being paid through the Mixed Claims Commission. Any relief outside of that for the expropriation of her property, therefore, could not be passed through the Mixed Claims Commission. The situation was confused by her making a diplomatic settlement after she filed her petition for reopening the hearings before the Mixed Claims Commission, thus introducing into the jurisdiction of the Mixed Claims Commission a matter which was extraneous, and concerning which it had no authority, and creating a confused situation which the umpire referred to in almost that language. He said, as appears on page 30 of the hearings:

The position of the claimant in the present application is not clear. The relief asked is that the cause be reopened for a further hearing. In this respect this petition does not differ from its predecessor. If, however, the prayer should be granted, the function of the Commission would be to reconsider upon the original record, or upon that record as it might now be supplemented, the question of the measure of damages to which the claimant is entitled. But if there has been an accord and satisfaction, as asserted in the petition, this could not be done.

Mr. President, that is the point. There was the confusion in this tribunal created by the introduction of a matter which was extraneous and over which the Commission had no jurisdiction. Let me comment on the peculiarity of that situation.

The umpire, in effect, said:

You might have relied upon that accord and satisfaction as an additional ground of equity if you had amended your petition and had filed the accord and satisfaction here, not for the purpose of recovering the amount of accord and satisfaction, but as further evidence of your interest and your right to have a reopening of the hearing here, and start fresh with the proof of your damages. But you did not do that, and you have got into this position. The position of the claimant in the present application is not clear.

Therefore, the umpire said, and I read from page 36:

Thus, if a new cause of action is asserted, based upon an agreement between the diplomatic representatives of the two Governments, I think the Commission is entirely without authority to enter a decree based thereon. It can act only upon the agreements of the national agents accredited to represent the respective nations before it. On the other hand, if the matters now alleged are put forward as an additional basis in equity for the reopening of the former order of the Commission I find myself at a loss to know why, between March 1933 and July 1934, they were not placed in the record, for, during that entire period, it was open to the petitioner to supplement her pleading and to permit Germany to answer on the pleading so supplemented instead of answering only the original petition alleging other grounds for relief.

In either view, therefore, I think the Commission cannot consider the petition now under review and that it must be dismissed.

Does that answer the Senator from Utah?

Mr. KING. Mr. President, I am not quite clear. As I understand the facts, Mrs. Drier presented a claim before the Mixed Claims Commission upon which an award was made. Subsequently she presented another claim, as I suppose for damages to property, and a further award was made. Later she filed a petition to reopen, based upon this diplomatic agreement, and the Mixed Claims Commission held that it had no jurisdiction over that, and dismissed the claim.

The Senator is a lawyer and knows that the courts do not favor splitting up demands. If he has a valid claim against a defendant, the presumption is that he presents in one suit his entire claim, instead of splitting it up into fragments and bringing numerous complaints.

If this lady was damaged, and I assume she was damaged—it is clear that she was damaged in property as well as in

person—and she filed a claim; why did she not in that claim include all which she insisted was due by reason of the injury or confiscation of property? Why did she not in that same suit or claim set up the damages which she sustained by reason of false imprisonment and the injuries to which she was subjected in person and in property by reason of the illegal acts of the German Government?

Mr. AUSTIN. That is a very natural question, and it is a lawyer's question. The Senator from Utah is a great lawyer, among his other excellent qualifications, and I hasten to answer his question.

The chronology of events is the answer. I am going to make a list briefly.

1913: Baron von Rosenberg died.

1916: Claimant married John C. L. Drier, who was a United States consul.

1918, in May, her property was taken over by the Saxon authorities for war purposes.

November 1919, more than a year after the armistice, the property was sold by the German custodian over the claimant's protest.

In August 1922 the Mixed Claims Commission, United States and Germany, was created.

In January 1925 an award of $48,000 was entered.

In March 1927 the present claim was submitted to the American agent, Robert W. Bonynge, in a letter dated March 23, 1927.

In June 1928 the claimant was arrested in Germany.

Time tells this story. She did not have that injury when she made her petition in March 1927. She was arrested in Germany, and I am informed that this is a quotation from a former German consul general at New York.

Under most atrocious circumstances.

In March 1929 she made a petition for additional award.

In April 1929 the second award was made of $250,000.

In October 1930 she was arrested and imprisoned, and the facts were then presented to the State Department.

Here is the beginning of the diplomatic negotiation.

October 1, 1931, with President Hoover's approval, further payments by Germany into the German special-deposit account was postponed. Her financial condition at that time was dependent on the settlement of this claim, and since that time it has continued to be so dependent.

I believe I have sufficiently stated the history to show the sequence of events and to show that at the time of her petition in 1927 she had not been arrested at all, and at the time of her petition in 1929 the second arrest had not occurred. Diplomatic negotiations began in 1930. That accounts for the petition itself not comprehending this element of damage.

Mr. President, I do not know how much more time of the Senate I ought to take. It seems too bad to use up so much time of this great deliberative body on a simple matter of the Senate doing equity to an American citizen and carrying out the purpose expressed at the time when Congress took charge of these German funds, and put them in a special deposit account. In 1917 we declared, at the time we took over this property, that it should remain and be always under the control of the Congress.

I have had the assertion made to me since this matter came up that these funds were in trust for somebody particularly. Not so. There is no trust. The United States owns these funds absolutely by the exercise of extraordinary war power, as a matter of national defense, and untrammeled by any of the limitations and restrictions of the Constitution; we have jurisdiction, and we have declared by statute on more than one occasion that we would apply these funds to the payment of damages suffered by American nationals by virtue of the misconduct and injury of the enemy to property and persons, and claims of American nationals of that kind have a right to participate in these funds.

The great lawyers who have huge fees which cause them so great an interest in heading off this small claim have no vested right in this property. This is not a trust for their benefit. Mr. President, it seems to me that, according to the rules of the game of life, they have not the right to present such a claim as that made in the letter I received this morning, as a ground for impeding the speedy remedy which should be accorded to this poor woman after 20 years of long struggle to recover what belongs to her.

Mr. KING. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. KING. The Senator just alluded to a letter received by him this morning. I was not advised in regard to that.

Mr. AUSTIN. I read it at the beginning of my remarks.

Mr. KING. I was wondering whether it is similar to the telegram which just this minute was received by me.

Mr. AUSTIN. Let me read the letter, and then the Senator can see. The letter is from J. Harry Covington, of Washington, D. C., addressed to me.

Mr. KING. The telegram I received is from Mr. John B. Coleman, of New York.

Mr. AUSTIN. He must refer to that, for he says this in his letter:

They state that they are therefore wiring the two Senators of the State of New York and Senators on the Finance and Foreign Relations Committees setting forth their opposition to the Drier bill.

I want them to come to the Congress of the United States and make all their claims. They will have respectful treatment from me and, I believe, from every other Senator. I have treated them courteously whenever I have had the opportunity to meet them, and I am willing to continue to do so. But when they make a claim which is in direct contrast with the record, I shall call attention to it.

Mr. KING. Mr. President, will the Senator again yield?

Mr. AUSTIN. I yield.

Mr. KING. In view of what I stated, and what the Senator has just indicated, perhaps it would not be improper for me to ask permission to read into the RECORD a telegram which I just received.

Mr. AUSTIN. Yes, indeed; I should be glad to hear it.

Mr. KING. The telegram is dated April 12, and is addressed to me. I am a member of the Finance Committee, and I presume for that reason the telegram was sent to me.

15 BROAD STREET, NEW YORK, N. Y., *April 12, 1940.*

HON. WILLIAM H. KING,
Senate Office Building:

American Awardholders' Association, representing 99 holders of awards allowed by German-American Mixed Claims Commission, with balances largely unpaid and to great extent unrealizable, strongly oppose passage of Senate bill 3097, calendar number 1346, providing for payment of disallowed claim of Katherine M. Drier for about $300,000. This sum would be paid out of German special deposit account held by Treasury under existing legislation as trust fund limited to payment of awards allowed by Commission. Drier claim previously rejected by Commission after prolonged consideration. Even though Drier claim possibly unique in character, payment through congressional action after rejection by duly constituted international tribunal would be unwise interference with arbitral process as well as inequity to existing awardholders. Fact that bill was presented as private claim allowed no notice or opportunity to be heard by numerous American nationals affected by its terms.

JOHN B. COLEMAN, Jr.,
Secretary.

Mr. AUSTIN. Mr. President, I am very glad to have that telegram in the RECORD. It shows what the motive is. It shows what the interest is, and it also shows upon what the other claimants stand. They stand upon an alleged rejection by a duly constituted tribunal.

I have read the record twice, perhaps three times, showing that no tribunal has rejected this claim on the merits. A tribunal has denied its authority to consider the claim of an accord and satisfaction made between the diplomatic agents of Germany and the United States.

I was about to proceed to show the control of Congress over these funds, and also the fundamental right, power, and duty of Congress, by virtue of its chancery powers, to execute performance of the agreement between the United States and Germany. I have an excellent precedent for this action; but, before I cite it, let me point out how interested some lawyers appear to be in blocking this poor

woman from the allowance of her just claim. I have before me an extract from the New York Times of March 16, 1940, by the Associated Press, entitled "Three Federal Judges Doubt Their Power To Stop Road Paying Black Tom Legal Fees":

PHILADELPHIA, March 15.—Three Federal judges today voiced doubt they had the authority to stop the Lehigh Valley Railroad from paying fees to a group of lawyers, and amounting to $4,950,000, for services in obtaining a $9,900,000 judgment against the German Government for property damages in the Black Tom explosion 24 years ago.

Circuit Judge Albert B. Maris and United States District Judges George A. Welsh and Harry E. Kalodner suggested to counsel for Graydon A. Rhodes, of Englewood, N. J., a bondholder who protested the fees, that he file objections with the American Mixed Claims Commission, which made the award. Mr. Rhodes' protest, however, was taken under advisement.

Counsel for the Lehigh Valley told the court that the company had made a contract with a group of lawyers to pay them half of any award they could obtain against the German Government, but had asked the Mixed Claims Commission to pass upon the fairness of the fee, since there is a Federal law imposing a penalty four times any excessive amounts paid for such services.

Pending further study, the judges indicated that they felt their jurisdiction was limited to deciding whether the court should permit the Lehigh Valley and three of its subsidiaries to effect a plan to defer payment of interest and principal until its revenue enabled it to meet the obligations.

Counsel for Mr. Rhodes argued that payment of the fee would have a vital bearing on the company's financial condition and also upon the rights of the State of New Jersey.

At the same time the judges postponed until June 7 a hearing to determine whether the Lehigh Valley's plan for a moratorium on payment of principal and interest on some of its matured securities should be approved. The reason given for the delay was that no settlement has been reached yet with New Jersey on property taxes of $5,214,123 still due for 1932 to 1939. The company already has paid $9,407,604 on the State's claim for $14,621,727, and seeks to obtain an adjustment on the balance.

Mr. President, I do not charge that these are the same persons who at this last minute are trying to block this legislation. I believe that they are not the same. I use this illustration only as an indication of the type of transaction in which at least one claimant, who is seeking to participate in this fund, is engaged. I do not know whether or not that firm has the audacity to attempt to stop, impede, or hinder the payment to Katherine Drier of her claim for $160,000 and interest. I wish I knew.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. MILLER. The Senator has probably covered this point, but why was this claim submitted to the diplomatic officers representing the German Government and the diplomatic officers representing the United States Government for determination of the amount, when an agreement was reached on $160,000 with interest? Was that an unusual procedure?

Mr. AUSTIN. I do not know that it was an unusual procedure in itself, but, in my opinion, it was outside the original conception.

Mr. MILLER. My idea was that it was over and beyond the original construction of the law for the settlement of such claims.

Mr. AUSTIN. Yes. The abuse of this woman, the false arrest and imprisonment, occurred in 1928 and 1930, long after the war; and the question of whether or not the matter came within the terms of the Alien Enemy Property Act of 1917, the Treaty of Versailles, or even the terms of the Mixed Claims Commission Act of 1928 would naturally suggest to the mind of a lawyer the question whether he ought to go through diplomatic channels rather than try to go through the Mixed Claims Commission.

Mr. MILLER. Those negotiations were opened primarily because of the abuse and mistreatment of Mrs. Drier?

Mr. AUSTIN. Yes.

Mr. MILLER. And as an incident to those negotiations an effort was made to settle the whole question at one time?

Mr. AUSTIN. Yes. From the files I have read it is my understanding that in reality the claimant, Mrs. Drier, treated the $160,000 as applying only to her property damage suffered in 1916 and waived the personal-injury claim.

Mr. MILLER. My impression was that a compromise settlement of the entire matter was sought.

Mr. AUSTIN. That is true; and it is so stated in the memorandum made that day.

Mr. President, only a few things more, and I shall take my seat.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. AUSTIN. Yes.

Mr. KING. Is there sufficient money in the funds which were set aside for the purpose of meeting adjudicated claims to pay the entire amount which was awarded to the various claimants by the Mixed Claims Commission; or, if the payment to Mrs. Drier is made, will there be a reduction in the amount paid to each of the other claimants who has established his claim before the Mixed Claims Commission?

Mr. AUSTIN. Mr. President, answering broadly, let me say that no one yet knows what the answer will be, because there is property on deposit with the Federal Government which has not been transferred to the German special deposit account. It has been held as security for the performance of promises by Germany; and it is hoped that ultimately every claimant will be paid 100 percent of his claim.

Those who have an award—and those who are interposing the objection have had an award—have been paid a proportion of their claims. I do not know exactly what the proportion is. When I appeared before the Committee on Foreign Relations I had the idea that they had been paid 80 percent. Some of the lawyers with whom I have since talked have made me doubt that they have yet received all of 80 percent. However, I believe that they have already received between 70 and 80 percent, cash in hand.

My amendment would permit Mrs. Drier to receive forthwith the amount of her claim which is proportionate to what other claimants have received, which would not give her any priority in time over the poor lawyers and their clients; and then, in order to satisfy their cupidity, let her wait for the remainder of her little claim until they receive the rest of theirs, letting her take in exactly the same ratio as they take. My amendment puts this poor widow on a footing with the great banks, railroads, and lawyers who are seeking millions of dollars.

Let me call attention to what happened in that respect. One firm of lawyers informed me through Mr. Aron that they would be glad to withdraw any objection they had if I would have the report on this claim contain the following paragraph:

The committee is advised that there is now in the German special deposit account ample funds to provide for the payment to those on whose behalf the United States received awards of the Mixed Claims Commission, United States and Germany, on the 30th of October 1939, sufficient to place them upon a parity of payment with those who have already received payments on account of prior awards, including the petitioner herein, and the payment to the petitioner hereunder will not interfere with the payment to such holders of awards granted October 30, 1939, of the amounts necessary to produce such parity.

They were not so greedy as to insist on payment in full. All they asked was that Mrs. Drier take payment on a parity with them; and they wanted to know if the fund was such that this poor woman, with her small claim, could get her share on that basis and still leave them unharmed in the receipt of parity as of the date of their award, which was October 1939.

Mr. President, I did not ask the Treasury Department to express any opinion on this bill or to foretell any consequences. I asked the committee to write to the Department, which was done on February 29. The following letter was addressed to Hon. Daniel W. Bell, Under Secretary of the Treasury:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D. C., February 29, 1940.

Hon. DANIEL W. BELL,
Under Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: In the absence of the chairman and at the direction of the acting chairman of the Foreign Relations Committee, I have the honor to enclose herewith a copy of a letter to the

chairman from Senator AUSTIN dated February 28, 1940, requesting that the Treasury Department be asked to furnish the committee with a statement as to the facts and correspondence upon which the statement quoted in the attached copy of letter purports to be based. The statement has reference to funds now in the German special deposit account.

It is desired that this information be incorporated in the hearings recently held on the bill (S. 3097) for the relief of Katherine M. Drier, which bill was ordered reported favorably by the committee on February 21, 1940.

Your expeditious consideration of this request will be appreciated.

Respectfully yours,

JAMES A. WHITE, *Acting Clerk.*

Notice what the Acting Secretary says:

TREASURY DEPARTMENT,
Washington, March 1, 1940.

Hon. KEY PITTMAN,
Chairman, Committee on Foreign Relations, United States Senate.

MY DEAR MR. CHAIRMAN: Reference is made to the letter dated February 29, 1940, from your committee, asking for certain information with respect to funds now in the German special deposit account.

There was available as of February 29, 1940, for paying the awards of the Mixed Claims Commission, United States and Germany, approximately $26,049,739.92 in, or available to, the German special deposit account, as follows—

There follows a detailed statement, concluding with the words:

Approximate amount in or available to the German special deposit account (all in cash), $26,049,739.92.

And then this significant statement follows:

It is estimated that approximately $23,600,000 would have been needed as of December 31, 1939, to pay the holders of the so-called sabotage awards in the same proportion as payments have been previously made to other award holders.

This letter should not be construed as a report by the Treasury Department on S. 3097.

Very truly yours,

D. W. BELL,
Under Secretary of the Treasury.

Mr. President, there is the information; that is all the answer this poor woman ought to be called upon to make to the inquiry of the Senator from Utah. She knows no more about the future than does the inquirer. She is informed by the custodian of these funds that they are ample, that there is $3,000,000 more than necessary to pay all the award holders of all classes and kinds on the same basis of parity as of December 31, 1939. That is all we know about it, and by the amendment offered we take a chance with them as to the future. For my part, I hope they will all get their 100 percent. I certainly would feel like crying if the lawyers did not get theirs.

Mr. President, there is one more thing I should like to mention, and then I will conclude. I say that we have a duty to perform which should give us joy. We can do justice and equity to a citizen of the United States who for 20 long years has been trying to get justice and equity and has been unable to get it, and in the process of doing so has twice been cast into jail unlawfully. She has become a venerable lady, when her days should be peaceful and happy, and we can see to it that for the rest of her life she shall have enough to eat, and need no longer fear that she may not have shelter. So I plead for the speedy exercise of the power to which I will now refer.

Here is the precedent. It will be remembered we are dealing with an agreement entered into orally between these two nations through their accredited agents. I now call the attention of the Senate to a case where the very power was asserted which I am summoning today to the aid of this citizen of the United States.

From the Spanish Treaty case of 1819 the following is quoted in Moore's International Law Digest (vol. 5, p. 188):

The treaty of February 22, 1819, which provided for the cession of the Floridas by Spain to the United States, and for the mutual adjustment of various claims, stipulated for the exchange of ratifications within 6 months.

The agreement now in question was expected to be ratified within 2 days.

Before the treaty was signed, Mr. Onis, the Spanish Minister, delivered to Mr. Adams, who was then Secretary of State, his full powers, which contained the following clause:

"Obliging ourselves, as we do hereby oblige ourselves and promise, on the faith and word of a King, to approve, ratify, and fulfill, and to cause to be inviolably observed and fulfilled, whatsoever may be stipulated and signed by you; to which intent and purpose, I grant you all authority and full power, in the most ample form, thereby as of right required."

With reference to this passage, Mr. Adams, after citing Vattel, book 2, chapter 12, section 156, and Martens' Summary, book 2, chapter 1, section 3, said: "The obligation of the King of Spain, therefore, in honor and in justice, to ratify the treaty signed by his Minister, is as perfect and unqualified as his royal promise in the full power."

I ask the Senate to notice this:

"And it gives to the United States the right, equally perfect, to compel the performance of that promise." * * *

"The President considers the treaty of 22d February last as obligatory upon the honor and good faith of Spain, not as a perfect treaty (ratification being an essential formality to that), but as a compact which Spain was bound to ratify; as an adjustment of the differences between the two nations, which the King of Spain, by his full power to his Minister, had solemnly promised to approve, ratify, and fulfill." * * *

Let me digress from the reading to comment that in the instant case the officers and representatives of Germany and of the United States who made the oral agreement had the previous authority of their respective governments to make that agreement—

"The King of Spain was bound to ratify the treaty; bound by the principles of the law of nations applicable to the case; and further bound by the solemn promise in the full power. He refusing to perform this promise and obligation, the United States have a perfect right to do what a court of chancery would do in a transaction of a similar character between individuals, namely, to compel the performance of the engagement as far as compulsion can accomplish it, and to indemnify themselves for all the damages and charges incident to the necessity of using compulsion." * * * (Moore, International Law Digest, vol. 5, pp. 188–190.)

Mr. NORRIS. Mr. President, I just came into the Chamber a short time ago. I wish the Senator would tell me from what he has been reading.

Mr. AUSTIN. I have been reading from pages 6 and 7 of Report No. 1300 of the Committee on Foreign Relations on Calendar No. 346, Senate bill 3097, for the relief of Katherine M. Drier.

Mr. President, I promised to offer my amendment, and now offer it.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The amendment will be stated.

The CHIEF CLERK. On page 1, line 6, after the word "pay", it is proposed to strike out "forthwith"; and on page 2, line 4, before the period insert a colon and the following:

"Provided, That payment of such sum of $160,000 and interest thereon as herein provided shall be made as follows:

"(1) There shall be paid forthwith to the said Katherine M. Drier an amount which bears the same proportion to such sum and interest thereon as the amounts heretofore paid out of such special deposit account to claimants on whose behalf awards have been made by the Mixed Claims Commission, United States and Germany, bear to the total awards so made to such claimants; and

"(2) Payment of the balance of such sum and interest thereon shall be prorated on the basis of the amount of the respective payments authorized by section 2 (b) of the Settlement of War Claims Act of 1928, as amended, and remaining unpaid."

Mr. AUSTIN. Mr. President, in view of the letter from these lawyers, which was brought to me just as I took the floor, I want a quorum call at this time, so that no claim can be made by and by that this measure was rushed through or any advantage was taken. Therefore I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bailey	Barkley	Bridges
Ashurst	Bankhead	Bilbo	Brown
Austin	Barbour	Bone	Bulow

Byrd	Guffey	Lundeen	Schwellenbach
Byrnes	Gurney	McCarran	Sheppard
Capper	Harrison	McKellar	Shipstead
Caraway	Hatch	McNary	Smathers
Chandler	Hayden	Maloney	Smith
Clark, Idaho	Herring	Mead	Stewart
Connally	Hill	Miller	Taft
Danaher	Holman	Murray	Thomas, Idaho
Donahey	Holt	Norris	Thomas, Okla.
Downey	Hughes	Nye	Thomas, Utah
Ellender	Johnson, Calif.	O'Mahoney	Tydings
Frazier	Johnson, Colo.	Overton	Vandenberg
George	King	Pepper	Van Nuys
Gerry	La Follette	Pittman	Wagner
Gibson	Lee	Reed	Walsh
Gillette	Lodge	Russell	Wheeler
Glass	Lucas	Schwartz	Wiley

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AUSTIN].

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STATEMENT ON TELEVISION BY MANTON DAVIS ON BEHALF OF RADIO CORPORATION OF AMERICA

Mr. WHEELER. Mr. President, I ask unanimous consent to have inserted in the RECORD a statement on television, made on behalf of the Radio Corporation of America by Manton Davis, its vice president and general counsel, before the Federal Communications Commission on April 12, 1940.

In connection with the statement I desire to say that in response to a resolution submitted by the Senator from Minnesota [Mr. LUNDEEN] the Committee on Interstate and Foreign Commerce held a brief hearing on the question whether or not we would have an investigation of the actions of the Commission in regard to television. During the course of the hearing a dispute arose as to whether or not the radio sets which are being put out by the radio corporation could receive the various systems of television or only one particular system. I asked Mr. Sarnoff, when he was on the witness stand, if it would not settle the dispute, and if television could not go ahead, if the Radio Corporation of America would put out a receiving set which would be able to receive any one of the different so-called systems of television that were discussed. At that time he stated that it would cost something like $20 more to make such a receiver. When I questioned him as to whether, if the sets were turned out in mass production, they would not cost less than that, he said possibly that was the case.

Today, through its counsel, the Radio Corporation states, among other things:

The Radio Corporation of America does not believe that the adoption of such a suggestion would prove to be of advantage either from an engineering, economic, or public-service standpoint. Nevertheless, if the F. C. C. licenses transmitters to broadcast television programs to the public on standards in addition to those now in use, and will specify what such standards are to be, the Radio Corporation of America is prepared now to build television receivers so that they will also receive television programs from such transmitters.

I ask to have the entire statement inserted in the RECORD. It seems to me the matter ought to be worked out so that television can go ahead in this country.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON TELEVISION MADE ON BEHALF OF THE RADIO CORPORATION OF AMERICA BY MANTON DAVIS, ITS VICE PRESIDENT AND GENERAL COUNSEL, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION ON APRIL 12, 1940

The engineers of the Radio Corporation of America subscribe to the majority opinion of the engineers of the radio and television industry that the transmission standards formulated by the Radio Manufacturers Association represent the best set of standards with which to start commercial television operation in the United States. The Radio Corporation of America is using these standards because it believes they incorporate the best features that have been developed in the major television laboratories of the United States, England, Germany, and the rest of the world.

After years of experimentation and practical operation, we believe that television products built under these standards are superior in performance. In our opinion they will give the public a larger measure of satisfaction than if built under any other standards that may be proposed in the present state of the art, within the 6-megacycle channel which the Federal Communications Commission has allocated for television operation.

During the course of the present hearings the suggestion has been made that television receivers be manufactured that would be able to receive from television transmitters operated under other standards as well as under those of the Radio Manufacturers Association.

The Radio Corporation of America does not believe that the adoption of such a suggestion would prove to be of advantage either from an engineering, economic, or public-service standpoint. Nevertheless, if the Federal Communications Commission licenses transmitters to broadcast television programs to the public on standards in addition to those now in use, and will specify what such standards are to be, the Radio Corporation of America is prepared now to build television receivers so that they will also receive television programs from such transmitters.

The Radio Corporation of America hopes that this offer will help the Commission to overcome the present deadlock which is retarding the progress of a new and promising industry and thus create employment for idle men and idle money, on a wide, competitive basis.

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

Mr. HATCH. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 7079, Calendar No. 1377.

The PRESIDING OFFICER. The clerk will state the title of the bill for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

Mr. FRAZIER. Mr. President, I was about to ask for an explanation of the measure; but I have no objection to its consideration.

The PRESIDING OFFICER. The Chair hears no objection.

The Senate proceeded to consider the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert:

That the President is authorized to appoint, by and with the advice and consent of the Senate, two additional circuit judges, as follows:

(a) One for the sixth circuit;

(b) One for the eighth circuit.

SEC. 2. The President is authorized to appoint, by and with the advice and consent of the Senate, six additional district judges, as follows:

(a) One for each of the following districts: Southern district of California, district of New Jersey, western district of Oklahoma, eastern district of Pennsylvania;

(b) One for the southern district of New York;

(c) One who shall be a district judge for the northern and southern districts of Florida.

Mr. HATCH. Mr. President, the bill which has just been made the order of business is a bill creating certain additional judges of both the circuit and district courts. Last year the same identical measure was considered by the Senate at some length, and was passed. The bill went to the House last year; but, for some reason, this year the House of Representatives, without considering the Senate bill, took up its own bill and passed a different measure, although in substance they make the same provision.

The House bill came to the Senate and was referred to the Committee on the Judiciary. The Committee on the Judiciary struck from the House bill all after the enacting clause and inserted identically the same measure which the Senate considered and passed last summer. It is that bill which is now before the Senate.

I understand that the Senator from Kansas [Mr. REED] desires to make a statement at this time.

Mr. REED. Mr. President, the distinguished Senator from New Mexico stated a part of the truth. All he said was true, but he did not tell quite the whole story of the history of the bill.

The Senator from New Mexico is correct in stating that last year the Senate passed a bill which went to the House. What became of that bill, no one is certain. I made inquiry in the House of Representatives, and was told that the bill which we passed was still on the Speaker's table. Perhaps some of the former Members of the House know what that means. As I understand, it means that the House has no intention of considering it. Then the House passed a bill of its own.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. MILLER. What the Senator states is not an unusual procedure in the House of Representatives. If it was the intention of the House to take the Senate bill from the table and substitute its own bill with an amendment, that was a proper procedure, and no doubt that was the intention, but it was overlooked, so that after the House passed its bill, and had overlooked taking the Senate bill from the table, it left the Senate bill on the table.

Mr. REED. Mr. President, I assure the Senator from Arkansas that I did not say it was an unusual procedure. I was merely reciting the history of the bill, and the information given me was that it was still on the Speaker's table.

Mr. MILLER. That is true, but that does not alter the case at all from the statement I made.

Mr. REED. Mr. President, I desire to go through the history of the bill and the various steps; then I wish to discuss the increase in the number of judgeships, and the decline in the amount of litigation, and to present letters from judges stating additional judges are not needed, notwithstanding the fact that they are provided for in the bill. We have a letter, for instance, from a judge of the sixth circuit stating that an additional judge is not needed in that circuit. The distinguished Senator from New Mexico himself, in charge of the bill, moved to strike that provision from the bill, but it is still in the bill.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REED. Not now.

Mr. HATCH. The Senator referred to me, and I merely wanted to clarify what he stated, but that is all right.

Mr. REED. I shall be very happy to return to that subject, and yield to the Senator from New Mexico, but I prefer not to be interrupted just now.

After the bill, to which I have been referring, was placed on the Speaker's table, where it still reposes, a Member of the House introduced a bill, known as H. R. 7079, which was introduced on July 5, 1939, by Mr. WALTER. In that bill he included provision for a judge for the sixth circuit, and a judge for the eighth circuit, as did the Senate bill. Mr. WALTER also included in the bill which he introduced, provision for a district judge for the southern district of California, one for New Jersey, one for the western district of Washington, the latter of which is not in the bill before us, one for the western district of Oklahoma, one for the eastern district of Pennsylvania, one for the southern district of New York, and a judge for Florida. But the Committee on the Judiciary of the House could not agree with him. The bill was reported with amendments and ordered to be printed. By that time the number of district judges provided in the bill had been reduced to five. There was no provision for an additional judge for Florida, or for Oklahoma, but there was provision for an additional judge for Georgia.

I can state only my understanding of what took place, that the committee did not report the bill with provision for an additional judge for Oklahoma because the member of the Committee on the Judiciary, from Oklahoma, originally did not think Oklahoma was entitled to or needed another judge. As the bill passed the House, it was amended so as to include provision for an additional judge for Oklahoma, and an additional judge for Georgia.

I now come to the pending bill. When the bill reached the Senate from the House, the Senate Committee on the Judiciary struck out everything after the enacting clause, and wrote its own bill, the identical bill which we passed last year. The difference between the bill passed by the House and the bill we are now considering is that the bill as passed by the House did not, if my memory serves me correctly, include provision for a judge for Florida, but did include provision for a judge for Georgia, and the Senate Judiciary Committee struck out the provision for a judge for Georgia, and included a provision for a judge for Florida and one for Oklahoma. I think the bill was amended on the floor of the House to include provision for a judge in Oklahoma.

Mr. President, this is a rather serious matter. I wish to read from the record showing the increase in the number of judges in the United States during the last 20 years. Under the Harding administration there were appointed 22 additional district judges and 1 additional circuit judge. Under the Coolidge administration there were appointed 20 additional district judges and 4 additional circuit judges. Under the Hoover administration there were appointed 14 additional district judges and 8 additional circuit judges. Under the Roosevelt administration to date there have been appointed 31 additional district judges and 9 additional circuit judges. During the period since March 4, 1921, 87 additional district judges and 22 additional circuit judges have been appointed; a total of 109 additional Federal judges of the 2 classes.

I ask that a statement embodying these figures be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Number of additional district and circuit judges appointed from Mar. 4, 1921, to date

	New positions		
	District	Circuit	Total
Mar. 4, 1921, to Aug. 2, 1923 (Harding)	22	1	23
Aug. 3, 1923, to Mar. 3, 1929 (Coolidge)	20	4	24
Mar. 4, 1929, to Mar. 3, 1933 (Hoover)	14	8	22
Mar. 4, 1933, to date (Roosevelt)	31	9	40
Total	87	22	109

Authority: Department of Justice records.

Mr. REED. Mr. President, I now present a statement showing the volume of litigation in Federal courts, and I interject at this point the statement that as the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House have failed to make an accurate analysis of the situation in the various districts of the United States, within the last 2 weeks I have done so, with the assistance of the Department of Justice and the Administrator of the Supreme Court. The distinguished Senator from Arizona [Mr. ASHURST], the chairman of the Committee on the Judiciary, will recall that last year we passed a bill creating a new position, that of Administrator of the Supreme Court. Am I not correct, I ask the Senator from Arizona?

Mr. ASHURST. The Senator is correct.

Mr. REED. I have consulted these two sources for all the information I am giving here today.

I now wish to read the salient points of a statement which has been prepared showing the volume of litigation between 1930 and 1940, and I ask to have it included in my remarks at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Total number, criminal, United States civil, other civil, and bankruptcy cases, filed and concluded

	(1) 1930–35	(2) 1935–40	Percent (2) of (1)	1930–40
Total criminal cases:				
Filed	368,293	175,770	0.4769	544,063
Concluded	389,879	175,987	.449	564,966
Total United States civil cases:				
Filed	119,739	58,676	.490	178,415
Concluded	123,546	65,578	.530	189,124
Total bankruptcy cases:				
Filed	319,373	295,565	.9254	614,938
Concluded	314,885	302,835	.961	617,720
Total "other civil" cases:				
Filed	126,845	117,097	.923	243,942
Concluded	128,272	126,903	.989	255,175
Total all cases combined:				
Filed		1,581,358		
Concluded		1,626,985		

1. This table indicates that the average number of criminal cases filed during 5-year period 1930–35, exceeded the number of cases filed 1935–40 by 192,523.
2. That taking 10-year period 1930–40, the courts decided 20,903 more criminal cases than were filed.
3. That the average number of United States civil cases filed during the years 1930–35 exceeded the number of cases filed 1935–40 by 61,064.
4. That taking the 10-year period 1930–40, the courts decided 10,709 more United States civil cases than were filed.
5. That the average number of other civil cases filed during 5-year period from 1930–35 exceeded the number of cases filed 1935–40 by 9,748.
6. That taking the 10-year period 1930–40, the court decided 11,233 more civil cases than were filed during the same period.
7. That the average number of bankruptcy cases filed during the 5-year period 1930–35 exceeded the number of bankruptcy cases filed 1935–40 by 23,808 cases.
8. That the average number of bankruptcy cases decided 1930–35 was 12,050 less than decided 1935–40.
9. That the total combined cases filed 1930–35 exceeded the total combined cases filed 1935–40 by 287,142.
10. That taking the 10-year period 1930–40, there were 2,782 more bankruptcy cases decided than were filed over the same period.
11. That the total combined cases decided between the years 1930–40 exceeded the number filed during the same period by 45,627.

Conclusion: With litigation decreasing, with the number of pending cases decreasing, why increase judges?

Authority: Department of Justice records.

Mr. REED. Mr. President, if we divide the last 10 years into two periods, the first running from 1930 to 1934, inclusive, and the second from 1935 to 1939, inclusive, we find a situation which is remarkable in that, in the light of the facts now available, after Congress has authorized, and the President has appointed, in the last 20 years 109 additional Federal judges, we have a markedly and sharply declining business for these judges to handle. These figures also come from the Department of Justice.

In the first 5-year period there were 368,293 criminal cases filed. In the latter half of that 10-year period there were 175,770 criminal cases filed. In other words, the cases of that class filed in the last 5 years amount to only forty-seven and a fraction percent of the number of cases filed in the previous 5 years.

I wish to be perfectly frank with respect to this matter. We all know that during the period of national prohibition there were a great many more criminal cases in the Federal courts than had been the case previously or has been the case since. Therefore I do not want the Senate to accept that statement as a correct index of the business of the courts.

I am now going on to the other classes of cases which furnish a correct index. In the first half of this 10-year period there were filed what are known as United States civil cases—those are cases in which the United States is a party—to the number of 119,739, and in the last 5 years, 58,576. In other words, 49 percent as many cases of that class were filed in the last 5-year period as there were in the 5-year period immediately preceding.

We now come to the class of cases that are entirely between citizens, "Other Civil Cases." In the first 5 years of that period there were 126,845 such cases filed. In the last 5-year period there were 117,097 such cases filed. The last 5-year period shows ninety-two and a fraction percent as much litigation of that kind as was had in the previous 5-year term. But I beg Senators to remember that this administration alone appointed 31 district and 9 circuit judges, in addition to those already on the bench, to handle a lessened volume of litigation.

Mr. President, I wish to inject here a general statement which I shall later prove by figures which have been laboriously gathered from the Department of Justice. I say "laboriously" without any criticism of the Department of Justice, which has been very courteous and very helpful to us, and prepared tables for us, and gathered together the facts concerning the litigation. Nothing that I now say or will say later is to be taken as a reflection upon the cooperation of the Department of Justice. It might be considered a reflection on the Judiciary Committee of this body for failing to go to the bottom of the facts. What I have to say I say without feeling and without rancor, but as a fact.

Mr. President, I make the general statement that there is not a single district for which an additional judge is provided in this bill whose docket is not in better shape, with fewer cases, and in most instances more judges, than has been the case for 10 years.

On the 30th of last June, the last fiscal year for which data are available, the docket of every district included in this bill was in the best shape it had been in for 10 years.

Mr. BARBOUR. Mr. President, will the Senator yield?

Mr. REED. I yield for a question. I hope the Senator will confine himself to that.

Mr. BARBOUR. I do not want to transgress on the time of the Senator, and I would not do so if it were not necessary for me to leave shortly to take a train. I shall occupy only a moment, but I do want to take sharp issue with the Senator in his analysis of the docket situation, certainly so far as the State of New Jersey is concerned.

Mr. REED. Mr. President——

Mr. BARBOUR. If the Senator——

Mr. REED. Mr. President, I yielded only for a question. I had prepared and printed at my own expense, a table——

Mr. BARBOUR. Mr. President——

Mr. REED. Just a moment.

The PRESIDING OFFICER. The Senator from Kansas declines to yield.

Mr. BARBOUR. The Senator did not let me conclude what I was going to say.

Mr. REED. I beg the Senator's pardon. I yielded for a question.

The PRESIDING OFFICER. Does the Senator yield further?

Mr. REED. No, Mr. President; I do not.

The PRESIDING OFFICER. The Senator from Kansas declines to yield.

Mr. SMATHERS. Mr. President, will the Senator yield to me for a question?

Mr. REED. Yes.

Mr. SMATHERS. Does the Senator from Kansas believe his information is better and more correct than that of his Republican colleague the Senator from New Jersey [Mr. BARBOUR] on the question of whether or not New Jersey needs another judge?

Mr. REED. If the Senator from New Jersey please, I think it takes a great deal of gall to come here and ask for an additional judge——

Mr. SMATHERS. Will the Senator——

Mr. REED. Just a moment.

Mr. SMATHERS. Will the Senator answer my question?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from New Jersey?

Mr. REED. I do not.

The PRESIDING OFFICER. The Senator from Kansas declines to yield.

Mr. SMATHERS. The Senator declines to answer the question?

Mr. REED. I am answering it. I am going to answer it. I say it takes a lot of nerve to come here and ask for an additional judge for a district in which a vacancy existed for 18 months due to the inability of the senior Senator from New

Jersey and Boss Frank Hague, of Jersey City, to agree upon who should be judge.

Mr. SMATHERS. Mr. President, will the Senator yield for one more question?

The PRESIDING OFFICER. Does the Senator yield for another question?

Mr. REED. I hope it is a little more sensible than the first one, but I will yield for a question now.

Mr. SMATHERS. Does the Senator from Kansas agree with me that it also takes a lot of nerve for a Senator to come out of the wheatfields of Kansas into the State of New Jersey and, contrary to the opinion of his Republican colleague from that State [Mr. BARBOUR], contend that that State does not need another judge?

Mr. REED. The Senator from Kansas is a Senator of the United States, and hopes that includes New Jersey.

Mr. President, I prepared a table of nine pages that covers all the districts about which I am going to speak. But before I get to that, I wish to offer an amendment to the bill, and I call attention to the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Schwartz
Ashurst	Downey	La Follette	Schwellenbach
Austin	Ellender	Lee	Sheppard
Bailey	Frazier	Lodge	Shipstead
Bankhead	George	Lucas	Smathers
Barbour	Gerry	Lundeen	Smith
Barkley	Gibson	McCarran	Stewart
Bilbo	Gillette	McKellar	Taft
Bone	Glass	McNary	Thomas, Idaho
Bridges	Guffey	Mead	Thomas, Okla.
Brown	Gurney	Miller	Thomas, Utah
Bulow	Harrison	Murray	Vandenberg
Byrd	Hatch	Norris	Van Nuys
Byrnes	Hayden	Nye	Wagner
Capper	Herring	O'Mahoney	Walsh
Caraway	Hill	Overton	Wheeler
Chandler	Holman	Pepper	Wiley
Clark, Idaho	Hughes	Pittman	
Connally	Johnson, Calif.	Reed	
Danaher	Johnson, Colo.	Russell	

The PRESIDING OFFICER. Seventy-seven Senators have answered to their names. A quorum is present.

Mr. REED. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kansas will be stated.

The LEGISLATIVE CLERK. On page 2, line 7, beginning with the word "two", it is proposed to strike out through line 10, and to insert in lieu thereof "an additional circuit judge for the eighth circuit."

The PRESIDING OFFICER. The Chair will state to the Senator from Kansas that his amendment is not in order at present. There is an amendment pending, offered by the Senator from New Mexico [Mr. HATCH].

Mr. REED. Mr. President, I ask unanimous consent to offer my amendment as an amendment to the amendment. As a matter of fact, the amendment of the Senator from New Mexico was a substitute for the whole House bill.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. HATCH. The amendment I offered was on another occasion, when we attempted to obtain consideration of the bill. I had forgotten it. I withdraw it.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico is withdrawn. Therefore the amendment offered by the Senator from Kansas is in order.

Mr. REED. Mr. President, I do not blame the Senator from New Mexico for withdrawing his amendment.

The effect of my amendment would be to permit the eighth circuit to have an additional circuit judge, but to eliminate the judge provided in the bill for the sixth circuit.

I wish to read from the judicial conference report, which I hold in my hand. In 1938 the judicial conference recommended an additional circuit judge for the sixth circuit. We passed a bill along about July of last year. In September the judicial conference again met, after the bill had passed the Senate. I wish to read from the report of the judicial conference, September session, 1939.

The judicial conference is composed of the Chief Justice of the United States and the senior circuit judges, if they are able to attend. Two of them are so old that usually they do not attend but send someone else. I ask the Senator from Arizona [Mr. ASHURST] whether or not that is a correct statement.

Mr. ASHURST. The Senator is correct.

Mr. REED. This is the comment of the judicial conference, found on page 6 of the report:

> We are able to report, as heretofore, that in general the circuit courts of appeals are up with their work. We called attention last year to the accumulation of cases in the sixth circuit. Progress has been made in the disposition of these cases, and the conference believes that with the present force of circuit judges the circuit court of appeals will be able in the near future to make its docket fairly current.

The report continues with a recommendation for an additional judge in the eighth circuit, and then says:

> No other recommendations for additional circuit judges are made at this time.

I do not blame the Senator from New Mexico, who enjoys an excellent reputation. As I told him last year, I am only trying, in my feeble way, to do with the judiciary what he has already done with politics and political patronage.

Mr. ASHURST. Mr. President, will the Senator yield to me to make a statement regarding the Senator from New Mexico?

Mr. REED. I am always delighted to yield to my friend, the Senator from Arizona.

Mr. ASHURST. I think it is due to the Senator from New Mexico that I make this statement. I am sure he has not the slightest interest in the creation of any judgeships. Certainly he has no personal or political interest whatever in the matter. In fact, it would be impossible to find on the Judiciary Committee a man more judicial and critical in his examination. It so happens that in the roll of the dice of destiny the chairman of the Judiciary Committee named the Senator from New Mexico to have charge of this particular bill. He was chairman of the subcommittee which had charge of the bill providing for the creation of additional judgeships.

I repeat that, in my judgment, the Senator from New Mexico has no personal interest in this matter. What he has done, he has done from a sense of duty. It is an onerous duty, and I am very grateful to the Senator from New Mexico for relieving the chairman of that duty. The duty fell upon the Senator from New Mexico, and he has discharged it with remarkable zeal and fidelity. I am grateful to him for the work he did on the bill.

I thank the Senator from Kansas.

Mr. REED. Mr. President, I join the Senator from Arizona in expressing confidence in the Senator from New Mexico. I can fully appreciate the fact that the distinguished Senator from Arizona is very glad to have somebody else help him apologize for the bill. [Laughter.]

Mr. HATCH. Mr. President, will the Senator yield to me for a moment?

Mr. REED. Only very briefly.

Mr. HATCH. Mr. President, it would hardly be polite for me to listen to all these gracious words said about me without acknowledging my appreciation and thanks to both the distinguished Senators.

The work which I did on the committee was not very heavy work. It was divided among other Senators on the Judiciary Committee, each Senator taking a district or a circuit, and, not relying on figures found in the Department of Justice, but going out into the circuits, to the dockets of the district courts and the circuit courts, and conferring with the circuit judges, the district judges, the prosecuting attorneys, the lawyers, and, in some cases, the litigants. On the basis of that kind of an investigation and analysis, the recommendations were made.

So far as my own work is concerned, I had the seventh circuit. I went out and inspected the situation, made the kind of investigation I have just described, came back to my committee, and reported that an additional judge was not

needed. The committee eliminated the additional judge, and that item remains out of the bill. Other Senators on the committee made the same kind of examinations.

Mr. REED. Before the Senator from New Mexico takes his seat, may I inquire whether or not the circuit court authorities in the seventh circuit told him that an additional judge was needed?

Mr. HATCH. Opinion was divided. When I went to Chicago, I found a division. Some of the judges thought an additional judge was needed, and some did not think so. I talked with others; and, having done so, I came to the conclusion that an additional judge was not really needed. I said to the judges, "I shall go back and report that an additional judge is not needed in this circuit. I might be mistaken in my conclusions. You have a great amount of business here. There will be another session of Congress next year"—which is this session. I did not then dream that this bill would now be under consideration. I said: "If we are wrong in the decision we make, and you really need another judge, I am sure the Congress will grant it; but let us be sure about it."

The other day, to be sure I had not made a mistake in Chicago, before the bill came up I telegraphed to Judge Evan A. Evans, the senior judge of that circuit, and asked him again if circumstances had changed. He replied that they had not. If they had changed, I expected to offer an amendment to include an additional judge for that circuit. Conditions have not changed, and the additional judgeship is not in the bill.

Mr. LEE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Oklahoma?

Mr. REED. Only for a question. The last time I had the floor on this bill, last year, the distinguished majority leader scolded me a little for being too generous in yielding. I do not want to be too generous in yielding.

Mr. BARBOUR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from New Jersey?

Mr. REED. I shall be glad to yield to him in a moment, but not now.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. BARBOUR. Mr. President, I hope the Senator will be generous enough to permit me to make a brief statement. I have an engagement. I shall not require more than a minute.

Mr. REED. May I hold my watch on the Senator from New Jersey?

Mr. BARBOUR. I am sure it would be safe, no matter who held it. [Laughter.]

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from New Jersey?

Mr. REED. Let me say to the Senator from New Jersey that I do not think there is any probability that this question will be disposed of today. The Senate will probably take a recess until Monday. Let me ask the Senator from Kentucky whether or not that is the plan.

Mr. BARKLEY. Mr. President, it is my hope that we may dispose of this bill and go over until Monday.

Mr. REED. I assure the majority leader that he is entertaining hopes which have no foundation. The bill will not be disposed of today.

Mr. BARKLEY. I am sure the Senator realizes that "hope springs eternal in the human breast."

Mr. REED. I sympathize with the majority leader in the heavy burdens he carries. I do not wish to add to them. I merely wish to tell him the truth, that this subject will be thoroughly ventilated. It is now 3 o'clock——

Mr. BARKLEY. Are we to understand that the Senator is filibustering against this bill?

Mr. REED. We shall see. I have enough facts to enable me to talk for 3 or 4 hours; and they are entitled to be heard. The people of the United States are entitled to know that the courts are being packed with unnecessary and useless judges in the face of all the evidence that can be accumulated.

Mr. BARBOUR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from New Jersey?

Mr. REED. I will yield for a moment, but I suggest to my good friend from New Jersey that he had better go home and come back on Monday and make his statement.

Mr. BARBOUR. Mr. President, under the circumstances, and in view of the frame of mind exhibited by my genial friend from Kansas, I realize that I am at a disadvantage and have not the opportunity to say anything. For that reason I will not attempt to encroach on the Senator's time.

Mr. REED. Very well.

Mr. President, I wish to read from what the senior Senator from New Mexico [Mr. HATCH] said on this bill when he was on the floor on March 25 of this year, if you please. He called it up by unanimous consent. His remarks are to be found on pages 3345 and 3346 of the CONGRESSIONAL RECORD. I read now merely a sentence from the statement of the Senator from New Mexico in which he told the Senate that an additional judge in the sixth circuit was not necessary. He closed the first part of his remarks with this statement:

> I ask that on page 2, line 9, the provision for an additional judge in the sixth circuit be stricken out.

That is precisely what the amendment I have sent to the desk calls for.

Mr. President, I have read so far from the report of the judicial conference and also a statement of the senior Senator from New Mexico, in which I hope the senior Senator from Arizona, the distinguished chairman of the Judiciary Committee, concurs, but I want to go further than that and go directly.

I hold in my hand a letter written by the Hon. Charles C. Simons, who is judge of the United States Circuit Court of Appeals for the Sixth Circuit. The letter reads:

> Chambers of the Court, Cincinnati, Ohio, April 5, 1940.

This letter is addressed to the Senator from Michigan [Mr. VANDENBERG] because the Senator from Michigan is in that circuit, and was passed to me. The letter of Judge Simons reads:

> The judges of the Sixth Circuit Court of Appeals have advised Senator BARKLEY and Senator ASHURST, through Judge Hicks, our senior circuit judge, that the progress the court has been making with the docket during the last year has obviated any need for a sixth judgeship. The causes that led to the accumulation of work 2 or 3 years ago are not likely to reappear.
>
> Very sincerely yours,
>
> CHARLES C. SIMONS.

I did not happen to be present when the senior Senator from New Mexico, in charge of the bill, got it up on the 25th of March. If I had been he would not have gotten it up by unanimous consent, but he did get it up, and the only reason he did not have it passed perhaps was because the distinguished Senator from Kentucky, the majority leader, objected. The sixth circuit happens to be the circuit in which he resides, as well as the distinguished presiding officer of the Senate at this time, the junior Senator from Kentucky [Mr. CHANDLER]. So I am going to try on this first amendment to the bill to find out whether the Chief Justice of the United States and the judicial conference, the senior Senator from New Mexico in charge of the bill, and all the judges of the circuit have as much influence in the Senate in keeping an additional judge from being appointed as the distinguished senior Senator from Kentucky has in getting one appointed.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Kentucky?

Mr. REED. Certainly.

Mr. BARKLEY. I have no interest or knowledge concerning who may be appointed if the additional judge is provided by this bill. As I stated at the time the Senator from New Mexico brought this measure up, the Senate had nearly a year ago passed a bill including a new judge for the sixth circuit, and it did so after the Judiciary Committee had sent two of its own members, who, as I recall, were the late Senator Logan and the Senator from Nebraska [Mr. BURKE], out there

to investigate the matter. They came back and both reported in favor of the proposal. My information is that even when the docket was at its worst the distinguished judge who has written the letter which has been read objected to an additional judge in the circuit. The House had passed the bill after making its own investigation.

Of course the mere fact that I happen to live in the sixth circuit is a coincidence. When the Senator from New Mexico based, as I understand, purely on the letter that Judge Simons had written to the Senator from Michigan [Mr. VANDENBERG], suggested that that judgeship be eliminated, that was the first notice I had, after both Houses had passed this bill and included such a judge, that any motion of that sort was to be made. I objected on the ground that certainly we had the right to know why at the last minute, when both Houses had included this judgship, it should be eliminated.

The Senator from New Mexico did not make his suggestion because I happened to be majority leader, but because, living in the circuit, I might have some information in respect to the condition of the docket there, and I think I have.

Mr. REED. Nobody familiar with Kentucky and the fact that the majority leader lives in Kentucky and with the past history of Kentucky would have any possible doubt that the majority leader, the senior Senator from Kentucky, would have an interest in a matter of that kind.

Mr. BARKLEY. Of course the Senator is making a desperate effort to be funny, without success.

Mr. REED. I never have as much luck as does the senior Senator from Kentucky.

Mr. BARKLEY. The Senator may not be funny to himself, but he is excruciatingly laughable to many other people.

Mr. REED. Very well.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from New Mexico?

Mr. REED. Certainly.

Mr. HATCH. I was not present when the Senator read my remarks from the RECORD, and I assume that he pointed out that I merely asked for that change in order that the matter might go to conference and that an investigation might be made. That was the purpose. I did not want to pass an opinion on it with what information I had.

Mr. REED. Perhaps that was the Senator's purpose but this was his language:

> I ask that on page 2, in line 9, the provision for an additional judge in the sixth circuit be stricken out.

Mr. HATCH. Did the Senator read all the language——

Mr. REED. There is considerable language preceding and also following that statement.

Mr. HATCH. In which I stated that I wanted the amendment to go to conference so that we could investigate the situation.

Mr. REED. I think that is correct. May I ask the distinguished Senator from Arizona whether or not he received a letter such as Judge Simons referred to as coming from Judge Hicks?

Mr. ASHURST. I distinctly recall receiving a letter from a circuit judge—I am not sure it was Judge Hicks—opposing an additional judge in the sixth circuit, which letter I laid before the Senate Committee on the Judiciary for their information; and it is now in their files.

Mr. REED. I am sure the distinguished Senator from Arizona—and being merely a humble layman and modest minority Senator I have a very difficult time in matching these eminent lawyers, among the most eminent being the Senator from Arizona.

Mr. ASHURST. The Senator's modesty is comparable to that of a shrinking violet.

Mr. REED. Something like that, I should say.

Mr. ASHURST. I am glad to have any information the Senator can give.

Mr. REED. Well, this letter is dated April 5.

Mr. ASHURST. This year?

Mr. REED. This year; and it reads as follows:

> The judges of the Sixth Circuit Court of Appeals have advised Senator Barkley and Senator Ashurst, through Judge Hicks, our senior circuit judge, that the progress this court has been making with the docket during the last year has obviated any need for a sixth judgeship. The causes that led to the accumulation of work 2 or 3 years ago are not likely to reappear.

May I ask the Senator from Arizona if he has recollection of such a letter?

Mr. ASHURST. My judgment is that the files of our committee show such a communication was received and laid before the committee.

Mr. REED. It was received?

Mr. ASHURST. Yes; but, with about 600 letters a day coming before the committee, I would not state positively it was received. My judgment is that it was. I will put it in this way: I am quite certain that there is before our committee some communication from the judge mentioned opposing an additional judge in that circuit. That, I think, is true.

Mr. REED. Would the Senator desire to see this letter? I will be very happy to pass it over to him.

Mr. ASHURST. Yes. This is a letter to Senator VANDENBERG.

Mr. REED. I said so when I read it.

Mr. ASHURST. I will read the letter. It is as follows:

> The judges of the Sixth Circuit Court of Appeals have advised Senator Barkley and Senator Ashurst, through Judge Hicks, our senior circuit judge, that the progress this court has been making with the docket during the last year has obviated any need for a sixth judgeship. The causes that led to the accumulation of work 2 or 3 years ago are not likely to reappear.

Now, what is the question of the Senator?

Mr. REED. In his letter Judge Simons refers to the Senator from Arizona; and I asked the Senator from Arizona if he had received such a letter from Judge Hicks.

Mr. ASHURST. My best judgment at this time—and memory is quite fallible when one receives hundreds of letters a day—is that such a letter was received and laid before the committee. That is my answer.

Mr. REED. And yet that was after the bill was reported and was on the floor here; and but for this information coming to a Member of the Senate—information recently brought to the attention of the chairman of the committee and the majority leader—we would have had no indication from the committee of any change in the situation in the sixth circuit.

Mr. ASHURST. We might choose entirely to disregard the opinion of that distinguished judge. Not having changed our minds, what should we do except to consider the letter? Should we send a copy of the letter to the Senator? The files are open to him and to every other person who wishes to explore them. The Senator may have a key to the room of the Judiciary Committee and see all the correspondence which has taken place in the past 20 years, if he so desires.

Mr. REED. But was the distinguished Senator from Arizona here a moment ago when I called attention to the fact that the Senator in charge of the bill offered an amendment to strike out this particular judgeship?

Mr. ASHURST. I was here when the able Senator referred to that matter; yes.

Mr. REED. Why does the Senator suppose he did that?

Mr. ASHURST. I do not want to give the Senator a flippant answer, because he is a distinguished and a worthy man. I do not know what processes control the mental operations of other persons; least of all do I know what processes control my own mental operations.

Mr. REED. I myself have sometimes been in doubt about that.

Mr. ASHURST. Mr. President, let me say this, with the Senator's kind permission: The Senator from New Mexico [Mr. HATCH] described our proceedings. We sent Senators into the field. The chairman did not go. They sat in the courtrooms. They consulted the judges, the clerks, the district attorneys. We did not want to depend alone on the records of the Department of Justice. The late Senator from Kentucky, Mr. Logan, was for some years a member of the Senate Committee on the Judiciary. He was a very con-

scientious and able man. He was named to make the investigation of the sixth circuit. He made two trips into the sixth circuit. He visited with the judges, so far as I know, and he returned with his report. The Senate acted upon the report. The Senate approved Senator Logan's report, and about 9 or 10 months ago passed the bill with provision in it for this judge. It may be that the situation now has changed, because, frankly, I have not explored the records for the past 10 months; but I think the Senate was abundantly justified in acting upon Senator Logan's recommendation.

Senator Logan has gone to another tribunal. He has gone where, beyond these voices, there is peace; and I but express the wish of every Senator here when I say, may the sod rest lightly on his bosom. He was a gallant gentleman; he was a good lawyer; and, while I do not want to disclose secrets, I urged his nomination as an Associate Justice of the Supreme Court of the United States. I think he would have made an excellent Justice of that Court; and if he made any mistake in recommending an additional judge for the sixth circuit, that fact has never been brought to our attention. I would much rather take the view of the distinguished late Senator from Kentucky, who was an impeccable gentleman, than the judgment of the judge who has been quoted by the Senator from Kansas.

Mr. REED. Mr. President, is the Senator from Arizona familiar with the fact that while the judicial conference, headed by the Chief Justice, recommended an additional judge for the sixth circuit in 1938, they rescinded that recommendation at their meeting in September 1939?

Mr. ASHURST. The Senator is correct. I do not hold it against them that they changed their minds. That is no criticism of the judicial conference. The situation may have changed.

Mr. REED. And the judges of that circuit are now writing to the Senate Judiciary Committee to the effect that the additional judge is not necessary.

Mr. ASHURST. That is true.

Mr. REED. Mr. President, I ask for a yea-and-nay vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. LEE. Mr. President, what is the amendment?

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 7, beginning with the word "two", it is proposed to strike out through line 10 and insert in lieu thereof:

An additional circuit judge for the eighth circuit.

Mr. REED. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Russell
Ashurst	Ellender	La Follette	Schwartz
Austin	Frazier	Lee	Schwellenbach
Bailey	George	Lodge	Sheppard
Bankhead	Gerry	Lucas	Shipstead
Barkley	Gibson	Lundeen	Smathers
Bilbo	Gillette	McCarran	Smith
Bone	Glass	McKellar	Stewart
Bridges	Guffey	McNary	Taft
Brown	Gurney	Maloney	Thomas, Idaho
Bulow	Harrison	Mead	Thomas, Okla.
Byrd	Hatch	Miller	Thomas, Utah
Byrnes	Hayden	Murray	Tydings
Capper	Herring	Norris	Vandenberg
Caraway	Hill	Nye	Van Nuys
Chandler	Holman	O'Mahoney	Wagner
Clark, Idaho	Holt	Overton	Walsh
Connally	Hughes	Pepper	Wheeler
Danaher	Johnson, Calif.	Pittman	Wiley
Donahey	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

Mr. BARKLEY obtained the floor.

Mr. REED. Mr. President, I thought I had the floor.

The PRESIDING OFFICER. The Chair was of the opinion that the Senator surrendered the floor.

Mr. REED. I called the attention of the Presiding Officer to the absence of a quorum. I did not yield the floor.

Mr. BARKLEY. Mr. President, under the rules a Senator calling for a quorum in his own time yields the floor; but if the Senator desires to occupy the floor longer, I have no desire to interfere. The Senator asked for the yeas and nays, and then made the point of no quorum.

The PRESIDING OFFICER. The Chair was of the opinion that the Senator from Kansas yielded the floor. However, the Chair will recognize the Senator from Kansas.

Mr. REED. Let me say to the senior Senator from Kentucky that I will not take more than a couple of minutes. For the benefit of the Senators who have just come into the Chamber, I wish to state the question raised by the amendment, after which the distinguished senior Senator from Kentucky may have the floor for as long as he desires.

The vote is about to be taken on an amendment which I offered, which is identical with the amendment proposed by the senior Senator from New Mexico [Mr. HATCH] on March 25 to a similar bill, the Senator from New Mexico being in charge of the bill. In 1938 the judicial conference recommended an additional judge for the sixth circuit. We passed a bill last year providing for such a judge. In September last year, 1939, after we passed the bill, the judicial conference reversed itself, and, upon additional information, found that the additional judge was not necessary. On the 25th of March, during the consideration of this very bill, the Senator from New Mexico moved to strike out the provision for this judge. The chairman of the Committee on the Judiciary thinks that since that time he received a letter on this subject, but at least the Senator from Michigan [Mr. VANDENBERG] did receive a letter from one of the circuit judges saying that the circuit judges of the sixth circuit had advised the Senator from Arizona [Mr. ASHURST] and the Senator from Kentucky [Mr. BARKLEY], through the senior circuit judge, that an additional circuit judge in the sixth circuit was not necessary. That is the whole question.

I yield now to the Senator from Kentucky, if he desires to speak.

Mr. BARKLEY. Mr. President, I have no desire to go into the technicalities of this situation. We all know that the Committee on the Judiciary is a careful committee, which does not bring in proposals for legislation increasing the number of judgeships through whim or caprice. It made its own investigation by sending members of its own committee to the various parts of the country, to make their own investigation, and report back to the Committee on the Judiciary with respect to the need for additional judges, and as a result of that the committee reported a bill providing for two additional circuit judges—one in the sixth circuit and one in the eighth circuit—and four or five additional district judges.

The bill went to the House, and if the ordinary procedure, which was probably contemplated, as the Senator from Arkansas pointed out a while ago, had been followed and the Senate bill had been passed instead of the House passing its own bill, this question would have been settled, there would not have been any controversy about the matter. But for some reason, a matter of oversight, the Senator from Arkansas explains, and I have no doubt that is the fact, instead of passing the Senate bill the House passed its own bill—a measure almost identical with the one the Senate had passed, except that I think they added one more judgeship, but that judgeship is not in controversy, either in connection with the Senate bill or the House bill. That was about 3 weeks ago. The House bill came to the Senate and went to the Committee on the Judiciary, and was reported to the Senate containing provision for an additional judge for the sixth circuit.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRNES. I have not followed the matter closely. Is there any question as to the accuracy of the information given to the Senate by the Senator from Kansas that the judges of that circuit stated that an additional judge was not needed? Is that agreed to by them?

Mr. BARKLEY. I am coming to that now. In a colloquy a while ago I said that Judge Simons, according to my information, had never agreed that an additional judge was needed in the sixth circuit. When the docket was at its worst he was still opposed to a new judge being appointed in that circuit. Notwithstanding that opposition the judicial conference recommended an additional judge. The member of the Senate Judiciary Committee who went out and made an investigation recommended an additional judge. Both the House and Senate committees have recommended an additional judge. Only the other day, since this matter came from the House and the Senator from New Mexico [Mr. HATCH] sought to bring it up by unanimous consent, based upon a letter received by the Senator from Michigan [Mr. VANDENBERG] from Judge Simons, the Senator from New Mexico suggested that the additional judge for the sixth circuit be eliminated in order that the matter could go to conference and the conferees work it out.

Mr. BROWN. Mr. President, the Senator mentioned the various agencies of the Government which have recommended an additional judge in the sixth circuit. I call his attention to the Attorney General's report dated January 3, 1940, made after he had had ample time to read and digest the report of the judicial conference submitted in 1938, when it in effect recommended two additional judges in the sixth circuit, and again in 1939 when it withdrew that recommendation, one additional judge having been appointed; nevertheless the Attorney General stated in his report to the Congress that the additional judge in the sixth circuit was needed, and made that recommendation.

Mr. BARKLEY. That was the report for the year 1939, made to the Congress at the beginning of this session.

Mr. BROWN. It is dated January 3, 1940. I should like to read a part of that report, as follows:

> It is manifest that no function can ever be expeditiously and efficiently performed without sufficient personnel. This obvious fact is as true of judicial business as it is of other fields of activity. In recognition of this need the Congress during the past few years has properly provided for additions to the judicial personnel.

Then he reports the findings of the judicial conference held on September 29, 1938, which recommended a permanent increase in the judicial position of one judge for the sixth circuit. He then says:

> Legislation to effectuate these recommendations has been approved by me. A bill (S. 2185) embodying most of them passed the Senate.

He comments on the fact that a similar bill had passed the House, both of them providing for the additional judge in the sixth circuit.

I am familiar with the sixth circuit, I think more so than is the Senator from Kansas. I am a member of that bar. It happens that, because of some litigation which came to me before I became a Member of the Senate, I was in that court in October of 1938. We had an important case, and it was necessary for us to petition the court to advance hearing months before the time when we could possibly have the case heard. I would say that the docket was not in current condition for litigants from the very busy district which this circuit covers.

The Senate knows that this circuit includes the very busy districts in the State of Michigan, where there is probably more patent litigation than in any other circuit of the United States, and patent litigation, as Senators know, is most complicated, takes a great deal of time, and occupies practically all the time of one of the five judges in the eastern district of Michigan.

I am not familiar with the situation in Tennessee and Kentucky, but I know that much patent litigation exists in Ohio, where there is an extensive automotive industry in Cleveland and in Dayton. It has placed an unusual burden on the appellate court in the sixth circuit.

The Senator from Kentucky says that Judge Simons has always been opposed to any additional judge in the sixth circuit, notwithstanding the fact that the judicial conference found that there was need for two additional judges in that circuit. He was opposed to it then. He wrote me a letter similar to that which he wrote the senior Senator from Michigan [Mr. VANDENBERG]. I do not agree with what he wrote.

I think it is our duty, guided by the Attorney General, and guided by our Judiciary Committee, and the House guided by its Judiciary Committee, to determine this question for ourselves.

I do not happen to know Judge Simons personally, although he is from my State of Michigan, and is an excellent judge, but from my own knowledge of the situation, from my knowledge as to the findings of the late Senator Logan, of Kentucky, and the Senator from Nebraska [Mr. BURKE], I believe the Senate ought to decide this question for itself.

Mr. BARKLEY. Mr. President, I thank the Senator from Michigan for his very valuable contribution. I wish to say——

Mr. REED. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Kentucky yield to the Senator from Kansas?

Mr. BARKLEY. Not at present. I wish to complete my statement.

There is no doubt there has been an improvement in the condition of the docket in that circuit. It would have been almost a discredit to the court if there had been no improvement, because the docket was in a deplorable condition. But, in spite of that improvement, there are some judges whose desks are piled high with cases submitted to them which have not been heard. In order to improve the condition of that docket, as I happen to know, because I live in that circuit, some of those judges, if not all of them, worked all last year day and night, without vacation, in order that they might improve the condition of that docket.

The question for the Senate to determine is not whether Judge Simons or the Senator from Kansas objects to an additional circuit judge in the sixth circuit, but whether, in order to keep the docket reasonably current, we shall require these judges or any other judges to work all the year, day and night, without a day's vacation. I do not think we ought to require them to do that.

Mr. BROWN. Will the Senator yield to me again at that point?

Mr. BARKLEY. I yield.

Mr. BROWN. I have Judge Simons' letter of March 18, in which he indicates that with five judges working some progress had been made; and he says this:

> I am confident that in no case that really needs to be heard promptly that it will fail to find a place upon our docket.

My idea is that every case upon that docket needs to be heard promptly. The litigants want to get their litigation out of the way. He goes on to say:

> By next winter—
>
> A year from the present time—
>
> we will be in good shape.

It seems to me, in view of the fact that the judges are still behind, and that even with an additional circuit judge they have not yet been able to clean up their dockets, that they ought to welcome an addition to the bench.

Mr. BARKLEY. Mr. President, of course, it is also not a question of whether a case is going to be placed on the docket, but when it is going to be tried after it gets on the docket. It is an easy matter to get a case on the docket. It is a different matter to get to it and try it.

I hope this amendment will be defeated. I believe the additional judge is needed, and I believe that the litigants who have cases and matters of sufficient importance to justify them in going to this court ought to be given at least as much consideration as some judge who, for some reason of his own,

however sincere he may be, may conclude that he does not want another judge on the bench on which he serves.

I yield the floor.

Mr. REED. Mr. President, I am very sorry that a humble layman has to inform a distinguished lawyer, such as the junior Senator from Michigan, concerning things in his own circuit about which he spoke. I wish to correct two misstatements. I grant that they may have been, and are, unintentional, but nevertheless they are incorrect. That is a better term to use.

The judicial conference has never recommended two judges for the sixth circuit, as stated by the Senator from Michigan. I hold in my hand the report of the judicial conference in 1937, and on page 5 the conference recommends as follows:

> The Circuit Court of Appeals for the Sixth Circuit is not able, with the present number of judges, to hear all of the cases as promptly as they should, and an additional circuit judge is necessary.

The judicial conference repeated that statement on page 7 of its report in 1938; and it recommended one additional judge, not two, as stated by the Senator from Michigan.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. REED. I yield for a question. I am reading from the report of the judicial conference.

Mr. BROWN. I ask the Senator if it does not appear on page 20 of the Annual Report of the Attorney General for 1938 that the statement from the judicial conference is as follows:

> The Circuit Court of Appeals for the Sixth Circuit has a large accumulation of cases, and it is apparent that in order to secure the prompt disposition of its work an additional judge will be needed even after the existing vacancy is filled.

If the Senator can add, one and one make two. The vacancy was not filled. We had created an additional judgeship, and before the vacancy was filled the judicial conference said, "We need another judge."

Mr. REED. The Senator from Michigan certainly does not mean to say that because a vacancy existed the judicial conference would recommend two judges, including the one to fill the vacancy. The judicial conference was talking about the number of additional judges that were necessary.

Let me go forward with the 1938 report, in which an additional judge was recommended for the sixth circuit. In 1938 the judicial conference, from whose report I am reading, recommended only one additional circuit judge, and that was for the eighth circuit. On page 6, it said:

> No other recommendations for additional circuit judges are made at this time.

It is unfair so to state facts as to give a wrong impression. An attempt is being made to lay the whole burden upon Judge Simons. It is true that Judge Simons wrote to the Senator from Michigan [Mr. VANDENBERG], but for the information of the Senator from South Carolina, who asked the question—and a very fair question—I will state that Judge Simons, who is a judge of the sixth circuit, writing from his chambers in Cincinnati, said:

> The judges of the Sixth Circuit Court of Appeals have advised Senator Barkley and Senator Ashurst, through Judge Hicks, our senior circuit judge, that the progress this court has been making with the docket during the last year has obviated the necessity for a sixth judge.

The distinguished Senator from Arizona [Mr. ASHURST], chairman of the Judiciary Committee, has a recollection of receiving a letter of that kind. It is wholly unfair to say that this is the act of a single circuit judge, when all he does is to advise one Senator that all the judges, speaking through their senior circuit judge, have communicated certain views to other Senators.

I agree with the Senator from New Mexico [Mr. HATCH]. On the 25th of March he offered an amendment to do this very thing, so that the matter could go to conference. The only way to get it to conference is to adopt my amendment.

Mr. President, I am through.

Mr. CHANDLER. Mr. President, I sincerely hope the amendment of the Senator from Kansas [Mr. REED] will not be agreed to. I should not detain the Senate, except for the fact that my predecessor in this body, after a careful investigation on behalf of the Judiciary Committee, recommended that an additional judge be provided in the sixth circuit.

I now have the honor to be a member of the Committee on the Judiciary; and notwithstanding the fact that some of the judges indicated their desire not to have an additional judge, others indicated their desire for an additional judge because they thought it was necessary.

I speak on behalf of the litigants and lawyers in that circuit—the litigants whose cases are behind, and who do not have an opportunity to have their matters adjudicated, and the lawyers who have to attend those courts and wait to be called, at great expense and loss of time.

Mr. REED. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. REED. All I wish to do is to call the Senator's attention to the report of the judicial conference to this effect:

> Progress has been made in the disposition of these cases, and the conference believes that with the present force of circuit judges the circuit court of appeals will be able in the near future to make its dockets fairly current.

Mr. President, I have no desire to break into the remarks of the Senator from Kentucky. The late distinguished Senator from Kentucky, Senator Logan, was a friend of mine, and a very fine gentleman. I wish I had the eloquence to pay him such a tribute as was paid him by the distinguished Senator from Arizona [Mr. ASHURST]. As I understand, Senator Logan made his investigation about 2 years ago. Is that correct?

Mr. ASHURST. It was in the early part of 1939.

Mr. REED. After the Congress of 1938 had adjourned the various members of the committee went out to investigate conditions. Is not that correct?

Mr. ASHURST. Yes. The investigation made by Senator Logan was in the early part of 1939.

Mr. REED. That was nearly 2 years ago. In the meantime, according to all the evidence, every bit of congestion has been cleared up.

Mr. CHANDLER. Mr. President, in answer to the Senator from Kansas, I have the feeling that the investigation was made not quite a year ago instead of 2 years ago.

Senator Logan lived in the circuit, as I do; and in his time he was a practicing lawyer in the courts of that circuit, and was familiar with conditions. If a judge were asked for in Kansas, I should not feel able to say to the distinguished Senator from Kansas and his people that the litigants and lawyers in that circuit are not entitled to an additional judge in order to clear the docket. When judges reach that high and rare atmosphere they are not inclined readily to admit that other lawyers who are not so fortunate, and have not had an opportunity to be called "judge," are entitled to consideration. However, I speak on behalf of the lawyers and litigants of that circuit.

Mr. President, I sincerely hope the Senate will not agree to the amendment of the Senator from Kansas. There have been times within the past 2 years when the judges have said that two additional judges are needed. They now say they do not need two, but they do say they need one. In his report the Attorney General of the United States says they need one.

The distinguished Senator who preceded me in the Senate is now appearing before the Judge Who guides the destinies of all men; and he appears in good grace, because he was of good conduct when he lived here among us. As I occupy his place, I feel that I should carry on for him the work which he started and which he could not finish. I think the Senate might well heed the words of my disinguished predecessor, the words of the Attorney General of the United States, and the words of the House and Senate Judiciary Committees. The committee did receive the letters which have been referred to, but in the minds of the committee the letters were not sufficient to change the combined judgment of the membership of the committee.

Mr. President, I respectfully ask that the Senate disagree to the amendment offered by the Senator from Kansas.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. REED]. [Putting the question.] By the sound, the "noes" seem to have it.

Mr. REED. I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. REED. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Reed
Ashurst	Ellender	La Follette	Russell
Austin	Frazier	Lee	Schwartz
Bailey	George	Lodge	Schwellenbach
Bankhead	Gerry	Lucas	Sheppard
Barkley	Gibson	Lundeen	Shipstead
Bilbo	Gillette	McCarran	Smathers
Bone	Glass	McKellar	Smith
Bridges	Guffey	McNary	Stewart
Brown	Gurney	Maloney	Taft
Bulow	Harrison	Mead	Thomas, Idaho
Byrd	Hatch	Miller	Thomas, Okla.
Byrnes	Hayden	Murray	Thomas, Utah
Capper	Herring	Norris	Tydings
Caraway	Hill	Nye	Vandenberg
Chandler	Holman	O'Mahoney	Van Nuys
Clark, Idaho	Holt	Overton	Wagner
Connally	Hughes	Pepper	Walsh
Danaher	Johnson, Calif.	Pittman	Wheeler
Donahey	Johnson, Colo.	Radcliffe	Wiley

The PRESIDING OFFICER. Eighty Senators having responded to their names, there is a quorum present. The question is on the amendment offered by the Senator from Kansas [Mr. REED].

Mr. REED. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are demanded. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. REED. I ask for a division.

On a division, the amendment was rejected.

Mr. HATCH. Mr. President, I do not see the Senator from Iowa [Mr. GILLETTE] in the Chamber at the moment. I happen to know that he wanted to offer an amendment which it would be proper to offer at this time. He wanted to offer the amendment on behalf of the Senator from Missouri [Mr. CLARK]. The Senator from Missouri has been very much interested in the provision of this bill as it relates to the eighth circuit.

Mr. GILLETTE entered the Chamber.

Mr. HATCH. I note that the Senator from Iowa has entered the Chamber, and I am sure he would prefer to offer the amendment himself. I will say to the Senator from Iowa that the amendment as to the eighth circuit would now be in order.

Mr. GILLETTE. Mr. President, I thank the Senator for his courtesy.

The senior Senator from Missouri [Mr. CLARK] has presented an amendment which is on the desk. Because of his necessary absence from the Senate Chamber and from the city, he asked me to call it up at this time. If the amendment has not been reported from the desk I ask that that be done.

The PRESIDING OFFICER. The amendment heretofore offered by the Senator from Missouri will be reported for the information of the Senate.

The LEGISLATIVE CLERK. In the committee amendment on page 2, line 10, it is proposed to strike out "One" and in lieu thereof insert "Two."

Mr. GILLETTE. Mr. President, I merely wish to call to the attention of the Senate a statement made by the Senator from Missouri just before he left the city on last Monday. If the Senate will bear with me, I will read a portion of the statement which he made on the floor of the Senate.

Referring to the fact that the Senator from Nebraska [Mr. BURKE] had, on behalf of the Judiciary Committee, made a special investigation with reference to the need of additional judges in the eighth circuit and that the Senator from Nebraska had reported to the committee that there was need for one additional judge, the Senator from Missouri said:

Mr. President, the position of the Senator who investigated the matter of the eighth circuit was entirely justified at that time, because at the time of his investigation the eighth circuit had three retired circuit judges who had never retired from the active performance of their duty. Although technically retired circuit judges, they performed as arduous and as efficient duties as they had when they were active judges. The three were Judge Faris, of Missouri; Judge Van Valkenburgh, of Missouri; and Judge Booth, of Minnesota.

Since the time of that investigation Judge Faris has died, Judge Booth has become totally incapacitated, and Judge Van Valkenburgh has become less able to perform the service which he had performed before his retirement.

Therefore the situation has completely changed, and I think that any investigation will disclose the fact that two judges in that circuit are imperatively needed now, as was recommended by the judicial council 2 years ago.

I may add that, as, of course, is known to the committee and to the Senate, that the bill as passed by the House provides for two additional judges in the eighth circuit.

In view of the change in the situation to which the Senator from Missouri referred, and at his request, I present the matter, and hope that his amendment will be adopted.

Mr. HATCH. Mr. President, in view of the fact that I have some information about this matter——

Mr. REED. Mr. President, I desire to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from New Mexico yield for that purpose?

Mr. HATCH. I do not yield for that purpose.

The PRESIDING OFFICER. The Senator from New Mexico declines to yield for that purpose.

Mr. HATCH. Mr. President, I merely wish to refer to something as to conditions in the eighth circuit which has come to me and which I think the Senate should have. It is quite true, as the Senator from Iowa has said, that the Senator from Nebraska [Mr. BURKE] did go into the eighth district to investigate conditions there and came back last year and reported that only one judge was needed. For that reason the Senate bill included only one judge for the eighth circuit. The House bill includes two additional judges for that circuit.

Early this year, since the last regular session of the judicial conference, a special session was held, and I read now from the report of the judicial conference, dated January 31, 1940, by Charles E. Hughes, Chief Justice of the United States. I quote from the report:

At the session of the judicial conference in September 1938 the conference noted that the Court of Appeals for the Eighth Circuit had been able to keep abreast of its work only through the aid of retired judges, and recommended provision for two additional circuit judges for that circuit. At the session in September 1939 the conference decided to recommend but one additional judge. On a review, however, of the situation in that circuit, the conference at its present session thought it desirable to renew its original recommendation that two additional circuit judges be provided.

In addition to that report, which was called to my attention only recently, Mr. President, I have a letter from Judge Stone, presiding judge of the eighth circuit, written on the 25th day of last month. I shall not read the letter, as it is quite lengthy, but I ask permission to have printed in the RECORD as a part of my remarks the letter of Judge Stone and also a typed statement of his setting forth the exact conditions in the eighth circuit.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter and statement are as follows:

UNITED STATES CIRCUIT COURT OF APPEALS, EIGHTH CIRCUIT,
KANSAS CITY, MO., *March 25, 1940.*

HON. CARL A. HATCH,
Senate Office Building, Washington, D. C.

DEAR SENATOR HATCH: I understand that the Senate has made an amendment to House bill 7079, providing for additional circuit and district judges, by striking out the bill after the enacting clause and substituting the Senate bill. My interest in this legislation is confined to the provisions in the two bills relating to circuit judges for the eighth circuit.

I have been on this court for more than 23 years, and I have been the senior judge for about half of that time. Before the division of this circuit, by the creation of the tenth circuit in 1929, the administration of the circuit was not a difficult matter, although we used district judges freely. The problem of men doing any kind of work effectively gets down to the amount of work and the manpower to do it properly. In the old eighth circuit this was not difficult since there was a surplus of manpower because, during that

period, there were five relatively light districts where the judges therein could be used in other districts or upon the court of appeals. The division of the circuit left us only one light district and, therefore, a decided decrease in relative manpower, and at the same time the bulk of the work remained in the States forming the present eighth circuit. This situation created decided difficulties in administering the present circuit so as to keep the 10 districts and the circuit court effective.

Since the present circuit was formed there has never been a time when the five regular circuit judges could do the work of the court. Frequently district judges were called to sit upon the court because the circuit judges were not able to carry the load. There was one period, of about 2 years, when we used no district judges on the court because the five regular judges had the help of three retired circuit judges. One of those retired judges has died; another has not served for a year, and is totally incapacitated. Lately, the third judge has been able to give us only a very small amount of aid because his physical condition is such that he does not desire to sit away from Kansas City, his home, and because he wishes to lighten his work. This loss of help from retired judges has again necessitated the liberal use of district judges on the court. Thus it is quite evident that the five regular circuit judges have never been able to carry the load and cannot do it.

Unless the Congress sees fit to give the court additional help, we will be forced to continue the liberal use of district judges. Such use should not be made for two reasons: First, because cases decided by the circuit court of appeals should be determined only by circuit judges. About 90 percent of the cases decided by a court of appeals are final, and there is no way of reviewing them except through the discretionary writ of certiorari from the Supreme Court. Second, because every district judge in this circuit already has all he should be asked to do, and it is not right to put this additional burden upon them. Where district judges have to write opinions in the court of appeals, they must delay either their district work or the preparation of the opinions.

To give this circuit only one additional circuit judge will not meet the situation but only lessen the evils which at present exist. Even with one additional judge and the help we are now getting from Judge Van Valkenburgh (retired and almost 78 years old) I am convinced we will have to use district judges. When Judge Van Valkenburgh ceases work, we will have to use them somewhat more. As a further aggravation, the judge of the only relatively light district in the circuit has not been in good health for more than a year and can give little or no aid either on the circuit court or in helping out in other districts.

I am writing to you because I know you have given considerable thought and study to this matter of additional judges. I wish I had the opportunity of talking with you about this matter, so that I might try to meet any doubts you may have or answer any questions you might care to ask. Since I do not have this opportunity of having our minds meet, I am venturing to write you and to enclose an outline statement of the situation in this circuit, which I hope you may have time to consider. I trust that my thorough interest in this matter and my deep conviction that two judges are needed may excuse my troubling you at this length or at all.

With high respect and good wishes,

Sincerely yours,

KIMBROUGH L. STONE.

STATEMENT BY JUDGE KIMBROUGH STONE, SENIOR CIRCUIT JUDGE, EIGHTH CIRCUIT

The necessity for two additional circuit judges in the Eighth Circuit arises from three coacting influences which are (I) increase of work, (II) decrease in number of judges to do the increased work, and (III) method of doing work.

I. INCREASE OF WORK

The increase of work is caused both (a) by increase in number of cases and (b) by increased difficulty in character of cases.

Effects of number of cases and character of cases on judicial work

While the number of cases in a court has a direct bearing upon the work of the court, because each case must be separately examined and determined, yet the character of the cases is even more important. The difference between the effect of the number of cases and the effect of the character of cases arises from the time and the effort required to examine a particular case. If a case presents issues on points of law frequently before the court and has a comparatively small record, it will not require great and extended effort and time to read the record and to decide the issues. If a case presents new, unusual, or difficult law issues or has a long record, it requires, naturally, more effort and time to determine it. Where a case presents both new, unusual, or difficult law issues and also has a long record, the effort and time are, of course, still greater. Therefore, one difficult case or one having a long record, or one having both difficult issues and a long record, may require more effort and time than a dozen of the relatively lighter kind.

Let me illustrate the relative importance of number and of character of cases. All experienced appellate Federal judges know that it is the rare criminal case which requires much effort or time. This is so because the same kind of issues are presented in criminal appeals again and again (therefore the applicable law is familiar and fresh in the judges' minds) and the records are very rarely long. On the other hand, many civil cases present novel issues of law and many have long records.

Next, let us apply the above considerations of number and character of cases to the actual situation in this circuit.

(A) Increase in Number of Cases

The increase in number of cases for the fiscal year ending June 30, 1938, was about 8 percent above the average for the preceding 14 years. It was almost 14 percent above the number filed the preceding year. The increase in number of cases for the fiscal year 1939 over the year 1938 was over 7½ percent. There is every reasonable assurance that the number of cases in future years will increase—certainly there is no hope for a sustained decrease.

(B) Increase in Difficulty of Cases

The character of civil cases coming before a Federal court of appeals depends upon many factors. One of these factors is the kind of social conditions and businesses in the particular circuit. For example, the second circuit (except for Vermont, being the seaboard States of New York and Connecticut) will have a considerable number of admiralty cases which can be rather easily disposed of because the law is settled and the records not exceedingly long. On the other hand, the eighth circuit is located in the middle of the country with both large rural areas and also with large cities therein. This results in a wide diversity of kinds of civil cases coming on appeal in this circuit. This diversity is convincingly shown by the fact that, in 1938, over 47 percent of the cases filed in this court were not susceptible of classification under the rather detailed table of classes (15 classes) devised by the Department of Justice—this large percentage of cases had to be placed in the catch-all class called Miscellaneous. In 1939, the miscellaneous cases were almost 48 percent of the total cases—there being 17 classes.

(a) Effect of legislation: Another factor is recent legislation by Congress. Whenever Congress enacts a statute affecting many people in their mode of life or business the natural result is an increase in litigation. First there come attacks upon the validity of the act. If the act is sustained by the Supreme Court, there follows an extended period of tests as to the proper construction of and as to the application of the act. In the past few years Congress has enacted a more than usual number of such statutes, which are noticeably increasing the work of the court of appeals or of the judges therein. Examples of these are the creation of various administrative boards, the Chandler Bankruptcy Act, the new rules governing trials in district courts (authorized by Congress), and the act requiring three judges (one of whom must be a circuit judge) in all district court cases attacking the validity of an act of Congress.

Administrative boards: The acts creating the various administrative boards require direct reviews or enforcement of board orders to be brought direct in the proper circuit court of appeals. The action of these new administrative agencies is in new legal fields where there is little or no precedent and, therefore, where a very considerable burden is placed upon the courts of appeals in trying to construe and apply these new laws so as to carry out the intention of Congress.

In addition to this, the records in these review proceedings are nearly always very large. Rarely are they as little as 1,000 pages (except in reviews coming from the Board of Tax Appeals). I have on my desk now one such record of more than 4,000 pages. I am informed that two such reviews have been recently filed in this court wherein the records will exceed 20,000 pages in each case.

In most of these cases one point always urged is the sufficiency of the evidence to justify the findings and order of the board or commission. Such an issue can be determined only by a careful reading of the entire record.

Last year 20 percent of the total cases filed in this court were reviews of administrative boards or commissions.

Chandler Bankruptcy Act: This new act (approved June 22, 1938, effective September 22, 1938) makes numerous changes in the Bankruptcy Act as theretofore existing. There can be no question but that these changes will result in much litigation extending over years until these changed provisions have received judicial interpretation.

In addition to this, the Chandler Act makes one change which is already being reflected in increasing litigation in the courts of appeals. Before the Chandler Act, appeals in bankruptcy matters were allowable by the district courts as of right only in certain described instances (secs. 24 and 25 of the act, secs. 47 and 48, U. S. C. A., title 11). In all other instances, allowance of such appeals was within the discretion of the courts of appeals and many appeals were denied. The Chandler Act gives appeals as of right except in the limited class of cases where the amount involved is $500 or less. Obviously, the number of appeals is being and will be increased.

New rules: The broad sweeping scope of these rules is stated (rule 1) as governing the procedure in the district courts "in all suits of a civil nature" with certain exceptions set out in rule 81. They make drastic changes in very many phases of procedure from the commencement of an action through to an appeal and also as to some phases of appellate procedure. Any experienced lawyer knows that there will be hundreds of appeals involving construction of these rules. Such result has followed the introduction of every code in a State. This effect is being felt already and will continue for many years—resulting in a definite increase of the number of appeals and of the work in the courts of appeals.

Three-judge cases: The act of August 24, 1937 (50 Stat. 752, U. S. C. A., title 28, sec. 280a), requires three judges—at least one of whom must be a circuit judge—to sit in all injunction cases involving constitutionality of acts of Congress. Cases under this act are not numerous but they are highly important and usually involve extended hearings for taking evidence. Each such case takes at least one circuit judge away from his regular appellate

court duties—usually for some time—thus interfering with his disposition of appellate business.

(b) *Erie Railroad Co.* v. *Tompkins* (304 U. S. 64): This decision (April 25, 1938) has decidedly increased the work of the courts of appeals in circuits having several States; this circuit has seven States. Theretofore, many appeals involved applications of the so-called general law (defined by Mr. Justice Story in *Swift* v. *Tyson* (16 Pet. 1, in 1842)). In the nearly 100 years between the Swift case and the Erie case, this general law as to many recurring situations had been fairly well defined and, therefore, was not especially difficult of statement or application. Of course, no matter in what State an appeal might arise, the rule was the same. The Erie case has reversed all of that. The general law has, at least as to substantive law, disappeared. Now, the same issue (formerly subject to general law and governed by one rule) may come up in seven cases—one from each of the seven States in this circuit—and, instead of the easy statement and application of one rule to all, we must examine the law separately as to each case so as to ascertain and apply the law of the particular State from which the case came. Thus, until the entire field formerly covered by this general law is settled, the work on this character of appeals may be multiplied seven times, because we have seven States in this circuit. It is certain that our work of this kind will be affected every year for a number of years.

(c) Generally: In outlining the above particular matters which increase the work of the court of appeals of this circuit, I have not tried to mention every such consideration but only such as are rather outstanding. There are others. One of these only will be mentioned. While the number of appeals increases, the number of criminal appeals decreases. As said hereinbefore, criminal cases are, as a class, less difficult of examination and determination. Last year, fiscal year 1939, the criminal appeals in this circuit were less than one-third of the average for the preceding 4 years. Criminal appeals have tended to fall off since the criminal appeal rules were put in force by the Supreme Court in 1934. Those rules have much discouraged criminal appeals which were frivolous or for delay. The situation is that the less meritorious—and therefore easily disposed of—criminal appeals are disappearing while the total number of all kinds of appeals and reviews is increasing. The result is that a hundred appeals today require decidedly more time and effort than the same number did a few years ago.

The actual result is that the work of this court has materially increased in the last few years.

II. DECREASE IN JUDGES

In the past few years this court has been able to keep up with this additional work only because of the fortunate circumstance that we had additional temporary help. This help came through the valuable assistance of three experienced and able retired circuit judges. Judge Wilbur F. Booth retired on January 1, 1932; Judge Arba S. Van Valkenburgh, on May 1, 1933; Judge Charles B. Faris, on December 1, 1935.

We have now lost most of this assistance. Judge Faris died December 19, 1938. Judge Booth has not sat since September 1938 and will certainly not sit again because of defective hearing and other serious physical ailments—he will be 79 years old next August. Only Judge Van Valkenburgh remains. He does an excellent quality of work but sits only from one-third to one-half as much as a single active judge. How much longer he will want to help is problematical, as he will be 78 years old next August and is not in the best of physical health.

III. METHOD OF DOING WORK

(a) Choice of method: Wherever a court is made up of more than one judge and where more than one must sit in every case, there is a choice of method which affects both the rights of the litigants and speed of the work, and therefore the number of cases which can be disposed of within any given period of time. This choice is between doing the work properly or doing it quickly.

The same judges can turn out much more work if they want to sacrifice good, thorough work to speed. Some courts do just this thing. For example, there are courts of three or more judges where, at the adjournment of court for the day, the judges talk over for an hour or more the three to six cases heard that day. They reach a decision in each case, and the cases are assigned for opinions. Each judge then writes the opinions assigned to him. By the time these opinions get to the other judges (who have been busy writing the other opinions assigned to them) these other judges have more or less hazy remembrance of the cases they do not write. If an opinion reads well, they concur without more consideration. Such a method results, in essence, in a one-man decision. By this method more cases are disposed of, but the litigants have not had their rights because they have really not had the mature, careful consideration of each of the judges who sat. Thus the substantial rights of all of the litigants have been sacrificed for the sole end of speed.

Our method of work: The act of Congress creating the circuit courts of appeals provides that each of such courts "shall consist of three judges" (U. S. C. A., title 28, sec. 212). This court has always construed this language to mean that Congress would not have required three judges unless it intended that litigants should have the careful consideration and determination of each one of the three judges and that the judgment of the court should be the result of the real work of three men.

Our entire method is designed solely to get the careful consideration of each judge and therethrough to have every judgment of this court represent the best thought which three men—not just the thought of the one judge who might write the opinion—can bring to bear. To secure this result—sought by Congress—we have evolved the following method.

Our unit of work is our week during which the same three judges usually sit. (1) At the end of each day there is an informal discussion of the cases heard that day. This discussion has two purposes: first, to ascertain if the decision in any case is so clear that it needs no further consideration (this rarely occurs); and, second, to fix the oral argument in our minds. (2) Next, each judge independently investigates each case—reading the record and briefs—and prepares his written memorandum thereon. (3) When all three judges have prepared such memoranda, a conference is held. At this conference, memoranda are read and there is a full discussion as to how each case shall be decided, and as to the grounds for each decision. (4) The cases are then, for the first time, assigned for opinions—usually such assignments are made to the judge who seems to have the best and clearest grasp of a particular case (as shown by his memorandum and discussion during conference).

The above method absolutely secures the independent thought and investigation of each judge. These memoranda are usually quite complete and frequently are extended discussions of every point in the case necessary to be decided (I have one now on my desk of 24 typewritten pages of legal cap paper). Thus when the three judges gather for conference, each is thoroughly informed and prepared on each case and, therefore, can discuss it intelligently. The result is that every decision is the product of three minds which have investigated separately, and therefore discussed together every point presented by counsel. Through years of experience, this is the best method we have been able to develop to put into the decision the informed judgment of every judge who sat—a result intended by Congress and, therefore, one to which the litigants are entitled.

Clearly, this method involves an enormous amount of work. We could reduce our work by two-thirds if only the one judge who wrote the opinion made this thorough investigation. Also, opinions could be gotten out faster and more cases disposed of if we did not do the work this way. But such gain in dispatch of business would be at the sacrifice of good work. When Congress required three judges, it did not intend that two of them should be mere "yes men" and figureheads.

We have regarded it as our first and great duty to be as near right as possible. This is the basis of our method.

IV. NEED FOR TWO ADDITIONAL JUDGES

The net result of all of the above is that the court of appeals of this circuit has, for the past few years, had more work than the five active judges alone could possibly have done; that this work has been kept up to date only because of the help of the three retired circuit judges, and, later, by use of district judges. The help from retired circuit judges has now, in large part, finally ceased. Either the docket must fall behind, district judges must be used, or the court must have additional circuit judges to help do the work. The necessary manpower can come only from one of two sources: By use of district judges on the court or by additional circuit judges.

Use of district judges: There has been substantial objection by the bar to having the determination of appeals participated in by trial judges. This is not the place to discuss the advantages or disadvantages of such practice but I merely call attention to this attitude of the bar as an existing fact.

A more important thing is the practical situation in the circuit. That situation is that the district judges in this circuit have all they can do to look after the work in their own district courts, and some of them are overburdened. To place upon them the further work of service on the court of appeals is, obviously, unfair to them and to the litigants in their courts. While it may be better to have some districts fall behind rather than to have the court of appeals fall behind, yet this is but a choice between two evils, neither of which should be permitted and both of which can be avoided by the simple expedient of increasing the manpower of the court of appeals itself.

I have been a member of this court of appeals for more than 23 years and the senior judge for almost half of that time. During that period I think I have gained experience which is useful in estimating the situation of the appeal litigation in the circuit and in gaging the man force necessary to take proper care of that litigation. All of the present judges work hard and intelligently. They cannot do more than they are doing. I am certain that the court needs these two additional judges. I hope the Congress will see its way to provide them during this session, so that the work will not fall behind or the district courts be badly affected; either result is bound to affect litigants harmfully.

I will be happy to aid in any way in further understanding our problems.

Mr. HATCH. I will say that, in substance, rather than take the time to read the letter, Judge Stone very earnestly requests Congress to provide for two additional judges. From my personal acquaintance with Judge Stone and personal conversations I have had with him and the things he has told me personally and also in the letter as to the conditions in the district, I have no hesitancy in saying that, in my opinion, the eighth circuit does need two additional judges, and that the amendment should be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. GILLETTE], in behalf of the Senator from Missouri [Mr. CLARK].

The amendment was agreed to.

PROHIBITION OF BALLOT-STUFFING AND OTHER EVIL POLITICAL PRACTICES IN NATIONAL ELECTIONS

Mr. BRIDGES. Mr. President, during the past 4 years much has been written, and more said, about pernicious political activities. Yet in the Halls of Congress I do not recall that one word has been spoken about the most pernicious practices of all. I refer to such vicious practices as falsifying the count, padding the registration lists, the use of repeaters, stuffing the ballot boxes, and sundry other devices which have been used by dishonest persons in various parts of the country to decide elections according to their desires.

On the eve of a Presidential election, the time is most opportune to bring these practices to the attention of Congress and the people.

In my humble opinion, more elections have been stolen by the election crooks than have ever been decided as a result of pernicious political activities on the part of petty State and Federal employees. We have acted on one through the so-called Hatch Act and Hatch Act amendments; so let us act on another.

The election irregularities, which might better be termed crimes, that have grown up in the United States are no new or recent phenomena, but they seem to be growing worse.

Mr. President, political thugs and election crooks must go in the United States. The people are already on the trail of these despoilers of liberty, and the days of the big bosses are limited. But, the people need help in the way of Federal legislation making these insidious practices felonies punishable by substantial sentences in prison.

I could spend several hours detailing the activities of the political thieves in various parts of the country, but this would be a review of that which is now too well known for comment here.

However, I shall digress briefly in my remarks to show you how things were handled in Kansas City, Mo.

According to the census of 1930, the population of Kansas City was 399,746. In 1936, the registration books of the city contained the names of 263,934 registrants. In fact, in the second ward of Kansas City, although the census shows that there were only 23,028 inhabitants in the ward, the registration books showed that there were 23,324 eligible voters in the same ward; and when the Pendergast machine needed this vote it certainly was cast.

In the summer of 1936 the Citizens' Nonpartisan Committee of St. Louis and Missouri, in a State-wide drive against corruption in that State, published 600,000 copies of a newspaper containing photographs of two spots in Kansas City that are highly illuminating of the practices followed there. One photograph was of a vacant lot at 700 Main Street, Kansas City, from which 112 persons were registered, and the other of a residence at 912 Tracey Street, from which 141 persons were registered.

In St. Louis, immediately after the registrations for the August primary of 1936, the Citizens' Nonpartisan Committee entered the picture, and exposed one of the most corrupt conditions in the entire Nation. As a result of the activities of the citizens' group and the St. Louis newspapers, headed by the St. Louis Post-Dispatch, the Governor of the State was forced to discharge his bipartisan board of election commissioners. The Governor appointed a new board; and inside of 10 days a recheck of the registration books revealed the fact that the lists had been scandalously padded, and 46,393 of the ghost voters could not be found at their alleged residences.

The job done in Kansas City, Mo., where the leadership was taken by the civic-minded citizens and by newspapers like the Kansas City Star, and the job done in St. Louis by the Citizens' Nonpartisan Committee and the St. Louis Post-Dispatch, deserve the commendation of all citizens, as well as the courageous attitude of the Federal judges in Missouri, and the able prosecution work of District Attorney Milligan.

I have just cited these as examples. I could very well tell you stories that have occurred in the machine-boss-controlled city of Chicago, where in the last election the Nash-Kelly machine once more ran rampant over decent citizenship. I could take you to New Jersey, to the Hague-controlled machine of Jersey City, for some more pernicious operations of the bosses, and also to the famous Crump system in Memphis, Tenn.

Oh, what a New Deal party we have today!

Oh, what great liberals we have—Hague, Kelly, Nash, Crump, Pendergast!

In order that the American people may have some control over this situation, I am introducing a bill which will give voters everywhere protection when their ballots are cast in any election for the office of President and Vice President and Members of the Senate and House. I ask that the bill be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3764) to prohibit ballot stuffing and other evil political practices in national elections was received, read twice by its title, and referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That in any general or special election at which votes are cast for candidates for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives, or Delegate or Resident Commissioner from any Territory or insular possession, any judge or clerk of any such election, or any other person, who willfully and knowingly receives and places in any ballot box, or aids, assists, or assents to the placing in any ballot box, any ballot, or paper purporting to be a ballot, which is not legally voted by a qualified voter at such election, or who illegally, willfully, and fraudulently abstracts, or aids in or assents to the abstraction, from any ballot box any legal ballot, or who in any manner willfully influences or attempts to influence any person to do any of the aforesaid acts, or to omit to do any lawful act required of him in relation to such general or special election, or who in any manner illegally, willfully, and fraudulently changes at attempts to change, or induces any other person to change or attempt to change, the true and lawful result of the election, by any act to be done, either before, at the time of, or after such election, by a wrong count of the ballot, by changing the true returns, or making a false return thereof, or by changing the figures of the returns after they are made up, either before or after they are duly made, in any other manner except in pursuance of law or the order of a court, shall, upon conviction thereof, be punished by a fine of not more than $2,000 or by imprisonment for not more than 2 years, or both.

SEC. 2. In any such general or special election any person who may be authorized by law to receive, canvass, or count the poll books, tally lists, or election returns in any voting precinct or district authorized by law who willfully and knowingly receives, canvasses, or counts, or assists therein, any poll books, tally lists, or election returns which are fraudulent, forged, or counterfeited, or who falsely and fraudulently makes an incorrect and false account of an election return pertaining to the office of President, Vice President, Presidential elector, Member of either House of Congress, or Delegate or Resident Commissioner from any Territory or insular possession, with intent to defeat a fair expression of the popular will, shall, upon conviction thereof, be punished by a fine of not more than $2,000 or by imprisonment for not more than 2 years, or both.

SEC. 3. In any such general or special election, any person who votes more than once, either at the same or different place, or who knowingly casts more than one ballot, or who votes at such election knowing that he is not a qualified voter and is not entitled to vote, and any person who knowingly advises or procures any illegal vote to be cast at any such election, shall, upon conviction thereof, be punished by a fine of not more than $2,000 or by imprisonment for not more than 2 years, or both.

SEC. 4. In any such general or special election in which balloting is by voting machines or a combination of voting machines and paper ballots the provisions of sections 1, 2, and 3 of this act shall apply in the same manner and with the same force and effect as where the balloting is exclusively by paper ballots.

Mr. BRIDGES. Mr. President, I have in my hand copies of the St. Louis Post-Dispatch and of the Missouri Nonpartisan News, with marked articles, which I ask to have printed as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The articles are as follows:

[From the St. Louis Post-Dispatch of July 22, 1936]

WHOLESALE FRAUDS FOUND IN PRIMARY REGISTRATION IN CITY—GROSS PADDING IN REVISED AND CORRECTED LIST FOR AUGUST VOTE—56 ON BOOKS AS LIVING IN LONG-VACANT HOUSE; 154 OF 160 WHO GAVE HOTEL AS ADDRESS NOT RESIDENTS AND NOT KNOWN THERE—DEAD MEN'S NAMES ARE STILL ENROLLED—CHECK-UP IN SEVERAL WARDS FAILS TO FIND HUNDREDS OF PERSONS AT THE FACTORIES, LOFTS, AND FLOPHOUSES ENTERED AS THEIR ADDRESSES

Evidence of wholesale fraud in registration of city voters for the congressional, State, and local primary of August 4 has been found in the voting list of several wards by Paul O. Peters, director of the citizens' nonpartisan committee, and has been verified by the Post-Dispatch.

Peters' investigation grew out of his committee's fight against the Jefferson memorial river-front improvement for which a bond issue was voted at a special election recently, and which election the committee contended was carried by fraud.

RECORD REGISTRATION—394,774

The registration, 394,774, the final corrected result of the June 18 enrollment, is the largest ever recorded here. Checking by Post-Dispatch reporters which thus far has extended only to the fourth, fifth, and sixth wards, has not indicated the total volume of the fraud, but has shown the use of registration-padding methods like those which made a mockery of the ballot in St. Louis in the days of Butler's Indians a generation ago.

As it happens State Senator Mike Kinney, Democratic boss of the fifth ward, is in for the fight of his political career in the primary. Jimmy Miller, boss of the fourth ward, has declared war on Kinney and has brought out William Warren Burke as a candidate against him for the senatorial nomination.

VACANT STOREROOMS AND LOFTS

Vacant storerooms and lofts have been peopled with scores of imaginary voters in the wards mentioned, all of whose names have been placed on precinct lists, ready for "repeaters" to vote in the primary.

From No. 7 Market Street, in the fifth ward, first precinct, a two-story building unoccupied for a year past, and with no bed or other article of furniture in either the upstairs or the downstairs room, 56 names of supposed voters are registered, on the official list, printed since the June revision.

From 410 North Levee, in the fifth ward, second precinct, a two-story building with a saloon on the first floor, 137 names are registered on the "revised and corrected" list. A Post-Dispatch reporter who inspected the premises saw 10 cots on the second floor. There are also small buildings attached to No. 410, on the south, which might house not more than 20 persons.

ONE HUNDRED AND FIFTY-FOUR NOT KNOWN AT ATLANTIC HOTEL

From the Atlantic Hotel, northeast corner of Fifteenth and Pine Streets, 160 voters are registered. A Post-Dispatch reporter took the list of voters registered from this hotel to Joseph H. Stuever, assistant manager, who said that only 6 of those registered resided at the hotel. The others were not known to him. This hotel is in the fourth precinct of Kinney's ward. A year ago, in the river-front memorial bond issue election, only 4 voters were registered from the Atlantic Hotel, but at that time Kinney was not running for reelection to the State senate.

STRIKING EXAMPLE IN SIXTH WARD

A striking example in the sixth ward, where John J. Moroney is the Democratic city committeeman, is at 8 South Second Street. Unoccupied for the past 5 months, according to the rental agents and the neighbors, 48 names are enrolled from there on the "revised and corrected" primary roll.

At other places where a few persons actually live, numbers are registered which it would be impossible to house in the places. These lists, in every case, have been approved by the precinct clerks of election, whose duty it is to make a canvass after the registration and report names of persons not found living at the places from which they are registered. When names are so reported, the election board must summon the persons to appear and prove their residence, otherwise their names are struck off the list.

TOM KEARNEY STILL REGISTERED

One way to pad registration is to add fictitious names to the rolls. Another way, equally effective, is to leave on the rolls names which were once rightfully there, but which should be struck off because of death or removal. There are indications that this method has figured in the padding of the St. Louis rolls.

Tom Kearney, widely known betting commissioner, died February 24. He had been registered from his handbook and cigar shop, 416 North Twelfth Street. The precinct clerks of election, in their canvass in June, should have learned of his death and should have reported it to the election board, which should have removed his name from the roll.

But the name of Thomas M. Kearney is still on the voting list at the Twelfth Street address.

A living person whose name is now on the books twice, through no fault of her own, is Mrs. Dora Dunkmann, 2219A Montgomery Street. Her name is registered from her present address in the eighteenth ward, tenth precinct, and from her former address, 1406 Dodier Street, in the third ward, tenth precinct. The June revision failed to remove her name, though she moved more than a year ago.

NOT MUCH RISK IN "REPEATING"

The election "repeaters" who vote the fictitious names at the primary will be violating the penal statutes, but they are not likely to consider themselves in any great danger. When the grand jury attempted to investigate charges of fraud in the 1934 primary, and sought to obtain the ballot boxes of two fourth-ward precincts, lawyers went to the State supreme court, applied for a writ of prohibition and obtained a temporary order which after 18 months, has not yet been dissolved. The court has given no indication as to when it intends to act on the case.

The present registration, largest on record, is more by 6,297 than that for the 1932 Presidential election. Heretofore, the number of registered voters has been largest at the Presidential election, and has declined thereafter, as supplementary registrations for local and off-year elections are held, until the next Presidential registration.

But in the registration of June 18, so many new names were added—97,564—and the excess of these additions over those struck from the rolls in the following canvass was so large, that there was a net addition of 45,642 to the number of voters. The 1932 Presidential enrollment was 388,477, the record up to that time, but now raised, at an intermediate registration, to 394,774.

MASS MEETING TOMORROW NIGHT

A mass meeting for the discussion of the registration frauds has been called for 7:30 o'clock tomorrow night, at Central Library, by the Citizens' Nonpartisan Committee. Peters, director of the committee, said today to a Post-Dispatch reporter that he would invite candidates for the Democratic and Republican nominations for Governor, and members of the board of election commissioners, to attend. The election board is responsible for supervision of the registration.

The members of the election board, all appointed by Governor Park, are: Chairman, James A. Waechter, Democrat; secretary, Charles L. Moore, Republican; Joseph W. Hannauer, Democrat; and Stephen M. Wagner, Republican. The law requires appointment of members of both parties.

HEAVY PADDING

The precinct registration lists used in the bond issue election have been revised, not downward as is usually the case, but extensively padded, in the preprimary registration of last month. Comparison shows many houses are being credited with a larger content of voters than they had then.

The fourth ward, dominated by Justice of the Peace Jimmy Miller, gave a remarkably full and almost unanimous vote for the bonds in the most of its precincts. As told in the Post-Dispatch at the time, Governor Park induced William L. Igoe, president of the police board, and Miller to come out at the eleventh hour for the bonds, in spite of their hostility to Mayor Dickmann.

REGISTRATION OF PAST YEARS

The registration for Presidential elections, and for the primaries before such elections, since woman suffrage went into effect in 1920, has been:

For election, 1920	315,018
For primary, 1924	259,789
For election, 1924	303,150
For primary, 1928	267,125
For election, 1928	362,215
For primary, 1932	321,429
For election, 1932	388,477
For primary, 1936	394,774

The present registration is void after the primary, and the lists for the Presidential election, which will remain as basic for the next 4-year period, will be made up in a 4-day precinct registration, September 21–24; but if those who brought about the padding of the recent registration "get away with it," at the primary, nothing would be likely to prevent them from repeating the padding in the September registration for the November election.

HOW IT COULD BE DONE AGAIN

It would then be necessary for "repeaters," with lists of names, to go from precinct to precinct and register under different names. It would also be necessary, in the clerks' canvass after the registration, that someone vouch for all the names at each address, or that the clerks, failing to find any trace of the registrants, should still leave the names unquestioned on the lists.

With the names once on the lists, it is a routine election-day task for leaders to herd groups of repeaters from polling place to polling place, giving each a new name at each place, having them change coats and hats in transit, to confuse any who may thereafter try to identify them.

These tactics were common in the nineties and the early days of the present century, when the Democratic State administration used the police, election, and excise departments in the effort to control the city of St. Louis, which was normally Republican. The practices were carried so far that they disfranchised not only the Republicans but many Democrats not allied with the ruling faction of the party. The Folk boodle prosecutions and the election of Joseph W. Folk as Governor, called a halt on these practices, and in the succession of Democratic and Republican administrations

which followed Folk, down to the present decade, there were only minor irregularities in registration and elections.

In recent years, with the growth of the Pendergast machine in Kansas City, and the success of its methods in running registrations and elections, the St. Louis politicians have seen a short cut to power, and the example of Jimmy Miller, in "voting 'em like a machine," has attracted attention.

[From the St. Louis Post-Dispatch of July 23, 1936]

SHUFFLING OF ELECTION JUDGES AIDED FRAUDULENT REGISTRATION IN FIFTH WARD—"SEE SENATOR KINNEY," ONE OF THEM WAILS WHEN QUESTIONED—MOVED FROM PRECINCT WHERE THEY KNEW THE PEOPLE TO STRANGE ONE WHERE 392 NEW NAMES WENT ON BOOKS, HALF FROM ONE ADDRESS—CLERK TELLS OF PERFUNCTORY CHECK—"THOSE WERE HOT DAYS," HE SAYS, BUT HE INQUIRED AT ATLANTIC HOTEL AND MUST HAVE BEEN TOLD THAT THE OFFICIAL LIST WAS ALL RIGHT

The Post-Dispatch is able today to indicate clearly how one of the biggest single cases in the wholesale fraudulent registration which the paper began exposing yesterday was worked. The story, told by election judges of what went on in the barber shop at 1423 Franklin Avenue last June 18, when 392 names were added to the poll books during 13 hours—nearly half of them from a single address—would be laughable if it were not for the corrupt character of that part of the transaction.

Briefly, the story is that at least two of the four election judges had been shifted to that polling place (fourth precinct, fifth ward), a precinct strange to them, and this shifting had been done by the board of election commissioners at the request of State Senator Michael Kinney, who is Democratic committeeman for the ward, and Fred Weissmann, the Republican committeeman.

There, while they were supposedly on watch against false registration, the names of phantom voters, 154 of them listed as residents of the Atlantic Hotel, Fifteenth and Pine Streets, were added to the poll books.

Ordinarily election judges are assigned to neighborhoods in which they are familiar, so that at least one of their number can identify through acquaintance anyone who appears to register or vote.

SEE SENATOR KINNEY

One of the judges, Leonard Bernstein, a clerk in the office of License Collector Fred A. Renick at city hall, when asked by a Post-Dispatch reporter how it happened that he was assigned on that registration day to a precinct where he knew none of the voters, responded:

"Oh, see Senator Kinney about that."

"What does he know about it? "

"I don't know," was Bernstein's answer, his manner indicating distress, "but go see him."

It was learned that Bernstein owed his city-hall job, his appointment to the $6-a-day job as election judge, and his assignment to the particular precinct in which he served last June 18 to Senator Kinney.

The election commissioner's record of Bernstein's appointment as an election judge in August 1932 bears the notation "Golden-Kinney." John Golden is Senator Kinney's handy man and proxy on the Democratic city committee. Tom J. Gannon, Democratic clerk for the election commissioners, in charge of Democratic precinct officials, told a Post-Dispatch reporter Bernstein and Robert F. Myers, the other Democratic election judge at the precinct where the Atlantic's phantoms registered, were chosen by Kinney. Myers lives at the St. Francis Hotel, 604 Chestnut Street, which is the voting address of Kinney and 177 other registered voters.

The election commissioners' clerk in charge of Republican precinct officials, Ross Halleck, likewise said it was the practice for committeemen of his party to choose the precinct officials and dictate their assignments. Weissmann's choices for the fourth precinct of his ward were Anton Becker, 722 Chestnut Street, and Frank Woznick, 914 North Eighteenth Street.

Becker was a temporary appointee. He had served last year in the registration preceding the bond-issue election at another precinct of the fifth ward, but never before at the fourth precinct.

Kinney needs reinforcements to aid in the political battle of his life in the primary election August 4, when he will seek renomination for the senate seat he has held since 1912.

Jimmy Miller, fourth ward Democratic boss, is out for Kinney's scalp, and has put forth as his candidate State Representative William Warren Burke. Fifteen of the precincts in the thirty-first senatorial district, which Kinney represents, are in the fourth ward, which Miller controls and, as he says himself, "votes like a machine."

WE DONT CHALLENGE ANYBODY

Bernstein was not concerned about his inability as an election judge to recognize any of those who registered at his precinct.

"We don't notice those things," he told the reporter. "We just follow the regulations, and we don't challenge anybody—just take down their names and addresses and let them sign the book. It is up to the clerks to check up to see if they are qualified voters."

It was pointed out to him that prior to June 18 the fourth precinct of the fifth ward, in which he served that day, had 515 registered voters, and that 392 names were added on June 18—nearly half of the new names from the Atlantic Hotel.

"Do you know how that can be explained?" the reporter asked. Bernstein said he did not.

"Did you have any curiosity at all about the 154 names registered from the Atlantic Hotel?"

"I knew there were a great many," he answered, "but I did not know who they were. You see, that was my first day in that precinct. I didn't know anybody there. I was taking the place of a sick man."

"Who?"

"I don't know."

Bernstein was asked then how he happened to be assigned to that precinct, and it was here that he referred the inquiry to Senator Kinney. He said Senator Kinney had got the job in the license collector's office for him.

By this time Bernstein was getting a bit skittish about answering questions; and when he was asked how long he had had the job, he said, "Oh, see Mr. Renick about that."

He was backing away from the counter in the license collector's office, where the interview took place, but another question brought him back. It was, "Can you say that you were present when those 154 names from the Atlantic Hotel were added?"

"I couldn't say that I was," he answered. "You see, we get 2 hours off for lunch. We go one at a time. I don't know what happened while I was at lunch."

"Well, do you recall any special activity there that day; anything that seemed unusual, in view of your previous experience as an election judge?"

"No; we don't pay any attention to things like that—just follow the regulations."

Bernstein, after the Post-Dispatch reporter had left the city hall, went off to confer with Senator Kinney. His room in the Maryland Hotel was unoccupied last night, and this morning he telephoned the chief clerk in the license collector's office to say that he was ill and would not report for work.

His fellow Democratic judge in the precinct, Myers, could not be reached at the St. Francis Hotel. The clerk said he had left town for a few days.

BECKER, TOO, STRANGE TO PRECINCT

Becker, one of the Republican judges, was seen by a reporter in the office of a small loan company in the International Building for which he is a collector. He, too, was in strange surroundings on that day when strange things happened in his precinct.

"I know very little about it," he said. "I have been a judge in the second precinct of the fifth ward for some time, but that day they transferred me to the fourth precinct, and I didn't know any of those fellows."

"Did anything happen that seemed unusual or aroused your curiosity?" "No; it was all routine to me."

On duty in the fourth precinct of the fifth ward last June 18 during the parade of the phantoms were, in addition to the four election judges, two clerks, William F. Casey, 4006 Dryden Avenue, a Democrat; and Edward A. Walsh, 1446 South Grand Boulevard, a Republican.

The clerks had the additional duty, on 2 days following the registration, of making a canvass of the precinct to make sure that there had been no fraudulent registrations. For this purpose they were furnished with slips bearing the names and addresses of all registered.

HOW CLERKS CHECKED UP

Walsh told a Post-Dispatch reporter he and Casey had gone around together, making the canvass. "And," he added, "I can tell you it was hot on those days."

Asked to tell what occurred when he and Casey visited the Atlantic Hotel, Walsh responded:

"Well, we walked up to the desk, and there was a man there who looked like the clerk. He said he was the clerk. I asked him if those men lived there, and he said yes."

Walsh said he had read aloud to the clerk the names on each of the slips.

"Do you recall that the clerk said anybody did not live there?"

"No; I don't," Walsh answered.

"Do you recall that he said they did?"

"He must have, or their names wouldn't be on the list now."

As the Post-Dispatch told exclusively yesterday, a reporter who showed the official list of 160 persons registered from the Atlantic Hotel as qualified voters to the assistant manager, Joseph H. Steuver, was told by Steuver that only 6 of those listed were residents of the hotel. The 6 included Steuver himself and the manager. The usual number of permanent guests, Steuver said, is 40 to 50.

FEWER THAN 100 NAMES CHALLENGED

Walsh said his best recollection was that fewer than 100 names in the entire precinct were challenged as a result of the canvass he and Casey had made after the registration.

Barber Frank Johnson recalled today that June 18 was an exceedingly busy day around his shop which served as the precinct registration place.

"Oh, sure," he said to a Post-Dispatch reporter, "there must have been 500 of them. They were sitting all around here"—with a sweep of his hand he indicated the walls of his four-chair shop—"and most of the day they were lined up for about 10 feet out on the sidewalk."

Johnson was a bit high on his estimate—actually 392 new names were added to the registration books in his precinct on that day—but he was certain that it was the busiest registration day in his

experience. Party workers were bringing men and women to the shop in automobiles all day long, he said.

SENATOR KINNEY SAYS HE HAD NO HAND IN PLACING OF JUDGES

Senator Kinney, when seen by a reporter, admitted he knew Bernstein and confirmed what Bernstein said that he recommended Bernstein for a job at the city hall. But he professed total ignorance of everything else.

FEW VOTERS AT BIG DOWNTOWN HOTELS, MANY IN FIFTH WARD

Registration figures for downtown hotels, most of them in Senator Kinney's fifth ward, show a marked contrast between the small numbers enrolled from the larger and better-known hotels, and greater numbers from the lesser houses.

From Hotel Jefferson, 30 persons are registered; from the Statler, 9; from the American Hotel, 9; from the Lennox, 6; and from the Mayfair, 5. Other downtown houses show:

Laclede, 518 Chestnut Street, 303.
La Salle, 508 Chestnut, 128.
Marion Roe, 508 Pine, 79.
St. Charles, Ninth and St. Charles, 74.
Arlington, 715 Pine, 69.
Morgan, 403 Delmar Boulevard, 55.
Brevort, 412 Pine, 39.
Meramec, Twelfth and Pine, 38.

All the hotels named are in the fifth ward. Lodging and rooming houses in the adjoining sixth ward show the following registration figures:

New Atlantic Hotel, 911–911A Market Street, 95.
Lodging house, 819 Market, 70.
Boarding house, 601–601A South Broadway, 50.
Annex House, 615–615A Walnut, 50.

NO OFFICIAL ACT ON GROSS FRAUDS IN REGISTRATION—NOTHING DONE TO BRING GUILTY TO BOOK—CIRCUIT ATTORNEY WRITES LETTER TO JAMES A. WAECHTER

No official action has been taken thus far to identify and bring to trial any of the many persons who must be guilty of criminal participation in the wholesale registration frauds which the Post-Dispatch is exposing, the first reports of which were given in the first edition of yesterday's paper.

The only official notice taken of the exposé was in a letter written by Circuit Attorney Franklin Miller to James A. Waechter, chairman of the board of election commissioners, yesterday afternoon, in which Mr. Miller mentioned the reports in the Post-Dispatch, and said, "I assume these charges will be promptly investigated by the board."

"LEGAL" EVIDENCE OF FRAUD

He added that if "legal" evidence of fraud should be found, he would like to have such evidence submitted to him for presentation to the grand jury. In this connection he said the present grand jury would be in vacation during the month of August and that its term would expire and it would be discharged September 11.

The primary election at which the fraudulent names are intended to be voted will take place August 4.

The law permits the circuit attorney or the judge who empaneled the grand jury to call it into session at any time during its term regardless of recess or vacation, so that the present grand jury could be employed immediately and at any time or continuously up to September 11.

Grover W. Dalton, of Poplar Bluff, chairman of the Republican State committee, sent a telegram yesterday from St. Louis to Governor Park, calling on him to remove the entire board of election commissioners, Republican as well as Democratic members, all the Governor's appointees.

Dalton cited the Post-Dispatch's exposé of fraud and said the election board was responsible for "this distressing as well as reprehensible condition," and should be removed and replaced with "men or women who will speedily clean up this mess and restore honest and fair elections in St. Louis."

GOVERNOR PARK'S STATEMENT

Governor Park, after receiving Dalton's letter, said: "I wish to make an investigation of my own before I make any statement."

Jesse W. Barrett, candidate for the Republican nomination for Governor, speaking last night before the Regular Fifth Ward Republican Club, at 2721 Mills Street, said:

"The total of phantom registrations in St. Louis runs into many thousands. It would easily be enough to decide a close election.

"This is a direct and vital challenge to every resident of St. Louis. It calls for immediate and thorough cooperation of all good citizens, regardless of party affiliations."

Barrett advocated formation of a nonpartisan committee to raise funds to investigate and combat the frauds, and to back prosecution of offenders.

MASS MEETING 7:30 TONIGHT

An opportunity for public expression on the registration frauds will be given by the mass meeting called for 7:30 o'clock tonight at Central Library, under auspices of the Citizens' Non-Partisan Committee. The committee, which was formed to oppose the Jefferson Memorial river-front improvement, has taken up a campaign against frauds affecting the ballot.

Paul O. Peters, director of the committee, who made charges of fraud in the bond-issue election of September 10 last, collected data at that time which has been used, in comparison with the new official lists of voters, in establishing the registration frauds.

Peters has received numerous letters of complaint and suggestion, in the fraud inquiry, at his home, 1819 Thurman Avenue.

MORE REGISTRATION FRAUDS FOUND AS INQUIRY EXTENDS TO SECOND, NINETEENTH, AND TWENTY-THIRD WARDS—AT LEAST 900 CASES OF PALPABLE PADDING—VOTE CORRUPTION IS NOT CONFINED TO DOWNTOWN PRECINCTS

Added evidences of fraud in the record-size registration for the August 4 primary are presented by the Post-Dispatch today following its disclosures yesterday of wholesale frauds in the fourth, fifth, and sixth wards.

Beside the downtown river wards named, indications are increasing that the padding of rolls occurred also outside the downtown area. The second, a northern river ward, and the nineteenth and twenty-third, central residence wards, afforded instances of irregularities similar to those shown in the fourth, fifth, and sixth.

Inquiry by Post-Dispatch reporters into the colonizing of fictitious or far-away voters in vacant buildings, or buildings with only a few actual occupants, has pointed to at least 900 cases of palpable fraud in the wards named.

PLACES TO BE INVESTIGATED

Among the places where the enrollments of voters are either obviously fraudulent or are plainly proper subjects for official investigation are:

No. 1101 Chestnut Street, downstairs vacant and locked, 21 registered; upstairs, 23 registered; clerk says they live there.

Broadway Hotel, 419 Wash Street, 57 registered; 11 not known to proprietor.

Pacific Hotel, 905 Market Street, 120 registered; management says they live there.

Princess Hotel, 14 North Eighteenth Street, 86 registered; only 25 of names recognized by management.

St. Charles Hotel, 902 St. Charles Street, 75 registered; only 2 names recognized by person in charge. Building has 18 rooms.

Y. M. C. A., 1528 Locust Street, 192 registered; only 54 now known to management as residing there. Some of the other names are those of former roomers; most of them are not known to the management. Management last spring sent list of permanent guests to election board; Lloyd L. Coon, residence hall manager, said no inquiry from precinct clerks to check the registration was received.

No. 1126A Pine Street, sixth ward, regular Democratic headquarters, 39 registered; management says they live there.

Erie Hotel, 218 South Fourth Street, 39 registered; management knows 23; says 3 of the others are dead.

No. 1020 North Eighth Street, 3 rooms, 34 registered; proprietor says all "come around" occasionally.

Vacant store, 1801 Washington Avenue, 12 registered; neighbors said some were former employees of a bus company, which had depot on premises up to June 1. Neighbors said Walter Jones, Negro porter, whose name was on list, died about 2 months ago.

De Luxe Motor Stages depot, 1805 Washington, 22 registered; 1 Negro porter actually lives there.

Tenement, 2125 Lucas Avenue, 17 registered; 2 known there; 1 name, that of Felix Nack, appears on list twice; he is not known there.

Flats, 2129 Lucas, 28 registered; 4 known there. Names not known include 2 William Lees.

Rooming house, 1808 Delmar Boulevard, 32 registered; 4 now live there; others are former lodgers.

Flat, 1919A Olive Street, 17 registered. Boy told reporter that only he and his grandparents lived there. A man contradicted this, saying others lived there and "work day and night."

Rooming house, 1925 Olive, 29 registered; 7 known there.

Chestnut Lodge, relief committee quarters, at 2207 Chestnut Street, 180 registered; 106 now live there.

Ozanam Shelter, 3225 Montgomery Street, 306 registered; many not now there.

Abernathy Apartments for Negroes, 1120 North Compton Avenue, 38 registered, 5 of whom have moved, according to janitor.

Rooming house at 4200 Page Boulevard, 18 registered; 4 have not lived at place for 8 months or more, and 1 is not known to landlady; 5 others do not live there, but at 4200W Page.

No. 7 Market Street, vacant 1 year, 56 persons registered.

No. 8 South Second Street, vacant 5 months, 48 registered.

No. 410 North Levee, 137 registered; accommodations visible for not more than 30.

Atlantic Hotel, 1431 Pine Street, 160 registered; only 6 known to assistant manager.

Nos. 1502–1502A Franklin Avenue, 72 registered; place known to police as a disorderly house.

Second Ward Democratic Club, in former police station at Ninth and Angelica Street, 20 registered; club manager says no one lives there.

The Page Boulevard rooming house is in the Twenty-third Ward, eleventh precinct. The Abernathy Apartments and Ozanam Shelter are in the nineteenth ward. The other places named, except for the second-ward clubhouse are in the fourth, fifth, and sixth wards.

The Democratic and Republican city committees have taken no official notice of the fraud exposures thus far.

Inflation of the registration, if not corrected before the primary, may affect important contests in both parties.

In the Democratic Party, Mayor Bernard F. Dickmann's fight for control of the city committee, and the counter-efforts of the anti-Dickmann part of the present committee, are well known. There

is also a Republican contest, which has attracted less attention, but which will stimulate the use of all available voters.

G. O. P. CONTROL AT STAKE

Control of the Republican city committee is at issue between the present controlling group of committeemen, headed by Chairman Fred W. Pape, and a faction alined with Charles L. Moore, secretary and a Republican member of the board of election commissioners. This fight is particularly keen in the large twenty-fourth ward, in the southwest section of the city, and in the fifth and nineteenth, which have large Negro populations.

As recounted heretofore, State Senator Michael Kinney, Democratic boss of the fifth ward, is being fought for renomination by Justice of the Peace Jimmy Miller, fourth-ward boss. Miller has brought out State Representative William Warren Burke as a candidate for the senate against Kinney. Miller has shown remarkable control of the fourth-ward vote in past elections, and he now has more voting material to work with, the ward's registration having grown from 10,628 to 13,671.

[From the St. Louis Post-Dispatch of July 24, 1936]

DOZEN REPEATERS BUSY ALL DAY FALSIFYING ONE PRECINCT'S VOTING LIST—ELECTION JUDGE TELLS HOW IT WAS DONE IN THE FIFTH WARD—HOMELESS MEN PROVIDED WITH ADDRESSES, FOREIGN-BORN PUT ON BOOKS WITHOUT NATURALIZATION PAPERS IN "DEMOCRATIC FIELD DAY"—482 ADDED IN DAY; ANYONE WELCOME—SAM WEBER, REPUBLICAN OFFICIAL, HAVING BEEN FOREWARNED NOT TO "SEE TOO MUCH," WAS INTIMIDATED BY THE CONDUCT OF THE DEMOCRATIC JUDGES

The amazing inside story of the manner in which the registration list in the first precinct of the fifth ward was falsified last June 18 when dozens of repeaters came to register and returned to register again under other names was given to the Post-Dispatch today by Sam Weber, one of the Republican election judges who served in the precinct.

Some of the most flagrant frauds disclosed in the Post-Dispatch investigation of registration crookedness occurred in this precinct, the polling and registration place for which is in the basement of the historic old courthouse at Broadway and Market street.

The 56 phantom voters enrolled from the unfurnished, uninhabited, and abandoned building at 7 Market Street, mentioned previously in the Post-Dispatch, constitute only one group of fraudulent registrations in the precinct.

INTIMIDATED INTO SILENCE

Weber, a youthful attorney, serving for the first time as an election official, was overawed by the brazen corruptness of the proceedings. He started to demur at times, but was intimidated by the demeanor of older Democrat colleagues and refrained from effective protest.

When the Post-Dispatch sought him out, as one of the officials in charge of a precinct where the paper had exposed gross fraud in registration, he told his story willingly to rid his conscience of a disturbing recollection. He will gladly repeat his account at any official inquiry, he said.

The Democratic election judges who served with Weber that day were William Golden, whose address is given as 3 North Sixth street, and Lester Sutton, whose address is given as the St. Francis Hotel, 604 Chestnut street. That hotel is also the voting address of State Senator Michael Kinney, Democratic boss of the fifth ward.

NAMED AT KINNEY'S REQUEST

The judges were appointed at the instance of Senator Kinney, now engaged in the political fight of his life to obtain renomination for the seat in the Senate he has held for 24 years. Kinney is the Democratic city committeeman for the fifth ward, and the practice of the present Board of Election Commissioners has been to let each committeeman dictate the appointment of precinct election officials in his ward.

The Republican election judges were Weber and Robert J. Bergmann, 114A North Broadway, who were named by Fred Weissmann, Republican committeeman for the fifth ward.

WEBER'S EXPERIENCE AS JUDGE

"It was all very new to me," Weber related. "I was stopped at the entrance by a policeman, but when I told him I was to be one of the judges, he admitted me. Once inside I was asked by one of the Democratic judges if I was Sam Weber, and when I answered in the affirmative, he assigned me to a seat at a table and directed me to join the other Republican judge in writing the names and addresses of registrants on slips. These slips were to be used later by clerks in checking the registrants at the addresses given."

Weber's initiation into the technique of practical politics as currently conducted in the river wards of St. Louis had for its locale a dingy room in the northwest corner of the basement of the old courthouse.

Those who were to register descended a few stone steps, made their way through the refuse in an areaway and entered a small anteroom, equipped only with an old rolltop desk. Beyond a partition made of a mismated assortment of doors, panels and boards, there was a larger room, with a table in the center. Off in a corner, across the splintered floor, was a flat-top desk, and scattered about the room were a half-dozen folding chairs.

DECISIVELY OVERRULED

"I observed at a glance that the Democratic judges were in full possession of things," Weber continued. "I was not surprised later on when I ventured a suggestion that was promptly and decisively overruled. This was that I, as one of the two Republican judges, be allowed to work on one of the two books. I was politely but firmly told that I was doing a good job with the slips and not to worry about how the books were kept.

"It was plain from the attitude of those men that they would not be irritated by a mere Republican, and I suppose my Republican colleague, an elderly man, felt the same way about it. When I rose to challenge a man who had registered several times, my Republican friend nudged me with his knee under the table and gave me a glance that said it might be imprudent to protest.

"Moreover, it appeared the repeaters were on friendly terms with the Democratic judges, and as there were always several repeaters in the place, I kept my peace; but I looked upon the whole proceeding as a sad commentary on our system.

A DEMOCRATIC FIELD DAY

"We had customers the moment the doors were open, and from that moment until 5 minutes before the place closed, when a drove of about 25 swarmed upon us, the Democrats enjoyed a field day. I was dumfounded by that last sortie of the enemy, and so I surrendered to overwhelming numbers.

"After all had registered and we officials were left alone, the books were shoved at me and I was directed to sign them, as my duty, thereby vouching for the legality of the registration in that precinct. It was night; I was in the same spot, and that was no time and place to be contrary. I could not have safely done otherwise than sign those books, or at least I felt that way.

"Irregularity seemed to be the rule. At the very start a man registered, stepped outside, reentered and registered again. He did it a third time with such ease and authority that I rubbed my eyes to make sure I was awake. I saw more of that man during the day. He and a dozen others would register, each putting down a different name; go out for a few minutes, and return, to repeat the performance. That sort of thing went on all day.

ADDRESSES PROVIDED FOR HOMELESS

"But the grim proceeding was not without its spots of humor. A wretched drifter sauntered in and gave his name. When asked for an address he said he had no home.

"That was too bad, remarked one of the Democratic judges at the books. They would find a home for him. Would he like a nice place on the river front, or was he particular? Any old place he could hang his hat would do for him, and so he was given an address around Fourth and Broadway.

Another of about the same type entered and, after giving his name, apologetically remarked that he lived in North St. Louis. He was told that North St. Louis was far outside the first precinct of the fifth ward. The Democratic judges thereupon consulted the city precinct map. After some study they gave him an address within the precinct bounds. He was not particular, and so signed the book for the new home address they had given him.

FOREIGN-BORN REGISTRANTS

"Many of the registrants were born in other countries, and as I understand the regulations governing registration, they are obliged to show their naturalization papers; but this trifling detail did not bother the Democratic judges. True, they inquired for the naturalization papers, but when told they had been forgotten or misplaced, that was all right, and the point was not pressed. Indeed, everyone was welcome, and all who sought to have their names placed on the books as eligible voters were obligingly accommodated."

Weber went to lunch at 1 o'clock and was away from the place for an hour. He went out again for an hour at 7 p. m., to register in his own precinct. He said he does not know what took place in the first precinct during those 2 hours and had no curiosity in the matter at all.

"It was one and the same thing whether I was there or not, for all the influence I could bring to bear in behalf of an honest registration," Weber said. "It was a great day for the Democrats and they made the most of it, believe me."

LAST-MINUTE RUSH

The repeaters had thinned out as the closing hour approached and Weber assumed from this that they had done their worst, but he was mistaken, for at exactly 5 minutes of 9 o'clock there was a great hubbub outside and at least 25 men were quickly herded into the room and the doors closed.

Their names were as quickly taken and placed on the books and those who did not readily give a proper address, were given addresses within the precinct bounds.

It was a handy place to register, Weber commented. The officials were not at all particular and at no time indulged in embarrassing questions to the prospective voter.

There were 926 persons registered in that precinct before June 18. On the books today are the names of 1,408, showing that 482 were added in the 13 hours of Weber's first experience as an election judge.

In addition to the 56 added to the books and given the address of the vacant building at 7 Market Street, the Post-Dispatch has directed attention to the extraordinary heavy registration from cheap hotels and lodging houses in Kinney's fifth ward. At several of these establishments the managers and room clerks frankly admitted that far more were registered as voters than were permanent guests at their places.

DON'T SEE TOO MUCH

It was a very distressing experience for Weber, although friends whom he had told of his appointment as election judge had forewarned him of the necessity for being discreet. "Above all things," they cautioned him, "don't see too much."

But Weber saw and could not forget. He is 23 years old and lives at 2714 Goodfellow Boulevard.

PHANTOM TRAILS LEAD BACK TO ST. FRANCIS HOTEL

As the Post-Dispatch unfolds the ghost story of June 18 and its lists of phantom voters, more and more roads lead back, sometimes deviously, to the St. Francis Hotel, 604 Chestnut Street, the official residence of Senator Michael Kinney, whose power in the fifth ward is anything but a myth.

There the trail ends, pending the event that it is picked up by official authority.

Ordinarily John Golden, Senator Kinney's handy man, and lesser lights are much in evidence around Sixth and Chestnut, the political crossroads of Kinney's fifth ward, but for the time being they deny their presence to Post-Dispatch reporters.

Unavailable

Yesterday, as the Post-Dispatch related, it was Robert F. Myers, a Democratic election judge, who was "unavailable" at the St. Francis. The hotel clerk said he was out of town for a few days. Reporters had sought his contribution to the curious story of precinct 4, where 154 phantoms are registered from the Atlantic Hotel. The St. Francis is in the first precinct. The other Democratic judge for the fourth precinct lived almost as far away from the polling place, 1423 Franklin Avenue, as Myers. He was Leonard Bernstein of the Maryland Hotel, who referred questioners to Senator Kinney, and the record of whose appointment, in 1932, bears the notation, "Kinney-Golden."

The St. Francis' own precinct, the first, had ghosts of its own, as has been told.

Out or uncommunicative

The address of Lester Sutton, one of the Democratic judges for that precinct, was recorded as 604 Chestnut, the St. Francis.

An uncommunicative clerk said he lived there, but was "out," and intimated that he would continue to be "out" indefinitely.

The other Democratic judge in the first precinct was William Golden. His address was given as 3 North Sixth, a few doors south of the Sixth Street entrance of the St. Francis. Inquiry there was referred back to the St. Francis.

The clerk, previously asked for Myers, and then for Sutton, and a few minutes later for either of the Goldens—William or John—grew rapidly less communicative.

William Golden's address is shown on the registration books as also the address of John Golden, Sr.—junior registered from the St. Francis—and of 27 other voters, all good Democrats according to a plump blonde who met the reporter at the head of the stairs on his return visit. The place consists of a second-floor hallway with rooms on either side. The shingle for 50-cent lodging is hung out at the street door, which opens on the stairway.

No Republicans here

"Are you a Republican looking for votes?" she asked. "There are no Republicans here."

She was equally positive that "Mr. Golden's brother" was not in politics. If it was politics, it must be John Golden who was wanted, surely not William. No; neither was there; left not a half hour ago. Oh, my, no; they run the place, if that's what you mean, but they don't live here. Couldn't possibly give their home address to strangers; but—"Did you try the St. Francis?"

The patient denials of the hotel clerk were met, this time, by equally patient insistence that he inform the gentlemen not "available" of the reporters' search and allow them to decide for themselves whether they wished to remain "out." He said that he had and they did.

Clerk not sure he visited vacant abode of 56 phantoms

It happens that the Republican election clerk in the first precinct, fifth ward, Nathan Sherman, does not live at the St. Francis but at 1482 Laurel Street. There he told a Post-Dispatch reporter he was not at all sure that in the post-registration canvass he had visited the empty building, 7 Market Street, given as the address of 56 phantom voters.

His address on election commissioners' records remains as 1526 Franklin Avenue, where he used to work. He is an unemployed clerk, 25 years old.

It was the duty of Sherman, and of Harold Hancock, 1812 Franklin Avenue, the Democratic clerk, to canvass the precinct after the registration last June 18 to make certain that all those who were registered lived at the addresses which appeared in the poll books.

"We might have missed a few buildings," Sherman said when pressed for an explanation of his failure to discover and report the 56 fraudulent registrations at 7 Market Street.

"But I think I went there and saw a girl who told me all the names were O. K.," he added.

Pictures of the dilapidated building, both exterior and interior views, were shown to Sherman by the reporter. Sherman said he had no recollection of having been there.

"But you approved those 56 names?" the reporter asked.

"If they are on the books, I did," Sherman answered.

They are, beyond doubt, on the books.

JUDGE PUT IN STRANGE PRECINCT "TO GET MORE EXPERIENCE"

Fred Weissmann, Republican committeeman for the fifth ward, who recommended Anton Becker to be one of the election judges for the fourth precinct of that ward (where the Atlantic Hotel phantoms were registered), was asked how he happened to assign Becker to that particular precinct.

"He had served for me before," Weissmann said. "I always found him dependable."

"But never before in that precinct?" the reporter suggested. "Why did you assign him to that particular precinct?"

"Oh, I shifted him around to get more experience, I guess," Weissmann answered.

He was asked if he had received any suggestion from any Democratic source in selecting precinct election officials.

"Absolutely not," Weissmann answered.

Becker's address is given in the election commissioners' records as 1714A Franklin Avenue. That is Weissmann's address, also. Weissmann said Becker lived there, too. He was asked if they were related, and his answer was: "Not exactly."

RECORD OF FRAUDULENT REGISTRATION IN ONE PRECINCT OF THIRD WARD

In the tenth precinct of the third ward, a north St. Louis residential area, 602 persons are listed as registered voters. A house-to-house canvass of the precinct by the Post-Dispatch last Wednesday disclosed that 182 of the 602 names on the list, or 30.2 percent, are of persons not living at the addresses from which they are registered.

Of these 182, the survey showed that—

Seventy persons are not known by present residents at the addresses given in the registration or by neighbors;

One hundred and four persons formerly lived at the addresses for which they were listed, but have moved away at times ranging variously from several weeks to 4 years ago;

Three persons are listed twice from the same address;

Four persons are listed as living in buildings which have been torn down with the widening of North Fifteenth Street;

One person died in March 1935.

THIRTY PERCENT OF FRAUD IN REGISTRATION IN TYPICAL NORTH ST. LOUIS PRECINCT—TENTH OF THIRD WARD—HOUSE-TO-HOUSE CANVASS BY REPORTER ASCERTAINS DISCREPANCIES AS ELECTION BOARD'S PAID CLERKS SHOULD HAVE DONE—182 OF 602 ENROLLED NOT AT ADDRESSES—NEIGHBORS READILY GIVE ACCURATE INFORMATION ON PAST AND PRESENT WHEREABOUTS OF ABSENTEES AND WHEN THEY MOVED AWAY

The Post-Dispatch today adds a new chapter to the continuing story of wholesale fraud in the record-size registration for the primary of August 4. The locale is the tenth precinct of the third ward, a north St. Louis residence neighborhood, outside the downtown section in which most of the previous disclosures have centered.

A house-to-house check of the official "revised and corrected" registration list of the precinct was made Wednesday by a Post-Dispatch reporter, disclosing that 182 of the 602 registered voters, or 30.2 percent, are not living at the addresses printed in the election board's official list.

WHAT CLERKS SHOULD HAVE DONE

The Post-Dispatch reporter's task was exactly that given by law 1 month ago to two election clerks, one a Democrat, the other a Republican, in this precinct, as in all other precincts of the city. It is provided by law that prior to each primary election such a canvass of precincts shall be made to enable the board of election commissioners to purge the registration lists of all names of persons not entitled to vote.

The conditions disclosed in this precinct are typical of what might be found in any number of the 669 precincts in the city if a competent canvass and check were made by the election board.

SEVENTY OF THE ONE HUNDRED AND EIGHTY-TWO NOT KNOWN

It was determined by the Post-Dispatch check that 70 of the 182 persons not residing in the precinct are unknown to the persons now living at the addresses given; that 104 have moved at widely varying times; that 7 are names listed twice, or listed for buildings now torn down; and that 1 voter died more than a year ago.

In general, the reporter had no difficulty in ascertaining the names and whereabouts of past or present residents. Frequently those of whom inquiries were made knew to the day when a family had moved and knew the exact or approximate present addresses of their erstwhile neighbors. Election clerks doing their work competently would find a similar canvass similarly easy. Only 1 or 2 days would be required for one man to canvass correctly any precinct in the city.

The third ward, in which this precinct lies, is bounded by the river, Branch Street on the north, West Florissant and North Twentieth Streets on the west, and Cass Avenue, Mullanphy, Chambers, Tyler, and Brooklyn Streets on the south. State Senator Joseph H. Brogan is Democratic leader in the ward, which forms a considerable part of the senatorial district where he is a candidate for reelection.

TENTH PRECINCT LARGE

The tenth precinct, including a fraction more than seven city blocks, is an area of large, multiple-family dwellings, most of which were built from 50 to 70 years ago. The buildings edge to the sidewalk, with no front yard, and are grouped so that five or six share

a paved enclosure at the rear which serves as a common playground for the children and loitering place for the men and women.

Boundaries of the precinct are North Fourteenth Street on the east, Wright and Dodier Streets on the north, North Fifteenth Street on the west, and Warren Street on the south. From Warren to St. Louis Avenue, North Fourteenth is lined solidly with stores and other small business establishments, with flats on the second floor. The 1400 block on St. Louis Avenue is also largely commercial, with a handbook shop, a restaurant, the offices of a moving company, an oil station, an ice-cream parlor, and a shoe-repair shop.

DETAILS OF THE CANVASS

The reporter set forth at 10 o'clock Wednesday morning, accompanied by William Sessinghaus, a notary public, who has lived at 1444 St. Louis Avenue, in the tenth precinct, for 22 years, and who was employed by the Post-Dispatch to assist the reporter because of his familiarity with persons and places in the district.

At 1410 Wright Street, the first address visited, Mrs. Maggie Rogers accounted for herself and four other Rogerses whom the election board listed at the place. George and Virgil were staying there but Clarence and Mary had moved 3 or 4 months ago to the 1300 block of North Market Street, she said. "And the address for us here ought to be 1410A, not 1400."

Next door at 1412 Wright Street, Margarite Losing, listed by the election board as living there, had moved away "some time ago."

Floyd Wilson, listed for the upstairs flat, moved over to Farrar Street a year and a half ago, a neighbor said. "I'm pretty sure it's 2591A Farrar."

LANDLORD CHECKS THE LIST

August Bockstruck was busy cleaning and papering several vacant flats which he owns at 1420 and 1422 Wright when the reporter called. He was amused and somewhat incensed that the registration list showed 22 voters for his property, which can accommodate 6 families, if another building in the rear is included.

"Let's see that list," he said. "Oma and Edwin Roseman moved out a month ago. Robert and Mildred Newhouse have been gone several weeks. I never heard of Joseph, Ann, and Clara Arnold. Elmer Sheppard went away last winter. How about the house where I live, 1424 Wright? Al and Virginia Alscheimer? Never heard of them."

It was at 1436A Wright that the reporter asked for Charles Rosenbeck. "He was my husband, but he died in March, a year and a half ago. In 1935 it was," Mrs. Rosenbeck said.

At 1436 Wright none of the residents had ever heard of Clarence, Ted, or Frances Huebner or of Richard Schere. Others in the block who were unknown to present residents or to neighbors were Albert Kolafa, listed for 1440 Wright; Jennie or Solomon Hayes, supposed to be at 1447; Joda Harris, at 1439A; Percey and Hazel Haile, listed at 1435; or Lewis Niemann, whom the official list placed at 1433 Wright.

THREE TOO MANY FULLERS

Mrs. Celeste Fuller, 1445 Wright Street, told the reporter she and her husband, Charles, were properly listed, but the three other Fullers named as residing there were neither relatives nor acquaintances. Stanley, Roy, and Cassie Fuller, of 1445 Wright Street, simply were not known to Celeste and Charles Fuller of the same address.

With Wright Street thoroughly canvassed the reporter paused for a computation. There were 123 names on the list for the street and 35 had been found to be persons not living on the street now. Fifteen, it was established, have moved; 19 were not known at all; and Mr. Rosenbeck was dead.

SEVERAL REMOVALS

The houses at 2829 and 2831 North Fourteenth Street have a common back yard and a woman who lives in one of the houses glanced over the registration list for those addresses. George and Della Mueller, registered from 2931, moved away last October, she said. Walter and Jean Vail and Ruth and Al Moore, all of whom were supposed to live there, too, had not lived anywhere in the neighborhood within the memory of the present inhabitants. Helen and Fred Schulte had moved away from 2829 North Fourteenth last year.

Likewise there were too many names listed for the house next door to the south. Henry, Flora, and Mary Myers once lived at 2827A North Fourteenth, but that was 2 years ago. Iva and Everett Hodge left No. 2827 last week.

Mrs. Mary Book has lived a long time at 2815 North Fourteenth and was a mine of information about her neighbors, past and present. Her own son, Bernard, was listed, but he married and moved over on Palm Street last spring. Gertrude Hilmich moved from 2807A North Fourteenth to University City last fall. Cornelia Wigge, once at 2809 North Fourteenth, left at that time, too, according to Mrs. Book. Others who had moved were Fred Legler, at 2809, Martin Diansic, 2811, and Mazie Lenhardt, 2813, the last two in 1934.

THREE MOVED, ONE NOT KNOWN

In the same block Stanley and Roman Dumbroski; William, James, Lottie, and Ruth Lester; Della and Joseph Thomas; and Millie Kalz were all said to have moved at varying times. Frank McCready, listed at 2817 North Fourteenth, was not known to anyone in the yard behind that address.

Last February, Lester and Alice Bates, who live at 2713 North Fourteenth, according to election commissioners' official list, moved to somewhere in the 2600 block of the same street, on the east side of the street, neighbors told the reporter. Farther on south on Fourteenth the reporter found that Clara Porterfield, Edward Neise, and Lillian Parsons were not known to the persons living at the addresses given for them on the registration list. William L. Newman, too, has moved from 2611 North Fourteenth.

For the three blocks of Fourteenth Street, on the west side of the street, 35 persons in all were evidently incorrectly listed as registered voters. Eight weren't known; 27 had moved away.

Sessinghaus, an elderly man who walked and climbed stairs with the reporter for 9 hours without complaint, found the names of Frank and Ruth Roxalaw, at 2824 Blair Avenue, quite familiar. He had assisted last September in canvassing the precinct after the river-front bond election and remembered that the persons had then been moved away for several months. It was the same story last Wednesday. Frank and Ruth Roxalaw were still gone.

FACTS ON BLAIR AVENUE

John and Ann Miles, listed for 2822 Blair Avenue, moved from that place a year ago, present residents said. It has been 3 years since Rose and Arthur Jackson lived at 2815 Blair; several years since Marie Grimel lived at the same address, and varying lengths of time since Charles Heidbrink, Marie Widemann, and Ted and Walter Schenk lived there, although the registration lists indicate that they all make their homes at the place now.

No one at 2718 Blair knew John or Caroline Ott, who were shown on the list as residing there, nor was Goldie Been known at 2720 Blair. Tim Hoffman and John Hanlon were said to have moved from 2715 Blair last autumn to the 1300 block of St. Louis Avenue. Frank Gerichten, who lives at 2709A Blair, was listed twice, on registration records, once by his real name and also as "Frank Gricton."

It was 2 years ago that William and Margaret Ahring moved from 2710A Blair, neighbors told the reporter, but their names still appear on the list. E. W. Kinney has been gone several months from 2710 Blair. Others departed from the street in that block are Joseph and Ellen Mills and James Medlin. The residents didn't know William Hennessy, recorded on the list as living at 2709A Blair, or Violet Scherer, listed as living in the rear at that address.

Ernest Loche and Robert Severs, registered from 2704 and 2706 Blair, respectively, are no longer at those places. Bertha and J. E. McCoy have been gone 6 months from 2610 (rear) Blair; John Henthorn has moved from 2610, and Frank and Gus Meyer have moved to Montgomery Street from 2608, according to persons in the neighborhood.

In the canvass of the precinct following the bond election last fall Annie Yearwood was found to have moved in April 1935 from 2612 Blair Avenue. Her name still appears on the registration list, but she has not returned to the address. Frank Rogers and William Clement have moved from 2609A Blair, but their names remain on the list after a year's absence.

Of the 131 names listed on Blair Avenue, 40 are of persons no longer living at the addresses given. Eleven are not known, 26 have moved, and 3 are listed twice. In the last category was James I. Hopkins, 2607 Blair, who was registered also as "F. Hopkins." He told the reporter, "There was some confusion over at the polls. I registered twice."

ON WARREN STREET

On Warren Street the reporter found that Henry, Agnes, and Walter Hubner, registered from 1409A, were not known by persons who had lived there 2 years. Dorothy Jordan had been gone for 2 years from 1411 Warren, and Marice Coleman, who was listed as living at the flat on the second floor at that address, had moved in January.

Others on the street who had moved away within the last year, according to persons living nearby, were Loretta Anderson, once at 1443; Emme Ellsworth, once at 1445A; Lloyd and Matilda Henderson and John Jobe, formerly of 1451; and Will and Matilda Stephenson, of 1457A. Their names remain on the official registration list.

Robert and Edith Glover are listed as residing at 1415 Warren, but it has been a year since they lived there. No one whom the reporter found knew Samuel and Jennie Gibson, registered from 1451 Warren, or Gus Barczykowski, listed at 1457A Warren. Others not known were Ruth Sutton, Mary Ruehl, Albert Henry, and Paul and Loretta Harder.

Computing the Warren Street survey, it was discovered 21 of the 60 persons listed were not known or were no longer residents.

FIFTEENTH STREET

On North Fifteenth Street, where several buildings have been razed to make way for the widening of the street, 11 of the 21 voters registered no longer make their homes there.

At 2608 North Fifteenth James and Iola Cates and Edward Eikmeier were said to have moved away a year ago. Pansy and Joseph Boyd were not known at that address although registered to vote from it. Adele Leiber has moved from 2818 North Fifteenth. Charles Schmidt was a stranger to Bernard Schmidt at 2822, where he was listed as living; nor did the Camerons, whom the reporter saw at the same address, know the Mazie Cameron whom the registration list had assigned to the place.

Harry Brueggeman, James Maher, and Gus Betyel are registered from 2810 North Fifteenth Street, but that building was hauled away stone by stone by the wreckers several months ago. The widened boulevard required its destruction.

Kate Miller's home at 1451 Montgomery Street has also been torn down but her registration from that address remains unchanged. Raymond Mueller, his former neighbors told the reporter, moved to the 3800 block of Garfield Avenue from 1446 Montgomery several months ago. His registration, too, is unchanged. Comparatively recently Richard and Fred Berner left 1440 Montgomery.

Adia Kochmann, listed as 1425 Montgomery, and Peter Bernard, 1427A Montgomery, are listed but not known to their neighbors. Others on the street—D. W. Potter, William Bennett, Delia Riti, John A. Martin, and Walter, Carroll, Pauline, and Myrtle Bishop—although registered, live there no longer.

The canvass was ended with a survey of St. Louis Avenue, from 1401 to 1454, and of Dodier Street, from 1405 to 1448. On St. Louis Avenue 76 voters were listed and all but 8 were found by the reporter. Only 1, Earl Glandt, registered from 1452A St. Louis, was unknown to other residents.

On Dodier Street was Dora Dunkman, listed at 1406. Her case was described in the Post-Dispatch Wednesday; her name also appears on the registration list in another ward to which she has moved. Of the 43 names listed for the street, 18 are of persons who, like Mrs. Dunkman, no longer live there. Eleven were not known in the neighborhood; 7 have moved away.

[From the Missouri Nonpartisan News of October 23, 1936]

DEMOCRATS AND REPUBLICANS ARE BOTH CAUGHT IN CORRUPT PRACTICES—ST. LOUIS SHOWS 46,398 GHOST VOTES ON BOOKS

Only the nonpartisans of Missouri are entitled to the credit which both Democrats and Republicans would like to claim in exposing the fraud and corruption which has existed in the registration and voting in St. Louis.

The story of how 46,393 "ghost voters" were chased into permanent oblivion is the story of the nonpartisan committee's superhuman fight against graft and corruption in St. Louis, a fight which was scoffed at and belittled by both Democratic and Republican politicians, but a fight which has earned the respect and gratitude of the average taxpaying citizen.

This fight started last June when the Citizens' Nonpartisan Committee of St. Louis, organized to protest against a second memorial to Thomas Jefferson being built in downtown St. Louis at a cost to the taxpayers of $30,000,000.

In the special election for a bond issue on September 10 there was every indication of fraud and ballot-box stuffing on the part of the victors.

After an investigation, as early as October 1936, members of the committee publicly charged that fraud had been committed in the election of September 10.

To these charges both the board of election commissioners and the elected officials of the city adopted a disinterested attitude and dismissed the evidence at hand, with the thought that this was the customary wail of the losers. In early July of this year the city was brought to a full awakening by the charges of wholesale fraud, published by the St. Louis Post-Dispatch, in connection with the registrations for the August 4 primary election. To this charge Chairman Waechter, of the board of election commissioners, said, "Same old stuff."

However, with the powerful Post-Dispatch publishing daily stories of additional frauds, Governor Park finally was forced to order a recheck of the registrations in the entire city of St. Louis.

This was made July 29 and 30 and by August 1 it was ascertained by the recheck that 46,393 of the registered votes could not be found at the addresses which they had given as their residences. Many of the registrations were from vacant stores, buildings, and apartments, and some even from vacant lots.

With all of this evidence of fraud at hand the Governor was still hesitant and allowed the old board of election commissioners to stay in office and to conduct the primary on August 4.

After the primary the old board also selected an entire new group of judges and clerks who were commissioned for a 4-year period.

Meanwhile, the Governor was besieged by the League of Women Voters and dozens of other civic organizations to discharge the board of election commissioners for incompetency in office. This he refused to do, so the citizens' nonpartisan committee turned over to the St. Louis Post-Dispatch added evidence of fraud and ballot-box stuffing in connection with the memorial bond issue election, and a new series of articles began to appear. After evidence had been published showing fraud in each of the 19 wards which gave a majority to the bond-issue proposal, the publication was interrupted by the summary action of the Governor in discharging the board by telegram on September 15.

The new board appointed by the Governor, consisting of Charles P. Williams, chairman, Arthur J. Freund, M. E. Singleton, and George L. Dyer, secretary, promptly engaged Miss Emma Bobb, a former member of the board, and placed her in charge of operations at their headquarters.

Following the registrations of September 21, 22, 23, and 24 and the canvass thereafter made by the clerks appointed by the discharged board, the new board ordered a recheck of each precinct by special deputy election commissioners drafted from the business and commercial houses of the city. These special deputies challenged 10,000 of the new registrants.

With over 400,000 names on the books in St. Louis and 260,000 or more registered in Kansas City, the fight for clean elections goes on. Not one Democrat nor one Republican can claim credit for helping the exposé made by the nonpartisan committee in St. Louis; neither have they contributed to the expenses of the investigations. The nonpartisan movement in Missouri is distinctive in that it moves by its own abilities and not by the grace of and with the money of politicians of any party. Motto: "Be nonpartisan—Vote for Botz."

FRAUD—FRAUD—FRAUD—NOW COMES KANSAS CITY

KANSAS CITY, MO., October 22.—(Special)—The theme song of Kansas City politics might well be taken from that old-time song, How Do You Like Your Oysters? The answer being, of course, "raw, raw, raw."

This will accurately describe the workings of the Pendergast machine—crude but raw.

Investigators for the Missouri nonpartisan committee, who have been working in Kansas City for several weeks, find it comparatively easy to find evidences of fraud and corruption which has escaped the bipartisan board of election commissioners appointed by Gov. Guy B. Park.

The only difficulty one runs into, in Kansas City, is finding someone who doesn't know of the fraud and padding which has made the boss-ridden metropolis of the Kaw the talk of the Nation.

For the benefit of those who are still gullible and unbelieving we print herewith photos of two widely separated locations in Kansas City, in which the registrations for the August 4 primary election tops the list for pure unadulterated fraud.

The June registration lists show 141 persons registered from here. This tops, by far, the St. Louis record of 56 registered from a vacant building at No. 7 Market Street, or the 136 registered from the shack at 410 North Levee Street.

St. Louis, with a new election board functioning, has made remarkable efforts to eliminate the "ghost vote" this November. Kansas City adopts the policy of watchful waiting, and does nothing to support the gallant fight being waged by a newly formed citizens' committee, headed by Col. Frederick E. Whitten, a soldier and lawyer, who has taken up the fight for clean politics in Missouri.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7922) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1941, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 1, 2, 13, and 14 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 17 and 28 to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolutions and they were signed by the Vice President:

H. R. 289. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 838. An act for the relief of Ray E. Nies;

H. R. 2041. An act for the relief of Tom Kelly;

H. R. 2055. An act for the relief of the K. E. Parker Co.;

H. R. 2086. An act for the relief of Joseph Sciortino;

H. R. 2161. An act for the relief of the Pacific Airmotive Corporation, Burbank, Calif.;

H. R. 2356. An act for the relief of the International Grain Co., Inc.;

H. R. 2487. An act for the relief of Krikor Haroutunian;

H. R. 3477. An act for the relief of Francisco R. Acosta;

H. R. 3674. An act for the relief of the Allegheny Forging Co.;

H. R. 3769. An act for the relief of the Keuffel & Esser Co. of New York;

H. R. 3784. An act for the relief of the estate of J. D. Warlick;

H. R. 3970. An act for the relief of Charles Sidenstucker;

H. R. 4256. An act for the relief of the estate of George B. Spearin, deceased;

H. R. 4388. An act for the relief of James Henry Rigdon;

H. R. 4436. An act for the relief of Robert Faughnan, a minor;

H. R. 4776. An act to amend section 6 of the organic act of Alaska;

H. R. 5257. An act for the relief of R. D. Torian;

H. R. 5295. An act for the relief of the Priest Lumber Co., Inc.;

H. R. 5397. An act for the relief of Richard L. Calder;

H. R. 5812. An act for the relief of Marguerite P. Carmack;

H. R. 5866. An act for the relief of Howard Daury;

H. R. 5928. An act for the relief of Ella Ragotski;

H. R. 6379. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406);

H. R. 6513. An act for the relief of Floyd H. Roberts;

H. R. 7015. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 7081. An act authorizing the Secretary of the Navy to sell certain surplus land owned by the United States in Bremerton, Wash.;

H. R. 7265. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 7420. An act to amend laws for preventing collisions of vessels;

H. R. 7421. An act to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville;

H. R. 7612. An act for the transfer of funds to the town of Wrangell, Alaska;

H. R. 7809. An act authorizing the reconstruction or replacement of certain bridges necessitated by the Rio Grande canalization project and authorizing appropriation for that purpose;

H. R. 7855. An act for the relief of Morrison-Knudsen Co., Inc., and W. C. Cole;

H. R. 7857. An act for the relief of O'Brien Bros., Inc., New York City, N. Y.;

H. R. 7989. An act to legalize a bridge across the Nestucca River at Pacific City, Oreg.;

H. R. 8077. An act to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments;

H. R. 8083. An act to authorize the Secretary of War to furnish certain markers for certain graves;

H. R. 8238. An act providing for the incorporation of the United Spanish War Veterans;

H. R. 8262. An act to regulate, in the District of Columbia, the disposal of certain refuse, and for other purposes;

H. R. 8446. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;

H. R. 8498. An act to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes;

H. R. 8540. An act to authorize an increase in the White House Police Force;

H. R. 8639. An act to change the name of a portion of Twenty-fourth Street NW. to Williamsburg Lane;

H. R. 8669. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H. R. 8702. An act to amend the Judicial Code with respect to the continuation of grand juries to finish investigations;

H. R. 8792. An act to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department;

H. R. 8822. An act to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory;

H. R. 8917. An act to authorize the construction of a waiting room and comfort station in Commodore Barney Circle, United States Reservation 55–56, and for other purposes;

H. J. Res. 433. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1940;

H. J. Res. 453. Joint resolution authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer of the Order of St. Sava;

H. J. Res. 465. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1941, and for other purposes; and

H. J. Res. 466. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1941.

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Senate resumed the consideration of the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

Mr. McNARY. Mr. President, I was about to express the hope that the Senate might recess now until Monday. I defer to the able leader on the Democratic side. I desire that we may quit now.

Mr. BARKLEY. I thought we were about to vote on the bill and get through with it.

Mr. McNARY My colleague from Kansas [Mr. REED] was occupied. I know that he has some further amendments to offer.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Kansas?

Mr. McNARY. I yield; yes.

Mr. REED. I assure the majority leader that there is no chance of finishing the bill today.

Mr. BARKLEY. If that be the case, I have no desire to continue the session longer.

Mr. REED. I have eight other amendments which I propose to offer, and the consideration of each amendment will take from 20 to 30 minutes. There is no possible chance of finishing the bill today.

Mr. BARKLEY. How many other judges are provided for in the bill? There are only six; are there not?

Mr. ASHURST. Six district judges.

Mr. BARKLEY. We have already disposed of the circuit-judge controversy.

Mr. REED. I have not any doubt that the power of the majority can dispose of the rest of them in the same way that it disposed of this one; but that does not alter the fact that I have these amendments to offer.

Mr. BARKLEY. I did not understand how the Senator can have eight amendments when there are only six judges involved.

Mr. REED. If the Senator will take my word for it, I think the number is eight.

Mr. BARKLEY. I am not disputing the Senator's word; but I suppose each amendment will be to strike out provision for a judge, and there are only six.

Mr. REED. There might be a motion to recommit, and there might be a motion for an investigation. There might be a number of things.

Mr. BARKLEY. I have no desire to hold the Senate in session longer if we cannot get a vote on the bill tonight.

Mr. BROWN. Mr. President, in view of the fact that the judicial conference recommended an additional judge for Kansas, possibly the Senator from Kansas may have in mind offering an amendment to provide an additional judge for that State.

Mr. BARKLEY. That would make seven.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from New Mexico.

Mr. HATCH. In order to make a correction necessitated by the amendment just adopted, providing two additional judges for the eighth circuit, I ask unanimous consent that in line 7, page 2, the word "two" be stricken out, and the word "three" inserted in lieu thereof.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and the amendment is agreed to.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATIONS

Mr. THOMAS of Oklahoma. Mr. President——

Mr. BARKLEY. I yield to the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. I desire to ask the majority leader a question. Will it be agreeable for the Senate to proceed to the consideration of the bill dealing with the civil functions of the War Department immediately following the conclusion of the consideration of the pending bill?

Mr. BARKLEY. It was my purpose to have that done.

Mr. THOMAS of Oklahoma. If the Senator will further yield, I should like to take just a moment to place in the RECORD, in connection with my remarks, some data which may facilitate the consideration of the bill.

Mr. President, hearings held on House bill 8668 show that for the current year, 1940, the Chief of Engineers has $133,000,000 for flood-control purposes. The hearings further show that over a long period the damage caused by floods has averaged at least $100,000,000 a year.

The Chief of Engineers asked for the sum of $206,000,000 for flood-control work during the next fiscal year, 1941, but the Budget allowed only $70,000,000. Should only $70,000,000 be appropriated, the following things must happen:

First, many, if not all, projects under construction must be slowed down.

Second, few, if any, new projects may be started.

Third, many new projects of emergency nature must be delayed.

Fourth, the present personnel set-up of the Chief of Engineers must be reduced.

Evidence before the Appropriations Committee discloses strong support for increasing the $70,000,000 to $100,000,000. If the item for flood control is increased as much as $30,000,000, the Chief of Engineers will allocate the additional amount in accordance with the table shown on pages 94 and 95 of the report of the Senate committee hearings, as follows:

Tentative additional allocation of funds in the amount of $30,000,000 which can be profitably expended in the fiscal year 1941 for flood control, in addition to those listed within the Budget limitation of $70,000,000

North Atlantic division:	
Hartford, Connecticut River Basin, Conn	$736,000
Tully Reservoir, Connecticut River Basin, Mass	719,000
Southern New York project:	
Binghamton, N. Y	500,000
Corning, N. Y	350,000
Elmira, N. Y	100,000
Almond Reservoir, N. Y	1,000,000
Total, North Atlantic division	3,405,000
South Atlantic division:	
Cumberland, Md., and Ridgeley, W. Va	500,000
York, Pa	800,000
Plymouth, Pa	300,000
Williamsport, Pa	400,000
Total, South Atlantic division	2,000,000
Lower Mississippi Valley division:	
Memphis, Tenn	1,200,000
Black Bayou Reservoir, La	289,000
Bayou Bodcau Reservoir, La	223,000
Wallace Lake Reservoir, La	197,000
Total, Lower Mississippi Valley division	1,909,000
Southwestern division:	
Canton Reservoir, Arkansas River Basin, Okla	600,000
Denison Reservoir, Tex. and Okla	2,500,000
Great Salt Plains Reservoir, Okla	50,000
Hulah Reservoir, Okla	41,580
Blue Mountain Reservoir, Arkansas River Basin, Ark	900,000
Norfolk Reservoir, White River Basin, Ark	500,000
Fort Supply Reservoir, Okla	300,000
Total, Southwestern division	4,891,580
Upper Mississippi Valley division:	
Coralville Reservoir, Iowa	$1,500,000
East Cape Girardeau and Clear Creek drainage and levee district, Illinois	370,000
Lac Qui Parle Reservoir, Minn	196,000
Coal Creek drainage and levee district, Illinois	309,000
Green Bay levee and drainage district, Iowa	85,000
Lacey, Langellier, West Matanzas, and Kerton Valley district, Illinois	82,500
Harrisonville and Ivy Landing drainage and levee district, Illinois	96,500
East St. Louis and vicinity, Illinois	370,000
Miller Pond drainage and levee district, Illinois	12,000
Total, Upper Mississippi Valley division	3,021,000
Missouri River division, Kanopolis Reservoir, Missouri River Basin, Kans	895,000
Ohio River division:	
Parkersburg, Ohio River Basin, W. Va	386,000
Cincinnati, Ohio River Basin, Ohio	350,000
Johnstown Channel, Pa	600,000
Bluestone Reservoir, Ohio River Basin, W. Va	1,000,000
Dewey Reservoir, Ohio River Basin, Ky	1,000,000
Dillon Reservoir, Ohio River Basin, Ohio	1,000,000
Delaware Reservoir, Ohio River Basin, Ohio	750,000
Youghiogheny Reservoir, Ohio River Basin, Pa	150,000
Muskingum Conservancy District, Ohio	374,000
Louisville, Ohio River Basin, Ky	500,000
Paducah, Ohio River Basin, Ky	450,000
Mounds and Mound City, Ill	600,000
Massillon, Ohio River Basin, Ohio	200,000
Martins Ferry, Ohio River Basin, Ohio	400,000
Total, Ohio River division	7,760,000
South Pacific division:	
San Juan Reservoir, Santa Ana River Basin, Calif	750,000
San Antonio Reservoir, Santa Ana River Basin, Calif	750,000
Los Angeles County drainage area, California:	
Los Angeles River Channel	1,657,420
Reimbursement to local interests	200,000
Total, South Pacific division	3,357,420
North Pacific division:	
Mud Mountain Reservoir, Wash	800,000
Tacoma, Wash	500,000
Detroit Reservoir, Oreg. (highway relocation)	461,000
Total, North Pacific division	1,761,000
Preliminary examinations and surveys, War Department	1,000,000
Grand total	30,000,000

In the event that the $70,000,000 carried in the bill as it passed the House for flood control is increased by $30,000,000, or the amount of $100,000,000 is appropriated for flood control, not only will additional sums be made available for many of the projects proposed to be carried on with funds from the $70,000,000 appropriated, but many new projects already authorized for construction will be started.

The break-down giving the names of the projects, together with the amount allocated to each project from the $70,000,000, is found on pages 90, 91, 92, and 93 of the hearings before the Senate subcommittee of the Committee on Appropriations, and a similar break-down giving the names of the projects to receive additional funds and the new projects to be initiated with the additional $30,000,000 is found on pages 94 and 95 of the hearings.

In order to still further simplify the break-down for new construction under the proposed $30,000,000 increase, a list of States, with the names of the projects to be initiated and the amounts allocated to each project, is given as follows:

Arkansas:	
Blue Mountain Reservoir	$900,000
Norfolk Reservoir	500,000
California:	
San Juan Reservoir	750,000
San Antonia Reservoir	750,000
Los Angeles County drainage area	1,657,420
Reimbursements	200,000
Connecticut: Hartford, Connecticut River Basin	736,000
Illinois:	
East Cape Girardeau and Clear Creek drainage and levee district	370,000
Coal Creek drainage and levee district	309,000

Illinois—Continued.	
Lacey, Langellier, West Matanzas, and Kerton Valley district	$82,000
Harrisonville and Ivy Landing drainage and levee district	96,500
East St. Louis and vicinity	370,000
Miller Pond drainage and levee district	12,000
Mounds and Mound City	600,000
Iowa: Coralville Reservoir	1,500,000
Kentucky:	
Louisville	500,000
Paducah	450,000
Dewey Reservoir	1,000,000
Louisiana:	
Black Bayou Reservoir	289,000
Bayou Bodcau Reservoir	223,000
Wallace Lake Reservoir	197,000
Maryland: Cumberland	500,000
Massachusetts: Tully Reservoir	719,000
Minnesota: Lac Qui Parle Reservoir	196,000
New York:	
Binghamton	500,000
Corning	350,000
Elmira	100,000
Almond Reservoir	1,000,000
Ohio:	
Cincinnati	350,000
Dillon Reservoir	1,000,000
Delaware Reservoir	750,000
Muskingum conservancy district	374,000
Massillon	200,000
Martins Ferry	400,000
Oklahoma:	
Canton Reservoir	600,000
Salt Plains Reservoir	50,000
Hulah Reservoir	41,580
Fort Supply	300,000
Oregon: Detroit Reservoir	461,000
Pennsylvania:	
Plymouth	300,000
York	800,000
Williamsport	400,000
Johnstown Channel	600,000
Youghiogheny Reservoir	1,500
Tennessee: Memphis	$1,200,000
Texas: Denison	2,500,000
Washington:	
Mud Mountain Reservoir	800,000
Tacoma	500,000
West Virginia:	
Ridgeley	500,000
Bluestone Reservoir	1,000,000

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair) laid before the Senate messages from the President of the United States submitting a treaty and also the nomination of James P. Leamy, of Vermont, to be United States district judge for the district of Vermont, vice Harland B. Howe, retired, which were referred to the appropriate committees.

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for promotion in the Regular Army.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

NOMINATIONS OF POSTMASTERS ADVERSELY REPORTED

The legislative clerk read several nominations of postmasters which had been adversely reported.

Mr. McKELLAR. Mr. President, I ask that the nominations adversely reported go over.

The PRESIDING OFFICER. Without objection, the nominations will be passed over.

NOMINATIONS OF POSTMASTERS FAVORABLY REPORTED

The legislative clerk proceeded to read sundry nominations of postmasters which had been favorably reported.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters which have been favorably reported be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

THE COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

The PRESIDING OFFICER. Without objection, the Coast Guard nominations are confirmed en bloc.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon Monday next.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate took a recess until Monday, April 15, 1940, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 12 (legislative day of April 8), 1940

UNITED STATES DISTRICT JUDGE

James P. Leamy, of Vermont, to be United States district judge for the district of Vermont, vice Hon. Harland B. Howe, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 12 (legislative day of April 8), 1940

COAST GUARD OF THE UNITED STATES

TO BE COMMANDERS

Arthur G. Hall
Ephraim Zoole

POSTMASTERS

FLORIDA

Edith Boyles, Brewster.
Howard W. Harrison, Jay.

MISSOURI

Zelma S. Northcutt, Seligman.

MONTANA

Edward J. Coyle, Lewistown.

PENNSYLVANIA

Carroll E. Ogden, Boothwyn.
Charles H. Beck, Bushkill.
Coletta D. Patterson, Coudersport.
Emma R. Smith, Elkland.
Kathryn A. B. Pinnock, Le Raysville.
Joseph L. Kelley, Narberth.
J. Earl Sheaffer, New Bloomfield.
May M. Loughrey, St. Davids.
Albert G. Lassinger, Saxonburg.
Hugh A. Bard, Slippery Rock.
Wooda N. Carr, Uniontown.

HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 12, 1940

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. RAYBURN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our merciful Father, become unto us a supreme reality, then our lives may yield that inner unity which is the secret of peace and power. Unite us to Thee by a common task, by a humble devotion, and by the noblest aspirations which underlie all clear and high endeavor. Thou flawless one, come and dwell in the invisible sanctuaries of our souls. Suffuse our natures with patience, restraint, and with a trust enkindled by the spirit of our Lord and master. As the human conscience is a guide and whitely true that it

turns to Thee, we pray keep us this day without blemish and free from stain. Arouse our souls to scale new heights of honor and sacrifice and may Thy will be done in all things. We beseech Thee for earthly peace; O let fears begin to vanish and let us hear the chimes of good will peal forth in this troubled and tragic hour of the world. Through Jesus Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

BIRTH OF THOMAS JEFFERSON

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]?

There was no objection.

Mr. LUDLOW. Mr. Speaker, 197 years ago tomorrow there was born in nearby Virginia the greatest humanitarian 19 centuries have produced since the great human God trod the hills of Nazareth.

I have highly resolved that every year as long as I live, in some form of public utterance, I will call attention in the best way my poor command of language will permit to the anniversary of Thomas Jefferson, not so much to render homage to Jefferson, although I worship his memory, as to direct attention to his philosophy and the blessings that would flow from it if it were intelligently and faithfully applied in shaping the destiny of our Republic. This year, as last, I have sought the privilege of paying my humble tribute in this Chamber.

When in these troubled times we search the Valhalla of the heavens for a guiding star we will find in Jefferson the great luminary that will light the way if we have the vision to see and the determination to follow.

We have wandered far from the course charted by this inspired man, but it is not too late to retrace our steps to safer ground, and that is what we should now be thinking of doing if his natal day has any meaning for us and for the world. We can do nothing better on this historic anniversary than to take stock of our wanderings from the Jeffersonian faith and reflect on how we can make our national conduct harmonize with his principles.

He was opposed to every form of international meddling. He incessantly preached the doctrine that America should keep out of Europe and Europe should keep out of America. Sword-rattling speeches of Cabinet ministers and others high in authority and secret manipulations of mysterious roving ambassadors would come under his emphatic ban if he were living today. He believed that America should so conduct itself that every nation on earth would be our friend.

It was never his thought that America should be the arsenal to furnish lethal instruments of death and destruction to other nations and if it be possible that from his high place in the vaulted skies he is cognizant of what is going on here, his soul must have sickened when it was announced the other day that one set of fighting powers is placing orders in American factories for a billion dollars of bombing planes to kill human beings by wholesale. He feared, and rightly so, that if we yield to the seduction of a vast and profitable war trade it would draw us ever closer to the yawning chasm of war, and who is there to say that that fear is not justified in the year of our Lord 1940?

Jefferson believed in strict economy in governmental affairs. He held that debt "leads to misery and decay." He favored a simple form of decentralized government, to conform to his theory that "the best government is the one that governs the least." What would he think, I wonder, of a national debt of $45,000,000,000 and a centralized bureaucracy so highly flowered that there are now a million persons on the departmental pay roll, the maximum number of Federal office holders and employees in our history?

He waged relentless warfare against every form of tyranny that enslaves the human spirit, but today we have the spectacle of one of our great political parties—the same thing might be said of the other one, too—fearing to nominate a man of a certain religious faith for President, lest to do so would court defeat in advance, so great a hold has bigotry on our national imagination.

WHEN DEMOCRACY WAS MURDERED

Jefferson had implicit faith in the people and the righteousness of their judgments, based on full information. If his spirit were hovering over the House of Representatives on January 10, 1938, it must have grieved bitterly when he saw how democracy was murdered in this Chamber, for it was on that day that a combination of our leaders, elected under the name and emblem of the Democratic Party which he founded, joined to prevent even the consideration of my resolution to give the people a right to vote on proposals to send our boys into the slaughter pens of foreign wars. Jefferson spent a long lifetime seeking to enlarge and extend the frontiers of democracy, and I know what he would think of such repressive tactics. What occurred here on that day was a sight to make the angels weep. It was a sorry and tragic spectacle in our American history, showing how far our leaders have departed from the faith of the great founder of democracy.

Oh, if there ever was a time when we should turn backward in solemn contemplation and reexamine the basic Jeffersonian philosophy on which this Nation was founded, that time is now!

Jefferson saw a vision of things as the Creator intended them to be. He saw the possibility of a society based on equal rights and opportunities, with its foundations laid in the brotherhood of man, capable of developing the highest form of manhood and womanhood and of ultimately ushering in the maximum of human happiness on earth, an order of which it might be said in the language of the old hymn: "This is heaven's borderland."

It is well for us now and then, and especially on these Jefferson anniversary occasions, to meditate on the basic philosophy on which this Nation was founded. That credo is expressed in the briefest possible compass in Jefferson's own words in the preamble of the Declaration of Independence:

> We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness.

This is the very essence of the franchise of freedom. It is the cornerstone upon which was builded the magnificent temple of government called the United States of America. It came as a voice from heaven to the beleaguered, the downtrodden, and oppressed of every land. Freedom. Freedom of political action. Freedom of conscience.

Freedom from the whip of masters. Freedom to order one's life as one pleases provided he does no injustice to others. Equality of rights and opportunities. Oh, Jefferson had, indeed, spoken as if from the throne of God!

THE VISION OF JEFFERSON

To get a full appreciation of the beauty of his conception let us try to grasp the vision that was before him when he wrote the immortal declaration.

It is a vision of God the Architect, the loving Father of us all, creating a cosmic commonwealth of infinite beauty and making it ready for His children. Vast, fertile plains to yield the things that sustain life, great rivers that flow in majesty to the seas, cascades that dance and sparkle in the sunlight, mountain slopes that rise in towering grandeur to the very feet of the Creator. Vineyards and orange groves, and the sunshine and the shadow chasing each other over waving fields of wheat and corn. In the depths of the earth God deposited untold billions of tons of coal to warm the human family, in the waterfalls he placed power without limit to drive the wheels of commerce. All things that make for prosperity, welfare, and happiness of the human race are embraced in God's gift to man on the morning of creation.

It would be presumptuous to try to fathom the purposes of the Infinite, but right-thinking minds always have agreed, and always will agree, that God intended this gift as a great universal commonwealth to be shared by all of His children,

spoke with divine authority when he declared that "all men and arguing from that premise, who can doubt that Jefferson are created equal" and when he enunciated his immortal doctrine of "equal rights to all; special privileges to none"? His was the voice of the seer who lives close to the eternal verities and draws his inspiration from the fountain of life.

He saw things as the Creator intended them to be. When I think of America I like to think of it as a great big family of 130,000,000 souls, a circle of equality, at whose table is always spread a feast of love and whosoever will may come. The beauty of this philosophy is that it fosters comradeship. It makes brothers of you and me and all of us. That was the ideal of Jefferson. That is the vision of government this marvelous man caught and put on canvas in the Declaration of Independence and the Bill of Rights.

We know, if we stop to think and reason, that our present misfortunes are directly traceable in large measure to departure from the teachings of Jefferson. We can only trust that by retracing our steps and placing our Government in harmony with his precepts we may yet be able to salvage and make secure the future of America. To no holier task could we consecrate ourselves. We owe this duty no less to posterity than to our day and generation, for we are trustees of the future and hold in our protecting arms the children of countless generations yet unborn.

FROM OUT OF THE BACKGROUND OF HISTORY

Few of us there are who would not gladly die for our children. We want our sons to have every chance to acquire useful knowledge, to develop high ideals, to grow up to be clean, manly men and to live lives of service, so that when the end comes they may take their place among the stars by the side of the Creator. We want our daughters to have respectable clothes to wear at school and to have some of the advantages of culture, music, and art as they grow up, so that they will be altogether good and lovely when they reach womanhood's radiant bloom. And we want all of the children of all of the centuries to come to enjoy these unalloyed blessings.

With the love that fills our hearts for the children no less of the future than of today we should one and all regard ourselves as trustees under the will of Thomas Jefferson to do all within our power, as God gives us vision and strength, to keep the lanes of opportunity open to our children and our children's children to the most remote generation.

When a wayfarer wanders far out of the beaten road into the stony paths that lead to the jungles where death and destruction lurk, there is only one thing for him to do, and that is to retrace his steps to safety. That is what this Nation must do if it would live. From out of the background of history comes Thomas Jefferson to point the way. In him the image of God shines most brightly. Just as he held true to human rights in the beginning, he will not fail us now. Let us then reconsecrate ourselves at the feet of Jefferson and learn once more from him that we should cultivate friendly relations with all nations and entangling alliances with none; that we should esteem our fellow citizens not for what we can squeeze out of them by the rack and thumbscrew of special privilege but for what we can do for them to give them a larger part in life and to make them happy and contented. May this ideal of service grow until it fills all of America with its presence and takes possession of all of our hearts. In the language of Webster at Bunker Hill: "Let it arise until it meets the sun in his coming; until the first streaks of morning gild it and parting day lingers and plays upon its summit." [Applause.]

COMMITTEE ON AGRICULTURE

Mr. DOXEY. Mr. Speaker, the Committee on Agriculture is endeavoring today to complete some very important hearings. I therefore ask unanimous consent that the committee may be permitted to sit during the session of the House today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi [Mr. DOXEY]?

There was no objection.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a report of the Farm Security Administration in reference to rehabilitation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana [Mr. BROOKS]?

There was no objection.

Mr. EATON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a telegram from a constituent.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey [Mr. EATON]?

There was no objection.

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a letter from the Stark Tri-County Building Trades Council.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. SECCOMBE]?

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Richard A. Staderman, president of the American Good Government Society of Washington, D. C., the general counsel of which is Col. O. R. McGuire, chairman of the committee on administrative law of the American Bar Association.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. EDWIN A. HALL]?

There was no objection.

Mr. PAGÁN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement on the sugar program in Puerto Rico that I made before the Committee on Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the Resident Commissioner from Puerto Rico [Mr. PAGÁN]?

There was no objection.

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a comparison of the 7 pre-Roosevelt years contrasted with the 7 under the New Deal, so that the people of this country may get a picture of what the New Deal administration has been doing to them. This comes from the New York Sun. I think it would be very valuable if the public would realize what the New Deal has done. This does not say anything about the financial statement and if we were to include that, it would certainly enlighten the people so that they would know that a huge deficit is being piled up that the children of oncoming generations are going to be burdened with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

THE ROCKEFELLER CHOIR

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER]?

There was no objection.

Mr. SNYDER. Mr. Speaker, it so happens that it was my lot to be born in the western half of the greatest State in the Union, Pennsylvania. Of course, you knew that without my mentioning the State. My home town happens to be Perryopolis. A suburb of my town happens to be the city of Pittsburgh. In the city of Pittsburgh we have the greatest educational institution in the world, the Cathedral of Learning. If you were to visit the Cathedral of Learning, it would do your heart and soul good. That great edifice has been dedicated to a philosophy that should be taught in a democracy. They do other things there besides mathematics, history, and so forth. They sing.

The Heinz Chapel a cappella choir, made up of University of Pittsburgh students, will sing over the National Broadcasting System, WMAL, today at 4 o'clock, and if you tune in at that time, you will be able to hear these 42 young men and women.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a brief editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas [Mr. HOUSTON]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, on Sunday it is proposed that a convention to set up the inter-American bank will be signed by representatives of the various nations, including the United States. I cannot in good conscience let this day go by without expressing to the House the grave fears I have regarding this project. It is proposed in this convention that the bank be controlled by an international board of directors and that it shall have access to the precious metal stocks of the various signatory nations on the same basis as their own governments. The possibility of shifting gold from one country to another by means of this bank might give its directors a very great power over the domestic currencies of the signatory nations. Congress must, as I understand it, grant a charter to this bank. But the convention to be signed agrees that the charter will be unchangeable except upon the request of the board of directors of the bank. At the very least this is something the Members of the House should study with the greatest care. [Applause.]

EXTENSION OF REMARKS

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a recent release from Secretary Wallace on the Farm Credit Administration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL—CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 7922) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1941, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

CALL OF THE HOUSE

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. WOODRUM of Virginia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 66]

Allen, Pa.	Bradley, Mich.	Cartwright	Courtney
Anderson, Calif.	Brewster	Casey, Mass.	Culkin
Arnold	Buckley, N. Y.	Celler	Cummings
Bates, Ky.	Bulwinkle	Claypool	Darrow
Bates, Mass.	Burgin	Cluett	Delaney
Beam	Byrne, N. Y.	Coffee, Wash.	Dickstein
Bell	Caldwell	Cooley	Dingell
Boykin	Carter	Corbett	Disney
Douglas	Jennings	Martin, Ill.	Sheridan
Drewry	Johns	Merritt	Simpson
Edelstein	Kee	Miller	Smith, Ill.
Fay	Kelly	Monkiewicz	Smith, W. Va.
Fish	Kennedy, Michael	Norton	South
Fitzpatrick	Kerr	O'Day	Starnes, Ala.
Flannagan	Kirwan	Oliver	Taylor
Folger	Kocialkowski	Pfeifer	Thomas, N. J.
Fries	Lea	Rabaut	Tibbott
Gilchrist	Lynch	Reed, Ill.	Vinson, Ga.
Gore	McArdle	Risk	Weaver
Green	McGehee	Rodgers, Pa.	Welch
Hancock	McGranery	Rogers, Okla.	Wheat
Hendricks	McKeough	Romjue	Whelchel
Holmes	McLaughlin	Sabath	White, Idaho
Hook	Maciejewski	Sacks	White, Ohio
Hunter	Mahon	Scrugham	
Jarman	Mansfield	Shafer, Mich.	

The SPEAKER pro tempore. Three hundred and twenty-seven Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two places on the subject of pollution, and to include certain editorials, resolutions, and letters.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address by the Honorable STYLES BRIDGES.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL—CONFERENCE REPORT

The SPEAKER pro tempore. The gentleman from Virginia calls up the conference report on the independent offices appropriation bill, and asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7922) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 8.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 6, 7, 9, 10, 11, 12, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 30, 31, 32, and 33, and agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$125,000"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$144,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement Senate amendments numbered 1, 2, 13, 14, 17, and 28.

C. A. WOODRUM,
JED JOHNSON,
JAMES M. FITZPATRICK,
JOHN M. HOUSTON,
JOE STARNES,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the part of the House.

CARTER GLASS,
JAMES F. BYRNES,
RICHARD B. RUSSELL,
ALVA B. ADAMS,
PAT MCCARRAN,
FREDERICK HALE,
JOHN G. TOWNSEND, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7922) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1941, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On Nos. 3, 4, 5, 6, and 7, relating to the Civil Aeronautics Authority: Appropriates $1,543,932 as proposed by the Senate instead of $1,659,194, as proposed by the House, for general administration; appropriates $469,222, as proposed by the Senate, instead of $519,222, as proposed by the House, for economic regulation; appropriates $2,406,520, as proposed by the Senate, instead of $2,420,000, as proposed by the House, for safety regulation; and provides a contract authorization for air-navigation-facility establishment of $2,000,000, as proposed by the Senate, instead of $2,500,000, as proposed by the House.

On Nos. 8, 9, and 10, relating to the Civil Service Commission: Eliminates the language, inserted by the Senate, making $25,040 available for work heretofore performed by the Council of Personnel Administration; makes a reduction of $200,000, as proposed by the Senate, in the amount for salaries and expenses carried in the House bill; and transfers, as proposed by the Senate, the sum of $175,000 from the Veterans' Administration to the Civil Service Commission to enable the latter organization to pay the Veterans' Administration the cost of physical examinations of applicants for and employees in the Federal classified service and to place the burden of the appropriation on the Civil Service Commission instead of making it a charge upon Veterans' Administration funds.

On Nos. 11 and 12, relating to the Federal Communications Commission: Appropriates $2,051,340, as proposed by the Senate instead of $2,091,340, as proposed by the House, the reduction of $40,000 eliminating provision in the House bill for a radio-monitoring station in Alaska.

On Nos. 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, and 27, relating to the Federal Works Agency: Makes a direct appropriation of $250,000, as proposed by the Senate, instead of an allotment of $200,000 from funds of constituent units of the agency as proposed by the House, for the Office of the Administrator, and makes offsetting reductions on this account, as proposed by the Senate, totaling $100,000, in various amounts provided in the House bill for constituent units of the agency; appropriates $150,000, instead of $100,000, as proposed by the House, and $190,000, as proposed by the Senate, for equipment and furniture for the New York customhouse; and limits to $125,000, in the language proposed by the Senate, the amount for the informational and educational service of the United States Housing Authority, instead of $152,000, as proposed by the House, and $50,000, as proposed by the Senate.

On Nos. 29 and 30, relating to the Maritime Commission: Appropriates $144,500,000, instead of $125,000,000, as proposed by the House, and $164,000,000, as proposed by the Senate, and makes a technical change in the text of the paragraph, as proposed by the Senate.

On Nos. 31, 32, and 33, relating to the Veterans' Administration: Appropriates $101,228,240, as proposed by the Senate, instead of $101,430,240, as proposed by the House, for administrative, medical, hospital, and domiciliary services, a reduction of $175,000, which sum is transferred to the Civil Service Commission by Senate amendment No. 9 to enable the Commission to reimburse the Veterans' Administration for expenses of physical examinations of applicants for and employees in the Federal classified civil service; and changes the text of the appropriation for the Veterans' Administration so as to make it clear that the amounts used for aid to State or Territorial homes for those veterans eligible for admission to Veterans' Administration facilities for "domiciliary" care shall also include those veterans eligible for "hospital" care.

The committee of conference report in disagreement the following Senate amendments:

Nos. 1 and 2, relating to the appropriation for the National Resources Planning Board.

No. 13, relating to nonadministrative expenses of the Electric Home and Farm Authority.

No. 14, relating to nonadministrative expenses of the Home Owners' Loan Corporation.

No. 17, granting authority to the Federal Works Administrator to make transfers to the appropriation for his office from the appropriations for administrative expenses of constituent units of the Federal Works Agency to accompany a consolidation in the Administrator's office of administrative functions of any of such units.

No. 28, amending the House limitation on the appropriation for contract payments to public-housing agencies by the United States Housing Authority so as to restrict the low-rent-housing projects financed by such Federal contributions to projects for tenants who are American citizens.

C. A. WOODRUM,
JED JOHNSON,
JAMES M. FITZPATRICK,
JOHN M. HOUSTON,
JOE STARNES,
R. B. WIGGLESWORTH,
EVERETT M. DIRKSEN,
Managers on the part of the House.

Mr. WOODRUM of Virginia. Mr. Speaker, the conference report on the independent offices appropriation bill, which is now before the House for consideration, insofar as the conference report proper is concerned, contains, I believe, nothing of a controversial nature. There will be probably 30 minutes' time used for some remarks by several gentlemen, but I do not believe there is anything in the report that is controversial. There are several amendments brought back by the conferees, technically in disagreement, but only as to one amendment is there any real disagreement among the conferees, and that is the amendment respecting the National Resources Planning Board, and that will come up later for discussion and a separate vote.

The bill as it stands is $1,120,243,528. It is $19,540,000 less than the bill as it passed the Senate. It is $74,460,945 less than the Budget estimates.

A number of interesting departments and bureaus are provided for in this bill, notably the Civil Aeronautics Authority. The Civil Aeronautics Authority was set up by the Congress for the purpose of having jurisdiction over civil aeronautics, as the name implies. While it has had some internal difficulties, some growing pains, so to speak—speaking only for myself—I would regret exceedingly to see anything happen to the present set-up of the Civil Aeronautics Authority. I know of no reason why it should be combined with the Department of Commerce, and I sincerely hope that that will not happen.

I believe this important agency should have an opportunity to mature and to continue to render the important service which it is rendering to aviation. [Applause.] Especially is this true of the Safety Board, which, I understand, the proposed reorganization order abolishes entirely. I think it would be a great pity to have that happen, and I hope very much that both branches of the Congress will give very serious and mature thought to that suggestion before it permits such a thing to happen.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. RANDOLPH. I agree with the gentleman in respect of the Civil Aeronautics Authority and the Air Safety Board; and may I be indulged for just a moment to say that at the time the reorganization bill was considered here I offered an amendment that the Civil Aeronautics Authority be exempt from any possible order of reorganization, since the Congress had so recently created it. Those in charge of that legislation opposed me, and assured Members there would be no effort to change the set-up of the C. A. A. I call the gentleman's attention further to the fact that we have only a few days ago completed a year of splendid service by the domestic air lines, with not a single fatality, and I think this is due in great degree to the Safety Board and Authority which were created by Congress. No move should be made now to go backward. We should oppose any plan which would weaken this fine program. [Applause.]

Mr. WOODRUM of Virginia. Another item in the conference report that I would like to mention briefly is the item of $25,040 for the Council on Personnel Administration, which goes out of the bill. The Council on Personnel Administration was set up by an Executive order to assist in coordinating the personnel functions of the various Government departments.

The House left out the item sent up by the Budget, the Senate inserted it in the bill, and it was left out in conference. After the matter was discussed it was the judgment, I believe, certainly of a majority of the conferees, that matters pertaining to a coordination of personnel functions might very properly be carried on by the Civil Service Commission under its general authority and that it was not necessary to carry a separate appropriation earmarked for that purpose.

I do not know, Mr. Speaker, of anything else in the conference report that is of any particular interest. If there is, I should be very pleased briefly to try to answer if anyone wishes to ask me any questions.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. SHEPPARD. What is the difference between the amount of the bill as sent over to the Senate originally and as brought back by the conferees?

Mr. WOODRUM of Virginia. The bill as it passed the House was $1,100,187,267. The Senate added about $40,000,000 or a little over $40,000,000.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virgina. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. The gentleman does not mean to imply by his statement in reference to the Personnel Board that the committee favored the establishment of a personnel set-up throughout the Government service calling for the expenditure of $1,000,000 or more a year?

Mr. WOODRUM of Virginia. Oh, the committee has definitely said it did not favor that, I will say to the gentleman. I was referring to this small group in the Civil Service Commission which is seeking to coordinate personnel functions.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from New York.

Mr. MARCANTONIO. Will the gentleman explain the meaning of amendment No. 28, amending the gentleman's limitation on the Housing Administration?

Mr. WOODRUM of Virginia. As it passed the House the alien limitation on the United States Housing Authority seemed to be subject, perhaps, to the construction that no person who was not a citizen of the United States could occupy, even for a transitory period, a project of the United States Housing Authority. The amendment as brought back, if concurred in by the House, will mean that the United States Housing Authority cannot accept as a tenant any person who is not a citizen of the United States.

Mr. MARCANTONIO. If the gentleman will yield further on that point, does that mean now that if the tenant is a citizen and a parent of the tenant happens not to be a citizen that family is not disqualified under this provision?

Mr. WOODRUM of Virginia. It means just what it says—he has to be a citizen to be a tenant of the property.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. MAY. I want to ask the gentleman if the amendment relating to the National Resources Board, which is to come up on a separate vote, is not the feature of the bill which the House refused to appropriate for because the Resources Board had not been authorized by legislation, and when it went to the Senate the Senate put authority for the appropriation back in the bill, and that is the question that will be the issue when we vote on that matter.

Mr. WOODRUM of Virginia. It is not just exactly as the gentleman has stated it. The Appropriations Committee did not report the item because it had not been authorized by law and it was not acted on in the House. As it has been reinserted by the Senate, it changes the functions of the National Resources Planning Board to quite an extent, as I shall explain fully when we get to that amendment.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from New York.

Mr. BLOOM. Do I understand the gentleman to say that no occupant of any one of these houses can be an alien?

Mr. WOODRUM of Virginia. No; I said just the reverse of that. I said that to be a tenant one must be a citizen.

Mr. BLOOM. But supposing the son is a citizen and he wants to have his father or mother occupy this house with him and they are not citizens. Can they not live with him?

Mr. WOODRUM of Virginia. I do not see why they could not.

Mr. MAGNUSON. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. MAGNUSON. Did the conferees make any provision for a tenant in the process of becoming a citizen?

Mr. WOODRUM of Virginia. They did not.

Mr. MAGNUSON. He must be a full citizen?

Mr. WOODRUM of Virginia. Yes; before he can become a tenant.

Mr. MAGNUSON. I think the gentleman unintentionally made a mistake in the beginning of his remarks, if he will permit me to say so, wherein he said that the purpose of the President's reorganization was to abolish the Air Safety Board. I think the purpose is not to abolish it, although I agree with the gentleman that it should stay where it is, but the purpose is to permit the Civil Aeronautics Authority to take over the functions of the Safety Board.

Mr. WOODRUM of Virginia. Perhaps it is a distinction without a difference, but it does discontinue the separate entity of the Safety Board.

Mr. MAGNUSON. That is right.

Mr. WOODRUM of Virginia. I said abolish it. Perhaps some other word would be better.

Mr. MAGNUSON. The functions of the Air Safety Board still continue.

Mr. WOODRUM of Virginia. Yes; but to be carried on by the Civil Aeronautics Authority. It seems to me there is a substantial reason why that should be a separate, independent agency.

Mr. MAGNUSON. I agree with the gentleman on that.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. COCHRAN. The gentleman will recall that during the hearings on his bill the Veterans' Administrator made a commitment that he proposed to correct the practice of requiring the employees of Federal facilities to be domiciled there, which required them to pay certain amounts from their salaries, regardless of whether they were married or not, or had a home close by the facility.

Practically every Member of the House is receiving letters in regard to this matter. General Hines has reiterated to me what he told the gentleman's committee. There is a bill before the committee of which I am the chairman that many Members want considered. Is there anything in this conference report or bill now that would prevent General Hines from carrying out his commitment which he made to the gentleman's committee and to my committee?

Mr. WOODRUM of Virginia. There is nothing that would prevent him from doing it. I expect that he will do it. Of course, the bill has not yet become a law.

Mr. COCHRAN. I realize that, and I know by the gentleman's statement at the hearings he is anxious to have this matter adjusted.

Mr. WOODRUM of Virginia. We are just now winding it up.

Mr. COCHRAN. I am pleased to know there is nothing in the bill that would prevent it.

Mr. WOODRUM of Virginia. I feel confident it will be done as soon as they can put it into operation administratively.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. GIFFORD. As a member of the Reorganization Committee I am pleased with the hint the gentleman gave us. The gentleman said that he had not yet learned why this Civil Aeronautics Authority should undertake this. Yesterday it was said that it was for better administration; they feel that that Department should take care of the Budget, and maintaining procurement. Has it ever occurred to the gentleman that Mr. Hopkins is particularly informed on aeronautics?

Mr. WOODRUM of Virginia. I do not want to enter into the question of whether Mr. Hopkins knows anything about aeronautics or not, but from what I know of the Civil Aeronautics Authority, I do not think it ought to be put into the Department of Commerce.

Mr. GIFFORD. The gentleman does not think that the procurement of what they think is needed should be handed to somebody who knows nothing about it.

Mr. WOODRUM of Virginia. I think it should stay where it is.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. RANKIN. With reference to the question asked by the gentleman from Missouri [Mr. COCHRAN], as the gentleman knows, I am the chairman of the Committee on World War Veterans' Legislation. This question continually arises, and I think every Member of Congress will remember that these hospitals are built for the benefit of the inmates, the disabled veterans, who are compelled to go to them, and that General Hines ought not to have his hands tied so that he cannot keep these employees close enough to these hospitals to do the work and to meet the emergencies that may arise.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. DONDERO. The question was asked a little while ago as to the total carried in this bill as it came back from the Senate with $40,000,000 added to it. As a result of the conference report, is the amount raised or lowered?

Mr. WOODRUM of Virginia. It is lowered about half in two. The bill is $39,500,000 less than as it passed the Senate.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. Yes.

Mr. VAN ZANDT. When this bill was in the House the gentleman from Virginia will recall that the House adopted an amendment establishing a reciprocal pay schedule to cover cost of hospitalizing employees of the various departments of the Federal Government when said employees are hospitalized in the facilities of the Veterans' Administration. Did the conferees agree to a change of language in the amendment?

Mr. WOODRUM of Virginia. Yes; it did.

Mr. THOMASON. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. THOMASON. Did I understand the gentleman correctly in reply to the inquiry by the gentleman from Kentucky [Mr. MAY] that he and the other managers on the part of the House favored an appropriation for the National Resources Board?

Mr. WOODRUM of Virginia. Yes, sir.

Mr. THOMASON. You expect to contend for that when the amendment comes up?

Mr. WOODRUM of Virginia. The gentleman understood me to say that I did, and a majority of the conferees did. The minority members, I understand, do not.

Mr. CASE of South Dakota. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. CASE of South Dakota. What is the gentleman's understanding as to the authorization for the Maritime Commission with respect to commitments for new ships that we will be called upon to appropriate for next year?

Mr. WOODRUM of Virginia. The gentleman asked me that just before we took up this report. I do not know of any authority that the Maritime Commission has to make commitments which the Congress has not specifically given them, unless it might be some of the commitments that came to the Maritime Commission when they took over the commitments of the Shipping Board. I am not able to be very clear to the gentleman on that. If they have any authority to contract for vessels that we have not given them specifically, I do not know of it.

Mr. CASE of South Dakota. I asked the gentleman because I thought there should be something in the RECORD about that. I will discuss the matter later.

Mr. MARCANTONIO. Will the gentleman yield further?

Mr. WOODRUM of Virginia. I yield.

Mr. MARCANTONIO. I am not quite clear on this amendment No. 28. I am afraid there will be much confusion on the part of many local housing authorities as to its interpretation. I think the gentleman would be rendering a great service for the purpose of clarity to explain it in detail.

In other words, how would it apply to a family, for instance, where the applicant is a citizen and his father is not? In other words, it amounts to a question of defining the word "tenant." If the tenant is a citizen and the parent or child of that tenant is not a citizen, is that family barred from occupying any premises under the Housing Authority?

Mr. WOODRUM of Virginia. I would not think so. That is the answer I gave the gentleman from New York [Mr. BLOOM]. My answer is that they would not be barred.

Mr. Speaker, I reserve the balance of my time.

I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, when the President submitted his Budget to the Congress he estimated that the deficit for this fiscal year that we are now in would run $3,932,000,000, $300,000,000 above the deficit for last year. Already the deficit is $300,000,000 above what it was a year ago. The income-tax receipts for the current fiscal year will be such that the revenues will be probably at least $200,000,000 above what was estimated in the Budget, but the deficiency appropriation estimates to be used in this fiscal year will probably run $300,000,000 more than was estimated at the time the Budget was submitted. For the next fiscal year the President estimated a deficit of $2,700,000,000, and I am unable to see, on the basis of the appropriations so far and current expenditures that we are being put up against as the result of deficiency appropriations, how we are going to get along with a deficit of only $2,700,000,000 in the fiscal year 1941 which begins the 1st of July next.

At the present time the national debt is $42,540,000,000. The increase, according to the Budget figures that were sent to us, by July 1, $1,300,000,000, would make a debt of $43,840,000,000. That would only leave $1,200,000,000 within the statutory debt limit of $45,000,000,000, to apply on the deficit that is set up for the next fiscal year.

I do not know to what extent the membership of the House and the people of the United States realize the seriousness of that situation. It means that unless some figures are juggled or unless we have paper money inflation, we are going to be in the position where we have to increase the debt limit by the 1st of January next beyond the $45,000,000,000 figure which now exists.

I feel that the attention of the House and the country should be called to this situation in a most emphatic manner. Let me say to you that in spite of the increase of $67,000,000 on the social security and labor bills that were in here, the House is below the Budget, currently, approximately to the tune of $300,000,000. In one bill now in conference, the Department of Agriculture appropriation bill, there are Senate increases of $340,000,000 in one way or another. In other bills there are increases that will total, according to the best estimate I can give you, upward of $120,000,000.

It is of the utmost importance that we cut down these appropriation bills. The President recommended in his Budget estimate an increase in taxes totaling $460,000,000. Nothing has been done and nothing has been thought of along that line. The Appropriations Committee attempted to solve the problem by reducing appropriations, and, insofar as it has been able, it has followed that rule. I am sorry that this bill, as it comes from the Senate, carries an increase of almost $20,000,000 above the House figures. I do not blame the conferees, because they have done the best they could and have given us the best deal they could get. But I do feel that we have to cut down on these governmental activities, or we are going to have a very serious situation.

We are today appropriating money in these words:

> There is hereby appropriated out of any money in the Treasury not otherwise appropriated, $1,118,000,000.

There is no money in the Treasury not otherwise appropriated, and there is not any money in the Treasury that is available for the operations of this bill that we have before us, nor is there prospect that there will be sufficient money there except by operations of inflation. Frankly, from my own standpoint, I feel that this House and the country must be aroused to the serious situation that confronts them. I feel that we must put the brakes on, we must realize that handing out money for different activities is not going to help the people if we break completely the financial structure of the country; and that is what we are doing right now when we pass this bill.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. I do not believe that there is a Representative in Congress more diligent in trying to keep down appropriations than the gentleman from New York [Mr. TABER]. I ask

the gentleman if in his study of the finances of the country and the realization that in the operation of the Government for the current fiscal year the administration has gone in the red $2,869,863,540.13 up until April 8, the gentleman in his conferences with the Senators or other members of the Appropriations Committee has been able to find the answer to the question, Where are we going to get the money to pay these bills if we continue the way we are going?

Mr. TABER. I have never received an answer to that question, I will say to the House. I have never heard that question put up to Senate conferees more forcibly than it was by the gentleman from Virginia, who brings in this report.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 7 additional minutes to the gentleman from New York.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. JENKINS of Ohio. I presume the other members of the House have been impressed with the gentleman's statement as I have. I have been tremendously impressed. By some it may be said that what the gentleman has stated is partisan; but if there is anybody on the other side of the aisle, or anywhere in the House, who would rise now and dispute what the gentleman from New York has said, let him do so. Does the gentleman from New York know of any diversity of opinion that would in any way challenge what the gentleman has said?

Mr. TABER. I do not. I am not making a partisan statement. I am making a statement designed to make the membership of this House and the people of the country realize the seriousness of the situation facing the country. I am trying to awaken people to the situation and the realization that unless we stop appropriating money beyond the possibilities of revenue, beyond the authorizations for borrowing money, that we are facing nothing more nor less than inflation.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I think in our consideration of the national debt we have overlooked a very important item. Last year we increased the national debt limit by about $11,000,000,000. By taking the ceiling off the limit of bonded indebtedness we created a situation whereby the Treasury Department is authorized to obligate the Government to about $11,000,000,000 in addition to the debt limit. If the gentleman wants to get the true picture of the situation at the present time, he must add to the Treasury figures of forty-two-billion-odd dollars another $2,000,000,000 representing currency which has been issued beyond our currency needs during the last 5 or 6 years. In other words, the coined and issued currency of the Nation in circulation in 1933 was about $5,600,000,000, whereas at the present time it is about $7,500,000,000. For the first time in the history of the United States it has been thought necessary to increase the volume of circulating media at a time when prices were increasing. Therein lies the danger, and therein lies the intellectual dishonesty in respect to the debt limit. Instead of coming before us and honestly saying we must raise the debt limit, they are issuing currency, as the gentleman suggests, and accomplishing the same result by adding to the volume of the currency.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I cannot at this time.

What the gentleman from Michigan states is true.

It has been suggested that we are going to be able to salvage $700,000,000 out of Government corporations in the coming fiscal year. Let me say to you that there are no assets of Government corporations that can be turned into cash that will yield $700,000,000. The debts of these Government corporations today total $8,800,000,000; those that are guaranteed by the Government aggregate $5,700,000,000. In addition to the debt limit there are tremendous losses in some of these Government corporations at the present time. The salvage by the Home Owners' Loan Corporation on sales of real estate which it had to take over on mortgages averages only a little over 60 percent of the amount of the loans. This is a sorry picture. There are tremendous losses in places that are not taken into consideration in this set-up.

The United States Housing Authority has made guaranties of obligations which it must meet to pay gratuities to these housing authorities which total $1,600,000,000, and these have to be paid in the next 60 years so much a year.

There is a debt growing out of the issuance of silver certificates. They issue a silver certificate on the basis of an ounce, but in actual fact on only four-fifths of an ounce—silver which, if sold in the world market, would not be worth over 16 cents an ounce if the Government ceased to buy silver.

Mr. WHITE of Idaho. Mr. Speaker, will the gentleman yield?

Mr. TABER. If the gentleman will listen, the gentleman will understand the situation. I cannot yield.

Mr. WHITE of Idaho. I wish to develop the question.

Mr. TABER. Mr. Speaker, I cannot yield. The gentleman will understand the situation if he listens.

That situation is a terrible one, and the Government is in debt to the tune of $1,800,000,000 on the silver proposition. Against this debt it has assets in the form of silver which would not sell for over 20 cents an ounce on today's market and which would not sell for more than 16 cents an ounce if the Government stopped buying the silver. The Government is forced to protect its interest in silver. This represents a poor situation.

Mr. Speaker, I hope that as the Congress approaches these items where it is asked to vote away the people's money, that the House, the body at the other end of the Capitol, and the people of the country will come to the conclusion that the Congress cannot continue to appropriate out of the Treasury money that is not there. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I appreciate this minute to address the House.

Today is the anniversary of our beloved Speaker and I wish to extend my congratulations, and I know I extend the good wishes of the Member of this House to him. I sincerely hope that when he returns to his arduous duties as Speaker he will come back in the very best of health. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, laws are a good deal like ships. You launch them with a great deal of fanfare and rhetorical champagne and then forget about them. I have particular reference to the act under which we created the Maritime Commission and consolidated the maritime activities of this Government in 1936.

Here is an agency which handles construction subsidies for 33⅓ percent of the cost of a vessel. Here is an agency that handles operating subsidies. Here is an agency that handles insured mortgages upon the vessels, and it can hardly be considered as raking among old bones when one goes back to look into the operations of this Commission for the purpose of calling the attention of the House to the fact that we cannot be too careful about the activities of this type of governmental agency. The long-range program that we authorized in 1936 will ultimately call for almost 500 vessels, to cost in the neighborhood of one and one-quarter billion dollars. Two hundred and three of those constitute the initial stage of the program, to cost $584,000,000, and that is still more than pocket change or pin money to me. They have about 160 specifically authorized and under way.

Mr. Speaker, I have been somewhat concerned about that activity. You can take any tub just now, put it in reasonable condition, and make money with it, because there are opportunities to transport commodities. There will come a time, however, when the present struggle in Europe comes to an end. Then foreign bottoms will be available to transport foreign goods to this country. I am wondering about the invest-

ment that we will have in hundreds of vessels on both coasts sponsored by the Maritime Commission under the act of 1936.

The reason I bring this up today is to revert for a moment to something that happened in the latter part of 1938. They had a line out on the Pacific coast known as the Dollar Line, operated by R. Stanley Dollar, and the Dollar Steamship Co. I am informed that a former Member of the Senate finally became the general manager for the line that was involved in reorganization. It was insolvent. It owed the Maritime Commission $13,000,000. Here is a report of the Commission. On pages 10 and 11 it is stated that the debt was $13,000,000 but was reduced by insurance money derived on account of the wreckage of the steamship *Herbert Hoover*. This reduced it to $7,500,000. An application came for an operating subsidy and for the maintenance of ship facilities on round-the-world cruises and to the Orient. The Maritime Commission had an opportunity to do business with a solvent company, but instead of doing so the Dollar Line was reorganized and became the United States President Line. They relieved Stanley Dollar and the Dollar Line of all responsibility as endorsers and comakers of the note which the Maritime Commission held. In addition to that they loaned the new line another $2,000,000 and got the R. F. C. to lend them $2,500,000 more. Today that reorganized line, known as the United States President Line, owes us, the taxpayers of the United States, about eleven and one-half million dollars.

This money is secured by mortgages, but mortgages on what? On 14 vessels. One of them, the *President Coolidge*, is 9 years old and the other 13 ships are 19 and 20 years old.

The only thing we have to show for that deal is a mortgage on a number of ships that are in need of repair plus 90 percent of the stock of the United States Line, which is a liability rather than an asset.

Mr. Speaker, this happened less than 2 years ago and I allude to it today because here is an agency that can give construction subsidies, that can give operating subsidies, that can broker ship mortgages which are guaranteed and on which they charge a premium. You and I and the rest of the taxpayers of the country will ultimately have one and one-quarter billion dollars in this enterprise if the original program is consummated and if we have anything more like this situation in connection with the Dollar Line and the newly reorganized United States President Line, then I suggest, in accord with my original premise, that having launched this law, known as the Maritime Act and the Maritime Commission, it is our bounden duty to continue to check up and see that no more things of that nature shall happen to the taxpayers' money.

Mr. EATON. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New Jersey.

Mr. EATON. The gentleman neglected to point out, however, that this President Line is insured in a very reliable firm.

Mr. AUGUST H. ANDRESEN. I understand that insurance is $45,000,000.

Mr. DIRKSEN. Mr. Speaker, I want to get in the RECORD what one of the members, Admiral Wiley, said about this deal. Let me read from his report:

> If the Maritime Commission should see fit to make those findings and pass the proposed resolution based thereon granting a 5-year operating differential to the Dollar Co. amounting to $15,000,000, then it will deserve the loss of confidence in the Commission by the people of the United States that I feel sure it will sustain. In my opinion, it will have betrayed its trust.

That is the opinion of a member of the Maritime Commission at the time that deal was put through. The memorandum of Commissioner Wiley, dated September 26, 1938, on this matter is highly illuminating. Finally, here is Edward Moran, a former Member of this House, a very good friend of most of the Members, also a member of the Commission, and he had this to say about that deal:

> The ultimate net result of this whole deal, particularly on account of the subordination of our mortgages, will be to bail out the creditors of the Dollar Co.

Finally he said:

> Therefore the real result of the proposed Dollar deal is, to my mind, so indefensible as to make a consummation of the whole proposal a dangerous and unwarranted assumption of liabilities.

Here were two members of the Maritime Commission speaking about that deal, and how amazing that it never secured so much as a paragraph in the newspapers at the time it was consummated. You see, Mr. Speaker, when once we place an agency into the translation of an activity like the maritime activities of the country, how essential it is to follow up on that tremendous responsibility if we are going to preserve the interests and the welfare of the taxpayers. Let me make it clear that I do not for a moment reflect upon the integrity of the Commission. I do say, however, that this Dollar Line deal does not reflect the best interests of the people.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Kentucky.

Mr. MAY. Perhaps the silence of the newspapers on the subject is due to the fact they get much advertising out of that ship line.

Mr. DIRKSEN. They may not have known it, for all I know, but I feel I would be remiss in my duty if I did not call that matter to the attention of the House, even though it happened some time ago.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from California.

Mr. HINSHAW. The gentleman no doubt realizes that the wealthy chairman of the board of this new President Line was appointed to that position shortly after his defeat for renomination to the United States Senate, that he is a Democratic national committeeman from California, and that his salary is said to be in his new position $25,000 per year.

Mr. DIRKSEN. That may have been persuasive so far as the whole deal is concerned, but I am particularly interested in the fact that this is public money with which the Maritime Commission is operating, and if anything more like this happens, then, of course, it would warrant some kind of a thorough scrutiny. [Applause.]

It would be illuminating to scan the official record, and to that end let me set forth in full from the report of the United States Maritime Commission to Congress for the period ending October 25, 1938, its own comment on this matter. It will be found on pages 10 and 11 of the report under the caption:

AMERICAN PRESIDENT LINES, LTD. (FORMERLY DOLLAR STEAMSHIP LINES, INC., LTD.)

> One of the most serious problems facing the Commission during the latter part of 1937 was the matter of reestablishing the important trans-Pacific and round-the-world services operated by the Dollar Steamship Line, Inc., Ltd. The company was indebted to the Commission in the sum of approximately $13,000,000, secured by preferred ship mortgages on the vessels in the fleet. This amount was later reduced to $7,500,000 by application of the insurance payments on the steamship *President Hoover*.
>
> Despite the constant endeavor of the Commission, which included sending members of the staff on several occasions to confer with officials of the company in San Francisco, no satisfactory solution had been reached by the end of the year. The then Chairman of the Commission, accompanied by the general counsel and other members of the staff, proceeded to the west coast in January 1938 and instigated extensive financial readjustments in the various companies controlled by the Dollar interests, in order that the line might qualify for a temporary operating differential subsidy agreement. The documents executed in connection with the financial readjustment of the Dollar Steamship Line, Inc., Ltd., were subsequently compiled and printed by the Commission under date of February 17, 1938.
>
> It was recognized at the time that the action taken would merely alleviate the more urgent difficulties of the company, without providing an adequate long-term solution. The financial condition of the line deteriorated during the period of the subsidy agreement so that by August 1938 most of its vessels were laid up and the company could no longer meet accruing obligations.
>
> In view of the virtual cessation of service by the only American-flag passenger line operating these highly essential trade routes, the Commission was faced with the alternative of permitting the company to slip into bankruptcy or arranging for the infusion of much-needed working capital and funds required to repair the company's vessels in accordance with standards of the Bureau of Marine Inspection and Navigation.

On August 15, 1938, an agreement for reorganization was approved whereby the Commission acquired about 90 percent of the outstanding common stock of the Dollar Line, in consideration for releasing R. Stanley Dollar and the Dollar Steamship Co. of California from their liabilities as endorsers or comakers on the ship-mortgage notes held by the Commission.

This adjustment plan was consummated in October 1938, and the Commission as majority stockholder obtained complete control in the selection of the management. The Reconstruction Finance Corporation advanced $2,500,000 for working capital and the Commission loaned an additional $2,000,000 restricted to vessel repairs which were necessary to protect the value of the property underlying the Government mortgages. These loans were secured by a joint blanket preferred ship mortgage covering the entire Dollar fleet of 13 vessels.

The operating subsidy contract dated October 6, 1938, extends for a period of 5 years. The routes to be served by the operator include one from California ports to Japan, China, Philippine Islands via the Hawaiian Islands, and a round-the-world service from New York via the Panama Canal, returning via the Mediterranean. With the exception of the steamship *President Coolidge*, which was built in 1931, the 13 combination passenger-cargo vessels which comprise the fleet were completed in 1920 and 1921. In the provisions for new construction the operator agrees to develop a replacement program satisfactory to the Commission beginning January 1, 1940.

Can anyone read that statement without concluding that the Dollar Line was insolvent, that it could not meet its obligations, and that all it had to offer was worthless stock and a fleet of deteriorated vessels? The very fact that the $2,000,000 loaned by the Commission was restricted to necessary repairs speaks eloquently on that point. The completion year set forth in that statement shows that the steamship *President Coolidge* was 9 years old and the remaining vessels were 19 and 20 years old.

Ninety percent of the stock gives the Maritime Commission control of the new line. We the people are therefore in the shipping business.

In view of the fact that a solvent going line had made application for an operating subsidy on the routes covered by the Dollar Line, I for one entertain doubt as to the wisdom of the Commission's course in making such an adjustment of the Dollar Line properties.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I wish to call attention to the section on the United States Maritime Commission, where the item that the House passed for $125,000,000 is raised to $164,000,000. This is in direct appropriations. The bill as it comes before us carries no specific authorization for additional contracts for the next year, but the hearings before the Senate committee developed the fact that the Maritime Commission believes it already has unlimited authority to contract and bring in its requests next time and say, "Here we are building these ships, and you have to appropriate the money that we need to carry out the contracts."

Let me give you specifically the testimony of Admiral Land on that subject as printed in the Senate hearings. On page 79 this question was asked by Senator ADAMS:

Do you mean to say we passed an act which gave you an unlimited-contract authorization?

Admiral LAND. I am no lawyer, but the way I read the act I think you did.

Let me read that again. The question was:

Do you mean to say we passed an act which gave you an unlimited-contract authorization?

The reply of Admiral Land was:

I am no lawyer, but the way I read the act I think you did.

Has Congress no control over the amount the Maritime Commission will spend in any given year? Can they put under contract whatever amount they desire and then come before the Appropriations Committee and say the Congress is bound to provide the cash? That was the argument put forward in the Senate hearings when they declared the $125,000,000 which the House appropriated for the next fiscal year was insufficient, "because we have $164,000,000 worth of ships under contract and we need $39,000,000 more." Now, I recognize that the bill last year did carry some contract authorizations, but the question and answer I have read was not limited to the contract authorizations in appropriation bills. They referred to the basic Merchant Marine Act.

I wish to call your attention to one or two other points in the testimony which set forth the same contention. The testimony of Admiral Land given on page 61 was as follows:

The suggestion made on the floor of the House that the Commission should be required to confine its contracts to the limits of its appropriations is, I believe, unsound.

Is it unsound that the Commission should be expected to limit its contract authorizations to the amount of money the Congress makes available for it? Is it unsound for Congress to place limits on what may be spent on shipbuilding in this day when we are selling the old ships and tying up others in their harbors?

That the belief the Commission has unlimited contract authority was not a chance, offhand opinion is indicated by the statement submitted by the Commission as a justification for asking for this additional $39,000,000. On page 84 of the Senate hearing, in a prepared summary statement, appears the following:

It is necessary to have both current funds and authority to contract. It has such authority under the Merchant Marine Act—

That is, the Commission contends it has the contractual authority—

but has preferred to act within the limitations heretofore contained in the Appropriations Act.

This means that if we had a limitation in here on the contract authority it would have preferred to stay within that, but it feels that under the law it has unlimited authority, and the Commission can come in on the next appropriation bill and say, "These are the ships under contract today, and you must appropriate the money to pay for them."

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Who is the person who stated what the gentleman has just quoted there?

Mr. CASE of South Dakota. Admiral Land, the head of the Commission. It is his testimony, given in response to some inquiries primarily by Senator ADAMS, of Colorado.

Mr. LEWIS of Colorado. Does the admiral state what his authority is for such a remarkable conclusion?

Mr. CASE of South Dakota. He believes it exists in the basic Merchant Marine Act.

Mr. LEWIS of Colorado. He says he is not a lawyer. Where does he get his opinion?

Mr. CASE of South Dakota. Apparently from the advisers of the Department.

Mr. LEWIS of Colorado. Who are they?

Mr. CASE of South Dakota. I will suggest to the gentleman from Colorado that he read the testimony of Senator ADAMS, in which Senator ADAMS confesses that he was ashamed if that had been done. He said, "It is not complimentary to us." It seems to me this conference report should be voted down until some proviso can be put in the bill stating what contract authorizations will be used by the Maritime Commission for the next year. We cannot amend the conference report. The only way to do it is to vote down the conference report, and then the bill can be amended.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein quotations from Government reports and other publications.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Speaker, I also ask unanimous consent to extend my remarks and to place in the appendix later a reply to many of the charges that have been made here today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Speaker, I regret exceedingly the attacks that have been made by the gentleman from Illinois [Mr. DIRKSEN] and the gentleman from South Dakota [Mr. CASE].

So far as the charges submitted by the gentleman from Illinois are concerned, I know that the matter of the line referred to was most carefully considered by the Maritime Commission, and while I do not recall the details now, I was advised of them, and there was nothing improper or irregular so far as those papers revealed or I could see. If the gentleman was in possession of any information to indicate that there was anything wrong or anything crooked or irregular, or anything that was not entirely in accordance with the law, the gentleman, or any other Member of this House, could have brought all suspicions to the attention of the Committee on Merchant Marine and Fisheries, or he could have introduced a resolution for an investigation. As in every other situation of a like nature, the committee would have gone into it and given everybody an opportunity to be heard at a public hearing if desired.

Mr. DIRKSEN. Mr. Speaker, will the gentleman yield for a question?

Mr. BLAND. Yes.

Mr. DIRKSEN. Does the gentleman deny that the data which I have submitted is documented in the Merchant Marine Committee or in the Maritime Commission's own report, and the minority views expressed by Commissioner Wiley and Commissioner Moran?

Mr. BLAND. I am not in position to make any admissions or denials until I have carefully examined the papers referred to in the light of the statement that the gentlemen has made here today. If there are statements in the record in exact accord with what has been stated here, I wish to consider them in the light of the deductions which the gentleman tries to draw. From my recollection of that transaction I should say that the conclusions of the gentleman are unjustified and unwarranted. I shall discuss the gentleman's cubisms subsequently in the appendix and give the gentleman the benefit of such information as I can secure.

Mr. DIRKSEN. Will the gentleman yield for a further question?

Mr. BLAND. I yield.

Mr. DIRKSEN. Does the gentleman from Virginia feel that I would have the temerity to say to the House in quotation marks what was contained in the report of two Commissioners of the United States Maritime Commission unless that was the fact?

Mr. BLAND. I know that the gentleman would not make a statement knowing that he was telling an untruth, but I do know that sometimes in the conclusions we draw from statements, by culling out certain statements from the context, we may create an impression that is unwarranted even when the person making the statement believes his conclusion to be entirely warranted. I can assure the gentleman I make no charge against him personally, either as to his veracity, or his honesty, or his integrity. I have never assumed that position on the floor with respect to any Member of the House, and I have too high regard for the gentleman from Illinois, and for every Member of the House, to assume that position now. However, I may try to show in my reply that the gentleman was mistaken in his conclusions, if my recollection is correct.

Mr. DIRKSEN. I do not believe the gentleman was.

Mr. BLAND. Well, possibly the gentleman is right about that.

Now, Mr. Speaker, as to the appropriations, of course, there is general authority in the Merchant Marine Act for the appropriations necessary to carry out the purposes of the act. There is always authority of that kind in all legislative bills, or this Committee on Appropriations might be without authority to make the necessary appropriations. I believe the Senator from South Carolina, Senator BYRNES, in his statement on the Senate floor covered the situation very fully. As I recall, he stated that in addition to the general authorization which is contained in the Merchant Marine Act, and pursuant to that general authorization, there had been special authority granted by the Congress for commitments in the sum of approximately $100,000,000 more than existing commitments. I think this statement was made by Senator BYRNES when this bill was up for consideration. I shall also cover that in my subsequent memorandum.

I desire to call the attention of the House briefly to the fact that for the first time in a century we have an opportunity to restore the merchant marine upon the seas. Ships of our maritime competitors are being destroyed abroad, and at the conclusion of the war we shall be met with the serious problem of finding sufficient ships upon the seas of the world to carry our commerce. This is most essential. America now has the opportunity of a century, and I shall attempt in my extension of remarks to demonstrate that fact. In passing let me call attention to remarks by one of the speakers who said that the Maritime Commission had made commitments for 160 ships. The facts are that 141 vessels had been contracted for prior to January 1, 1940, and that up to April 1, 1940, 43 ships had been launched and 30 completed and delivered. Of the 141 ships that have been contracted for prior to January 1, 1940, 102 ships have already been disposed of through commitments by private operators to charter or purchase.

In my extension of remarks I am going to call your attention to the condition of the merchant marine as it was in 1935 and to the necessity there shown for the building of ships. The ships we had were old and uneconomical. What has been done since? The record of the *Challenge* will answer. The *Challenge* was the first of these new ships that went into service.

On November 6, 1939, the *Challenge* left for India. On October 11, nearly a month earlier, the *Crown City* left. The *Crown City* is a World War constructed vessel. She left on identically the same run as the *Challenge*. The *Crown City* made her run and entered New York Harbor at the completion of the voyage at 9:22 a. m., February 24, and a little more than 1 hour later the *Challenge* completed the identical voyage and was back in the harbor of New York. Both ships returned with capacity cargoes, the *Crown City* with approximately 6,000 tons, and the *Challenge* with approximately 7,000 tons. What does that mean? It means a saving in insurance rates, it means a possible reduction in the rates that otherwise might be imposed upon the shippers of the country. It means economical competition with foreign ships, or such as may be in existence at the end of this war. Again, with reference to that ship, let me call attention to the fact that the *Challenge* is 34 percent of higher efficiency in ton-miles, and yet she is 47.6 percent faster. There is a saving annually on this particular ship of $35,000 in the fuel of the ship, and over a period of 20 years that means a saving of a considerable part of the construction cost. Bear in mind that under the Merchant Marine Act, if a profit is made beyond a certain amount—10 percent, I believe—recapture may follow from earnings in excess of a certain percentage, so that economical ships furnish an opportunity to recoup moneys for the Treasury.

I hope that Members will read the situation as it will be outlined in my extension of remarks, and that if any gentleman has any complaint about the operation of the Maritime Commission he will bring his complaint to the attention of the committee on the Merchant Marine and Fisheries. As chairman of that committee, I say that every complaint will be given consideration and a hearing. The gentlemen complaining will always have the opportunity to come before that committee in a public hearing, with a production of his evidence and an opportunity to the other side to present testimony to the end that the Congress and the people of the United States may always be kept fully informed and may be assured that there is no corruption. If any corruption exists your committee desires to expose it.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. BLAND. Yes.

Mr. LEWIS of Colorado. I wish to inquire about the matter quoted from the Senate hearings, concerning alleged unlimited contract authorizations.

Mr. BLAND. I said that in every authorization bill for the Navy or the Army, and I presume every other department, there is authorization for the expenditure of the moneys necessary to carry into effect the provisions of the bill. That is all of the unlimited authority that I know anything about. I think the gentleman's bills on similar subjects contain identically the same provisions.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. BLAND. Pursuant to leave given me, I extend my remarks, as follows:

THE SHIPBUILDING PROGRAM FOR THE RECONSTRUCTION OF THE AMERICAN MERCHANT MARINE

A combination of world circumstances gives America a great opportunity to reestablish its merchant marine. The destruction of shipping in the war, the abnormal demand for ships to carry cargoes in that war, our national policy of avoiding entry into that war, and the practical business chance to construct vessels of tested design at pre-war prices at the very time that competing maritime nations are losing their tonnage, both old and new, gives the United States the opportunity of a century to take her proper place among the maritime nations when peace again settles on the world. For these reasons I am very anxious to have the Congress and the country understand fully the significance of the appropriation for the Maritime Commission now under consideration.

DEFICIENCY FOR FISCAL YEAR 1941 IS INEVITABLE

The Maritime Commission appropriation for the fiscal year 1941 approved by the Bureau of the Budget was $200,000,000. This was composed of $173,000,000 for ship construction and a net of $27,000,000 for all other purposes of the Commission, including operating-differential subsidies, maintenance of the reserve fleet, seamen's training, administrative expense, and provision for marine insurance liabilities.

The House cut $75,000,000 from this figure, reducing the appropriation to $125,000,000. Deducting the $27,000,000 necessary for all other purposes would leave $98,000,000 available for meeting payments in the fiscal year 1941 which the Commission is obligated to make under the contracts authorized by Congress, and which were estimated to total $137,000,000. The House cut left the Commission $39,000,000 short of enough to meet its obligations during the fiscal year 1941.

The Senate amendment restored $39,000,000 to the appropriation, making a total appropriation of $164,000,000. This would suffice for payments under existing construction contracts, but would make no provision for such further construction as the Commission might contract for under its present authority.

The conferees have rejected the $39,000,000, but added to the $125,000,000 allowed by the House the sum of $19,500,000—one-half of $39,000,000—thus fixing the appropriation for 1941 at $144,500,000 instead of the Budget item of $200,000,000.

Based on contracts for ship construction—141 vessels—entered into prior to January 1, 1940, on which payments must be made in the fiscal year 1941, it was originally estimated that these disbursements would be $137,000,000 net for ship construction.

There has been a slowing up in progress payments on a few of the existing contracts during the current fiscal year, with the result that it is now estimated that about $15,000,000 of the estimated required payments for the fiscal year 1940 will not be paid until the fiscal year 1941. This situation arises because certain small shipyards—where considerable preparatory plant work was required—will not submit vouchers for progress payments during the fiscal year 1940 to the extent originally planned. There were other causes. This delay or lag, as it is known with the accountants, is thus carried over into the fiscal year 1941 and becomes a burden on that fiscal year to the extent of the lag over and above the requirements otherwise anticipated for that fiscal year.

The requirements for 1941, estimated to be $137,000,000, are thus increased by the estimated lag of $15,000,000, making a total of $152,000,000. This amount is further increased by the sum of $2,275,000, payments on features for national defense on six tankers contracted for since January 1, 1940. This would bring the requirements for the fiscal year 1941 to $154,275,000. These requirements, however, are reduced to some extent because of transfers of construction projects from title VII to title V, and as a result it is now estimated that the progress-payment requirements for the fiscal year 1941 on contracts entered into before January 1, 1940—including the 1940 carry-over of $15,000,000—will be approximately $150,275,000; that is, $148,000,000 plus $2,275,000, national-defense feature payments on the six tankers.

To the sum of $27,000,000, set up in the Budget estimate for other purposes than ship construction, there has been added an additional item of $1,500,000 for a sister training ship for the Maritime Service, making a total of $28,500,000. Otherwise the 1941 requirements for these purposes are unchanged.

The above item of $150,275,000, estimated net requirements for the fiscal year 1941 for existing ship-construction contracts plus the national-defense feature payments on the six tankers, when added to the item of $28,500,000, estimate for other purposes than ship construction, aggregates $178,775,000.

To ascertain the amount of the anticipated deficit at the end of the fiscal year 1941, we must deduct the appropriation of $144,500,000 from the above aggregate item of $178,775,000, leaving $34,275,000.

It appears further that at the end of the fiscal year 1940 there will be an unobligated balance in the construction fund of about $10,500,000 resulting from the lag in payments and also from some increase in receipts due to the recent sales of vessels, both old vessels and new construction, which, in the past few weeks, has been transferred from title VII to title V. This sum deducted from the above item of $34,275,000 leaves an estimated deficiency of $23,775,000.

Let me remind you again that this estimate does not take into consideration any further construction contracts. I understand that the Commission has a balance—as of the beginning of this year—of uncommitted contract authorizations for ship construction in the sum of $100,000,000, after reserving $10,000,000 for changes and extras in existing contracts. This will be covered more fully in a later extension which will go into details.

If the Commission were to enter into contracts for the building of ships to the extent of the $100,000,000 balance—including the six tankers—of the contract authorization referred to, it is estimated tentatively that progress-payment requirements for the fiscal year 1941 would be $26,725,000. This sum, added to the estimated deficiency of $23,775,000, mentioned above, indicates a total deficiency for the fiscal year 1941 of approximately $50,500,000.

The situation which will exist at the end of the fiscal year 1941 is further shown by a letter from Admiral Land, Chairman of the Commission, to me, dated March 26, 1940, which is as follows:

A letter reading as follows has been addressed by me today to the Director of the Bureau of the Budget relating to the status of the Maritime Commission's funds and appropriations:

"For your information, I desire to apprize you of the results of a review of the status of the United States Maritime Commission's available funds for the year 1941 in the light of present information, including specifically developments since the first of the calendar year, and with the understanding that the House and Senate conferees have fixed our 1941 appropriation at about $145,000,000.

"Assuming the above appropriation, and on the basis of payments which will be required under existing shipbuilding contracts (i. e., vessels contracted for prior to January 1, 1940, plus the national-defense features of six tankers subsequently contracted for), the present indication is that it will be necessary to request from the Congress at the beginning of the new session a deficiency appropriation for the fiscal year 1941 in the amount of approximately $23,000,000. This amount may be increased by reason of such additional construction as may be undertaken within the limit of the Commission's present authority to contract.

"This estimate of a 1941 deficiency is necessarily tentative, as conditions are constantly changing and there are factors which may either increase or decrease the Commission's net requirements.

"With respect to the current fiscal year, present estimates which take account of recent ship sales, etc., indicate that no deficiency appropriation for the year ending June 30, 1940, will be required."

WORK MUST GO ON

It is inconceivable that, in the light of world conditions, any delay in the building program will be permitted now.

There has never been at any time in the past as great a need and as great an opportunity for a modern, up-to-date, fully equipped, economical merchant marine as at present. Any retardation of the present long-range construction program will be interpreted as an indication of an intent to abandon our efforts to place America again upon the seas, will encourage our foreign competitors to exert extraordinary efforts to retain their trade, and will discourage our American operators and their connections. One of the greatest obstacles confronting our merchant marine in the past has been a doubt of the continuity of our policy and our intention to carry through. We do not want to return to those conditions portrayed so graphically in the Economic Survey of the American Merchant Marine, transmitted to Congress on November 10, 1937, by Joseph P. Kennedy, then Chairman of the Maritime Commission. I quote:

The policy of the United States with regard to foreign-going vessels has been vague and inconsistent. As a result our shipping has been, since the decline of the clippers, an extremely unstable industry. The history of the American merchant marine for the past three-quarters of a century has been characterized by a vacillating attitude on the part of our people. We would go along for years content to entrust the carriage of our goods to foreign vessels. Then, for some reason or other, we would suddenly become conscious of the potentialities of sea power and embark on a hastily planned and perhaps frenzied effort to establish a position at sea. In a few years public interest would die down, our vessels would be abandoned to the ravages of competition with low cost foreign operators, and the American flag would disappear from the principal trade routes. The merchant marine has been a perplexing problem of national policy ever since the Civil War.

We cannot afford to halt now. The great objective of the Merchant Marine Act, 1936, was the establishment of a carefully designed, long-range program which would build up a merchant marine in an orderly and expeditious manner. It was desired to avoid what has been characterized as "a hastily planned and perhaps frenzied effort to establish a position at sea."

It should be kept ever in mind that the Merchant Marine Act, 1936, by which the Maritime Commission was created, imposed upon the Commission the duty of carrying out a clear, comprehensive, and far-reaching general policy which should embody the intention of the Congress to foster the development and encourage the maintenance of an adequate, modern, and efficient merchant marine. As was well pointed out by the Maritime Commission through its first Chairman, Hon. Joseph P. Kennedy, the vicissitudes through which American shipping has passed since the days when steam superseded sail, and which have left American foreign commerce from time to time at the mercy of foreign shipping interests, have been due in large measure to the lack of a factual policy consistently followed.

THE OPPORTUNITY OF A CENTURY IS PRESENTED TO US

Rather than retardation, there should be acceleration of the program. Economies can be secured by duplication at pre-war prices of previously contracted for construction before any real increase in prices almost certain to arise under present war conditions. Furthermore, acceleration of the program will permit present available shipways not now required for naval construction to be put in use before the exigencies of war should cause foreign powers to occupy them, to the detriment of our own construction program, with the resulting inflation. If these opportunities are not grasped now, contracts later may be at much higher prices than at present, and our ship operators, shipowners, and shippers placed at a material disadvantage, with higher freight rates as the necessary result.

We have now opportunities for building up a merchant marine and developing foreign commerce such as this country has not seen for the past 75 years. The principal maritime nations are engaged in a death struggle. Others are so engaged that the carriage by sea must come to us if we have intelligence and ingenuity enough to seize it. It is inconceivable that the Congress should permit this opportunity for the restoration of our commerce and the rehabilitation of our merchant marine to pass. If the American people will visualize what the program means to this Nation, the slightest cessation or curtailment would not be permitted under present conditions.

I cannot stress too strongly the peril which we face if we relax now our efforts to build a merchant marine or if we abandon the long-range program which we have adopted and which calls for 50 ships a year for 10 years. A most fortunate combination of conditions—an efficient successful building program under way at home and a great demand for shipping the world over—presents us with the opportunity of the century. For nearly 22 years I have been studying our merchant-marine problems, and I am confident that if we fail now in our effort to restore our flag to the seas with such an opportunity before us, our loss may well be irreparable. Let us not slow down building now, with such an opportunity, and with pre-war prices prevailing here. Shipbuilding prices in this country may skyrocket as they did in the World War. In that case good business judgment on our part will require a reconsideration of our policy, and may impel a slowing down of the program. But it is certainly not good policy to slow down now in the face of a rising market and at a time when contracts at approximately the pre-war levels still may be made with domestic shipbuilders and when vessels are being placed in service as soon as they can be completed.

OUR MERCHANT MARINE POLICY SINCE THE WORLD WAR, 1914–18

Twenty years ago, in the Merchant Marine Act, 1920, the Congress, with the memories of the tragic period between 1914 and 1920 before it, declared:

That it is necessary for the national defense and for the proper growth of its foreign and domestic commerce that the United States shall have a merchant marine of the best-equipped and most suitable types of vessels sufficient to carry the greater portion of its commerce and serve as a naval or military auxiliary in time of war or national emergency, ultimately to be owned and operated privately by citizens of the United States; and it is hereby declared to be the policy of the United States to do whatever may be necessary to develop and encourage the maintenance of such a merchant marine and, insofar as may not be inconsistent with the express provisions of this act, the United States Shipping Board shall, in the dispcsition of vessels and shipping property as hereinafter provided, in the making of rules and regulations, and in the administration of the shipping laws keep always in view this purpose and object as the primary end to be obtained.

When the Merchant Marine Act, 1928, was written into the law the first section read as follows:

SEC. 1. The policy and the primary purpose declared in section 1 of the Merchant Marine Act, 1920 (U. S. C., title 46, sec. 861), are hereby confirmed.

Again, when the Congress enacted the Merchant Marine Act, 1936, it renewed its declaration of policy in substantially the same words used in 1920. The declaration in 1936 reads as follows:

TITLE I. DECLARATION OF POLICY

SEC. 101. It is necessary for the national defense and development of its foreign and domestic commerce that the United States shall have a merchant marine (a) sufficient to carry its domestic water-borne commerce and a substantial portion of the water-borne export and import foreign commerce of the United States and to provide shipping service on all routes essential for maintaining the flow of such domestic and foreign water-borne commerce at all times, (b) capable of serving as a naval and military auxiliary in time of war or national emergency, (c) owned and operated under the United States flag by citizens of the United States insofar as may be practicable, and (d) composed of the best-equipped, safest, and most suitable types of vessels, constructed in the United States and manned with a trained and efficient citizen personnel. It is hereby declared to be the policy of the United States to foster the development and encourage the maintenance of such a merchant marine.

THE AMERICAN MERCHANT MARINE IN 1935

Obedient to the mandate of Congress and in direct response to the declaration of policy in the act of 1936, the Maritime Commission has been proceeding along orderly lines. The condition which confronted them is shown in the House Report No. 1277, Seventy-fourth Congress, first session, on the merchant-marine bill, dated June 20, 1935. Lest we forget, let us turn to that report:

COMBINATION PASSENGER AND CARGO VESSELS

A break-down by types shows 183 vessels of 1,521,000 tons of the combination passenger and cargo class. Of this total, 67 percent are over 10 years old, 26 percent are from 11 to 15 years old, and over 12 percent are from 16 to 20 years old. Twenty-eight percent are over 20 years old.

Six of these combination passenger and cargo vessels, aggregating 102,093 tons, are Government owned, and all are over 20 years old; 129 of 1,142,000 tons are privately owned and operated in the

foreign trade, two-thirds being over 10 years old. Nearly 30 percent are 11 to 15 years old; 24 percent are over 20 years old; 48 of 277,000 tons are privately owned and operated in the domestic trade; and of these, 67 percent are over 10 years old and over 46 percent are over 20 years old.

CARGO VESSELS

One thousand and four vessels of 4,955,000 tons are of the cargo class, nearly 99 percent of which are over 10 years old. Of this class, 588 vessels of 2,869,000 tons, or 58 percent of the total, are between 16 and 20 years old.

Four hundred and thirty-two vessels of 1,850,000 tons are privately owned and operated in the domestic trade. Nearly 99 percent of these are over 10 years old, 32 percent are 11 to 15 years old, 52 percent are 16 to 20 years old, and 15 percent are over 20 years old.

Two hundred and ninety-six vessels of 1,550,000 tons of the cargo class are privately owned and operated in the foreign trade, of which 98 percent are more than 10 years old, over 44 percent are 11 to 15 years old, and 52 percent are 16 to 20 years old.

TANKERS

Three hundred and forty-three vessels of 2,390,000 tons are tankers, nearly 90 percent of which are more than 10 years old. Over one-half of the tonnage is from 11 to 15 years old and 32 percent are from 16 to 20 years old.

Again, in the same House report, submitted nearly 5 years ago, we read:

The evidence shows that during the period from 1922 to 1928 no vessels were built in American yards for overseas foreign service, and under the 1928 act, 31 new vessels were built for ocean-mail service and 42 reconditioned. In the last 5 years, in the construction of freighters, this country has built 4 while Great Britain was building 295, and for the 5 years previous, when we were constructing 4 in American shipyards, Great Britain built 558.

During the post-war period from 1922 to 1933 about sixteen and one-half million tons of ocean-going ships of 2,000 gross tons and upward were constructed throughout the world, of which the United States contributed less than 7 percent.

* * * * * * *

The gravity of the situation becames obvious when we consider that the useful life of a ship is 20 years. Our merchant marine today operating in the foreign trade of slightly less than 3,000,000 tons includes 224 vessels of 1,400,000 tons which were purchased from the United States Government. There is a high percentage of old and obsolete vessels in the number. Of the 3,000,000 tons, there are about 1,900,000 tons having contracts for carrying mail; in other words, that are subsidized. At the end of 7 years, 86 percent in number and 77 percent in tonnage of the vessels now operating on ocean-mail routes will have become 20 years old.

Obviously, something must be done quickly, or our flag will disappear from the seas. We shall be reduced to our pre-war position when we had 81 vessels of less than 500,000 tons operating on our regular services at which time we carried less than 10 percent of our commerce in American ships.

The condition, as reported by the Committee on Merchant Marine and Fisheries in 1935, was confirmed in the economic survey of the American merchant marine transmitted to Congress by Chairman Kennedy on November 10, 1937. In the preparation of that survey, the most celebrated authorities in the field of shipping were used. Among them were Dr. Grover G. Huebner, professor of commerce and transportation at the Wharton School of Finance; Dr. Thomas H. Healy, dean of the school of foreign service, Georgetown University; Herbert L. Seward, professor of mechanical and marine engineering, Yale University; Dr. Elmo P. Hohman, associate professor of economics, Northwestern University; Dr. Theodore J. Kreps, associate professor of business economics at Stanford University; Grover Loening, noted aeronautical designer and manufacturer; Dr. M. Ogden Phillips, school of commerce and administration, Washington and Lee University; Capt. Felix Riesenberg, an authority on the training of seamen; Rear Admiral W. P. Robert (C. C.) United States Navy, retired, formerly general inspector of the Bureau of Construction and Repair; Col. James M. S. Waring, industrial analyst of New York; and James Reed, of San Francisco, a former naval constructor and shipbuilder. Each of these men is an authority in some field of shipping.

THE PROBLEM OF REPLACEMENTS

In the introduction to the economic survey of the American merchant marine it was said:

Those working on the survey were instructed to take nothing for granted, not even the desirability of having a merchant marine under the American flag.

The care exercised in the preparation of this survey entitled it to unusual credit. Care was given the need for a replacement program, and on this point the Commission in the survey said:

The outstanding weakness of our merchant marine is its high degree of obsolescence. This is true not only of the total seagoing fleet but of the various subdivisions. As of May 31, 1937, there were 1,422 ocean-going vessels (of 2,000 gross tons and over), aggregating 8,407,000 gross tons, registered under the American flag. Of this fleet a total of 1,305 vessels, of 7,402,000 gross tons (91.8 percent of the number and 88 percent of the tonnage), will be 20 years old or more by 1942. More than 400 vessels aggregating nearly 2,500,000 gross tons (about 30 percent of both number and tonnage of the entire fleet), are already 20 or more years old.

Remember that the date of the survey was 1937. The report continued:

The degree of obsolescence prevailing in the various trades and types of vessels (as of May 31, 1937) is shown in the following table. The year 1942 is used in computing obsolescence because all of the war-built vessels will have become 20 years old by that time; 5 years, moreover, is considered the time that will be required to replace any considerable part of the present fleet.

Fleet	Number of vessels	Gross tons	Percentage of fleet that will become 20 or more years old by 1942	
			Vessels	Tons
Domestic trade	479	2,119,000	94.7	92.3
Government-owned, inactive	188	1,130,000	100.0	100.0
Tanker	299	2,060,000	87.2	84.0
Foreign trade:				
Privately owned	302	1,886,000	86.8	81.2
Government owned	37	207,000	100.0	100.0
Total	1,305	7,402,000	91.8	88.0

* * * * * * *

To replace by 1942 all ships now approaching obsolescence would, as we have seen, require the construction of 1,305 vessels, of 7,420 gross tons, or an average of 261 vessels of about 1,500,000 tons per year. This staggering program would cost in the neighborhood of $2,500,000,000. Moreover, shipyard facilities, as we have seen, are obviously inadequate for a building program of this magnitude.

Of course, all of the vessels which will obsolesce by 1942 need not be replaced by that time. While ships are commonly depreciated on a 20-year basis, few of them, in actual practice, are withdrawn at the end of that period. On the other hand, the majority of American vessels in foreign trade were built during the war period on the basis of pre-war designs, so that they are already obsolescent. Excessive repair and operating costs are a drain alike upon the companies and upon the Federal Treasury.

Our weak position among the six principal maritime nations is illustrated in the table below, which shows that we rank fourth in tonnage, fifth in ships having speeds of 12 knots and over, and sixth in vessels of 10 years age and under. In competitive power, therefore, we stand near the foot of the list.

[In thousands of tons]

Amount of tonnage		Vessels with speeds of 12 knots and over		Vessels 10 years of age or less	
Country	Tons	Country	Tons	Country	Tons
Great Britain	13,100	Great Britain	8,278	Great Britain	4,689
Japan	3,059	Germany	2,015	Germany	1,020
Germany	2,813	Japan	1,614	Japan	774
United States	2,529	France	1,521	France	528
Italy	2,283	United States	1,363	Italy	418
France	2,177	Italy	1,242	United States	416

THE PROGRESS OF THE CONSTRUCTION PROGRAM UNDER THE 1936 ACT

To remedy this deplorable situation and to carry forward the work on an economical basis, a long-range replacement program was worked out for the construction of 50 ships a year for 10 years. The question is, Shall we abandon that program now? The existence of a deficiency threatens that program, as nothing else could.

What is our present situation?

It is important to know how we have progressed with the replacement program. The hearings on the independent office appropriation bill for 1941 before the House and the Senate committees give the information in detail.

Admiral Land, Chairman of the Commission, appearing before the House committee, showed that to the date of his testimony—Tuesday, December 5, 1939—orders had been placed for the construction of 141 vessels, some of which were being built in conjunction with private operators, and

others for the Commission's own account, the latter being built for sale or charter to private operators. Almost all of the ships fall into four categories—the C–1 cargo ship of about 7,500 dead-weight tons, the C–2 of 9,500, the C–3 of about 11,700, and the national-defense tankers of about 16,700 tons. It was shown that 29 of the 141 had been launched, and of that number 19 had been completed and placed in operation. Up to the 1st of April 1940, 43 vessels have been launched, and 30 of these have been completed and delivered. Of the 141 vessels contracted for prior to January 1, 1940, 102 have already been disposed of through commitments by private operators to charter or purchase.

The program had been somewhat accelerated for perfectly sound reasons. To do otherwise would have been economic folly. Admiral Land said:

> When the European conflict began it was apparent that there would be a rapid and considerable increase in the prices of materials, machinery, and other products going into new ships. After careful examination of the market and other factors pertinent to the war's effect upon the United States, it was deemed expedient to take immediate steps to utilize existing construction facilities while favorable prices still prevailed.
>
> The acceleration involved award of contracts this fall which normally would have been awarded next year. The plan was discussed with the President by the Chairman of the Commission, and on September 7 the President advised the Chairman that he also approved it.

The Commission succeeded, largely, because of the economies of duplicating current construction, and by reason of its prompt action in making this accelerated program effective in the face of a rapidly rising market without increase in the unit costs per vessel.

In determining its program of ship construction for the period covered by the estimates submitted for the fiscal year 1941, the Commission had in mind the uncertainties resulting from European conditions, and, having in view the length of time required for the building of vessels contemplated, considered that on the basis of any reasonable assumption as to the probable length of the war its program should not be interrupted.

The failure of the Congress to increase authorizations does threaten that program. Ships take time in building. The time for construction varies with conditions and the average is over a period of many months. If the program is not kept up, we face again the chaotic conditions of the past, in case of a sudden national emergency with immediate demand for tonnage regardless of suitability and cost. Against this the Commission has planned. Appearing before the committee, Admiral Land said:

> Our program has been most carefully designed to the end that there will be no repetition of this chaotic condition in which we found ourselves in respect to a merchant fleet following the last war. We were left then with a great number of slow, though new, vessels, inefficient in design and consequently expensive to operate.

THE NEW SHIPS ARE A GREAT SUCCESS

The trials on the new ships have demonstrated that the C–2 cargo type is probably the most efficient of its class in the world. The steamship *Challenge* was the first steam-propelled vessel of this design to enter service. She established what is believed to be a new world record for economy in fuel consumption. In his testimony, Chairman Land said:

> Comparing her performance with that of a ship constructed during or immediately after the last war, we find that the *Challenge*, with 50 percent more speed, consumes fuel at less than half the rate of the old ship. Put it another way: The Hog Island vessel made 10,600 ton-miles per barrel of fuel at 10½ knots, while our C–2 ships make 15,450 ton-miles per barrel of fuel at 15½ knots. The C–2 ship has 34 percent higher efficiency in ton-miles and yet she is 47.6 percent faster.
>
> Translated into dollars this means an average annual saving of approximately $35,000 per ship per year. And if you will bear with me for one more figure, I would like to say that over a period of 20 years, or what is called the economic life of a ship, this means a saving of between 35 and 40 percent of the entire construction cost of the vessel. We feel that the United States today has the best facilities, engineering ability, and what we call "know how" for shipbuilding of any nation in the world.

ABNORMAL PRICES FOR OBSOLETE VESSELS AID REPLACEMENT

One marked effect of the war abroad has been to increase the demand and the market for old tonnage. Nations faced with great losses of tonnage are buying old ships wherever they can be found. The United States should be ready with new ships when the war ceases and normal competition returns. Our operators can well dispose of the old vessels now at good prices and put the proceeds into new tonnage. This new tonnage will be able to meet the competition of the world. When first the increased selling of ships to foreigners was brought to the public attention there was a great hullabaloo about it. Now we know that it is just good sense to sell them. Our American operators are in effect trading them in on new and efficient tonnage now being built under the Commission program.

I have previously given you the figures as to these transfers up to November 30, 1939. You will find them in the CONGRESSIONAL RECORD for January 17, 1940, at pages 648 and 649. The conditions laid down by the Commission before approving these transfers foreign are also shown in those remarks.

Since October 26, 1939, up to the end of March 1940, 128 vessels have been transferred to foreign registry—and one 18-ton vessel sold foreign without transfer of registry. Of these vessels, 82 are commercial vessels over 1,000 gross tons—cargo, combination cargo, passenger—with an average age of over 21 years; 16 are commercial vessels under 1,000 gross tons, including fishing vessels, motorboats, and so forth, averaging approximately 21 years in age. The remaining 31 include yachts or other pleasure vessels, tugs, and barges, and a few sailing vessels. All of them except the pleasure vessels run well over 20 years in age.

FUTURE OF THE AMERICAN MERCHANT MARINE

We can at this time look forward with more confidence in our merchant fleet than for many years in the past. The United States is pursuing the arts of peace while others are engaged in the destruction that is war.

Among the arts of peace none is older in this country than the building of merchant ships. Today, for the first time in many years, we are, as I have explained, engaged in a shipbuilding program calculated to restore our fleet to the supremacy it once enjoyed upon the oceans of the world. With the vessels now under construction and, indeed, those already completed, we are bound to gain preference from shippers through the fast and excellent service offered, and it can be asserted that these services will be unequaled by our foreign competitors. It was well said:

> It takes time to build a merchant ship, and upon the conclusion of the war tonnage which has been sent to the bottom will have to be replaced. It will be several years before the material effects of that destruction will be liquidated.
>
> The United States, equipped with a fine fleet of new merchant vessels, will be able to assume a more effective competitive position in foreign trade than it has held for many years in markets formerly dominated by European traders.

The success of the present construction program which is being carried out by the Maritime Commission is no mere paper success. I have mentioned earlier what these ships have done on their official trials. But even more practical, and indeed more impressive, are the results being shown by these vessels in actual commercial operation.

For example, the steamship *Challenge*, which I mentioned earlier, one of the new C–2 type cargo vessels named for a famous clipper ship, left New York November 6, 1939, bound for India. She had been preceded on that run by a merchant vessel, the steamship *Crown City*, which was built under the World War construction program. The *Crown City* left New York on the identical run October 11th, nearly a full month ahead of the *Challenge*. The *Crown City* entered New York harbor at the completion of this voyage at 9:22 a. m., February 24. A little more than 1 hour later the *Challenge* completed her voyage. Both ships returned with capacity cargoes—the *Crown City* with about 6,000 tons and the *Challenge* approximately 7,000 tons. This is a most impressive illustration and one which gives positive assurance of the great strides made in marine engineering since the last war.

I am not going to discuss at this time the details of the employment values, both at sea and ashore, of the maritime industry in general and the construction program in particular. I hope to be able at an early date to discuss these

details and to consider the importance of this program to the national defense and to the foreign trade of our country.

In passing, however, it might be said that continuance of this program means employment for tens of thousands of men in shipyards, and in mines, mills, and factories producing materials entering into the construction of a ship—materials which are drawn from every State in the Union, and consequently every State in the Union has a stake in this program.

As Members here know, a merchant fleet is literally the life line of our Navy. Without an adequate, fast, and efficient merchant auxiliary the Navy is tied to its land bases.

Furthermore, such a fleet is vital to the importing and exporting activities of our national economy, in peacetime as well as in war. The matter of providing transportation of strategic raw materials alone is a phase of this program which must not be overlooked, particularly in times like these.

I wish to present in a summary the relationship between the appropriation you are now considering and the opportunity which our merchant marine is facing.

We have developed an entirely sound building program. It has been worked out carefully, deliberately and with an eye to present and future needs. It already has met numerous tests under comparatively stable conditions for the past 3 years. The ship designs have exceeded expectations. We are building today—and you will find competent engineering opinion bearing me out—the best merchant ships in the world—experienced marine engineers say better than anything conceived of by our most experienced competitors. The long-range program laid out on paper is now being fabricated in steel. In the deadly warfare abroad a million and a half tons of shipping belonging to our principal maritime competitors have been sent to the bottom. Losses will continue.

Meantime we are building a new and modern merchant fleet. We must continue launching these superior vessels. Those of us who are familiar with the qualities of these new additions and replacements in our antiquated fleet are proud of the engineering skill and shipbuilding ability that have gone into their creation.

The chairman and members of the Maritime Commission deserve great credit for their skill, judgment, and integrity in carrying the long-range program into effect.

With success at our door, let us not be indifferent to its presence. Let us continue this program, not in the wasteful manner of the World War period, but under the existing policy which Congress itself insisted upon of providing an orderly and systematic construction program.

Pre-war prices in domestic yards generally prevail. Contracts should be placed now before any sharp increase in prices which the war will almost certainly bring about before many months. The moderate increase in costs is offset by the existence of tested plans and the advantage of the engineering and construction experience of ships already completed. Thus vessels can now be duplicated at substantially pre-war prices. This situation will not continue indefinitely. Shipyards are available on all coasts of the United States as the result of the instigation of the present program. They have demonstrated their ability to build successfully and economically on the basis of American prices predicated upon the American standard of living. There is a need for the ships as fast as they come from the ways. There is an opportunity unequaled for many years for our new merchant marine. It will be ready to return to those important trade routes now proscribed when the war ends and much of the world's tonnage has been destroyed.

We shall be able to provide the kind of service American shippers demand. If we continue this program we shall be ready to take advantage of every opening as it occurs and promote the business as we did in the days of the noble clippers.

I have examined in great detail the activities of the Maritime Commission in connection with the construction program. I am convinced, as I believe all of you would be convinced were you likewise to make such an inquiry, that there is no need to fear frantic and wasteful building. The Commission has consistently, it seems to me, exercised sound business judgment, and for that reason I feel that we here in the legislative chambers should not act hastily in curtailment of their program without due consideration of all the facts which I have tried to give you today.

The Senate in adding $39,000,000 to the House figure of $125,000,000 for 1941 did so to avoid a deficiency to cover the existing contract commitments. Not only that, but the Senate recognized that the Commission had contract authorizations under which it could execute contracts for further construction this coming year.

The conference figure, which adds only one-half of $39,000,000, does not enable the Commission to fulfill its commitments in 1941. There will have to be a deficiency appropriation. This is unfortunate. It creates doubt in the minds of those who have contracted to build ships for the Commission. Our competitors will see us hesitate and take advantage of our hesitation. I do not believe that this result is in the mind of the Congress. Many of them honestly believe that the Commission and some of the Members of Congress, have been overenthusiastic about the program and about the opportunity. This is a mistake. I believe the Congress, realizing the facts that I have just put before it, wants the program continued in full. I realize that for reasons of budgetary policy the Congress may desire not to appropriate the necessary funds until later in a deficiency appropriation. I believe that Congress will meet the commitments under existing contracts promptly and fully. I believe that it will expect and approve continuance of the program.

When the Senate voted to increase the appropriation by $39,000,000 to cover existing commitments it also recognized that the Commission had contract authorizations under which it could execute contracts for more ships during the coming year. As Senator BYRNES said on the Senate floor—CONGRESSIONAL RECORD, February 8, 1940, page 1211:

> Under the authority that now exists the Commission can proceed a little slower than they may have desired, but with sufficient speed to justify the continuance of the program.

I believe that the Congress and the country want the program continued, that we may take advantage of the opportunity confronting us. Let us not hesitate. Instead, let us grasp the opportunity firmly and freely, to the end that the United States may have a merchant fleet which in quality and performance shall be second to none.

Mr. WOODRUM of VIRGINIA. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment numbered 1: Page 1, after line 7, insert:

"NATIONAL RESOURCES PLANNING BOARD

"Salaries and expenses: For all necessary administrative expenses of the National Resources Planning Board, to perform the functions transferred to said board on July 1, 1939, including personal services in the District of Columbia and elsewhere in accordance with civil-service laws and the Classification Act of 1923; rent in the District of Columbia and elsewhere; contract stenographic reporting services; purchase of books of reference, and periodicals; expenses of attendance at meetings concerned with development, conservation, and use of the resources of the Nation; traveling expenses; purchase of office equipment and supplies, and temporary employment of persons, $710,000, of which not to exceed $40,000 shall be available for printing and binding: *Provided*, that no part of the funds appropriated under this item shall be used for the performance of any functions or duties other than the functions heretofore authorized by law to be performed by the Federal Employment Stabilization Board."

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that amendments numbered 1 and 2 may be considered together.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the second amendment in disagreement.

The Clerk read as follows:

Amendment numbered 2: Line 3, page 5, strike out "$1,334,850" and insert, "$2,044,850."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to recede and concur in amendments Nos. 1 and 2, and yield myself 7 minutes.

The Bureau of the Budget sent to the Committee on Appropriations an item for the National Resources Planning Board, which had been set up by an Executive order. Because of the fact that this activity was not authorized by law, it was not reported to the House. When the bill reached the Senate, an item was reinserted in the Senate by Senate amendment numbered 1, appropriating $710,000 for this activity, with the following proviso:

Provided, That no part of the funds appropriated under this item shall be used for the performance of any functions or duties other than the functions heretofore authorized by law to be performed by the Federal Employment Stabilization Board.

The Federal Employment Stabilization Board was set up by an act in 1931, approved February 16 (46 Stat., p. 1084), under the administration of President Hoover. It was reported to the House by the chairman of the Committee on the Judiciary, at that time the distinguished former Member from Pennsylvania, Mr. Graham, and passed the House, on a motion to suspend the rules, without a roll call. It set up that Board for the purpose of giving to President Hoover a facility that might be used in his office for the purpose of securing and coordinating information. That duty is set out in part as follows:

It shall be the duty of the Board to advise the President from time to time of the trend of improvement in business activities and of the existence or approach of periods of business depression and unemployment in the United States, or in any substantial portion thereof; to cooperate with the construction agencies in formulating methods of advance planning; to make progress reports; and perform all other functions assigned to it by the act.

Congress gave to President Hoover that facility. The present Board was set up by Executive order of President Roosevelt. It was not authorized by law. Under the Senate amendment the power of this Board is limited to the power that was formerly exercised by that Board which Congress did authorize.

Mr. Speaker, the Budget estimate for this activity was $1,060,000. The amount which the Board is using this current fiscal year is $750,000. The amount contained in this amendment is $710,000.

I have received from the President this letter which I will insert in the RECORD and read at this time:

THE WHITE HOUSE,
Washington, February 14, 1940.

MY DEAR MR. WOODRUM: I am dictating this just as I leave to go on a little holiday to take the place of the one I missed last summer.

It relates to the appropriation to continue the National Resources Planning Board for the coming fiscal year.

As you know, the reorganization plan last spring placed the National Resources planning Board under the office of the President. This was done because the President—any President—really needs some kind of coordination and research staff; in other words, expert assistants to study many problems which relate to different phases of government. So many questions continue to arise—many of them in response to policy problems on which Members of the Congress and committees of the Congress query the President—that he has to have some kind of machinery for his own information and for that of the Congress.

I have found the National Resources Planning Board of very great assistance in this.

Because the President is, under the Constitution, the responsible head of the whole executive branch of the Government, I must earnestly plead for the continuation of the National Resources Planning Board. I am sure that this need applies not to me personally as President but also to any President in the future.

Incidentally, the amount of money placed in the bill by the Senate is not large in comparison with totals of Government expenditures, and I really believe that the appropriating of this sum will actually save many times the amount in preventing duplication of work or unplanned Budget recommendations.

That is why I am appealing to you and to the other Members of the House to help me.

It may interest you to know that since the last session the consolidation of work through the appointment of three Federal administrators and several executive assistants to the President has very greatly lightened the day-in-and-day-out work of the President himself and is making for a much more businesslike conduct of the executive branch of the Government.

With my sincere regards,

Faithfully yours,

F. D. R.

Hon. CLIFTON A. WOODRUM,
House of Representatives, Washington, D. C.

Now, Mr. Speaker, I do not see how the legislative branch of the Government can turn a deaf ear to this President or to any President when he comes to the legislative branch of the Government and says that he needs a reasonable facility to help him to secure information and to coordinate information, to analyze reports of the vast and multitudinous operations of this complex Government.

Now, I want to take just a moment to read an observation from a source which cannot be accused of being partisan. I do not believe anybody will say that the Washington Post has been unduly partisan to the New Deal or to the present occupant of the White House. I want to read this brief observation that they make about the National Resources Planning Board. They head it "Saved by the Senate."

It reads:

SAVED BY THE SENATE

The conferees considering appropriation bills before the Congress have a difficult task and special responsibility this year because of the proper insistence on economy and the coincident insistence of special groups that their various projects are particularly meritorious.

The conferees on the independent offices bill have agreed to the Senate proposal for a much reduced appropriation for the National Resources Planning Board next year. But this action at least insures a modest expenditure for research which will probably save the Federal Government many times over the cost of the agency. Every large business organization and industry has found the need for a research or planning group in its executive branch. The Federal Government as our largest business needs a similar unit.

The National Resources Planning Board, it must be remembered, is a joint enterprise in which all of the regular Federal agencies take part. The Board operates chiefly through nine major advisory committees, which deal with problems connected with land, water, energy resources, public works, science, industry, local planning, population, and relief policy.

The membership of the land committee is typical of the composition of these committees. It includes representatives of the Forestry Division, General Land Office, the Department of the Interior, Office of Land Use Coordination, Bureau of Agricultural Economics, and the Extension Service of the Department of Agriculture. Also included are representatives of various non-Federal organizations.

When continuation of the Board was threatened, in other words, more was involved than a small staff organization in Washington. What was jeopardized was a very necessary process of integration among Federal and State agencies. The board has a vital importance in developing that process.

It is not duplicating the type of project planning for improved use of resources that is done by other Federal agencies. It is, however, encouraging and coordinating those activities. In addition to valuable research studies, the Board thus brings together the skills of other agencies, to work jointly on fundamental problems which demands the most efficient use of all the resources we can muster.

The continuance of the National Resources Planning Board as an administrative arm of the President's office has been established by the Senate vote on the appropriation. As that body evidently realizes, whatever political party is in power, or whatever the economic theories which may control an administration, the Government of the future will have need of this organization.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield myself 5 additional minutes.

Mr. Speaker, many times the legislative branch of the Government has added to its staff, has given to itself such facilities as we felt we needed in the proper discharge of our duties. Since I have been a Member of Congress, and a member of the Committee on Appropriations I do not remember ever when the Republicans were in power, that the Appropriations Committee questioned seriously any reasonable request that came from the White House. I believe now that the legislative branch of the Government, even though some of us may disagree as to the value of this agency, when this President or any President says that a reasonable facility is necessary for the proper discharge of his duties, the multitudinous duties that have been heaped upon him by the plan of government under which we are operating now, should not fail to accede to that request, and therefore I expect to vote for this item.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman.

Mr. MAY. I happened to be attending a committee meeting before the Committee on Flood Control this week, and attention was called to the fact that a certain flood-control dam had been suspended and would not be authorized for that reason. The question was asked "By what authority?" and they said it was by authority of the National Resources Planning Board. What I would like to know is, since the Senate amendment refers to this previous act, whether or not, under authority of that previous act, in face of the statutory provision in the flood-control bill which provides that the War Department shall have charge of these matters, they will be able to take it out of the hands of the War Department and say whether this dam or that dam shall not be constructed?

Mr. WOODRUM of Virginia. I am glad the gentleman brought that question up, because it can be easily settled right now. The National Resources Planning Board does not make any decision on any project. It does not have authority under the law, and I would not be in favor of giving it the authority, to pass upon any project. But what it does do is this: When a proposition for the establishment of a flood-control project or a navigation project, or any other project coming under that category, is sent to the President for his approval, he cannot, in the nature of things, know all of the ramifications involved in that thing. He refers it to this Board for a factual report.

That Board makes to the President a factual report. Whatever decision is made on it is a decision of the President. He may be acting upon information furnished him by that Board which may not in all instances be pleasing to everyone; but, after all, it is the President's decision, it is not the Board's decision.

Mr. MAY. Mr. Speaker, will the gentleman yield further?

Mr. WOODRUM of Virginia. Yes, I yield.

Mr. MAY. Does the gentleman feel that where the Congress itself says in the Flood Control Act that these matters shall be under the jurisdiction of the War Department, subject to the review of the board of engineers, that even the President should have power to say that they should not be so handled?

Mr. WOODRUM of Virginia. The President makes recommendations to Congress through the Budget, and most assuredly the President should have power to pass upon such items. Experience leads me to believe that would be a bad precedent.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. RANKIN. As a matter of fact, flood-control legislation refers only to flood control. If these proposed dams were of such nature as to damage navigation or interfere with power development, or the conservation of the soil and timber resources of the country, the Chief Executive ought to have the right to hold them up, and Congress ought to give him the power to coordinate these activities.

Mr. WOODRUM of Virginia. Mr. Speaker, I reserve the balance of my time.

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present. I think the Members should be here to hear this debate.

The SPEAKER pro tempore (Mr. COOPER). Obviously there is not a quorum present.

Mr. WOODRUM of Virginia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 67]

Allen, Pa.	Buckley, N. Y.	Claypool	D'Alesandro
Arnold	Bulwinkle	Cluett	Darrow
Ball	Burdick	Coffee, Wash.	Delaney
Bates, Ky.	Burgin	Collins	Dickstein
Bates, Mass.	Byrne, N. Y.	Connery	Dies
Beam	Carter	Cooley	Dingell
Bell	Cartwright	Corbett	Disney
Boykin	Casey, Mass.	Courtney	Douglas
Bradley, Mich.	Celler	Crowther	Drewry
Brewster	Clark	Cummings	Durham
Fay	Kelly	Monkiewicz	Simpson
Fish	Kennedy, Michael	O'Connor	Smith, Ill.
Fitzpatrick	Kerr	O'Day	Smith, Va.
Flannagan	Kinzer	Oliver	Smith, W. Va.
Ford, Leland M.	Kirwan	Pace	South
Gearhart	Kocialkowski	Patton	Starnes, Ala.
Gilchrist	McArdle	Pierce	Sweeney
Gore	McDowell	Rabaut	Taylor
Green	McGehee	Ramspeck	Thomas, N. J.
Hawks	McKeough	Reed, Ill.	Tibbott
Hendricks	McLaughlin	Risk	Vreeland
Hook	Maciejewski	Rodgers, Pa.	Weaver
Hunter	Magnuson	Romjue	Welch
Jarman	Mahon	Sabath	Wheat
Jenks, N. H.	Mansfield	Sacks	White, Idaho
Jennings	Martin, Ill.	Scrugham	White, Ohio
Johns	Mason	Shafer, Mich.	
Kee	Merritt	Sheridan	

The SPEAKER pro tempore. Three hundred and twenty Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The gentleman from Virginia has consumed 14 minutes, leaving 46 minutes remaining. The gentleman from Virginia is recognized.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Speaker, I can assure the House that the quorum call was not for the purpose of hearing me speak, because I doubt if I can make any contribution to this debate.

I first wish to congratulate the gentleman from Virginia and his fellow conferees in bringing this matter to the House for a separate vote and not accepting the strained construction placed on it by the other body that some phases of the National Resources Board had been authorized by law. I can find no phase that has ever yet been authorized by law.

I am going to support the motion offered by the gentleman from Virginia to concur in this item, and I put my reasons on exactly the same grounds that he did. The President has an undoubted right to create this Board by Executive order; and for that reason, placed as it is in the executive department, I shall support it. I feel, however, in view of past statements that I have time after time made here on the floor of the House that I should say this: The record of this agency, to say the least, is very unimpressive, and I am eternally opposed to seeing it made a permanent agency of the Government. I appeared before the House on four different occasions and assured the House on behalf of the Reorganization Committee that we would not bring in a bill to make this agency permanent, and so far as I am concerned, I shall keep the commitments that I have made. The reorganization bill would never have become a law had it contained a provision to make this Board a permanent agency.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. MAY. I have been under the impression that this Senate amendment does make it a permanent authorization.

Mr. WARREN. No, indeed; it does not. What we are voting here today is for funds to run it for exactly 1 year. That is why the conferees brought it back for a separate vote.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield to the gentleman from Pennsylvania.

Mr. RICH. We are asked to vote funds to run this Bureau 1 year. Can the gentleman tell us where we can get the funds?

Mr. WARREN. No; I am unable to answer my friend from Pennsylvania.

Mr. RICH. I will say that there has been nobody on that side of the aisle, or on this side either, who can tell us where to get funds to take care of the ruthless expenditures we are asked to make.

Mr. KELLER. Mr. Speaker, I challenge that statement.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr WARREN. I yield to the gentleman from Mississippi for a brief question.

Mr. RANKIN. The gentleman says he is opposed to making this a permanent institution. As a matter of fact, it is an arm of the executive department, is it not?

Mr. WARREN. It was set up only by Executive order. It is a temporary agency.

Mr. RANKIN. And if the present President or a succeeding President wants to continue it, it will be a continuing body.

Mr. WARREN. They have an undoubted right to do it under the authority now vested in the President.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. COCHRAN. A provision was placed in the reorganization bill which prevented the President from making permanent any temporary organization

Mr. WARREN. That is correct.

Mr. TABER. Mr. Speaker, will the gentleman yield for a question?

Mr. WARREN. I yield.

Mr. TABER. Does not the gentleman feel that the proper way to end this organization and prevent its becoming a permanent agency is to turn down this appropriation right now?

Mr WARREN. No. My vote on this proposition extends simply to the next fiscal year. I make no commitment beyond that.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. WARREN. I yield.

Mr. COLMER. As I understand the gentleman he does not regard it as a very effective organization.

Mr. WARREN. I do not. Frankness compels me to say that.

Mr. COLMER. If it is not good as a permanent organization, why continue it at all?

Mr. WARREN. Because I realize that the President, as it is under the executive department, has a right to expect this from the Congress, and I am willing to support him that far. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 7 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I rise in opposition to the amendment and to the motion of the gentleman from Virginia [Mr. WOODRUM].

The amendment was considered by the House committee in charge of the bill and was excluded from the bill in the belief that there was no authority in law for the appropriation. In the Senate the amendment was inserted in the bill on the theory that the Federal Employment Stabilization Board, created way back in 1931, afforded sufficient legislative authority for the action. I agree with the gentleman from North Carolina [Mr. WARREN] that that construction to me is a very strained one.

The amendment was then considered and adopted by the Senate by the narrow margin of three votes. Just prior to its adoption a proposal to reduce the total amount involved from $710,000 to $100,000 failed of passage by a margin of exactly one vote.

The gentleman from North Carolina [Mr. WARREN] has said that the record of this agency has been "a distinctly unimpressive one." In this connection I call the attention of my Democratic friends and colleagues to the estimate of the distinguished junior Senator from Virginia of the accomplishments of this agency. The Senator recently described it as "one of the 80 new agencies which in accomplishment shows less for the actual money expended than any other agency of the Government."

Mr. COCHRAN. Will the gentleman yield?

Mr. WIGGLESWORTH. Briefly.

Mr. COCHRAN. Does the gentleman know of any request made by the legislative branch of the Government upon the President of the United States for an appropriation that the President has vetoed?

Mr. WIGGLESWORTH. I cannot answer the gentleman specifically. I may say, however, that in my judgment it is his right and duty to veto any request of which he disapproves just as it is the right and duty of this House, in my judgment, to pass upon appropriations requested by the President for matters of this kind.

When the question arose of the 6 secretaries for the President, "with a passion for anonymity," the question was thoroughly considered and thoroughly debated in this House. To my mind it is an absurd position to say that simply because the present President or any other President makes the request, that the House of Representatives is bound to set up a large organization for him with a personnel of 171, with regional offices to the number of 9, calling for an appropriation of from $700,000 to $1,000,000 annually. How far would you carry this argument? Surely Congress has an obligation in the matter.

Mr. COCHRAN. Has not the President told the House that he needs this organization to handle emergency recommendations that have been placed upon him by the Congress of the United States?

Mr. WIGGLESWORTH. We are told that he has. I still submit, however, that it is the duty of the Members of this House to pass upon the request for funds for this agency that he has submitted.

Mr. Speaker, the activities of this agency can be found on page 38 of the House hearings on the independent offices appropriation bill. Every one of those activities is in a field in which other agencies of the Government are either performing or capable of performing, in my judgment, at this time.

If you will refer to the debate on the Senate floor on February 6 of this year, you will also find an analysis made by the distinguished junior Senator from Virginia in which he gives the four functions of this agency as they appear in the United States Government manual and a list of agencies doing or capable of doing similar work under each function.

The first function is given as that of preparing plans for utilization of natural resources. Here are some of the other agencies to which he refers as operating in that field: The General Land Office, Bureau of Reclamation, Geological Survey, Bureau of Mines, National Park Service, Bureau of Biological Survey, Petroleum and Conservation Division, Bituminous Coal Division, National Policy Committee, Soil Conservation, Forest Service, Rural Electrification Administration.

Function No. 2 is given as that of advising as to the trend of employment and business activity and as to measures tending to the stabilization of economic resources. In that field he lists the Division of Research and Statistics, Treasury Department, Bureau of Foreign and Domestic Commerce, Department of Commerce, Department of Labor, Bureau of Labor Statistics, Bureau of Reclamation, Bureau of Public Roads, Army engineers, and the W. P. A.

Function No. 3 is given as that of recording all proposed Federal projects involving land acquisition and land research projects. In this field he lists the General Land Office, National Park Service, Forest Service, Public Buildings Administration, Grazing Division, Navy Department, and War Department.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. WIGGLESWORTH. Mr. Speaker, the final function is given as that of consulting and cooperating with agencies of the Federal Government, States, and municipalities and of coordinating planning activities. Surely, Mr. Speaker, we do not need a force of 171, with 9 field offices, to coordinate the work of our Federal agencies working in this field. Surely we do not need any such set-up, to quote from the director of the agency, "to encourage the States to do their own planning and their own thinking."

Mr. Speaker, I am opposed to this amendment, because I believe that the work of the National Resources Planning Board is almost entirely work which can be performed by other agencies of the Federal Government. I am opposed to it because it involves the expenditure of over $700,000 in a single year. I am opposed to it because its predecessor, the Federal Employment Stabilization Board, created under President Hoover, never, I am advised, had an appropriation

of more than $90,000. I am opposed to it because the showing of the agency does not justify, in my judgment, an expenditure of from $700,000 to $1,000,000 annually for the continuation of its activities.

Mr. KNUTSON. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Minnesota.

Mr. KNUTSON. There is a general feeling that this organization is a sort of a wet nurse set up by President Roosevelt to nurse along those bureaus which he promised in 1932 he was going to abolish.

Mr. WIGGLESWORTH. Well, I do not say that the distinguished Senator's estimate is mathematically accurate, but if this agency is in fact one of 80 new agencies which shows less accomplishment for the actual money expended than any other agency of the Government, and if we are going to curtail or cut down on existing agencies, it would seem this might be a good place to begin.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield the gentleman from Illinois [Mr. DIRKSEN] 8 minutes.

Mr. DIRKSEN. Mr. Speaker, there is pending a motion by the gentleman from Virginia. That motion is to recede and concur in a Senate amendment. If you vote "aye" it means that you approve of the continuation of the National Resources Planning Board for another year, to cost $710,000.

When this item came before the Subcommittee on Independent Offices in December the Budget asked for something in excess of $1,000,000 for this agency. We were of the opinion that there was no authority in law to continue this agency, consequently it was struck out in the subcommittee. No effort was made to restore it either in the full committee or in the House. The Senate, however, restored it with $710,000 and placed a limitation thereon that it could not carry on any function outside of those functions that were set down in the Federal Employment Stabilization Act of 1931, when Herbert Hoover was the President of the United States.

What are the provisions of that act of 1931? In brief, that there should be advance planning. On what? On highways, on public buildings, on flood control, and on other types of construction activity.

It is said here there are three reasons why this agency ought to be retained. The first is that the President wants it, the second is that the President needs it, and the third is that since it is carrying on functions that were set up under President Hoover there is no reason why it should not be retained now. Let us dispose of them one at a time.

The fact that the President needs it is a matter of great controversy. The fact that he wants it is no reason why the Congress ought not to give it the closest scrutiny. Congress is the custodian of the public purse, and is therefore entitled to examine the justification for this and all other expenditures.

They say, "Since it was created under Hoover, why not continue it?" The best reason I know of is that when Herbert Hoover was the President we did not have a Federal Works Agency, such as we have today, to undertake like activities. Talk about construction and planning! The Federal Works Agency, as reorganized by the President, includes what? The Roads Administration, as stated in the act of 1931.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. No.

They have over $1,100,000 for administrative expenses at their disposal. The Federal Public Highways Administration has over 542 people working in Washington, many of whom are coordinators and planners, research experts, technicians, statisticians, economists, analysts, and all the rest. The Federal Works Agency includes the Public Buildings Administration. They have 579 people working in Washington, many of whom are experts. The United States Housing Authority is in the Works Administration. They have $4,500,000 to spend, and they have 851 people working in Washington, including a lot of experts. The Federal Works Agency includes the Public Works Administration. They have $3,600,000 to spend for administrative purposes. They still have 516 people in Washington, including engineers and experts of all kinds. It includes W. P. A. They can use 5 percent of their money for administrative purposes. They have 1,595 people working in Washington. The Federal Works Agency, which did not exist under Hoover, is under the direction of an administrator, and he has over 50 experts in his office and we gave him $250,000. In addition thereto you still have the War Department handling rivers and harbors and flood control.

If out of all those hundreds of experts drawing $5,000, $6,000, $7,000, $8,000, and $9,000 a year the President cannot find enough coordinating effort to give him a construction plan and program, then I suggest that we dissolve the Federal Works Agency and go back to the condition that existed before the first Reorganization Act. [Applause.]

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Is it not just possible that the President has some worthy new dealers that must be taken care of?

Mr. DIRKSEN. I do not pass on that point. I pass, however, on the necessity for this agency.

Mr. KNUTSON. That is a necessity.

Mr. DIRKSEN. There may have been some necessity for it when it was created in 1931, but do not forget, we had no P. W. A., we had no W. P. A., we had no Buildings Administration such as exists today, we had no United States Housing Authority, we had no Federal Housing Administration, we had no Federal Works Administrator. All these agencies did not exist in 1931. Since this amendment is limited to an articulation of the duties and functions that are set forth in that 1931 act, and since we have countless agencies and hundreds of experts to do that job, where is the necessity for spending another $710,000? I am not insensible of the needs of the White House, and I believe that under all circumstances we ought to deal generously with the President, but first of all they ought to show us, the law-making and appropriating body, that there is some necessity for this expenditure.

As to its effectiveness, the gentleman from North Carolina [Mr. WARREN] well said that its record of performance is distinctly unimpressive.

Mr. EATON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New Jersey.

Mr. EATON. The gentleman from North Carolina, like the distinguished gentleman who is addressing us, has a supreme gift of good judgment.

Mr. DIRKSEN. I thank the gentleman.

Mr. EATON. He has told us that in his estimation this institution is of no value. Then why in heaven's name does he want to continue it for only 1 year at an expenditure of three-quarters of a million dollars of the taxpayers' money?

Mr. DIRKSEN. It has one value. It has the supreme value of coordinating with State planning agencies and encouraging them to spend money for everything under the sun from the study of the genealogy of the safety pin, as I said before, to the creation of a park along the C. & O. Canal. It is time to stop encouraging counties, municipalities, and States in the expenditure of money at the instance and under the promulgation of the Government of the United States. [Applause.]

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. SHORT. Does not the gentleman feel that already we have too many Governors and mayors coming to Washington to "put the heat" on the Members of the Congress of the United States to take care of their local problems back home, simply passing the buck to us?

Mr. DIRKSEN. We have got too many agencies that can only articulate and function in terms of the dollar sign and we ought to abolish some of them.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. VORYS of Ohio. Referring to the planning functions of this Board, is this the Board that the President refers to in the phrase, "We planned it that way"? [Laughter.]

Mr. DIRKSEN. Only yesterday we received the President's fourth reorganization plan. It seeks to effect greater efficiency and economy and to eliminate duplication of activities. Would this not be an excellent place to apply those very principles? Here is a Federal Works Agency to deal with all phases of construction activities. The component agencies in this set-up have millions to spend for salaries and administration. Now comes the pending proposal to retain the National Resoures Planning Board to devote itself exlusively to the planning and acceleration of construction at an additional cost of $710,000. Here is an excellent opportunity to plan the conservation of a few of our fiscal resources by permitting the Planning Board to plan its way out of existence by June 30 of this year. I suggest that the motion be voted down.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

WHAT THIS BOARD MIGHT HAVE DONE

Mr. RANKIN. Mr. Speaker, the gentleman from Illinois [Mr. DIRKSEN] proceeds to inform the House that we did not have this Planning Board during the Republican administration. Probably, if we had had it, we would not have had to go to the Supreme Court of the United States to keep a Cabinet member from stealing the naval oil reserve at Teapot Dome. [Applause.]

Probably, if we had had this Planning Board during the Republican administration, we would not have had the crash of the Insull empire that gobbled up the water power in that section, flooded the country with watered stocks, and robbed the people of Illinois and Missouri and every State in the Middle West of hundreds of millions of dollars in overcharges for electric lights and power.

If we had had this Planning Board during the Hoover administration, probably we would not have had the Ohio River cluttered up with low dams that have destroyed the power possibilities of that great stream and have increased flood damages to where they destroy hundreds of human lives and millions of dollars' worth of property almost every year that rolls around. We might have taken care of the Ohio River as we have the Tennessee, saved lives, conserved the soil, controlled floods, improved navigation, and lifted from the shoulders of the power consumers of Ohio the great burden they now bear of $47,000,000 in annual overcharges for electric lights and power.

Oh, Mr. Speaker, the object of this Board, which is a branch of the executive department, is to coordinate flood control, power development, soil conservation, navigation, the conservation of our timber supply, and national defense, and help us to save America for Americans and make our country a better, a safer, and a brighter place in which to live.

Today they talk about these various agencies, some of which are so jealous of each other they have absolutely failed to coordinate their efforts, with the result that we are standing before the world hopelessly lacking in internal development from the standpoint of national defense. [Applause.]

Lock at what is happening in the world today; look at what is happening in Europe, when every stream is developed and and when nations threaten to go to war with each other over a river like the Danube. While those nations have built their far-reaching transmission lines to serve power to the vital centers, here we are without a power connection even between the city of Washington and Alexandria, Va., less than 10 miles away.

No, Mr. Speaker; this is not a useless body. I am not a particular worshiper of any of the men on this Board. This is not a personal matter with me at all. But from my standpoint there is not an agency of this Government that is more vitally necessary, if we are going to develop our national resources in order to take care of the American people in the years to come, if we are going to use these resources for the benefit of all the American people, and if we are going to develop our country from a standpoint of real national defense for our own people and not to flirt with some foreign war in foreign lands. [Applause.]

I sincerely trust that this provision will be adopted.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. RICH. When you speak about developing the country, do you not believe——

Mr. RANKIN. I yielded for a question only. I decline to yield further.

Mr. RICH. If we keep on making these expenditures, the country is going to be wrecked. If you keep on, that is exactly what will happen.

Mr. RANKIN. The gentleman from Pennsylvania or his party sat here in power and saw the Power Trust clutter the Susquehanna River that has been drowning his own people in the last 2 weeks. If they had had a board of this kind, and had had the courage to work for proper development of the Susquehanna River, they would not only have had that power developed to save the people of Pennsylvania $72,000,000 a year on their light and power bills, but they would have saved them from these disastrous floods, they would have transformed the Susquehanna into a great artery of transportation, they would have conserved the soil as well as the timber along that stream, and would have made it a great agency of national defense.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. No; I cannot yield. The gentleman from Pennsylvania [Mr. RICH] always opposes all these national developments that are absolutely necessary if America is to move forward and regain her place and keep the lead in the onward march of modern progress. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Speaker, I rise in opposition to the motion to recede and concur in the Senate amendment.

Mr. Speaker, we have had considerable discussion this afternoon regarding Government extravagance and worthless Government activities. During the past 7 years a great many useless and extravagant boards and commissions have been set up, and I think a large number of those boards and commissions should long ago have been abolished by the Congress.

Perhaps the worst that can be said for most of these boards and commissions is simply that they are extravagant and useless, and that in itself, of course, ought to be a sufficient indictment. There are a few of them, however, that are not merely extravagant and useless but that are affirmatively harmful and even vicious, and outstanding among them in that category, in my opinion, is the National Resources Planning Board. I have had so much experience with this National Resources Planning Board in connection with legislation of admitted merit and necessity that I think I am well enough informed on this particular subject to make some very direct and categorical statements about it.

There is still no authorization for this Board. It was set up by the President without authority from Congress, and there is no congressional authorization now. When the bill went over to the Senate with the appropriation for this Board eliminated, the Senate was hard pressed to find an excuse for restoring the appropriation for this unauthorized agency. An old authorization act was finally discovered, however, under which in the Hoover administration an advisory board under the name of the Federal Employment Stabilization Board had been set up, and so, using that as an excuse, the Senate has written into the House bill an appropriation of $710,000 for this National Resources Planning Board.

Under the old board, which is not in existence and which has never been in existence under the present administration, jurisdiction was given in the matter of planning for stabilizing employment in connection with river and harbor improvement, roads, flood control, and so forth. That unused and forgotten authorization fitted this National Resources Planning Board's purposes exactly, because those are the fields of governmental activity in which the National Resources Planning Board for the last few years has been interfering, to the definite and positive damage of those activities. It has interfered with the regular-established

functions and agencies of this Government, and with legislative jurisdiction by the Congress at every opportunity. It has held back proper legislation by improper and unauthorized methods. It has interfered without any authority whatever with the orderly consideration of legislation by committees of Congress. It has endeavored to stop the enactment of good legislation, and it has lent its influence to the enactment of bad legislation.

I hope I may be pardoned for making reference in this regard to a bill which I happened to introduce myself, but the interference of the Planning Board to this particular bill is no exception to the rule. It is typical of what that National Resources Planning Board does as a matter of policy, and there were some 30 other bills introduced in the last session of Congress which, I understand, received the same treatment. I use this bill merely as an example of the unwarranted and impertinent interference of this Board with legislation.

I have in my hand the report of the Secretary of War to the Congress on Little River improvement project in Oregon, which will cost a total sum of $5,000—a very necessary little improvement. It consists of removing rocks from the mouth of a small river, rocks which are dangerous to the lives of fishermen. That project was carefully examined and surveyed under the regular procedure of the Army engineers as prescribed by the Congress and received a favorable report from the division engineer. At the hearing before the Board of Army Engineers the favorable report and recommendation of the division engineer was unanimously endorsed and sent to the Congress for action.

But what did the National Resources Planning Board do? It got hold of this report, just as it gets hold of other reports over which it has no jurisdiction and inserted at the very beginning of the letter of the Secretary of War to the Congress a veto of this legislation, which was initialed by the President, and this veto appears here on the printed report of the Board of Army Engineers and the Secretary of War. The document I hold in my hand is House Document 551, Seventy-sixth Congress, third session, and it is the letter of the Secretary of War transmitting to the Congress the Report of the Chief of Engineers on the survey of the Salmon River in Oregon.

The National Resources Planning Board of course, knows nothing about this river, never saw the river, and is not concerned with the river. It made statements in this veto message which the President initialed, which are absolutely inaccurate, and which could not possibly be based on any information; and all for what? For the purpose of prejudicing this legislation when it came to Congress. It has not reached the Rivers and Harbors Committee of the House of Representatives for formal consideration, and yet the letter of the Secretary of War on this favorable recommendation of the Board of Army Engineers carried the Presidential veto in advance.

The SPEAKER pro tempore. The time of the gentleman from Oregon has expired.

Mr. MOTT. May I have another minute?

Mr. WOODRUM of Virginia. Mr. Speaker, I yield the gentleman 1 minute more.

Mr. MOTT. That, Mr. Speaker, is typical not only of the policy but of the purpose of the National Resources Planning Board, and it applies this policy of interference not only in the field of river and harbor legislation but in the field of road legislation, flood-control legislation, and in other fields of legislation for which we have an established, legal, authorized procedure. The ambition and the purpose of this Board, if allowed to exist, is to substitute its own methods and its own jurisdiction for the existing jurisdiction and methods of the Army engineers and of other regular, established governmental agencies.

When the committee sent this bill in with the appropriation for the National Resources Planning Board eliminated, it was applauded and congratulated by the House; and if now the House will refuse to endorse this Senate amendment restoring the appropriation, the House will be entitled to and will receive the congratulations and the gratitude of the people of the country. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Oregon has again expired.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 4 minutes to the gentleman from Arkansas [Mr. ELLIS].

Mr. ELLIS. Mr. Speaker, I hardly see the logic in the gentlemen on my left supporting this coordinating and planning agency for Herbert Hoover and denying it for Franklin Roosevelt—unless they feel that Hoover needed it and that Roosevelt does not.

The American people demand of the President that he be the best-informed man in the land. It is essential that he have the necessary equipment.

For a number of years we have talked about the terms "comprehensive plans and programs of public works." We have all been in favor of an orderly scheme of scheduling the construction of public works—buildings, bridges, roads, navigation improvements, and so forth—in contrast to a haphazard, catch-as-catch-can method of appropriating money for and building works almost as the spirit moves us. We have always said that the Government could be of help to business if it would only "set its own house in order." In contrast to the efficient private-business methods of planning and building capital plant and equipment, the Government's methods seemed to be somewhat helter-skelter.

Also there were those who felt that the Government was no worse than private business in some respects. When times began to get bad, private business tapered off its construction work and thus helped times get worse. The Government was no better; it made the situation worse, too, by tapering off its construction under similar conditions. In our own time this situation has been brought vividly to our attention. Just before 1930 private business and all governments in the United States—Federal, State, and local—were spending an average of $10,000,000,000 annually on new construction. Our national income reached $82,000,000,000 in 1929. Since then private business and all governments—Federal, State, and local—have been spending an average of less than $5,000,000,000 annually for construction. Our national income has not reached $82,000,000,000 since 1929.

If the Federal Government is going to do its part to avoid contributing to these wild fluctuations in the national income, it should so arrange its public-works construction that it proceeds in as stable a manner as possible. This means that the Federal Government must program its works construction—and it must encourage States and localities to do so too, otherwise the fluctuations of their public-works construction will undo all the efforts that the Federal Government is making to bring about business stability.

It is apparent then that when we speak of a "comprehensive plan of public works" there are two governing considerations:

First. The need for the works and facilities themselves—that is the importance of the use which will be made of them in comparison with the need for other public services. In other words, for example, shall a bridge be built before a school; shall flood control be installed before a road is built; shall we have, in general, more schools and less bridges or shall we have more flood-control projects and less roads?

Second. The amount of public-works construction which will be contributed as the Government's share toward increasing the stability of business and employment—particularly that stability which will make conditions favorable to a steadily increasing national income.

It should not be forgotten, however, that preparing a comprehensive program of public works involves more than a mere compilation of all works proposed—it is more than just a listing on paper of the names of a proposed bridge, a school, a road, and a building in any order that they happen to pop into one's head. First of all, there must be a developmental plan for the area for which the program is being prepared—whether it is a city, county, State, region, or the Nation as a whole—which indicates the best way in which the area should be developed. Then all works proposed to be built in the area must be looked at in the light of the

developmental plan. In other words, preparing a program of public works also involves a thinking ahead, a preparing of plans for best development of the activity, area, or function involved. It requires a meeting of men's minds, an extensive use of the best technical talent available, and long, hard work. In fact, the two functions—programming and planning—cannot be separated. If programming of public works is required by law, developmental plans must be prepared too, otherwise upon what can programs be based?

The basic principle of comprehensive public-works programming was first declared by the Congress in the Employment Stabilization Act of 1931. The Congress again redeclared this policy in title II of the National Industrial Recovery Act in 1933. The present responsibilities of the National Resources Planning Board in planning and programming stems back to these acts, several others, and a series of Executive orders, and today, the National Resources Planning Board administers, under the direction of the President, the functions of both the Stabilization Act and the Resources Committee by reason of Reorganization Plan No. I affirmatively approved by the Congress in June 1939.

Consider for a moment the size of the task which confronts this Resources Planning Board. It must, according to the Employment Stabilization Act—

First. Advise the President on the trend of employment and business activity and the existence or approach of periods of business depression and unemployment.

Second. Cooperate with Federal construction agencies in formulating methods of advance planning.

Third. Do advance planning of public works to make effective the declared policy of the Congress.

Fourth. Collect information concerning advance construction plans and estimates by States, municipalities, and other public and private agencies which may indicate the probable volume of construction within the United States and which may aid the Federal construction agencies in formulating their advance plans.

Alone in its major field of activity—advance planning of public works—the Board has a tremendous task. Today there are at least 65 separate Federal bureaus and agencies which do construction work or provide grants or loans to States and local governments for public construction. The Federal Government in the fiscal year 1939 spent about $505,000,000 for general public works, exclusive of minor construction and repairs, P. W. A. grants or loans, or work relief under the W. P. A. In 1940 the Budget estimates this expenditure will be about $688,000,000; for 1941 the Budget estimates are $641,000,000. During the fiscal year 1940 the Board's appropriations for all of its operations is only slightly more than one-tenth of 1 percent of the total expenditures for Federal public works, without even considering the P. W. A. or W. P. A. expenditures.

The gentleman from Illinois [Mr. DIRKSEN] says that the President should be able to obtain sufficient coordinating assistance from all these public-works agencies, but surely we will all agree that any recommendation from other than an independent agency would be biased in favor of that particular department.

Moreover, the Congress in enacting the Stabilization Act had a definite concept of the interlocking of the construction activities of Federal, State, and local governments. A few examples of the way the Board approaches this problem will make this interlocking relationship clear. The completion of the Grand Coulee project in the Pacific Northwest means new lands available for settlement and other economic opportunities. Roads, bridges, streets, schools, public buildings, and institutions of one kind or another will be required. The States, local governments, and other Federal agencies in the area will have to plan for and schedule their public-works construction with an eye to this project—unless we expect the project to be completed amidst an utter confusion of plans made at cross-purposes and a possible waste of public funds. In the upper Rio Grande Valley so many Federal and State agencies had plans to use the water that eventually there would not have been enough water to go around. Accordingly they worked out jointly under the Board's auspices the plans for the use and control of the available water, and the States of Texas, New Mexico, and Colorado made the agreement the subject of an interstate compact, which was approved by the Congress last year.

The organization set up by the Board to carry out its functions covers a variety of activities, and the outstanding results which it has achieved have, in nearly every instance, been brought to the attention of the Congress by the President.

Let us see what the Board actually does to carry out its functions.

First of all, the Board must cooperate with Federal construction agencies in formulating methods of advance planning and in trying to encourage these agencies to plan their construction so as to attain the objectives which Congress set forth in the Stabilization Act. The Congress has made it mandatory for the Federal construction agencies listed in the act, as well as the others which the President has designated from time to time, to prepare 6-year advance plans of public works with estimates showing projects allotted to each year, and to revise these 6-year plans annually and keep them up to date. The Board has no control in this matter—the Congress has said that the Federal construction agencies must comply with the act.

In its work with the Federal construction agencies the Board has not tried to breed a race of superplanners; rather, it has cooperated with the operating and planning chiefs of the Federal agencies through a small, permanent secretariat, and it is these groups of Federal officials plus qualified outside experts upon whom the Board relies for its technical advice. It has tried to make sure through these groups, called technical committees, that one Federal agency in making its plans to build a useful needed work—such as a dam, a road, or a reclamation project—does not arrange to schedule the building of that project without regard to the plans of other Federal agencies, and of the States and localities, too.

To accomplish this objective a series of new devices have been used—technical committees, regional committees, and certain clearing-house and reporting services. Sometimes, too, there has been some confusion of objectives among the individual Federal agencies. In these cases the Board has sought to serve as a "neutral meeting ground" where the representatives of these Federal agencies could feel free to confer under the auspices of an agency whose objective is an over-all one, an agency which is concerned more particularly with the objectives and use of public works as a whole rather than with individual project types or functions. In other words, the Board has not been interested in promoting or encouraging single types of public works such as flood control, roads, or reclamation. Rather, it tries to look at the Nation's needs for all public works—not the individual agency's or particular group's desire for them.

Examples of the work of the Board's technical committees have been brought to our attention on several occasions. These covered the several drainage-basin reports, the land-planning reports, the energy-resources report, and several others. The regional committees have prepared reports on the Northern Great Plains, the Red River of the North, the Upper Rio Grande, and the Northern Lake States.

There have been charges, unfortunately, that the Board has interfered with the work of other Federal agencies—particularly, in some instances, that the Board's actions have conflicted with the Corps of Engineers. Senator BYRNES, during the debate on this bill in the Senate, read a memorandum from the Chief of Engineers, dated January 23, in which it was stated:

> This corps has always adhered steadfastly to the view that it is in no sense a policy-making branch of the Government, but solely an executive agency to carry out the functions required by law. Pursuant to this general policy there has been complete cooperation between the Corps of Engineers and the National Resources Planning Board in carrying out its purposes. This cooperation has not only extended to the Chief of Engineers and his staff in Washington but also to the field officers of the corps.

No one questioned that statement at the time it was made; no doubt, too, there are other major Federal construction

agencies which could indicate at great length the benefits which they have received in cooperating with the Board in its work.

Second among its major duties, the Board has cooperated with regional, State, and local planning agencies. The National Planning Board in 1933 encouraged the establishment of State planning agencies, and the resources board and the resources committee continued to furnish advice and assistance to them upon request. These State agencies, when possible, have been encouraged to make their own long-range plans for a State's development, to review the needs for works proposed in their State—both Federal and State works—in relation to their plans, to study their own governments' capacities to pay, and finally to schedule their construction operations in an orderly, stable way so as to stay within their financial limitations. There are planning agencies in 43 of the States which are constantly calling upon the Board for advice and assistance, and there is no other Federal agency to which they can turn for assistance in coordinating planning activities.

The Board has then sought to encourage Federal agencies in formulating their 6-year plans of public works to consult with the State agencies so that there is, if necessary, a mutual adjustment of plans between them. For instance, if the State agency is planning a road system or studying a school-building program, and the Federal agency is planning a water project which may flood certain areas or render them unsuitable for use, it is the part of wisdom to make sure that no new roads or schools are planned for an area which eventually may be flooded. The building of a road or school building under such circumstances would be an obvious waste of public funds.

Further, many problems similar to those which I have referred to cut across State lines, so the Board has tried to encourage the formation of interstate groups comprised of representatives of both the States and the Federal agencies immediately concerned. Examples of these interstate groups—some of which have already been referred to—are the Pacific Northwest Regional Planning Commission, the New England Regional Planning Commission, the Northern Lakes States Committee, and the Northern Great Plains Committee.

Also, the Board has sought to serve as a clearing house of information on the development of planning techniques for more than 1,000 local planning agencies—city and county. An example of its recent efforts in this field has been its works with the Federal Works Agency in trying to develop, in cooperation with 7 different cities, a method of procedure which all cities in the United States could use as a guide, if they wish to try and schedule their construction in an orderly way within their capacity to pay. By this leadership, the Board hopes that cities too—as well as States—will be encouraged to set their own house in order insofar as public construction is concerned.

The third major function of the Board lies in the field of general over-all advice to the President on the general trend of employment and business. We cannot blame the construction industry alone for contributing to business instability. There are other problems involved—and the Board has tried to focus attention on some of them by means of several studies—Patterns of Resource Use, the Structure of the American Economy, and Consumer Income and Expenditures.

Finally, if it is to advise the President best on the trends of business and employment, the Board must of necessity cooperate with the several Federal agencies which cover these fields.

The Board has tried to help the President by getting these Federal agencies together and by having them iron out their differences among themselves, if possible, so that there is at least a clear agreement upon the fundamental trends. They have issued several reports of this nature which are really "landmarks" for public policy, public agencies, and private business. Among some of these reports are: The National Resources Board report of 1934, reporting on general trends in the use of our land, water, and mineral resources; The Problems of a Changing Population, containing some pertinent storm signals on implications in the probable growth of our population; Technological Trends and National Policy, dealing with invention and telling us what we may expect further in technological unemployment; and many others.

For all of these things which the Board is required to do by law, the Budget estimate for 1941 was only $1,060,000. The Senate has agreed to appropriate $710,000. For all the things expected of this Board, $710,000 seems very small in comparison to the $688,000,000 the Federal Government will spend this year on public works. Let it not be said that our motto is: "Millions for public works, but not a cent for coordinated planning for those public works."

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. GIFFORD.]

Mr. GIFFORD. Mr. Speaker, perhaps I should summon my physician at once. I must be suffering from complete loss of memory at the moment. I thought I had been abundantly assured from those leaders serving on the Reorganization Committee that this National Resources Board would be abolished. I was certainly assured that it would not be frozen into the body politic. But now those leaders are agreeing to it, excusing themselves because it is for 1 year only—temporary. I can get even no assurance that it would be temporary next year, and so on indefinitely. So that by that left-handed method the promises I received seem to have been greatly misunderstood by me. Marvelous are the persuasive powers of this President of ours. Has he summoned them? I can only assume so. What does he want of this National Resources Planning Board? What did this Board recommend that first year? You will recall it—only spending policies. Resources Board. What word can I think of to stigmatize it as it ought to be? A board to suggest opportunities for more spending. Members on this side, let us preserve what resources we might have left. Let us make unanimous protest. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, this committee is not a supergroup, as some would make you believe. Its personnel does include some of the outstanding engineers of the country. It makes no independent studies concerning our resources. It has absolutely no responsibility as to construction work. Above all, it exercises no veto power over any Federal activity. It does act, when a Federal group is engaged in some phase of State construction, to bring the agencies together when requested to do so.

It seeks to promote by helping Federal and State agencies to coordinate their activities. It assists the President by studying most important problems and placing facts—not recommendations—before him.

This is an agency that the President says he needs. When the Congress asks the President for money to assist it in its work, the President never denies it the money. Why should we use our veto power in connection with an agency directly under the President, organized solely for helping the President in the great problems that confront him? [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. RAYBURN].

The SPEAKER pro tempore (Mr. THOMASON). The gentleman from Texas is recognized for 6 minutes.

Mr. RAYBURN. Mr. Speaker, and my colleagues, with the manifold duties that I have to perform I would not take the floor or your time today except there are just a few things that I have said on occasion before which I think will bear repetition at this time.

In 1931 this National Resources Board was set up as an agency to help President Hoover perform his duties as President of the United States. It came into the House and was passed under suspension of the rules without even a roll call. If a Republican President were in the White House today and he asked for the continuance of this agency to help him perform his duties saying that he needed it in order that his office might function fully and freely to be of service to the country, you could pass that bill or this amendment in all

probability under suspension of the rules without a roll call. It seems to be different when we have a Democratic President. All that some of the gentlemen, or most of them, on my left need to know about any measure coming before the Congress is whether or not the President wants it. If he wants it, with practical unanimity they stand up and oppose it. We did not do that way—and I was here during the 12 long hard years of Harding, of Coolidge, and of Hoover. We did not treat your Presidents like you treat Democratic Presidents, and I am not proud of your actions in these things. If no appeal can be made to that side of the aisle—and there can be none—then I turn to my Democratic colleagues and ask you to stand by this recommendation, this request, this urging upon us by our Democratic President. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the motion to recede and concur.

The previous question was ordered.

The SPEAKER pro tempore. The question occurs upon the motion of the gentleman from Virginia to recede and concur in the Senate amendments.

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 83, noes 75.

Mr. WIGGLESWORTH. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 184, nays 130, answered "present" 1, not voting 114, as follows:

[Roll No. 68]

YEAS—184

Allen, La.	Eberharter	Kennedy, Md.	Randolph
Anderson, Mo.	Edmiston	Keogh	Rankin
Barden	Elliott	Kilday	Rayburn
Barnes	Ellis	Kitchens	Richards
Barry	Evans	Kleberg	Robertson
Beckworth	Ferguson	Kramer	Robinson, Utah
Bland	Fernandez	Lanham	Ryan
Bloom	Flaherty	Larrabee	Sasscer
Boland	Flannery	Lea	Satterfield
Boren	Folger	Leavy	Schaefer, Ill.
Bradley, Pa.	Ford, Thomas F.	Lemke	Schuetz
Brooks	Fries	Lesinski	Schulte
Brown, Ga.	Fulmer	Lewis, Colo.	Schwert
Bryson	Garrett	Lynch	Secrest
Buck	Gathings	McAndrews	Shanley
Buckler, Minn.	Gavagan	McCormack	Shannon
Burch	Gehrmann	McGranery	Sheppard
Burdick	Geyer, Calif.	McMillan, Clara	Smith, Conn.
Byrns, Tenn.	Gibbs	McMillan, John L.	Smith, Va.
Byron	Gossett	Maloney	Smith, Wash.
Caldwell	Grant, Ala.	Marcantonio	Snyder
Cannon, Fla.	Gregory	Massingale	Somers, N. Y.
Cannon, Mo.	Griffith	Mills, Ark.	Sparkman
Chapman	Hare	Mills, La.	Spence
Cochran	Harrington	Monroney	Steagall
Coffee, Nebr.	Hart	Mouton	Sullivan
Cole, Md.	Harter, Ohio	Murdock, Ariz.	Sumners, Tex.
Connery	Havenner	Murdock, Utah	Sutphin
Cooper	Healey	Myers	Sweeney
Costello	Hendricks	Nelson	Tarver
Courtney	Hennings	Nichols	Tenerowicz
Cox	Hill	Norrell	Terry
Cravens	Hobbs	O'Connor	Thomas, Tex.
Creal	Houston	O'Neal	Thomason
Crosser	Hull	O'Toole	Tolan
Crowe	Izac	Pace	Vincent, Ky.
Cullen	Jacobsen	Parsons	Voorhis, Calif.
Cummings	Johnson, Luther A.	Patman	Walter
D'Alesandro	Johnson, Lyndon	Pearson	Ward
Darden	Johnson, Okla.	Peterson, Fla.	Warren
Davis	Johnson, W. Va.	Peterson, Ga.	West
Dempsey	Jones, Tex.	Pfeifer	Whittington
Doughton	Kee	Pierce	Williams, Mo.
Doxey	Kefauver	Pittenger	Wood
Duncan	Keller	Poage	Woodrum, Va.
Dunn	Kennedy, Martin	Ramspeck	Zimmerman

NAYS—130

Alexander	Church	Faddis	Hancock
Allen, Ill.	Clason	Ford, Miss.	Harness
Andersen, H. Carl	Clevenger	Gamble	Harter, N. Y.
Andresen, A. H.	Cole, N. Y.	Gartner	Hess
Andrews	Colmer	Gearhart	Hinshaw
Angell	Crawford	Gerlach	Hoffman
Arends	Culkin	Gifford	Holmes
Austin	Curtis	Gillie	Hope
Barton	Dirksen	Goodwin	Horton
Bender	Ditter	Graham	Jarrett
Blackney	Dondero	Grant, Ind.	Jeffries
Bolles	Dworshak	Guyer, Kans.	Jenkins, Ohio
Bolton	Eaton	Gwynne	Jensen
Brown, Ohio	Elston	Hall, Edwin A.	Johnson, Ill.
Carlson	Engel	Hall, Leonard W.	Johnson, Ind.
Chiperfield	Englebright	Halleck	Jones, Ohio
Jonkman	Martin, Mass.	Rockefeller	Thill
Kean	May	Rogers, Mass.	Thorkelson
Keefe	Michener	Routzohn	Tinkham
Kilburn	Moser	Rutherford	Treadway
Knutson	Mott	Sandager	Van Zandt
Kunkel	Mundt	Schafer, Wis.	Vorys, Ohio
Landis	Murray	Schiffler	Wadsworth
LeCompte	O'Brien	Seccombe	Wigglesworth
Lewis, Ohio	Osmers	Seger	Williams, Del.
Luce	Plumley	Short	Winter
Ludlow	Polk	Smith, Ohio	Wolcott
McGregor	Powers	Springer	Wolfenden, Pa.
McLean	Reece, Tenn.	Stearns, N. H.	Wolverton, N. J.
McLeod	Reed, N. Y.	Stefan	Woodruff, Mich.
Maas	Rees, Kans.	Sumner, Ill.	Youngdahl
Marshall	Rich	Taber	
Martin, Iowa	Robsion, Ky.	Talle	

ANSWERED "PRESENT"—1

Case, S. Dak.

NOT VOTING—114

Allen, Pa.	Darrow	Kelly	Reed, Ill.
Anderson, Calif.	Delaney	Kennedy, Michael	Risk
Arnold	DeRouen	Kerr	Rodgers, Pa.
Ball	Dickstein	Kinzer	Rogers, Okla.
Bates, Ky.	Dies	Kirwan	Romjue
Bates, Mass.	Dingell	Kocialkowski	Sabath
Beam	Disney	Lambertson	Sacks
Bell	Douglas	McArdle	Scrugham
Boehne	Drewry	McDowell	Shafer, Mich.
Boykin	Durham	McGehee	Sheridan
Bradley, Mich.	Edelstein	McKeough	Simpson
Brewster	Fay	McLaughlin	Smith, Ill.
Buckley, N. Y.	Fenton	Maciejewski	Smith, W. Va.
Bulwinkle	Fish	Magnuson	South
Burgin	Fitzpatrick	Mahon	Starnes, Ala.
Byrne, N. Y.	Flannagan	Mansfield	Taylor
Camp	Ford, Leland M.	Martin, Ill.	Thomas, N. J.
Carter	Gilchrist	Mason	Tibbott
Cartwright	Gore	Merritt	Vinson, Ga.
Casey, Mass.	Green	Miller	Vreeland
Celler	Gross	Mitchell	Wallgren
Clark	Hartley	Monkiewicz	Weaver
Claypool	Hawks	Norton	Welch
Cluett	Hook	O'Day	Wheat
Coffee, Wash.	Hunter	O'Leary	Whelchel
Collins	Jarman	Oliver	White, Idaho
Cooley	Jenks, N. H.	Patrick	White, Ohio
Corbett	Jennings	Patton	
Crowther	Johns	Rabaut	

So the motion to recede and concur was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Magnuson (for) with Mr. Fenton (against).
Mr. Gore (for) with Mr. White of Ohio (against).
Mr. Patton (for) with Mr. Johns (against).
Mr. Michael J. Kennedy (for) with Mr. Douglas (against).
Mr. Fay (for) with Mr. Jennings (against).
Mrs. Norton (for) with Mr. Hartley (against).
Mr. Rabaut (for) with Mr. Carter (against).
Mr. Wallgren (for) with Mr. Miller (against).
Mr. Smith of Illinois (for) with Mr. Wheat (against).
Mr. Sacks (for) with Mr. Gross (against).
Mr. Bates of Kentucky (for) with Mr. Corbett (against).
Mr. Starnes of Alabama (for) with Mr. McDowell (against).
Mr. McKeough (for) with Mr. Simpson (against).
Mr. Kelly (for) with Mr. Rodgers of Pennsylvania (against).
Mr. Beam (for) with Mr. Darrow (against).
Mr. Mahon (for) with Mr. Gilchrist (against).
Mr. Patrick (for) with Mr. Shafer of Michigan (against).
Mr. Sheridan (for) with Mr. Leland M. Ford (against).
Mr. Kocialkowski (for) with Mr. Reed of Illinois (against).
Mr. Coffee of Washington (for) with Mr. Monkiewicz (against).
Mr. McArdle (for) with Mr. Tibbott (against).
Mr. Drewry (for) with Mr. Vreeland (against).
Mr. Fitzpatrick (for) with Mr. Risk (against).
Mr. Claypool (for) with Mr. Thomas of New Jersey (against).
Mr. Camp (for) with Mr. Mason (against).
Mr. Hook (for) with Mr. Kinzer (against).
Mr. Byrne of New York (for) with Mr. Hawks (against).
Mr. Dickstein (for) with Mr. Crowther (against).
Mr. Delaney (for) with Mr. Jenks of New Hampshire (against).
Mrs. O'Day (for) with Mr. Cluett (against).
Mr. Celler (for) with Mr. Bradley of Michigan (against).
Mr. Cooley (for) with Mr. Anderson of California (against).
Mr. O'Leary (for) with Mr. Bates of Massachusetts (against).
Mr. Vinson of Georgia (for) with Mr. Ball (against).

Until further notice:

Mr. McGehee with Mr. Oliver.
Mr. South with Mr. Lambertson.
Mr. Weaver with Mr. Fish.
Mr. Collins with Mr. Welch.
Mr. Bulwinkle with Mr. Brewster.
Mr. Bell with Mr. Jarman.
Mr. Flannagan with Mr. Smith of West Virginia.
Mr. Merritt with Mr. Allen of Pennsylvania.
Mr. Clark with Mr. Buckley of New York.
Mr. Maciejewski with Mr. McLaughlin.
Mr. Boehne with Mr. DeRouen.
Mr. Mansfield with Mr. Arnold.

Mr. Kerr with Mr. Durham.
Mr. Scrugham with Mr. Cartwright.
Mr. Martin of Illinois with Mr. Boykin.
Mr. Mitchell with Mr. Edelstein.
Mr. Romjue with Mr. Burgin.
Mr. Sabath with Mr. Casey of Massachusetts.
Mr. Dies with Mr. Green.
Mr. Kirwan with Mr. Dingell.
Mr. Hunter with Mr. Disney.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 21, line 25, amendment No. 13: *"Provided,* That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, care, repair, and disposition of any security or collateral now held or acquired on or before June 30, 1941, by the Authority shall be considered as nonadministrative expenses for the purposes hereof."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 13 and concur therein; and on that I move the previous question.

The previous question was ordered.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 30, line 3, amendment No. 14: *"Provided,* That all necessary expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to the Corporation or in which it has an interest, shall be considered as nonadministrative expenses for the purposes hereof."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 14 and concur therein; and on that I move the previous question.

The previous question was ordered.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 35, line 24, amendment No. 17: *"Provided,* That the Administrator in order to effectuate part 3 of Reorganization Plan No. I submitted and approved pursuant to the Reorganization Act of 1939 may transfer to this appropriation from funds available for administrative expenses of the constituent units of the Federal Works Agency such sums as represent a consolidation in the office of the Administrator of any of the administrative functions of said constituent units."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 17 and concur therein with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. WOODRUM of Virginia moves that the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: At the end of the matter inserted by such amendment insert the following: "; but no such transfer of funds shall be made unless the consolidation of administrative functions will result in a reduction of administrative salary and other expenses and such reduction is accompanied by savings in funds appropriated to the Federal Works Agency, which savings shall not be expended for any other purpose but shall be impounded and returned to the Treasury."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Page 52, line 5, amendment No. 28: Strike out the words "any portion of which is occupied by" and insert in lieu thereof "unless the public housing agency shall have adopted regulations forbidding admission to the project as a tenant of."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House recede from its disagreement to the amendment of the Senate No. 28, and agree to the same with an amendment, which I send to the desk.

The Clerk read as follows:

Mr. WOODRUM moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the matter inserted by such amendment, insert the following: "unless the public housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy."

The motion was agreed to.

A motion to reconsider the vote by which the several motions were agreed to was laid on the table.

ADJOURNMENT OVER

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

EXTENSION OF REMARKS

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include some excerpts.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from Illinois [Mr. DIRKSEN]?

There was no objection.

Mr. HARNESS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by Kenneth A. Reid, general manager, Izaak Walton League of America.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana [Mr. HARNESS]?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in connection with the National Resources Planning Board.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. PITTENGER]?

There was no objection.

THE LOGAN-WALTER BILL

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Vermont [Mr. PLUMLEY]?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, next week there will be taken up for consideration by the House the Logan-Walter bill. I have been very fortunate within the last 2 or 3 days in that I have been given the opportunity and have been able to study an analysis of that bill made by a prominent attorney. It is a nonpartisan analysis and one which I think every Member of the House and everybody who desires to be informed ought to read.

I ask unanimous consent to extend my own remarks in the RECORD and to include this analysis of the bill in the Appendix of the RECORD. I may say, Mr. Speaker, that I am advised by the Public Printer this will exceed the allowable limit and I ask unanimous consent that it may be printed notwithstanding the fact that it exceeds the limit.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Vermont [Mr. PLUMLEY]?

There was no objection.

EXTENSION OF REMARKS

Mr. KEFAUVER asked and was given permission to extend his own remarks in the RECORD.

Mr. GRANT of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include copy of a bill which I have introduced.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama [Mr. GRANT]?

There was no objection.

PROGRAM FOR NEXT WEEK

The SPEAKER pro tempore. The Chair would like to make a statement.

Monday next is unanimous-consent day. Following consideration of bills on the Consent Calendar, a rule will be called up for the consideration of the so-called Logan-Walter bill. It is expected that general debate will be completed Monday afternoon, and not later than 2 o'clock on Tuesday, at which time it is expected to adjourn on account of a great national event. The reading of the bill for amendment will be taken up the next day. There will probably be nothing on the calendar for Wednesday. On Thursday the so-called crop-insurance bill will be taken up under a rule.

There is a probability that the conferees on the agricultural appropriation bill may be able to report on Thursday. If so, we will take up that conference report on Friday. This is not very certain, however.

Mr. CONNERY. Mr. Speaker, with reference to the program next week, is it intended to consider any labor legislation?

The SPEAKER pro tempore. Not next week.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOUSTON, indefinitely, on account of official business.

To Mr. WELCH, at the request of Mr. ENGLEBRIGHT, for today, on account of important business.

To Mr. MAGNUSON, on account of official business.

To Mr. FITZPATRICK, indefinitely, on account of death of his father.

To Mr. MASSINGALE, for next week, on account of business.

To Mr. SACKS, at the request of Mr. MYERS, for 10 days, on account of official business.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 349. An act for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.; to the Committee on Claims.

S. 456. An act for the relief of the officers of the Russian Railway Service Corps, organized by the War Department under authority of the President of the United States, for service during the war with Germany; to the Committee on Military Affairs.

S. 993. An act for the relief of J. H. Wootton; to the Committee on Claims.

S. 1308. An act for the relief of J. M. Swinney; to the Committee on Claims.

S. 1777. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Little Missouri River; to the Committee on Irrigation and Reclamation.

S. 2111. An act to amend the act entitled, "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended; to the Committee on Interstate and Foreign Commerce.

S. 2191. An act authorizing the Secretary of the Interior to grant to the State of Montana, for the use and benefit of the Montana School of Mines, a patent to a certain tract of land; to the Committee on the Public Lands.

S. 2204, An act conferring jurisdiction upon the Court of Claims of the United States to hear, examine, adjudicate, and render judgment on the claim of the legal representatives of the estate of Robert Lee Wright; to the Committee on Claims.

S. 2303. An act authorizing the continuance of the Prison Industries Reorganization Administration, established by Executive Order No. 7194 of September 26, 1935, to June 30, 1941; to the Committee on the Judiciary.

S. 2328. An act to promote on the retired list officers who were decorated and recommended for promotion for distinguished service during the World War, and who have not attained the rank to which recommended; to the Committee on Military Affairs.

S. 2552. An act to authorize the Secretary of the Navy to purchase certain privately owned property located at the Naval Air Station, Lakehurst, N. J.; to the Committee on Naval Affairs.

S. 2570. An act for the relief of Mary Boyd; to the Committee on Claims.

S. 2661. An act to create a board of inspectors, Bureau of Marine Inspection and Navigation, at Miami, Fla.; to the Committee on Merchant Marine and Fisheries.

S. 2686. An act authorizing the reenlistment of John Mudry in the United States Army; to the Committee on Military Affairs.

S. 2704. An act for the relief of Mr. and Mrs. C. W. Black, and Marion Rabren; to the Committee on Claims.

S. 2717. An act for the relief of Edward J. Broggi; to the Committtee on Claims.

S. 2799. An act for the relief of James George Mayfield; to the Committee on Claims.

S. 2800. An act for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor; to the Committee on Claims.

S. 2817. An act for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla.; to the Committee on Claims.

S. 2980. An act providing for the sale of certain lands to the Arizona State Elks Association Hospital; to the Committee on the Public Lands.

S. 3009. An act authorizing the President to present the Navy Cross to Capt. Frank N. Roberts, United States Army; to the Committee on Naval Affairs.

S. 3010. An act authorizing the Secretary of the Navy to issue the Navy Expeditionary Medal to certain Army and civilian personnel; to the Committee on Naval Affairs.

S. 3013. An act to amend section 5 of the act entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved March 3, 1925 (43 Stat. 1190; 34 U. S. C. 893), so as to authorize the payment of a per diem in connection with naval aerial surveys and flight checking of aviation charts; to the Committee on Rivers and Harbors.

S. 3014. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902 (32 Stat. 662), so as to provide uniformity in the pay of all civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska; to the Committee on Naval Affairs.

S. 3016. An act to amend the act approved February 15, 1929, entitled "An act to permit certain warrant officers to count all active service rendered under temporary appointments as warrant or commissioned officers in the Regular Navy, or as warrant or commissioned officers in the United States Naval Reserve Force, for purpose of promotion to chief warrant rank," so as to permit service in the National Naval Volunteers to be counted for purposes of promotion; to the Committee on Naval Affairs.

S. 3017. An act to amend the act entitled "An act to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.," approved June 24, 1935 (49 Stat. 395), so as to permit the removal of certain encumbrances on the lands concerned; to the Committee on Naval Affairs.

S. 3018. An act to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense; to the Committee on Interstate and Foreign Commerce.

S. 3023. An act for the relief of Clarence E. Enders and Gertrude Ray Enders; to the Committee on Claims.

S. 3028. An act for the relief of R. Stern; to the Committee on Claims.

S. 3035. An act authorizing certain appointments to the United States Military Academy to fill cadetships heretofore created; to the Committee on Military Affairs.

S. 3039. An act for the relief of Twila Snyder; to the Committee on Claims.

S. 3042. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended; to the Committee on Labor.

S. 3052. An act for the relief of Dollie C. Pichette; to the Committee on Claims.

S. 3059. An act for the relief of Velvie W. Smith, and the legal guardian of Glenn Richard Smith; to the Committee on Claims.

S. 3062. An act for the relief of the Rodgers Tile Co.; to the Committee on Claims.

S. 3065. An act authorizing the sale of fuel, electric current, ice, and water at isolated naval stations; to the Committee on Naval Affairs.

S. 3071. An act for the relief of Luther Devoe; to the Committee on Claims.

S. 3073. An act for the relief of Verle S. Ward; to the Committee on Claims.

S. 3091. An act for the relief of Barnet Warren; to the Committee on Claims.

S. 3092. An act for the relief of Maj. John R. Holt; to the Committee on Claims.

S. 3095. An act for the relief of Harry Huston; to the Committee on Military Affairs.

S. 3098. An act authorizing the Secretary of the Navy to accept on behalf of the United States a bequest of certain personal property of the late Dudley F. Wolfe; to the Committee on Naval Affairs.

S. 3111. An act for the relief of Thomas L. Gardner; to the Committee on Claims.

S. 3195. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

S. 3203. An act to amend section 1262 of the Code of Laws for the District of Columbia; to the Committee on the District of Columbia.

S. 3233. An act for the relief of C. T. Jensen; to the Committee on Claims.

S. 3237. An act to amend section 301 (a) of the Sugar Act of 1937; to the Committee on Agriculture.

S. 3251. An act to amend sections 16 and 17 of chapter II of the act of June 19, 1934, entitled "An act to regulate the business of life insurance in the District of Columbia"; to the Committee on the District of Columbia.

S. 3262. An act to authorize the Secretary of the Interior to grant a right-of-way to the Highway Commission of the State of Montana; to the Committee on Merchant Marine and Fisheries.

S. 3280. An act for the relief of the estate of Leslie Everett, deceased; to the Committee on Claims.

S. 3304. An act for the relief of J. Frank Kuner, private, uniformed force, United States Secret Service; to the Committee on Claims.

S. 3306. An act for the relief of Roy F. Lassly, former Acting Chief Disbursing Clerk, Department of the Interior; to the Committee on Claims.

S. 3308. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Robert E. Newton; to the Committee on Claims.

S. 3324. An act relating to the existing flood-protection project at East Hartford, Conn.; to the Committee on Flood Control.

S. 3325. An act to provide for the transfer of the duplicates of certain books in the Library of Congress to the Beaufort Library of Beaufort, S. C.; to the Committee on War Claims.

S. 3328. An act for the relief of Dorothy Crossing; to the Committee on Claims.

S. 3337. An act for the relief of the Lewis State Bank of Tallahassee, Fla.; to the Committee on Claims.

S. 3338. An act for the relief of Alice C. Wainwright; to the Committee on Foreign Affairs.

S. 3354. An act for the relief of Nannie E. Teal; to the Committee on Claims.

S. 3383. An act to authorize certain future adjustments in the accounts of the Treasurer of the United States when erroneous payments have been made by him in good faith and without negligence, and for other purposes; to the Committee on Expenditures in the Executive Departments.

S. 3401. An act for the relief of Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, and for other purposes; to the Committee on Claims.

S. 3402. An act to authorize the granting of a right-of-way for roadway purposes on the Fort Thomas Military Reservation, Ky., in exchange for the release of property rights in and to a certain road on said reservation; to the Committee on Military Affairs.

S. 3423. An act to increase the number of brigadier generals of the line of the Regular Army by four; to the Committee on Military Affairs.

S. 3436. An act for the relief of Ethel G. Hamilton; to the Committee on Claims.

S. 3456. An act to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938; to the Committee on Claims.

S. 3470. An act to amend the National Defense Act of June 3, 1916, as amended to provide for enlistments in the Army of the United States in time of war, or other emergency declared by Congress, and for other purposes; to the Committee on Military Affairs.

S. 3496. An act to prevent retardation in promotion and in pay and allowances of permanent professors of the United States Military Academy appointed by the President from the commissioned officers of the Regular Army; to the Committee on Military Affairs.

S. 3530. An act to prohibit the exportation of tobacco seed and plants, except for experimental purposes; to the Committee on Agriculture.

S. 3552. An act to authorize the construction of works for flood control and other purposes on Autauga Creek at Prattville, Ala.; to the Committee on Flood Control.

S. 3575. An act to make better provision for the teacher of music, the leader of the Military Academy band; to the Committee on Military Affairs.

S. 3633. An act to amend section 24e, National Defense Act, as amended, so as to add an alternative requirement for appointment in the Dental Corps; to the Committee on Military Affairs.

S. 3636. An act to amend the National Defense Act, as amended, so as to provide for retirement of assistant chiefs of branches and of wing commanders of the Air Corps with the rank and pay of the highest grade held by such officers as assistant chiefs and wing commanders, and for other purposes; to the Committee on Military Affairs.

S. 3654. An act to amend section 10, National Defense Act, as amended, with relation to the maximum authorized enlisted strength of the Medical Department of the Regular Army; to the Committee on Military Affairs.

S. 3661. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended, and for other purposes; to the Committee on Agriculture.

S. J. Res. 101. Joint resolution defining and classifying gratuity expenditures allowable as offsets in favor of the United States and against the Five Civilized Nations or Tribes of Indians; to the Committee on Indian Affairs.

S. J. Res. 133. Joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.; to the Committee on Claims.

S. J. Res. 213. Joint resolution authorizing the acceptance of the invitation of the Government of Italy to participate in the Rome Universal Exhibition to be held at Rome, Italy, in 1942; to the Committee on Foreign Affairs.

S. J. Res. 217. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair, 1939, authorizing an appropriation therefor and for other purposes," approved July 9, 1937, to provide for participation in the New York World's

Fair, 1940, to authorize an appropriation therefor, and for other purposes; to the Committee on Foreign Affairs.

S. J. Res. 218. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies; to the Committee on Public Buildings and Grounds.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 289. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

H. R. 838. An act for the relief of Ray E. Nies;

H. R. 2041. An act for the relief of Tom Kelly;

H. R. 2055. An act for the relief of the K. E. Parker Co.;

H. R. 2086. An act for the relief of Joseph Sciortino;

H. R. 2161. An act for the relief of the Pacific Airmotive Corporation, Burbank, Calif.;

H. R. 2356. An act for the relief of the International Grain Co., Inc.;

H. R. 2487. An act for the relief of Krikor Haroutunian;

H. R. 3477. An act for the relief of Francisco R. Acosta;

H. R. 3674. An act for the relief of the Allegheny Forging Co.;

H. R. 3769. An act for the relief of the Keuffel & Esser Co. of New York;

H. R. 3784. An act for the relief of the estate of J. D. Warlick;

H. R. 3970. An act for the relief of Charles Sidenstucker;

H. R. 4256. An act for the relief of the estate of George B. Spearin, deceased;

H. R. 4388. An act for the relief of James Henry Rigdon;

H. R. 4436. An act for the relief of Robert Faughnan, a minor;

H. R. 4776. An act to amend section 6 of the Organic Act of Alaska;

H. R. 5257. An act for the relief of R. D. Torian;

H. R. 5295. An act for the relief of the Priest Lumber Co., Inc.;

H. R. 5397. An act for the relief of Richard L. Calder;

H. R. 5812. An act for the relief of Marguerite P. Carmack;

H. R. 5866. An act for the relief of Howard Daury;

H. R. 5928. An act for the relief of Ella Ragotski;

H. H. 6379. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406);

H. R. 6513. An act for the relief of Floyd H. Roberts;

H. R. 7015. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 7081. An act authorizing the Secretary of the Navy to sell certain surplus land owned by the United States in Bremerton, Wash.;

H. R. 7265. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 7420. An act to amend laws for preventing collisions of vessels;

H. R. 7421. An act to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville;

H. R. 7612. An act for the transfer of funds to the town of Wrangell, Alaska;

H. R. 7809. An act authorizing the reconstruction or replacement of certain bridges necessitated by the Rio Grande canalization project, and authorizing appropriation for that purpose;

H. R. 7855. An act for the relief of Morrison-Knudsen Co., Inc., and W. C. Cole;

H. R. 7857. An act for the relief of O'Brien Bros., Inc., New York City, N. Y.;

H. R. 7989. An act to legalize a bridge across the Nestucca River at Pacific City, Oreg.;

H. R. 8077. An act to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments;

H. R. 8083. An act to authorize the Secretary of War to furnish certain markers for certain graves;

H. R. 8238. An act providing for the incorporation of the United Spanish War Veterans;

H. R. 8262. An act to regulate, in the District of Columbia, the disposal of certain refuse, and for other purposes;

H. R. 8446. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;

H. R. 8498. An act to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes;

H. R. 8540. An act to authorize an increase in the White House police force;

H. R. 8639. An act to change the name of a portion of Twenty-fourth Street NW. to Williamsburg Lane;

H. R. 8669. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H. R. 8702. An act to amend the Judicial Code with respect to the continuation of grand juries to finish investigations;

H. R. 8792. An act to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department;

H. R. 8822. An act to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory;

H. R. 8917. An act to authorize the construction of a waiting room and comfort station in Commodore Barney Circle, United States Reservation 55–56, and for other purposes;

H. J. Res. 433. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1940;

H. J. Res. 453. Joint resolution authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce, to accept and wear the decoration of the Cross of Grand Officer of the Order of Saint Sava;

H. J. Res. 465. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1941, and for other purposes; and

H. J. Res. 466. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1941.

ADJOURNMENT

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 44 minutes p. m.), under its previous order, the House adjourned until Monday, April 15, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Monday, April 15, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

There will be a meeting of the Committee on Merchant Marine and Fisheries at 10 a. m., Tuesday, April 16, 1940, at

which time the committee will consider the bill (H. R. 8475) to define American fishery.

The Committee on Merchant Marine and Fisheries will hold hearings on the following resolution on Wednesday, April 24, 1940:

House Joint Resolution 509, to suspend section 510 (g) of the Merchant Marine Act, 1936, during the present European war. Hearings will be held at 10 a. m.

The Committee on Merchant Marine and Fisheries will hold hearings on the following bill on Tuesday, April 30, 1940:

H. R. 8855, to admit the American-owned steamship *Port Saunders* and steamship *Hawk* to American registry and to permit their use in coastwise and fisheries trade. Hearing will be held at 10 a. m.

COMMITTEE ON THE CIVIL SERVICE

Hearings on boards and courts of appeals bills will begin on Tuesday, April 16, 1940, at 10 a. m., room 246, Old House Office Building.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 16, 1940, at 10:30 a. m., in room 328, House Office Building, to consider H. R. 7152.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet at 10:30 a. m., Tuesday, April 16, 1940, to consider House Joint Resolution 501, for the relief of the distressed and starving men, women, and children of Poland.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 17, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1546. A letter from the Secretary of War transmitting a letter from the Chief of Engineers, United States Army, dated February 8, 1940, submitting a report, together with accompanying papers and an illustration, on a survey of Rio Grande and tributaries, Colorado, above the Colorado-New Mexico boundary line, authorized by the Flood Control Act approved June 28, 1938 (H. Doc. No. 694); to the Committee on Flood Control and ordered to be printed, with an illustration.

1547. A letter from the Acting Secretary of the Treasury, transmitting a proposed bill to accept the grant to the United States of certain land by the State of South Carolina, and to authorize its use by the United States Coast Guard; to the Committee on Expenditures in the Executive Departments.

1548. A letter from the Secretary of War, transmitting draft of a proposed bill to authorize credit in the accounts of an accountable disbursing officer of the Army of the United States, to relieve the agent officer of pecuniary responsibility for the loss of public funds, and to provide for the settlement of the final pay account of the agent officer; to the Committee on Claims.

1549. A letter from the Secretary of the Interior, transmitting draft of a proposed bill to authorize the transportation of employees of the Alaska Road Commission, and to validate payments made for that and other purposes; to the Committee on Expenditures in the Executive Departments.

1550. A letter from the Comptroller General of the United States, transmitting a copy of a special report relating to certain schools and training courses which are being conducted in, or by, Government departments and independent establishments; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HOFFMAN: Committee on Labor. Part 3, minority report on H. R. 9195. A bill to amend the National Labor Relations Act (Rept. No. 1928). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PAGÁN:

H. R. 9360. A bill to enable the people of Puerto Rico to form a constitution and State government and be admitted into the Union on an equal footing with the States; to the Committee on the Territories.

H. R. 9361. A bill to improve the form of government of Puerto Rico, granting a greater degree of home rule under the jurisdiction and sovereignty of the United States of America; to amend to that effect an act entitled "An act to provide a civil government for Puerto Rico, and for other purposes," approved March 2, 1917; to the Committee on Insular Affairs.

By Mr. ANGELL:

H. R. 9362. A bill authorizing the Secretary of the Interior to locate, establish, construct, equip, and operate a hospital for the insane of Alaska, and for other purposes; to the Committee on the Territories.

By Mr. BOLLES:

H. R. 9363. A bill to amend the Fair Labor Standards Act of 1938; to the Committee on Labor.

By Mr. BARRY:

H. R. 9364. A bill to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, approved July 3, 1926, and May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. GRANT of Alabama:

H. R. 9365. A bill to designate certain Federal-aid highways from the city of Chicago, Ill., to Miami, Fla., as the Blue and Gray Highway; to the Committee on Roads.

By Mr. DIRKSEN:

H. R. 9366 (by request). A bill to amend the act entitled "Liquor Law Repeal and Enforcement Act"; to the Committee on the Judiciary.

By Mr. KRAMER:

H. R. 9367 (by request). A bill to amend the act entitled "An act to provide additional protection for owners of patents of the United States, and for other purposes," approved June 25, 1910 (36 Stat. 851), as amended (40 Stat. 705; 35 U. S. C. 68), so as to protect the United States in certain patent-infringement suits; to the Committee on Patents:

By Mr. FERGUSON:

H. R. 9368. A bill to reduce permanently the interest rates on Federal land bank and land bank commissioner loans; to place the Federal land banks on a self-supporting basis; to refund and guarantee the bonds of such banks; to increase the functions and responsibilities of national farm-loan associations and county committees of farmers; to provide for the adjustment and refinancing of farm-mortgage debts; to limit the institution of foreclosure proceedings and the taking of deficiency judgments; and for other purposes; to the Committee on Agriculture.

By Mr. EVANS:

H. Res. 464. Resolution to pay a gratuity to Mary Agnes McMahon; to the Committee on Accounts.

By Mr. SMITH of Virginia:

H. Res. 465. Resolution providing for consideration of H. R. 9195, a bill to amend the National Labor Relations Act; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 9369. A bill to provide for placing William H. Armstrong on the retired list of the United States Army as a captain, United States Army; to the Committee on Military Affairs.

By Mr. JOHNSON of West Virginia:

H. R. 9370. A bill granting an increase of pension to Nellie E. Dallas; to the Committee on Pensions.

By Mr. DEMPSEY:

H. R. 9371. A bill for the relief of certain Navajo Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. HENDRICKS:

H. R. 9372. A bill for the relief of Render Spencer, a minor; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 9373. A bill granting a pension to Thomas Green; to the Committee on Pensions.

By Mr. POLK:

H. R. 9374. A bill granting an increase of pension to Emma E. Doll; to the Committee on Invalid Pensions.

By Mr. REES of Kansas:

H. R. 9375. A bill granting an increase of pension to Anna E. Sullivan; to the Committee on Pensions.

H. R. 9376. A bill for the relief of Leland W. Warner; to the Committee on Claims.

By Mr. SWEENEY:

H. R. 9377. A bill for the relief of Harry Paul Bradford; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7424. By Mr. GOSSETT: Resolution of the Community Service Club of Newcastle, Tex., signed by S. D. Raney as president, and attested by C. E. Burris as secretary, protesting against any cut in the Work Projects Administration relating to the drought section of Young County, Tex.; to the Committee on Appropriations.

7425. By Mr. HART: Petition of Frank R. Breininger, of Lyndhurst, N. J., protesting against the prosecution of labor unions by Assistant Attorney General Arnold under the Sherman Antitrust Act; to the Committee on the Judiciary.

7426. By Mr. HULL: Petition of 21 members of Local 127, Congress of Industrial Organizations, Boxshook and Veneer Works of America; 21 members of La Crosse County Industrial Union Council, representing Congress of Industrial Organizations unions in La Crosse; 24 members of Local 56 A, American Communications Association, and 42 members of Congress of Industrial Organizations, Local 356, Milwaukee, Wis.; to the Committee on World War Veterans' Legislation.

7427. Also, petition of 55 residents of Viroqua and La Crosse, Wis.; to the Committee on Ways and Means.

7428. Also, petition of members of the William R. Shipley Post, No. 161, the American Legion, Wisconsin Veterans Home, Wisconsin; to the Committee on World War Veterans' Legislation.

7429. By Mr. KEOGH: Petition of Comrade Post, No. 987, Veterans of Foreign Wars of the United States, favoring a 6-hour-day (30-hour-week) program for all workers in the United States; to the Committee on Labor.

7430. Also, petition of the International Association of Machinists, Washington, D. C., favoring the Norton bill amending the National Labor Relations Act; to the Committee on Labor.

7431. Also, petition of the American Communications Association, Marine Division, Local 2, New York City, opposing the Smith and Norton amendments to the Wagner Act; to the Committee on Labor.

7432. By the SPEAKER: Petition of the Spokane Building and Construction Trades Council, Spokane, Wash., supporting Senate bill 591; to the Committee on Banking and Currency.

7433. Also, petition of the Sheet Metal Workers' International Association, Columbus, Ohio, supporting Senate bill 591; to the Committee on Banking and Currency.

7434. By Mr. THILL: Petition of Young Men's Christian Association employees of Milwaukee, Wis., enlisting aid in securing the benefits of the social security laws to them; to the Committee on Ways and Means.

7435. By Mr. HART: Petition of the New Jersey State Planning Board, Trenton, N. J., favoring and desiring the adoption of some plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

SENATE

MONDAY, APRIL 15, 1940

(Legislative day of Monday, April 8, 1940)

The Senate met at 12 o'clock meridian on the expiration of the recess.

The Chaplain, Rev. Barney T. Phillips, D. D., offered the following prayer:

Almighty God, fountain of life and light, whose coming forth to us is in the freshness of the morning, who seest the hours as they lie before us, for Thou knowest us better than we know ourselves: Accept from lips unfeigned our thankfulness for the rest and refreshment of the past night, for Thy watchful care, and the ministrations of Thy love. Let no indolence of mind, no spirit of perverseness becloud the vision of Thyself as we enter upon the duties of this day.

In this sacred place patriots of a former generation have spoken; may they still speak to us out of the past with a potency mightier than any living voice; may we feel the influence of their achievements, and may the hush of their unseen presence rest upon us. Help us, therefore, O God, so to live that we may worthily be numbered among those whose spirit shapes and will forever shape the best life for our people, and may that spirt now lay hold of other lives, making them bearers of its meaning as they carry its power adown the stream of time till all mankind shall know the joy and peace of a world redeemed, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the calendar day Friday, April 12, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Frazier	Lodge	Shipstead
Austin	George	Lucas	Slattery
Bailey	Gibson	Lundeen	Smathers
Bankhead	Gillette	McCarran	Smith
Barkley	Green	McKellar	Stewart
Bone	Gurney	McNary	Taft
Brown	Hale	Maloney	Thomas, Idaho
Bulow	Harrison	Mead	Thomas, Okla.
Burke	Hatch	Murray	Thomas, Utah
Byrd	Hayden	Neely	Tobey
Byrnes	Herring	Norris	Townsend
Capper	Hill	Nye	Vandenberg
Caraway	Holman	O'Mahoney	Van Nuys
Chandler	Holt	Overton	Wagner
Chavez	Hughes	Pepper	Walsh
Connally	Johnson, Calif.	Reed	Wheeler
Danaher	Johnson, Colo.	Russell	White
Donahey	King	Schwartz	Wiley
Downey	La Follette	Schwellenbach	
Ellender	Lee	Sheppard	

Mr. HILL. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MILLER], the Senator from Indiana [Mr. MINTON], the Senator from Nevada [Mr. PITTMAN], and the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS] are detained on public business.

The Senator from Arizona [Mr. ASHURST], the Senator from Idaho [Mr. CLARK], and the Senator from Virginia [Mr. GLASS] are unavoidably detained.

Mr. AUSTIN. I desire to announce that the Senator from Pennsylvania [Mr. DAVIS] and the Senator from New Jersey [Mr. BARBOUR] are unavoidably absent.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on April 13, 1940, the President had approved and signed the following acts:

S. 1372. An act for the relief of W. B. Tucker, Helen W. Tucker, Lonie Meadows, and Susie Meadows; and

S. 1962. An act granting jurisdiction to the Court of Claims to reopen and readjudicate the case of Carrie Howard Steedman and Eugenia Howard Edmunds.

STATEMENT BY THE PRESIDENT RELATIVE TO INVASION OF DENMARK AND NORWAY

Mr. KING. Mr. President, on the 13th of April the President of the United States made a statement in regard to the recent invasion of Denmark and Norway by the Nazi Government. It is a condemnation of the course of the Nazi Government.

A statement so important, coming from the President of the United States, I think ought to be incorporated in the RECORD, and I ask that the clerk may read it. The statement is very brief; and, of course, when read it will appear in the RECORD.

The VICE PRESIDENT. Without objection, the statement will be read.

The legislative clerk read as follows:

STATEMENT BY THE PRESIDENT

Force and military aggression are once more on the march against small nations, in this instance through the invasion of Denmark and Norway. These two nations have won and maintained during a period of many generations the respect and regard not only of the American people, but of all peoples, because of their observance of the highest standards of national and international conduct.

The Government of the United States has on the occasion of recent invasions strongly expressed its disapprobation of such unlawful exercise of force. It here reiterates, with undiminished emphasis, its point of view as expressed on those occasions. If civilization is to survive, the rights of the smaller nations to independence, to their territorial integrity, and to the unimpeded opportunity for self-government must be respected by their more powerful neighbors.

SCHOOLS AND TRAINING COURSES CONDUCTED BY THE GOVERNMENT (S. DOC. 182)

The VICE PRESIDENT laid before the Senate a letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a special report relating to certain schools and training courses conducted in, or by, Government departments and independent establishments, which, with the accompanying report, was referred to the Committee on Expenditures in the Executive Departments and ordered to be printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of Local Union No. 206, International Hod Carriers, Building and Common Laborers of America, of Ogden, Utah, relative to the W. P. A. construction program, which was referred to the Committee on Appropriations.

He also laid before the Senate petitions of sundry citizens of Ogden, Utah, praying that Government construction work be performed by construction companies rather than under the W. P. A., which were referred to the Committee on Appropriations.

He also laid before the Senate a resolution of the Fourth National Convention of the National Association of County Officials assembled at Houston, Tex., favoring the enactment of legislation to provide for Federal contributions (in lieu of taxes) to counties in which the Government holds lands in its proprietorial capacity as distinguished from lands held for purely governmental purposes, which was referred to the Committee on Finance.

He also laid before the Senate petitions of sundry citizens of New York City, N. Y., praying for the enactment of the bill (H. R. 801) to assure to persons within the jurisdiction of every State due process of law and equal protection of the laws, and to prevent the crime of lynching, which were ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

S. 3198. A bill to provide allowances for uniforms and equipment for certain officers of the Officers' Reserve Corps of the Army (Rept. No. 1424);

S. 3242. A bill to provide for furnishing the national flag to be used for draping the coffin of deceased members of the Officers' Reserve Corps of the Army (Rept. No. 1425);

S. 3377. A bill authorizing the Secretary of War to execute an easement deed to the State of New Mexico for the use and occupation of lands and water areas at Conchas Dam and Reservoir project, New Mexico (Rept. No. 1426);

S. 3676. A bill to withdraw certain portions of land within the Hawaii National Park and to transfer the same to the jurisdiction and control of the Secretary of War for military purposes (Rept. No. 1427); and

H. J. Res. 275. Joint resolution to authorize the President to present the Distinguished Flying Cross to Frank W. Seifert and Lt. V. Hine, deceased (Rept. No. 1428).

Mr. SCHWARTZ, from the Committee on Military Affairs, to which was referred the bill (S. 3288) for the relief of William T. J. Ryan, reported it with an amendment and submitted a report (No. 1429) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the concurrent resolution (S. Con. Res. 40) creating a special joint committee to investigate the matter of losses resulting from the Mediterranean fruitfly eradication campaign in Florida in 1929 and 1930 (submitted by Mr. SCHWARTZ on March 20, 1940), reported it without amendment.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 3765. A bill to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.; to the Committee on Commerce.

By Mr. SCHWELLENBACH:

S. 3766. A bill for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes; to the Committee on Indian Affairs.

S. 3767. A bill to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, and for other purposes; to the Committee on Civil Service.

S. 3768. A bill to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps so as to provide for an exception with respect to the University of Alaska; to the Committee on Military Affairs.

By Mr. TOBEY:

S. 3769. A bill for the relief of Jerry McKinley Thompson;

S. 3770. A bill for the relief of R. F. Harmon, Kenneth R. Jones, and Carlton J. Young;

S. 3771. A bill for the relief of James E. Carroll, Alfred S. Cloues, Clayton F. Parker, and James McCracken; and

S. 3772. A bill for the relief of Marvin O. Griffith, Roy H. McCray, Howard A. Stickney, Frank E. Whitman, and Edwin A. Hill; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

S. 3773. A bill for the relief of Charley C. B. Bokis (with accompanying papers); to the Committee on Military Affairs.

By Mr. BAILEY:

S. 3774. A bill relating to the terms of the District Court for the Eastern District of North Carolina; to the Committee on the Judiciary.

S. 3775. A bill to accept the grant to the United States of certain land by the State of South Carolina and to authorize its use by the United States Coast Guard; and

S. 3776. A bill to eliminate oaths required of masters of vessels and shippers of cargo in certain cases in which the requirement of such oaths is unnecessarily burdensome upon legitimate commerce and administratively impossible of enforcement; to the Committee on Commerce.

By Mr. HARRISON:

S. 3777. A bill to provide for uniform apportionment of benefits payable under laws administered by the Veterans' Administration; and

S. 3778. A bill to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," approved June 26, 1930; to the Committee on Finance.

By Mr. BANKHEAD:

S. 3779. A bill to extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland at or near Cedar Point and Dauphin Island, Ala.; and

S. 3780. A bill authorizing the Alabama Bridge Commission (an agency of the State of Alabama) to construct, maintain, and operate a toll bridge and causeway between Dauphin Island and the mainland at or near Cedar Point within the State of Alabama; to the Committee on Commerce.

By Mr. WALSH:

S. 3781. A bill to reimburse the city of Springfield, Mass., for expenditures made for the construction and equipment of pumping stations in connection with public works projects for flood control in the Connecticut River; to the Committee on Claims.

By Mr. KING:

S. 3782. A bill to provide for the construction, extension, and improvement of public-school buildings in Duchesne County, Utah; to the Committee on Indian Affairs; and

S. 3783. A bill to provide for the acquisition of a site and the erection thereon of a post-office building at Price, Utah; to the Committee on Public Buildings and Grounds.

By Mr. HILL:

S. 3784. A bill to designate certain Federal-aid highways from the city of Chicago, Ill., to Miami, Fla., as the Blue and Gray Highway; to the Committee on Post Offices and Post Roads.

AMENDMENT TO LABOR-FEDERAL SECURITY APPROPRIATION BILL

Mr. PEPPER submitted an amendment intended to be proposed by him to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, which was referred to the Committee on Appropriations, and ordered to be printed, as follows:

On page 34, line 11, to strike out "$1,600,000" and insert in lieu thereof the following: "and including not to exceed $100,000 for researches, investigations, and studies relating to the cause, diagnosis, and control of pneumonia, influenza, and the common cold, $1,700,000."

REREFERENCE OF A BILL

On motion by Mr. SHEPPARD, the Committee on Finance was discharged from the further consideration of the bill (S. 458) extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional, probationary, or temporary officers of the Army, Navy, Marine Corps, and Coast Guard who served during the World War, and it was rereferred to the Committee on Military Affairs.

INTERNATIONAL UNION OF AMERICAN REPUBLICS—ADDRESS BY THE PRESIDENT

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address delivered by the President on April 15, 1940, before the governing board of the Pan American Union, which appears in the Appendix.]

SILVER-PURCHASE PROGRAM

[Mr. TOBEY asked and obtained leave to have printed in the RECORD a statement made by Senator TOWNSEND on April 15 on the silver-purchase program, which appears in the Appendix.]

WAGES AND HOURS OF LABOR—ADDRESS BY SENATOR MURRAY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a radio address, Amendments to the Wage-Hour Law, delivered by Senator MURRAY on Sunday, April 14, 1940, which appears in the Appendix.]

THE TOWNSEND PENSION PLAN

[Mr. DOWNEY asked and obtained leave to have printed in the RECORD a letter addressed by him to Hon. JOHN TABER on the question of the yield under the 2-percent transactions tax provided in the Townsend bill, which appears in the Appendix.]

ADDRESS BY SENATOR MEAD ON FARM LEGISLATION

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address on farm legislation at the present session of Congress, delivered by him at Washington, D. C., on April 13, 1940, which appears in the Appendix.]

AMERICAN AGRICULTURE—ADDRESS BY EDWARD A. O'NEAL

[Mr. MEAD asked and obtained leave to have printed in the RECORD a radio address on the subject of agriculture, delivered by Edward A. O'Neal, president of the American Farm Bureau Federation, on April 13, 1940, which appears in the Appendix.]

ADDRESS BY HON. EDWARD J. NOBLE AT PATENT SESQUICENTENNIAL DINNER

[Mr. BONE asked and obtained leave to have printed in the RECORD the address delivered by Hon. Edward J. Noble, Under Secretary of Commerce, at the United States patent sesquicentennial Dinner, at the Mayflower Hotel, on April 10, which appears in the Appendix.]

COMMEMORATION OF APPROVAL OF FIRST PATENT LAW

[Mr. BONE asked and obtained leave to have printed in the RECORD an address delivered by Hon. Conway P. Coe, Commissioner of Patents, on Wednesday, April 10, 1940, at the celebration of the sesquicentennial of the signing of the first patent law, which appears in the Appendix.]

ADDRESS BY UNDER SECRETARY ALVIN J. WIRTZ, ON BONNEVILLE AND GRAND COULEE DAMS

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an address delivered by Under Secretary of the Interior Alvin J. Wirtz, at Spokane, Wash., relative to the Bonneville and Grand Coulee Dams, which appears in the Appendix.]

ADDRESS BY STATE SENATOR HARRY KENIN, OF OREGON, ON BONNEVILLE DAM

[Mr. NORRIS asked and obtained leave to have printed in the RECORD a radio address delivered on March 23, 1940, by State Senator Harry Kenin, of Portland, Oreg., on the subject of the Bonneville Dam, which appears in the Appendix.]

THE CIVIL AERONAUTICS AUTHORITY

[Mr. MCCARRAN asked and obtained leave to have printed in the RECORD an article by Gen. Hugh S. Johnson, an editorial in the Times-Herald of April 13, and an article by Frank C. Waldrop in the Times-Herald of April 14, all dealing with the proposed abolition of the Civil Aeronautics Authortiy, which appear in the Appendix.]

MERCHANTS ASSOCIATION AND TOWNSEND SILVER BILL

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an article from the Commercial and Finance Chronicle, of New York, of the issue of March 30, 1940, relating to the endorsement of the bill introduced by him to terminate foreign silver purchases, which appears in the Appendix.]

ATTITUDE OF BALTIMORE ASSOCIATION OF COMMERCE ON SILVER-PURCHASE REPEAL BILL

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD a letter from the Baltimore Association of Commerce in support of Senate bill 785, and also the report referred to in the letter, which appear in the Appendix.]

PURCHASE OF SILVER FROM MEXICO

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an editorial from the New York Times of April 11, 1940, entitled "The Note to Mexico," which appears in the Appendix.]

THE PAN AMERICAN UNION

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article by Roland Hall Sharpe entitled "Laboratory of Peaceful Living," published in the magazine section of the Christian Science Monitor, which appears in the Appendix.]

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Senate resumed the consideration of the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

The VICE PRESIDENT. When the Senate took a recess on Friday the question was on agreeing to the committee amendment, as amended.

Mr. TAFT. Mr. President, I move that line 9, on page 2, be struck from the pending committee amendment.

The VICE PRESIDENT. The Senator from Ohio offers an amendment to the committee amendment, which will be stated.

The LEGISLATIVE CLERK. On page 2 in the committee amendment it is proposed to strike out line 9.

Mr. TAFT. Mr. President, this in effect is a motion to reconsider the vote by which the amendment offered by the Senator from Kansas [Mr. REED] was defeated on Friday.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. Yes.

Mr. BARKLEY. If that is what the Senator intends to do, that is what he ought to do. The amendment he offers has been voted on and defeated.

Mr. TAFT. No; I have consulted the Parliamentarian, and he tells me that this is the preferable way to deal with the matter, because of the fact that since that motion was defeated another amendment has been made in the same words, so that it would be very confusing, although it perhaps could be done, to move to reconsider. While the particular motion I make is a different motion from that made by the Senator from Kansas [Mr. REED], it has the same ultimate effect, but not in the way in which he sought to accomplish the purpose.

Mr. BARKLEY. There has been no amendment of subsection (a), which relates alone to the sixth circuit.

The VICE PRESIDENT. Let the Chair state the parliamentary situation as the Parliamentarian has explained it to the Chair.

If the Senate should adopt the amendment offered by the Senator from Ohio, it would naturally reconsider its action in striking out "2" and inserting "3" and striking out "1" and inserting "2." That would automatically follow.

Mr. BARKLEY. That has no relationship to the sixth circuit.

The VICE PRESIDENT. That does not affect line 9 of the bill.

Mr. BARKLEY. It does not affect line 9 of the bill. None of this amendment affects line 9, which deals with a separate proposition.

The VICE PRESIDENT. It would not affect line 10, so the Parliamentarian says.

Mr. BARKLEY. But we voted last week on a motion to strike out line 9. Another amendment of the same sort is not in order. The Senator may move to reconsider the vote by which that amendment was defeated.

The VICE PRESIDENT. The Journal clerk suggests to the Chair that the Senator from Kentucky is in error; that the Senate did not vote on the question of striking out line 9 of the bill. He says the Senator from New Mexico [Mr. HATCH] withdrew that amendment.

Mr. BARKLEY. If that is what the Journal shows, the Journal is in error, because we debated here for an hour or two whether there should be an additional judge for the sixth circuit, and that provision is in line 9 of the bill, and that motion was defeated. If anything happened outside of that, I do not recall it.

The VICE PRESIDENT. The Chair is advised that the Senator from Kentucky is in error; that that was not the motion. The Journal has been approved, and that is what the Journal shows.

Mr. BARKLEY. I am subject to correction if my recollection is wrong; but I know we voted on the question of whether there should be another judge for the sixth circuit.

Mr. TAFT. Mr. President, the motion which was made on Friday was to strike out all the section and to insert in lieu thereof an additional circuit judgeship for the eighth circuit. It, therefore, changed the whole language and the whole set-up. I would just as soon move to reconsider, whichever is the proper procedure; it makes no difference to me.

Mr. BARKLEY. There was no yea-and-nay vote on the amendment. We voted viva voce against the amendment, which, as I recall, related only to the sixth circuit. An amendment was offered to strike out certain parts of the amendment brought in by the committee. That amendment was voted down; and my recollection is that there was an amendment pertaining only to the sixth circuit. If I am in error about that, of course, I wish to be corrected.

The VICE PRESIDENT. The Chair has before him the Journal as approved. In regard to this particular matter, it reads as follows:

On motion by Mr. REED to amend the part proposed to be inserted by the reported amendment by striking out all after the word "Senate", on page 2, line 7, down to and including the word "circuit", in line 10, page 2, and inserting in lieu thereof certain other words—

If the Senator will refer to the latter part of the first column of page 6662 of the RECORD, he will see the following:

The LEGISLATIVE CLERK. On page 2, line 7, beginning with the word "two", it is proposed to strike out through line 10, and to insert in lieu thereof "an additional circuit judge for the eighth circuit."

The PRESIDING OFFICER. The Chair will state to the Senator from Kansas that his amendment is not in order at present. There is an amendment pending, offered by the Senator from New Mexico [Mr. HATCH].

Mr. REED. Mr. President, I ask unanimous consent to offer my amendment as an amendment to the amendment. As a matter of fact, the amendment of the Senator from New Mexico was a substitute for the whole House bill.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. HATCH. The amendment I offered was on another occasion, when we attempted to obtain consideration of the bill. I had forgotten it. I withdraw it.

Mr. BARKLEY. The effect was the same, although the amendment may have been in different form. The effect was to strike out line 9 and to reenact line 10.

Mr. HATCH. That is correct.

Mr. TAFT. Mr. President, I was not present at the time this motion was made. This happens to be the judicial circuit from which I come. I think I am somewhat familiar with the work of the circuit court of appeals.

Reviewing the history, the circuit court for many years had three judges. Then it had four judges, and it became badly in arrears. Of the four judges, for several years one was quite sick and unable to perform any substantial work. Finally, in 1937 the judicial conference found that the present number of judges in the sixth circuit was inadequate, and recommended, I think, an additional judge.

On May 31, 1938, we created an additional judgeship for the sixth circuit, making a fifth judge. That position, however, was not filled until February 1939, when Dean Arant was appointed. He has been there only about a year, and a substantial improvement has already been made in the docket; and, as the Senator from Kansas explained, the judges of that court feel that an additional sixth judge is not necessary.

The judicial conference in 1938 recommended a sixth judge, but in 1939 the judicial conference made this statement:

Progress has been made in the disposition of these cases and the conference believes that with the present force of circuit judges—

That is, five, all active judges—

the circuit court of appeals will be able in the near future to make its docket fairly current.

So they did not recommend an additional judge for the sixth circuit. That was the action taken last fall, and it has been followed by the action of the judges themselves.

I should like to read to the Senate a telegram which was received by the chairman of the Judiciary Committee on April 2, 1940:

It is the view of all the judges of the Sixth Circuit Court of Appeals that progress with the docket during the present term indicates there is no need for a sixth judge.

XENOPHON HICKS,
Senior Circuit Judge.

You have already heard the letter written to the Senator from Michigan [Mr. VANDENBERG] by Judge Simons. It seems perfectly clear that all the judges agree that, while they are still somewhat behind in the docket, they are catching up on the docket, and that the situation, therefore, is purely temporary, and one which five judges can handle.

I have talked to lawyers in Cincinnati, which is the seat of the Sixth Circuit Court of Appeals, and their opinion is the same. They are tremendously pleased with the progress which has been made, and they feel that five judges can handle the work. Before we create an additional position carrying a salary of $12,500 and clerks and stenographers, it seems to me that certainly the need and necessity for such a position should be clearly shown to the Senate.

Under present circumstances I see no evidence whatever that any additional judge is needed at this time. I ask, therefore, that the provision for this judge be eliminated. I may say that the Senator from New Mexico [Mr. HATCH] himself made that motion when this bill came up on March 25, and evidently at that time was of the same opinion. I do not need to cite all the discussion which took place at that time.

I therefore respectfully ask that this motion be put to a vote, and on that vote that we have the yeas and nays.

Mr. VANDENBERG. Mr. President, I did not participate in the debate on Friday regarding this proposal to create a new judgeship in the sixth circuit, because I had not informed myself upon the subject. Not being a lawyer, I had no professional knowledge of the situation. Under such circumstances, it occurred to me that official spokesmen for the bar in the State of Michigan ought to be competent witnesses. Therefore I sought this professional advice. I wish now to present it to the Senate.

Mr. Julius H. Amberg, president of the Michigan State Bar Association—Mr. Amberg coming from Grand Rapids—telegraphed as follows:

I am strongly of the opinion that United States Sixth Circuit Court of Appeals does not need an additional judge at this time. Fifth judge added not long ago. Should be sufficient.

I may further identify Mr. Amberg as one of the leading lawyers of Michigan; and, if there are any political implications in the situation, I may add that he is one of the leading Democrats of Michigan.

I now present a telegram from Mr. Laurent K. Varnum, president of the Grand Rapids Bar Association:

Experience local attorneys indicates sixth circuit court steadily catching up with docket and reducing time required for appeals. This would imply that court as now constituted is more than able to hear all current cases. Our experience, therefore, confirms court's own recommendation that no additional judge necessary at present time.

This message speaks for the bar association of Grand Rapids, Mich.

I now present a message from the president of the Detroit Bar Association, Mr. Ferris D. Stone:

The lawyers in our firm, Miller, Canfield, Paddock & Stone, who are familiar with situation at Cincinnati, are unanimously of the opinion that an additional circuit judge is not needed there at present time.

I now present a telegram from former circuit judge Arthur C. Denison, who sat upon this particular court with a very honorable and able record for many years, who resigned, and who is now in practice in Cleveland, Ohio. He is certainly one of the most distinguished practitioners in the Middle West, and surely one who should know this court supremely well. Judge Denison's telegram read as follows:

I agree with Judge Simons that there is no need for an additional circuit judge.

Mr. George E. Brand, who is one of the leading practitioners in the area served by this court and whose home address is Detroit, presents this testimony:

I do not believe increase in bench Circuit Court of Appeals, Sixth Circuit, necessary or desirable. In my opinion, court as now constituted is well able to carry present and prospective case load.

I quote another eminent practitioner, Mr. Frank E. Robson, of Detroit:

Am informed you will ask reconsideration bill creating additional judge this circuit court of appeals. My experience in that work completely in hand and I understand present bench all agreed another member unnecessary. Trust you will be successful.

I read a further telegram, from James K. Watkins, former United States district attorney of Detroit, and who is thoroughly familiar with the subject which he discusses. Mr. Watkins testifies as follows:

I wish to express my opposition to proposal creating additional judgeship circuit court appeals Cincinnati. Believe it entirely unnecessary, as I understand court is abreast of docket and judges not seeking any help. Urge you oppose proposal.

Certainly one of the leading lawyers in the entire Middle West is Mr. Leo M. Butzel, of Detroit. Mr. Butzel testifies as follows:

Believing that Sixth Circuit Appeals Court as presently composed of five members is functioning efficiently, expeditiously, and to satisfaction of public and litigants, I urge your opposing any legislative effort to increase the number of judges, and personally share the unanimous opinion of present judges that such legislation is unnecessary.

Finally I present a telegram from Hal H. Smith, a partner in one of the leading law firms of Detroit:

Earnestly hope you secure reconsideration bill authorizing additional judge sixth circuit. Am advised court unanimous in opinion not needed. Am sure would embarrass administration of justice.

Mr. President, I have no opportunity to know personally of this problem, because, I repeat, I am not a lawyer; but appointments to this circuit court of appeals are for life, and it seems to me the necessity for any increase in the bench should be as emphatic as the tenure is permanent. I am totally unable to comprehend why the Senate of the United States should insist upon forcing an additional judge upon this bench against the united recommendation of the court judges and against the recommendation of the spokesmen of the bar in one of the States affected.

Mr. BARKLEY. Mr. President, it is unfortunate that the Senator from Ohio was not here Friday, because we went into this whole matter on Friday.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER (Mr. HERRING in the chair). Does the Senator from Kentucky yield to the Senator from Ohio?

Mr. BARKLEY. I yield.

Mr. TAFT. I have read every word of the debate, and I know the arguments which the Senator made, and they did not impress me, in reading them.

Mr. BARKLEY. I have no doubt the Senator read the debate, but if he had been here Friday and had presented his argument as he has today, the disposition the Senate made of the matter on that occasion probably would have been final, and we would not have to consider it again today on a motion practically to reconsider the vote by which the Senate refused to strike out the provision for this additional judge.

I do not know the lawyers who have come in at the last minute and testified, by telegram, after this matter has been pending for more than a year, after the Senate Judiciary Committee unanimously, after making its own investigation, recommended the creation of this additional judgeship, and after the House committee did likewise, and passed the bill 3 or 4 weeks ago without any protest on the part of anyone in the judicial circuit affected. As I stated Friday, if it had not been that the technical situation prevented the House from passing the Senate bill instead of its own bill, this matter would have been disposed of, and we would not now be here arguing it again.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Am I correct in supposing that the Senators who went out and examined into the situation did so in 1938, before the fifth judgeship had been created, and a year, even, before the fifth judge was appointed?

Mr. BARKLEY. I think the Senator is wrong about that. My recollection is, though I can be corrected, that they actually recommended two additional judges for the sixth circuit, and only one additional judgeship was created. My memory may be wrong as to that.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to my colleague.

Mr. CHANDLER. The chairman of the Committee on the Judiciary, the Senator from Arizona [Mr. ASHURST], when that question was raised in the Senate Friday—and it will be found on page 4421 of the RECORD—stated that the late Senator Logan, of Kentucky, made the investigation early in 1939, and recommended the additional judgeship. The Attorney General of the United States, in his report to Congress on the 3d day of January this year, recommended the additional judgeship, and the chairman of the Committee on the Judiciary of the Senate, who is not now present because of illness in his family but who took an active part in the debate Friday, stated that the committee received all the letters from the judges which have been read here, but those letters were not sufficient to change the minds of the members of the Committees on the Judiciary of both the House and the Senate, who unanimously recommended the additional judgeship for the sixth circuit on the showing made, and after the investigation by the late Senator Logan, of Kentucky.

Mr. BARKLEY. I thank my colleague for his statement. That is an accurate résumé of what occurred here last Friday.

It should be kept in mind that Judge Simons was opposed to this extra judgeship when the condition of the docket of the court was deplorable, when it actually resulted in a denial of justice to the people in the four States in the circuit. He was against it then—why, I do not know, and I have no way of knowing. It is true that Judge Hicks, who is the senior judge, sent a telegram here the other day saying that it was the unanimous view of all five judges that an additional judge was not needed. I do not intend to go into any question which would arouse controversy on that bench among the judges who sit on it, but I think I know that that telegram does not represent the unanimous view of the judges in that circuit.

It is said that improvement has been made in the condition of the docket, and no doubt improvement has been made in the last year or two. The judges certainly should have made some improvement, because of all the circuits in the United States I dare say the sixth, so far as the currency of its docket was concerned, was in as bad a condition as any other circuit. But it still is not current. There are judges on that bench whose desks are now piled up with cases which have not been considered or heard. The only reason why they have made any improvement, as I stated on Friday, has been because they sat all last year, without vacation, working day and night, in order to improve the condition of their docket.

It seems to me the question which should concern the Senate, and certainly the question which concerns the litigants and people, as well as the lawyers, in that circuit, is whether we are to say to these judges, "You have made improvement in the condition of your docket. You did it by working all the year, without vacation, and now, in order that it may be kept current, we are going to require you to do the same thing in the future." I do not think that is fair to the court or fair to the litigants or the lawyers.

The question of an extra judge in that circuit has been pending here for more than a year. A bill providing for an extra judgeship passed the Senate a year ago and went to the House. The House agreed to it; the bill came back to the Senate, and now when it is under consideration, at the last moment, certain Michigan lawyers get busy and telegraph here that the additional judge is not needed.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. The Michigan lawyers did not get busy, and the Senator misstates the case.

Mr. BARKLEY. Someone got busy. The Michigan lawyers sent these telegrams.

Mr. VANDENBERG. If the Senator will yield, I telegraphed these people asking for their opinion, because I wanted their opinion.

Mr. BARKLEY. Then the Senator from Michigan, at the last moment, after the matter had been under consideration a year and a half, got busy himself and obtained these telegrams.

Mr. VANDENBERG. That does not affect the validity of the testimony.

Mr. BARKLEY. The Senator had a right to do it, but it nevertheless creates some mystery in my mind as to why, after a year and a half, when everyone recommended this extra judgeship until within the last few months, when by overwork some of the judges have been able to bring their docket to a condition somewhere near being current, lawyers and Senators should now find it incumbent upon them to oppose the extra judgeship.

Mr. VANDENBERG. I should like to relieve the Senator's misapprehension further on that score. I was given to understand that the committee itself had come to the conclusion that it would better wait another year before the sixth circuit was given another judge. I did not anticipate that this was coming to an issue.

Mr. BARKLEY. To what committee does the Senator refer?

Mr. VANDENBERG. The subcommittee of the Committee on the Judiciary, presided over by the Senator from New Mexico [Mr. HATCH].

Mr. BARKLEY. The Senator certainly was not informed as to the action or attitude of the Judiciary Committee, because in the first place the Judiciary Committee recommended this judgeship; the House Committee recommended it; the measure came back to the Senate again, and the Judiciary Committee within the last 3 or 4 weeks recommended it. If the Senator had been as alert with respect to that as he usually is with respect to other matters he would have known that the committee in the last three weeks again had recommended the appointment of this judge, in spite of the letter of Judge Simons that an extra judge was not needed.

Mr. REED. Mr. President——

Mr. BARKLEY. I yield to the Senator from Kansas [Mr. REED].

Mr. BROWN. Mr. President, will the Senator yield?

Mr. BARKLEY. I have already yielded to the Senator from Kansas. I will yield to the junior Senator from Michigan later.

Mr. REED. Mr. President, I called attention Friday, and I again call attention to the RECORD of Monday, March 25, when the Senator in charge of the bill, the senior Senator from New Mexico——

Mr. BARKLEY. Oh, yes, the Senator called attention to that and read the RECORD about it.

Mr. REED. Well, I think that in a matter of this importance we cannot lay too much emphasis on doing the right thing, whatever that may be. The Senator from New Mexico, in charge of this bill, when he called it up under the unanimous-consent procedure, moved to strike out the additional judge for the sixth circuit, which supports the Senator from Michigan [Mr. VANDENBERG] in what he has said, and, if there is any doubt about it, all one needs to do is to read the statements of the Senator from New Mexico on pages 3345 and 3346 of the CONGRESSIONAL RECORD. The only opposition to the suggestion or the motion of the Senator from New Mexico, in charge of the bill, came from the senior Senator from Kentucky, the majority leader.

Mr. BARKLEY. Mr. President, that matter was also explained Friday, and I do not know that it is necessary to

explain it again. But the Senator from New Mexico had his attention called to the letter from Judge Simons, and as I understand, based on that alone, the Senator from New Mexico indicated that he was willing to eliminate the provision for the judge in question in order that the matter might go to conference, so that it could be worked out there, in view of additional information that might be received. But the Senator from New Mexico, merely because he had his attention called to Judge Simon's letter, and acted upon it—whether he had gone into it sufficiently or not I need not now state, and I do not, and I am sure the Senator acted in good faith about the matter——

Mr. REED. Mr. President, will the Senator yield?

Mr. BARKLEY. In a moment. Let me finish. The mere fact that the Senator from New Mexico, based upon a letter from one of the judges, was willing at the time to eliminate the provision for the judgeship in order that the matter might go to conference, certainly ought not to bind, and I am sure the Senator from New Mexico would not want to bind, the Senator in passing upon this question.

Mr. REED. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. REED. May I suggest that the date of the letter written by Judge Simons to the Senator from Michigan was more than a week subsequent to the motion of the Senator from New Mexico to strike this section from the bill?

Mr. BARKLEY. There had been a letter here from Judge Simons, because the Senator from Vermont [Mr. AUSTIN] called attention to it. It may have been a different letter.

Mr. REED. And still later, if I may suggest, came a letter from the senior circuit judge. I am very sorry to hear a member of the circuit court of appeals charged with misrepresentation, but the senior circuit judge in a telegram sent subsequent to the motion of the Senator from New Mexico, said it was the unanimous opinion that a sixth judge was not necessary. So the Senator from New Mexico could not have been actuated either by the letter from Judge Simons to the Senator from Michigan or the telegram of the senior circuit judge to the Senator from New Mexico.

Mr. BROWN. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield to the Senator from Michigan.

Mr. BROWN. I do not know whether or not anyone in Michigan has instituted the movement to telegraph to Senators to oppose an additional circuit judge in the sixth circuit, but in a telegram received by me this morning I was informed that that was the fact. I received one telegram, which was a straight, simple protest against the creation of an additional judgeship. I received a second telegram from a close personal friend of mine, who is a prominent Republican lawyer in the State of Michigan, saying that he had been requested to telegraph and ask me to oppose an additional judge in the sixth circuit. This may have all emanated from the opposition of my colleague to the creation of an additional judge, but it struck me when I read the telegram that evidently there was some kind of a movement on foot among a certain class of lawyers in the State of Michigan to oppose the creation of this additional judgeship.

If the Senator will bear with me further——

Mr. BARKLEY. I yield.

Mr. BROWN. I am obliged to leave shortly to go to Pennsylvania, and I should like to make a very brief statement. The situation in the sixth circuit is a peculiar one. As I stated the other day, it is probably the source of more patent litigation than any other circuit in the United States, because of the concentration of the automobile industry, the refrigeration industry, and industries of similar character, centering around Detroit, Cleveland, and Dayton, Ohio. The large industrial section thereabouts has caused a tremendous amount of such litigation. I am reliably informed that the senior district judge in Detroit devotes practically all his time to patent litigation, and that there is much patent litigation taken care of by other judges.

As the Senator from Kentucky knows, and as I am sure the junior Senator from Ohio knows, we have today on this bench a judge who came from the Commerce Court, which I believe was abolished; at least he came from a court that was abolished—Judge Julian W. Mack. It is well known that he is not active on that bench at all.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BROWN. I will yield in a moment. He is a New Yorker. He is not a resident of the sixth circuit. He is listed as one of the sixth circuit judges, but I do not believe that Judge Mack has been active on that bench for many years.

The Senator from Ohio asked me to yield. I call his attention to the fact that the Senator from Kentucky has the floor.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield to me?

Mr. BARKLEY. I yield.

Mr. TAFT. Judge Mack has not been active for a good many years. He never was very active in the sixth circuit, and he is not counted among the five judges.

Mr. BROWN. Judge Mack was active on that bench some years ago. He is still listed as a member of that bench, and he is absolutely inactive at this time.

Mr. TAFT. His activity was only intermittent, however; he was active only on occasion.

Mr. BROWN. He is still a member of that court and is still listed as such, but he is doing nothing, and has done nothing for the past 2 years, and there is the possibility that he will do nothing.

Mr. TAFT. The Senator, though, does not claim that he is one of the regular judges of the sixth circuit, does he?

Mr. BROWN. Yes; he is one of the regular judges of the sixth circuit.

Mr. TAFT. He would make a sixth judge—or the proposed appointment would make a seventh, if Judge Mack should be counted.

Mr. BROWN. In 1938, as was stated the other day—and it is unfortunate that we have to go over this matter a second time—the addition of two judges was recommended to that bench. We created one additional judgeship in 1938, late in the year. The judicial conference recommended an additional judge in 1938. The Attorney General, in 1938 and again in 1939, in a report dated January 3, 1940, recommended an additional judge in addition to the one, Judge Arant, who just went on the bench.

I do not know what Judge Simons' purpose is in this matter. I give him credit for being entirely sincere, as I do the lawyers. But Judge Simons' own letter says that they do not expect that this docket can be cleaned up until another year has passed, and as the Senator from Kentucky has well said, the judges on that bench—Judge Simons, Judge Hamilton, Judge Hicks, Judge Allen, and Judge Arant—are working more than the number of hours they ought to work in order to give the service which this busy circuit requires.

If Judge Simons admits that he cannot clean up this docket for a period of a year, it seems to me he ought to welcome rather than refuse help.

Mr. REED. Will the Senator from Kentucky yield to me?

Mr. BARKLEY. I yield.

Mr. REED. The Senator from Michigan has twice made the statement, once Friday and once this morning, that the Attorney General this year recommended an additional circuit judge in the sixth circuit. I hold in my hand the report of the Attorney General for 1939, from which the Senator from Michigan quoted Friday, and again today. On page 5 of that report I find these recommendations of the Attorney General, not consistent with what the Senator from Michigan, undoubtedly through a lack of information or by reason of not making a careful examination of the facts, has stated. Here is what the Attorney General said on page 5 of this last report:

> The judicial conference held on September 29, 1938, recommended the following permanent increases in judicial positions:
>
> * * * * * * *
>
> One circuit judge for the sixth district.

As I understand, that judgeship has been created, and that judge is serving.

Mr. BROWN. The Senator is mistaken about that.

Mr. REED. I am now reading from the report of the Attorney General. The Attorney General goes on to say:

> The judicial conference held on September 28, 1939, called attention to the urgency of this measure. In addition to the judicial conference for 1939 renewed its recommendation for the appointment of an additional circuit judge in the eighth circuit.

To which, Mr. President, I have never made any objection.

Then the Attorney General suggests certain district judges, but no further circuit judges; and he closes that part of his report on page 5 with this language:

> I concur in the foregoing recommendations.

Which do not include a recommendation from the judicial conference for an additional judge for the sixth circuit, but do include an additional judge for the eighth circuit.

Mr. BROWN. Mr. President, the Senator and I have had some controversy over that point. I think the Senator means to state the facts as they are, and I certainly mean to state them as they are. If the Senator will go back to the Attorney General's report for 1938, he will find this language in the report of the judges as quoted by the Attorney General:

> The Circuit Court of Appeals for the Sixth Circuit has a large accumulation of cases—

I should like to have the attention of the Senator from Kansas while I am trying to clear up what I consider to be a misapprehension.

In the report of the judicial conference in 1938, the judges—that is, the Chief Justice and the senior judges of the various circuits—said:

> The Circuit Court of Appeals for the Sixth Circuit has a large accumulation of cases, and it is apparent that in order to secure the prompt disposition of its work an additional judge will be needed even after the existing vacancy is filled.

As the Senator from Ohio [Mr. TAFT] knows, at that time we created an additional judgeship in the sixth circuit. The judicial conference had asked for its creation. At approximately the time we passed the legislation, reference was made to the fact that the existing vacancy had not been filled, and an additional judgeship was requested.

Mr. TAFT. The Senator is aware, of course, that in the following year, 12 months later, the judicial conference reversed its position and said that the additional judgeship was no longer necessary.

Mr. BROWN. I am coming to that.

On September 29, 1938, the judicial conference recommended one more circuit judge for the sixth circuit. That was in addition to the then existing vacancy, which was not a vacancy caused by death but a vacancy created by Congress through the creation of an additional judgeship.

Mr. TAFT. Is the Senator aware of the fact that although——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Ohio?

Mr. BROWN. I do not yield just now. I wish to make this statement so that the Senator from Kansas can understand it.

Then, on January 3, 1940, the Attorney General—not the judicial conference, but the Attorney General—referred to the recommendation made in 1938. I grant that that recommendation was withdrawn in 1939, but I am relying on the statement of the Attorney General. On January 3, 1940, he said that there was still need for an additional judge in the sixth circuit. That statement was made, I repeat, on January 3, 1940, in his report for the year 1939. I therefore rely upon his statement, upon the statement of the late Senator Logan, upon the investigation by the chairman of the subcommittee, the Senator from New Mexico [Mr. HATCH], upon the vote of the Senate taken last year, upon the investigation by the Senate Judiciary Committee, the vote of the House of Representatives, and the investigation made by the Judiciary Committee of the House. The Senator from Ohio [Mr. TAFT] and the Senator from Kansas [Mr. REED] ask us to overturn all that because in 1939 the judicial conference withdrew its recommendation.

Mr. BARKLEY. Mr. President, I appreciate the Senator's contribution. I wish to add only a word.

A while ago I indicated that I was not certain whether or not the telegram of Judge Hicks represented the unanimous view of the court. I based that statement on this fact: I happen to be familiar with the work of that court. One of the judges—Judge Hamilton—comes from my State, and he is one of the hardest working judges on any bench in the United States. He was a district judge, and 4 or 5 years ago he was promoted to the circuit bench. His home is in Louisville, and his office is in the Federal Building when he is at home.

Last fall, when I was in Louisville, I happened to be in the office of Judge Hamilton; and, knowing that he had worked all summer in order to help catch up with the docket, I brought up the matter of an additional judge, and he very positively indicated to me at that time that another judge was needed. If he has reversed his opinion, or changed his view about it, I have not been so advised by him; and I think that if he had changed his view about it he would not hesitate to advise me.

That is the reason why I said what I did a while ago—that if Judge Hick's telegram meant that all the judges had changed their view about the matter, I have not received any such information from at least one of the judges, with whom I am personally acquainted.

One further word: This matter has been twice passed on by the Committee on the Judiciary of the Senate. It has been passed on by the House committee. It has been twice passed on by the Senate, and there has been no difference of opinion between the House and the Senate as to the need for the extra judge. Both House and Senate committees having passed upon it—the Senate committee having passed upon it, twice—House having passed upon it once, and the Senate having already passed upon it twice, it seems to me that we ought not to reverse the action of the two Houses by adopting the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to my colleague.

Mr. CHANDLER. I think the attention of Members of the Senate who were absent when this matter was rather thoroughly debated on Friday should be called to a statement made in that debate by the chairman of the Judiciary Committee, the Senator from Arizona [Mr. ASHURST]. He said:

> The late Senator from Kentucky, Mr. LOGAN, was for some years a member of the Senate Committee on the Judiciary. He was a very conscientious and able man. He was named to make the investigation of the sixth circuit.

Some doubt has been cast on when the investigation by Senator Logan was made. It was made in 1939. Senator Logan visited every court in the circuit, and visited the judges, and came back and reported to the Senate Committee on the Judiciary that an additional judge was needed in that circuit. It was largely upon his advice, based upon his investigation and knowledge of the matter, that the Senate committee concluded that the additional judge was needed, and that the committee should not pay too much attention to letters sent to Washington.

I regret that the Senator from Ohio [Mr. TAFT] and the Senator from Michigan [Mr. VANDENBERG], who live in the circuit, were not present the other day during the debate on this bill. The whole matter was left to the Senator from Kansas [Mr. REED]. Naturally, I did not expect the Senator from Kansas to be able to tell the people of the sixth circuit whether or not they need an additional judge. So the opposition got reinforcements and came back this morning; but they do not have the facts. An attempt has been made to show that the investigation by Senator Logan was made 2 years ago. In fact, the investigation was made in the early part of 1939.

Mr. BARKLEY. Mr. President, I can corroborate what my colleague says. I was intimately acquainted with Senator Logan's activities in regard to this question. We consulted about nearly everything that pertained to the section which we attempted to represent. There is no doubt of the fact

that Senator Logan made his investigation in 1939, and he made it after Judge Arant, of Ohio, had been appointed.

Mr. REED. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield the floor.

Mr. REED. Mr. President, I can confirm what the junior Senator from Kentucky [Mr. CHANDLER] has said. I find that the late Senator Logan's recommendation was made in the early part of 1939. However, I still call attention to the fact which was fully discussed last Friday and again today, that in September 1939 the Judicial Conference stated that no additional judge in the sixth circuit was necessary. That statement has been confirmed by all the judges so far as their senior circuit judge may be believed.

Mr. TAFT. Mr. President, I wish to add only one word.

The Senator from Michigan [Mr. BROWN] has urged that, merely because a year may be needed to catch up with the docket, another judge ought to be appointed for life. That position seems to me to be absolutely untenable. We are gradually improving the docket in that circuit. While we created a fifth judgeship in May 1938, no judge was appointed. A vacancy was left by the President for nearly 10 months, until the 21st of February 1939, when Judge Arant was appointed. It is perfectly clear to the persons with whom I have talked that it is his work and his industry which have convinced everyone that, after all, five judges can handle the work. There has been no report since that time.

Senator Logan made his investigation just about the time Judge Arant was appointed. It is perfectly apparent that there has been no investigation since then. The committee has had no hearings this year on the subject. I do not see how we can go back of the decision of the judicial conference, composed of the judges themselves who are most anxious to clear up any situation which needs clearing up. I do not see how we can go back of the recommendation of five judges of the court itself, all of whom, according to Judge Hicks, the presiding judge, are opposed to the creation of an additional judgeship. How can we say that we know better than they? If they think they are going to subject themselves to tremendous work, what possible incentive have they to refuse to recommend a sixth judge? They would be the judges who would be most anxious to have a sixth judge if a sixth judge were necessary. Certainly, if there is not a clear and convincing case for an additional judge, there is no reason to provide for one. They have a good deal of patent litigation, but I see no reason to think that it is any greater in that circuit than it is in the second or third circuit or that it requires the appointment of an additional judge in the sixth circuit. The circuit has operated for many years. It was a great court and is a great court today. It is perfectly able to catch up with its work.

As Senators know, district judges are frequently appointed to serve on the circuit court of appeals. If one will go through the books, he will find district judges frequently appointed for such service.

There are some district judges in our district who are not hard worked.

I may say that the creation of an additional district judge in the southern district of Ohio was wholly unnecessary. The two judges in that district, the judge in Dayton and the judge in Cincinnati, today have not sufficient work to keep them busy. Those judges can serve on the circuit court of appeals if it is merely a question of catching up with a temporary situation; and that is all it is, and all it has been. Under those circumstances, I feel that the Senate should adopt my amendment to the committee amendment.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BROWN. This situation has been chronic. It has been that way for years and years.

Mr. TAFT. Yes; but we created a fourth judge only a few years ago, and we created a fifth judge last year; and if the number of cases filed in that court be compared with the number filed in other circuits, it will be found that five judges in that circuit are comparable to the number of judges in other circuits in relation to the number of cases filed in the circuit.

Mr. HATCH. Mr. President, I only wish to take a moment of time. There has been so much discussion of this question that I think probably there is considerable confusion in the minds of Senators about this particular judgeship.

As a matter of fact, this judgeship was included in the Senate bill originally, and also in the House bill, largely upon the recommendations of the judicial conference and the Attorney General. In the case of all these judges, the committee in charge of this work has followed, as nearly as could be, the recommendation of the judicial conference. We have not followed it in every respect. Some judges have been added which the judicial conference did not recommend and some which they did recommend have not been added.

At the moment, I am thinking of the condition in the State of Ohio, and another amendment that I contemplated offering at the same time I made the suggestion that the provision for the judge in the sixth circuit, perhaps, should go to conference, was for an additional judge for the northern district of Ohio, not that I have any information at all as to the northern district of Ohio, for I do not have, but because of the recommendation made by the judicial conference, the last one in January of this year, which strongly urged that an additional district judge be created for the northern district of Ohio. I have not conferred with the Senator from Ohio about that; I have wanted to because I did not want to offer such an amendment without consulting him.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. TAFT. I am not advised as to the northern district of Ohio or the need of a judge there. I was speaking of the southern district of Ohio when, a moment ago, I referred to the creation of an additional district judge.

Mr. HATCH. I know the judicial conference recognized, as I suppose the Senator does, the need of an additional district judge in the northern district of Ohio. I might also mention the condition in the State of Kansas, because the Senator from Kansas the other day said something about packing the courts with judges. I call the attention of the Senator from Kansas to the fact that the judicial conference on more than one occasion has recommended an additional judge for the district court of Kansas; that has been included in bills offered in the Senate, and has been excluded by the Senate Committee on the Judiciary. The Senator from Kansas realizes that situation, does he not?

I merely mention these things to show that the judicial conference and the judges are not infallible and that the Senate Committee on the Judiciary has attempted to exercise its own judgment and its own discretion in many of these cases. It tried to follow as nearly as it could the one invariable rule that judges should be created if they were needed.

Mr. REED. Mr. President——

Mr. HATCH. I yield to the Senator from Kansas.

Mr. REED. I wish only to say to the distinguished Senator from New Mexico that I have carefully examined the recommendations of the Judicial Conference. He is correct in stating that it has more than once recommended an additional district judge for the State of Kansas, which the senior Senator from Kansas and myself thought unnecessary, and so told the committee.

My view of the recommendation of the Judicial Conference is that it is a maximum and not a minimum, and I think the committee takes the same view of it, because the Senator from New Mexico is only repeating what the chairman of the committee, the Senator from Arizona [Mr. ASHURST], said more than once last year, that the committee did not always follow, and could not always follow, the recommendations of the Judicial Conference.

Mr. HATCH. Mr. President, it represents neither the minimum nor the maximum, in my opinion. We have weighed the recommendations of the conference and have given them great weight, for the recommendations of the Judicial Conference are entitled to great weight, but we have not always followed them. Sometimes we have withheld judges who

were recommended and sometimes we have included judges who were not recommended.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. TAFT. Can the Senator explain why previously he offered an amendment similar to the one I have now offered?

Mr. HATCH. Yes. It was called to my attention, though not in the manner that has been explained here on the floor—but that is immaterial—that there was doubt whether an additional judge was needed in the sixth circuit. I had no opportunity to investigate the sixth circuit, and the provision for such an appointment was included in both the House bill and the Senate bill. As a matter of fact, what the Senator from Kentucky says is absolutely true. This matter has been passed on two or three or four different times and not until recently, not until this bill came up, have I heard any question about an additional judge in the sixth circuit. I wondered about that. Why did not the Members of Congress in the other House raise some question last year when the bill was being considered originally in the House of Representatives? I was puzzled about it. I merely suggested that if the Senate agreed with me, the provision for that judge should be eliminated so that the matter would be in conference and we could investigate it.

I specifically said, I think, that I did not want to be understood as having an opinion on the subject either way, because I had no opinion on it either way, and I have none now except from what has been developed on the floor. It has been decided by both the Senate and the House; it has been decided by the Senate Committee on the Judiciary. I wish to say, out of respect to the great Senator from Kentucky, Mr. Logan, that I worked with him quite closely in the committee, and I know he was most conscientious in his investigation of all districts and circuits, of course, but he was particularly concerned about the sixth circuit. I know that. I talked with him many times about it. He made more than one trip down there looking into the situation, and when he finally made the recommendation for the additional judge, after the former one had been authorized, he did suggest the appointment, and the committee accepted the recommendation of Senator Logan, of Kentucky, because we knew that he at least was convinced that the additional judge was needed in the sixth circuit.

Mr. DANAHER. Mr. President, let me submit to the Senator a slightly different point of view with reference to this particular question. A year ago, when this matter came before the Committee on the Judiciary, of which I am a member, I certainly knew nothing about the status of the docket or the need for judges in individual districts or circuits, provision for whom was contemplated by the bill we then had before us, but I did know that the matter had been carefully investigated by very able Senators, who, as members of the subcommittee, individually had gone into the various districts and circuits. At that time I certainly accepted their report; I was convinced that it was right and proper; and therefore, Mr. President, in the committee I gladly voted to accept their recommendations and report the bill which is now before the Senate.

Within a few months our hearings went forward on a bill "to provide for the administration of the United States courts, and for other purposes." One of the prime reasons for that bill as was explained to us by the senior judges of each of the several circuits who came to Washington to testify before our committee was to expedite the consideration of cases in the United States courts, both in the districts and in the circuits. It seemed that there would be much fruit to be gleaned from passing that bill. While that bill was yet on the calendar and had not been passed, this particular pending measure came before us, and at that time I moved on this floor that it be recommitted, simply that we might be given an opportunity to gain the experience that we hoped for upon the enactment of the bill to provide for the administration of United States courts. That motion to recommit was defeated. From then on, naturally, my own support would be given to my own committee, the Committee on the Judiciary.

Mr. President, it is worthy of note that the director of the administration of the United States courts was to be appointed by the Supreme Court of the United States, and among his duties, "under the supervision and direction of the conference of senior circuit judges," was—

> 2. Examining the state of the dockets of the various courts and securing information as to their needs for assistance, if any, and the preparation of statistical data and reports of the business transacted by the courts.

Again I quote:

> The director shall submit annually to the conference of senior circuit judges a report of the activities of the administrative office and of the state of business of the courts, together with the statistical data compiled and submitted by him to the senior circuit judges as provided by clause 2 of section 304.

In addition, Mr. President, this judicial administration measure provides that each year the senior circuit judge of each circuit shall call, at a time and place that he shall designate, but at least twice in the year, a council composed of the circuit judges for that circuit who are designated by the act a council for that purpose, and thereupon such action shall be taken as may be indicated for the control and direction and administration of the business of that circuit.

Furthermore, there is a new departure in the act providing not only for participation by the district judges with the circuit judges, but also for members of the bar to appear to consider the state of the business of the courts and to advise ways and means of improving the administration of justice within the circuit.

Mr. President, that measure became law on August 7, 1939. We now have an administrator appointed by the United States Supreme Court. He is functioning. The conference of senior circuit judges has been had. The conference within each of the circuits has been had. Based on that type of experience, it seems to me that if the report of the judicial conference is to be credited with reference to the lack of need for a judge in the sixth circuit, as it has been offered as an exhibit to that end, it should be equally sustained with reference to the recommendations as to the other districts which are comprehended within the bill.

Therefore, Mr. President, so far as the particular pending amendment is concerned, having in mind that either by way of designation of a district judge or otherwise the judges may obtain additional assistance, thus effectuating the expedition of business, I believe that when the conference of senior circuit judges, held after the administration bill had become law and after the other conferences had been held, report to us that there is no need for an additional judge in this circuit, they are entitled to full faith and credit in our eyes; and therefore, even though in this particular the amendment flies in the face of a bill which was reported from the Committee on the Judiciary a year ago in March, I am willing to support that amendment, but will support the rest of the bill.

So, Mr. President, the Committee on the Judiciary acted at the time it did, in March 1939, properly on the advice and recommendation of the late Senator Logan and other members of the Judiciary Committee; but the circumstances definitely have changed since that date, and the senior circuit judges have so reported.

It seems to me the amendment of the Senator from Kansas is entitled to support, and a motion to reconsider the vote last Friday is in order, and I shall support it. I have explained, however, the position that all the members of the Committee on the Judiciary were in when that matter was before us a year ago.

Mr. CHANDLER. Mr. President, I shall detain the Senate only briefly to say that we ought to get down to brass tacks and see what the whole thing is about.

The Senator from Michigan [Mr. VANDENBERG] and the Senator from Ohio [Mr. TAFT] would like to be President

of the United States. They live in the circuit under discussion. I am a practicing lawyer in the circuit; and I will say that even if they were in the office of President of the United States, and were called upon to appoint a judge where one is very badly needed, I would give them my vote for the judge under the circumstances.

I do not know why those Senators were not active the other day when the Senator from Kansas [Mr. REED] was telling every State except Kansas that it did not need a judge, including New Jersey and various other States. He made a very game fight without any help. He went out and come back with very vigorous, active reinforcements; but I have no reason to believe the Senate will undo what they did the other day when this precise matter was before them. The Senator from Kansas stood here by himself and asked for a yea-and-nay vote. Only four or five Members held up their hands, and he could not get a yea-and-nay vote on his amendment, which was precisely the same as the amendment the Senator from Ohio [Mr. TAFT now has before us.

Just as we asked the Senate on Friday to reject the amendment of the Senator from Kansas, I ask the Senate now to reject the amendment offered by the Senator from Ohio. I sincerely hope the Senate will leave in the bill the provision for an additional judge in the sixth circuit, where he is badly needed, where litigants cannot get their cases adjudicated, where lawyers spend time and money waiting for a hearing.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lodge	Sheppard
Austin	Frazier	Lucas	Slattery
Bailey	George	Lundeen	Smathers
Bankhead	Gibson	McCarran	Smith
Barkley	Green	McKellar	Stewart
Bone	Gurney	McNary	Taft
Brown	Hale	Maloney	Thomas, Idaho
Bulow	Harrison	Mead	Thomas, Okla.
Burke	Hatch	Murray	Thomas, Utah
Byrnes	Hayden	Neely	Tobey
Capper	Herring	Norris	Townsend
Caraway	Hill	Nye	Vandenberg
Chandler	Holman	Overton	Walsh
Chavez	Hughes	Pepper	White
Connally	Johnson, Calif.	Reed	Wiley
Danaher	King	Russell	
Donahey	La Follette	Schwartz	
Downey	Lee	Schwellenbach	

The PRESIDING OFFICER. Sixty-nine Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT] to the amendment of the committee.

Mr. TAFT. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the junior Senator from Pennsylvania [Mr. GUFFEY] and vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Rhode Island [Mr. GERRY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from West Virginia [Mr. HOLT], the Senator from Arkansas [Mr. MILLER], the Senator from Indiana [Mr. MINTON], the Senator from Nevada [Mr. PITTMAN], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Montana [Mr. WHEELER] are detained on public business.

The Senator from South Dakota [Mr. BULOW], the Senator from Virginia [Mr. BYRD], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from New York [Mr. WAGNER] are detained in various Government departments.

The Senator from Arizona [Mr. ASHURST], the Senator from Idaho [Mr. CLARK], and the Senator from Virginia [Mr. GLASS] are unavoidably detained.

I am advised that if present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MILLER], the Senator from Indiana [Mr. MINTON], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], and the Senator from New York [Mr. WAGNER] would vote "nay."

Mr. KING. I have a pair with the junior Senator from New Jersey [Mr. BARBOUR]. I understand that if he were present, he would vote "nay." If I were permitted to vote, I should vote "yea." I withhold my vote.

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS], the Senator from New Jersey [Mr. BARBOUR], and the Senator from New Hampshire [Mr. BRIDGES] are unavoidably absent.

Mr. CHANDLER (after having voted in the negative). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS]. Not knowing how he would vote if present, I transfer that pair to the Senator from Indiana [Mr. MINTON] and permit my vote to stand.

The result was announced—yeas 25, nays 42, as follows:

YEAS—25

Adams	Gibson	Norris	Townsend
Austin	Gurney	Nye	Vandenberg
Burke	Hale	Reed	White
Capper	Holman	Smith	Wiley
Danaher	Johnson, Calif.	Taft	
Donahey	Lodge	Thomas, Idaho	
Frazier	McNary	Tobey	

NAYS—42

Bailey	Ellender	Lucas	Schwartz
Bankhead	George	Lundeen	Schwellenbach
Barkley	Green	McCarran	Sheppard
Bone	Harrison	McKellar	Slattery
Brown	Hatch	Maloney	Smathers
Byrnes	Hayden	Mead	Stewart
Caraway	Herring	Murray	Thomas, Okla.
Chandler	Hill	Neely	Thomas, Utah
Chavez	Hughes	Overton	Walsh
Connally	La Follette	Pepper	
Downey	Lee	Russell	

NOT VOTING—29

Andrews	Clark, Mo.	King	Truman
Ashurst	Davis	Miller	Tydings
Barbour	Gerry	Minton	Van Nuys
Bilbo	Gillette	O'Mahoney	Wagner
Bridges	Glass	Pittman	Wheeler
Bulow	Guffey	Radcliffe	
Byrd	Holt	Reynolds	
Clark, Idaho	Johnson, Colo.	Shipstead	

So Mr. TAFT's amendment to the amendment of the committee was rejected.

GREETING TO YOUNG LADIES REPRESENTING PAN-AMERICAN NATIONS

Mr. BARKLEY. Mr. President, I rise to call the attention of the Senate to a very gracious and happy situation which at this moment exists within this Chamber. The 20 republics of the Western Hemisphere with whom we are associated in our problems have, through the pan-American diplomatic corps, sent to Washington 20 young ladies, one representing each of those countries, to present to the Pan American Union a portrait of the present President of the United States. I understand the artist who painted the portrait was compensated with money obtained by subscriptions donated by the members of the diplomatic corps, and from each of the countries represented a charming young lady has been sent

to Washington to present the portrait, which will be hung in the Pan American Union Building in Washington. These young ladies flew from New York this morning and will return this afternoon.

I am happy to call the attention of the Senate to the fact that these 20 young ladies representing the pan-American countries are now in the gallery, and I suggest that the Senators rise and greet them.

(The Members of the Senate thereupon rose and applauded.)

Mr. BARKLEY. We are very happy to have these young ladies present and to welcome them on the mission which brings them to Washington, which I am sure will contribute much to the happy relations existing between the United States and these various countries in the Western Hemisphere.

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Senate resumed the consideration of the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

Mr. REED. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Frazier	Lodge	Slattery
Austin	George	Lucas	Smathers
Bailey	Gibson	Lundeen	Smith
Bankhead	Gillette	McCarran	Stewart
Barkley	Green	McKellar	Taft
Bone	Gurney	McNary	Thomas, Idaho
Brown	Hale	Maloney	Thomas, Okla.
Bulow	Harrison	Mead	Thomas, Utah
Burke	Hatch	Murray	Tobey
Byrnes	Hayden	Neely	Townsend
Capper	Herring	Norris	Vandenberg
Caraway	Hill	Nye	Van Nuys
Chandler	Holman	Overton	Wagner
Chavez	Hughes	Pepper	Walsh
Connally	Johnson, Calif.	Reed	Wheeler
Danaher	Johnson, Colo.	Russell	White
Donahey	King	Schwartz	Wiley
Downey	La Follette	Schwellenbach	
Ellender	Lee	Sheppard	

The PRESIDING OFFICER. Seventy-four Senators have answered to their names. A quorum is present.

The question is on the committee amendment as amended.

Mr. REED. Mr. President, I propose to offer several amendments in the course of the afternoon, but I have no doubt of the outcome, and I am not in the least suffering under any delusion. However, I at least will have the satisfaction at the end of the session in knowing that the RECORD will contain the actual facts with regard to the additional judgeships proposed in the pending bill. As a matter of fact, there are about 24 more district judges on the Federal bench than the records show are necessary, and when I speak of "records" I refer to the records of the Attorney General's office.

I ask the distinguished Senator from New Mexico whether his committee held any hearings this year upon the bill which was reported as a substitute for the House bill?

Mr. HATCH. I do not recall that hearings in the committee were had on this particular measure. I think what we did this year was to take the reports of the separate Senators. Is the Senator discussing the New Jersey situation?

Mr. REED. I ask whether hearings were held this year——

Mr. HATCH. Oh, no; not this year.

Mr. REED. I wanted to have that matter made clear.

Mr. HATCH. Hearings were held last year on the original Senate bill.

Mr. REED. And the Senator's committee in making its report on the pending bill relied upon the hearings held last year, and not this year, so far as the pending measure is concerned?

Mr. HATCH. So far as the committee amendment is concerned, that is true, but it is identically the same as the bill on which we did hold hearings, upon which we relied in making our report. However, technically the Senator from Kansas is correct.

Mr. REED. I hope the Senator from New Mexico will move over closer to me, or I will move over closer to him.

Mr. HATCH. I am always delighted to be close to the Senator from Kansas.

Mr. REED. I assure him and the Senate that for the next hour or so, or perhaps longer, we shall discuss this judgeship matter. I am fond of the Senator from New Mexico, even though my confidence in his desire to clean up the judiciary is a trifle shaken, as his desire in that respect does not seem to be as strong as his desire—as shown by the way he supported the measure—to clean up politics.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. HATCH. The remarks of the Senator from Kansas compel me to make a brief statement The Senator from New Mexico has never undertaken to clean up either the political situation or the judiciary. But that is beside the question. Especially has it not been the desire of the Senator to clean up the judiciary of the United States of America. The Senator desires to state that, with very very few exceptions, the judiciary of the United States is mighty clean, and is one of the fine, wholesome things connected with the Government. I for one have been proud, for the most part, of the judges of the United States.

Mr. REED. Mr. President, I may say to the Senator from New Mexico that I want to continue to be proud of the judiciary of the United States. However, what makes me fearful is the rate we are proceeding in packing the court with unnecessary judges, appointed for life, about which nothing can be done except to impeach them. These are not like persons we can hire and fire when their work is done. These men go on the pay roll and stay there until they die. The Senate ought to have more respect for itself than to impose additional judges on the taxpayers unless the necessity for them is shown to be absolute and clear.

I want to read and have appear in my remarks at this point a letter from a judge of the United States District Court for the Northern District of Texas, William Hawley Atwell, one——

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. REED. May I read the letter, and then I will yield?

Mr. SMATHERS. Will the Senator be good enough to tell me what amendment he is pursuing now?

Mr. REED. I am going to offer an amendment very shortly. I am speaking on the bill now.

Mr. SMATHERS. The Senator is speaking on the bill in general?

Mr. REED. Do not worry. I assure the Senator from New Jersey that he is going to hear more than he desires from me this afternoon.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. REED. What the Senator is going to say is that he is satisfied with what I have already stated.

Mr. SMATHERS. The Senator from Kansas reminds me of Hitler; he hands out a threat in almost every statement he makes, and imputes some improper or ulterior motives to his colleagues. I do not think that is at all becoming to the Senator from Kansas.

Mr. REED. Coming from the Senator from New Jersey, who last year admitted that a vacancy existed in a New Jersey judgeship because Boss Hague, of Jersey City, and he could not agree on who should be appointed, I do not think that statement makes much sense.

Mr. SMATHERS. Mr. President, I am amused at all the attacks on the Senate floor against Boss Hague. If the gentlemen who want to attack Boss Hague will come to New Jersey and attack him, I think they will find that they will have their hands full, and that he will be able to take care of himself. He does not need me to defend him, and I do not propose to defend him. I merely wish to say that Boss Hague at his worst is better than the best of a number of

political demagogues whom I have seen around the National Capital.

Mr. REED. Where is the Senator's mirror?

Mr. President, I now wish to read a letter from Judge William Hawley Atwell, of the northern district of Texas, which he wrote to me under date of April 4, 1940:

MY DEAR SENATOR REED: My attention has been called to your statement the other day with reference to additional Federal judges.

Of course, it would be presumptuous of me to seek to present my views upon any matter relating to some other State, or district, than my own, but you are exactly right when you declare that we already have too many Federal judges.

For instance, there are three judges in this district.

That is his own district.

One judge can do the work, and, certainly, no more than two are necessary.

We also have seven or eight Assistant United States Attorneys, when one United States Attorney, and one assistant would be entirely sufficient.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. REED. I wish the Senator from West Virginia would be kind enough to permit me to finish the letter, and then I shall be very glad to yield to him.

I happen to know something about a great many of the districts in the United States, and if you will go carefully into the different Federal departments you will find a vast increase in personnel, which is almost wholly unnecessary.

I am writing this as a taxpayer, as well as an official.

With kind personal regards, I am

Yours very earnestly,

WM. H. ATWELL, *Judge.*

I had no acquaintance with the writer of this letter before the debate was broadcast over the United States, and the letter came to me purely voluntarily. I thought it was worthy of insertion in the RECORD.

As I have said, I have no illusions about these things. The majority on the other side will defeat every amendment I shall offer; but so far as district judges are concerned, I shall show for the RECORD before I finish that with one exception none of the judges provided in the bill is necessary. I make an exception of the southern district of New York. To that additional judge I shall make no objection.

I now yield to the Senator from West Virginia.

Mr. NEELY. Mr. President, I ask the able Senator from Kansas whether the judge whose letter he has read is a State or Federal official.

Mr. REED. He is a United States district judge, writing me on his official stationery, from his own chambers.

Mr. NEELY. Did I correctly understand the Senator to read from the letter that there are three judges in that district, and that only one is needed?

Mr. REED. That is correct.

Mr. NEELY. Then, Mr. President, I ask the able Senator from Kansas if he will join me in an amendment which I shall presently offer, to abolish the judgship held by this particular official, so that there will be only one too many judges left in that district?

Mr. REED. Knowing the Senator from West Virginia as well as I do, I thought he might do something of that kind, knowing very well, of course, that I should not want to punish a man who has the courage to write the truth.

Mr. NEELY. I am certain the Senator would not; but I am also sure that he is so patriotic and so deeply interested in the financial welfare of the country that he would not want to pay, out of the Treasury, three judges to do the work which this judge says should be done by one. Let us abolish this judge and thereby relieve the taxpayers of the burden of paying his salary. Will the Senator support such an amendment? If he will, I shall offer it. I do not know whether the gentleman is a Republican or a Democrat.

Mr. REED. Neither do I.

Mr. NEELY. And I do not care; but I should like to remove from the pay roll one judge, who in effect, says that he is superfluous.

Mr. REED. Will the Senator from West Virginia join me in a resolution taking about 24 more off the pay roll?

Mr. NEELY. If the Senator can show that any other judges in the United States have said, in effect, that they are unnecessary to the public welfare, I shall join the Senator in striking them off, even though there be a hundred of them.

This judge has made a very patriotic statement. He says, in substance, "There are three of us down here, and two of us have nothing to do." In the circumstances, this judge should be given the opportunity to return to private practice.

Mr. REED. Mr. President, last Friday I put into the RECORD some statements showing the decline in the volume of litigation, as against a tremendous increase in the number of Federal judges. Since 1921, through the Harding, Coolidge, Hoover, and Roosevelt administrations, 87 district judges and 22 circuit judges have been added to the Federal bench.

Because my good friend from New Mexico [Mr. HATCH] admitted that his committee had held no hearings this year, and that the bill is based entirely upon the hearings which the committee held a year ago, I have gone back and examined the record of the hearings. I have it before me. I hold in my hand the Senate hearings of the Judiciary Committee last year, before it submitted its bill at that time.

Mr. KING. Mr. President, will the Senator yield?

Mr. REED. Certainly.

Mr. KING. I am compelled to leave the Chamber to attend a hearing of the so-called Monopoly Committee, and I shall have no opportunity to hear the address of the able Senator. Before departing from the Chamber, I will submit a brief statement.

For a number of years I have believed there have been too many Federal and State judges. When the Republicans were in power, as I recall, a request came to the Judiciary Committee for the creation of 25 Federal judgeships, largely district judgeships.

Mr. REED. I believe that is correct.

Mr. KING. I studied the matter and reached the conclusion that in a few instances only the demand for additional judges was justified.

It was alleged that the enforcement of the eighteenth amendment and the Volstead Act called for a large increase in the number of Federal judges. In some States a large number of cases were brought under the Volstead Act, but I believed that the time would come when that class of litigation would largely disappear. Many citizens—and I was among them—believed that there would be a reaction against the eighteenth amendment and the Volstead Act and they would be repealed. It was my view that the situation would soon change—so that there would be no justification for the creation of a large number of judgeships to deal with the Volstead Act.

Let me say parenthetically that some of the judges appointed following the Twenty-five Judgeship Act happened to be earnest advocates of the Volstead Act and were supporters of the new judgeship bill.

Since the Democrats have been in power, and there have been demands for increases in the number of judges, I have favored a few of such requests for an increase in the number of judges, but have believed that the situation did not call for the increases demanded. I do not want to be critical of our judicial system; but if one visited the English courts and perceived the expedition with which business was transacted, the celerity with which cases were disposed of, the earnestness and zeal of the lawyers, I think he would feel that we have fallen short in the administration of our judicial system. We take too long a time to try cases. Judges are too tolerant of lawyers. Oftentimes lawyers impose upon the courts and contribute to the delays in the final disposition of pending cases. As I have indicated, postponements occur when not warranted, and cases are not pressed for trial when they should be. The result was in many districts there was an accumulation of cases which would not have resulted if there had been zeal and earnestness on the part of lawyers and if the

courts had been as earnest and zealous as they should have been in the disposition of matters pending before them.

A year or two ago I was told that in one of the States there were nearly as many judges—I am now speaking of State judges—as there were in England, Scotland, and Wales. A few years ago I visited an English court. Several felony cases were disposed of during the day's session. In some State courts, in some Federal courts, 3 or 4 days are not infrequently consumed in disposing of four felony cases, such as I am referring to.

To repeat, I do not wish to be critical of our judicial system. We have judges of great integrity, probity, and ability, and lawyers of great skill and ability. But there are students of our judicial system who think there should be some changes leading to a more expeditious method of disposing of cases. Many people refuse to go into the courts because of the great cost involved.

I do not believe the bill under consideration should be passed in its present form. Some of the judges provided for probably are necessary, but I do not like what some call this wholesale system of creating judges.

Mr. REED. Would it interest the distinguished Senator from Utah if I interrupt him to say——

Mr. KING. I am through, and I thank the Senator for permitting me to interrupt him.

Mr. REED. That in the study I have made from the records of the Attorney General's Office—for the Judiciary Committee did not make it—every docket in every district for which an additional judge is proposed is in the best shape it has been in in 10 years.

Mr. HATCH. Mr. President, may I interrupt the Senator there?

Mr. REED. Certainly.

Mr. HATCH. The Senator from Utah [Mr. KING] is himself too good a lawyer and was too able a judge to place very great reliance upon statistics or figures so far as court work is concerned. If the Senator from Utah wants a very fine and fair analysis of present-day conditions in the courts, I refer him to the statement I placed in the RECORD last Friday by Judge Kimbrough Stone, of the eighth circuit, whom I know very well. He points out several matters which should be taken into consideration, which I know would excite and intrigue the Senator's attention. If he will read that statement, he will get a great deal of pleasure, I am sure, as well as information. It is to be found on page 4422 of the CONGRESSIONAL RECORD.

Mr. KING. Mr. President, will the Senator from Kansas yield to me?

Mr. REED. I yield.

Mr. KING. I appreciate the suggestion made by my friend, and I shall avail myself of the earliest opportunity to examine the statement. I wish to say that if I should vote for this bill, it would be largely because the able and distinguished Senator from New Mexico underwrites it. I have such confidence in him, in his integrity, in his appreciation of the needs of our Federal courts that I am loathe ever to differ from him.

Mr. HATCH. May I say to the Senator from Utah that, of course, I greatly appreciate what he says, but the Senator from New Mexico does not want anyone to vote for the bill on that ground at all. In the first place, the Senator from New Mexico has only made personal investigation as to two circuit judges and those the Senator from New Mexico had charge of were eliminated from the bill. The Senator knows how the work of the committee was carried on. The bill does come from the Committee on the Judiciary with the recommendation of that body, after the necessity for each judge having been personally investigated by some member of that committee.

Mr. REED. Mr. President, I want to say if there was concurrence between the distinguished Senator from Utah and myself——

Mr. KING. I have concurred, perhaps, too much already.

Mr. REED. That, after all, the taxpayer carries the load of expense of the United States courts, including any additions we may make thereto.

Mr. KING. Undoubtedly. Whatever we appropriate, the burden will rest upon the taxpayers of the United States, and we know that the burden is now very heavy.

Mr. REED. Mr. President, I want to refer briefly to a statement which has been prepared from the Department of Justice records, which I ask to have included in my remarks at this point.

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Without objection, it is so ordered.

The statement referred to is as follows:

Number of circuit and district judges, by fiscal year

Year ending—	Circuit	District
June 30, 1930	39	154
June 30, 1931	38	157
June 30, 1932	38	159
June 30, 1933	40	161
June 30, 1934	40	159
June 30, 1935	40	161
June 30, 1936	40	166
June 30, 1937	42	167
June 30, 1938	43	176
June 30, 1939	47	180

Authority: Department of Justice records.

Mr. REED. Mr. President, the statement shows the number of circuit and district judges by fiscal years for the last 10 years. In 1930 we had 39 active circuit judges; we now have 47.

In 1930 we had 154 district judges; we now have 180.

The table shows the increase from year to year.

In this connection, I wish to use another study that has been made, and I wish to repeat that every figure which I offer and every statement I make is based upon a study of the records of the Department of Justice. As I said on Friday, we received the utmost courtesy and the utmost cooperation from the Department of Justice in securing these records.

In the 10-year period from 1930 to 1940 criminal cases filed per judge—the Senate will note that the figures are per judge—the average number of criminal cases filed for the 10-year period was 332; in 1939, which is the last year for which complete figures are available, the number of criminal cases filed per judge was 192, which is 57.83 percent of the 10-year average.

The United States civil cases, that is to say, civil cases in which the United States is a party, the average for the 10 years is 109 per judge a year; in 1939, 68 such cases per judge were filed, which is 62.38 percent of the 10-year average.

The bankruptcy cases filed in the district court for the 10 years averaged 375; for 1939, there were 283, which is 75.46 percent of the 10-year average.

Other civil cases—that is, cases entirely between private litigants—filed during the 10-year period averaged per judge 149; filed in 1939 there were 120 such cases, which is 80.53 percent of the average for the 10 years.

I use these figures, Mr. President, to show the continued decline in litigation which these courts must handle. I have no desire unduly to detain the Senate except I do intend, Mr. President, to make a complete record upon this situation, but later, as fast as I can I shall present 10-year studies which were made for each district, because the Judiciary Committee, with all due deference to the Senator from New Mexico, did not make them.

I ask that this statement be included in my remarks at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement referred to is as follows:

Average number of criminal, civil, and bankruptcy cases filed and concluded per judge

	10 years, 1930-40	1 year, 1939	Percentage
Average number criminal cases filed in United States district court	332	192	57.83
Average number criminal cases concluded, United State district court	345	198	57.39
Average number United States civil cases filed in United States district court	109	68	62.38
Average number United States civil cases concluded, United States district court	115	78	67.82
Average number bankruptcy cases filed in United States district court	375	283	75.46
Average number bankruptcy cases concluded, United States district court	377	289	76.65
Average number other civil cases filed in United States district court	149	120	80.53
Average number other civil cases concluded, United States district court	156	132	84.61
Total filed	965	663	68.70
Total concluded	993	697	70.19
Judges in United States district courts	164	180	109.75

Does not include judges in Alaska, Hawaii, Puerto Rico, and other territorial courts.

Authority: Department of Justice records.

Mr. REED. Mr. President, there has been a good deal said here about delay in the courts. I am going to quote briefly from the highest authority in the United States as to the reasons for delay. I am not a lawyer; I am merely a layman; but I think I know that in almost every case that is tried one side or the other does not care whether the case ever goes to trial. It is not the fault of the judge. The counsel on one side or the other usually, I think, seeks delay and does delay the final adjudication of the case by any means he can use. This is what the judicial conference said on that subject at their September session 1939, last year—and I quote from page 3 of that report. As has been stated, of course, the judicial conference is composed of the Chief Justice of the United States and the senior judge from each circuit. Starting in on the question of arrearages, delays in the disposition of cases, they comment, as follows:

> There has been a marked reduction in the arrears of civil cases as disclosed by the tabular statement submitted by the Attorney General.

Then they give some relative percentage figures which, for the sake of brevity, I shall omit. Then they continue with this statement:

> We pointed out last year in considering the tabular statement submitted that to obtain a true picture of the state of judicial work it was necessary to consider the reasons why cases had been pending for a considerable time and not simply the number set forth. There are many reasons for the pendency of cases which do not involve inordinate delays. Thus, as we said last year, cases may be held to await a decision in some other jurisdiction which would make a trial unnecessary or affect the rights involved, or to await the result of negotiations for settlement; foreclosure suits may be suspended by moratorium or redemption statutes; the litigation may be ancillary to that in another jurisdiction or there may be an injunction restraining proceedings; or cases may be held awaiting appeals.

I quote that only because I have heard on this floor, and will doubtless hear again, about the delay in proceedings. I have read the highest authority in the United States as to its opinion and some of the reasons therefor.

Mr. President, I have also prepared, from the reports of the Attorney General of the United States, figured on a basis of 157 active judges, according to the Federal Register for 1939, which does not include vacancies, judges in the District of Columbia, or judges in our possessions, a statement of the average number of cases filed, terminated, and pending per judge at the end of the fiscal year ending June 30, 1939. This statement is based on a 10-year average. May I have consent to have a copy of this statement included in my remarks at this point?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

Average cases filed, concluded, and pending, per judge, for year ending June 30, 1939

	Criminal			United States civil			Other civil			Bankruptcy		
	Filed	Terminated	Pending end of year	Filed	Terminated	Pending end of year	Filed	Terminated	Pending end of year	Filed	Terminated	Pending end of year
Judge Otis Standard	-----	400	----	----	200	----	----	200	-----	-----	-----	-----
All districts except District of Columbia and possessions	207	213	61	74	84	58	99	115	110	322	329	336
Northern-southern Florida	220	231	82	60	71	42	100	134	113	65	71	84
Oklahoma: North, west, and east districts	288	354	57	77	85	57	85	109	83	177	170	189
California: Southern district	135	136	33	51	67	39	67	81	77	443	382	446

Authority: Reports of the Attorney General of the United States. Figured on basis 157 active judges, Federal Register for 1939. Does not include vacancies, judges in District of Columbia or possessions.

Mr. HATCH. Mr. President, at that point will the Senator yield?

Mr. REED. I shall be glad to yield.

Mr. HATCH. I ask the Senator if, in his study, he made any analysis of the cases on the dockets, the type and the nature of the cases, the issues involved, and those matters?

Mr. REED. The Senator very well knows that that information is not readily available to anybody.

Mr. HATCH. I was quite sure of it, but I wanted to make it clear in the RECORD.

With the Senator's further permission, I will continue reading where he stopped from the highest authority on this question. I will continue reading immediately after his quotation from the judicial conference, and go on with this quotation:

> It cannot be too often emphasized that judicial statistics require analysis and knowledge of the circumstances to which they relate, and while they may in a general sense be of value to show a trend, they often afford an inadequate basis for a just conclusion.

That ends the quotation at this time. I merely wanted to quote the Senator's own authority, to be used in connection with his own statistics.

Mr. REED. There is no difference of opinion between the Senator from New Mexico and me upon that point. I am not a lawyer. I am a trifle familiar with the work of the courts, however, and I know what the Senator has just stated to be the truth; but, after all, there is a general average.

Mr. HATCH. Mr. President, will the Senator yield once more right at that point?

Mr. REED. Certainly.

Mr. HATCH. In connection with the Senator's remarks, and the statistics he included, and the high authority which he quoted, let me say that each and every judge included in this bill, with the exception of one, is recommended as being necessary by the supreme and high authority upon which the Senator relies. That one is the district judge for Florida.

The judge for the sixth circuit, referred to in the amendment of the Senator from Kansas, which was voted down this morning, was included in this recommendation, but was afterward withdrawn.

I make that statement for the RECORD. I should not stop there, however. I should go on and say that the judicial conference even recommended at least three and possibly four other judges that the Senate Committee on the Judiciary did not see fit to insert in the bill.

Mr. REED. Mr. President, I missed a bet there. I was going to beat the Senator from New Mexico to that. I was going to call attention to the fact that his own committee

did not include in the bill three or four judges recommended by the judicial conference, although, as the Senator stated, I think it did include one that was not recommended by the judicial conference. But in order that we may have an easy line to follow, I am going to deal with them district by district as the afternoon progresses.

Mr. HATCH. Mr. President, will the Senator be kind enough to yield once more?

Mr. REED. Certainly.

Mr. HATCH. I desire to put into the RECORD another statement which has just been furnished me.

The Senator from Kansas read from a letter from the district judge for the northern district of Texas stating that there were too many judges in that district. There would seem to be an implication, perhaps, that the present administration was responsible. The Senator did not say that, but that inference could have been drawn. So I asked to be informed when the last district judgeship was created in the northern district of Texas. It was in 1919. None has been created since that time—none by this administration.

Mr. REED. I have never contended, as the Senator from New Mexico very well knows, that this is a partisan question at all.

Mr. HATCH. I did not mean that.

Mr. REED. I think the creation of judgeships may, perhaps, have been just as much abused in Republican administrations as in the present Democratic administration.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REED. In a moment, if the Senator from New Mexico pleases. The only point I make is that we must come to an end of this process at some time. Litigation is declining. The number of judges is constantly increasing. We are faced with provision for three additional circuit judgeships, which this body has already voted on, and six additional district judgeships. As to the district judges, at least, while I shall not hope to convince my friends upon the other side—seeing that they have the votes, I know what they are going to do with them, and that is all right with me—I am going to make a record for the people of the United States, based upon the official figures from the Department of Justice of this administration.

Now, I shall be glad to yield to my friend the Senator from New Mexico.

Mr. HATCH. Mr. President, my only purpose in making the statement in the RECORD about the northern district of Texas is that I was somewhat puzzled about a judge from that district writing a letter stating that there are too many judges there. I am quite familiar with the northern district of Texas, and I have never before heard that charge made. I could not recall that this administration had created any judgeships for that district, but I wanted to be sure if there was a complaint like that involved; and that is the reason why I checked up on it. It seems to me that the judge, who evidently has been there for 20 or more years—21 years, at least, since the last judgeship was created—is a little lax and a little late in bringing the information to the attention of the Congress.

Mr. REED. I do not know how lax the judge may be. I do not know him. I never heard of him until I received his letter and looked up the record. I did not know how many judges there were in the northern district of Texas; but his letter was so illuminating and so straightforward and so candid, coming from an experienced judge actually serving upon the bench, telling about conditions in his own district and referring to the knowledge he had of many other districts, that I wrote to him before I would use the letter for the RECORD; and I received his reply in which he left the matter to my own judgment. I thought it was important, just as the five circuit judges in the sixth circuit have unanimously expressed belief that no additional judge is necessary; just as the judicial conference last year receded from its previous position, expressed in 1938, that an additional judge was necessary, and said, last year, that it was not necessary. Yet this body voted for the additional circuit judge; and just as surely this afternoon, as rapidly as the band wagon can roll over me, they are going to vote for six additional district judges, but not until, if it please you, Mr. President, I have made a record in this case that the people may have.

Last year the distinguished Senator from Vermont [Mr. AUSTIN], a membr of the Judiciary Committee, introduced into the RECORD a study made by Judge Otis, of the western district of Missouri. Judge Merrill Otis is one of the outstanding jurists of the United States, of any section, of any district, of any circuit, of any political party. I did not put his opinions into the RECORD. They were put in by the ranking Republican member of the Judiciary Committee. Judge Otis, in a carefully prepared analysis of the work of the 10 heaviest districts in the United States—his own district being the eleventh heaviest—reached the conclusion which appears in the RECORD of last year. I am not going to try to reintroduce it here.

It is already in the RECORD on the discussion of this bill, introduced by a member of the Judiciary Committee.

Judge Otis reached the conclusion that a judge of ordinary ability and of fair industry could dispose of 400 criminal cases in a year, could dispose of 200 civil cases to which the United States was a party, and could dispose of 200 civil cases in which both parties were private litigants.

I wish to compare that with the average number the judges disposed of in the year. Whereas Judge Otis held that judges of average industry and ability could dispose of 400 criminal cases, the average disposed of in all districts, not including the District of Columbia, was 213. Whereas he held, after analysis—and his analysis was given wide currency in the United States because of the standing of Judge Otis as a jurist—that a judge could dispose of 200 so-called United States civil cases, the average in all districts last year was 84. Whereas he found that, in addition to these two classes of cases, a judge could reasonably dispose without overworking himself of 200 other civil cases, the average per judge in the United States was 115.

Mr. President, I have heard a great deal of talk which would have made me shed tears for the sad fate of Federal judges on account of the way they have been overworked, and are being overworked now. The only thing which deters me is the avidity with which Members of this body grab judgeships, I would not say in every case, but frequently. I take it they are not going out of this body into a place where they are to be driven like slaves. We all know that some of our colleagues at the present time entertain the hope that they will be what they call elevated, or transferred, or whatever it may be called, to the Federal bench.

I hope that if my distinguished friend the Senator from New Mexico [Mr. HATCH] wants a job on the Federal bench, he will get it. I will endorse him at any time but it will not help him any with the present administration. [Laughter.]

Mr. President, I shall talk a moment more now, because I intend to make a complete record and I have worked hard on this question. I desire to show my colleagues how these judgeships are handled. The Senator from Ohio [Mr. TAFT] told us that after Congress had created an additional circuit judgeship for the sixth circuit the President delayed the appointment from some time in 1938, if I remember the record correctly, to 1939, about 10 months. I referred last year to a vacancy existing in New Jersey because the senior Senator from New Jersey [Mr. SMATHERS] and Mayor Frank Hague, of Jersey City, could not agree upon who should be appointed.

At that time, according to the Senator from New Jersey, the vacancy had existed 10 months, or 8 months, or whatever it was. I took the figure used by the Senator from Connecticut, who is a member of the committee. The vacancy has existed until almost the present time. It was filled within the last few weeks. If my memory serves me correctly, the Senate confirmed the nomination of a judge for that vacancy in New Jersey on April 2 last. I may be mistaken as to the exact date, but it was not very far from that date.

Mr. SMATHERS. Mr. President——

Mr. REED. The Senator from New Jersey probably has the date in mind. I yield to him.

Mr. SMATHERS. Mr. President, I should like to correct the statement of the Senator from Kansas that the vacancy

was filled within the last few weeks. As a matter of fact, the vacancy was filled last fall by an ad interim appointment; the judge assumed the position and has performed his duties since last fall.

Mr. REED. When was the nomination sent to the Senate?

Mr. SMATHERS. I do not know, but it was some time the early part of the session. The judge was appointed, however, last fall, and took the oath and performed the duties and has been serving since last fall.

Mr. REED. Anyway, Mr. President, there was a very long delay in filling the vacancy. At the same time, Congress was being asked to provide an additional judge for New Jersey, when a vacancy existed because of the inability of the powers that be in New Jersey to agree upon someone to appoint.

Mr. SMATHERS. If the Senator from Kansas will permit me to make one further statement, did it ever occur to him that the delay over this judgeship was brought about by reason of a congested Federal court docket in the northern part of the State and also one in the southern part of the State, so that those interested in both parts of the State wanted the new judge so that they could relieve the docket?

Mr. REED. The Senator from New Jersey has thought up something new since last year. He did not make that statement last year.

Mr. President, let me call attention to the fact that a special bill was introduced, Senate bill 488, creating a judgeship for the eastern district of Louisiana, on January 8, 1937, on the ground, which we hear so frequently urged, that another judge was badly needed. The committee, without holding hearings—and I want the Senator from New Mexico to correct me if I am wrong—reported the bill favorably on January 18, 1938.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. HATCH. The committee did hold a hearing, perhaps not on the particular measure to which the Senator refers, but I have a very strong recollection that the committee explored the entire situation in the State of Louisiana, in the different districts, following the recommendation of the judicial conference, and made recommendations, recommending the specific judgeship to which the Senator refers. I know the senior Senator from Louisiana [Mr. OVERTON] appeared before the committee, and perhaps the other Senator from Louisiana appeared, and others also appeared.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. REED. I should like to conclude my comment on the Louisiana situation, after which the distinguished Senator from Louisiana can probably deal with the matter more adequately.

On March 9, 1938, House bill 2709 was substituted on the calendar for the one to which I have referred, and it passed the Senate March 9, 1938, and was signed by the President on March 18, 1938. A man was appointed whose name I can spell but cannot pronounce. Will the Senator from Louisiana tell me how to pronounce the name of Adrian J. C-a-i-l-l-o-u-e-t? They have a peculiar way of their own about pronunciation in Louisiana.

Mr. OVERTON. It is pronounced Kī-you-et.

Mr. REED. This man was nominated on April 2, 1940, 3 years after the bill was introduced under a claim that an additional judge was badly needed, and 2 years and a little more after the additional judge was authorized by the Congress. Have I stated the matter substantially correctly, I ask the Senator from Louisiana?

Mr. OVERTON. The Senator has in part. The able and distinguished Senator is in error, however, in stating that no hearings were held in reference to creating an additional judgeship for the district of Louisiana. Hearings were held. The additional judgeship was not only recommended by the judicial conference, but it was recommended by the Attorney General and by the judge of the district, Judge Borah, a nephew of the late lamented Senator Borah, who stated that the work before the court was ample to justify the creation of an additional judgeship, and that he needed help.

I appeared personally before the committee and testified. The Senator will find my statement in the report of the hearings. I presented to the committee a list of the pending cases and of the cases which had been disposed of, showed how far behind the court was, and the necessity for the creation of an additional judgeship at the time I appeared before the committee, and at the time the bill was reported. The bill was passed and became a law. The Senator is correct in stating that several years elapsed before the appointment was made. I regret that I had not the appointive power.

I hope the Senator will visit Louisiana, and acquaint himself with the charm and hospitality of the people and the great natural resources of the State, not only because he will be welcomed by all Louisianians but in order that he may get the contrast between the pure Anglo-Saxon speech of his State and the dulcet harmonies of our Creole French and some of the beautiful names in Louisiana, Caillouet being one of them.

Mr. REED. I suggest to the Senator from Louisiana that while I was with the Post Office Department I was, for one winter, superintendent of the southern division of the Railway Mail Service, with headquarters at New Orleans, and had a very delightful time there. I found the people of Louisiana to be very delightful people. Nothing whatever in what I have said should be taken as any criticism of the Senator from Louisiana. I am merely making the record that here was a judge provided on the ground of urgent necessity, and yet 3 years elapsed before the judge was appointed.

Mr. OVERTON. The necessity continued, and has continued up to this day.

EBERHART STEEL PRODUCTS CO., INC., VETO MESSAGE (S. DOC. NO. 181)

Mr. MEAD. Mr. President, will the Senator yield?

Mr. REED. I yield to the Senator from New York. The only reason I might be reluctant to yield to him is that whenever he introduces a bill it costs the taxpayer money. However, I am so fond of the Senator from New York that I am glad to yield to him.

Mr. MEAD. In this instance we are saving the taxpayers a little money.

I ask the Chair to hand down a veto message from the President of the United States, which was sent to the Senate today and which I understand is at the desk.

Mr. REED. Mr. President, I yield with the understanding that I am not surrendering the floor. I am simply yielding to accommodate the Senator from New York.

The PRESIDING OFFICER. The Chair informs the Senator from Kansas that the matter in question is a privileged communication, and that the Senator from Kansas, by yielding, does not lose the floor.

Mr. MEAD. I thank the Senator for yielding.

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the Senate:

I return herewith, without my approval, a bill (S. 1790) entitled "An act for the relief of the Eberhart Steel Products Co., Inc."

It appears from Government files that in 1920 the War Department entered into a series of contracts with the Eberhart Steel Products Co. for the manufacture of certain parts for military trucks. The sum of approximately $1,500,000 was paid by the Government for material accepted under the contracts. Some material was rejected on the ground that it had been manufactured pursuant to change orders which had not been issued in accordance with the requirements of the contracts. The differences between the Government and the contractor were settled by negotiations, which culminated in the acceptance by the Government of certain additional material and the payment of the further sum of approximately $375,000. The contractor, on the other hand, released the Government from any further liability. A part of the settlement involved the dismissal of a suit which the contractor had previously instituted against the Government in the Court of Claims.

In 1924 the contractor filed another suit in the Court of Claims, claiming further damages, some of which were alleged to have been caused by failure on the part of the Government to accept material in addition to that involved in the settlement. The Court of Claims held that the plaintiff was barred by the settlement from maintaining his action against the Government. It made a finding, however, that as a matter of fact the contractor had manufactured some additional material in accordance with the terms of the contracts which had been rejected by the Government.

Section 1 of the bill under consideration proposes to authorize the Court of Claims to determine the above-mentioned claim of the contractor, notwithstanding any failure of any Government official to give proper written orders for changes made in any of the contracts. It also proposes to waive any defense that the claimant is bound by the prior settlement or by the prior decision of the court. Section 1, however, contains a provision that no judgment that may be rendered shall exceed the amount heretofore found by the Court of Claims as the fair cost of manufacture of supplies left on the claimant's hands and manufactured in accordance with the terms of the original contracts and changes thereunder.

Section 2 proposes to confer on the Court of Claims authority to consider another claim, namely, a claim for losses and damages sustained by Eberhart Steel Products Co. in connection with dies, tools, plant, material, and equipment procured for making military truck parts, in reliance on assurances of officers of the War Department that additional orders would be given to the company for the manufacture of such parts. Section 2 also proposes to waive the defense that such officers lacked any authority to contract in behalf of the Government in such matters, or that such agreement was not properly executed.

The events to which this claim relates occurred about 20 year ago. As a result of lapse of time, the Government may be seriously handicapped in securing an accurate version of the facts and finding witnesses in support thereof. This difficulty is accentuated by the failure to include in the bill any maximum limitation on the amount that may be recovered under section 2. In the light of these circumstances, the Government may find itself dependent entirely upon the records produced by the claimant in support of the claim in determining the amount due, without any opportunity to check their accuracy. Moreover, the provisions of section 2 may constitute a highly undesirable precedent in other respects.

In view of the far-reaching and exceptional character of section 2 of the measure, I am unable to approve the legislation and am constrained to return the bill without my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *April 15, 1940.*

The PRESIDING OFFICER. The message will be referred to the Committee on Claims, with the accompanying bill, and printed.

INDEPENDENT OFFICES APPROPRIATIONS

Mr. BYRNES. Mr. President, there is on the desk a message from the House on House bill 7922, making appropriations for the Executive Office, and so forth, which I ask the Chair to lay before the Senate.

Mr. REED. I yield to the Senator for that purpose, with the understanding that I do not lose the floor.

Mr. BYRNES. I ask the Senator to yield with the understanding that he does not lose the floor.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 7922, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
April 12, 1940.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 13, and 14 to the bill (H. R. 7922) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1941, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate No. 17 to said bill and concur therein with an amendment as follows:

At the end of the matter inserted by said amendment insert "; but no such transfer of funds shall be made unless the consolidation of administrative functions will result in a reduction of administrative salary and other expenses and such reduction is accompanied by savings in funds appropriated to the Federal Works Agency, which savings shall not be expended for any other purpose but shall be impounded and returned to the Treasury"; and

That the House recede from its disagreement to the amendment of the Senate numbered 28 to said bill and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment insert "unless the public-housing agency shall have adopted regulations prohibiting as a tenant of any such project by rental or occupancy,".

Mr. BYRNES. In connection with amendment numbered 17, for the RECORD I desire to state that the conferees had in mind that the reduction of savings which should be impounded in the Treasury referred to a reduction in savings of the various organizations comprising the Federal Works Agency, and not solely the administrative expenses of the Federal Works Agency.

I move that the Senate concur in the House amendments to Senate amendments numbered 17 and 28.

The motion was agreed to.

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Senate resumed the consideration of the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Sheppard
Austin	Frazier	Lodge	Slattery
Bailey	George	Lucas	Smathers
Bankhead	Gibson	Lundeen	Smith
Barkley	Gillette	McCarran	Stewart
Bone	Green	McKellar	Taft
Brown	Gurney	McNary	Thomas, Idaho
Bulow	Hale	Maloney	Thomas, Okla.
Burke	Harrison	Mead	Thomas, Utah
Byrnes	Hatch	Murray	Tobey
Capper	Hayden	Neely	Townsend
Caraway	Herring	Norris	Vandenberg
Chandler	Hill	Nye	Van Nuys
Chavez	Holman	Overton	Wagner
Connally	Hughes	Pepper	Walsh
Danaher	Johnson, Calif.	Reed	Wheeler
Davis	Johnson, Colo.	Russell	White
Donahey	King	Schwartz	Wiley
Downey	La Follette	Schwellenbach	

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Seventy-five Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment, as amended.

Mr. REED. Mr. President, in about 5 minutes I shall offer an amendment to the bill. In the meantime, I wish to read into the RECORD two very short paragraphs from what Judge Otis said in his analysis, which was introduced last year by the distinguished Senator from Vermont [Mr. AUSTIN]. Judge Otis was speaking of the tendency of Congress—which we have manifested today—to grant more judges than are necessary. Judge Otis, speaking of the judges themselves, said:

> They would spurn any effort of any politician to secure the creation of some new judgeship for the mere sake of patronage, although his efforts be buttressed by some specious showing, or even by an honest showing of a need obviously transient. Packing a district court with unneeded judges is not only an economic waste; it is degrading and humiliating to every serving judge in the district affected. Responsible statesmen will welcome a measuring stick, if one can be devised, by the application of which to the work to be done in any district it can be determined whether a new judge is needed.

Mr. DAVIS. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. DAVIS. As I recall, the Senator is not a member of the Judiciary Committee.

Mr. REED. I beg to inform the Senator from Pennsylvania that I am not even a lawyer.

Mr. DAVIS. Did the Senator receive any information about a judge for the eastern district of Pennsylvania? Was there any demand from the people of eastern Pennsylvania for a judge for the eastern district?

Mr. REED. Not so far as I know. I shall come to that matter later. I have made a rather laborious, but pretty full and accurate, analysis for each district, and I shall submit that in its turn.

I now wish to quote further from Judge Otis.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. REED. I will yield in a moment when I finish this quotation.

Judge Otis is a man of high standing, who has as much respect for the Federal judiciary and for the judicial conference as any man can have; and yet Judge Otis said this:

> Even the conference of senior circuit judges occasionally has been misled to suggest additional judgeships where there was no need. The conference and Congress would do well to consult the district judges on the ground and the organized bar, not for recommendations, but for facts. They might hope to get accurate information from such sources.

I now yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I merely wished to ask the Senator from Kansas whether he was addressing himself to any amendment he now has pending, or to the bill in general.

Mr. REED. I have been talking about the bill in general. In about 5 minutes I shall reach the amendments which I propose to offer, the first of which will affect Florida.

Mr. President, I am looking around to see what has become of my distinguished friend from New Mexico [Mr. HATCH], who is in charge of the bill. I do not want to lose him. I am too fond of the Senator.

Mr. HATCH. The Senator from New Mexico is in the Chamber.

Mr. REED. I know that this question is quite boresome, and yet it is important. It is important to the country; it is important to the people; it is important to the taxpayers; it is important to the judiciary; and it is important even to the Senate.

The Senator from New Mexico stated that no hearings were held this year on the bill, and that he relied upon the hearings held last year on a bill which is identical with the pending bill. I hold in my hand a copy of those hearings. They were held on April 13 and 17, 1939, about a year ago. They consist of 20 printed pages, aside from the tables and the statement of Judge Knox. As I told the junior Senator from New York [Mr. MEAD] a few moments ago, I intend to offer no objection to an additional judgeship for the southern district of New York.

I shall start with Florida. I do not think even the distinguished Senator from New Mexico, in charge of the bill, will defend the allowance of an additional judge for Florida.

Let me read from the record of the hearings. The distinguished Senator from Vermont [Mr. AUSTIN] questioned the Senator from Florida [Mr. PEPPER]. Mr. Holtzoff, special assistant to the Attorney General of the United State, appeared; the Senator from New Jersey [Mr. SMATHERS] appeared; and then the Senator from Florida [Mr. PEPPER] appeared. The Senator from Vermont asked the Senator from Florida a number of questions which I ask to have reproduced in the RECORD from the hearings. In order to save time, I shall read only one or two. I ask that the questions by the Senator from Vermont [Mr. AUSTIN] and the answers by the Senator from Florida [Mr. PEPPER] be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

> Senator AUSTIN. In the report of the Attorney General for 1937, at page 236, it appears that the comparative table showing the approximate time required to reach the trial of cases after joinder of issues in the several district courts of the United States, shows for Florida the following facts:
>
> Northern district, as of July 1, 1936. Actions at law: All ready cases tried at term following joinder of issue. As of July 1, 1937, all ready cases tried at term following joinder of issue.
>
> Respecting suits in equity, as of July 1, 1936, cases heard promptly after joinder of issue in or out of term. As of July 1, 1937, cases heard promptly after joinder of issue in or out of term.
>
> Respecting suits in admiralty, as of July 1, 1936, cases heard promptly after joinder of issue in or out of term. As of July 1, 1937, cases heard promptly after joinder of issues.
>
> Now, then, as to the southern district, there is a ditto under July 1, 1936, and 1937, relating to actions at law.
>
> As to suits in equity, as of July 1, 1936, they were 5 months behind; but as of July 1, 1937, there was a great improvement, and cases were heard promptly after joinder of issues.
>
> There is a similar record respecting suits in admiralty. In 1936 they were apparently 3 months behind with their work, but in July 1937 cases were heard promptly after joinder of issues.
>
> Have you any comment to make about that?
>
> Senator PEPPER. No; except that I think the situation is considerably worse now than it was at that time.
>
> Senator AUSTIN. All right. We will want to know about that.
>
> Mr. HOLTZOFF. The table this year, showing the condition, as of July 1, 1938, does not disclose as good a condition as that you just now read, Senator AUSTIN, as of July 1, 1937. Apparently, there has been a falling behind during the year following.
>
> Senator PEPPER. That is my understanding.
>
> The CHAIRMAN. What is the statement in respect to that?
>
> Mr. HOLTZOFF. In the northern district for the Pensacola division, 6 months or less: Gainesville division, 6 months or less; Marianna division, 12 months or less; Tallahassee and Panama City divisions, the same. That applies to law and equity. The southern district shows 60 days in actions at law and from 30 to 60 days in equity actions.
>
> Senator AUSTIN. Apparently, there is a localized temporary condition.
>
> Senator PEPPER. I have not been in the practice for the last 3½ years, but the active practitioners at the bar and the judges say that the congestion has grown steadily worse. I do not think that is just a peculiar situation.
>
> Senator LOGAN. There is one thing that will have to be cleared up this year. I see the Florida courts are further up than any courts in the United States. That is one thing I would like to have some information on.
>
> Senator PEPPER. Mr. Chairman, if you will give me an opportunity to supplement this showing by some additional testimony, I can meet that. If you will just let this be considered a partial hearing on the subject, I will be very grateful.

Mr. REED. After several questions had been asked, the distinguished Senator from Vermont, speaking of the satisfactory condition in which the docket appeared, said:

> There is a similar record respecting suits in admiralty. In 1936 they were apparently 3 months behind with their work, but in July 1937 cases were heard promptly after joinder of issues.

The Senator from Vermont then asked the Senator from Florida if he had any comment to make about that.

The Senator from Florida [Mr. PEPPER] said:

> No; except that I think the situation is considerably worse now than it was at that time.

On the next page, page 14, the late distinguished Senator from Kentucky, Mr. Logan, said:

> There is one thing that will have to be cleared up this year. I see the Florida courts are further up than any courts in the United States. That is one thing I would like to have some information on.

And the Senator from Florida said:

> Mr. Chairman, if you will give me an opportunity to supplement this showing by some additional testimony, I can meet that. If you will just let this be considered a partial hearing on the subject, I will be very grateful.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. PEPPER. Does the Senator propose to read into the RECORD the number of cases pending at the end of the fiscal year 1938 and at the end of the fiscal year 1939, so that the facts will appear in the RECORD?

Mr. REED. To the sorrow of the Senator from Florida I intend to do that exact thing.

Mr. PEPPER. I will be very appreciative if the Senator will do that so that the record will appear.

Mr. REED. Last year the Senate passed a bill which went over to the House of Representatives, and is still lying on the Speaker's desk; the House did nothing with it; but a House bill has come over to the Senate, and is presented to the Senate without any further information, any further

hearings, or any further hearing. That may be good work for the Judiciary Committee or for any other committee. I have heard the Judiciary Committee praised, and I have no criticism of members of the committee as individuals, but I do not think they did a good job in this case. I am going to read to demonstrate that, starting in a moment. I have the hearings on the House bill. The House committee held hearings for 1 day. When I sent over for information this is what I got about the House hearing:

The House Judiciary Committee advises there were no printed hearings on H. R. 7079. The hearings lasted only 1 day and all they have is the transcript which cannot be sent out of the office.

I do not know how my office force happened to get it, but here it is. I have to return it for the files of the House committee.

Mr. President, I have stated these things to show that courts are being "packed" without due consideration by the Judiciary Committees of the two bodies.

Now I send to the desk an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 2, line 12, it is proposed to strike out "6" and insert in lieu thereof "5" and to strike out lines 18 and 19.

Mr. REED. Mr. President, will the clerk be good enough to read lines 18 and 19, so that the few Senators present may know what is being considered?

The PRESIDING OFFICER. The clerk will read as requested.

The CHIEF CLERK. On page 2, lines 18 and 19 read as follows:

(c) One, who shall be district judge for the northern and southern districts of Florida.

Mr. REED. Mr. President, on Friday last I distributed among the Senators present a table of nine pages joined together. The first two pages refer to the business of the northern and southern districts of Florida for the last 10 years. I ask to have these two pages inserted in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

10-year analysis of cases, by classes, filed, terminated, and pending in the United States District Court

[DISTRICT OF NORTHERN FLORIDA, 1 JUDGE]

	Criminal				United States civil				Other civil				Bankruptcy			
	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year
1930	115	337	332	120	11	29	18	22	96	82	44	134	107	45	35	117
1931	120	241	272	89	22	17	20	19	134	78	70	142	117	60	41	136
1932	89	370	361	98	19	79	34	64	142	102	167	77	136	66	113	89
1933	98	328	351	75	64	72	50	86	77	78	55	100	89	48	104	33
1934	75	88	122	41	----------	7	54	39	100	81	66	115	46	19	39	26
1935	41	129	139	31	39	42	44	[1] 43	115	54	59	85	26	38	18	46
1936	31	191	145	77	43	30	39	34	97	99	118	78	46	24	28	42
1937	77	141	155	63	34	29	45	18	78	64	70	72	42	20	16	46
1938	63	165	172	56	18	43	32	29	72	39	52	59	46	21	10	57
1939	56	222	188	90	29	75	69	35	59	29	51	37	57	33	41	49
[DISTRICT OF SOUTHERN FLORIDA, 4 JUDGES]																
1930	1,041	1,676	1,833	879	508	747	780	475	1,055	957	964	1,048	962	463	638	787
1931	879	1,236	1,647	468	475	723	704	494	1,048	945	960	1,033	787	495	572	710
1932	468	1,114	1,165	417	494	801	766	529	1,033	769	795	1,007	710	434	454	690
1933	417	1,058	1,187	288	529	596	647	478	1,007	664	754	917	690	356	446	600
1934	288	459	564	183	478	254	472	260	917	574	780	711	414	212	368	258
1935	183	732	667	248	260	278	273	[1] 159	711	520	581	[1] 579	258	258	243	273
1936	248	740	715	273	159	202	177	184	628	674	609	693	273	213	206	280
1937	273	539	605	207	184	198	202	180	693	533	618	608	280	175	200	250
1938	207	638	526	319	180	201	198	183	608	465	547	526	250	197	142	305
1939	319	656	736	239	183	164	215	132	526	372	483	415	305	226	244	287

[1] 1935 cases pending error in book, but must be followed to make years following tally.

Authority: Reports of the Attorney General of the United States.

Mr. REED. I will be happy to furnish any Senator interested with a copy of these tables which I distributed on Friday, if he did not get a copy then.

I wish to take up the reply of the Senator from Florida to the Senator from Vermont as to the condition of the docket through the various years.

May I inquire of the Senator from Florida if he desires a copy of these tables?

Mr. PEPPER. I thank the Senator, but I have a statement on the subject.

Mr. REED. Mr. President, there are two districts in Florida, one of which is the northern district. If anybody of any responsibility and with any understanding will take a look at the first page of the table reverting to the northern district of Florida, where there were pending at the end of 1939, 90 criminal cases, 35 United States civil cases, 37 other civil cases, and 49 bankruptcy cases, and state on this floor, on his responsibility, that that showing justifies an additional judge in that district I will be glad to hear him.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Florida?

Mr. REED. Certainly.

Mr. PEPPER. The Senator does not mean to leave the impression that an additional judge is to be provided for that district alone, does he?

Mr. REED. The additional judge is, as read by the clerk, provided for the northern and southern districts of the State of Florida.

Mr. PEPPER. That is, one for the whole State of Florida, one for the two districts; not one for each district, of course.

Mr. REED. The Senator from Florida agrees with me, does he not, that the work shown on the first page is very much less, in fact, about one-fourth, of what a judge ought to be expected fairly to handle.

Mr. PEPPER. I will be glad to have the Senator make any comparison of the volume of work which the judges have to do in either one of the Florida districts with any other district in the country, but I do not want the Senator to confuse the minds of Senators. An additional judge is not sought for the northern district of Florida or individually and singly for the southern district of Florida, but for the northern and southern districts, covering the whole State. The Senator cannot, of course, present the actual picture unless he shows the figures for both districts, for the whole State.

Mr. REED. If the Senator from Florida has the tables in front of him, all he has to do is to get the figures for the

southern district of Florida which now has three judges. Here are the figures. I hope the Senator from Vermont will listen to them because he asked the Senator from Florida about these various things, and the Senator from Florida said conditions have grown worse since 1937.

Now let me read what the facts are as to the southern district of Florida. These figures are found on the second sheet of the tables, and I again repeat they are taken from the records of the Department of Justice. Let me make a comparison of 10 years ago and now. In 1930 at the end of the fiscal year there were 879 criminal cases pending on the docket of the southern district of Florida; at the end of 1939 there were 239 cases pending.

On the United States civil docket, that is to say cases in which the United States is one of the parties, there were in 1934, 475 cases on the docket; at the end of the fiscal year, in 1939, there were 132 cases pending.

Of the other civil cases there were 1,048 cases pending at the end of 1930, and there were 415 cases pending at the end of 1939, with 3 judges on the bench.

According to any yardstick that may be applied the southern district of Florida has one more judge than it now needs.

Let me refer to what the Senator from Florida said to the Senator from Vermont. His only answer was that from 1937 conditions have grown worse. I now show the condition of the docket beginning with 1937:

In 1937 there were pending 207 criminal cases. The number has since increased to 239, but, Mr. President, it has been testified by everybody that the criminal cases in the Federal courts require very little attention from the judge; they are comparatively simple and usually easy to dispose of. The distinguished Senator from Texas [Mr. CONNALLY] made the statement last year on the floor that a Federal judge could dispose of as many as 50 criminal cases in 1 day. I do not mean every day he could do that and the Senator from Texas, of course, did not mean that, but they are usually disposed of by pleas of guilty.

As to United States civil cases, at the end of 1937 there were 180 cases pending. At the end of 1939 there were 132. As to other civil cases—which all my lawyer friends agree, and all Senators have stated in this discussion, require the principal attention of the court—at the end of 1937 there were 608 cases pending, not an unusual number for a three-judge court. At the end of 1939 there were 415 cases pending. So instead of the situation in Florida becoming worse it has become definitely better. Nobody can stand here and justify the appointment of an additional judge to a court which already has three judges, and has pending 239 United States criminal cases, 132 United States civil cases, and 415 other civil cases.

That is my case against Florida. I ask for a vote upon this amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Frazier	Lodge	Slattery
Ashurst	George	Lucas	Smathers
Austin	Gibson	Lundeen	Smith
Bailey	Gillette	McCarran	Stewart
Bankhead	Green	McNary	Taft
Barkley	Gurney	Maloney	Thomas, Idaho
Bone	Hale	Mead	Thomas, Okla.
Byrnes	Harrison	Murray	Thomas, Utah
Capper	Hatch	Norris	Tobey
Caraway	Hayden	Overton	Van Nuys
Connally	Herring	Pepper	Wagner
Danaher	Hill	Reed	Walsh
Davis	Johnson, Calif.	Russell	White
Donahey	Johnson, Colo.	Schwartz	Wiley
Downey	La Follette	Schwellenbach	
Ellender	Lee	Sheppard	

The PRESIDING OFFICER. Sixty-two Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment offered by the Senator from Kansas to the amendment reported by the committee.

Mr. REED. Mr. President, I overlooked the fact that I had a third sheet of this statement, in which I had joined the northern and southern districts together, so as to make a joint showing for the four judges. I desire briefly to comment upon that part of the statement, and then offer it for the Record. It is for both the northern and southern districts, with four judges at this time. In 1930 there were 999 criminal cases pending. In 1939 there were 329. In 1930 there were 497 United States civil cases pending. At the end of 1939 there were 167. Of the other civil cases at the end of 1930 there were 1,182 cases pending. At the end of 1939 there were 452 cases in the two districts.

I ask to have the table printed in the RECORD.

The PRESIDING OFFICER. Is there objection? There being no objection, the table was ordered to be printed in the RECORD, as follows:

10-year analysis of cases, by classes, filed, terminated, and pending the United States District Court, Northern-Southern Florida, 4 judges

	Criminal				United States civil				Other civil				Bankruptcy			
	Cases pending beginning of fiscal year	Field	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year
1930	1,156	2,013	2,170	999	519	776	798	497	1,151	1,039	1,008	1,182	1,069	508	673	904
1931	999	1,477	1,919	557	497	740	724	513	1,182	1,023	1,030	1,175	904	555	613	846
1932	557	1,484	1,526	515	513	880	800	593	1,175	871	962	1,084	846	500	567	779
1933	515	1,386	1,538	363	593	668	697	564	1,084	742	809	1,017	----------	314	550	{543 [3]633
1934	363	547	686	224	564	261	526	299	1,017	655	846	826	460	231	407	284
1935	224	861	806	279	299	320	317	[1]202	826	574	650	750	284	296	261	319
1936	279	931	860	350	302	232	206	218	725	773	727	771	319	237	234	322
1937	350	680	760	270	218	227	247	198	771	597	688	680	322	190	216	296
1938	270	803	698	375	198	244	230	212	680	504	599	585	296	218	152	362
1939	375	878	924	329	212	239	284	167	565	401	534	452	362	259	285	336
Total	----------	11,052	11,887	----------	----------	4,587	4,829	----------	----------	7,179	7,853	----------	----------	3,308	3,958	----------

[1] These do not tally. Error in book.
[2] Pending figures different from those shown annual report for 1936. Having revised error figure previously recorded.
[3] 1935 cases pending error in book, but must be followed to make years following tally.
Authority: Reports of the Attorney General of the United States.

Mr. REED. Mr. President, I have examined all the bills, and I want the Senator from Florida to correct me if I am wrong, but I do not find that the House ever included provision for a judge for Florida in a bill which was reported from the Committee on the Judiciary to the House.

Mr. PEPPER. Mr. President, I appreciate the Senator making the inquiry, because there is room for some confusion in the RECORD.

When the House Committee on the Judiciary first reported the bill it did not contain provision for a Florida judgeship. Subsequent to that time the House committee reconsidered the matter and favorably reported a bill containing provision for a Florida judgeship. When the bill was before the House, Mr. WALTER of Pennsylvania, chairman of the subcommittee handling the matter, in a position analogous to that of the able Senator from New Mexico [Mr. HATCH] in this body,

offered an amendment providing for the Florida judgeship. I regret to say that on a strictly party vote the amendment was defeated, the vote being 89 ayes to 93 noes, as appears on page 2909 of the CONGRESSIONAL RECORD. I do not know of any Democrat in the House who voted against the amendment that afternoon. So the fact is that the bill was favorably reported by the Senate committee and favorably reported by the House committee, that the judgeship was provided for in the Senate bill by the Senate itself, and failed by four votes in the House of Representatives when the matter was considered in the House, in spite of the fact that the amendment was actually offered on the floor as a committee amendment by the chairman of the subcommittee.

Mr. REED. Mr. President, nothing is further from my desire than to misstate, or to leave any wrong impression. The bill as it came from the House to the Senate did not contain provision for a judge for the northern and southern districts of Florida. It did contain provision for a judge for Georgia, which the Senate committee has stricken out.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Kansas to the amendment of the committee, which will be stated.

The LEGISLATIVE CLERK. It is proposed to strike from the amendment of the committee on page 2, line 12, the word "six," and to insert in lieu thereof the word "five", and to strike out lines 18 and 19, as follows:

(c) One, who shall be a district judge for the northern and southern districts of Florida.

The PRESIDING OFFICER. There are two amendments; but if there be no objection, they will be voted on together.

Mr. REED. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

During the call of the roll,

Mr. REED. A parliamentary inquiry. There is some confusion as to the question before the Senate. Will the Chair be good enough to state what the question is?

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Kansas, to strike from the bill on page 2, line 12, the word "six" and to insert in lieu thereof the word "five", and to strike out lines 18 and 19.

Mr. REED. Lines 18 and 19 provide for an additional judge for the northern and southern districts of Florida.

Mr. HARRISON. Regular order.

The PRESIDING OFFICER. The clerk will continue with the call of the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. HILL. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senator from Virginia [Mr. BYRD], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MILLER], the Senator from Indiana [Mr. MINTON], the Senator from Nevada [Mr. PITTMAN], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], and the Senator from Montana [Mr. WHEELER], are detained on public business.

The Senator from Delaware [Mr. HUGHES], the Senators from Utah [Mr. KING and Mr. THOMAS], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Tennessee [Mr. MCKELLAR] are absent, attending important committee meetings.

The Senator from South Dakota [Mr. BULOW], the Senator from Nebraska [Mr. BURKE], the Senator from Kentucky [Mr. CHANDLER], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Iowa [Mr. HERRING], and the Senators from West Virginia [Mr. HOLT and Mr. NEELY] are detained in various Government departments.

The Senator from Virginia [Mr. GLASS], the Senator from Idaho [Mr. CLARK], and the Senator from Rhode Island [Mr. GERRY] are unavoidably detained.

I am advised that if present and voting, the Senator from Florida, the Senator from Mississippi, the Senator from Michigan, the Senators from Missouri, the Senators from Maryland, the Senator from Pennsylvania, the Senator from Arkansas, the Senator from Indiana, the Senator from Delaware, the Senator from Tennessee, the junior Senator from Utah, the Senator from Kentucky, the senior Senator from West Virginia, and the Senator from Iowa would vote "nay."

I desire to announce the following general pairs on this question:

The Senator from Virginia [Mr. GLASS] with the Senator from Minnesota [Mr. SHIPSTEAD];

The Senator from Utah [Mr. THOMAS] with the Senator from New Hampshire [Mr. BRIDGES];

The Senator from South Dakota [Mr. BULOW] with the Senator from Michigan [Mr. VANDENBERG]; and

The Senator from Utah [Mr. KING], who would vote "yea," with the Senator from New Jersey [Mr. BARBOUR], who would vote "nay."

Mr. STEWART. I have a general pair with the Senator from Oregon [Mr. HOLMAN]. I transfer that pair to the senior Senator from Florida [Mr. ANDREWS], who, I am informed, would vote "nay," and vote.

Mr. AUSTIN. The Senator from Delaware [Mr. TOWNSEND], who would vote "yea" if present and voting, has a general pair with the Senator from Tennessee [Mr. MCKELLAR], who if present and voting would vote "nay."

Mr. DAVIS (after having voted in the affirmative). I transfer my general pair with the Senator from Kentucky [Mr. CHANDLER] to the Senator from Idaho [Mr. THOMAS], who would vote "nay" if present, and allow my vote to stand.

The result was announced—yeas 18, nays 41, as follows:

YEAS—18

Austin	Gibson	McNary	Tobey
Bailey	Gurney	Norris	White
Capper	Hale	Reed	Wiley
Davis	Johnson, Calif.	Smith	
Donahey	Lodge	Taft	

NAYS—41

Adams	Frazier	Lucas	Sheppard
Ashurst	George	Lundeen	Slattery
Bankhead	Gillette	McCarran	Smathers
Barkley	Green	Maloney	Stewart
Bone	Harrison	Mead	Thomas, Okla.
Byrnes	Hatch	Murray	Van Nuys
Caraway	Hayden	Overton	Wagner
Connally	Hill	Pepper	Walsh
Danaher	Johnson, Colo.	Russell	
Downey	La Follette	Schwartz	
Ellender	Lee	Schwellenbach	

NOT VOTING—37

Andrews	Clark, Idaho	McKellar	Thomas, Idaho
Barbour	Clark, Mo.	Miller	Thomas, Utah
Bilbo	Gerry	Minton	Townsend
Bridges	Glass	Neely	Truman
Brown	Guffey	Nye	Tydings
Bulow	Herring	O'Mahoney	Vandenberg
Burke	Holman	Pittman	Wheeler
Byrd	Holt	Radcliffe	
Chandler	Hughes	Reynolds	
Chavez	King	Shipstead	

So Mr. REED's amendment to the amendment of the committee was rejected.

Mr. REED. Mr. President, we have now reached Oklahoma. I wish to say that again we have a judgeship which the House did not include in the bill as it came to the Senate. We have here a situation very much like the situation in Florida.

Mr. President, in the tables which have been prepared from the records of the Department of Justice we have the records for two of the districts of Oklahoma. The additional judge is for the western district of Oklahoma.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. Is there an amendment pending?

The VICE PRESIDENT. There is. The question is on the committee amendment as amended.

Mr. BARKLEY. I mean is there pending any amendment to the committee amendment as amended.

The VICE PRESIDENT. There is no particular amendment pending at the moment.

Mr. REED. Mr. President, I am talking about the committee amendment as amended.

Mr. BARKLEY. Mr. President, I make the point of order that the Senator from Kansas has already made two speeches on the bill and the committee amendment, and so he has exhausted his right to make speeches on the bill and the committee amendment for this day. If he wants to offer an amendment which he wishes to discuss, I have no objection, but the Senator has already exhausted his right to speak on the general bill.

Mr. REED. Mr. President, I offer an amendment to the committee amendment, and ask to have it stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 2, line 12, it is proposed to strike out "six" and insert in lieu thereof "five"; and, in lines 15 and 16, it is proposed to strike out "western district of Oklahoma."

Mr. REED. Mr. President, we have a situation here very much like that in Florida. Doubtless the vote will result the same way as did the vote on the judgeship in Florida. I ask permission that the two tables which have been prepared from the Department of Justice records, may be inserted at this point in my remarks, and then I wish to discuss them.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

10-year analysis of cases, by classes, filed, terminated, and pending in United States District Court

[DISTRICT OF EASTERN OKLAHOMA, 1 1-3 JUDGES]

	Criminal				United States civil				Other civil				Bankruptcy			
	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year
1930	282	732	797	217	78	170	88	160	259	166	176	249	392	238	252	378
1931	217	949	839	327	160	149	124	185	249	147	251	145	378	216	257	337
1932	327	1,509	1,466	370	185	272	132	325	145	175	159	161	337	213	224	326
1933	----------	1,466	1,464	372	----------	105	233	197	----------	79	126	112	----------	130	168	288
1934	----------	701	874	199	----------	100	191	106	----------	95	113	94	288	161	161	288
1935	199	769	692	276	106	111	160	[1] 124	94	93	96	[1] 95	288	441	246	483
1936	276	732	721	287	72	53	65	60	88	101	96	93	483	282	241	524
1937	287	666	699	254	60	79	56	83	93	95	71	117	524	200	255	469
1938	254	550	511	130	83	56	63	76	117	96	123	90	469	203	340	332
1939	293	458	671	80	76	86	95	67	90	71	97	64	332	112	238	206

[WESTERN DISTRICT OF OKLAHOMA, 1 1-3 JUDGES]

1930	600	547	606	541	148	104	53	199	269	249	252	266	218	299	322	195
1931	541	521	558	504	199	93	112	180	266	287	307	246	195	298	246	247
1932	504	724	928	300	180	154	128	206	246	309	233	322	247	389	373	263
1933	300	794	922	172	206	111	78	239	322	308	229	401	233	265	364	164
1934	172	347	445	74	239	67	152	154	401	289	282	408	164	212	262	114
1935	74	525	487	112	154	152	181	[2] 125 / [3] 124	408	304	331	[2] 381 / [3] 354	114	547	343	318
1936	112	487	436	163	124	177	161	140	380	254	322	312	318	354	356	316
1937	163	436	396	203	140	95	130	105	312	195	265	242	316	285	99	322
1938	203	346	419	130	105	145	139	111	242	235	216	261	322	335	296	361
1939	130	396	423	103	111	107	134	84	261	158	224	195	361	258	317	302
Total	----------	5,123	5,620	----------	----------	1,205	1,268	----------	----------	2,588	2,661	----------	----------	3,242	2,978	----------

[1] 1935 cases pending error in book, but must be followed to make years following tally.
[2] Our figure, which is correct.
[3] 1935 cases pending error in book, but must be followed to make years following tally.
Authority: Reports of the Attorney General of the United States.

The VICE PRESIDENT. The Chair wishes to make a statement with respect to the point of order just made. The Chair did not rule on the point of order. The Chair asked the parliamentarian how many times the Senator from Kansas had spoken on the committee amendment, as amended. The parliamentarian told the Chair that the Senator from Kansas had spoken once today and once Friday.

The Chair wishes to state to the Senate once more that so far as the Chair is concerned, a day means 24 hours, and does not mean 48 hours, or 48 days. The Chair wishes that to be understood, so that when the Chair rules on the point of order the Senate can overrule the Chair if it sees fit to do so. But the Chair is going to hold that 24 hours is a day.

Mr. BARKLEY. Will the Chair permit an inquiry to be made?

The VICE PRESIDENT. Indeed.

Mr. BARKLEY. The Senator from Kansas spoke this morning on the bill and the pending amendment. He yielded to another Senator to make a point of no quorum, which was done, and the Senator from Kansas, thereafter, continued to speak on the pending matter, without any specific amendment being before the Senate. Does that mean that the Senator has made one speech or two speeches today?

The VICE PRESIDENT. The Chair wishes the Senate to understand, as the Chair has remarked before, that, in the judgment of the Chair, a day means 24 hours.

Mr. BARKLEY. The point I made is that for the 24 hours——

The VICE PRESIDENT. And if the Senator has spoken twice today since the Senate went into session at 12 o'clock he undoubtedly cannot again speak on the committee amendment.

Mr. BARKLEY. That is the point I made.

The VICE PRESIDENT. The point of order is sustained, if the statement of facts outlined by the Senator from Kentucky is correct.

Mr. REED. The Senator from Kentucky might also mention the fact that the Senator from Kansas yielded to the Senator from South Carolina [Mr. BYRNES] to have action taken upon a conference report, and the Senator from Kansas also yielded to the junior Senator from New York [Mr. MEAD] for the purpose of dealing with a veto message of the President.

The VICE PRESIDENT. When the Senator from Kansas yields, after having spoken on the amendment, and thereafter again yields the floor, after having spoken on the same amendment, he has spoken twice on the same day.

Mr. BARKLEY. I wish to take no advantage of the Senator with regard to yielding to take up conference reports, because they are automatically more or less privileged, but when the Senator occupies the floor in what is evidently an effort to delay a vote on the bill, and then either himself makes the point of no quorum, or yields to some other Senator for that purpose, he yields the floor, and although as a matter of courtesy and custom we permit him to go on and speak again, he has made two speeches, because when the

Senator yields the floor and occupies it again he occupies it for the second time.

Mr. BYRNES. Mr. President, I wish to say that the Senator from Kansas yielded to me to offer a conference report, with the understanding that he did not yield the floor. Unanimous consent was granted at that time.

The VICE PRESIDENT. That puts a different face on the matter. If unanimous consent was granted by the Senate when the Senator yielded the floor for the purpose of action being taken on a conference report, that the Senator would not lose the floor thereby; of course, then, he did not lose the floor.

Mr. BARKLEY. Mr. President, I make no point on that score. I was present, and I know the Senator yielded on the understanding that it did not take him from the floor. That is not the point I make. I say, however, that when a Senator has the floor and speaks for any considerable time, or at all, and then yields to another Senator to make a point of no quorum, he yields the floor, and if he occupies it again it is a second speech.

The VICE PRESIDENT. The Senator's statement in connection with the parliamentary situation is correct.

Mr. MEAD. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from New York?

Mr. REED. Mr. President, I think the Senator wants to make a statement similar to that made by the Senator from South Carolina.

The VICE PRESIDENT. If the Senator from Kansas yields to the Senator from New York for other than a question, under the peculiar rules of the Senate he yields the floor.

Mr. REED. Mr. President, I ask unanimous consent to let the Senator from New York make his statement without displacing me from the floor.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Chair recognizes the Senator from New York.

Mr. MEAD. Mr. President, I asked the Senator from Kansas if he would yield to me in order that the Chair might hand down a veto message from the President of the United States, with the understanding that the Senator from Kansas would not lose any of the privileges that would normally belong to him were he to refuse to yield to me.

Mr. REED. Mr. President, I now wish to address myself to the amendment to the committee amendment, as it relates to the additional judge for the western district of Oklahoma. I live close enough to Oklahoma to know something about Oklahoma. A part of the population of Oklahoma had to leave Kansas and it went to Oklahoma. Consequently they have more criminal business in Oklahoma than we have in Kansas. But, Mr. President, they have more judges in Oklahoma now. The population of Oklahoma is 2,600,000, and there are four Federal judges there. The State of Kansas, with approximately 2,000,000 people, has one Federal judge.

Mr. President, Kansas and Oklahoma are both oil-producing States. They are both farming States. Oklahoma raises cotton; Kansas raises wheat. There is no great dissimilarity between conditions in Oklahoma and Kansas, except Oklahoma has some people who did not find it healthy to stay in Kansas.

The tables which I have presented for the RECORD cover a period of 10 years. At the end of the year 1930 there were pending 217 criminal cases in the eastern district of Oklahoma. At the end of 1939 there were 80 cases pending.

Of the United States civil cases there were 160 pending at the end of 1930. As the end of 1939 there were 67 such cases pending.

Other civil cases, as has been previously stated, are regarded as taking more time of the court. Back in 1930 in the eastern district of Oklahoma there were 249 such cases pending.

At the end of 1934, 64 cases were pending. By any yardstick that can be used, the eastern district of Oklahoma does not produce sufficient business to occupy the time of a judge for one-third of his time.

Let me discuss the western district of Oklahoma. I will very frankly say that business in that district is much heavier. At the end of 1930, 541 criminal cases were pending. At the end of 1939 the number had been reduced to 103. At the end of 1930, 199 United States civil cases were pending. At the end of 1939 there were 84. Of the other civil cases pending, there were 266 in 1930 and 195 on the 30th of last June.

It must be remembered that the western district of Oklahoma now has one and one-third judges. There is a roving judge in Oklahoma who goes from one district to another; and he is available, as well as whatever assistance can be rendered by the judge from the eastern district, which has not enough business to keep a judge occupied one-third of the time. There is absolutely no justification for an additional judge for the western district of Oklahoma. The House refused to recognize it and the provision was inserted by our own Judiciary Committee when the bill was reported.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. REED. I yield to the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. I am sure the Senator from Kansas desires the record to be stated accurately. The statement just made is a misstatement of the record. When we sent the bill to the House, the House paid no attention to our bill. That was last July, if I remember correctly.

Mr. REED. That is correct.

Mr. THOMAS of Oklahoma. Then, during the present session the House took up its own bill, reported from its own committee, and finally passed the bill. The bill sent to us from the House contains a provision for an additional judge for Oklahoma.

Mr. REED. I think the Senator is correct. My recollection is that the House committee, as it reported the bill to the House, did not include in the bill a judge for Oklahoma.

Mr. THOMAS of Oklahoma. The Senator is correct in that statement.

Mr. REED. But a provision for an additional judge for the western district of Oklahoma was inserted on the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). The clerk will call the roll?

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Schwartz
Ashurst	Downey	La Follette	Schwellenbach
Austin	Ellender	Lee	Sheppard
Bailey	Frazier	Lodge	Slattery
Bankhead	George	Lucas	Smathers
Barkley	Gibson	Lundeen	Smith
Bone	Gillette	McCarran	Stewart
Bulow	Green	McKellar	Taft
Burke	Gurney	McNary	Thomas, Idaho
Byrnes	Hale	Maloney	Thomas, Okla.
Capper	Harrison	Mead	Tobey
Caraway	Hatch	Murray	Van Nuys
Chandler	Hayden	Norris	Wagner
Chavez	Hill	Overton	Walsh
Connally	Hughes	Pepper	White
Danaher	Johnson, Calif.	Reed	Wiley
Davis	Johnson, Colo.	Russell	

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. A quorum is present.

Mr. LEE. Mr. President, the Senator from Kansas [Mr. REED] has made the argument that Oklahoma does not need an additional judge, as recommended by the judicial conference. The Senator from Kansas also has made the statement that a number of people had to leave Kansas and go to Oklahoma. It is true Oklahoma has been on the receiving end from Kansas of a considerable amount of dirt and wind. It may be that during the administration of the Senator while he was Governor of Kansas a number of Democrats did go to Oklahoma from Kansas, but, anyway, the Senator has said that we do not need this additional judge. We do need the judge, because in Oklahoma the people resort to the courts. Of course, in Kansas they may settle their dif-

ferences with shotguns, but in Oklahoma we are civilized and resort to the courts and use the democratic processes in settling our differences. So we need this additional judge.

As a matter of fact, one is needed in Kansas, according to the recommendation of the judicial conference, which the Senator himself has been so free to quote today, and upon which he is willing to rely for everything except for the fact that they need a judge in Kansas. I am persuaded that if there were a Republican administration the Senator would be very anxious to approve the need of a judge in Kansas.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. LEE. I yield.

Mr. HATCH. I am afraid the Senator did not correctly state the position of the Senator from Kansas when he said the Senator from Kansas is willing to rely upon the report of the judicial conference for everything except the judge in Kansas. I do not think that is correct at all.

Mr. LEE. Perhaps my statement was too sweeping.

Mr. HATCH. The judicial conference recommended an additional judge for Oklahoma, but I do not believe the Senator from Kansas agreed to that.

Mr. LEE. I thank the Senator for the correction. The Senator from Kansas has, from time to time, referred to the report of the judicial conference.

Mr. HATCH. Mr. President, will the Senator yield a moment more?

Mr. LEE. I yield.

Mr. HATCH. I am sure the Senator from Oklahoma does not believe that the Senator from Kansas relies altogether upon the report of the judicial conference, because every judge for whom provision is made except one was recommended by the judicial conference, and I am quite sure that the Senator from Kansas is going to move to strike some of them from the bill.

Mr. LEE. I thank the Senator.

Mr. LUCAS. Mr. President——

Mr. LEE. I yield to the Senator from Illinois.

Mr. LUCAS. In view of what the Senator from Kansas said about so many people leaving Kansas and moving into Oklahoma, apparently for some reason the Senator did not state, it seems to me, from that statement alone, that another judge is needed in Oklahoma to take care of the people who have gone from Kansas into Oklahoma.

Mr. LEE. I thank the Senator, and there is, possibly, basis for his statement.

Mr. President, what gives rise to this sudden activity on the other side of the Chamber opposing provision for additional judges? All at once we have a stirring in the valley of dry bones, and as each bone joins another bone life seems to be breathed into the body of the G. O. P., the "grand old elephant." They have had him under the oxygen tent since 1936 trying to breathe sufficient life into him to keep him alive until the election of 1940; and all at once, now on the verge of the election, we see great activity on the part of Republicans trying to prevent the appointment of additional judges that have been recommended by the judicial conference, headed by the Chief Justice of the Supreme Court of the United States himself, advocating the additional judges on the basis of docket case loads.

In Kansas, I understand, there is a river named the Republican River. I think some of the ladies met one time in an effort to change the name of that river, on the ground that it was not a romantic name, but one fellow, who must have been from Oklahoma—at any rate, he was a Democrat—got up and opposed the renaming of the river. He made the argument that carried the day when he pointed out that it was narrow; it was crooked; it was dry part of the time and wet part of the time; and so the name Republican River was retained.

The Senator from Kansas seems eager, one after another, to name for slaughter the different judges that have been recommended by the judicial conference. I did not ask for that judge; my colleague, the senior Senator from Oklahoma [Mr. THOMAS] did not ask for the additional judge. We prepared bills at the request of the Senator from Arizona, chairman of the Judiciary Committee, in order that he might know whether we agreed on an additional judge. We prepared bills and submitted them only after the report of the judicial conference recommending an additional judge for Oklahoma.

The case load in Kansas argues for an additional judge; it is heavy enough for an additional judge; but the Senator from Kansas is opposing an additional judge. No one stroke, in my opinion, would so sabotage democracy as to stymie and throttle down the judicial process. The humble individual citizen has only one recourse for the protection of all the rights that are written in the Declaration of Independence, guaranteed in the Constitution, and safeguarded in every statute. All citizens have to depend upon free access to the courts of justice. That is democracy itself. Throttle that, stymie that, sabotage that, and you strike a death blow at democracy. There is no truer maxim than the old saying that "Justice delayed is justice denied." I would rather have several judges too many than to have one judge too few. In the scheme of the whole National Government the salary of a judge is infinitesimal compared to the need of keeping open the courts to the people who wish to sue for their rights. To whom does the delayed docket give advantage? To the poor man? Certainly not. It is the big fellow's hope to delay until he sweats out his opponent. "Justice delayed is justice denied." We need these judges.

Now I want to give some facts as to the case load in these States. The Senator from Kansas said that the condition in Oklahoma was very similar to that in Kansas.

Listen to this comparison of the case load in 1938. In that year the Kansas case load was 592; in Oklahoma the case load for the same year was 2,090. Oklahoma's docket is overcrowded. I am speaking now of the western district of Oklahoma. In 1938, in that district alone, we had a case load of 545, and the average case load of one docket throughout the Nation was 371. That meant that the western district in Oklahoma was carrying a load of 174 more cases than the average throughout the Nation. The figures for 1939 make an even stronger case than that. I take the figures of the Senator from Kansas, which he has had prepared, and I total them up for 1939.

For the western district of Oklahoma we find the number of criminal cases was 103. I am speaking now of cases pending which were not adjudicated or terminated in 1939, but which were left hanging over on the docket of the western district of Oklahoma alone. Criminal cases, 103; United States civil cases, 84; other civil cases, 195; bankruptcy cases, 302.

The total of undecided cases in the western district of Oklahoma in 1939 was 684—684 unfinished cases.

How many were terminated in that district? Altogether, adding them, 1,098 were terminated. Add the number of cases that were terminated to the total number of cases that were left undecided or pending, and we have a total of 1,782 cases for one docket in 1 year. Divide that number by one judge, or even one judge and part of the time a roving judge—that would make 1,782 cases divided by 300 days, assuming that there would be 300 days in which court could be held—and we would have five and nine-tenths cases every day which would have to be terminated in order to take care of that docket.

Now let us see how Oklahoma compares with other States of similar population and case loads.

Virginia, for example, had a population in 1930 of 2,421,851. Louisiana had a very similar population. Tennessee had a very similar population. Oklahoma had a population of 2,396,040 plus. Here are four States of about the same population. Each one of these States has four judges. Now let us see the number of cases terminated in Tennessee. In 1938 the number was 1,442. The number of cases terminated in Louisiana was 1,173.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Texas?

Mr. LEE. I will yield as soon as I finish this statement. In Virginia the number terminated was 1,345, but the number terminated in Oklahoma, having approximately the same population and the same number of judges, was 2,090.

Mr. President, I ask to have inserted in the RECORD at this point the table from which I have just been reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Statement showing the number of district judges in the State of Oklahoma, as compared with other States having 4 judges and approximately the same population

State	Number of districts	Population, 1930 census	Number of district judges	Number of cases terminated during fiscal year 1938
Oklahoma	3	2,396,040	4	2,090
Virginia	2	2,421,851	4	1,345
Louisiana	2	2,101,593	4	1,173
Tennessee	3	2,616,556	4	1,442

Mr. LEE. Mr. President, I now yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, the Senator from Texas wanted to suggest to the Senator from Oklahoma—I do not know whether or not this suggestion has any application to his State—that, as compared with Kansas, Oklahoma is comparatively a new State, is it not?

Mr. LEE. That is true.

Mr. CONNALLY. My experience and observation as a lawyer show that new States are apt to have a great deal more litigation per capita than a State which is old and settled, where no land titles are involved, and from which Indians have been moved to other places.

Mr. LEE. That is true. I thank the Senator; and I wish to add the statement that Oklahoma has almost half the Indian population of the United States—something under half. They are all wards of the Federal Government. The Federal courts have jurisdiction of every case pertaining to an Indian title or pertaining to these wards of the Federal Government. Then add to that the fact that Oklahoma legally is a "dry" State, and that we have a State law which the legislature passed last year which prevents the importation into the State of intoxicating liquor in violation of the State law. That also is an infringement of the Federal law, and the Federal courts have jurisdiction of those cases. So there are many reasons why the State of Oklahoma has a heavy case load.

Mr. President, I now wish to read a portion of a letter from the presiding judge of the western district of Oklahoma. I may say that this judge is a Republican, a man of the highest type, a very capable, able, and vigorous man. The letter is from Edgar S. Vaught, district judge.

UNITED STATES DISTRICT COURT,
WESTERN DISTRICT OF OKLAHOMA,
Oklahoma City, Okla., March 22, 1940.

Hon. JOSH LEE,
United States Senate, Washington, D. C.
DEAR SENATOR LEE:

* * * * * * *

There is enough work in this district for two judges in addition to the assistance the roving judge would give to the district, and the work is gradually increasing, not necessarily in the number of cases filed, but with respect to the amount of work necessary to handle the cases filed. It is practically three times what it was when I went on the bench 12 years ago.

For instance, all Federal income-tax cases are filed in this district because service can be had upon the collector of internal revenue. All State income-tax cases are filed in this district because service can be had at the capitol on the tax commission. Practically all three-judge cases are filed in this district because this is the only place where service can be had upon the State officers. To test the constitutionality of a State law and enjoin its enforcement requires service upon the Governor and the attorney general. A number of cases have been filed in this district by the Government under the Sherman antitrust law, and a great many other cases are being filed under recent legislation enacted by Congress.

There are enough cases filed in this court, in which the Government is either plaintiff or defendant, to occupy all of the time of one judge, and at least one-half of the time of an additional judge. At the present time I have enough submitted matters on my desk to occupy all of my time for the next 3 months. * * *

———.

That letter is signed by Edgar S. Vaught, district judge.

Mr. President, I did not want the RECORD to show the statements of the Senator from Kansas [Mr. REED] that an additional judge was not needed in this district without putting into the RECORD at this point the data I have submitted showing the actual need for an additional judge. This judgeship has been recommended by those who looked into the situation, and recommended the creation of the additional judgeship. I do not believe one of the members of the Judiciary Committee has a personal interest in this matter. There may be an exception to that statement, but I do not call to mind anyone of the members who has a personal interest, in that any of these judgeships affects his State. Therefore, I feel that we have had an impartial consideration of the judgeship matter, and a recommendation accordingly.

Nothing would further the democratic processes more than adequate opportunity for all cases to be heard on schedule.

Mr. NORRIS. Mr. President, I have been voting in favor of the amendments offered by the Senator from Kansas [Mr. REED]. I shall vote for the motion now pending; and, if I have a chance to do so, I shall vote against the passage of the bill itself.

It seems to me that I owe it to my colleagues to express an idea which shows on what my opposition to this proposed legislation is based, and which, so far as I know, has not heretofore been presented in this discussion.

I am, and have been for a great many years, a member of the Judiciary Committee. Since I have been on the committee, and also before that time, I have observed the great increase in the number of Federal judges which has taken place during the past 15 or 20 years. I think it paints a picture that points to a danger to our judicial system and to our method in this country of attaining justice through the Federal judiciary.

I have no fault to find with the individual judges. I am not criticizing any of them. They are human beings. Some of them work harder than most other men work, and work conscientiously and diligently. Others do not. A judge who may be overcrowded today in his district may have very little to do in that district 2 or 3 years from now; and the situation may be reversed. A judge who now may have a great deal of leisure will, for some reason or other, find his work overburdensome in the years to come.

I think Congress is mainly responsible for the increase in the number of Federal judges.

Up to a year or two ago I tried as best I knew how to meet the situation, although I did not seek to reach a solution in the way proposed in the pending bill. I happened to have the honor of being chairman of the Committee on the Judiciary for a number of years. While I occupied that position, and some time before I had been elevated to that place, I made a study of our system of jurisprudence. I introduced bills and had hearings on them and endeavored to meet the situation in a way which did not meet the approval either of the committee or of the Senate.

For the last year or two I have not been active in connection with this question, but as I sit here and listen to the debate now proceeding, and the talk of overcrowded courts and overworked judges, I cannot help thinking of the time when I tried to relieve the country of that situation, which had been growing and is now growing, to a great extent, I think, through the action of the Congress itself.

Several years ago I introduced identical bills at two or three sessions and had very extensive hearings on them. On one or two occasions I succeeded in getting a majority of the Com-

mittee on the Judiciary to report the bills, but they never passed the Senate. I know that my colleagues on the committee and in the Senate and the Members of the House who were opposed to the theories I entertained were perfectly conscientious, and in any vote I cast I do not want to be considered as in any way reflecting upon the honesty, the ability, or the conscientious conviction of any member of the Committee on the Judiciary, or of this body, or of the House of Representatives.

As I looked at the question from the study I made, I reached the conclusion that one of the ways by which we could reduce the number of judges on the bench was by decreasing their jurisdiction. Congress is proceeding in the opposite direction now. We have passed a bill at this session, which is now in the House, I understand, being debated in the House today, and which will probably pass, which would add to the burdens and the work of all the Federal district judges in the United States. I have a fear in my mind that we are now proceeding, and have been for several years proceeding, in a direction which will mean an increase from day to day and from year to year in the jurisdiction of Federal judges, until it will appear plain to our people that we have gone to the very extreme, and that we are traveling in a dangerous direction.

For instance, at the present time the United States district judges have jurisdiction to try cases arising between citizens of different States if the amount involved is more than $3,000, regardless of whether there is involved in the litigation any question of Federal law or Federal supremacy. It seemed to me that that kind of jurisdiction should be left to the States. By a simple act of Congress we could take away from the Federal district judges the jurisdiction which they now possess under an act of Congress in diverse citizenship cases.

Mr. LEE. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. LEE. The Senator from Nebraska believes, however, does he not, that the Federal courts should follow the Federal law as Federal laws cover increasingly more territory?

Mr. NORRIS. I do not find any fault with that theory. I agree with the Senator. I am not finding fault with the Federal judges. I am finding fault with the Senate and the House of Representatives.

Mr. LEE. Then are we not going at the matter backward, if we start by cutting off the jurisdiction of the Federal courts rather than limiting the extension of Federal law?

Mr. NORRIS. I did not understand the Senator's question.

Mr. LEE. If we pass Federal laws which cover more territory, then if we want to reduce, is not the way to do it to reduce the number of Federal laws which are extending to more and more territory rather than to start in by cutting off the jurisdiction of the Federal courts?

Mr. NORRIS. I admit the theory is perfectly logical, and I may be occupying an illogical position. I am driven to it after a great deal of thought, after a great deal of consideration. I have listened to arguments made on the proposed law since it has been pending in the Senate.

Let me go back to the point I was discussing when I was interrupted by the Senator from Oklahoma. At the time to which I referred I was rather active in seeking to reduce the jurisdiction of Federal district judges, and I wrote every district judge in the United States asking him to give me a statement from his records as to the number of cases arising involving diverse citizenship within the year I mentioned in my letter, and the time which had been consumed by the court in the trial of that kind of litigation. I received an answer to nearly every letter I wrote, some of the letters critical because the judges resented the use I wanted to make of the information, which I had told them frankly in my letter. Some of the replies were favorable and some of them did not express any idea as to whether my position was right or wrong, but gave me very fully, as they saw it from their experience, a statement of the time they had consumed in trying cases which involved no Federal question whatever.

I am speaking from memory in all I say, because I have not looked up the various statistics, with which I was quite familiar at the time, and I may be wrong in my recollection of some of the incidents to which I wish to refer. I remember one of the letters especially, that of a Federal district judge in New Jersey, Judge Clark, since elevated to the circuit bench, a man whom I consider one of the best educated, the shrewdest, most honest, and hard-working judges in the United States. In answer to my letter he wrote me fully, and, to illustrate, he gave me a full description of all the litigation and all the lawsuits which had been tried at a term of court during which he presided, and which had just been concluded. His report was similar to those of many of the other judges. He stated that during the term of court then just concluded nearly all the time of the court was taken up in trials before juries of cases in which the questions of law involved were not remotely connected with any act of Congress or with any Federal question whatever.

I see the Senator from Kansas [Mr. REED] sitting before me. He comes from a State just south of the one which I in part try to represent. Located in southern Nebraska, within 2 miles of the Kansas line, is a beautiful little city known as Superior. If I am in the grocery business in Superior I may incorporate my business under the laws of Kansas and do business in Nebraska. But let us assume that I am not incorporated, and do business in Superior, Nebr. If the Senator from Wisconsin [Mr. WILEY], whose business is incorporated in another State, comes along with a claim against me, he may sue me in Kansas, and I must go to Kansas with my witnesses. I must meet him in that State, and go all the way through the Federal courts up to the Supreme Court of the United States. The only reason that is true is because his business is incorporated.

The courts of Nebraska are established, as are the courts in every other State, to do justice between litigants. But if I am sued in Superior, in the illustration I have given, my opponent has a choice of courts. He may go into the State court, or he may go into the Federal court. If he lives in New York City or in Chicago, and is an immensely wealthy individual, or a corporation, he will sue me in the Federal court. The reason for that is that it is more expensive to litigate in the Federal courts than it is in the State courts. I have to travel to Kansas if my competitor sues me there.

But, Mr. President, if my competitor, who is not incorporated, who does business in the same city, who is in the same business, with the same capital involved, should desire to bring suit, he has no choice. He cannot go into the Federal court. He must litigate in the State court of the State in which he does his business, the State in which he lives, where his property is located; and when his case is finally ended by a decision rendered in the State Supreme Court he has reached the end so far as that litigation is concerned. No Federal question is involved.

That, Mr. President, is the picture of two men doing the same kind of business, with the same capital, residing in the same town, doing business perhaps side by side, in that Nebraska town. I have always felt and still feel that such a situation is not a fair one; that it is not the right way to litigate; that it does not afford justice to litigants at the least possible expense and with the least possible delay.

Mr. President, I find from reports I have received and from letters similar to the one from Judge Clark which I mentioned, that approximately one-third of the time of all the Federal district judges in the United States is consumed in trying cases in which no Federal question is involved; cases which ought to be litigated under State law, under the law of the State where the litigants live, where they own their property, and where they do business.

The method of litigating which I have described places certain litigants in a dilemma. To my way of thinking it is an injustice, as it results in delay in litigation. The expense must be borne by the people of the United States. That sort of business increases the work of the Federal judges. That sort of business, as it grows and will continue to grow, means the appointment of additional Federal judges, and we shall have repeated here what has happened over and over again

during the last 20 years—a great cry arising for an increase in the number of Federal judges. Those who ask for the increase will come before us with an argument such as that presented by the Senator from Oklahoma, a logical argument, and say that under the laws passed by Congress such and such a judge has been saddled with a great deal of work which perhaps he ought not to have to perform, and that therefore another judge is needed to help him out.

Mr. President, on the other hand, in the picture which I am trying to paint no question of human life is involved. It is simply a question of dollars; simply a question of money, that is all. Those who are incorporated in a different State from that in which they do business are given the opportunity to select the forum in which they may try any litigation they may bring or any which has been brought against them.

Suppose that instead of the question of property being involved we consider a case involving a crime. Suppose the Senator from Kansas comes across the line 3 miles into Superior and kills me, a resident of Superior, Nebr. Although he lives in a different State, can he have a choice between the Federal and State court? No; he cannot. He is bound by the laws of the State of Nebraska. He must defend himself in the State court of Nebraska. He cannot be heard to cry, "My life is at stake. A human life is involved, something more precious than all the gold in the world. I want my case tried in the Federal court." The Senator from Kansas cannot be heard to make such an appeal. But if more than $3,000 is involved in a civil case, then the Senator has a choice. Then he can go into either jurisdiction; he can go into that court which he considers most favorable. In some cases he can go into one jurisdiction and have the matter tried, and, if he fails, begin over again in the Federal court. Such cases have occurred.

Mr. President, in connection with a bill the passage of which I advocated in the Senate I referred to what had happened, for instance, in the State of Montana. The case in question involved a gas company. The proper authorities of the State of Montana had undertaken to fix the price of gas to be charged by the corporation, which was incorporated outside the State of Montana. The corporation was doing business in Montana, and a complaint was made against it with respect to the price it was charging the consumers of gas in a certain city in Montana. A hearing was had before the State board which had jurisdiction over the matter. Most States have similar boards, which are called by various names. A hearing was had in this case before the Montana State board. The State spent thousands of dollars in securing expert testimony and in engaging the services of engineers to establish what was a proper price for gas. The foreign corporation did the same thing. No one complained that a fair trial was not had. No one complained of being interfered with in any way. The case proceeded for a long time, as such cases do, in the way of gathering the evidence. The evidence was finally submitted to the board, and the board, as I remember, decided in favor of the foreign corporation. I may not be accurate in my recollection, but for the purpose of the illustration let the statement suffice that the board made its decision in favor of the foreign corporation. The officials of the municipality involved appealed that case, under the law of Montana, to the courts of Montana. The case traveled its way through the different courts of Montana and reached the Supreme Court of Montana, which finally decided in favor of the municipality and ordered the rate set by the municipality to go into effect.

The foreign corporation, under the rules of the Montana court, filed a motion for a hearing. The motion was argued, and the Supreme Court of Montana again, after a reargument of the case, held to its original decision, a unanimous decision of the Supreme Court of Montana. As I remember, there were seven judges on that court.

It happened that after the final order of the Supreme Court of Montana was issued and was taken to the lower State court, to put the order and the judgment of the supreme court of the State into effect, a lapse of several months occurred. In the meantime before the lower court could act on the matter the foreign corporation came into that court and dismissed its case, and the next day commenced the case de novo in the Federal district court in Montana. The State came into that court and challenged the jurisdiction of the Federal court, and set up the proceedings that had been had in the State court. Before any trial was had in the district court the question was carried to the Supreme Court of the United States, which held that the foreign corporation had a right to dismiss its case before the final judgment was rendered, and the final judgment could not be rendered, because the corporation dismissed the case before the court convened. So the municipality had to go into the Federal court. The case had once been to the Supreme Court of the United States. Then it went into the Federal court. A new set of engineers was employed, another investigation of the question was made, and the case was finally submitted to the Federal district court in Montana. I do not now remember how that court decided the question. Whichever way it was decided, the losing party appealed, and the case was taken to the Federal Circuit Court of Appeals. I do not remember what the decision was there; but whichever side was defeated appealed to the Supreme Court of the United States, and that Court finally held that the original order, made 7 years before, was right, and ordered the district court to enforce it.

Seven years had elapsed from the beginning of that case until the Supreme Court finally got it. It had been through the State courts. It had been twice argued in the Supreme Court of Montana. It had twice been to the Supreme Court of the United States, and finally judgment was rendered by the Supreme Court of the United States. I shall never forget it. I had some correspondence with the attorney general of Montana before the case was decided by the Supreme Court. In the ordinary course of sending the case down to the lower court for proper adjudication in accordance with the opinion of the Supreme Court, the case had not yet reached the district court in Montana. I suggested to the attorney general that I anticipated that when it should arrive there the first thing the foreign corporation would do would be to file a motion to the effect that since the case had originally been decided 7 years before, conditions had entirely changed in the municipality, and that the ruling of the commission, made 7 years before, was, therefore, out-of-date. As I now remember, the attorney general of Montana wrote me afterward that I had prophesied the truth. That is what actually happened when the case got back to Montana.

All that difficulty would have been avoided if the Federal courts had not been given jurisdiction in diverse-citizenship cases. Ever since that was done we have been passing laws increasing the jurisdiction of the Federal courts and adding to their burden. Following the increase of jurisdiction brought about by our laws, we have continually had to face the demand—which I admit cannot logically be denied—for more Federal judges.

So the Senator from Oklahoma is logically correct. I may be illogical, but I have tried other methods. I have seen this condition go on for years and years, until it seems to me the only thing to do is to allow it to go on and reach a conclusion, which must be a conclusion brought about by the people of the United States, when they decide that we are going to extremes and that we must halt somewhere.

The Federal Treasury cannot stand the burden. It involves not only increased judges but increased salaries. When judges become incompetent we appoint more judges. When a judge becomes old and can no longer perform his work properly, we appoint more judges—and so on, without limit. It seems to me that the only way—it may not be the right way, but I have decided that it will control me in my vote—is to deny, whenever possible, the great outcry for increases in the numbe rof judges all over the United States.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CONNALLY. I have the honor to serve with the Senator on the Judiciary Committee, and I always value very highly what he says. Is it not true that in the long run the expenses of the judge, the marshal, and the attachés are merely a small percentage of the cost to litigants and others who have business before the courts?

Mr. NORRIS. Yes.

Mr. CONNALLY. That cost is increased many times by delay.

Mr. NORRIS. I think it is. I admit that instances of injustice may possibly arise if we follow the course I have outlined. It probably is not logical. To me, it is the only outlet.

Mr. CONNALLY. On the 4th of July we boast about our Bill of Rights, constitutional prerogatives, and all that. Is it not true that a right is of very little value unless one has a forum or court in which to enforce the right? Unless a man can go into the courts and establish his rights, they are not worth very much.

Mr. NORRIS. The ordinary man going into a Federal court must either settle with his adversary or become bankrupt.

Mr. CONNALLY. Justice must be prompt and speedy.

Mr. NORRIS. That is true.

Mr. CONNALLY. A right which one's administrators must administer is of little value.

Mr. NORRIS. Mr. President, in my own experience as a country lawyer 250 miles away from the place where the Federal court was held, I have seen many of my neighbors being taken 250 miles to a Federal court in ordinary foreclosure cases. The mortgage was owned by somebody in New Hampshire or New York. The action could be commenced in the Federal court. The ordinary man living in that part of the country, if he was not incorporated, had to commence his case in the State courts. I myself have advised many a man who came to see me about an ordinary foreclosure case, and who said, "Here is a case against me involving $3,000 or $3,500. I think I have a defense." I did not know—because necessarily I could not try the case—whether he was right or wrong. He might have been wrong. At least he had a right to think he had a defense. He would say to me, "I am sued in the Federal court, 250 miles away. I want to employ you to defend me."

I had to tell him that, after we should have traveled the 250 miles with our witnesses and got to court, the first thing we should probably find would be that we should be met with a motion to continue the case. We should have to contest that motion. I said, "If that happens, we shall all have to come home again. You had better go to the place of holding court and hire a lawyer." I did not know how the case would come out; but the eastern party holding the mortgage knew what the law was. The lawyers knew that delay was their greatest lever in obtaining a settlement.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. CONNALLY. I do not wish to annoy the Senator——

Mr. NORRIS. The Senator never annoys me.

Mr. CONNALLY. The issue which the Senator is now discussing could probably be met by raising the limit of jurisdiction. Instead of $3,000 it ought to be $10,000 or $15,000. I have long thought that we ought to deny Federal jurisdiction except with respect to large claims.

Mr. NORRIS. I should raise the limit to $25,000. The best way is simply to repeal the law and take away the jurisdiction.

Mr. CONNALLY. When the limit of $3,000 was fixed, $3,000 meant as much as $15,000 or $20,000 now means.

Mr. NORRIS. Yes. What I am saying, Mr. President, is that the principle is wrong. In a foreclosure case away out in Furnas County, Nebr., no Federal question was involved. The person who owned the mortgage and who loaned the money on the farm did not have to lend the money in Nebraska. He voluntarily came into the jurisdiction of the State. So far as I know, he could obtain absolute justice in the State courts. But often justice was what he was afraid of. The result was, 9 times out of 10, that a man 250 miles away from the place of holding court either made a settlement, or, from lack of money and ability to fight the case, he quit and gave up. I think that condition is involved here. Perhaps it is not. Perhaps other Senators do not agree with me, but I want to reach the point where we will remedy that situation. That is the reason why I have been voting for these amendments.

Under the present conditions perhaps my vote is sometimes wrong. Sometimes it is not. Sometimes I do not know whether it is right or wrong. That is the reason, right or wrong, why I shall vote against the pending bill. If I had my way, perhaps it would do more harm than good, but at least I will attract the attention of the country to an evil which is dragging us down, which is overburdening the Federal judiciary and making its courts not courts of justice, because of the delays which occur, the distances which must be traveled, the increased attorneys' fees which must be paid. This condition is not the fault of the judge. He is not to blame for it. We are to blame for it.

Let us take, as an illustration, the Interstate Commerce Commission. On account of the complexities of our civilization, all kinds of boards and commissions are being created. I think the right thing to do would be to provide that a finding of fact by the Interstate Commerce Commission, for instance, should be final, and no court should have any jurisdiction to set it aside. I could make the same statement as to the other boards, some of which we have recently created. Some may be so small, of such slight importance, that perhaps it would be wrong not to permit an appeal to the courts; but nearly every day of our lives we are providing for appeals from all kinds of boards to the courts of the United States. Often that means a denial of justice, not because the courts are wrong, not because the individual is wrong, but because we have made the road so tedious, so long and so expensive that an ordinary man cannot travel it. Therefore it seems to me that instead of being continually enlarging our jurisdiction and giving the right of appeal we ought to provide in the case of most of these boards that a finding of fact never can be interfered with by any court.

I know the answer is made—it is made in committees, it is made everywhere where we propose that course—"Why, what do these little fellows know about these matters? The only place where we can get justice is in our courts." If we have fallen that low, we are in a bad row of stumps. The men on those commissions are human. They may go wrong. They may make mistakes. Occasionally, they may be corrupt. The same thing may be said of every court under the shining sun in this civilized world. Judges are all human. None of them are perfect. Some of them are wrong. Most of them are honestly, conscientiously wrong, as some other judge decides, because the decisions of our courts are continually being reversed by other courts. For instance, we have a circuit court in one part of the United States deciding a question one way, and a circuit court of equal jurisdiction, in another part of the United States, presided over by men of the same class, deciding the same question in just the opposite way. It does not mean that either one is corrupt. It means that they are both human; and we run no more risk of bringing about injustice in a railroad freight case before the Interstate Commerce Commission by letting them have the final say about the facts than we would if we let any court in Christendom have the same jurisdiction; and to a greater or less extent that argument applies to every board which has to pass on findings of fact.

The PRESIDING OFFICER (Mr. LUCAS in the chair). The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. REED] to the amendment reported by the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is upon agreeing to the amendment reported by the committee, as amended.

Mr. BARKLEY. Mr. President, the Senator from Kansas [Mr. REED] tells me he has two or three more amendments

to offer. It is obvious that we cannot conclude the consideration of the bill tonight. Therefore, I ask unanimous consent that at an hour not later than 1:30 o'clock p. m. tomorrow the Senate proceed to vote on the bill and all amendments thereto without further debate; and in that connection I ask unanimous consent that the requirement for a roll call be waived.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, the request, of course, includes a motion to recommit, which I think will be made.

Mr. BARKLEY. Oh, yes; any motion of substitute therefor.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Kentucky? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. LUCAS in the chair) laid before the Senate messages from the President of the United States submitting a convention and sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters which had been favorably reported.

Mr. BARKLEY. I ask that the nominations of postmasters, which have been favorably reported, be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 12 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, April 16, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 15 (legislative day of April 8), 1940

COAST GUARD OF THE UNITED STATES

Boatswain (L) Altson J. Wilson to be Chief Boatswain (L) in the Coast Guard of the United States, to rank as such from January 23, 1940.

This nomination is to correct an error in spelling of given name as previously submitted.

APPOINTMENTS IN THE REGULAR ARMY

TO BE SECOND LIEUTENANTS IN THE AIR CORPS WITH RANK FROM DATE OF APPOINTMENT

First Lt. William Alexander Cocke, Jr., Air Corps Reserve.
First Lt. Richard Churchill Hutchinson, Air Corps Reserve.
First Lt. Peter Joseph Prossen, Air Corps Reserve.
First Lt. Frank Peter Bostrom, Air Corps Resrve.
Second Lt. Herbert Otto Wangeman, Air Corps Reserve.
First Lt. Richmond Archibald Livingstone, Air Corps Reserve.
First Lt. Sylvan Davis Hand, Air Corps Reserve.
First Lt. Jack Southmayd Marks, Air Corps Reserve.
First Lt. Robert Copeland Paul, Air Corps Reserve.
First Lt. John Louis DuFrane, Jr., Air Corps Reserve.
First Lt. Donald Earl Meade, Air Corps Reserve.
Second Lt. James Franklin Whisenand, Air Corps Reserve.
Second Lt. Paul Lehmann Glenn Moore, Air Corps Reserve.
Second Lt. Don Allen Pomeroy, Jr., Air Corps Reserve.
Second Lt. Abraham Donley Olson, Air Corps Reserve.
Second Lt. Donald MacKay Keiser, Air Corps Reserve.
Second Lt. William Joseph Alvin Bowen, Air Corps Reserve.
Second Lt. Walter Winfred Cross, Air Corps Reserve.
Second Lt. Frank Burkley Harding, Air Corps Reserve.
Second Lt. Roland John Barnick, Air Corps Reserve.
Second Lt. Lovell Swain Stuber, Air Corps Reserve.
Second Lt. Thomas Harber Holbrook, Air Corps Reserve.
Second Lt. Kenneth Wayne Sprankle, Air Corps Reserve.
Second Lt. Clarence Bernard Hammerle, Jr., Air Corps Reserve.
Second Lt. John William Weltman, Air Corps Reserve.
Second Lt. Milton Elmo Thompson, Air Corps Reserve.
Second Lt. Ted Bernard Fisch, Air Corps Reserve.
Second Lt. Robert John Koster, Air Corps Reserve.
Second Lt. Marcus Alfred Mullen, Air Corps Reserve.
Second Lt. Donald Martin Alexander, Air Corps Reserve.
Second Lt. James Daniel Mayden, Air Corps Reserve.
Second Lt. Anthony Vincent Grossetta, Air Corps Reserve.
Second Lt. John Henry Carter, Air Corps Reserve.
Second Lt. Thaddeus Lewis Woltanski, Air Corps Reserve.
Second Lt. William Robert Purinton, Air Corps Reserve.
Second Lt. Duane Haren Skiles, Air Corps Reserve.
Second Lt. Albert Arnold Cory, Air Corps Reserve.
Second Lt. Brunow William Feiling, Air Corps Reserve.
Second Lt. Glen Webster Martin, Air Corps Reserve.
Second Lt. Richard Francis Ezzard, Air Corps Reserve.
Second Lt. Charles Edward Gregory, Air Corps Reserve.
Second Lt. Paul John Yurkanis, Air Corps Reserve.
Second Lt. Charles Marion Eisenhart, Air Corps Reserve.
Second Lt. Theodore Ross Clinkscales, Air Corps Reserve.
Second Lt. Frank Elgin Bomar, Air Corps Reserve.
Second Lt. Warren Sanford Wheeler, Air Corps Reserve.
Second Lt. Bertram Claude Martin, Air Corps Reserve.
Second Lt. Gilbert Louis Meyers, Air Corps Reserve.
Second Lt. Keith Wesley Dech, Air Corps Reserve.
Second Lt. Chester Charles Busch, Air Corps Reserve.
Second Lt. John Campbell Wilkins, Air Corps Reserve.
Second Lt. Earl Brown Cook, Air Corps Reserve.
Second Lt. Charles Paul Sheffield, Air Corps Reserve.
Second Lt. Samuel Heins Marett, Air Corps Reserve.
Second Lt. William McMillan Knowles, Air Corps Reserve.
Second Lt. Frank Lowry Dunn, Air Corps Reserve.
First Lt. Robert Jerome Hughey, Air Corps, National Guard United States.
Second Lt. George Joseph Ola, Air Corps Reserve.
Second Lt. Everett Wilson Stewart, Air Corps Reserve.
Second Lt. Glen Miller Alder, Air Corps Reserve.
Second Lt. Frank Robbins Pancake, Air Corps Reserve.
Second Lt. William Wallace Momyer, Air Corps Reserve.
Second Lt. Raymond Steele Morse, Air Corps Reserve.
Second Lt. Martin Perdue Crabtree, Air Corps Reserve.
Second Lt. Keith Streeter Wilson, Air Corps Reserve.
Second Lt. Milford Felix Itz, Air Corps Reserve.
Second Lt. William Nelson Boaz, Jr., Air Corps Reserve.
Second Lt. Joseph James Preston, Air Corps Reserve.
Second Lt. John Gilliland Simpson, Air Corps Reserve.
Second Lt. Thomas Marion Todd, Air Corps Reserve.
Second Lt. John Randolph Maney, Air Corps Reserve.
Second Lt. Jerome Tarter, Air Corps Reserve.
Second Lt. Charles Dewey Slocumb, Jr., Air Corps Reserve.
Second Lt. James Ernest Haile, Jr., Air Corps Reserve.
Second Lt. Ralph LeRoy Merritt, Jr., Air Corps Reserve.
Second Lt. Francis Bernard Carlson, Air Corps Reserve.

Second Lt. Adriel Newton Williams, Air Corps Reserve.
Second Lt. Fred Wright McNelly, Air Corps Reserve.
Second Lt. Paul Constantine Schauer, Air Corps Reserve.
Second Lt. Francis Frey Seeburger, 4th, Air Corps Reserve.
Second Lt. Harold Thaddeus Babb, Air Corps Reserve.
Second Lt. George Echelbary Cranston, Air Corps Reserve.
Second Lt. Harold Frederick Wilson, Air Corps Reserve.

TO BE FIRST LIEUTENANT, VETERINARY CORPS, WITH RANK FROM DATE OF APPOINTMENT

First Lt. David Samuel Hasson, Veterinary Corps Reserve.

POSTMASTERS

ALABAMA

Margie Gardner to be postmaster at Aliceville, Ala., in place of Margie Gardner. Incumbent's commission expired April 9, 1940.

Troy A. Phillips to be postmaster at Altoona, Ala., in place of T. A. Phillips. Incumbent's commission expires April 25, 1940.

Marion R. Buckalew to be postmaster at Roanoke, Ala., in place of M. R. Buckalew. Incumbent's commission expires April 25, 1940.

ALASKA

Otto H. Kulper to be postmaster at Cordova, Alaska, in place of O. H. Kulper. Incumbent's commission expired April 12, 1940.

Emil O. Bergman to be postmaster at Fort Yukon, Alaska. Office became Presidential July 1, 1939.

May V. Kennedy to be postmaster at Palmer, Alaska, in place of M. V. Kennedy. Incumbent's commission expired January 23, 1940.

ARIZONA

Patrick D. Ryan to be postmaster at Fort Huachuca, Ariz., in place of P. D. Ryan. Incumbent's commission expired March 28, 1940.

Martin Layton to be postmaster at Safford, Ariz., in place of Martin Layton. Incumbent's commission expires April 24, 1940.

ARKANSAS

Munn O. McClendon to be postmaster at Warren, Ark., in place of G. B. Colvin. Incumbent's commission expired February 15, 1939.

CALIFORNIA

Ernest J. Craghill to be postmaster at Corcoran, Calif., in place of E. J. Craghill. Incumbent's commission expired July 27, 1939.

Paul W. Hunter to be postmaster at Fortuna, Calif., in place of P. W. Hunter. Incumbent's commission expired August 27, 1939.

James S. L. Royle to be postmaster at Fresno, Calif., in place of C. H. Hood, deceased.

Bernice Hamilton to be postmaster at Lawndale, Calif., in place of C. T. Manville, removed.

Toss W. Brown to be postmaster at Lemoore, Calif., in place of T. W. Brown. Incumbent's commission expired August 14, 1939.

Maurice E. Huguet to be postmaster at Martinez, Calif., in place of J. J. Anderson. Incumbent's commission expired February 9, 1939.

Eugene M. Griffin to be postmaster at Mount Shasta, Calif., in place of F. N. Lawrence, resigned.

Ralph W. Evans to be postmaster at Palo Alto, Calif., in place of R. W. Evans. Incumbent's commission expired August 26, 1939.

J. Vedro Stanton to be postmaster at Redding, Calif., in place of J. V. Stanton. Incumbent's commission expired February 9, 1939.

Frank R. Harwood to be postmaster at Santa Ana, Calif., in place of F. R. Harwood. Incumbent's commission expires April 24, 1940.

Lloyd B. Wallace to be postmaster at Strathmore, Calif., in place of W. D. Browning, resigned.

Edward A. Murphy to be postmaster at Wilmington, Calif., in place of C. P. Roberts, deceased.

COLORADO

Christella N. Funk to be postmaster at Calhan, Colo., in place of C. N. Funk. Incumbent's commission expires April 25, 1940.

Will Van Engen to be postmaster at Crawford, Colo., in place of Will Van Engen. Incumbent's commission expired April 1, 1940.

Martin J. Dugan to be postmaster at Fleming, Colo., in place of M. J. Dugan. Incumbent's commission expires April 25, 1940.

James M. Faricy to be postmaster at Florence, Colo., in place of J. M. Faricy. Incumbent's commission expired April 1, 1940.

Roscoe D. Mutz to be postmaster at Fowler, Colo., in place of R. D. Mutz. Incumbent's commission expires April 24, 1940.

George W. Snider to be postmaster at Granby, Colo., in place of G. W. Snider. Incumbent's commission expires April 24, 1940.

Clyde D. Moslander to be postmaster at Grand Junction, Colo., in place of C. D. Moslander. Incumbent's commission expires April 27, 1940.

Wright O. Ball to be postmaster at Meeker, Colo., in place of W. O. Ball. Incumbent's commission expires April 25, 1940.

Dacie S. Johnson to be postmaster at Mount Harris, Colo., in place of D. S. Johnson. Incumbent's commission expires April 25, 1940.

Anna L. Grabow to be postmaster at Ouray, Colo., in place of A. L. Grabow. Incumbent's commission expires April 24, 1940.

Cyril Edward Taylor to be postmaster at Spivak, Colo., in place of C. E. Taylor. Incumbent's commission expired April 1, 1940.

CONNECTICUT

Harry C. Polhill to be postmaster at Bristol, Conn., in place of W. A. Hayes, deceased.

Walter P. Moran to be postmaster at Norwich, Conn., in place of W. P. Moran. Incumbent's commission expires April 28, 1940.

E. Allan Measom to be postmaster at Southport, Conn., in place of W. H. Russell, deceased.

Frank Buonocore to be postmaster at Torrington, Conn., in place of Frank Buonocore. Incumbent's commission expired January 23, 1940.

FLORIDA

Edward R. McKenna to be postmaster at Palm Beach, Fla., in place of E. R. McKenna. Incumbent's commission expired March 6, 1940.

William H. Cox to be postmaster at Palmetto, Fla., in place of W. H. Cox. Incumbent's commission expired April 1, 1940.

Robert J. Holly to be postmaster at Sanford, Fla., in place of R. J. Holly. Incumbent's commission expired January 17, 1939.

GEORGIA

Carlos Cleveland Hartley to be postmaster at Alamo, Ga., in place of J. H. Gross. Incumbent's commission expired June 18, 1938.

Charles Leland Paris to be postmaster at Alpharetta, Ga., in place of C. L. Paris. Incumbent's commission expires April 25, 1940.

Annie H. Thomas to be postmaster at Dawson, Ga., in place of A. H. Thomas. Incumbent's commission expired April 9, 1938.

Chessie M. Pelfrey to be postmaster at Roswell, Ga., in place of C. M. Pelfrey. Incumbent's commission expires April 24, 1940.

William T. Pilcher to be postmaster at Warrenton, Ga., in place of W. T. Pilcher. Incumbent's commission expired March 25, 1940.

IDAHO

Frank S. Wimer to be postmaster at Cottonwood, Idaho, in place of F. S. Wimer. Incumbent's commission expired August 26, 1939.

Herbert L. Spencer to be postmaster at Paris, Idaho, in place of H. L. Spencer. Incumbent's commission expired March 6, 1940.

ILLINOIS

Donald W. Helme to be postmaster at Crete, Ill., in place of J. E. Ryan, removed.

Daniel L. Cobb to be postmaster at Highland Park, Ill., in place of D. L. Cobb. Incumbent's commission expired February 14, 1940.

Howard J. Price to be postmaster at Hinckley, Ill., in place of C. W. Rimsnider. Incumbent's commission expired February 7, 1939.

Frederick M. Rawlings to be postmaster at Hinsdale, Ill., in place of F. M. Rawlings. Incumbent's commission expired August 13, 1939.

Etta Lutz to be postmaster at Mendota, Ill., in place of Etta Lutz. Incumbent's commission expired January 20, 1940.

Angus D. Irey to be postmaster Monmouth, Ill., in place of A. D. Irey. Incumbent's commission expired January 20, 1940.

Dwight S. Sharer to be postmaster at Mount Morris, Ill., in place of D. S. Sharer. Incumbent's commission expired February 14, 1940.

Earl M. Thomas to be postmaster at Rochester, Ill. Office became Presidential July 1, 1938.

John R. Montgomery to be postmaster at Sandwich, Ill., in place of C. C. Wheeler, deceased.

Clarence N. Ginther to be postmaster at West Salem, Ill., in place of C. N. Ginther. Incumbent's commission expires April 24, 1940.

INDIANA

Francis P. Gavagan to be postmaster at Chesterton, Ind., in place of F. P. Gavagan. Incumbent's commission expired April 1, 1940.

William H. Ashba to be postmaster at Delphi, Ind., in place of W. H. Ashba. Incumbent's commission expires April 24, 1940.

Earl Asher to be postmaster at Gosport, Ind., in place of J. R. Smith, removed.

George W. Burnell to be postmaster at La Fayette, Ind., in place of R. M. Isherwood, deceased.

Roy W. Leets to be postmaster at La Porte, Ind., in place of F. C. Brewer. Incumbent's commission expired May 17, 1938.

Lester B. Dickey to be postmaster at Parker, Ind., in place of L. B. Dickey. Incumbent's commission expires April 28, 1940.

Robert B. Wise to be postmaster at Valparaiso, Ind., in place of J. D. Stoner. Incumbent's commission expired June 13, 1938.

KANSAS

Anna Gradie DeBolt to be postmaster at Altoona, Kans., in place of A. G. DeBolt. Incumbent's commission expires April 25, 1940.

Charles T. Hill to be postmaster at Arkansas City, Kans., in place of C. T. Hill. Incumbent's commission expires April 25, 1940.

Earl Hoefgen to be postmaster at Burden, Kans., in place of Earl Hoefgen. Incumbent's commission expires April 24, 1940.

Leif R. Nelson to be postmaster at Chanute, Kans., in place of L. R. Nelson. Incumbent's commission expires April 27, 1940.

Virgil F. Young to be postmaster at Clearwater, Kans., in place of V. F. Young. Incumbent's commission expires April 25, 1940.

Clarence A. Kirkpatrick to be postmaster at Council Grove, Kans., in place of C. A. Kirkpatrick. Incumbent's commission expired April 1, 1940.

Otho E. McMullen to be postmaster at Courtland, Kans., in place of O. E. McMullen. Incumbent's commission expires April 27, 1940.

William P. Yearout to be postmaster at Emporia, Kans., in place of W. P. Yearout. Incumbent's commission expired April 1, 1940.

Jack Butcher to be postmaster at Garnett, Kans., in place of Jack Butcher. Incumbent's commission expires April 24, 1940.

Frank Barker to be postmaster at Greensburg, Kans., in place of Frank Barker. Incumbent's commission expired April 1, 1940.

Albert T. Campbell to be postmaster at Marion, Kans., in place of A. T. Campbell. Incumbent's commission expires April 25, 1940.

Thomas J. Cummings, Jr., to be postmaster at Ottawa, Kans., in place of T. J. Cummings, Jr. Incumbent's commission expires April 25, 1940.

Rudolph J. Sharshel to be postmaster at Parsons, Kans., in place of R. J. Sharshel. Incumbent's commission expired April 1, 1940.

Paul J. Voran to be postmaster at Pretty Prairie, Kans., in place of P. J. Voran. Incumbent's commission expired March 11, 1940.

Jeannette Byrnes to be postmaster at St. Marys, Kans., in place of Jeannette Byrnes. Incumbent's commission expires April 24, 1940.

Anna L. Hicks to be postmaster at Sharon Springs, Kans., in place of A. L. Hicks. Incumbent's commission expires April 24, 1940.

Fred Moffitt to be postmaster at Tampa, Kans., in place of Fred Moffitt. Incumbent's commission expired February 14, 1940.

Jay T. Hill to be postmaster at Wamego, Kans., in place of J. T. Hill. Incumbent's commission expires April 25, 1940.

Thomas E. Van Meter to be postmaster at Winfield, Kans., in place of T. E. Van Meter. Incumbent's commission expires April 25, 1940.

Francis M. Stocker to be postmaster at Yates Center, Kans., in place of F. M. Stocker. Incumbent's commission expires April 24, 1940.

KENTUCKY

Ernest Muster to be postmaster at East Bernstadt, Ky., in place of Ernest Muster. Incumbent's commission expired July 19, 1939.

Walter B. Sisk to be postmaster at Fleming, Ky., in place of W. B. Sisk. Incumbent's commission expired April 1, 1940.

Fanny L. Scott to be postmaster at Florence, Ky., in place of F. L. Scott. Incumbent's commission expired January 23, 1940.

Anna May Moore to be postmaster at Hazard, Ky., in place of A. M. Moore. Incumbent's commission expired April 21, 1940.

Morgan B. Johnson to be postmaster at McRoberts, Ky., in place of M. B. Johnson. Incumbent's commission expired January 23, 1940.

Carroll E. Withers to be postmaster at Providence, Ky., in place of C. E. Withers. Incumbent's commission expired June 18, 1938.

Beulah A. Foley to be postmaster at Ravenna, Ky., in place of B. A. Foley. Incumbent's commission expired February 14, 1940.

Annette W. Howard to be postmaster at Versailles, Ky., in place of L. B. Blackburn. Incumbent's commission expired April 26, 1939.

LOUISIANA

William F. Roy, Jr., to be postmaster at Arabi, La., in place of W. F. Roy, Jr. Incumbent's commission expired March 18, 1940.

James O. Brouillette to be postmaster at Marksville, La., in place of J. O. Brouillette. Incumbent's commission expired June 18, 1938.

MAINE

Gladys C. Thurlow to be postmaster at Buckfield, Maine, in place of G. C. Thurlow. Incumbent's commission expired January 23, 1940.

Bearge M. Hagopian to be postmaster at Madison, Maine, in place of B. M. Hagopian. Incumbent's commission expired February 19, 1940.

MASSACHUSETTS

John J. O'Brien to be postmaster at Bridgewater, Mass., in place of J. J. O'Brien. Incumbent's commission expired April 1, 1940.

John F. Kennedy to be postmaster at Chicopee, Mass., in place of J. F. Kennedy. Incumbent's commission expired April 1, 1940.

Mary T. Harrington to be postmaster at Holden, Mass., in place of M. T. Harrington. Incumbent's commission expired April 1, 1940.

John V. Malone to be postmaster at Lancaster, Mass., in place of J. V. Malone. Incumbent's commission expired January 23, 1940.

Charles H. McCarty to be postmaster at Lenox, Mass., in place of C. H. McCarty. Incumbent's commission expired March 3, 1940.

John H. Gavin to be postmaster at Manchester, Mass., in place of J. H. Gavin. Incumbent's commission expired March 11, 1940.

Charles D. Streeter to be postmaster at Mount Hermon, Mass., in place of C. D. Streeter. Incumbent's commission expired February 15, 1940.

Dorothy T. Swift to be postmaster at North Falmouth, Mass., in place to D. T. Swift. Incumbent's commission expired January 25, 1940.

Philip Morris to be postmaster at Siasconset, Mass., in place of Philip Morris. Incumbent's commission expires April 27, 1940.

Maurice Williams to be postmaster at South Easton, Mass., in place of Maurice Williams. Incumbent's commission expired February 15, 1940.

Walter P. Cook to be postmaster at Yarmouth Port, Mass., in place of W. P. Cook. Incumbent's commission expired April 1, 1940.

MICHIGAN

Elburn H. Shelp to be postmaster at Bancroft, Mich., in place of E. H. Shelp. Incumbent's commission expired January 20, 1940.

Ruby M. Butsch to be postmaster at Capac, Mich., in place of L. A. Jonas, resigned.

Marvin J. Elzinga to be postmaster at Ellsworth, Mich., in place of M. J. Elzinga. Incumbent's commission expired January 31, 1940.

Michael E. Mussatto to be postmaster at Gwinn, Mich., in place of M. E. Mussatto. Incumbent's commission expires April 24, 1940.

Edward H. Bilski to be postmaster at Hopkins, Mich., in place of J. M. Maloney, deceased.

Stephen F. Jakobowski to be postmaster at Inkster, Mich., in place of S. F. Jakobowski. Incumbent's commission expires April 24, 1940.

Joseph A. Picard to be postmaster at Jackson, Mich., in place of J. A. Picard. Incumbent's commission expired January 20, 1940.

Elwin E. Ritchie to be postmaster at New Troy, Mich. Office became Presidential July 1, 1939.

Robert D. Tripp to be postmaster at Petoskey, Mich., in place of R. D. Tripp. Incumbent's commission expired January 20, 1940.

Stanley A. Horning to be postmaster at Portland, Mich., in place of S. A. Horning. Incumbent's commission expired January 20, 1940.

Arthur J. La Bo to be postmaster at Rockwood, Mich., in place of A. J. La Bo. Incumbent's commission expires April 21, 1940.

Adam Przybylski to be postmaster at Wyandotte, Mich., in place of Adam Przybylski. Incumbent's commission expires April 24, 1940.

MINNESOTA

Mildred E. Ploen to be postmaster at Carver, Minn., in place of V. H. Ploen, deceased.

William F. Boze to be postmaster at Detroit Lakes, Minn., in place of A. C. Knudson, deceased.

John H. Diercks to be postmaster at Dodge Center, Minn., in place of M. O. Perry, resigned.

Vern Weaver to be postmaster at Lowry, Minn., in place of Vern Weaver. Incumbent's commission expired August 1, 1939.

MISSISSIPPI

Joseph L. Brown to be postmaster at Hattiesburg, Miss., in place of J. S. Garraway, removed.

Myra P. Varnado to be postmaster at Osyka, Miss., in place of M. P. Varnado. Incumbent's commission expired January 20, 1940.

MISSOURI

Joseph H. Hardgrove to be postmaster at Atlanta, Mo., in place of J. H. Hardgrove. Incumbent's commission expires April 24, 1940.

Harry O. Travis to be postmaster at Belle, Mo., in place of H. O. Travis. Incumbent's commission expires April 24, 1940.

Frances J. Smith to be postmaster at Blue Springs, Mo., in place of F. J. Smith. Incumbent's commission expired August 26, 1939.

Oscar Clinton Magoon to be postmaster at Carl Junction, Mo., in place of F. E. Buxton, resigned.

Florence H. Myers to be postmaster at Cuba, Mo., in place of F. H. Myers. Incumbent's commission expired April 2, 1940.

Sam M. Marsden to be postmaster at Hillsboro, Mo., in place of S. M. Marsden. Incumbent's commission expired April 2, 1940.

Newton E. Young, Sr., to be postmaster at La Plata, Mo., in place of N. E. Young, Sr. Incumbent's commission expires April 24, 1940.

Margaret H. Stewart to be postmaster at Mexico, Mo., in place of M. H. Stewart. Incumbent's commission expired April 3, 1940.

Grover C. Fulton to be postmaster at Monett, Mo., in place of J. P. Martin, deceased.

George W. Daniels to be postmaster at Novinger, Mo., in place of G. W. Daniels. Incumbent's commission expires April 21, 1940.

Mary S. McMahill to be postmaster at Osborn, Mo., in place of M. S. McMahill. Incumbent's commission expires April 24, 1940.

Marcus J. Heathman to be postmaster at Paris, Mo., in place of M. J. Heathman. Incumbent's commission expires April 29, 1940.

George Emmett Moore to be postmaster at Parkville, Mo., in place of G. E. Moore. Incumbent's commission expires April 24, 1940.

Adolph H. Zoellner to be postmaster at Perryville, Mo., in place of A. H. Zoellner. Incumbent's commission expired March 12, 1940.

Lyman F. Dabbs to be postmaster at Rocky Comfort, Mo. Office became Presidential July 1, 1939.

William H. McIntire to be postmaster at Vendalia, Mo., in place of W. H. McIntire. Incumbent's commission expired January 23, 1940.

Fred Blattner, Jr., to be postmaster at Wellsville, Mo., in place of Fred Blattner, Jr. Incumbent's commission expires April 29, 1940.

Floyd E. Birkhead to be postmaster at Winfield, Mo., in place of F. E. Birkhead. Incumbent's commission expires April 24, 1940.

Charles H. Oney to be postmaster at Wright City, Mo., in place of C. H. Oney. Incumbent's commission expires April 24, 1940.

NEVADA

James Lester Denton to be postmaster at Caliente, Nev., in place of J. L. Denton. Incumbent's commission expired March 6, 1940.

Gladys E. Huyck to be postmaster at Sparks, Nev., in place of O. V. Fleming, resigned.

NEW HAMPSHIRE

Eli J. King to be postmaster at Berlin, N. H., in place of E. J. King. Incumbent's commission expires April 29, 1940.

William P. Nolin to be postmaster at Claremont, N. H., in place of W. P. Nolin. Incumbent's commission expires April 29, 1940.

Mary L. Doyle to be postmaster at Hillsboro, N. H., in place of M. L. Doyle. Incumbent's commission expires April 24, 1940.

James E. Shepard 2d to be postmaster at New London, N. H., in place of J. E. Shepard 2d. Incumbent's commission expires April 29, 1940.

Leon C. Jones to be postmaster at Ossipee, N. H. Office became Presidential July 1, 1938.

Martin J. Keenan to be postmaster at Peterborough, N. H., in place of M. J. Keenan. Incumbent's commission expires April 29, 1940.

Patrick J. Duffy to be postmaster at Salmon Falls, N. H., in place of P. J. Duffy. Incumbent's commission expires April 29, 1940.

NEW JERSEY

George A. Keenan to be postmaster at Clifton, N. J., in place of G. A. Keenan. Incumbent's commission expired February 14, 1940.

Anthony V. Gross to be postmaster at Passaic, N. J., in place of A. V. Gross. Incumbent's commission expired February 14, 1940.

NEW MEXICO

Irwin C. Floersheim to be postmaster at Springer, N. Mex., in place of I. C. Floersheim. Incumbent's commission expired April 1, 1940.

NEW YORK

Edward T. Morrissey to be postmaster at Baldwin, N. Y., in place of E. T. Morrissey. Incumbent's commission expires April 28, 1940.

Will J. Davy to be postmaster at Bergen, N. Y., in place of W. J. Davy. Incumbent's commission expires April 24, 1940.

Jay C. Fox to be postmaster at Brocton, N. Y., in place of J. C. Fox. Incumbent's commission expires April 28, 1940.

George F. Green to be postmaster at DeKalb Junction, N. Y., in place of G. F. Green. Incumbent's commission expires April 28, 1940.

Henry Karchmer to be postmaster at Kiamesha Lake, N. Y., in place of Henry Karchmer. Incumbent's commission expired February 4, 1940.

Lawrence J. Stankard to be postmaster at Lawrence, N. Y., in place of A. J. C. Schmuck, removed.

John P. Samascott to be postmaster at Loudonville, N. Y., in place of J. P. Samascott. Incumbent's commission expired March 10, 1940.

Charles R. S. Mastin to be postmaster at Lyons Falls, N. Y., in place of C. R. S. Mastin. Incumbent's commission expired June 18, 1938.

Joseph A. Lynch to be postmaster at New City, N. Y., in place of Jacob Moore. Incumbent's commission expires April 22, 1939.

George R. Prescott to be postmaster at Perry, N. Y., in place of P. J. O'Leary, deceased.

George P. Dickinson to be postmaster at Schaghticoke, N. Y., in place of H. F. Corr, removed.

Sarah Marie Odell to be postmaster at Shrub Oak, N. Y. Office became Presidential July 1, 1939.

Henry H. Fisher to be postmaster at Spencer, N. Y., in place of H. H. Fisher. Incumbent's commission expired August 2, 1939.

Alfred S. Westlake to be postmaster at Sunmount, N. Y., in place of D. J. Coutu, Jr. Incumbent's commission expired January 31, 1938.

Mabel G. Baldwin to be postmaster at Waverly, N. Y., in place of M. G. Baldwin. Incumbent's commission expired January 20, 1940.

Truman E. Brown to be postmaster at Wells, N. Y., in place of T. E. Brown. Incumbent's commission expired March 13, 1940.

Carl N. Marshall to be postmaster at Wellsville, N. Y., in place of C. N. Marshall. Incumbent's commission expired January 20, 1940.

NORTH CAROLINA

Edna E. Maurer to be postmaster at Aberdeen, N. C., in place of E. E. Maurer. Incumbent's commission expired February 14, 1940.

Francis L. Andrews, Jr., to be postmaster at Bethel, N. C., in place of F. L. Andrews, Jr. Incumbent's commission expires April 24, 1940.

Patrick H. McDonald to be postmaster at Carthage, N. C., in place of P. H. McDonald. Incumbent's commission expired June 18, 1939.

Brevard E. Harris to be postmaster at Concord, N. C., in place of B. E. Harris. Incumbent's commission expired April 1, 1940.

Edgar S. Woodley to be postmaster at Creswell, N. C., in place of E. S. Woodley. Incumbent's commission expired April 1, 1940.

Grady L. Friday to be postmaster at Dallas, N. C., in place of G. L. Friday. Incumbent's commission expired April 1, 1940.

Basil G. Farmer to be postmaster at Elm City, N. C., in place of B. G. Farmer. Incumbent's commission expires April 24, 1940.

Benjamin O. Turnage to be postmaster at Farmville, N. C., in place of B. O. Turnage. Incumbent's commission expires April 24, 1940.

Robert B. Mewborn to be postmaster at Grifton, N. C., in place of R. B. Mewborn: Incumbent's commission expired April 12, 1940.

Claude W. Eason to be postmaster at Lowgap, N. C. Office became Presidential July 1, 1939.

John P. LeGrand to be postmaster at Mocksville, N. C., in place of J. P. LeGrand. Incumbent's commission expired April 1, 1940.

Howard W. Moody to be postmaster at Murphy, N. C., in place of H. W. Moody. Incumbent's commission expires April 24, 1940.

Samuel D. Mauney to be postmaster at Newton, N. C., in place of S. D. Mauney. Incumbent's commission expires April 24, 1940.

Fred M. Bradley to be postmaster at Old Fort, N. C., in place of F. M. Bradley. Incumbent's commission expired March 18, 1940.

Perla H. Brey to be postmaster at Roper, N. C., in place of P. H. Brey. Incumbent's commission expires April 29, 1940.

Kate Reagan to be postmaster at Weaverville, N. C., in place of Kate Reagan. Incumbent's commission expires April 24, 1940.

Arthur T. Newsome to be postmaster at Winton, N. C., in place of A. T. Newsome. Incumbent's commission expired March 18, 1940.

OHIO

Francis P. Frebault to be postmaster at Athens, Ohio, in place of F. P. Frebault. Incumbent's commission expired April 1, 1940.

Charles Wassman to be postmaster at Bellaire, Ohio, in place of Charles Wassman. Incumbent's commission expired April 1, 1940.

Louis J. Elsaesser to be postmaster at Canton, Ohio, in place of L. J. Elsaesser. Incumbent's commission expires April 24, 1940.

Nathan A. McCoy, Sr., to be postmaster at Columbus, Ohio, in place of N. A. McCoy, Sr. Incumbents commission expired January 30, 1938.

Howard O. Ward to be postmaster at Cumberland, Ohio, in place of H. O. Ward. Incumbent's commissioned expires April 24, 1940.

Ora DeVere Blizzard to be postmaster at Frazeysburg, Ohio, in place of O. D. Blizzard. Incumbent's commission expires April 25, 1940.

Earl R. Leach to be postmaster at Lima, Ohio, in place of E. R. Leach. Incumbent's commission expires April 25, 1940.

Glen F. Carver to be postmaster at Mentor, Ohio, in place of G. F. Carver. Incumbent's commission expires April 25, 1940.

John W. Berentz to be postmaster at New Matamoras, Ohio, in place of J. W. Berentz. Incumbent's commission expires April 24, 1940.

Fred C. Banister to be postmaster at New Richmond, Ohio, in place of F. C. Banister. Incumbent's commission expires April 25, 1940.

Luella Sommers to be postmaster at Ottawa, Ohio, in place of Luella Sommers. Incumbent's commission expires April 24, 1940.

Milton C. Hickman to be postmaster at Perry, Ohio, in place of M. C. Hickman. Incumbent's commission expires April 25, 1940.

David K. De Long to be postmaster at Perrysville, Ohio, in place of D. K. De Long. Incumbent's commission expires April 25, 1940.

Charles H. Mullen to be postmaster at Pomeroy, Ohio, in place of C. H. Mullen. Incumbent's commission expired February 4, 1940.

Clarence A. Flenniken to be postmaster at Smithfield, Ohio, in place of C. A. Flenniken. Incumbent's commission expired January 20, 1940.

Goldie N. Stroup to be postmaster at Spencer, Ohio, in place of G. N. Stroup. Incumbent's commission expired January 20, 1940.

Robert A. Durbin to be postmaster at Stockport, Ohio, in place of R. A. Durbin. Incumbent's commission expires April 24, 1940.

John H. Petitjean to be postmaster at Versailles, Ohio, in place of J. H. Petitjean. Incumbent's commission expires April 25, 1940.

George Geer to be postmaster at Wauseon, Ohio, in place of George Geer. Incumbent's commission expires April 24, 1940.

Fred N. Ney to be postmaster at Weston, Ohio, in place of F. N. Ney. Incumbent's commission expires April 27, 1940.

Harry L. Hines to be postmaster at Williamsburg, Ohio, in place of H. L. Hines. Incumbent's commission expires April 14, 1940.

Jesse Ralph Short to be postmaster at Winchester, Ohio, in place of J. R. Short. Incumbent's commission expires April 24, 1940.

Edward J. Westerman to be postmaster at Woodsfield, Ohio, in place of E. J. Westerman. Incumbent's commission expires April 24, 1940.

OKLAHOMA

Roy J. McCormick to be postmaster at Alva, Okla., in place of R. J. McCormick. Incumbent's commission expires April 21, 1940.

Lester M. Norris to be postmaster at Cache, Okla., in place of L. M. Norris. Incumbent's commission expired January 24, 1940.

Ruth S. Howe to be postmaster at Helena, Okla., in place of R. S. Howe. Incumbent commission expired February 14, 1940.

Earl L. Smith to be postmaster at Locust Grove, Okla., in place of E. L. Smith. Incumbent's commission expired January 24, 1940.

Mike Craig to be postmaster at McCurtain, Okla., in place of Mike Craig. Incumbent's commission expired August 13, 1939.

Ora E. Spaulding to be postmaster at Ralston, Okla., in place of O. E. Spaulding. Incumbent's commission expired January 24, 1940.

Charles Walter Johnston to be postmaster at Seminole, Okla., in place of C. W. Johnston. Incumbent's commission expires April 25, 1940.

OREGON

Nelson J. Nelson, Jr., to be postmaster at Cottage Grove, Oreg., in place of N. J. Nelson, Jr. Incumbent's commission expired June 18, 1939.

George A. McCulloch to be postmaster at Reedsport, Oreg., in place of G. A. McCulloch. Incumbent's commission expired March 12, 1940.

PENNSYLVANIA

Joseph R. Stanich to be postmaster at Bessemer, Pa., in place of J. R. Stanich. Incumbent's commission expired August 22, 1939.

Edward C. Bishop to be postmaster at Cresson, Pa., in place of E. C. Bishop. Incumbent's commission expired February 26, 1940.

John H. Renstrom to be postmaster at Fayette City, Pa., in place of J. H. Renstrom. Incumbent's commission expired January 28, 1940.

Jennie D. Seltz to be postmaster at Galeton, Pa., in place of J. D. Seltz. Incumbent's commission expired March 18, 1939.

Albert P. Kearney to be postmaster at Lilly, Pa., in place of F. B. Bender. Removed.

Harold D. Akens to be postmaster at Linesville, Pa., in place of H. D. Akens. Incumbent's commission expired February 13, 1940.

James Uhler Fetherolf to be postmaster at Nazareth, Pa., in place of J. U. Fetherolf. Incumbent's commission expired February 26, 1940.

Howard R. Miller to be postmaster at New Ringgold, Pa., in place of H. R. Miller. Resigned.

Elizabeth Anna Leedom to be postmaster at Plymouth Meeting, Pa., in place of H. O. Young. Retired.

Margaret E. Park to be postmaster at Robertsdale, Pa., in place of L. A. Sellers. Incumbent's commission expired June 19, 1939.

George L. Williams to be postmaster at Shippenville, Pa., in place of W. F. Williams. Deceased.

Mabel J. Stover to be postmaster at Shrewsbury, Pa., in place of M. J. Stover. Incumbent's commission expired January 28, 1940.

Thornton Raney to be postmaster at Skytop, Pa., in place of L. T. Packer. Incumbent's commission expired January 9, 1935.

Catherine D. McDowell to be postmaster at Trafford, Pa., in place of T. H. McKlveen. Incumbent's commission expired August 27, 1939.

Clarence N. Jarinko to be postmaster at Walnutport, Pa., in place of P. J. Geiss. Incumbent's commission expired July 12, 1939.

Austin L. Moredock to be postmaster at Waynesburg, Pa., in place of A. L. Moredock. Incumbent's commission expired August 2, 1939.

SOUTH CAROLINA

Oleda H. Garrett to be postmaster at North Charleston, S. C., in place of O. H. Garrett. Incumbent's commission expired March 13, 1940.

SOUTH DAKOTA

George L. McKeever to be postmaster at Kennebec, S. Dak., in place of F. W. Benish. Incumbent's commission expired August 27, 1939.

Freal L. Hayes to be postmaster at Lake Norden, S. Dak., in place of R. H. Lemon. Resigned.

TENNESSEE

Robert Royce Jones to be postmaster at Dyersburg, Tenn., in place of R. R. Jones. Incumbent's commission expired February 14, 1940.

Park A. Carr to be postmaster at Harrogate, Tenn., in place of P. A. Carr. Incumbent's commission expired January 20, 1940.

Ernest H. Gibson to be postmaster at Humboldt, Tenn., in place of E. H. Gibson. Incumbent's commission expired January 20, 1940.

Herman C. Mantooth to be postmaster at Newport, Tenn., in place of H. C. Mantooth. Incumbent's commission expired January 23, 1940.

Robert G. Crossno to be postmaster at Norris, Tenn., in place of G. R. McDade. Incumbent's commission expired March 15, 1939.

Ike R. Clinton to be postmaster at Oakville, Tenn. Office became Presidential July 1, 1939.

Walter S. Moore to be postmaster at Portland, Tenn., in place of W. S. Moore. Incumbent's commission expired August 26, 1939.

Joseph H. Sevier to be postmaster at Savannah, Tenn., in place of J. H. Sevier. Incumbent's commission expired February 15, 1938.

William L. Moore to be postmaster at Selmer, Tenn., in place of W. L. Moore. Incumbent's commission expires April 24, 1940.

TEXAS

George W. Ragland to be postmaster at Abernathy, Tex., in place of G. W. Ragland. Incumbent's commission expired January 31, 1940.

John L. Rudeseal to be postmaster at Ackerly, Tex. Office became Presidential July 1, 1939.

Annie K. Turney to be postmaster at Alpine, Tex., in place of A. K. Turney. Incumbent's commission expires April 24, 1940.

Alton C. Barnes to be postmaster at Arlington, Tex., in place of A. C. Barnes. Incumbent's commission expired January 25, 1939.

Thomas A. Caudle to be postmaster at Ballinger, Tex., in place of Tom Caudle. Incumbent's commission expires April 24, 1940.

Glenn A. Adair to be postmaster at Blum, Tex., in place of Otto Hicks, resigned.

Whittaker Downman Bains to be postmaster at Brookshire, Tex., in place of W. D. Bains. Incumbent's commission expired February 27, 1940.

Eunice C. Burroughs to be postmaster at Buffalo, Tex., in place of E. C. Burroughs. Incumbent's commission expires April 24, 1940.

Elmer A. Hoppe to be postmaster at Carmine, Tex., in place of E. A. Hoppe. Incumbent's commission expired January 31, 1940.

Claude H. Martin to be postmaster at Crane, Tex., in place of C. H. Martin. Incumbent's commission expired January 31, 1940.

Erin M. McAskill to be postmaster at Edinburg, Tex., in place of E. M. McAskill. Incumbent's commission expires April 24, 1940.

Frank Benton Crush to be postmaster at Garland, Tex., in place of F. B. Crush. Incumbent's commission expired January 31, 1940.

Ella Bartlett to be postmaster at George West, Tex., in place of Ella Bartlett. Incumbent's commission expired March 13, 1940.

Dona M. Moorman to be postmaster at Gorman, Tex., in place of R. M. Boucher. Incumbent's commission expired June 18, 1939.

Ira S. Koon to be postmaster at Hallsville, Tex., in place of I. S. Koon. Incumbent's commission expired March 13, 1940.

Helen M. Peel to be postmaster at Jourdanton, Tex., in place of H. M. Peel. Incumbent's commission expired February 14, 1940.

Harry G. Hubert to be postmaster at Junction, Tex., in place of H. G. Hubert. Incumbent's commission expired August 7, 1939.

Henry Morton Stanley Mohle to be postmaster at Lockhart, Tex., in place of A. A. Storey. Incumbent's commission expired January 25, 1939.

Roger S. Guyton to be postmaster at McCamey, Tex., in place of R. S. Guyton. Incumbent's commission expires April 24, 1940.

Alfred C. Finley to be postmaster at Meadow, Tex., in place of A. C. Finley. Incumbent's commission expired March 13, 1940.

Patrick S. Hendricks to be postmaster at Midlothian, Tex., in place of P. S. Hendricks. Incumbent's commission expires April 24, 1940.

Otto V. Hightower to be postmaster at Odem, Tex., in place of O. V. Hightower. Incumbent's commission expired March 13, 1940.

Joseph F. Wiles to be postmaster at Olton, Tex., in place of J. F. Wiles. Incumbent's commission expired February 27, 1940.

Hattie M. Culpepper to be postmaster at Palmer, Tex., in place of H. M. Culpepper. Incumbent's commission expired January 31, 1940.

Carroll T. Coolidge to be postmaster at Pasadena, Tex., in place of C. T. Coolidge. Incumbent's commission expires April 14, 1940.

Charles B. Myers to be postmaster at Poteet, Tex., in place of C. B. Myers. Incumbent's commission expired February 27, 1940.

Ernest C. Waddell to be postmaster at Putnam, Tex., in place of E. C. Waddell. Incumbent's commission expired May 23, 1938.

Andrew J. Bushong to be postmaster at Rankin, Tex., in place of A. J. Bushong. Incumbent's commission expired February 27, 1940.

John E. Cooke to be postmaster at Rockdale, Tex., in place of J. E. Cooke. Incumbent's commission expires April 24, 1940.

Ethridge C. Fowler to be postmaster at Silverton, Tex., in place of E. C. Fowler. Incumbent's commission expired February 14, 1940.

Annie E. Finn to be postmaster at Sunset, Tex., in place of A. E. Finn. Incumbent's commission expired February 14, 1940.

John Edgar Kimsey to be postmaster at Texon, Tex., in place of J. E. Kimsey. Incumbent's commission expired January 31, 1940.

Brett Hargrove to be postmaster at Woodsboro, Tex., in place of Brett Hargrove. Incumbent's commission expires April 24, 1940.

James A. McFadden to be postmaster at Yoakum, Tex., in place of J. A. McFadden. Incumbent's commission expired January 31, 1940.

UTAH

Dora N. Dennison to be postmaster at Castle Dale, Utah, in place of M. E. King. Incumbent's commission expired July 1, 1939.

Melvin Lind to be postmaster at Midvale, Utah, in place of Melvin Lind. Incumbent's commission expired January 20, 1940.

VIRGINIA

Robert H. Wall to be postmaster at Cambria, Va., in place of R. H. Wall. Incumbent's commission expired February 14, 1940.

Andrew T. Organ to be postmaster at Chester, Va., in place of A. T. Organ. Incumbent's commission expires April 28, 1940.

John W. Helvey to be postmaster at Emory, Va., in place of J. W. Helvey. Incumbent's commission expires April 24, 1940.

William N. Guill to be postmaster at Halifax, Va., in place of W. N. Guill. Incumbent's commission expired March 12, 1940.

Bernice M. Bull to be postmaster at Hallwood, Va., in place of A. P. Bull, deceased.

Howard C. Horseman to be postmaster at Hampton, Va., in place of W. S. Crockett, deceased.

William R. Rogers to be postmaster at Hilton Village, Va., in place of W. R. Rogers. Incumbent's commission expired March 12, 1940.

WASHINGTON

Vernon R. Nixon to be postmaster at Bellevue, Wash., in place of V. R. Nixon. Incumbent's commission expired August 27, 1939.

Albert L. Hopkins to be postmaster at Gig Harbor, Wash., in place of A. L. Hopkins. Incumbent's commission expired August 27, 1939.

Edgar L. Laden to be postmaster at Lakebay, Wash. Office became Presidential July 1, 1939.

Willard A. Grube to be postmaster at Oroville, Wash., in place of W. A. Grube. Incumbent's commission expired January 31, 1940.

Jennie A. Smith to be postmaster at Peshastin, Wash., in place of J. A. Smith. Incumbent's commission expired January 31, 1940.

Mabel B. Johnson to be postmaster at Quilcene, Wash. Office became Presidential July 1, 1939.

Thomas Woodward to be postmaster at Roslyn, Wash., in place of Thomas Woodward. Incumbent's commission expires April 30, 1940.

Joseph A. Wolf to be postmaster at Roy, Wash., in place of J. A. Wolf. Incumbent's commission expired July 27, 1939.

Hazel H. Howe to be postmaster at Tenino, Wash., in place of H. H. Howe. Incumbent's commission expired January 31, 1940.

Rose M. Illy to be postmaster at Uniontown, Wash., in place of R. M. Illy. Incumbent's commission expires April 27, 1940.

WEST VIRGINIA

Hugh B. Lynch to be postmaster at Chester, W. Va., in place of H. B. Lynch. Incumbent's commission expired June 18, 1939.

Hugh V. Burt to be postmaster at Mannington, W. Va., in place of H. V. Burt. Incumbent's commission expired February 5, 1940.

Fred M. Robertson to be postmaster at Matoaka, W. Va., in place of F. M. Robertson. Incumbent's commission expired April 9, 1940.

Joseph L. Dorsett to be postmaster at Minden, W. Va., in place of J. L. Dorsett. Incumbent's commission expired January 23, 1940.

William E. Simpson to be postmaster at Power, W. Va., in place of W. E. Simpson. Incumbent's commission expired July 1, 1939.

George Clair Ross to be postmaster at Salem, W. Va., in place of O. F. Swiger. Incumbent's commission expired January 23, 1940.

WISCONSIN

Stanley L. Hall to be postmaster at Bagley, Wis., in place of H. L. Newman, resigned.

Tony W. Schuh, to be postmaster at Elcho, Wis., in place of T. W. Schuh. Incumbent's commission expired August 14, 1939.

Harry R. Olson to be postmaster at Grantsburg, Wis., in place of H. R. Olson. Incumbent's commission expired May 30, 1938.

John Michael to be postmaster at Humbird, Wis., in place of John Michael. Incumbent's commission expired August 26, 1939.

John Duchateau to be postmaster at Luxemburg, Wis., in place of John Duchateau. Incumbent's commission expired August 27, 1939.

Roland W. Harpt to be postmaster at Mishicot, Wis., in place of Roland Harpt. Incumbent's commission expired August 26, 1939.

Bertram A. Ruskauff to be postmaster at Saukville, Wis., in place of B. A. Ruskauff. Incumbent's commission expired February 14, 1940.

WYOMING

William G. Haas to be postmaster at Cheyenne, Wyo., in place of W. G. Haas. Incumbent's commission expired April 12, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 15 (legislative day of April 8), 1940

PROMOTIONS IN THE REGULAR ARMY

William Edmund Larned to be colonel, Ordnance Department.

Franklin Kemble to be colonel, Coast Artillery Corps.

Karl Slaughter Bradford to be colonel, Cavalry.

Herbert Arthur Dargue (brigadier general, wing commander) to be colonel, Air Corps.

Richard Grant Hunter to be lieutenant colonel, Field Artillery.

Cyril Bassich to be lieutenant colonel, Field Artillery.

John Henry Milam to be lieutenant colonel, Field Artillery.

Emil Charles Rawitser to be lieutenant colonel, Judge Advocate General's Department.

Wade Woodson Rhein to be lieutenant colonel, Coast Artillery Corps.

Harry Herman Young to be lieutenant colonel, Air Corps (temporary lieutenant colonel, Air Corps).

Frank Alfred Jones to be lieutenant colonel, Infantry.

Anderson Thomas William Moore to be major, Corps of Engineers.

Reginald Whitaker to be major, Corps of Engineers.

Eugene Mead Caffey to be major, Judge Advocate General's Department.

James Milligan Gillespie to be major, Air Corps (temporary major, Air Corps), subject to examination required by law.

Milo Benson Barragan to be major, Field Artillery.

Paul Ludwig Deylitz to be major, Ordnance Department.

Ernest William Gruhn to be major, Infantry.

Edwin Luther Sibert to be major, Field Artillery.

Joseph Stubbs Robinson to be major, Coast Artillery Corps.

John Haleston to be major, Infantry.

Charles Clifton Blanchard to be major, Field Artillery.

Clyde Beauchamp Bell to be major, Cavalry.

Delmar Eichler Domke to be captain, Medical Corps.

Louis Harmon Jobe, Jr., to be captain, Medical Corps.

POSTMASTERS

MARYLAND

G. Howard Hergenrother, Havre de Grace.

OKLAHOMA

Ephriam L. Garrett, Coalgate.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 15, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Dear Lord and Father of mankind, in humble petition we bend low at the altar of prayer. We lift our voice, praising Thee for our own blessed land of light and liberty. O give us the cross; give us Calvary; and with these may we stand with lamps of truth blazing across the sighing breast of the world, weighed down with violence and passion. We thank Thee for the Galilean Teacher, who is still the Carpenter of Nazareth; who is still vanquishing the tempter with unshaken power; who is still at the wayside well to help the weary; who is still at the tomb weeping with the mourners. O God, let the beauty of the Lord be upon all mankind, which is staggering with increasing tragedy and marching the fiery ways, leading to darkness and death. Perform again the great miracle and command the sun of time to stand still that the armies of the Lord may come forth in patience and restraint to succor the victims who are faced with a blind destiny; grant that the forces of evil may see the salvation of our God. Be with our President, our Speaker, and the Congress, and bless them with the courage and wisdom which they so much need in these momentous days. Through Christ our Saviour. Amen.

The Journal of the proceedings of Friday, April 12, 1940, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2505. An act to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3097. An act for the relief of Katherine M. Drier.

USE OF PRIVATE VEHICLES FOR OFFICIAL TRAVEL

Mr. COCHRAN. Mr. Speaker, with the approval of the gentleman from Massachusetts [Mr. GIFFORD], the ranking member of the Committee on Expenditures in the Executive Departments, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6693) to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration, with Senate amendments thereto, and agree to the Senate amendments. The amendments are simply the insertion of two words and a clarifying amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 9, strike out "to read as follows" and insert "by striking out the words 'his own' wherever they appear therein and inserting in lieu thereof the words 'a privately owned.'"

Page 1, strike out lines 10 and 11 and lines 1 to 9, inclusive, on page 2.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

HOME-MADE BEDSPREAD INDUSTRY

Mr. TARVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. TARVER. Mr. Speaker, during the last year the Subcommittee on Labor Appropriations made provision for an appropriation to conduct an investigation of the home-made bedspread industry, with particular reference to what effect may have been had upon that industry and the workers in the industry by the administration of the Fair Labor Standards Act. I have just been furnished by the Wage and Hour Administrator with a copy of the report which has been made. In view of the fact that the House is to consider within a few days proposed amendments to the Fair Labor Standards Act, I believe this matter would be of very great interest to the Members of the House, and I ask unanimous consent that I may extend my remarks at this point in the RECORD by inserting a copy of the report, certain excerpts from the hearings had during the present year on the Labor-Federal Security Agency appropriation bill, and a copy of a letter I have just addressed to Colonel Fleming, the Wage and Hour Administrator, with reference to the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The matter inserted is as follows:

[Excerpts from hearings on Labor-Federal Security Agency appropriation bill, 1941, held on February 14, 1940]

HOME-MADE BEDSPREAD INVESTIGATION

Mr. TARVER. Now, Colonel, I want to ask you about the expenditure of a comparatively small fund, $500, which was provided by the committee in the appropriation bill for the present fiscal year, for the investigation of what is known as the home-made bedspread workers industry, which centers around my home town in Georgia.

Mr. Andrews told us last year that this investigation could be made for that sum. I am familiar with the conditions in that industry, where thousands of women, principally farm women, who, prior to the enactment of the wage and hour law, had been engaged in the manufacture of bedspreads in their homes, have practically been eliminated from that industry because of the requirements of the law.

I suppose you may be familiar with the conditions in that industry. It is an industry where the work is or has been performed at home by women workers, in connection with their household duties. After washing the dishes from the breakfast table in the morning, the mother or daughter may sit down in the home for 2 or 3 hours in the morning and work on bedspreads, and then do the same thing in the afternoon. Perhaps mother and Sally work today and tomorrow it may be Sally and Jane, daughters in the family, who work. Perhaps they work 1 hour today and 5 hours tomorrow. It is a matter of impossibility for them to keep any records such as are required by the Wage and Hour Administration, and the compensation, not adequate, which they have received heretofore from the work done on the spreads has not been as much as the requirements of the wage and hour law; but nobody will pay them that much to carry on this work. Therefore, a source of income in some four or five counties of my district, which was formerly very beneficial to the farm population and enabled those farmers to carry on where they might otherwise have been unable to do so, has been cut off.

I called Mr. Andrews' attention to this situation last year and, at his suggestion as to the amount necessary to conduct an investigation of this industry, the $500 was provided. I would like to know what was discovered as a result of that investigation. Of course, the whole idea is that, in an industry of that character, some discretion ought to be vested in the Administrator to provide rules and regulations which would permit the continuance of employment, since it was not the idea of Congress, in the enactment of the law, to decrease the employment, but rather to increase it.

A great deal has been said about the conditions among the Puerto Rican needle workers, but this is a condition which exists in our own country, in continental United States, which certainly is entitled, in my judgment, to equal consideration with that which has been and is being accorded to the condition of the Puerto Rican needle workers.

Having said that much by way of explanation of my inquiry, I would like to know what has been the result of the investigation which supposedly has been made under the jurisdiction of the Wage and Hour Division.

Colonel FLEMING. I presume Mr. Vincent can answer that question better than I could.

Mr. VINCENT. We held a hearing, Mr. Chairman, on the making of these tufted bedspreads. We had both the machine chenille, it is called, and also representatives who spoke for the hand work that you mention. It was one of those rather exceptional situations where it is not easy to deal practically with it unless the Administrator had some such discretionary power as you mentioned.

I think anyone who heard the facts as I heard them would say that it is not practicable to pay the hand workers a minimum wage required by this act. The bedspreads sell at prices which would not permit it.

This is part of the picture, however. Seven or eight years ago practically all of the tufted bedspreads were made by hand. Now about 90 percent of them are made by machines. You have employed on machines down there at this time approximately 7,000 machine operators in two different types of employment, but both on the machines. They are being paid the minimum wage, excepting we are issuing them special certificates authorizing them to employ learners at a lower rate as they need them.

As to the remaining part of the tufted bedspreads in the hand-work part it now amounts to possibly not over 10 or 12 percent of the total volume. I think that is due primarily to the fact that the machine making is cheaper production and also a very artistic looking item, and in the last 7 or 8 years has been able to go on the market at lower prices.

So that the normal processes of that transition from hand work to machine work, without any respect to the Wage and Hour Act, has resulted in great decline in the number that could be employed on the hand work. The best estimates we have, however, indicated that probably 3,000 to 3,500 could still be employed on the hand work if they could be employed at figures which would permit the goods to be sold on the market at prices which they were bringing.

Typically, that hand-work stuff is sold in large department stores and chain stores.

There is still a class of trade which is very different, as was indicated to me, that prefer hand work, although most of it is machine work. I must mention that I cannot make a suggestion that would in any practical way take care of the situation under the rather rigid provisions the Administrator is operating under.

Mr. TARVER. You spoke of a hearing which was had, but that does not, of course, have to do with the question of the investigation which was promised, and which was had, because I happened to know your investigators did visit that area. I wonder what was developed by those investigators?

Colonel FLEMING. I think Mr. Daugherty, who is head of our economic and research statistics branch, can explain that.

Mr. DAUGHERTY. Approximately $540, Mr. Chairman, was expended in making the study of the hand-made bedspread industry by the Children's Bureau of the Labor Department, who investigated the conditions in the homes, the conditions as to the ages of the people, and the wages and hours, and the people who distributed the income through the homes. And in addition an investigation was made in the home-work industries, both urban and rural, and the results will be shortly available.

Mr. TARVER. They are not now available?

Mr. DAUGHERTY. They are not now presently available, but should be in a week or so.

Mr. TARVER. I was somewhat disappointed when the investigators visited this area, which is my home, in making this investigation, that they did not contact me, nor give me any opportunity to put them in touch with some people from whom they might have received valuable information. I hope they have been able to secure the necessary information otherwise, but I should have been glad to cooperate with them in that particular. I am also advised when they contacted the so-called bedspread manufacturers, who are nothing more or less than people who furnish the materials for these workers to use in the making of the spreads, that some of these bedspread manufacturers offered to take them to their employees, who had been thrown out of their employment through the operation of the wage and hour law, and they declined their services in that connection, stating they preferred to contact them themselves without the assistance of the bedspread manufacturers.

I am not sure, therefore, that the investigation has been conducted as thoroughly and as impartially as could have been desired, but I shall be able to determine that when I have been advised of the results of the investigation, which I hope may not be a considerable time. I trust that the work of the results will be available in a month at least.

Mr. DAUGHERTY. Oh, yes, indeed.

CLASSIFICATION OR DEFINITION OF HOUSE WORKERS AS CONTRASTED WITH INDEPENDENT CONTRACTORS

Mr. KEEFE. May I ask a question just for information in connection with this? I am interested in this phase.

Mr. TARVER. Yes, sir; Mr. Keefe.

Mr. KEEFE. I understand this home matter of the bedspread industry in which you are referring to the manufacturers, so-called, is some individual or company which furnishes raw material to these farm women and householders to work on in the homes.

Mr. TARVER. Yes.

Mr. KEEFE. And when it is done they take it and sell it through the regular channels of trade.

Mr. TARVER. Yes.

Mr. KEEFE. And pay the women so much apiece for making them; is that right?

Mr. TARVER. Yes.

Mr. KEEFE. I wish to direct this inquiry to Colonel Fleming: Is there anything in the law that prohibits the people, who have been described by Judge TARVER, from becoming independent contractors, so as to remove them from under the provisions of the Wage and Hour Act, or has some ruling been made that prevents that?

Colonel FLEMING. I think I would rather have Mr. McNulty answer that legal question.

Mr. KEEFE. Perhaps that would be better.

Mr. MCNULTY. We do not feel in the ordinary case the home worker is an independent contractor.

I call the Congressman's attention to the fact that in section 3a of the act a rather broad interpretation is given to the term "employee." It is defined to include any person acting directly or individually in the interest of an employer in relation to an employee. An employee includes any individual employed by an employer as defined.

We felt, too, that some of the decisions construing other statutes, which were not passed for remedial purposes, might not be controlling on the question of who is an employee within the meaning of a remedial act such as this primarily is.

Of course, you have to consider every particular case on the facts of that case naturally.

Mr. TARVER. Of course, Mr. McNulty, I think this should be said with reference to the manner of carrying on this business. Those who do the work on the spreads are not subject to the direction nor control of the person who furnishes the materials upon which they work. They are not required to work at any certain stated periods, and choose their own periods of labor as may suit their convenience. They may make 2 spreads a week or 25 spreads a week, according to their own idea as to how long they want to work on the making of the spread, and they are paid on the piece-work contract basis for whatever they do.

Mr. MCNULTY. As to time that appears to be true. However, as to the other details of the performance of their work, from the information we have received it appears they are subject to the control of the person who gives them the material and receives back the goods for sale.

Mr. TARVER. That gets down to the very point of investigation. You have received incorrect information, if that is the information you are acting upon, because I know of my own personal knowledge that they are not subject to the direction and control of those who furnish the materials. And there is not any reason for your having been so advised that I can determine.

Mr. KEEFE. May I make this further inquiry for information purposes?

Mr. TARVER. Yes.

Mr. KEEFE. You referred to this as a remedial act, the Wage and Hour Act. Do you distinguish between this act as being remedial, and compensation acts, for instance, which deal with compensation for employees who are injured in industry?

Mr. MCNULTY. Under several compensation acts, I believe in New York, for example, home workers are held to be employees. I understand the attorneys general of some other States have ruled they were not.

Mr. KEEFE. It depends upon the facts in the case.

Mr. MCNULTY. It always depends upon the facts in the particular case.

Mr. KEEFE. I have had a rather broad experience in the compensation laws, and that question has been repeatedly before the courts and has been repeatedly passed upon, depending of course upon the facts.

If you show for instance an employer, a manufacturer, goes out and hires these farm women to do this work and furnishes the material and enters into an agreement to pay wages, you are confronted with one situation, but if the situation is that here is a person doing a work for Judge TARVER, for instance, in this bedspread manufacture, and you call him such, and he simply furnishes the material, and they can work on it when they please.

Mr. ENGEL. And they use their own tools.

Mr. KEEFE. Yes; they use their own tools. And he does not stipulate where the work shall be done, nor the time that shall be expended, and it is pretty hard for me to see how you can reach the conclusion that you do.

Mr. TARVER. I have entertained the belief that these so-called employees are not employees, but they are independent contractors, and that they do not come within the jurisdiction of the wage and hour provisions, but the Division has entertained the contrary opinion, which has resulted in that work disappearing in the main.

The work of the machine-made bedspread has a great deal to do with the elimination of a large part of the volume of work which they formerly carried on by hand work, but it has not been by any means the sole cause. It was carried on in considerable volume. I submitted to the Wage and Hour Administration a petition signed by 3,500 workers last year, showing that they had been employed prior to the effectiveness of the Wage and Hour Act, but since then they had not been, and I have been urging that there might be accorded some consideration to that matter so that they could continue to receive the small income that they would be able to earn in this way. I am not speaking for the bedspread manufacturers, but I am speaking for these women who have been thrown out of employment. This is a very serious situation for them and for their families. I had hoped something might be done by regulation, and if that should be impossible, to secure amendment of the law.

By the way, I want to ask Mr. Fleming a question. Mr. Andrews recommended to the Committee on Labor an amendment to the existing law, which is incorporated in all three major bills, which are now pending for the amendment of the Wage and Hour Act vesting in the cases of these rural home workers discretion in the wage and hour administrators to so modify by regulation the requirements of the law as to permit the continuance of their industry. I want to inquire if your views on that problem are in accord with those of the preceding Administrator, who made that recommendation to the Labor Committee.

Colonel FLEMING. I do not think I have been with the Wage and Hour Division long enough to express myself on that at this time.

Mr. TARVER. I certainly want to direct it to your attention, because this is a problem which, although it affects only a few thousand people, is one, in my judgment, that ought to have careful consideration and judgment.

Colonel FLEMING. I will give it consideration and judgment.

Mr. TARVER. I hope you will give attention to it within a short period.

Colonel FLEMING. I intend to.

Mr. ENGEL. What about your ruling as to similar contractors where they cut pulpwood by the cord in other States? Have you had any question of that kind coming up as to individual employees?

Mr. MCNULTY. I do not recall any case of that kind in the North.

Mr. ENGEL. Or any case of that kind in the South?

Mr. MCNULTY. We had a case of that kind in the South. As you, Mr. Chairman and Congressmen, have pointed out, every lawyer understands the principle, but it is a matter of applying the principle to the facts of the particular situation.

In this particular case we thought the facts were that these employees were directed as to the details, as to how that wood should be cut, as to how they should stack that wood, and what they should do to it. As to how they were paid for the stack—I think it was by the pen after it was completed, but nevertheless it was just another employee paid on a piece-work basis. They were subject to the complete control of the man hiring them.

Mr. ENGEL. Practically every one of those contractors have been held under the compensation laws to be independent contractors. I am perfectly frank in saying that in my judgment the Wage and Hour Division has been actuated in this matter by a desire to bring as many people under the law as they could. Apparently they have attempted to write provisions into the law to include almost everyone. When we discussed this matter with Mr. Andrews he said that he regretted that millions of people had been left out.

I want to ask another question.

Mr. KEEFE. I just want to ask this question.

Mr. ENGEL. You go ahead, Mr. Keefe.

Mr. KEEFE. In my State there are innumerable decisions of the supreme court bearing upon the question as to the application of this principle of independent contractor, which arises in a variety of ways, as you as a lawyer know. It very frequently arises in the question of the application and interpretation of the compensation laws. It arises in such fashion that frequently you can cite innumerable cases.

You take this question of where there is a man employed by an automobile dealer as a salesman. He comes to me as a lawyer, that dealer, and asks me the question, Is this salesman of mine subject to the wage and hour provision in the law?—assuming that it is a concern that is subject to the act. I take the facts in reference to his employment and turn to a decision of our supreme court, which is identical as to the employment, where the court has held that that employee or that individual is not an employee, but he is an individual contractor.

Now, the question in my mind is how I as a lawyer, and hundreds of others throughout the country confronted by the same question, can in good conscience and faith advise that man that that employee is not subject to the wage and hour provision, because he is in fact an independent contractor, as so determined by our supreme court, and to you in the determination and in the making of these rules which are applicable all over the country take into consideration the conflict of opinion that may exist as between States, for instance, in the determination of that question.

Mr. MCNULTY. Certainly; we always refer to decisions. We do not give opinions on the law as we think it ought to be.

Mr. KEEFE. Just one other question.

You then make your determination upon the specific facts of each specific case.

Mr. MCNULTY. We always limit our opinions either upon facts given by the inquirer in his communication to us, or as we have found them to be as a result of investigation.

Mr. KEEFE. If the supreme court of my State, for instance, were to hold that the relation of employee and employer does not exist, would you attempt by regulation or finding in your Department to override or question or challenge or in any way change that opinion of that supreme court? That is what I am trying to get at.

Mr. MCNULTY. Of course, my answer has to be we might or might not, depending upon whether or not in view of opinions of other courts we felt the current of the decisions indicated the particular opinion was right or wrong, or whether in view of the language of the particular compensation law that it interpreted and the language of our act, we felt that the issue had been settled by that opinion, or that the opinion was in point with reference to our act.

REPORT OF HOME-MADE BEDSPREAD INVESTIGATION

DEPARTMENT OF LABOR,
WAGE AND HOUR DIVISION,
Washington, April 12, 1940.

Hon. MALCOLM C. TARVER,
House of Representatives, Washington, D. C.

MY DEAR MR. TARVER: At the recent hearing on Labor Department appropriations, Mr. Daugherty, our Director of Research and Statistics, promised that we would shortly put in your hands a study of industrial home work in the manufacture of candlewick bedspreads. Attached you will find the results of a survey among the home workers made by the Children's Bureau at the request of the Wage and Hour Division.

As you know, a representative of the Wage and Hour Division was in Dalton after the completion of the Children's Bureau field work, to study other aspects of the problem. Besides visiting you in your office, he consulted employers, home workers, factory workers, civic leaders, bankers, and other business leaders, to get a comprehensive picture regarding the nature of the home-work problem since the enactment of the Fair Labor Standards Act.

Having the benefit of these surveys, we have reached the following conclusions:

(1) Much of the unemployment and poverty which was found to exist among the candlewicking families at the end of 1939 was the result of competitive factors over which the Fair Labor Standards Act had no influence. Even before the passage of the act, the chenille bedspread had captured much of the market which had formerly been occupied by the candlewick bedspread. Many of the families which formely engaged in candlewicking now have members at work in the chenille factories.

(2) The Children's Bureau points out that the existence of illegal child labor among many of the tufting families is openly conceded. It must be pointed out that this type of violation affects the health and education of the children in the community and is almost impossible to eradicate while home work continues to exist.

(3) The average earnings of hand tufters do not seem to exceed 10 cents an hour in the work which is now being done. This, of course, is far below the 32½-cent minimum required by law. It is our understanding that informed opinion in your community regards the hourly basis of computing wages as entirely impractical in home work, and is very strong for the view that the piece-rate method of compensation of a certain number of cents per ounce tufted, which was effective during N. R. A., represents the desirable solution. Without commenting at this time on desirability of a piece-rate method of compensation, we should like to point out that even to reach average compliance with the minimum wage fixed by law, it would be necessary for the spread houses to increase their payments to home workers for labor from 300 to 500 percent. This would cause a rise in the prices of the finished product and diminution of the market. Many of the persons in the Dalton area, in advocating piece rates, assume that the prices effective under the N. R. A. code of fair competition would be adopted. It must be pointed out that those prices were variously estimated to yield between 10 and 20 cents an hour.

(4) In our survey we were particularly struck by the poverty of the mountain families engaged in the home work; and it seemed to us, while the $3 per week earned by the average home-work family might serve to alleviate poverty in a small degree, that the actual solution lies elsewhere. Consultation with Dr. Alexander of the Farm Security Administration indicated that the home-work areas in the mountains near Dalton were all regarded as agriculturally submarginal and fit primarily for forest. It was Dr. Alexander's opinion that the primary remedy for poverty among the mountain families lay in their resettlement on better soil. Because of your interest in the welfare of these people, his view is submitted to you.

The Women's Bureau, recognizing the needs of the bedspread tufters, has undertaken a study of the use to which the skills of these women may be put through the development of community workshops. As our representative indicated to you, when in Dalton, the development of such workshops, with the aid of other Government agencies, may prove to be of great value.

Because of the interest of the Labor Committee of the House in pending legislation on this subject I am sending a copy of the attached report to the chairman of this committee.

Very truly yours,

PHILIP B. FLEMING,
Colonel, Corps of Engineers, Administrator.

[Copy]

HOME WORK IN THE CANLEWICK-BEDSPREAD INDUSTRY

(Prepared by Industrial Division, Children's Bureau, U. S. Department of Labor, April 1940)

DESCRIPTION OF THE STUDY

The candlewick-bedspread industry was selected as one of the industries in which present home-work conditions were to be briefly surveyed by the Children's Bureau at the request of the Wage and Hour Division. It served as an example of home work in a rural area and also of conditions in an industry which has made some effort to use home-work handbooks. Furthermore, it is of special interest because of the recent decline in home-work distribution by the industry, attributed by some to the Fair Labor Standards Act[1] and because of the shift from a hand-made to a machine-made product.

The field work for this study was carried on during October 1939. Two hundred families who had worked in this industry were visited who were scattered throughout the candlewick-bedspread area of northern Georgia and in one bordering county of Tennessee.[2] Some of the families were located through lists provided by employers, but most of them were located through information given by other home workers. Of these families, 78 had received home work during September or October 1939. The 122 other families had formerly been home workers in the industry, but had received no work as late as September 1939.

Very little home work was found in any of the areas visited. That only a comparatively small number of families with current work were located for interview during the time available for this brief survey is a reflection of the fact that only a few of the persons who at some previous time had been home workers of the industry were receiving work during the fall of 1939. The 122 families that were no longer doing home work when interviewed in October 1939 undoubtedly represent a much smaller proportion of all such families in the area than the 78 working families represent of all families receiving home work at that time.

The localities represented by the home workers visited include remote valley and mountain farming sections as well as towns, small communities along the main highway (U. S. route No. 41), and other rural settlements. Seventy of the 78 home-work families receiving home work currently lived in Whitfield, Murray, and Gordon Counties of Georgia. It is believed that the number of working families interviewed, even though small, was representative of the limited number of families doing home work for the industry in this area during the time of the study.

From the 78 currently employed home workers information was obtained on the amount and kind of home work being done, child labor, hours of work, earnings, extent of dependence on home-work earnings, and the use of handbooks required for home-work production under the Fair Labor Standards Act of 1938. From the 122 families formerly doing home work, information was collected on the time they last did bedspread home work and on their present employment and general economic status. In addition, the representatives of the Bureau interviewed employers, county relief workers, union officials, and others in the counties visited regarding the background of the industry.

BACKGROUND OF THE INDUSTRY

Early handicraft phase

The hand tufting of candlewick bedspreads, long known as a handicraft of the southern Appalachian Mountain people, began to develop commercially in the early 1920's. The industry has grown up in northern Georgia, where the homework distributed by the industry has gone into a large proportion of the homes within a 50-mile radius of Dalton, Ga. The home workers have been people living in all types of communities in the area, the comparatively inaccessible mountain districts and the small villages and the towns. The employer's place of business was and still is usually a small 1-room "spread house," where preparations for distributing home work are carried on, including stamping designs on the sheeting used and assembling the candlewick yarn, so-called because the same kind of yarn was once used for hand tufting of bedspreads as was used for wicks of candles. The actual distribution of the bedspreads to the home workers, many of whom live in places remote from the employer's place of business, has been carried on by "haulers." This term is commonly used by the industry to refer to deliverymen who take the spreads to the workers' homes and who, in effect, serve also as contractors for the owner of the spreads. The owner would give the necessary sheeting, stamped with the designs, and the required yarn, to the hauler, who, in turn, hired, supervised, and paid the home workers. The hauler took a "commission" out of the money given him by the owner of the materials for the production.

Wage rates and earnings for home workers in the industry prior to the depression were considered, according to a representative of the industry, to have been generally not out of line with prevailing returns from other remunerative work available in the area. However, early in the depression, 1930–31, the employers set and the workers accepted greatly reduced rates of pay for the work. Indeed, so acute was the wage- and price-cutting trend that in 1932 some

---

[1] Hearing before the subcommittee of the Committee on Appropriations, House of Representatives, 76th Cong., 1st sess., on the Department of Labor appropriation bill for 1940, 1939, pp. 327–337, 341.

[2] Appendix table 1 shows by counties the towns and rural areas visited.

distributors formed the Candlewick Bedspread Association in the hope of stopping the downward movement.[3]

According to a study of the United States Women's Bureau, there were approximately 8,000 home workers in the industry in Georgia by 1933–34, of whom many worked only part time. (This study revealed that the usual weekly earnings in the period 1933–34 were less than $1 for 26 percent of the home workers and as much as $4 for only 10 percent. These earnings often represent a long workweek and daily hours from "sun up to sun down.") Other sources of income for these home-work families included farm products used and sold and a limited amount of wage employment. Some of the families were receiving relief.[4]

N. R. A. period

Under the N. R. A. a code of fair competition for the candlewick-bedspread industry was approved on June 1, 1934, and was in effect until May 1935, when the codes of the N. R. A. were invalidated by decision of the Supreme Court of the United States.

The wage clause of the code relating to home work did not prescribe a minimum hourly rate, but did establish a wage scale based on the number of ounces of yarn tufted into a spread. The rates were 8 cents per ounce of yarn for lightweight bedspreads and 10 cents an ounce for heavier spreads.[5] It was claimed by the manufacturers that the code piece rate would result in hourly earnings of 15 to 20 cents, or an increase of 200 to 300 percent over preceding rates.[6]

Although no statistics are available on hourly earnings of home workers under the N. R. A. piece rates, the assistant deputy administrator in charge of the code stated that home workers probably received less than 10 cents an hour.[7] The code permitted haulers' commissions to be taken out of the rates set, but placed a limitation on such commissions to 15 percent, or not more than 30 cents per spread. This limitation, however, proved to be difficult of enforcement.[8]

Growth in machine production

Within the brief span of 5 years, 1934–39, the candlewick hand-tufted bedspread area centering about Dalton, Ga., experienced an industrial revolution, tufting by machine methods supplanting hand tufting and production being enlarged.

In 1933 the development of the machine-tufted spread had started.[9] By 1938 there were in the north-Georgia area about 75 firms manufacturing tufted bedspreads in factories by a machine process known as chenilling. In these factories about 7,000 workers were employed.[10]

By 1938 about two-thirds of these manufacturers had completely discontinued the production of hand-tufted spreads, the machine-made product, called chenille bedspreads, having proved more profitable.[11] Sales of the chenille product increased rapidly, doubling every 2 years, and in 1938 sales were estimated to have reached $12,000,000.[12]

The main sales outlet for chenille products are department stores, chain stores, and mail-order houses. Another outlet is the highway "spread line" catering to tourists. These "spread lines" are found chiefly along United States Route 41 from Chattanooga, Tenn., to Atlanta, Ga., and so numerous are their displays of bedspreads that this part of the highway is sometimes known as "bedspread alley." Frequently the "spread line" operator has an indoor showroom and workroom either in the front room of his own dwelling or in a nearby shack. Usually these "lines" are an adjunct to a gasoline filling station. Many of these operators have their own machines for chenilling and a great many of the products offered for sale are made in their own homes or workrooms. They usually have a few hand-tufted bedspreads for sale which have been made by neighbors. They may also sell some machine-made "seconds" obtained from the factories making chenille products. Mail-order business is solicited.

In the early days of machine production the retail prices of machine-made spreads were relatively high, due partly to the fact that they require more yarn than hand-made spreads. As the factories became more efficient, and competition with the hand-tufted product developed, chenille bedspreads began to be produced for the low-priced market. Recently an electrically propelled punch-work needle was introduced which tufts a design using less yarn than generally is used in the chenille bedspread and which closely resembles the hand-tufted product. Another type of machine-made spread in the low-price field has the fluff sewed onto the material. Such innovations have made it possible for the machine-made candlewick bedspread to reach into the lower-priced markets formerly held by the cheaper hand-tufted bedspreads and various kinds of cotton and rayon spreads not of the candlewick type.

The introduction of machine-made spreads to the low-priced field gave a fresh impetus during 1937 to the production of a very low-priced type of hand-made spread requiring little yarn, which could be made by the home worker in about 2 hours and for which the home worker received 5, 10, or 15 cents. This type of spread had a short period of popularity, but from then until October 1938, when the Fair Labor Standards Act became effective, wage rates for hand tufting continued to be very low.

The demand for these cheap spreads having proved short-lived, apparently the only important market remaining for the hand-made bedspread, with the exception of those sold locally to tourists, is for the higher-priced heirloom type of bedspread.

Opportunities for factory employment increased in this north-Georgia area simultaneously with the decline of home work. Today many members of the mountain families that had formerly done hand tufting who could arrange transportation and could "make production" (i. e., produce sufficient work at piece rates paid to meet minimum-wage requirements) are working in the bedspread factories. Most of the factory workers live within 10 miles of the factory, some having moved to town to be near their work. Others come to work daily from distances of as much as 20 miles. At present most of the factory employees are young women. Men are employed chiefly as mechanics to service the machinery, but some also work as machine operators.

With this sudden change from a handicraft industry to one depending largely on machine methods of production, it has been inevitable that some of the former hand workers have not been absorbed into the factories on being deprived of employment opportunities in hand production. Throughout the history of manufacturing, this has been the experience of industries undergoing a revolution in methods of production. The contracted employment opportunities at hand tufting are clearly due to this technological change within the industry rather than to the application of minimum-wage regulation under the Fair Labor Standards Act of 1938. Interesting evidence that the Fair Labor Standards Act is not the chief cause of reduced employment opportunities for hand tufters is contained in the report from the industry that for the year 1938 only 5 percent of the product of the candlewick-bedspread industry was hand tufted;[13] the Fair Labor Standards Act of 1938 did not go into effect until October 24 of that year.

Description of home-work processes

Home workers were found at the time of the Children's Bureau study to be engaged in three types of home work on candlewick bedspreads—hand tufting, fringing (a hand process performed on both hand-tufted and machine-made spreads), and operating chenilling machines.

Hand tufting: This is a comparatively simple hand operation that requires mainly strength and endurance. The worker receives from her employer a muslin sheet on which is stamped the pattern to be tufted together with the necessary yarn. The worker, using her own large tufting needle, lines the pattern with tufting stitches and then clips the stitches with scissors. The arduous part of tufting is pushing the needle with the yarn through the sheeting. The worker almost always has some protection for the finger used to push the needle. The time required to tuft and clip a spread ranges from about to 2 to as much as 36 or more hours, depending on the complexity of pattern, the weight of the muslin sheeting, and the speed of the worker. Sometimes the home worker hems the muslin, but frequently that is done at the "spread house." The laundering of the finished spread is taken care of by the employer after the tufted bedspread has been returned to him.

Fringing: Fringing is a semiskilled home-work process quite distinct from hand tufting. Workers stand at large frames and draw threads rapidly through the edges of a bedspread that has been stretched over the top of the frame and fastened down with clothespins. The spacing of the stitches is measured by lines drawn on the board over which the spread is fastened. The time required to fringe a bedspread is 1 to 3 hours, depending on the type of fringe. The volume of such work is small, since only a small proportion of bedspreads are fringed.

Operating chenilling machines: The operation of machines that do machine tufting is customarily a factory operation but occasionally is done in homes. In this home-work process the spread is tufted and the stitches clipped by machine. The operator uses the same type of muslin sheeting as does the hand tufter, on which the design is stamped and which the machine stitching follows. The machine used for chenilling is a special type of power sewing machine with an attachment designed to permit stitching which, when clipped and fluffed after laundering, takes on the appearance of chenille.

---

[3] Brief presented by F. R. Westcott in "Hearing to determine the need for learners in the textile industries," November 28–30, 1938, pp. 145–176. This record of hearing is hereafter referred to as "Hearing on learners."

[4] Nienburg, Bertha M., "Potential earning power of southern mountaineer handicraft," pp. 24, 25, 39, 42–46, Women's Bureau Bulletin No. 128, U. S. Department of Labor, Washington, 1935.

[5] N. R. A. Code of Fair Competition for the Candlewick Bedspread Industry, art. IV, sec. 2, p. 117, Washington, 1934. The application of these wage rates was stayed, however, until July 16, 1934, rates of 6¼ and 8 cents per ounce of yarn replacing the 8- and 10-cent rates, respectively, in the period June 1 to July 16 (Ibid., p. 111).

[6] Ibid., p. 114.

[7] Statement of Adolph Feibel, assistant deputy in charge of the code, in History of the Code of Fair Competition for the Candlewick Bedspread Industry, January 1936, p. 22. This report of the N. R. A.'s division of review is hereafter referred to as "History of the code."

[8] N. R. A. Code of Fair Competition for the Candlewick Bedspread Industry, art. V, sec. 2, p. 118, Washington, 1934. History of the code, pp. 10–11.

[9] N. I. R. A. hearing on the Candlewick Bedspread Industry Amendment Proposal I, November 13, 1934, p. 48.

[10] Hearing on Learners, p. 183. The industry had also developed to some extent in Alabama, California, Kentucky, Indiana, Massachusetts, North Carolina, Pennsylvania, South Carolina, Illinois, Tennessee, Texas, and Wisconsin.

[11] Hearing on Learners, p. 167.

[12] Textile World, May 1939, p. 67.

[13] Textile World, May 1939, p. 67.

Legal regulation of home work in the candlewick-bedspread industry

During the time the field work for this industry was carried on, the statutory wage and hour provisions of the Fair Labor Standards Act of 1938—that is, the 25-cent minimum hourly wage and the 44-hour maximum workweek with payment of time and one-half for overtime—were applicable to this industry as well as the 16-year minimum-age standard. No State legislation regulating industrial home work or minimum wages was in effect in Georgia.[14]

HOME-WORK CONDITIONS IN THE INDUSTRY

The findings of the study relative to conditions of home work, the home workers in the families, child labor, hours, and earnings are based on information obtained in interviews with the 78 families visited that had done home work on bedspreads in September or October, 1939.

The families and their home workers

In almost all of these 78 home-work families poor homes and other evidences of poverty were found. A comfortable home was a rarity. Most of the families outside the villages and towns were sharecroppers, tenant farmers, or farm laborers. Barren, hard dirt usually surrounded the family's dwelling. Boards were missing from steps and porches. Doors and windows were loosely fitted, and windowpanes were broken or missing. An open fireplace in the front room and the kitchen stove in the rear provided little warmth when cold mountain breezes blew through the house. Floors were splintered and furniture was scant. Frequently the family owned a hog, a cow, and some chickens. Often they raised corn for the hog, vegetables to can or store away for winter use, and cotton to sell. The people often complained because their cash return from cotton planting was low.

In many of the home-work families there was, however, some cash income from sources other than farm work or hand tufting. One-third of the families had one or more members who worked in chenille or other textile factories. Another third, without such factory employment, had members in other nonagricultural occupations—helpers in blacksmith shops, casual laborers, or workers in sawmills. In general, the families welcomed bedspread home work as a means of adding a small amount of cash to their low incomes. Many home workers commented that home-work earnings had helped to send children to school, to pay for clothes, and to buy extras. Seldom, however, was it the chief source of income.

The need in many of the families interviewed and the meagerness of their home-work earnings is suggested by the fact that slightly more than one-fifth of the total number of families interviewed were receiving some assistance from public funds, including employment under the W. P. A. or in the C. C. C., aid to dependent children, old-age pensions, or direct relief.

Of the 78 home-work families visited that were currently engaged in home work for the bedspread industry (i. e. in September or October 1939), 59 received bedspreads for hand tufting, 16 for fringing, and 3 for chenilling by machine.

Many of the workers called for and returned the home work to the employer's "spread house" or factory. Some employers, however, delivered the work to certain families, particularly those living at some distance from the employer's place of business.

These families interviewed received their home work from 22 different employers, seven of whom handled hand-tufted bedspreads exclusively. Eight others operated chenille factories and distributed machine-made bedspreads to be fringed, but at least two of these chenille factories distributed bedspreads for hand-tufting. The remaining 7 employers operated highway "spread lines"; their home workers did hand tufting, and in the case of one worker, chenilling.

In the home-working families it was not uncommon for members of the family to help the person in the family, usually the mother, who obtained the work from the employer and took responsibility for the work, completing and returning it, and who, in this report, is called the chief home worker of the family. In one-third of the families 2 or more persons were engaged in work on the bedspreads, even though during the period of this study home-work distribution was slack and many of the family workers were engaged in farm labor. There were 114 home workers in the 78 families in the pay period selected for study. The assistants to the chief home worker were often the daughter, who helped with the hand-tufting process, or younger children, old people, and men of the family, who were used to clip stitches.

Of the 78 chief home workers more than half were under 40 years of age; about a fourth were 50 years of age or older, of which only 4 were 60 or older. All except 3 were women (each of the men was a fringer).

Most chief home workers were mothers of families with home responsibilities. Even so, nearly two-fifths of the chief home workers interviewed stated that they would be able to accept factory employment if it were available. In about one-eighth of the families the chief home worker was considered too old to work outside the home or was unable to do so because of some physical handicap. Many families, including several whose chief home worker could not accept factory employment, had older children or adults who were eager for opportunities for mill or factory employment.

[14] In Tennessee, where one home-work family included in the study resided, there was no State legislation regulating industrial home work on candlewick bedspreads and no State minimum-wage law.

Child labor

Of the 59 children 10 and under 16 years of age in the 78 working families doing home work, 12, or one-fifth, according to admission of the parents, had helped with the home work during the pay period for which home-work employment information was obtained for the family. The 2 youngest children reported to be working on bedspreads were 10 years of age; 3 were 12 or 13 years of age; and 7 were 14 or 15. Ten of these children were in families doing hand-tufting work; the other 2 were in families doing fringing. Since hand tufting is an arduous task, requiring strong fingers to pull the heavy yarn through the muslin sheeting, the younger children do not tuft, as a rule, except on the lighter spreads. However, they do assist in clipping stitches, which must be carefully done so as not to cut the cloth in the clipping process. Families stated that during the school term children often helped to clip spreads after school.

Since fringing is a somewhat more skilled occupation few children were found engaged in this process. The two child fringers were a girl of 14 and a boy of 15, who was a newspaper carrier also.

The extent of child labor on bedspread home work found in October 1939 was probably less than occurs at other times of the year. In most of the regions visited, schools were closed for a 5-week period in order that the children might assist in picking the cotton crop. About two-fifths of the 97 children 6 and under 16 years of age in the families visited were in the fields picking cotton.[15]

Some children who helped on the bedspreads worked in the fields also. About two-fifths of the children between 6 and 16 years of age were working at bedspread home work, at cotton picking, at other farm work, or at more than one of these occupations. Some of the children picking cotton when the family was visited in October might have been found helping with the home work at other seasons of the year if the work was pressing enough to require their help.

The use of home-work handbooks

At the time of the study the regional office of the Wage and Hour Division at Atlanta had issued 430 home-work handbooks on application from 10 employers in the candlewick-bedspread industry. It was understood that applications for handbooks from this industry had been due to the influence of the labor-standards committee of the Tufted Bedspread Manufacturers Association, organized to cooperate with the Wage and Hour Administration in regulating the industry. The 22 employers for whom the 78 home-work families interviewed worked included 7 employers who had applied for handbooks. The home workers visited, who worked for 2 of these employers, were not using the handbooks. None of the handbooks found had entries prior to July 1, 1939.

Of the 78 home-work families visited less than two-fifths were found to have handbooks. Greater disregard for the handbook record-keeping requirement was found among the workers doing hand tufting than among those doing fringing. Only 16, or about one-fourth of the families doing the hand tufting, had been given handbooks by their employers; while 14 of the 16 families doing fringing used handbooks. No handbooks were found in the three families engaged in operating chenilling machines at home.

In the families of hand tufters it was found that handbooks were in use in 16 of the 59 families interviewed. No family had more than 1 handbook and none worked for more than 1 employer. Even though a third of these families had 2 or more members working on bedspreads, in no case did the family have separate handbooks for each worker. In these families the handbooks did not show actual hours worked, hourly earnings, and total earnings for individual members of the family. In almost all the handbooks used by hand tufters, that were seen by the Children's Bureau representatives, the entries of hours worked indicated hourly earnings equivalent to the legal minimum. Only 2 handbooks showed an hourly rate less than 25 cents. The entries on total earnings and the piece rates paid appeared generally to be accurately reported.

In the 16 families fringe workers it was found that handbooks were in use in 14 families (in each of 4 of these homes there were 2 handbooks). Two the 14 families with handbooks, however, received work from 2 employers but had handbooks for only 1.

For seven fringers the handbook entries represented the work of two or more members of the family.

More care in filling out the record of hours in the handbooks was noted among the fringers than among the hand tufters. Fringers employed by one firm were keeping daily time sheets on which they entered clock hours for time worked each day. The employer computed from these sheets the total weekly hours for entry into the handbook.

On the whole, however, little significance appeared to be attached to the use of handbooks. One employer stated frankly that she did not have the time to "bother" with the extra clerical work and bookkeeping involved. Frequently handbook entries on various items were incomplete or missing for several pay periods. Most workers were found to be poorly informed regarding the purpose of the handbook and the proper method of making entries. Usually the worker herself had entered the hours worked even though the regulations specify that all entries be made by the employer or

[15] Three-fourths of the children picking cotton were under 14 years of age. The youngest child was 4 years of age and 3 children were less than 6 years old. Children of 11 and 12 were reported to have picked as much as 100 pounds of cotton a day, working long hours.

his representative. In all cases the worker knew the proper number of hours to report in order that the piece rate paid on the bedspread would indicate the legal hourly minimum wage.

In numerous instances workers were unwilling to give a detailed and complete statement of the exact time they had worked on the job for which hour entries were made in the handbook. One of the workers reported that an employer had threatened home workers doing hand tufting that "the law" would get them if they revealed that they were receiving less than the legal minimum. One employer stated to Bureau representatives that he did not use handbooks for his workers in one area because the workers were religious and would not accept handbooks because of the "lying" involved in their use.

Some notes from the field investigator's reports suggest the difficulty of getting accurate information on hours, whether for the handbook or for purposes of study.

"On one occasion the home worker's husband was listening attentively to his wife upholding the accuracy of her handbook record. Finally he interrupted, addressing his wife: 'The Government is working for the people. They want to help you. They can't help you unless you help the law. Don't tell this Government lady you can make that spread in 4 hours because you can't. You can't even make it in 8.' The wife tried to quiet him by saying, 'I'm taking care of this. I'm taking care of this.' Even after her husband's accusations, she would not admit the handbook record was wrong, but did say reluctantly that she was a 'mighty slow' worker.

"A former home worker said that she was prepared to tell the 'Government lady' her story. She prefaced her story by saying that she was a Christian and had been brought up to tell the truth and that people who did not tell the truth were punished both in this world and the next. She referred to her neighbor, a home worker whom the representative had just interviewed, saying that this friend had been lying about her handbook and as a result was punished. The punishment was a broken leg. Then she went on to relate that she herself had taken a spread to make for a certain distributor, at the time when this employer was asking workers to time themselves to see if they could 'make production.' She had been told that she must make one-eighth of this spread in 2 hours and only if she completed the work in the required time could she expect future spread work. She timed herself and it took 3 hours and 40 minutes to do the work. Indignant, she assured the Bureau representative that she was considered to be a fast worker and didn't know anyone who could 'make production' for this employer."

Hours of work

Because of the scarcity of hand-tufting work, most of the hand tufters in general were making no more than 1 or 2 spreads a week and were working less than 20 hours a week.

In most cases where the home-work handbooks were in use, the home workers reported to the Children's Bureau representative that the hours given in the handbooks (generally showing exactly the hours which, at the piece rates paid, would yield the minimum hourly rate under the Fair Labor Standards Act) were correct. Also, because hand tufting is done at irregular intervals along with house and farm work, Bureau representatives had great difficulty in obtaining details as to the actual periods spent in completing the work represented in the reported pay period. In the case of the 10 families that were not using handbooks, and for whom the number of hours worked in their last weekly pay period could be approximately determined, the weekly hours worked by the chief home workers were 20 or more in only 4 families, although cases were found of work in excess of 44 hours a week by workers who said they were slow.

The fringers interviewed had more regular work and generally reported longer hours in the workweek than the hand tufters. Half of the 15 individual fringers reporting hours had worked more than 35 hours in their last weekly pay period.

Hourly earnings

At the time of this study producers in the candlewick-bedspread industry subject to the Fair Labor Standards Act of 1938 were supposed to pay workers the prevailing Federal minimum of 25 cents an hour, with time and a half for hours worked in excess of 44. For the workers for whom it was possible to get adequate information on hours worked, it was found that actual earnings were frequently less than 25 cents an hour and that hourly earnings for hand tufters tended to be lower than for fringers.

Among hand tufters using handbooks it was impossible to get information on hours worked that could be used for computing hourly earnings because of the workers' reluctance to disclose working hours in excess of those entered in the handbook (all except 2 showed hours of work yielding 25 cents an hour). Information on hourly earnings for hand tufters is therefore given for only 24 who were not using the handbooks and for whom information on hours worked during the pay period studied was obtained through careful interviewing. It was found that the hourly earnings of these 24 ranged from 3 to 22 cents an hour and that half were receiving less than 10 cents an hour.

Among fringe workers hourly earnings appeared to be nearer the 25-cent minimum than for hand tufters, although some made less than 20 cents an hour. Fringe workers were generally found to be working at a fast rate of speed and at least in some instances to be completing the assigned work in the time allowed by the employer for making the 25-cent minimum.

The three home workers operating chenilling machines reported hourly earnings of 25 or 30 cents.

Weekly earnings

Total earnings on a weekly basis were not available for many families, since the data on hours and earnings were obtained on the basis of pay periods shown in their home-work handbooks and often these were not weekly periods. However, in the 11 families doing hand tufting and reporting earnings on a weekly basis the amount received for the home work was found to range from $1.25 to $3.50 a week.

In the 14 families of fringe workers that reported weekly earnings the amount received ranged from $3 to $26, half of them receiving $12 or more a week. The family earning $26 had two full-time workers.

BASIS OF WAGE RATES AND ATTITUDES OF EMPLOYERS TOWARD WAGE REGULATION

Through interviews with some employers of home workers in the industry as well as from the information obtained from home workers it was found that much of the problem of controlling home-work conditions in this industry centers around the piece-rate basis of making wage payments and the low level of rates paid.

The candlewick-bedspread industry never has paid and does not now pay its home workers on an hourly basis. Both hand tufting and fringing are paid entirely on a piece-rate basis. The rates vary for different patterns and employers pay different rates for the same pattern. With the exception of one fringer who was paid for reported overtime, it was found that workers were not paid the difference where piece-rate earnings for recorded time worked were less than the amount they should have received under the legal hourly minimum.

Many workers reported that prices on the common patterns had increased since the fall of 1938, undoubtedly as a result of the influence of the Fair Labor Standards Act of 1938. For example, the rate for the single hobnail pattern, a relatively simple one, was reported in one case to have increased from 60 cents in November 1938 to 90 cents in 1939. Certain heavy spreads, which paid $1 and $2 in 1938, were reported to have doubled in price since; and others, which formerly paid $4, were found to pay $5. However, it was also reported that piece-rate prices paid to a few workers employed by line operators in one area had declined since the Fair Labor Standards Act of 1938 went into effect. Moreover in one instance it was found that an employer who distributed work to an isolated rural area paid only 25 cents for hand tufting on a pattern for which other employers, whose workers lived in less remote areas, paid $1.

At the time of the study the unstandardized piece rates of the past few years were in some cases being replaced by rates arrived at on a time basis, in order to approximate more nearly the hourly rates of pay required under the Fair Labor Standards Act. A few employers had timed workers doing the home-work processes while working on the employer's premises. They arrived at an estimate of the number of hours necessary to work certain patterns by determining the time it took a selected worker to complete a portion of the spread. Piece rates on the different patterns were then set accordingly. Some workers reported that fast rather than average workers were used in such time studies conducted by several employers.

It was found that a few of the employers of hand tufters as well as of fringers who used this method of testing the speed of workers tried to select their home workers on this basis. Also, in order to know what the piece rates would yield the particular workers in hourly earnings, a large Dalton factory employing fringers chose only those workers who demonstrated at the factory that they could fringe a spread in the time considered to be standard. In the case of hand tufting, it was explained by several workers that employers had told them that their hourly earnings on the piece rates set would equal the legal minimum if they completed the spread in a determined number of hours. The workers were then told that if they could not make the spread in the prescribed time they need not expect further employment. As a result, most workers would say that they could complete work in the prescribed time, even if it took them twice as long. Interviews with workers and employers revealed that these employers probably were aware that under this system most of their workers could not earn the legal hourly minimum under the piece rates paid.

Two of the employers of hand tufters interviewed stated that they set their piece rates by a combination of the time-study method discussed above and the "ounce" method; that is, they ascertained the time taken to tuft certain number of ounces of yarn in making a spread of a specific pattern and set the piece rate on the spread according to the number of ounces of yarn that the spread requires.

The ounce method was the basis of the piece rates prescribed by the bedspread code under the N. R. A., but was not wholly satisfactory because the rates set did not take sufficient account of such factors as complexity of the pattern and the weight of the sheeting. This is illustrated by the statement of one employer who said that haulers had had to bargain with workers to get them to make certain complicated patterns involving such stitches as French knots. French knots require a long time to make, although the amount of yarn required is no greater than for other patterns taking less time.

Interviews with several employers of hand tufters indicated clearly that these employers opposed the hourly wage as the basis for minimum-wage requirements and the present handbook system, preferring a piece-rate basis of wage standards such as the ounce method used under the N. R. A. if wages are to be regulated for home work in the industry. Opinions differed among employers

regarding the adequacy of the price per ounce set in the N. R. A. code. Some advocated that the same rate be paid, others that it be reduced, still others that it be raised. In advocating a return to an ounce basis the employers interviewed held that standard piece rates set according to the amount of yarn used in the common patterns and with some account taken of the time required to work such patterns would yield all workers a "fair" wage.

The employers interviewed, in addition to preferring piece-rate wage standards to a minimum wage on an hourly basis, were unanimous in the opinion that the handbook system of record keeping was too involved to be practicable, and further indicated that accurate entries of the working time of hand tufters could not be expected because of the irregular way in which the work necessarily was done. With regard to the hourly basis for wage payment to home workers, they asserted that the legal minimum was in general too high and that a time basis is impractical because it penalizes faster workers and does not permit the predetermination of labor costs considered necessary for quoting prices on orders.

FAMILIES FORMERLY DOING HOME WORK

Home-work production in the candlewick-bedspread industry had dwindled to a small portion of its former volume prior to October 24, 1938, the date on which the Fair Labor Standards Act of 1938 went into effect. Families having home-work employment at the time of this study represented only a small portion of the total families which had at one time drawn part of their income from home work. Children's Bureau representatives visited some of the families which had formerly done home work in order to determine the consequences to such families of the loss of home-work employment.

Among 122 families visited whose most recent bedspread home work had been done prior to September 1, 1939, many had discontinued home work a considerable time before October 1938. That the Fair Labor Standards Act of 1938 was not directly the cause of the discontinuance of home work in this industry is indicated by the fact that almost all the workers interviewed had been receiving only small quantities of work at very irregular periods if at all during the year or two preceding the effective date of the act.

The statement by 62 percent of the 114 families reporting the reason for stopping home work was that haulers had discontinued their routes or that spread producers no longer had work for them. Workers frequently dated the time home work stopped from the time when the machines got the work. Sixteen percent said they had stopped work because piece rates had fallen so low that they "couldn't make anything." "Spreads would be a heap of help," one woman said, "but not at those prices." In 4 cases, the family's discontent with low earnings had been aggravated by their feeling that the hauler had cheated them out of some of their wages. Ten percent of the families gave up home work because some member of the family obtained factory employment.

It was difficult to determine the extent to which these families had relied on home-work earnings. In few instances did workers indicate that "spread money" had been their main source of income. Workers who had made bedspreads solely as a pastime, and for whom the earnings had been merely a convenient "extra" were equally few in number. Home-work earnings commonly had been supplemental to other sources of income and had been utilized for the purchase of clothing, things for the table, and school supplies for the children. Usually the family was poor, and cash earnings, from whatever source, were a welcome addition to the family's income.

The families of former home workers were found to be in the same occupational and low-income groups as families currently employed in home work. Many were sharecroppers or tenant farmers, growing much of their own food and producing cotton as a cash crop. Very few owned their own farms. During the cotton- and pea-picking seasons, men, women, and children hired out as wage hands. More than half of them had no member in nonagricultural employment.

One or more members of about one-fourth of the families were working in a chenille-bedspread factory or a textile mill, at the time of the study. In an equal number of families at least one member had some type of nonfarm employment other than factory work, working as mechanics, filling-station attendants, carpenters, painters, store clerks, and housekeepers.

Of the 122 families visited 20 reported that they had been receiving public assistance, work relief, or direct relief at the time they last worked at bedspreads; 24 were receiving such assistance when interviewed for this study. Sources of assistance included the W. P. A., the C. C. C., the N. Y. A., aid to dependent children, and old-age assistance.

Almost all the families visited that had formerly done home work stated that they are now getting along somehow without it. This was true of most of the families that had once considered "spread money" a necessary part of their income. There was a general feeling among these families that the loss of home work had not greatly altered their circumstances. One worker said, "We was just as poor when we was turfin' (hand tufting) as since."

It was generally necessary for workers to make some adjustments to their loss of home work. Many families said they "didn't miss the spreads but did miss spread money," and "sure did want the work back." This was especially true in the remote mountain areas where other opportunities for earning cash income were very scarce. Some of these families were willing to take bedspread home work even at the very low rates of 1937–38, although others declared they would not take them unless rates were higher than when they did their last home work. Several families declared they were making a better living without spread work because they now devoted their time to their farm and homes.

In a number of families in which the wife wanted the home work, husbands and grown children strongly opposed it. Stories were told of women who received $1 or less a week for their labor, working steadily from early morning until late at night. The husband in one family, which now obtained its entire income from farm produce, said: "I seen young girls bowed over like a rainbow, workin' spreads day and night for just about nuthin'. It was not good for their health." When an older worker said she would like spread work again, her young daughter, who managed the family's farm, remarked to the Bureau representative, "Humped over those things day and night? I'm glad they took 'em away."

Persons in many of these families had signed a petition which was filed by the industry with the Wage and Hour Division of the United States Department of Labor in February 1939, in which it was requested that home work in the industry be exempted under the Fair Labor Standards Act of 1938. This petition stated that practically "all * * * cash income" for "the bare necessities of life" of the home workers signing the petition had been derived from hand tufting and that all such employment had ceased since enactment of the Fair Labor Standards Act. Usually the petition had been brought to the family by a hauler or former hauler. A few workers whose names were on the petition list stated that they had not seen or signed the petition. Some of the signatures were reported to Bureau representatives to be those of children or of persons who never did home work. It appeared, however, that for the most part the signatures on the petition were the genuine signatures of persons who had done home work at some time. The usual reason which the persons interviewed gave for signing was that they "wanted to sign up for more work" or to "bring back the work." Persons who had signed, although they themselves had never done home work, said they wanted to "help the others." Few of the signers had read the petition or knew its contents in detail.

Despite the fact that many former home workers signed the petition, it was found that these families have in general reconciled themselves to the loss of spread work and believe it will not revive. As one worker expressed it, "I reckon as how the machines has took possession of candlewick and I guess they don't wants to fool with tufting no more."

SUMMARY OF FINDINGS FOR THE CANDLEWICK-BEDSPREAD INDUSTRY

Home-work production in the industry: In October 1938, when the Fair Labor Standards Act went into effect, handicraft production no longer predominated in the candlewick-bedspread industry, and production was chiefly by machine methods carried on in factories. Even before the Fair Labor Standards Act of 1938 had gone into effect, industrial home work had ceased to afford more than intermittent employment to a small number of families.

Child labor: The basic 16-year minimum-age standard for the employment of minors under the Fair Labor Standards Act was found frequently to be ignored. Of the 59 children between 10 and 16 years of age in the 78 home-work families visited, 12, or one-fifth, were reported to have been engaged in industrial home work on bedspreads during the particular pay period studied. Five of these children were 10 to 13 years of age, and 7 were 14 or 15 years of age.

Hours of work: Families doing hand tufting on bedspreads received only small amounts of work and seldom did persons work more than 20 hours a week on home work. Hours of work for those engaged in fringing bedspreads tended to be longer, 35 or more hours for the majority of the persons reporting.

Hourly earnings: For the workers for whom it was possible to get adequate information on hours worked, earnings, which were based on piece rates, failed in general to yield the minimum hourly earnings of 25 cents required by the Fair Labor Standards Act of 1938 at the time of this survey. For the chief home workers in the 24 families engaged in hand tufting for whom reliable information on this point could be obtained, the earnings ranged from 3 to 22 cents an hour; a number were receiving less than 10 cents an hour. Hourly earnings, in cases where reliable information could be obtained, tended to be higher for the fringe workers than for hand tufters; although for some they were less than 20 cents, for others they were as much as 25 cents.

Weekly earnings: In the families doing hand tufting that reported earnings covering a weekly period the total income from home work commonly was found to be less than $3. On the other hand, the earnings from home work of half the families of fringe workers who reported earnings on a weekly basis were often more than $10 a week. In both groups earnings often represented the work of more than one person.

Use of home-worker handbooks: Attempts under the Fair Labor Standards Act to control wages and hours of home workers through the use of home-work handbooks have failed in this industry because of the frequent falsification of the handbook records on hours and hourly earnings. The following obstacles to accurate determination and recording of hours worked were found:

(a) Home workers did not know exactly how much time they spent on the work, particularly for that which was done at irregular intervals during the day.

(b) Assistance of members of the family other than the one to whom the handbook was issued was not counted.

(c) Home workers were reluctant to report total time worked for fear of incurring their employer's disfavor and losing their work.

In addition, it was found that many employers were not bothering to use handbooks. Only one-fourth of the families of hand tufters visited had handbooks, but most of the small number of fringers visited were using them.

Economic position of families in the area doing home work and formerly doing home work: Many of the families currently doing home work, as well as those that previously were home workers, lived on farms and earned a meager living as tenant farmers or sharecroppers, or live in small rural villages and engage in farm work or in other occupations. Earnings from home work, therefore, have been welcome as contributing needed additional income. However, the problem of income and standards of living for the people in this area is not one that can be solved by wage exemptions under the Fair Labor Standards Act designed to foster industrial home work in the candlewick-bedspread industry. (Machine production was too well established before the enactment of the Fair Labor Standards Act of 1938 to yield to a revival of hand production on a large scale.) The economic handicaps of the people of this locality, as well as of other sections of the southern Appalachian area, involve agricultural problems of land use and population distribution, and must be dealt with on this basis if they are to be solved in a satisfactory manner.

LETTER FROM REPRESENTATIVE TARVER TO COLONEL FLEMING

APRIL 15, 1940.

Col. PHILIP B. FLEMING,
Administrator, Wage-Hour Division, Department of Labor, Washington, D. C.

DEAR COLONEL FLEMING: I am in receipt of your letter of April 12, 1940, with enclosure, relating to the investigation which has been made in work in the rural bedspread industry in my district in Georgia.

I regret that after careful examination of these documents I am unable to feel the investigation in question has either been fairly conducted or the conclusions indicated have been honestly reached. I realize this is a very drastic statement to make, and I have not made it except after a very thorough consideration of the facts, which, in my judgment, amply warrant it.

Your attention is called to the statements I made in your presence upon your appearance before the subcommittee on Labor-Federal Security appropriations on February 14 of the present year. These statements are set out on pages 393–395 of the hearings. Apparently the statements made by me at that time, and in a number of prior communications to your office, have received no consideration whatever, but the report of findings and the conclusions reached thereon have been based upon the alleged statements of certain unnamed persons whom the investigators of the Children's Bureau and your own investigators are supposed to have contacted in my district in Georgia.

At the same time, while the Children's Bureau investigators are supposed to have contacted 200 families who had worked in this industry, no attention has been paid to the petitions which I submitted last year from approximately 3,500 home-made bedspread workers, except that some incidental reference is made to the manner in which the petitions were procured in a way intended to reflect discredit upon the statements made therein.

It is also noted that in the second paragraph of your letter you make reference to the fact that a representative of your Division was in Dalton after the completion of the Children's Bureau work "to study other aspects of the problem." As an evidence of the bad faith of your report, I beg to say this gentleman heartily accorded with every statement I made regarding the local situation and the necessity for some amendment to the law to take care of these workers, notwithstanding which he has apparently submitted to you a report directly contrary to his expressed views.

No explanation is, of course, offered of the fact complained of by me on page 395 of the hearings that, although I was responsible for this investigation and for the provision of the funds necessary in order to make it, I was not contacted by the persons making it for the Children's Bureau nor given any opportunity to put them in touch with people from whom they might have received information. I may say further at this point that this procedure was in direct conflict with a promise made to me by Mr. VINCENT, who came to the House of Representatives during the latter days of last year's session and assured me that the investigators, when they visited Georgia, would contact me and give me an opportunity to cooperate with them in the full investigation of existing conditions.

I also call attention to the information I gave upon the hearing relating to the treatment and refusal of offered cooperation of those who furnished material for workers to use in making bedspreads when the Children's Bureau investigators visited my section.

It is quite apparent that the statements made and conclusions reached in the so-called report are merely a rehash of conclusions which had already been reached before the investigation was begun. I am forced, therefore, to the conclusion that the real purpose of the investigation and report was not to discover conditions among rural workers and try to devise some way to remedy them, but merely to endeavor to furnish additional justification for refusing to accord relief and for persistent opposition to necessary amendments to the Wage-Hour Act which would remedy this situation.

As an indication of this purpose, it is noted that copy of this report has been sent to the Labor Committee of the House, whereas the report you send me is sent to me individually and not to the Subcommittee on Labor-Federal Security Appropriations, of which I am chairman, although that committee made provision for the funds under which the investigation was had.

The pitiful conclusion stated in your letter as coming from Dr. Alexander, of the Farm Security Administration, "That the primary remedy for poverty among the mountain families lay in their resettlement on better soil," demonstrates the paucity of ideas on the part of you or any other official dealing with the happiness of these people as to how their condition may be remedied. Of course, there is no effort being made by Dr. Alexander's organization, or anyone else, to relocate them on better soil, and the suggestion of a remedy which is unobtainable is merely intended to palliate the denial of relief.

Referring more specifically to the report of the Children's Bureau, I wish to point out that even that report, tainted as it is by the purposes which I have described in the beginning of this letter, recognizes the desperate condition of these workers. Its most vulnerable point is its strained endeavor to show that that condition is not the result of the enforcement of the Wage-Hour Act and that the workers themselves are reconciled to the loss of their work. The alleged quotation from the statement of a worker, contained on page 29 of the report, "I reckon as how the machines has took possession of candlewick, and I guess they don't wants to fool with tufting no more," contains language of a type frequently attributed to the people of north Georgia, but which, while I was reared among them, I have never in all of my life heard any of them use in the grossly illiterate way stated, and, of course, is intended as an additional reflection upon the type of people engaged in this work.

The statement on page 32 of the report, "Machine production was too well established before the enactment of the Fair Labor Standards Act of 1938 to yield to a revival of hand production on a large scale," gives a thoroughly inadequate picture of the situation. Machine production did not destroy the home-made bedspread work, although it reduced it considerably in volume, mainly because so-called bedspread manufacturers who had been furnishing materials for the use of these rural workers found greater profits in the machine-made bedspreads and reduced the amount of their investment in the rural home-made bedspread work. Notwithstanding this, there still continues a large market for the home-made bedspread, as any buyer for one of the large department stores in Washington could have, and would have, told your investigators if they had seen proper to contact them. Only within the last 2 or 3 weeks an employee of Woodward & Lothrop, in Washington, informed my wife that they had a very great demand for the home-made bedspreads but were unable to obtain them. Numerous ladies of the congressional set in Washington have recently bought considerable quantities of these home-made bedspreads and apparently much prefer them to the chenille spreads. At least 3,500 people were employed in the rural handicraft bedspread work when the wage-hour law went into effect, but very few are now employed.

The investigators evidently secured only the kind of information desired and only from people who were willing to furnish the kind of information they desired. As an evidence of their unfairness, I quote the following statement made on page 4 of their report: "This study revealed that the usual weekly earnings in the period 1933–34 were less than $1 for 26 percent of the home workers and as much as $4 for only 10 percent. These earnings often represent a long workweek and daily hours from 'sunup to sundown.'" In contradiction of this statement appears the following language in the report on page 18: "Because of the scarcity of hand-tufting work, most of the hand tufters in general were making no more than one or two spreads a week and were working less than 20 hours a week."

In the first-quoted language the investigator tries to make it appear that earnings were less than $1 for 26 percent of the home workers and as much as $4 for as much as 10 percent, and that these earnings represent a long workweek and daily hours from sunup to sundown. In the second-quoted statement it appears that hours were less than 20 per week and that most of the hand tufters were making no more than 1 or 2 spreads a week. As a matter of fact, the earnings in the industry have been low, although not so low as the investigators have sought to make it appear. Low as they were, they represented the difference between having something and having nothing. The amendments to the act which have been proposed do not contemplate the continuance of any lower wages or income for these workers than it may be possible for them to be paid and still be able to continue their work. It is proposed to vest discretion in the whole matter in yourself as Administrator. You could provide under such an amendment for some sort of payment plan such as was provided under N. R. A. under which the pay of the workers could be substantially increased and they still be permitted to earn something. Opposition to your being vested with such discretion is not understandable except upon the basis of the views of those who would use the Wage-Hour Act as a vehicle of oppression rather than as a means of bringing about better conditions of the laboring people of our country.

Since you have sent a copy of your report to the chairman of the Labor Committee of the House, I am sending her a copy of this letter in the hope she will not make use of the report without at the same time making use of this criticism thereof which, however severe it may seem in some of its strictures, is in every respect amply justified by the facts.

I am also transmitting copies of this letter to Hon. ROBERT RAMSPECK, ranking democratic member of the Committee on Labor in the House, and to Hon. GRAHAM A. BARDEN, who is the author of certain legislation which would tend to correct this condition.

It should also be pointed out that the identical provision relating to rural handiwork contained in the Barden bill is also included in the committee bill, and under the administration of your predecessor I was assured that that provision had his support.

Yours truly,

M. C. TARVER.

EXTENSION OF REMARKS

Mr. ENGEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article entitled "Communism in America" by Mr. Soterios Nicholson.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ADDITIONAL MINORITY VIEWS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to make an addition to a minority report I filed the other day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN asked and was given permission to extend his own remarks in the RECORD.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by my colleague the gentleman from Indiana, Hon. RAYMOND SPRINGER, which appears in the April issue of the National Republican.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Col. O. R. McGuire, general counsel of the American Good Government Society of Washington, D. C.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. THILL. Mr. Speaker, I ask unanimous consent that on Thursday next, after the reading of the Journal and the disposition of the business on the Speaker's desk, and following the legislative program of the day, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

UNEMPLOYMENT AND ITS SOLUTION

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, the press of last Friday carried the news that representatives of three great religious organizations of this country—the National Catholic Welfare Conference, the Federal Council of Churches of Christ, and the Central Conference of American Rabbis—have joined together to call a meeting of outstanding leaders on unemployment and its solution, to be held in the city of Washington on June 4, 5, and 6. In their description of this conference they say they will seek "to define impartially the issue and to lay upon the conscience of the Nation the paramount necessity of its solution."

There is an article appearing on the front page of the last issue of the newspaper Labor that describes plans for this conference.

I have asked this time to say that I feel there is no problem in which moral and spiritual values are so clearly at stake as in unemployment, and therefore, no agency is quite so well equipped to attack it as the forces of religion. I welcome this move and hope that the Members of Congress will do what they can to forward it. I am sure that those of us who have worked together in our House conference on unemployment will be eager to give to these religious leaders the benefit of all the work and study which we are now giving to the problem. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and include therein a letter I have received from Hon. Josephus Daniels, American Ambassador to Mexico.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein an argument I made before the Committee on Agriculture of the House in support of the bill (H. R. 8748).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein an argument I made before the Committee on Agriculture of the House in support of sugar legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

INCREASE OF PENSIONS TO CERTAIN WIDOWS OF VETERANS OF THE CIVIL WAR

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6901) granting increase of pensions to certain widows of veterans of the Civil War, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 14 to 17, inclusive.
Page 11, strike out lines 23 and 24, and lines 1 and 2 on page 12.
Page 15, strike out lines 3 to 6, inclusive.
Page 15, strike out lines 19 to 23, inclusive.
Page 17, strike out lines 9 to 12, inclusive.
Page 26, strike out lines 17 to 20, inclusive.
Page 34, strike out lines 5 to 8, inclusive.
Page 59, after line 16, insert:

"The name of May S. King, widow of David W. King, late of Company E, Fifteenth Regiment Vermont Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Hattie L. Aimes, widow of Clement F. S. Aimes, late of Company D, Eighty-second New York Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Reginah J. Brown, widow of Hiram Brown, late of Company I, Eighteenth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Mary E. Cramer, widow of Randolph Cramer, late of Company B, Eleventh Kentucky Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Mary A. Faught, widow of William D. Faught, late of Companies D and H, Seventeenth Kentucky Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Eliza A. Perry, widow of Henry A. Perry, late of Troop E, Eleventh Regiment Kansas Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Drucilla Wright, widow of James F. Wright, late of Company F, One Hundred and Thirty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Annette C. House, widow of Alphonso H. House, late of Company E, Thirty-first Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Minnie M. Smith, widow of Frederick W. Smith, late of Company L, Fourth Regiment Ohio Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Nancy Jane Spence, widow of John W. Spence, late of Company C, Twelfth Regiment Ohio Volunteer Cavalry,

and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Susan A. Armington, widow of Amos H. Armington, late of Battery A, First Rhode Island Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Jennie Stubbs, widow of George W. Stubbs, late of Company A, Sixteenth Indiana Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Susie D. Hanscome, widow of John W. Hanscome, late of Troop D, Second Regiment Maine Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Catherine A. Riley, widow of William Riley, late of Company F, Ninety-second Regiment New York Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Dora White, widow of Frank G. White, late of Company K, Eighty-ninth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Mary Watkins, widow of Charles M. Watkins, late of Company H, Seventy-first Regiment New York State Militia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Susanne Katharina Reinhardt, widow of George Reinhardt, late of Company A, Sixteenth Illinois Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Catherine Pennington, widow of Robert Pennington, late of Company K, One Hundred and Fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Willmette J. Miller, widow of Thomas F. Miller, late of Company F, Seventh Regiment Missouri State Militia Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Frances Coffman, widow of Samuel Coffman, late of Company B, Twenty-eighth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Helen F. Blood, widow of Albert Blood, late of Company E, Twentieth Regiment Veteran Reserve Corps, and Third New Hampshire Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Cynthia J. A. Grant, widow of Patrick Grant, late of Company H, Fourth Rhode Island Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Rachel Murrey, widow of Daniel Murrey, late of Company G, Twenty-eighth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Selina Dusang, widow of Joseph A. J. Dusang, late of Company E, Nineteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Laura A. Hubbard, widow of John E. Hubbard, late of Company C, First Regiment Oregon Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Martha Myers, widow of Thomas J. Myers, late of Company D, Thirty-sixth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Margaret D. Cole, widow of Bennett Cole, late of Company M, Fifteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

Page 59, after line 16, insert:

"The name of Sarah K. Carter, widow of Samuel A. Carter, late of Company K, Twenty-seventh Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman tell us about the Senate amendments?

Mr. LESINSKI. The bill H. R. 6901 is a Civil War pension bill which was passed by the House July 5, 1939. The bill passed the Senate on April 10, 1940, with amendments. Six widows have died since the passage of the bill in the House, and they have been eliminated, and the Senate has added 31 of their own private pension bills.

Mr. MARTIN of Massachusetts. I have no objection, Mr. Speaker.

Mr. RANKIN. Mr. Speaker, reserving the right to object, is this an increase in the pension?

Mr. LESINSKI. Ten dollars per month for each widow.

Mr. RANKIN. A $10 increase?

Mr. LESINSKI. Yes.

Mr. RANKIN. What does that make the pension?

Mr. LESINSKI. The total cost last year of the bill we passed——

Mr. RANKIN. I am talking about the individual pension.

Mr. LESINSKI. From $40 to $50.

Mr. RANKIN. You raised them from $40 to $50?

Mr. LESINSKI. Yes; on account of age and physical disabilities.

Mr. RANKIN. What is the marriage date?

Mr. LESINSKI. They were all married prior to 1905.

Mr. RANKIN. But they could have married as late as 1905, which was 40 years after the war, and they would be raised to $50 a month?

Mr. LESINSKI. The rate they now receive is in accordance with existing laws.

Mr. RICH. Reserving the right to object, Mr. Speaker, did the committee report out this bill?

Mr. LESINSKI. Yes; and the bill was passed by the House last year, and the Senate passed it a few days ago and added 31 of their bills.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendments were concurred in.

INCREASE OF PENSIONS FOR DISABILITIES INCURRED PRIOR TO APRIL 21, 1898

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7733) to provide increased pensions for veterans of the Regular Establishment with service-connected disability incurred in or aggravated by service prior to April 21, 1898.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That effective on the first day of the month following the month in which this act is enacted, the rates of pension prescribed by paragraph II of part II of Veterans Regulation No. 1 (a), as amended, shall be payable to veterans of the Regular Establishment entitled to pensions under the general pension law on account of service-connected disabilities incurred in or aggravated by service prior to April 21, 1898: *Provided*, That this act shall not be construed to reduce any pension under any act, public or private.

Mr. RANKIN. Mr. Speaker, reserving the right to object, will the gentleman explain to us what this bill does?

Mr. LESINSKI. Last year we passed the bill (S. 522) which gave a veteran of the Regular Establishment an increase in pension up to 75 percent of the World War veteran's pension for service-connected disabilities.

Mr. RANKIN. The gentleman means that these are veterans who were not in the World War but in the service during this time?

Mr. LESINSKI. Peacetime service prior to April 21, 1898.

Mr. RANKIN. What does this bill give them?

Mr. LESINSKI. We had provided in Senate 522 pensions after April 21, 1898, but we did not raise the pensions of veterans who served prior to April 21, 1898, and this is to equalize the pensions and place the peacetime veterans who served prior to 1898 on the same basis as those who served after 1898.

Mr. RANKIN. To what did you raise it?

Mr. LESINSKI. Seventy-five percent of the World War veterans' rates.

Mr. MARTIN of Massachusetts. Reserving the right to object, the Department is in favor of the bill, as I understand it?

Mr. LESINSKI. Yes; it has a green light.

Mr. RANKIN. Does the gentleman mean that the Veterans' Administration is in favor of it?

Mr. LESINSKI. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS TO CERTAIN UNREMARRIED DEPENDENT WIDOWS OF CIVIL WAR VETERANS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 7981) to grant pensions to certain unremarried dependent widows of Civil War veterans who were married to the veteran subsequent to June 26, 1905.

The Clerk read the title of the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the dependent unremarried widow of a Civil War veteran who is barred from the receipt of pension because her marriage to the veteran occurred subsequent to June 26, 1905, but who is otherwise entitled to such pension either under the act of May 1, 1920 (41 Stat. 585), or under the act of June 9, 1930 (46 Stat. 528), shall be entitled to pension in her own right under said acts at the rates and under the conditions specified therein and to the additional pension provided for minor and helpless children in the act of May 1, 1920, provided she married the veteran 10 years prior to his death and lived with him continuously from the date of marriage to the date of his death except where there was a separation which was due to misconduct of or procured by the veteran without the fault of the widow: *Provided*, That if pension has been granted to an insane, idiotic, or otherwise helpless child of the veteran or to a child or children of the veteran under 16 years of age, the widow shall not be entitled to the pension authorized in this act until the pension to the child or children terminates, unless such child or children be a member or members of her family and cared for by her; and when these conditions are fulfilled and the pension is granted to the widow, payment of pension to such child or children shall cease; except that in the event the amount being paid to such child or children is less than the amount authorized to the widow by this act, then the difference between said amounts will be paid to the widow: *Provided further*, That no pension shall be payable under this act to a widow under 60 years of age.

SEC. 2. Payment of pension as provided by this act shall be effective from the date of receipt of application in the Veterans' Administration, in the form prescribed by the Administrator of Veterans' Affairs, but not prior to the date of enactment of this act. Pension under this act shall not be paid to the widow of a veteran of the Civil War who has remarried either once or more than once, and upon the remarriage of such a widow her pension shall be terminated. The penal and forfeiture provisions of the pension laws providing pensions for veterans of the Civil War and their widows and dependents shall be applicable to the provisions of this act.

SEC. 3. No agent, attorney, or other person shall, directly or indirectly, solicit, contract for, charge, or receive any fee or compensation for preparing or assisting in the preparation of the necessary papers in the application to the Veterans' Administration for benefits under this act. Any person who shall, directly or indirectly, solicit, contract for, charge, or receive any fee or compensation for such preparation or assistance shall be guilty of a misdemeanor, and each and every offense shall be punishable by a fine of not more than $500 or imprisonment at hard labor for not more than 2 years, or by both such fine and imprisonment.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, is this any new departure?

Mr. LESINSKI. This is a new departure and I would like to make an explanation of the bill.

Mr. MARTIN of Massachusetts. I wish the gentleman would do that.

Mr. LESINSKI. Mr. Speaker, if this bill passes, it will eliminate a great number of the Civil War private pension bills for widows who were married after June 26, 1905. We held hearings on this subject, and the bill comes to the House with the unanimous report of the committee. There were many general bills in the committee which were discussed and studied, and this is the bill the committee directed me to introduce. The other bills would have cost anywhere from $4,800,000 to $20,000,000. This bill will cost approximately an additional $1,000,000 a year, and this is what it does. According to the service-pension laws today, no widow receives a pension who was married after June 26, 1905, to a Civil War veteran. Under this bill no pension is payable to a widow unless she is 60 years of age and married to the veteran at least 10 years prior to his death. The widow must have lived with the veteran continuously from the date of marriage to the date of the veteran's death, except in those instances where a separation is clearly the fault of the veteran. The widow must have remained the lawful widow of the veteran. If she is remarried subsequent to his death, she is barred from receiving the pension. In other words, a remarried widow will be barred from any pension under this bill.

Mr. MARTIN of Massachusetts. How does that compare with the present law?

Mr. LESINSKI. Under the present law, when a widow has remarried, her name is dropped from the pension rolls, and when her second husband dies, she can reapply for a pension, and if she meets the requirements of the law and regulations her name is restored as a remarried widow of the veteran.

Mr. PLUMLEY. Mr. Speaker, will the gentleman yield?

Mr. LESINSKI. Yes.

Mr. PLUMLEY. Did I understand the gentleman to say that this bars all widows of Civil War veterans?

Mr. LESINSKI. No; but it will bar all those young widows who married after June 26, 1905, unless they come within the provisions of the bill. They must have lived with the veteran for at least 10 years and attained the age of 60 years.

Mr. MARTIN of Massachusetts. And how many will it take off the rolls who are now receiving pensions?

Mr. LESINSKI. It will take none off the rolls.

Mr. LUTHER A. JOHNSON. And if a widow married subsequent to 1905 and lived with a veteran 10 years thereafter, she will be eligible under this bill?

Mr. LESINSKI. Yes; if she is 60 years of age and meets the other requirements of the bill.

Mr. RANKIN. For how much?

Mr. LESINSKI. The regular rate, starting with $30.

Mr. RANKIN. And going up to how much?

Mr. LESINSKI. Forty dollars per month when she attains the age of 70 years.

Mr. RANKIN. Then a woman who married a Civil War veteran in 1930, 65 years after the war closed, would be taken care of provided she lived with the veteran 10 years, and if she has reached the age of 70 years she gets $40 a month or twice what we are asking for widows of World War veterans who were married to the veteran during or before the war—not 65 years later.

Mr. LESINSKI. Provided she is over 60 years of age, lived with the veteran for 10 years, and is dependent. In other words, her income must be less than $1,000 per year, which is the provision now in force in regard to dependent mothers and fathers who are claimants for pension or compensation.

Mr. RANKIN. Has the gentleman from Michigan consulted the gentleman from California [Mr. COSTELLO] about this bill?

Mr. LESINSKI. I have not.

Mr. RANKIN. I notice that he is present, and I wondered why this bill has been brought up ahead of the Consent Calendar, which is to be taken up in a few minutes, and also I ask the gentleman whether he has consulted with the gentleman from Michigan, Mr. WOLCOTT, the objector on the other side, whom I see present.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. LESINSKI. Yes.

Mr. WOLCOTT. Mr. Speaker, I have received in the last 48 hours about 75 telegrams about H. R. 9000 which is on the calendar today, and the telegrams have come as a result of some erroneous information which has gone out of Washington to Michigan. The telegrams are in respect to my attitude on the bill. I do not think that the gentleman who sent the word back spoke to me, and I have said nothing and have given no indication whatsoever that I am opposed to it. As a matter of fact I am very much in favor of it.

Mr. RANKIN. How about this bill?

Mr. WOLCOTT. I am very much in favor of this bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

TAX ON OIL TO BE PAID BY OSAGE INDIANS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Joint Resolution 289, to amend section 5 of Public Law No. 360, Sixty-sixth Congress, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 2, line 3, strike out all after "be", down to and including "State", in line 12, and insert: "at the rate levied by said State but in no event to exceed 5 percent and said tax shall be paid by Secretary of the Interior, through the proper officers of the Osage Agency, to the State of Oklahoma from the amount received by the Osage Indians from the production of oil and gas to be distributed in like manner as gross-production tax under the laws of said State and the Secretary shall pay the tax herein authorized upon the condition and not otherwise that an additional one-fifth of said sum or sums paid by the Secretary in pursuance of this act shall be delivered over to Osage County, Okla., at the same time or times as the other payment or payments herein provided for are made to said county, one-half thereof to be apportioned to a fund to be used by said county only for the construction and maintenance of roads and bridges therein, the other one-half thereof to be used for the maintenance of common schools of said county as provided by law."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma [Mr. ROGERS]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain this amendment?

Mr. ROGERS of Oklahoma. This bill attempts to set the gross-production tax on oil produced on Osage Indian lands at 5 percent. At present it is 6 percent, because when the law was passed it provided that the State of Oklahoma should have the power to levy a gross-production tax, and then it provided in addition the power to levy an additional 1 percent. At that time the law of Oklahoma provided for a 3-percent tax. Since that time the law has been changed to provide for a 5-percent tax, which makes the present total tax 6 percent, which was not the intent at the time the law was passed.

Mr. MARTIN of Massachusetts. This legislation, then, is harmful to the Indians?

Mr. ROGERS of Oklahoma. No. It reduces their tax from a 6-percent total to 5 percent.

Mr. MARTIN of Massachusetts. They will pay 5-percent tax?

Mr. ROGERS of Oklahoma. If this is agreed to, they will pay 5 percent. This amendment has the support of the Osage Council, all the county officials of Osage County, and State officials and the Indian Department. Everybody is in agreement.

Mr. RICH. Reserving the right to object, Mr. Speaker, the Bureau of Indian Affairs has recommended that this bill be passed?

Mr. ROGERS of Oklahoma. That is correct. Everybody is in agreement. We have worked it out in a series of conferences until it is agreeable to everyone.

Mr. JENKINS of Ohio. Mr. Speaker, reserving the right to object, I wish to state my objection. You state that you have had a series of conferences with the Department. Now you come here with a conference report. Can you tell us that the substance of the things you want us to adopt now has ever been legislated upon or passed upon by the committee? Have you ever considered them in committee, or is this an amendment that has come back from the Senate and you have taken it down to the Department and got their sanction? In other words, they are legislating, and you are coming in under the guise of a conference report and asking us to adopt the conference report which in effect is new legislation.

The SPEAKER pro tempore. This is not a conference report.

Mr. ROGERS of Oklahoma. This is not a conference report. This is an amendment placed on the House joint resolution by the Senate. The chairman of the committee has talked to various members of the committee. I have talked to the Member on the minority side, and it is agreeable.

Mr. JENKINS of Ohio. I withdraw my objection, Mr. Speaker. I thought this was a conference report. I wondered what we were trying to do if it was a conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

Mr. DISNEY. Reserving the right to object, Mr. Speaker, this should be called to the attention of the House—this affects only Osage County.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. DISNEY. I yield.

Mr. MARTIN of Massachusetts. How much money is involved?

Mr. DISNEY. Probably thirty or forty thousand dollars a year. As it now stands, under the change by the legislature, the Osage Indians are paying 6 percent gross production tax on their royalties, and the oil company is only paying 5 percent on their gross production. This is merely an effort to correct that situation.

Mr. MARTIN of Massachusetts. It brings it down to a parity with the independent oil producers?

Mr. DISNEY. That is right.

Mr. RICH. Reserving the right to object, the Bureau of Indian Affairs has recommended that this legislation pass?

Mr. ROGERS of Oklahoma. No. I will state it this way: The Bureau of Indian Affairs would like to see the tax lowered to 3 percent, but they have agreed, if we can do this, that this would be satisfactory. They would like to see it lower than this, but they thought this was the best we could do. They recommended 3 percent instead of 5 percent.

Mr. RICH. I just wanted to know whether the Bureau of Indian Affairs made the recommendation.

Mr. ROGERS of Oklahoma. No; they did not, but they agreed to it.

Mr. RICH. Well, if they agreed to it, who made the recommendation?

Mr. ROGERS of Oklahoma. The Indian council, the county officials of Osage County, and the State officials all got together and worked out the matter so that we could make the tax the same as the independent oil companies pay. That was the effort, and that will be the effect of this legislation.

The SPEAKER pro tempore. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object in order to clear up one point, how does the Senate amendment change the bill as it was approved by the House committee?

Mr. ROGERS of Oklahoma. Substantially this: As it passed the House, Osage County proper would receive only 1 percent of the tax, and one-half percent of that would go to schools and one-half to roads and bridges. As it comes back now, Osage County will receive 2 percent, and 1 percent will go for roads and bridges, and 1 percent for common schools. That is substantially the change as it comes back from the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PROMOTION AND RETIREMENT IN THE ARMY

Mr. MAY. Mr. Speaker, by direction of the Military Affairs Committee of the House, I ask unanimous consent that the bill (H. R. 6632) to promote the efficiency of the national defense, Union Calendar No. 337, be recommitted to the Committee on Military Affairs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is this bill?

Mr. MAY. It is to promote the efficiency of the national defense. It is commonly known as the promotion and retirement bill, which we reported at the last session of the Congress, on which there was an expression of minority views by some seven or eight members of the commitee. Since then the gentleman who represented the minority views and a special committee which I appointed from the Military Affairs Committee have worked out a new promotion-list bill. We have applied to the Rules Committee for a rule, and it takes the place of this bill. We simply want to clean the calendar of it and return it to the Committee on Military Affairs.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short statement by one of my constituents.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech made by the President of the United States, and speeches made by others at the fiftieth anniversary of the Pan American Union.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

UNEMPLOYABLE DISABLED VETERANS BENEFITED BY NEW REGULATION

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GATHINGS. Mr. Speaker, I cannot refrain from calling to the attention of the House the recent regulation made by the Veterans' Administration which is of such vital importance to the veterans who are disabled and unemployable. Under this regulation issued by Gen. Frank T. Hines, Administrator of Veterans' Affairs, the veteran need not have a service-connected disability in order to be eligible for a pension. This ruling will help thousands of unemployable and disabled veterans to obtain benefits which they justly deserve without having to appeal to relief agencies.

The Committee on World War Veterans' Legislation, of which I am a member, had been holding hearings on a bill which would provide pensions for the disabled unemployable veterans and the announcement made by the Veterans' Administration bespeaks the interest shown by the committee to alleviate these injustices.

I ask unanimous consent to include in my remarks a copy of the regulation referred to and also a letter received by me from Mr. John Thomas Taylor, director, national legislative committee of the American Legion.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

VETERANS' ADMINISTRATION SERVICE LETTER
ADMINISTRATOR'S OFFICE,
April 2, 1940.

Subject: Total-disability ratings under Public, No. 2, Seventy-third Congress, and the 1933 rating schedule.

1. The attention of all rating agencies is directed to the following statement of policy approved this date which is quoted herewith for the guidance of all concerned:

"Total-disability ratings under Public, No. 2, Seventy-third Congress, and the 1933 rating schedule may be assigned without regard to the specific provisions of the rating schedule, except as outlined herein, when the disabled person is, in the judgment of the rating agency, unable to secure or follow a substantially gainful occupation as a result of his disabilities: *Provided,* That if there is only one disability, this disability shall be ratable at 60 percent or more, and that, if there are two or more disabilities, there shall be at least one disability ratable at 40 percent or more, and sufficient additional disability to bring the combined rating to 70 percent or more. Total-disability ratings, when the above conditions are met, may be granted for deafness, the organic loss of speech, for the amputation or loss of use of either hand or of either lower extremity above the knee (as to these amputations and losses of use, when followed by continuous unemployability after incurrence), as single disabilities or for other organic disabilities or combinations including organic disabilities. For the purpose of Veterans Regulations 1 (a), part III, only, the above specified 60 percent, 40 percent, and 70 percent percentage requirements may be reduced by 10 percent on the attainment of age 60; and by an additional 10 percent on the attainment of age 65; and there shall be no percentage requirements for total-disability ratings in the cases of unemployable veterans who have attained the age of 70. The attainment of age 70 will not of itself warrant rating as permanently and totally disabled; in addition thereto disability sufficient to produce unemployability will be required. Nothing contained in this paragraph will prevent a total-disability rating for such disabilities and combinations of disabilities, including loss of use of two extremities, or loss of sight of both eyes, or being helpless or bedridden, and other disabilities, as are assigned specific ratings of 100 percent for the severity in question, but if the disabled person is employable, compliance with the terms of the schedule for such ratings will be required. When total disability under this paragraph is under consideration the veteran will be required to submit a statement in affidavit form covering his employment, or unemployment, over a period of at least 1 year."

2. A disabled person meeting the regulatory or schedular requirements for 100-percent ratings is entitled to a total-disability rating regardless of employment. Similarly, cases which do not meet the regulatory or schedular requirements, but which, in the opinion of the rating agency represent total disability on the average basis i. e., whose employment represents highly exceptional effort or ability to overcome the handicap of disability—are entitled to central office consideration under R. & P. R–1142, and should be so submitted.

3. The unemployability of the individual may be established, with age, constitutional defects, limitation of occupational experience, and ability, particularly limitation to manual labor, as important contributing factors. In such cases, it is important to ascertain the exact relationship between the particular manifestations of disability and resumption of work in the field of previous employment, or of other types of employment. As a requirement for total-disability rating. it must be established to the satisfaction of the rating agency that the disabilities are the principal cause of the continued unemployability.

4. Such inferiorities as mental deficiency, psychopathic inferiority, etc., do not of themselves indicate disability, either partial or total. When the medical-industrial history and other evidence points to mental deficiency or psychopathic personality as important factors, it is essential to insure complete psychiatric examination, and, if indicated, social-service report. When neuropsychiatric disease, mental deterioration, failing memory, and concentration (as with cerebral arteriosclerosis) are superimposed upon such conditions, the whole extent of social and industrial inadaptability, partial or total, in accordance with the rating schedule, and paragraph 1 of this service letter, will be ascribed to the disease factor. Similarly, when injury or disease, as fracture or arthritis, is superimposed upon physical defect, the whole subsequent limitation of occupational activity resulting from the defect and the superimposed disease or injury will be ascribed to the disease or traumatism.

5. It is the policy of the Veterans' Administration to resolve the benefit of all reasonable doubt in favor of claimants, to the end that every veteran who is unable to secure and follow substantially gainful employment, with disability as the cause of such inability, will be given full consideration. Rating agencies will exercise great care in the determination of total disability and permanent and total disability to make sure that all claims are properly rated, based on the facts found. Any case in which unemployability is established, but in which the above-prescribed requirements for total-disability ratings, in service-connected cases, or for permanent total-disability ratings in non-service-connected cases, are not met, will be referred to the central office, after proper development, under R. & P. R. 1142.

6. Pending promulgation of the first paragraph above as a regulation, this service letter, dated April 2, 1940, will be cited as authority for ratings under its terms.

FRANK T. HINES,
Administrator of Veterans' Affairs.

THE AMERICAN LEGION,
Washington, D. C., April 13, 1940.

Hon. E. C. GATHINGS,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN GATHINGS: Thanks ever so much for your letter of April 11 attaching a copy of the new regulations relative to non-service-connected permanent and total disability ratings.

The widows and orphans bill (H. R. 9000), favorably reported by your committee, will go a long way toward relieving the distress of thousands of widows and orphans. You are to be congratulated on this fine piece of legislation. We are hoping to get

it through the House on Monday, and, if successful, I am sure the Senate will give it the same kind of favorable consideration.

I want to take this opportunity to thank you for the fine interest you have always taken in the legislation before the World War Veterans' Committee, for the benefit of the disabled and all World War veterans. Your committee has done a splendid job during these past years, and the Legionnaires of Arkansas and throughout the country appreciate your splendid cooperation.

Sincerely yours,

JOHN THOMAS TAYLOR,
Director, National Legislative Committee.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his own remarks in the RECORD.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects: One, having to do with the giving of testimony by Henry H. Collins before the Judiciary Subcommittee; and, two, to have printed in the RECORD a press release from my own office.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BYRON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech by Hon. James B. Fitzgerald, commander of the American Legion of Maryland.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

THE CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar Day. The Clerk will call the first bill on the calendar.

WAPATO SCHOOL DISTRICT 64, YAKIMA COUNTY, WASH.

The Clerk called the first bill, H. R. 3824, to provide funds for cooperation with Wapato School District No. 54, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore (Mr. COOPER). Without objection it is so ordered.

There was no objection.

ARREST POWER OF CERTAIN OFFICERS OF UNITED STATES INDIAN SERVICE

The Clerk called the next bill, H. R. 5409, to authorize certain officers of the United States Indian Service to make arrests in certain cases, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. BURDICK. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. KEAN, Mr. RICH, and Mr. BURDICK objected.

PASSAMAQUODDY TIDAL POWER PROJECT

The Clerk called the next business, Senate Joint Resolution 57, authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this joint resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FEDERAL CROP INSURANCE

The Clerk called the next bill, H. R. 6972, to amend the Federal Crop Insurance Act.

Mr. WOLCOTT. Mr. Speaker, I understand that a rule has been granted on this bill and that it is expected to call up the rule for consideration the latter part of the week. For this reason I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

OSAGE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6314, authorizing an appropriation for payment to the Osage Tribe of Indians on account of their lands sold by the United States.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NATIONAL MISSISSIPPI RIVER PARKWAY

The Clerk called the next bill, H. R. 3759, to authorize a National Mississippi River Parkway and matters relating thereto.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, I object.

NATIONAL LAND POLICY

The Clerk called the next bill, H. R. 1675, to establish a national land policy, and to provide homesteads free of debt for actual farm families.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

KIOWA, COMANCHE, AND APACHE TRIBES

The Clerk called the next business, House Joint Resolution 290, referring the claims of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma to the Court of Claims for finding of fact and report to Congress.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this resolution may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

BRIDGE ACROSS MISSOURI RIVER NEAR CITY OF OMAHA, NEBR.

The Clerk called the next bill, H. R. 7069, authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

There was no objection.

AMENDMENT TO CROP-LOAN LAW RELATING TO LIEN IMPOSED THEREUNDER

The Clerk called the next bill, H. R. 7878, to amend the crop-loan law relating to the lien imposed thereunder, and for other purposes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

DELAWARE TRIBE OF INDIANS

The Clerk called the next bill, H. R. 6535, authorizing an appropriation for payment to the Delaware Tribe of Indians on account of permanent annuities under treaty provision.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

PRICES AND GRADES OF COTTONSEED AND COTTONSEED PRODUCTS

The Clerk called the next bill, H. R. 8642, to establish and promote the use of standard methods of grading cottonseed, to provide for the collection and dissemination of information

on prices and grades of cottonseed and cottonseed products, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this is a very complicated bill. There is an indeterminate authorization in the bill and it establishes a new policy. I dare say very few Members outside the committee know very much about the bill. In order that we may have an opportunity to consider it further, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

ADMISSION TO CITIZENSHIP OF CERTAIN ALIENS

The Clerk called the next bill, H. R. 6381, for the admission to citizenship of aliens who came into this country prior to February 5, 1917.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. JENKINS]?

There was no objection.

AMENDMENT TO MOUNT RUSHMORE MEMORIAL ACT

The Clerk called the next bill, H. R. 8357, to amend the Mount Rushmore Memorial Act of 1938.

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF THOMAS JEFFERSON

The Clerk called the next business, House Joint Resolution 445, to establish a Commission for the celebration of the two hundredth anniversary of the birth of Thomas Jefferson.

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. RICH]?

There was no objection.

MORE PERMANENT TENURE FOR PERSONS CARRYING THE MAIL ON STAR ROUTES

The Clerk called the next bill, S. 1214, to provide for a more permanent tenure for persons carrying the mail on star routes.

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York [Mr. TABER]?

There was no objection.

COMPENSATION OF SPECIAL COUNSEL FOR THE UNITED STATES

The Clerk called the next bill, H. R. 4366, to authorize additional compensation to the special assistants to the Attorney General in the case of United States against Doheny executors.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, 2 weeks ago I commented upon the fact that there are minority views filed in connection with this bill, and it is highly unlikely that it can be passed by unanimous consent. I wonder if the chairman of the Committee on the Judiciary would not request that this bill be stricken from the calendar. I do not like to make such request without the knowledge of the chairman of that committee, but it is very unlikely that this or any other bill on the Consent Calendar, on which minority views have been filed, can be passed by unanimous consent.

Mr. THOMAS F. FORD. Mr. Speaker, I should like to have the bill remain on the calendar. These people earned the money. There are two or three million dollars in the Treasury we never would have gotten without their services. If we are going to hire outside attorneys to handle these cases, some arrangement ought to be made to pay them.

Mr. WOLCOTT. I may say to the gentleman that I am not discussing the merits of the bill, but six members of the Committee on the Judiciary signed the minority report, indicating, of course, that they are opposed to the bill. For that reason it is apparent that the bill cannot be passed on the unanimous-consent calendar.

Mr. THOMAS F. FORD. I am merely making the statement that if we are going to hire attorneys from the outside there ought to be some way of paying them.

Mr. WOLCOTT. Does the gentleman want the bill to stay on the Consent Calendar?

Mr. THOMAS F. FORD. Yes.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDMENT OF WORLD WAR VETERANS' ACT

The Clerk called the next bill, H. R. 8930, to amend section 202 (3), World War Veterans' Act, 1924, as amended, to provide more adequate and uniform administrative provisions in veterans' laws, and for other purposes.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. VAN ZANDT. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I will have to object to the present consideration of the bill.

ANTIETAM BATTLEFIELD SITE

The Clerk called the next bill, S. 1780, to authorize the Secretary of the Interior to acquire property for the Antietam Battlefield site in the State of Maryland, and for other purposes.

Mr. RICH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. BYRON. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. I object to the consideration of the bill, Mr. Speaker.

IMMIGRATION

The Clerk called the next bill, H. R. 8753, to amend subsection (d) of section 4 of the act of Congress approved May 26, 1924, entitled "An act to limit the immigration of aliens into the United States, and for other purposes."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. VAN ZANDT, Mr. TABER, Mr. JENKINS of Ohio, and Mr. CLEVENGER objected.

COMPENSATION FOR CERTAIN DEPENDENTS OF WORLD WAR VETERANS

The Clerk called the next bill, H. R. 9000, to provide more adequate compensation for certain dependents of World War veterans, and for other purposes.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. RANKIN. Mr. Speaker, I shall have to object to that request.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? Three objections are required.

Mr. COSTELLO. Reserving the right to object, Mr. Speaker, this is the same bill that was brought before the House 2 weeks ago. At that time there was some discussion of the bill on the floor.

Mr. RANKIN. Mr. Speaker, the gentleman discussed this bill the other day. I demand the regular order.

The SPEAKER pro tempore. The regular order is demanded.

Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

The SPEAKER pro tempore. It requires three objections.

Mr. MILLER. I object, Mr. Speaker.

Mr. KEAN. Reserving the right to object, Mr. Speaker, this bill changes the entire policy of the Veterans' Bureau in taking care of veterans. I believe it is too important for the Consent Calendar, and I will have to object.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. Three objections have been heard. The bill is stricken from the calendar.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

Mr. MILLER. Reserving the right to object, Mr. Speaker, on the question of rising under reservation of objection, the chairman of the committee before prevented us from making any remarks giving our reasons for objecting, and I therefore object to having his remarks placed in the RECORD at this point.

HOSPITALIZATION AND DOMICILIARY CARE

The Clerk called the next bill, H. R. 1008, to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China Relief Expedition the benefits of hospitalization and the privileges of the soldiers' homes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RANKIN. Reserving the right to object, Mr. Speaker——

Mr. COSTELLO. Mr. Speaker, I demand the regular order.

Mr. RANKIN. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER pro tempore. The gentleman from Mississippi makes the point of order that a quorum is not present. Evidently a quorum is not present.

CALL OF THE HOUSE

Mr. COSTELLO. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Arends	Darden	Jarman	Sabath
Arnold	Darrow	Jennings	Sacks
Barton	Delaney	Kee	Scrugham
Bates, Ky.	Dickstein	Keller	Seccombe
Bates, Mass.	Dingell	Kelly	Secrest
Beam	Ditter	Kennedy, Martin	Seger
Bell	Drewry	Kennedy, Michael	Simpson
Bradley, Mich.	Duncan	Keogh	Smith, Ill.
Bradley, Pa.	Durham	Kocialkowski	Somers, N. Y.
Brewster	Evans	Lea	South
Buckley, N. Y.	Fay	Lemke	Starnes, Ala.
Burch	Fish	McArdle	Steagall
Burdick	Fitzpatrick	McDowell	Sullivan
Burgin	Flannery	McGranery	Sumners, Tex.
Camp	Fulmer	McLean	Thomas, N. J.
Carter	Gamble	Maciejewski	Tibbott
Cartwright	Gehrmann	Mansfield	Wadsworth
Casey, Mass.	Gilchrist	Martin, Ill.	Ward
Celler	Gore	Massingale	Weaver
Clark	Green	Merritt	Wheat
Claypool	Harness	Myers	Whelchel
Connery	Harter, N. Y.	Osmers	White, Idaho
Cooley	Healey	O'Toole	White, Ohio
Corbett	Holmes	Patton	
Crowther	Hook	Rabaut	
Culkin	Houston	Romjue	

The SPEAKER pro tempore (Mr. COOPER). On this call 328 Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

PRIVILEGES OF THE HOUSE

Mr. TABER. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman from New York rise?

Mr. TABER. A question of the privileges of the House and of the RECORD.

The SPEAKER pro tempore. The gentleman from New York.

Mr. TABER. Mr. Speaker, a little while ago the gentleman from Mississippi [Mr. RANKIN] made a point of order that no quorum was present, and thereafter he said:

> You are not going to raid the veterans of the World War and pass these other pension bills and run over the House that way. I make the point of order there is no quorum present.

Now, the gentleman was not recognized for that purpose; and then thereafter the gentleman from Mississippi further stated:

> And there will be a quorum and a vote on every other bill from now on today.

The gentleman was not recognized for that purpose, and that should not be in the RECORD. I make the point of order that that language should not be contained in the RECORD.

The SPEAKER pro tempore. The gentleman from New York makes the point of order that certain remarks made in the House should not be included in the RECORD. The Chair is prepared to rule.

Under the rules of the House, remarks should only be included in the RECORD that are made in order. After a point of order is made, which is not debatable, any further remarks should not be included in the RECORD. Therefore the Chair rules that any remarks that may have been made after the point of order that a quorum was not present was made should not be included in the RECORD.

EXTENSION OF REMARKS

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article on What Good is Gold?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein letters received from tenant farmers asking that appropriations be made to continue the Bankhead-Jones Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement I made before the Committee on Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

THE CONSENT CALENDAR

The SPEAKER pro tempore. The Clerk will call the next bill on the Consent Calendar.

The Clerk called the next bill on the Consent Calendar, H. R. 1008, to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China relief expedition on vessels owned by the United States and engaged in the transportation of troops, supplies, ammunition, or materials of war, and who were discharged for disability incurred in such governmental service in line of duty, shall—

(1) Be entitled to the benefits provided for by paragraph 10 of section 202 of the World War Veterans' Act, 1924, as amended; and

(2) For the purpose of receiving the benefits of the Soldiers' Home, the National Home for Disabled Volunteer Soldiers, and the Naval Home, be held to have been honorably discharged from the military or naval forces of the United States.

With the following committee amendments:

On page 1, line 3, after the word "served", strike out "in the Quartermaster Corps or" and substitute in lieu thereof "in a civilian capacity."

On page 1, line 10, after the word "duty", strike out the remainder of line 10 and lines 1 to 8, inclusive, page 2, and substitute in lieu

thereof the following: "are hereby granted entitlement (1) to medical and hospital treatment and domiciliary care in Veterans' Administration facilities in the same manner and to the same extent as now or hereafter provided for veterans of any war, and (2) to care in the United States Soldiers' Home, Washington, D. C., and the United States Naval Home, Philadelphia, Pa., in the same manner and to the same extent as now or hereafter provided for discharged members of the active military or naval forces of the Regular Establishment."

Amend the title.

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendments.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO to the committee amendment: On page 2, line 19, after the words "any war", strike out the semicolon and the word "and."

Strike out all of lines 20 to 23, and on page 3, strike out lines 1 and 2 and insert a period.

Mr. COSTELLO. Mr. Speaker, the purpose of offering this amendment is merely to eliminate the Soldiers' Home in the District of Columbia and the Naval Home in Philadelphia from the provisions of this bill.

The bill would allow certain civilians who served in the War with Spain to receive domiciliary care in the Veterans' Administration facilities as well as at these two homes. In view of the fact that the Soldiers' Home is maintained by the soldiers of the Army, 25 cents a month being deducted from their pay, and since there are no civilians of any kind given domicile at this home, it is not proper that they should be authorized to have such treatment. The War Department opposes that particular provision in the bill and for that reason I offer this amendment to the committee amendment, so that the Soldiers' Home and the Naval Home will be eliminated.

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes."

SAN CARLOS APACHE TRIBE, ARIZONA

The Clerk called the bill (H. R. 6796) to authorize the purchase of certain lands for the San Carlos Apache Tribe, Arizona.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion to purchase with any available funds heretofore or hereafter appropriated pursuant to authority contained in section 5 of the act of June 18, 1934 (48 Stat. 984), the south half of lot 2, south half north half of lot 2, lots 3 and 4, east half southwest quarter, south half southeast quarter northwest quarter, south half north half southeast quarter northwest quarter of section 17, lots 1, 2, 3, and 4, east half northwest quarter, east half southwest quarter of section 20, lot 1, north half north half of lot 2, northeast quarter northwest quarter, north half north half southeast quarter northwest quarter of section 29, township 1 south, range 28 east, Gila and Salt River meridian, Greenlee County, Ariz. Title to the lands shall be taken in the name of the United States in trust for the San Carlos Apache Tribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERNATIONAL TECHNICAL COMMITTEE OF AERIAL LEGAL EXPERTS

The Clerk called House Joint Resolution 490, providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That section 2 of Public Resolution No. 254, approved August 7, 1935 (49 Stat. 540), which terminates the provisions of the resolution as of June 30, 1941, is hereby repealed.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TELEPHONES IN DIPLOMATIC RESIDENCES OF UNITED STATES

The Clerk called the bill (H. R. 8772) to amend the act of August 23, 1912 (37 Stat. 414; U. S. C., title 31, sec. 679).

The SPEAKER pro tempore. Is there objection?

Mr. SWEENEY. Mr. Speaker, I reserve the right to object. Can we get a statement from the author of the bill as to what it does?

Mr. BLOOM. Mr. Speaker, this amends the present act, which would expire next year.

Mr. SWEENEY. What is the subject matter?

Mr. BLOOM. It provides for telephones in the residences owned by the Government of the United States for the Diplomatic Corps throughout the world.

Mr. RANKIN. Mr. Speaker, I observe the right to object. I do this to announce to the House that I have just filed a petition and placed it on the Clerk's desk to bring the widows' and orphans' bill out of the Rules Committee.

I do not see how the Congress can justify itself in putting Civil War widows on the pension roll 65 years after the Civil War has ended, as was done in a bill passed here today, and then refusing this small pittance to widows and orphans of World War veterans, many of whom probably died of disability growing out of their services in the World War. I hope all Members will sign the petition.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I reserve the right to object, to remind the gentleman also that I think the House membership is not conscious of the fact that there is a dependency clause in this widows' and orphans' bill.

Mr. RANKIN. Of course.

Mrs. ROGERS of Massachusetts. So that it will not cost the taxpayer any more than if they were on relief.

Mr. RANKIN. We are not doing any more for them than was done for the widows and orphans of the Spanish-American War veterans.

Mrs. ROGERS of Massachusetts. Not doing as much, because there was no dependency clause in the Spanish-American War veterans' widows' and orphans' bill. There are other limitations also which are not in the Spanish War veterans' widows' and orphans' bill.

Mr. COSTELLO. Mr. Speaker, I reserve the right to object, to call to the attention of the House some remarks found on page 3786 of the RECORD of April 1, 1940:

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to say, in reply to the gentleman from California, that those old people who would have been benefited by the passage of the last bill, as has just been explained in the Well of this House, are being thrown off of relief; they are being thrown off of W. P. A.; they are being thrown off without anything.

They are not on relief, they are off relief.

Mr. RANKIN. We may not be leaving them on relief, but you are increasing the suffering of those old people who sent their sons to the World War and who are now unable to care for themselves. You are increasing the suffering of the helpless widows and orphans of those veterans.

Mrs. ROGERS of Massachusetts. And many of them are drawing social-security benefits, so that at present it costs the taxpayer more as the Social Security pays higher rates for older people in need.

Mr. RANKIN. And the ones who are not on Social Security get no support at all.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of August 23, 1912 (37 Stat. 414; U. S. C., title 31, sec. 679), be, and the same is hereby, amended by the addition of the following words: "*Provided*, That the cost of installation and use of telephones in residences leased or owned by the Government of the United States in foreign countries for the use of the Foreign Service may be allowed from Government funds, under such regulations as may be prescribed by the Secretary of State, except that the restrictions herein relating to long-distance tolls shall also apply to telephones installed in such official residences."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING CITIZENSHIP WITHOUT FORMALITY OF DECLARATION OF INTENTION

The Clerk called the bill (H. R. 2176) to amend subsection 10 of section 4 of the act of June 29, 1906 (34 Stat. 596; U. S. C., title 8, sec. 377).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. JENKINS of Ohio. Mr. Speaker, I reserve the right to object. I take this time to see if we can get this matter clear. I think this as a very important matter and I have been led to believe that it applies only to women. I think, from reading it, it applies to women and men, and I also think it is in effect the same as a bill that has been objected to here for years. With all due respect to the author, Mr. WOLCOTT, and to Mr. MASON, a proponent of the bill, if it is not asking too much, I should like to have the bill passed over without prejudice.

Mr. WOLCOTT. Mr. Speaker, I do not know too much about immigration and naturalization matters and I realize that the gentleman from Ohio [Mr. JENKINS] has given a great deal of study to it, but to my knowledge no similar bill has been on the calendar for at least 10 or 12 years. This merely extends the date from July 1, 1920, to July 1, 1925, as the time in which men and women—it includes men as well as women—may make application for citizenship without filing a declaration of intention. This may be done if they are otherwise qualified to be citizens of the United States, and if, during or prior to that time, because of misinformation, regarding their citizenship status, they regularly exercised the rights and performed the duties of citizens of the United States, in good faith.

Now, this is to meet a very, very small class of people who are honestly of the belief that they were citizens. Many of them exercised the rights and prerogatives of citizenship by voting, until a new registration of voters was required, in which they were unable to show their qualifications. I am given to understand that it affects only a very small number of people. It so happens that it affects more women than it does men, but the number of people affected is very, very small.

I have in mind a case in which a man came to this country from Canada when he was a baby. Under the Michigan law, previous to a certain date, if a man had filed his first papers he could vote, until the law was changed in 1905, I believe. Because this man's father had voted for years he presumed he was a citizen, but the father never took out his second papers. This man grew to manhood and voted and became the mayor of his city. He was a notary public and justice of the peace for years. When he had to prove his citizenship to qualify as a witness in a naturalization proceeding he could not do it. It appeared then that his father had never taken out his second papers.

It is that kind of a case that this bill is designed to help.

Mr. JENKINS of Ohio. My impression was that it only applied in cases where a person had been voting and wanted the right to continue to vote. There is a lot of difference between the right to vote and the right to become a citizen. I have the language of the statute before me. This is the statute that is sought to be amended. It is the basis of the objections formerly made to the granting to people who have been here for years and neglected to get citizenship. The claim is made that this matter is encouraged now that the old-age pensions have come along and W. P. A. and other reasons. I have no personal objection to it, but I am sure the author of the bill and the gentleman from Illinois both believe that this bill is expected to apply only to a restricted few, and operates in a narrow scope, but it has a wide scope.

Mr. WOLCOTT. May I call attention to the wording of the present law, which is continued:

And was on that date otherwise qualified to become a citizen of the United States.

Now, he has to meet all of the other qualifications in respect to good moral character, and I presume the literacy test, and everything of that nature. He must have all of the other qualifications of citizenship. The only thing that this act does, as I understand it, is to expedite his getting his final papers because he does not have to file his first papers.

Mr. JENKINS of Ohio. No; this moves up the date so that more people may file first papers and become citizens. It gives them rights that they did not have before. There has been a very significant date there. I remember we had many a battle about this date being moved up to 1925. I am afraid we will do something, under the guise that we are just helping out a few women, which we have refused to do many times.

Mr. WOLCOTT. One of the reasons why it is advisable to extend the date is because of the suffrage amendment to the Constitution. Perhaps that is where the gentleman got his information. It affected women only. It does affect those women.

Mr. JENKINS of Ohio. I will agree with the gentleman, that if he will permit this to pass over without prejudice, so that I may have an opportunity to look into it, and if I find it is as he says it is, I will let it go through the next time.

Mr. WOLCOTT. I hope the gentleman will let it go through today, but I know the gentleman has given a great deal of study to immigration matters, and I would accord him every opportunity to study the matter. I have expressed what our intent and purpose is, and if the gentleman finds any other purpose in there, I will be very, very glad to accept an amendment to accomplish solely the purpose intended.

Mr. MASON. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MASON. The fact of the matter is it does not change the present law at all. Only the date is extended.

Mr. WOLCOTT. That is right.

Mr. JENKINS of Ohio. But we were under the impression that you wanted to allow these people the right to vote, and the gentleman knows there is a great deal of difference between the right to vote and the right of citizenship. The right to vote is controlled by State laws. When one becomes a citizen of the United States, it is by virtue of Federal laws which are universal in their application throughout the whole country.

Mr. MASON. But it does not change the law about becoming a citizen at all. It changes the date to which the law is applicable.

Mr. JENKINS of Ohio. But it might give hundreds of people who have heretofore refused and rejected this privilege, who now want to become naturalized.

Mr. WOLCOTT. Oh, no; it is only in those cases where they honestly believed they were citizens and have exercised the duties of citizenship.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

APPROPRIATION FOR RELIEF OF NEEDY INDIANS

The Clerk called the next bill, H. R. 8937, to authorize an appropriation for the relief of ill-clothed, ill-fed, and

ill-housed needy American Indians through the utilization of surplus American agricultural and other commodities.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CHANGE OF PRESIDENTIAL AND CONGRESSIONAL ELECTION DATE

The Clerk called the next bill, H. R. 8700, to change the time of the appointment of Presidential electors and the election of Senators and Representatives in Congress.

Mr. WOLCOTT. Mr. Speaker, I make the point of order against the bill that it does not comply with paragraph 2–A of rule XIII, the so-called Ramseyer rule.

The Chair may perhaps hold that the Ramseyer rule has been substantially complied with by the striking through of existing law and the printing in italics of the proposed law, but my memory of the Ramseyer rule is that that part of existing law to be stricken must be set out in brackets; and I make the point of order that in the report that part of existing law which is to be stricken out is not set out in brackets.

The SPEAKER pro tempore (Mr. COOPER). The Chair is prepared to rule.

The gentleman from Michigan makes a point of order against the consideration of the bill on the ground that the rule mentioned by him, the so-called Ramseyer rule, has not been complied with. The Chair has rather hurriedly, but, the Chair believes, sufficiently, examined the report, and the Chair is of the opinion that the committee has made an effort to comply with the provisions of the Ramseyer rule.

It is the opinion of the Chair that the duty does not devolve upon the Chair to analyze every word of existing law or to pass upon the sufficiency of the compliance with the provision of the so-called Ramseyer rule. The Chair being of opinion that the committee reporting the bill has made an effort to comply with the provisions of the Ramseyer rule, feels, therefore, constrained to overrule the point of order.

Mr. WOLCOTT. Mr. Speaker, in order to stress the fact that the Ramseyer rule requires that existing law be set out in brackets and the proposed law be printed in italics, may I propound a parliamentary inquiry?

The SPEAKER pro tempore. The gentleman will state it.

Mr. WOLCOTT. In order that the ruling of the Chair may be used as a precedent, is the striking through of language, instead of its being included within brackets, a substantial compliance with the Ramseyer rule?

The SPEAKER pro tempore. In answer to the gentleman's parliamentary inquiry, the Chair feels that the Chair can best set forth the requirement by inviting attention to the provisions of the so-called Ramseyer rule itself. Clause 2–A of rule XIII reads as follows:

> A comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken through type and italics, parallel columns, or other appropriate typographical devices, the omission and insertion proposed to be made.

The Chair especially invites attention to the phrase, "or other appropriate typographical devices."

Mr. WOLCOTT. Am I to understand that there has been a substantial compliance with the Ramseyer rule in the present instance?

The SPEAKER pro tempore. The Chair is of opinion that the committee has made an effort to comply and has substantially complied with the provisions of the so-called Ramseyer rule and, therefore, overrules the point of order.

Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this bill would amend existing law which provides that the electors for President and Vice President shall be appointed in each State on the Tuesday next after the first Monday in November in every fourth year succeeding every election of the President and Vice President. This bill would change that date so that elections will be held on the Tuesday next after the first Monday in October. The bill further provides for the election in the States and Territories of Representatives and Delegates and amends that section likewise by advancing the date.

As I have so often said, this Consent Calendar is supposed to have referred to it only bills of minor importance to expedite the consideration of the mass of relatively unimportant bills which come out of committees. It seems to me that this is one of the most important bills which we have had before us in a decade. It will change the date on which all of the State officers, the county officers, and, in many instances, the city and township officers, are elected in the several States, as well as changing the date on which the Presidential and Vice Presidential electors, the Representatives, Senators, and Delegates are chosen.

Before we compel the State legislatures to amend the acts providing the machinery whereby elections are held we should give a great deal of consideration to the effect of our action. I feel that the bill should be brought out on the floor by a rule which should provide for fully 5 or 6 hours of debate in order that the Representatives from each State might have an opportunity to consider it in the light of the State laws in respect to elections. For this reason, and to give the Judiciary Committee an opportunity to present the matter to the Rules Committee, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BRIDGE ACROSS SARASOTA PASS, MANATEE COUNTY, FLA.

The Clerk called the next bill, H. R. 7615, authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a bridge across Sarasota Pass where Manatee Avenue, Bradenton, if extended, would cross Sarasota Pass, county of Manatee, State of Florida.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve postal service, and provide for military and other purposes, the Bradenton Co., its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across Sarasota Pass, at a point suitable to the interests of navigation, at or near where Manatee Avenue, Bradenton, if extended, would cross Sarasota Pass, county of Manatee, State of Florida, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the Bradenton Co., its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said Bradenton Co., its successors and assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of tolls so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. After the completion of said bridge, as determined by the Secretary of War, either the State of Florida, any public agency, or political subdivision thereof, within or adjoining which any part of the bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and its approaches, and any interest in real property necessary therefor, by purchase or by condemnation or expropriation, in accordance with the laws of such State governing the acquisition of private property for public purposes by condemnation or expropriation. If at any time after the expiration of 20 years after the completion of such bridge the same is acquired by condemnation or expropriation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and its approaches, less a reasonable deduction for actual depreciation in value; (2) the actual cost of acquiring such interests in real property; (3) actual financing and promotion costs, not to exceed 10 percent of the sum of the cost of constructing the bridge and its approaches and acquiring such interest in real property; and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall be taken over or acquired by the State or public agencies or political subdivisions thereof, or by

either of them, as provided in section 4 of this act, and if tolls are thereafter charged for the use thereof, the rates of tolls shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, or to amortize the bonds or other securities issued for that purpose with reasonable financing costs, as soon as possible under reasonable charges, but within a period of not to exceed 20 years from the date of acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of tolls shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 6. The Bradenton Co., its successors and assigns, shall within 90 days after the completion of such bridge file with the Secretary of War and with the highway department of such State a sworn itemized statement showing the actual original cost of constructing the bridge and its approaches, the actual cost of acquiring any interest in real property necessary therefor, and the actual financing and promotion costs. The Secretary of War may, and upon request of the highway department of such State shall, at any time within 3 years after the completion of such bridge, investigate such costs and determine the accuracy and the reasonableness of the cost alleged in the statement of costs so filed, and shall make a finding of the actual and reasonable costs of constructing, financing, and promoting such bridge; for the purpose of such investigation the said Bradentown Co., its successors and assigns, shall make available all records in connection with the construction, financing, and promotion thereof. The findings of the Secretary of War as to the reasonable costs of the construction, financing, and promotion of the bridge shall be conclusive for the purposes mentioned in section 4 of this act, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the Bradenton Co., its successors and assigns, and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 1, after "improve", insert "the."

Pages 1 and 2, line 8, on page 1, after "navigation", strike out the comma and "at or near where Manatee Avenue, Bradenton, if extended, would cross Sarasota Pass."

Page 2, line 1, before "county", insert "in the."

Page 2, line 7, after "all", strike out "such."

Page 2, line 8, after "acquire", strike out "condemn."

Page 2, line 11, after "approaches", insert a period and strike out the balance of the section down to and including all of line 18.

Page 4, lines 12 to 16, after "free of", strike out "tolls, or the rates of tolls shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management", and insert "tolls."

Page 4, after line 20, insert a new section reading as follows:

"SEC. 6. At any time after 25 years from the date such bridge shall have been completed, if the tolls from such bridge have produced sufficient revenue to amortize the bonds and other securities issued in connection with the construction and maintenance of such bridge and its approaches with reasonable interest and financing costs, and if such bridge shall not have been taken over or acquired by the State of Florida or by any political subdivision or public agency thereof under section 4 of this act, then all the right, title, and interest of the said Bradenton Co., its successors and assigns, in such bridge and its approaches, and any interest in real estate necessary therefor, shall be turned over to the State of Florida, upon proper demand. Such bridge shall thereafter be maintained and operated by the State of Florida or by any political subdivision or public agency thereof free of tolls."

Page 4, line 21, after "Sec.", change "6" to "7."

Page 5, line 11, after "said", strike out "Bradentown" and insert "Bradenton."

Page 5, line 19, after "Sec.", change "7" to "8."

Page 5, after line 20, insert the following: "prior to acquirement of such rights, powers, and privileges by the State of Florida or by any political subdivision or public agency thereof pursuant to section 4 or section 6 of this act.

Page 6, after line 2, insert a new section reading as follows:

"SEC. 9. The Bradenton Co. shall furnish the Secretary of War with a certified copy of its charter and any amendments thereto evidencing proof that it is a corporation organized, among other things, for the promotion and organization of toll bridges, tollbride districts, bridge authorities and for harbor authorities, each and any of which shall be municipal in kind and nature, and from any or either of which this company shall receive no promotional profit, and further, shall receive no other profit, other than in direct proportion to such investment or investments as this company may make in any or either of such enterprises."

Page 6, line 3, after "Sec.", change "8" to "10."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a toll bridge across Sarasota Pass, county of Manatee, State of Florida."

DECLARING FRANKFORD CREEK, PA., TO BE A NONNAVIGABLE STREAM

The Clerk called the next bill, H. R. 8452, to declare Frankford Creek, Pa., to be a nonnavigable stream.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Frankford Creek, in the city of Philadelphia, in the State of Pennsylvania, be, and the same is hereby, declared to be a nonnavigable stream within the meaning of the Constitution and laws of the United States.

SEC. 2. That the right of Congress to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF BRIDGE ACROSS THE MISSISSIPPI RIVER AT LITTLE FALLS, MINN.

The Clerk called the next bill, H. R. 8583, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Little Falls, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near Little Falls, Minn., authorized to be built by the Minnesota Department of Highways or the State of Minnesota, by an act of Congress approved July 25, 1939, are hereby extended 1 and 3 years, respectively, from July 25, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE GREAT PEE DEE RIVER NEAR CASHUA FERRY, S. C.

The Clerk called the next bill, H. R. 8650, granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Great Pee Dee River, at or near Cashua Ferry, S. C.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Department of South Carolina to construct, maintain, and operate a free bridge across the Great Pee Dee River at a point suitable to the interest of navigation, at or near Cashua Ferry, between Darlington and Brownsville, S. C., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 5, after the word "free", strike out the word "bridge" and insert "highway bridge and approaches thereto."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTRUCTION OF BRIDGE ACROSS ST. LOUIS RIVER NEAR DULUTH, MINN.

The Clerk called the next bill, H. R. 8397, to extend the times for commencing and completing the construction of a bridge or bridges across the St. Louis River at or near the city of Duluth, Minn., and the city of Superior, Wis., and to amend the act of August 7, 1939, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the time for commencing and completing the construction of a bridge or bridges and approaches thereto

across the St. Louis River, at or near the city of Duluth, Minn., and the city of Superior, Wis., authorized to be constructed by the city of Duluth by an act of Congress approved August 7, 1939, is hereby extended 1 year from August 7, 1940, and 3 years from August 7, 1940, respectively.

SEC. 2. The second sentence of section 3 of said act approved August 7, 1939, is hereby amended to read: "All such bonds shall be in a form not inconsistent with this act and shall mature at such time or times as the city may determine, not exceeding 20 years from August 7, 1940."

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 1, line 4, strike out the words "or bridges."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to extend the times for commencing and completing the construction of a bridge and approaches across the St. Louis River at or near the city of Duluth, Minn., and the city of Superior, Wis., and to amend the act of August 7, 1939, and for other purposes."

BRIDGE ACROSS THE MISSISSIPPI RIVER AT DUBUQUE, IOWA

The Clerk called the next bill, H. R. 8495, to extend the times for commencing and completing the construction of a bridge or bridges across the Mississippi River at or near the cities of Dubuque, Iowa, and East Dubuque, Ill., and to amend the act of July 18, 1939, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge or bridges and approaches thereto across the Mississippi River at or near the cities of Dubuque, Iowa, and East Dubuque, Ill., authorized to be constructed by the City of Dubuque Bridge Commission by an act of Congress approved July 18, 1939, are hereby further extended 1 and 3 years, respectively, from July 18, 1940.

SEC. 2. The second sentence of section 4 of said act approved July 18, 1939, is hereby amended to read: "All such bonds may be registerable as to principal alone or both principal and interest, shall be in such form not inconsistent with this act, shall mature at such time or times not exceeding 20 years from July 18, 1940, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the commission may determine."

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 1, strike out the word "further."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO LOCOMOTIVE INSPECTION ACT

The Clerk called the next bill, H. R. 8510, to amend the Locomotive Inspection Act of February 17, 1911, as amended, so as to change the title of the chief inspector and assistant chief inspectors of locomotive boilers.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that the Senate bill (S. 3440) to amend the Locomotive Inspection Act of February 17, 1911, as amended, so as to change the title of the chief inspector and assistant chief inspectors of locomotive boilers, may be substituted for the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina [Mr. BULWINKLE]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act entitled "An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto", approved February 17, 1911, as amended, is amended—

(1) By striking out "chief inspector" wherever appearing therein and inserting in lieu thereof "director of locomotive inspection."

(2) By striking out "assistant chief inspector" wherever appearing therein and inserting in lieu thereof "assistant director of locomotive inspection."

(3) By striking out "assistant chief inspectors" wherever appearing therein and inserting in lieu thereof "assistant directors of locomotive inspection."

(4) By striking out "of locomotive boilers" in the first sentence of section 3 and in section 9.

SEC. 2. Section 2 of the act entitled "An act to amend an act entitled 'An act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto,' approved February 17, 1911", approved March 4, 1915, is amended—

(1) By striking out "chief inspector" and inserting in lieu thereof "director of locomotive inspection."

(2) By striking out "assistant chief inspectors" and inserting in lieu thereof "assistant directors of locomotive inspection."

SEC. 3. Nothing in this act shall be construed to create any new office or to create a vacancy in any office the title of which is changed by this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 8510, was laid on the table.

AMENDMENT OF SECTION 73 OF HAWAIIAN ORGANIC ACT

The Clerk called the next bill, H. R. 9185, to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, is hereby further amended by adding at the end of section 73 thereof the following paragraph:

"Any person or persons holding an unpatented homestead under a special homestead agreement, entered into prior to the effective date of this paragraph, shall be entitled to a reamortization of the indebtedness due the Territory of Hawaii on account of such special homestead agreement upon filing an application for the reamortization of said indebtedness with the Commissioner within 6 months after the effective date of this paragraph. Upon the filing of any such application, the Commissioner shall determine the balance due the Territory in the following manner: The amount of the principal which would have been paid during the full period of payment provided for in the special homestead agreement had the agreement been duly performed according to its terms and the amount of the interest which would have been paid under the special homestead agreement prior to the effective date of this paragraph had the agreement been duly performed according to its terms shall be computed and added together; from the sum of these amounts there shall be deducted all moneys that have been actually paid to the Territory on account of the special homestead agreement, whether as principal or as interest. The balance thus determined shall be the total amount remaining due and payable for the homestead covered by such special homestead agreement, any other terms, conditions, or provisions in any of said agreements, or any provisions of law to the contrary notwithstanding: *Provided, however*, That nothing herein contained shall be deemed to excuse the payment of taxes and other charges and assessments upon unpatented homestead lands as provided in said agreements, nor to excuse or modify any term, condition, or provision of said agreements other than such as relate to the principal and interest payable to the Territory. The total amount remaining due, determined as hereinabove provided, shall be payable in 15 equal biennial installments. Simple interest at the rate of 3 percent per annum shall be charged upon the unpaid balance of such installments, whether matured or unmatured, said interest to be computed from the effective date of this paragraph and to be payable semiannually. The first payment on account of principal shall be due 2 years subsequent to the effective date of this paragraph, and thereafter the due dates of principal payments shall be at regular 2-year periods; the first payment on account of interest shall be due 6 months subsequent to the effective date of this paragraph, and thereafter the due dates of interest payments shall be at regular 6-month periods. In case of default in payments of principal or interest on the due dates as hereby fixed the Commissioner may, with the approval of the Governor, with or without legal process, notice, demand, or previous entry, take possession of the land covered by any such special homestead agreement and thereby determine the estate created by such agreement as hereby modified. When the aforesaid payments have been made to the Territory of Hawaii, and all taxes, charges, and assessments upon the land have been paid as provided by said agreements, and all other conditions therein stipulated have been complied with, except as herein excused or modified, the said special homestead agreements shall be deemed to have been performed by the holders thereof, and land-patent grants covering the land described in such agreements shall be issued to the parties mentioned therein, or their heirs or assigns, as the case may be.

"Neither the Territory of Hawaii nor any of its officers, agents, or representatives shall be liable to any holder of any special home-

stead agreement, past or present, whether or not a patent shall have issued thereon, or to any other person, for any refund or reimbursement on account of any payment to the Territory in excess of the amount determined as provided by the preceding paragraph, and the legislature shall not recognize any obligation, legal or moral, on account of such excess payments."

SEC. 2. This act shall take effect upon its approval.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROCUREMENT WITHOUT ADVERTISING

The Clerk called the next bill, H. R. 8152, providing for procurement without advertising.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, I intend to ask unanimous consent that this bill be passed over without prejudice in order that a full determination may be made with reference to whether this bill if passed in its present form or with certain amendments will in any way interfere with procurements or replacements for the War Department so far as horses and mules are concerned.

Mr. COCHRAN. Will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman.

Mr. COCHRAN. I can personally assure the gentleman that this feature has been looked into and it will in no way affect the purchase of horses and mules. I may add, however, that I have two amendments which I propose to offer in order to clarify this matter. A number of Members have made inquiry in regard to the purchase of horses and mules by the War Department, and I have advised all of them that after a thorough investigation, in my opinion and the opinion of the legislative drafting agent, there is absolutely no doubt but that the bill in its present form will not interfere with the purchase of horses and mules. That assurance should be sufficient.

Mr. CASE of South Dakota. I hope the gentleman is correct. I have looked at the amendments which the gentleman proposes to offer, but I have not been able to check fully on some questions that are in my mind, and I want to be advised in reference to them.

Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, and I only use this procedure to make a statement, it appears that dozens and dozens of limitations have been placed upon appropriation bills disregarding section 3709, Revised Statutes (41 U. S. C. 5), which provides for purchases by the Government. Time will not permit me to say just how far they have gone. For instance, you can buy all the medicine you want for the Army and Navy without advertising at all. You can buy gunpowder, ordnance, and so forth without advertising. Just to show you how far the House will go, today there was a bill on the calendar that went over without prejudice which referred to an authorization for the relief of Indians. This bill carried an authorization of $10,000,000, and right at the bottom of the bill was a proviso that the $10,000,000 could be spent to purchase whatever they desired for the Indians without advertising or without competitive bidding, as it was specifically exempted from section 3709. Do you mean to tell me that is sound business? What business corporation would be so foolish?

This bill seeks to prevent the abuses which have taken place in the past. I have talked to a number of the members of the Appropriations Committee and they have told me that we should have some legislation along this line without delay.

Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD in order to fully explain the purposes of this bill so that when it comes up 2 weeks from now the membership will realize that it is sound legislation for the benefit of the taxpayers of this country.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, merely to add a further word. I have no objection to requiring advertising for bids where you can set up standards; but obviously you cannot set up specifications for a good cavalry horse or for a good Army mule and get them in wholesale lots on competitive bids. You must be able to examine and appraise each individual animal. Mr. Speaker, of course I have no objection to the gentleman's request to extend his remarks, and I withdraw my reservation of objection.

Mr. COCHRAN. I may say to the gentleman on the very point of which he speaks that some investigation should be made of the purchase of horses and mules by the Army. When you can set up a private organization in the city of Washington and hire people and pay them money to be here all the year around, there must be considerable money for those who sell horses and mules to the Army.

Mr. CASE of South Dakota. If the gentleman will read the hearings of the Appropriations Subcommittee for the War Department, he will find some testimony on that subject.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri that he be permitted to extend his remarks in the RECORD?

There was no objection.

Mr. COCHRAN. In order that the bill might be understood I include as part of my remarks the legislation as reported by the committee. The bill follows:

That section 3709 of the Revised Statutes is amended to read as follows:

"SEC. 3709. All purchases and contracts for supplies or services for the United States, any Government-owned corporation, or the District of Columbia, except for personal services, shall be made by advertising a sufficient time previously for proposals respecting the same, except that the article or service required may be procured by open purchase or contract in the manner in which such articles are usually bought and sold, or such services engaged, between individuals when—

"(a) immediate delivery or performance is required by the public exigency; or

"(b) the aggregate amount involved does not exceed $100."

SEC. 2. Any procurement otherwise authorized by law to be made without regard to section 3709 of the Revised Statutes shall be made only in pursuance of a specific written advance authorization by the head of the department, independent establishment, corporation, office, or agency, or the Commissioners of the District of Columbia, in the case of the District of Columbia, when the amount involved is in excess of $500.

SEC. 3. All provisions of law exempting from the requirements of section 3709 of the Revised Statutes procurements in any sum expressed in terms of money are hereby repealed.

SEC. 4. This act shall take effect on the 30th day following the date of its enactment, but shall not apply with respect to supplies or services contracted for before such effective date.

I have two amendments which I propose to offer. They follow:

Page 2, line 18, after the word "statutes", insert the following: "or without prior advertising for bids".

The second amendment is a substitute for section 3 and reads as follows:

All provisions of law to the extent that they authorize procurements of supplies and services (other than personal services) without regard to section 3709 of the Revised Statutes or without prior advertising for bids when such authorizations are expressed in terms of money shall be inapplicable.

An explanation of the bill follows:

First. The bill in no single particle changes the part of existing section 3709 under which procurement may be made without advertising in an emergency. This is true regardless of the amount involved, whether it is 10 cents or $10,000,000.

Second. The amendment exempts all procurements from the 3709 requirement of advertising where the aggregate amount involved does not exceed $100. This, together with section 3, increases the existing statutory exemptions of less than $100 to $100, and decreases the exemptions to $100 where the existing statutory exemption exceeds $100. These

provisions apply only where the exemption is expressed in terms of money—a figure in dollars. As an example of these statutes the following are typical:

(a) Act of June 28, 1937:

The National Labor Relations Board may procure supplies and services without regard to section 3709 of the Revised Statutes when the aggregate amount involved does not exceed $50 (U. S. C., title 41, sec. 61).

(b) Act of June 28, 1937:

The American Battle Monuments Commission may purchase supplies and materials without regard to section 3709 of the Revised Statutes when the aggregate amount involved does not exceed $500 (U. S. C., title 41, sec. 6v).

Each of these statutes is repealed and each of the agencies has a $100 exemption.

These two sections of the bill—1 and 3—have no application whatsoever when there is a general exemption not expressed in terms of dollars, such as—

(a) The act of February 27, 1893, which provides that so much of section 3709—

as requires advertisement before purchase of medicines and medical supplies for the Medical Department of the Army (10 U. S. C. 1203).

Or (b) the act of March 7, 1928, which provides that—

When practicable, horses and mules shall be purchased in the open market, etc. (10 U. S. C. 1206a).

Or (c) Revised Statutes, 3721, as amended, which provides that—

The provisions which require that supplies shall be purchased * * * after advertisement shall not apply to ordnance, gunpowder, or medicines, or the supplies which it may be necessary to purchase out of the United States for vessels on foreign stations * * * (34 U. S. C. 569).

Since neither the amendment to 3709 nor the repeal of specific statutes affects these statutes, they are not changed by section 1 nor section 3.

Third. Section 2 of the bill, as amended, does, however, relate to the statutes enumerated immediately preceding. It has the effect of permitting purchase without advertising where the amount involved does not exceed $500, just as does the present law in such cases.

Where the amount involved does exceed $500, however, the procurement may be made without advertising only if the head of the agency authorizes the procurement by specific written advance authorization.

To take an example of the operation of section 2, assume the question involved is the purchase of medicine for the Navy:

(a) If the amount of the purchase is $500 or less, the purchase may be made without advertising. This is the same as existing law.

(b) If there is an emergency, the purchase may be made without advertising and without authority of the head of the agency by the purchasing officer, even if the amount is in excess of $100, $500, or any sum. This is the same as existing law.

(c) If no emergency exists and the amount involved exceeds $500, the purchase may be made without advertising if the Secretary of the Navy, by specific written authorization made before the purchase, has authorized the purchase. This changes existing law.

Fourth. Some question has arisen with respect to the scope of the repeal provided for in section 3. The argument centers around a statute such as the following act of March 2, 1907:

The purchase of supplies and the procurement of services for all branches of the naval service may be made in open market in the manner common among businessmen without formal contract or bond when the aggregate amount required does not exceed $500, and when, in the opinion of the proper administrative officers, such limitation of amount is not designed to evade purchase under formal contract or bond and equally or more advantageous terms can thereby be secured (34 U. S. C. 571).

The argument is that the entire provision is repealed by section 3 so that other provisions of law requiring formal contract or bond are applicable where the purchases exceed $100 and do not exceed $500, thus changing the present law on a matter not related to advertising. It has been pointed out that to impose such requirements would increase administrative costs without any corresponding advantage.

First, it may be pointed out that the committee had no such intention. Second, it is doubtful if the argument is at all sound as a matter of law. The words do not justify it, and it does not seem reasonable to impute to Congress an intention in a bill dealing with advertising to deal with other matters. The title of the bill and the substantive provisions of sections 1 and 2 demonstrate that. As some feel there is need of clarification of section 3, the following will be substituted for section 3—page 2, lines 24 and 25, and page 3, lines 1 and 2:

SEC. 3. All provisions of law to the extent that they authorize procurements of supplies and services (other than personal services) without regard to section 3709 of the Revised Statutes or without prior advertising for bids when such authorizations are expressed in terms of money shall be inapplicable.

The above proposal not only does not repeal the whole statute, it only makes inapplicable so much of it as relates to the exemption from 3709 or the requirement of advertising. The draft also meets any possibility of a technical evasion where the exemption is not expressed in terms of a direct exemption from 3709 but is phrased in terms such as "in the manner common among businessmen" or "without advertising."

Fifth. In view of the above suggestion, it seems equally desirable to amend section 2 by inserting in line 18 on page 2 after "Statutes" the following: "or without prior advertising for bids."

Mr. Speaker, with these changes it is beyond me to see how there can be any objection to the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota that the bill be passed over without prejudice?

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, the gentleman from Missouri will recall that when the N. L. R. A. was on the floor here——

Mr. COCHRAN. Oh, we are back to that again?

Mr. HOFFMAN. Yes; I am going back to that.

Mr. COCHRAN. Why bring that up here?

Mr. HOFFMAN. Because it is coming up soon and it is going to bother you before we get through with it unless we amend that law and make it just and fair.

Mr. COCHRAN. It will not bother me, because I will vote against any destructive amendments offered on the floor.

Mr. HOFFMAN. A perfecting amendment, in the gentleman's opinion, seems to be a destructive amendment.

What I am calling attention to is that when that bill was before the House the then chairman of the Committee on Labor, the gentleman from California [Mr. WELCH] made the statement that the act did not require an employer to enter into a contract. Senator WAGNER said the same thing, and so did Senator WALSH. The report of the Senate committee shows the Senate had the same understanding. Nevertheless, the Board is attempting to force all employers to agree and to sign a written contract and three courts have held since January 28, 1940, that that must be done if the parties reach an agreement.

Mr. COCHRAN. What has that to do with this bill? The gentleman has the National Labor Relations Board on the brain.

Mr. HOFFMAN. And you have it in your political lap where it is burning a hole in your pants. It has to do with the restrictions that you want in this bill. We need the same restrictions in every bill.

Mr. COCHRAN. Do not mix up the National Labor Relations Act with this legislation.

Mr. HOFFMAN. It runs all through your legislation. There is nothing we do but that some board misconstrues it and extends its provisions and does something that you did not expect the board to do.

The Government agencies rather than Congress are making the law which governs us. It is time we regain our power—assume our responsibility.

The SPEAKER pro tempore. Is there objection to the request that the bill be passed over without prejudice?

There was no objection.

AMENDING THE SUBSISTENCE EXPENSE ACT

The Clerk called the next bill, H. R. 8508, to amend the Subsistence Expense Act of 1926, as amended by the act of June 30, 1932 (ch. 314, sec. 209, 47 Stat. 405).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 209 of the act of June 30, 1932 (5 U. S. C. 823a), limiting the transportation of automobiles at Government expense, be, and the same is hereby, amended by adding thereto the following: "*Provided further*, That funds available to the Department of State may be expended for the transportation of a personally owned automobile in any case where the Secretary of State shall determine that ocean transportation is necessary for any part of the distance between points of origin and destination, except that this authorization shall not be extended to any ambassador or minister when proceeding to a post of duty where a Government-owned automobile shall have been provided for his use."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAVAL AIR STATION, LAKEHURST, N. J.

The Clerk called the next bill, H. R. 7078, to authorize the acquisition by the United States of lands in Manchester and Jackson Townships of the County of Ocean and State of New Jersey for use in connection with the Naval Air Station, Lakehurst, N. J.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to purchase on behalf of the United States for use in connection with the Naval Air Station, Lakehurst, N. J., at a total cost not to exceed $1,500, and to accept the title in fee simple and clear of all encumbrances, to certain pieces and parcels of land of approximately 850 acres situated in Manchester and Jackson Townships, Ocean County, N. J., and recorded on page 189 of book 774, in the office of the clerk of Ocean County, at Toms River, N. J.

With the following committee amendment:

Strike out all after "to", in line 4, and insert in lieu thereof the following: "acquire, by purchase, gift, or otherwise, for use in connection with the Naval Air Station, Lakehurst, N. J., title in fee simple and clear of all encumbrances at a total cost not to exceed $1,500 to two parcels of land of approximately 928 acres situated in Manchester and Jackson Townships, Ocean County, N. J."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYING CERTAIN LANDS TO THE STATE OF WYOMING

The Clerk called the next bill, H. R. 8403, to convey certain lands to the State of Wyoming.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized and directed to convey to the State of Wyoming all right, title, and interest of the United States to a portion of the Jackson's Hole, Wyo., elk refuge, consisting of one and four hundred and seventy-eight one-thousandths acres, more or less, described by metes and bounds as follows: Beginning at a point which is north eighty-nine degrees fifty-eight minutes east forty feet from a point on the west line of section 27, township 41 north, range 116 west, of the sixth principal meridian Wyoming, which is north no degrees two minutes west one thousand eight hundred and two feet from the southwest corner of said section 27; thence north no degrees two minutes west three hundred and eight feet along a line parallel with and forty feet distant, when measured at right angles, from the west line of said section 27; thence north eighty-nine degrees fifty-eight minutes east two hundred and nine feet; thence south no degrees two minutes east three hundred and eight feet; thence south eighty-nine degrees fifty-eight minutes west two hundred and nine feet to the point of beginning.

With the following committee amendments:

Page 1, line 3, after "of", strike out "Agriculture" and insert "the Interior."

Line 4, after "directed", insert "upon payment by the State of $36.95."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIELD SERVICE OF THE NAVY DEPARTMENT

The Clerk called the next bill, H. R. 2406, to provide for the adjustment of the status of planners and estimators and progress men of the field service of the Navy Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first clause of the first sentence of the act of March 3, 1909 (34 U. S. C. 514), is hereby amended to read as follows: "The rates of pay of the clerical, drafting, inspection, and messenger force at navy yards and naval stations and other stations and offices under the Navy Department, with the exception of the rates of pay of planners and estimators and progressmen, shall be paid from lump appropriations and shall be fixed by the Secretary of the Navy on a per annum or per diem basis as he may elect."

SEC. 2. The proviso in section 2 of the act of July 3, 1930, entitled "An act to amend section 13 of the act of March 4, 1923, entitled 'An act to provide for the classification of civilian positions within the District of Columbia and in the field services,' as amended by the act of May 28, 1928," be amended to read as follows: "*Provided*, That the terms of this act shall apply to employees carried under group 4–B, including drafting groups, planners, and estimators and progressmen, in the schedule of wages for civil employees under the Naval Establishment, notwithstanding the fact that the compensation of such employees was not adjusted by the act of December 6, 1924 (43 Stat. 604), or the act of May 28, 1928 (U. S. C., Supp. 3, title 5, sec. 673)."

SEC. 3. That the Secretary of the Navy is authorized and directed to adjust the compensation of employees of the Naval Establishment detailed to duties as planners, estimators, or progressmen from a per diem to a per annum basis in conformity with the provisions of the Classification Act of 1923, as amended: *Provided*, That nothing contained in this act shall operate to decrease the pay of any planner, estimator, or progressman whose position is classified in accordance with the terms of this act, nor deprive any employee of any advancement authorized by law and for which funds are available.

SEC. 4. This act shall take effect at the beginning of the first quarter after its passage.

With the following committee amendment:

Page 1, strike out all of lines 3 to 9, and on page 2 strike out lines 1 and 2, and insert in lieu thereof the following:

"That the acts of March 3, 1909 (35 Stat. 753), and August 29, 1916 (39 Stat. 556), are hereby repealed insofar as they, together or separately, require that specific restrictions, limits, or allowances be placed upon the amounts of the several lump-sum, or other, appropriations made for the Navy Department and the naval service that may be paid for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALLOWANCES TO CERTAIN NAVAL OFFICERS STATIONED IN THE CANAL ZONE

The Clerk called the next bill, S. 2348, relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That notwithstanding any other provision of law relating to allowances to officers of the United States for rental of quarters during the fiscal years 1935 and 1936, allowances to officers of the Navy and Marine Corps stationed in the Canal Zone for rental of quarters prior to July 1, 1936, shall be considered as having been subject only to the provisions of section 6 of the act of June 10, 1922 (42 Stat. 628), as amended by section 2 of the act of May 31, 1924 (43 Stat. 250; 37 U. S. C. 10).

SEC. 2. The Comptroller General of the United States is authorized and directed to pay, out of any money appropriated for the pay or allowances of officers of the Navy or Marine Corps, to any such officer an amount equal to the amount by which his allowances were reduced, or equal to the amount of any charges raised in the accounts of any such officer and subsequently removed by checkage or otherwise, by reason of provisions contained in the act of April 26, 1934 (48 Stat. 614), or in the act of April 9, 1935 (49 Stat. 120).

SEC. 3. Payments under the provisions of this act shall be made from appropriations current at the time such payments are made.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF NAVAL RESERVE ACT OF 1938

The Clerk called the next bill, S. 2599, to amend the Naval Reserve Act of 1938 (Public, No. 732, 52 Stat. 1175).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 206 of the Naval Reserve Act of June 25, 1938, is hereby amended by striking out the last two provisions and substituting therefor the following: "*Provided further*, That in the computation of service requisite for transfer of enlisted men of the Fleet Reserve to the retired list of the Regular Navy and for payment of allowances to which enlisted men on the retired list of the Regular Navy are entitled, service in the Army, Navy, Marine Corps, Coast Guard, Naval Reserve Force, Fleet Naval Reserve, Fleet Reserve, Marine Corps Reserve Force, and the Marine Corps Reserve, and on the retired list of the Regular Navy shall be included: *And provided further*, That such service as may heretofore have been authorized by law to be counted as double time shall be credited as double time in this computation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF REMAINS OF PERSONNEL OF THE NAVY AND MARINE CORPS AND CERTAIN CIVILIAN EMPLOYEES OF THE NAVY

The Clerk called the next bill, S. 3067, authorizing appropriations to be made for the disposition of the remains of personnel of the Navy and Marine Corps and certain civilian employees of the Navy, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That funds to be expended under such regulations as the Secretary of the Navy may prescribe are hereby authorized to be appropriated as may be necessary from time to time for the funeral expenses of the deceased persons hereinafter specified.

SEC. 2. The words "funeral expenses" as used in this act, and in subsequent acts appropriating funds as herein authorized, shall be construed to include the expenses of, and incident to, the recovery of bodies; cremation, but only on request of the relatives of the deceased; preparation for burial; transportation to the home of the deceased or to a national or other cemetery designated by proper authority; and interment.

SEC. 3. Funeral expenses shall be allowed for—

(a) Officers and enlisted men of the Navy and Marine Corps, including those on the retired lists who die while on active duty;

(b) Members of the Nurse Corps (female) of the Navy, including those on the retired list who die while on active duty;

(c) Members of the Naval Reserve or Marine Corps Reserve who die while on active or training duty, or while performing authorized travel to or from such duty;

(d) Accepted applicants for enlistment;

(e) Civilian employees of the Navy Department or the Naval Establishment who have been ordered away from their homes in the United States to duty outside the continental limits of the United States and who die while on such duty or while performing authorized travel to or from such duty;

(f) Former enlisted men of the Navy and Marine Corps who were discharged while patients in hospitals and who remain as patients in such hospitals to the day of their death; and

(g) Pensioners and destitute patients who die in naval hospitals: *Provided*, That only the expenses of preparation for burial and interment shall be allowed in disposing of the remains of such pensioners and destitute patients.

SEC. 4. The provisions of this act shall apply in the case of personnel temporarily absent with or without leave when death occurred.

SEC. 5. In any case where funeral expenses authorized by this act are incurred prior to receipt of official authority, reimbursement may be made in the amount allowed by the Navy Department for such services.

SEC. 6. Funds to be expended under such regulations as the Secretary of the Navy may prescribe are hereby authorized to be appropriated as may be necessary from time to time for the purchase and care of cemetery lots; for the care of graves of deceased personnel of the Navy and Marine Corps outside the continental limits of the United States, with which shall be included those in sites not owned by the United States; and for the removal of remains from abandoned cemeteries to naval or national cemeteries or to the homes of the persons deceased, with which shall be included remains interred in isolated graves in the United States and abroad and remains temporarily interred.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCEPTANCE OF CERTAIN LAND AT FLOYD BENNETT FIELD, N. Y.

The Clerk called the next bill, S. 3174, to authorize the Secretary of the Navy to accept, without cost to the United States, a fee-simple conveyance of 16 4/10 acres, more or less, of land at Floyd Bennett Field in the city and State of New York.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to accept on behalf of the United States of America, from the city of New York, free of all encumbrances, and without cost to the United States Government, a tract of land containing 16 1/10 acres, more or less, at Floyd Bennett Field in the city and State of New York, for use as a naval seaplane base: *Provided*, That the title to said land shall be satisfactory to the Attorney General and that the conveyance of said land shall be made to the United States of America and shall include the right of access for wheeled vehicles to the land conveyed from the highway bordering the said Floyd Bennett Field property on the westward, known as Flatbush Avenue; also the right of access over adjoining lands of Floyd Bennett Field for the purpose of transporting dredge material to be taken from the submerged or tidal lands adjacent to lands of Floyd Bennett Field for filling the land to be conveyed to a grade conforming to present grades of the Coast Guard reservation and the said Floyd Bennett Field, and also the right to lay, construct, and maintain through the Floyd Bennett Field property water lines, electric lines, telephone lines, gas lines, and other services as the Navy Department may find necessary for its proper and convenient use of the property acquired pursuant to the provisions hereof.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCHANGE OF LANDS AT SAN DIEGO, CALIF.

The Clerk called the next bill, S. 2993, to authorize an exchange of lands between the city of San Diego, Calif., and the United States, and acceptance by gift of certain lands from the city of San Diego, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized to transfer, under such conditions as may be approved by the said Secretary, to the city of San Diego, Calif., without cost to the said city of San Diego, Calif., all right, title, and interest in and to the following parcels, situated in the city of San Diego, Calif., metes and bounds descriptions of which are on file in the Navy Department:

Parcel A. Sixty-one and seventy-two one-hundredths acres, more or less, of Marine Corps base area adjacent to the municipal airport, lying between the southwesterly prolongation of the southeasterly lines of Harasthy Street and Southerland Street to the combined pierhead and bulkhead line;

Parcel B. A triangular piece of land of the naval supply depot on the westerly side of Pacific Highway between E Street and F Street, containing 619 square feet, more or less;

Parcel C. A strip of land 10½ feet wide, of the naval training station, extending along and adjacent to Rosecrans Street, between Lytton Street and Lowell Street, including a curbed corner at the intersection of Lytton Street and Rosecrans Street, containing an area of 1.68 acres, more or less;

Parcel D. That portion of the Marine Corps base lying to the north of the south side of Water Street extending easterly from Wright Street, containing an area of 4.25 acres, more or less;

Parcel E. A triangular piece of land comprising the corner at the intersection of Barnett Avenue and Pacific Highway, being a part of the Marine Corps base, containing an area of 0.25 of an acre, more or less;

Parcel F. Three areas comprising 1.36 acres, more or less, being a part of the destroyer base situated on the north and south sides of Bay Front Street included in the proposed Harbor Drive and a small parcel to the east thereof; in consideration of the transfer and quitclaim to the United States by said city of San Diego, free from all encumbrances, except as hereinafter provided, and without cost to the United States, all right, title, and interest which the said city may claim in and to the following parcels, metes and bounds descriptions of which are on file in the Navy Department:

Parcel 1. A parcel of land between Broadway and E Street and between Pacific Highway and the westerly line of Belt Street in the city of San Diego, Calif., containing an area of 1.93 acres, more or less, excepting and reserving therefrom (a) the area held and occupied by the Sunset Sea Food Co. under a lease that expires on July 20, 1951; and (b) the area held and occupied by the Star & Crescent Oil Co. under a lease that expires April 30, 1942: *Provided*, That the areas held under said leases, upon expiration of the terms thereof, become the property of the United States in fee simple.

Parcel 2. A parcel of land between E Street and F Street and between Harbor Street and the easterly line of Belt Street in the city of San Diego, Calif., containing an area of 2.07 acres, more or less; excepting and reserving therefrom the area held and occupied by the Union Ice Co. under a lease that expires on September 23, 1941: *Provided*, That the area held under said lease, upon expiration of the term thereof becomes the property of the United States in fee simple.

Parcel 3. A parcel of land between F Street and Market Street and Harbor Street and Pacific Highway, in the city of San Diego, Calif., containing an area of 4.26 acres, more or less, excepting and reserving therefrom (a) the area held and occupied by the Arrowhead Puritas Distributors, Inc., under a lease that expires on February 28, 1947; and (b) the area held and occupied by the General Petro-

leum Corporation under a lease that expires on March 31, 1948: *Provided*, That the areas held under said leases, upon the expiration of the terms thereof, become the property of the United States in fee simple.

Parcel 4. A parcel of land between the United States bulkhead line and the United States pierhead line, lying southerly and adjacent to the present Navy pier in the city of San Diego, Calif., containing an area of 2.77 acres, more or less: *Provided*, That said parcels 1 to 4, inclusive, shall be used for military purposes, and particularly for the purpose of establishing and maintaining thereon piers, landings, buildings, and structures to be used by the United States and reserving to the said city of San Diego perpetual easements in said parcels for the laying and maintaining of underground public utilities, such as sewers, drains, water mains, gas, electric, and power lines across said parcels wherever necessary or convenient.

SEC. 2. The Secretary of the Navy is further authorized, on behalf of the United States, to accept from the city of San Diego, Calif., without cost to the United States, all right, title, and interest of the said city in and to the following-described parcels of land situated in the city of San Diego, Calif.:

Parcel 1. A strip of municipal tidelands 430.5 feet in width and contained 14.51 acres, more or less, in the city of San Diego, Calif., lying northerly of and adjacent to the northerly line of the United States destroyer base for military uses of the United States and particularly to be used by the Navy Department in connection with and as part of the naval destroyer base in the city of San Diego;

Parcel 2. All land lying between the high-water mark and the westerly line of proposed harbor drive adjacent to the easterly boundary of the destroyer base, in the city of San Diego, Calif., excluding that portion of the destroyer base embraced within the proposed Harbor Drive on the northerly and southerly sides of Bay Front Street and to the east of proposed harbor drive, containing an area of 8 acres, more or less;

Parcel 3. All that portion of Balboa Park, in the city of San Diego, Calif., in pueblo lots 1136 and 1143 of the pueblo lands of the city of San Diego, Calif., adjoining the southeasterly, southerly, and southwesterly boundaries of the naval hospital, San Diego, Calif., containing an area of 32.93 acres, more or less;

Parcel 4. A triangular area embracing portions of lots 2 to 11, inclusive, in West Atlantic Street Addition and a triangular area embracing the unnumbered block in Middletown, lots 7 to 12, inclusive, of block 231; and lots 7 to 12, inclusive, of block 236, in the city of San Diego, Calif., adjoining the northerly and easterly portions of the athletic field of the Marine Corps base, San Diego, Calif., containing an area of 2 acres, more or less.

SEC. 3. The Secretary of the Navy is further authorized, on behalf of the United States, to accept from the city of San Diego, Calif., without cost to the United States, all right, title, and interest of the said city in and to such other areas abutting the naval properties at San Diego, Calif., as will bring the exterior boundaries thereof to the adjoining boundary of the proposed Harbor Drive as now or hereafter may be located.

SEC. 4. The acceptance by the Secretary of the Navy of the transfer or quitclaim by the city of San Diego of any of the lands herein mentioned shall not be construed as a relinquishment by the United States of its claim of title or interest in said land in any manner arising.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SICK LEAVE FOR SUBSTITUTE POSTAL EMPLOYEES

The clerk called the next bill, H. R. 7663, providing for sick leave for substitute postal employees.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 1 and 2 of Public Law No. 194, first session of the Seventy-sixth Congress, be amended to read as follows:

"That hereafter substitutes in the Postal Service shall be rated as employees and each substitute postal employee in the classified civil service shall be granted the same rights and benefits with respect to annual and sick leave that accrue to regular employees in proportion to the time actually employed.

"SEC. 2. No substitute shall be entitled to sick leave for an illness or disability incurred at a time when such substitute is on leave of absence other than annual leave."

With the following committee amendment:

Page 2, line 3, after the word "absence", insert "granted at his own request", and in line 4, page 2, after the word "leave", strike out the words "granted at his request" and insert in lieu thereof "or when such substitute is not available for duty."

Mr. SWEENEY. Mr. Speaker, I rise in support of the committee amendment.

Mr. Speaker, this is merely a corrective measure. The Congress passed a bill at the last session giving the substitute clerks and carriers of the Post Office Department the privilege of enjoying sick and annual leaves, a privilege which they have not heretofore enjoyed. This privilege was extended to them after they had put in a certain number of hours each year. In the administration of the act the Comptroller General ruled that a substitute employee in order to have the privilege of sick leave had to physically report to the post office; in other words, if a man was stricken with acute appendicitis he had to rush to the post office and punch a clock before he would be eligible to obtain this benefit. The Congress, in my opinion, never intended any such procedure. The Post Office Committee met and corrected this situation and the bill which we now submit meets with the approval of the Post Office Department. It involves no additional expense and it is approved by the Bureau of the Budget. I respectfully urge its adoption.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOARDS OF LOCAL INSPECTORS

The Clerk called the next bill, H. R. 7169, authorizing the Secretary of Commerce to establish additional boards of local inspectors in the Bureau of Marine Inspection and Navigation.

There being no objection, the Clerk read as follows:

Be it enacted, etc., That, in addition to such boards of local inspectors as are heretofore established by law, the Secretary of Commerce is hereby authorized to establish, whenever in his judgment the needs of the Bureau of Marine Inspection and Navigation and the volume of work so require, boards of local inspectors, to be composed of one inspector of boilers and one inspector of hulls, at such ports as he shall deem necessary.

Mr. PETERSON of Florida. Mr. Speaker, the bill, S. 2661, is pending on the Speaker's table. It seeks to accomplish one of the purposes accomplished by the House bill. I ask unanimous consent to take the bill, S. 2661, from the Speaker's table, strike out all after the enacting clause, and substitute the language of the amendment contained in the House bill as reported, and amend the title of the Senate bill to conform with the amended title of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I ask the gentleman from Florida if the Senate bill and the committee amendment are identical?

Mr. PETERSON of Florida. No; the Senate bill provides for the creation of a board of inspectors at Miami, Fla. The House bill provides and allows the transfer of inspectors from place to place. The Department will have the same power under the House bill it would have under the Senate bill, and there would be no need for a special board.

Mr. WOLCOTT. Mr. Speaker, as I understand the gentleman, the House amendment authorizes the readjustment of the present board.

Mr. PETERSON of Florida. Yes.

Mr. WOLCOTT. And the Senate bill?

Mr. PETERSON of Florida. That authorizes one at Miami, and I am sure that under the readjustment we will be able to take care of the situation at Miami without special legislation.

Mr. WOLCOTT. And the gentleman's motion is to strike out all after the enacting clause of the Senate bill and substitute the House amendment?

Mr. PETERSON of Florida. Yes, and amend the title of the Senate bill to conform to the amended House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Senate bill.

The Clerk read as follows:

Be it enacted, etc., That a board of inspectors, Bureau of Marine Inspection and Navigation, consisting of a local inspector of hulls and a local inspector of boilers, is hereby created at the port of Miami, Fla. Such inspector of hulls and inspector of boilers shall each be entitled, in addition to his authorized pay and traveling

expenses, to his actual and reasonable expenses for transportation of instruments, which shall be certified and sworn to under such instructions as shall be given by the Secretary of Commerce.

The SPEAKER pro tempore. The Clerk will report the amendment to the Senate bill.

The Clerk read as follows:

Amendment offered by Mr. PETERSON of Florida to S. 2661: Strike out all after the enacting clause and insert:

"That the Secretary of Commerce is authorized, as the exigencies of the service may require, to rearrange from time to time, by consolidation or otherwise, the location of the several boards of local inspectors and to discontinue boards of local inspectors by abolishing the same or establishing others in their stead: *Provided*, That the whole number of boards of local inspectors shall at no time be made to exceed those established and authorized on the date of the enactment of this act, except as the same may thereafter be provided by law: *Provided further*, That the Secretary of Commerce shall, at the beginning of each regular session, submit to Congress a statement of all acts, if any, done under the provisions of this act and the reasons therefor."

The SPEAKER pro tempore. The question is on agreeing to the amendment to the Senate bill.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended to read: "A bill to provide for rearrangement of the location of the several boards of local inspectors."

A House bill, H. R. 7169, was laid on the table.

RELIEF OF RESTRICTED INDIANS

The Clerk called the bill (H. R. 5918) amending Public Law No. 96 of the Seventy-fifth Congress, being an act entitled "An act amending section 2 of Public Law No. 716 of the Seventy-fourth Congress, being an act entitled 'An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes and for other purposes.' "

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Public Law No. 96 of the Seventy-fifth Congress, being an act entitled "An act amending section 2 of Public Law No. 716 of the Seventy-fourth Congress, being an act entitled '. n act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes and for other purposes,' " is hereby amended by adding the following sections:

"SEC. 3. This act (Public Law No. 96 of the 75th Cong.) shall be effective as of June 6, 1936, and shall be declaratory of the intent of Congress and the meaning of section 2 of said Public Law No. 716 of the Seventy-fourth Congress.

"SEC. 4. All lands, other than those provided for in section 2 hereof, the title to which was held by an Indian on June 6, 1936, subject to restrictions against alienation or encumbrance except with the consent or approval of the Secretary of the Interior, and which was purchased before said June 6, 1936, out of trust or restricted funds of said Indian, shall be subject to tax as of June 6, 1936, but not subject to penalties, interest, and costs that may have accrued under the law of any State wherein said land is situate on the principal amount of the taxes levied on said land for the fiscal year beginning July 1, 1936, and ending June 30, 1937."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

SPECIAL-DELIVERY MESSENGERS, POSTAL SERVICE

The Clerk called the bill (H. R. 8733) to clarify the employment status of special-delivery messengers in the Postal Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act to provide for the special delivery and the special handling of mail matter, approved March 2, 1931 (46 Stat., ch. 372, p. 1469; U. S. C., title 39, sec. 169a), be amended as follows:

Change the period at the end of section 3 to a colon and add the following proviso: "*Provided*, That all special-delivery messengers employed full time in the Postal Service shall be, for all practical purposes, classed as postal employees."

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That (a) in each fiscal year, commencing with the fiscal year beginning July 1, 1939, any person employed as a special-delivery messenger in the Postal Service who actually served in such capacity during not less than 9 months of the preceding fiscal year shall be entitled to the same rights and benefits with respect to annual and sick leave with pay as are regular employees of the Postal Service.

"(b) The amount of pay to which any such special-delivery messenger shall be entitled during any leave period shall be determined by multiplying the number of days in such leave (excluding Sundays and holidays) by the average daily compensation of such special-delivery messenger, computed as provided in subsection (c).

"(c) At the end of each fiscal year each postmaster employing any special-delivery messenger eligible for the benefits of this act shall compute the average daily compensation of such special-delivery messenger during such fiscal year. Such average daily compensation shall be determined by dividing the total compensation paid to such special-delivery messenger during such fiscal year (excluding any amount paid as compensation during any period of annual or sick leave) by the total number of days such special-delivery messenger actually served during such fiscal year. The average daily compensation so determined shall be used in computing the amount of pay due such special-delivery messenger for any leave period during the succeeding fiscal year. Such compensation for annual or sick leave shall be paid to the special-delivery messenger by the postmaster by whom he is employed at the end of the regular pay period during which such leave is taken.

"(d) There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this section. Such amounts when appropriated shall be made available to postmasters for the payment of the leave compensation herein provided in the same manner as is provided for the payment of special-delivery messenger fees.

"(e) The Postmaster General shall prescribe such rules and regulations as may be necessary to carry out the provisions of this section.

"SEC. 2. (a) Special-delivery messengers in the Postal Service shall be entitled to all the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, in the same manner as is provided in the case of city, rural, and village letter carriers, except that as applied to any special-delivery messenger, the term 'basic salary, pay, or compensation' as used in such act shall be deemed to mean the actual compensation of such special-delivery messenger.

"(b) The Civil Service Commission shall make such rules and regulations as may be necessary for the effective administration of this section."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

CONCHAS DAM AND RESERVOIR PROJECT, NEW MEXICO

The Clerk called the bill (H. R. 8500) authorizing the Secretary of War to execute an easement deed to the State of New Mexico for the use and occupation of lands and water areas at Conchas Dam and Reservoir project, New Mexico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered, under such terms, regulations, and conditions as are deemed advisable by him, to grant to the State of New Mexico for public recreational purposes an easement for the use and occupation of such lands and water areas owned or controlled by the United States in connection with the Conchas Dam and Reservoir project on the South Canadian River, in New Mexico, as he may designate: *Provided*, That said easement shall be subordinate to the use of said lands and water areas by the War Department as may be necessary in the operation and maintenance of said dam and reservoir project.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

VIRGINIA (MERRIMAC)-MONITOR COMMISSION

The Clerk called House Concurrent Resolution 52, to amend House Concurrent Resolution 32 Seventy-sixth Congress, first session.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That sections 5 and 6 of House Concurrent Resolution 32, which passed the House of Representatives on the 31st day of July 1939, and the Senate on the 2d day of August 1939, establishing the Virginia (Merrimac)-Monitor Commission, is hereby amended to read as follows:

"SEC. 5. That the Commission shall, on or before the 15th day of April 1941, make a report to Congress for such enabling legislation, if any, as the Congress may desire.

"SEC. 6. That the Commission hereby created shall expire within 3 years after the adoption of this concurrent resolution."

With the following committee amendments:

Line 8, strike out "1941" and insert "1942".

Line 12, strike out "three" and insert "four".

The committee amendments were agreed to.

The resolution as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE ACCOUNT OF ADVANCES

The Clerk called the bill (H. R. 9263) to permit the Secretary of State to authorize disbursements of appropriated funds under a "State account of advances."

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that the bill S. 3528 be substituted for the House bill.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from Missouri?

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, is the Senate bill identical with the House bill?

Mr. COCHRAN. No. It is better than the House bill. [Laughter.] The Senate bill is approved by the State and Treasury Departments as well as the Bureau of the Budget.

The SPEAKER pro tempore. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of any other law the Secretary of State be, and he is hereby, authorized in his discretion to issue under the limitations and restrictions hereinafter established requistitions for advances of funds to disbursing officers of the Division of Disbursement, Treasury Department, under a "State account of advances" not to exceed the total amount of appropriations for the Department of State, the amounts so advanced to be used exclusively to pay upon proper vouchers obligations lawfully payable under the respective appropriations: *Provided,* That a separate "State account of advances" shall be established on the books of the Treasury Department relating to appropriations made to the Department of State for each fiscal year and that a "State account of advances" relating to the appropriations for 1 fiscal year shall not be used to pay vouchers pertaining to the appropriations of any other fiscal year. Expenditures from the amounts requisitioned under the "State account of advances" shall be charged to applicable appropriations on the books of the Treasury Department on the basis of transfer and counter warrants prepared in the State Department as of the close of each month and prior to audit, certification, or adjustment by the General Accounting Office. The General Accounting Office shall subsequently declare the sums finally due from the several appropriations upon audited vouchers according to law and shall certify the same to the Treasury Department which shall make the necessary adjustments between appropriations upon the basis of such audited settlements of the General Accounting Office: *Provided further,* That such adjustments shall be reflected on the books of the Government in the month and fiscal year during which the audited settlements are certified to the Treasury.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill, H. R. 9263, was laid on the table.

UNIFORMITY OF ALLOWANCES FOR TRANSPORTATION OF HOUSEHOLD GOODS

The Clerk called the next bill, H. R. 9264, to provide for uniformity of allowances for the transportation of household goods of civilian officers and employees when transferred from one official station to another for permanent duty.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, what civilian employees are included in this bill?

Mr. COCHRAN. Civilian employees of the State Department.

Mr. O'CONNOR. Are postal clerks excluded?

Mr. COCHRAN. There are no postal clerks or Indians in this bill; it applies only to the State Department.

Mr. O'CONNOR. In other words, you exclude postal clerks and Indians?

Mr. EATON. And Republicans? [Laughter.]

Mr. COCHRAN. No. This has simply to do with the State Department. Republicans are included in this as well as Democrats. [Laughter.]

Mr. O'CONNOR. Why should not postal clerks be included?

Mr. COCHRAN. Because this is for the State Department only.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object——

Mr. COCHRAN. I will accept the gentleman's clarifying amendment.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That expenses which now or hereafter may be authorized by law to be paid from Government funds for the packing, crating, drayage, and transportation of household goods and personal effects of civilian officers and employees of any of the executive departments or establishments of the United States when transferred from one official station to another for permanent duty shall hereafter be allowed and paid, when specifically authorized or approved by the head of the department or establishment concerned, under such rules and regulations as may be prescribed by the President, which regulations shall prescribe, among other matters, the maximum weight of the property, not to exceed 5,000 pounds gross or the equivalent thereof when transportation charges are based on cubic measurement, which may be packed, crated, hauled, transported, and unpacked at Government expense: *Provided,* That no part of such expenses shall be paid from Government funds where the transfer is made at the request and primarily for the convenience or benefit of the officer or employee: *Provided further,* That nothing herein shall affect the allowance and payment of expenses for, or incident to, the transportation of effects of officers and employees of the Foreign Service, Department of State.

Mr. CASE of South Dakota. Mr. Speaker, I offer an amendment.

Mr. COCHRAN. I have no objection to the amendment, Mr. Speaker.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: On page 2, line 13, after the word "State", strike out the period, insert a comma and the following: "except where the transfer is made at the request and primarily for the convenience or benefit of the officer or employee."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIRED PAY OF CERTAIN RETIRED ARMY OFFICERS

The Clerk called the next bill, S. 1918, relating to the retired pay of certain retired Army officers.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That commissioned officers of the Regular Army placed upon the unlimited retired list pursuant to the provisions of that part of the War Department Appropriation Act, 1923, as amended, which provided for the elimination of commissioned officers of the Regular Army in excess of the number therein provided for, shall be entitled to retired pay after the date of enactment of this act, computed as follows:

(1) Those with more than 10 years' and less than 20 years' commissioned service at date of being placed on the unlimited retired list and all additional service on active duty under competent War Department orders subsequent to being placed on the unlimited retired list, 2½ percent of their active-duty pay multiplied by the number of complete years of such commissioned service, but not in excess of 75 percent of such active pay.

(2) Those with more than 20 years' commissioned service at date of being placed on the unlimited retired list and all additional service on active duty under competent War Department orders subsequent to being placed on the unlimited retired list, 3 percent of their active-duty pay multiplied by the number of complete years of such commissioned service, but not in excess of 75 percent of such active pay.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. That concludes the bills eligible on the Consent Calendar today.

EXTENSION OF REMARKS

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and insert excerpts from an article appearing in the magazine Foreign Service, and one or two excerpts from letters I have received.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a radio address delivered by me.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief letter I have received from one of my constituents.

The SPEAKER pro tempore. Is there objection?

There was no objection.

THE WALTER-LOGAN BILL

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 388, and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 388

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6324, a bill to provide for the more expeditious settlement of disputes with the United States, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 3 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I think we ought to have a quorum present for this debate. This is a very important measure. In my opinion, it is a violent departure from the present system. I make the point of order that there is no quorum present.

Mr. COX. May I ask the gentleman to withdraw that request? While it is a most important matter, I trust the gentleman will not inconvenience Members who happen to be at their offices or engaged in other duties. I appreciate the gentleman making the motion.

Mr. RANKIN. I am not trying to inconvenience anybody.

Mr. COX. Of course, I know that.

Mr. RANKIN. I regard this as one of the most far-reaching departures from the present system that has yet been proposed. I think the Members ought to be here to hear this debate. I think I ought to stand by my point of no quorum. I insist on the point of order, Mr. Speaker.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 70]

Arends	Corbett	Harness	Mott
Arnold	Darden	Harter, N. Y.	Myers
Barton	Darrow	Harter, Ohio	O'Day
Bates, Ky.	Delaney	Healey	Osmers
Bates, Mass.	Dickstein	Holmes	Patrick
Beam	Dingell	Hook	Patton
Bell	Dirksen	Houston	Pierce
Bradley, Mich.	Ditter	Jarman	Rabaut
Bradley, Pa.	Durham	Jennings	Reece, Tenn.
Brewster	Edelstein	Kelly	Robertson,
Buckley, N. Y.	Evans	Kennedy, Martin	Romjue
Burch	Fay	Keogh	Sabath
Burdick	Fish	Kirwan	Sacks
Burgin	Fitzpatrick	Lea	Scrugham
Byrne, N. Y.	Flannagan	McArdle	Seccombe
Camp	Flannery	McDowell	Secrest
Carter	Ford, Leland M.	McGranery	Seger
Cartwright	Fulmer	Maciejewski	Shafer, Mich.
Casey, Mass.	Gamble	Maloney	Shannon
Clark	Gehrmann	Mansfield	Sheridan
Clason	Gilchrist	Massingale	Simpson
Connery	Gore	Merritt	Smith, Ill.
Cooley	Green	Mitchell	Somers, N. Y.
South	Thomas, N. J.	Ward	White, Idaho
Starnes, Ala.	Tibbott	Wheat	White, Ohio
Steagall	Wadsworth	Whelchel	Winter

The SPEAKER pro tempore (Mr. WARREN). Three hundred and twenty-five Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. HOFFMAN asked and was given permission to revise and extend his remarks.

THE WALTER-LOGAN BILL

The SPEAKER pro tempore. The gentleman from Georgia [Mr. COX] is recognized for 1 hour.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. Speaker, I yield myself 20 minutes.

The SPEAKER pro tempore. The gentleman from Georgia is recognized for 20 minutes.

Mr. COX. Mr. Speaker, I would like to say to my brethren that while not complaining I do regret the point of no quorum was made. I know how unusually busy Members are, particularly on Monday, and I would have been pleased had you been permitted to have remained in your offices and been given opportunity to attend to matters which I know are always pressing to the front and demanding quick attention. The subject under consideration at the present time is the Walter-Logan bill which the pending rule is intended to make in order.

My friend the gentleman from Mississippi stated a few moments ago that the Walter bill is an important one. That expression was made in the sense, as intended by him, that it carried a threat to administrative procedure that makes important our proceeding with great deliberation before taking action. To the extent that the pending bill is an important measure I agree with him. I can think of a thousand reasons why it should be adopted and not one as to why it should be cast aside.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. With pleasure.

Mr. RANKIN. As a matter of fact, if this bill passes does it not turn the executive departments of this Government over to the courts?

Mr. COX. Not at all.

Mr. RANKIN. Does it not give the court the right to paralyze the various branches of the executive departments in the discharge of their respective duties?

Mr. COX. Let me answer the gentleman. There is no one in this body who has a higher appreciation of the gentleman from Mississippi than myself. At this time he thinks he is opposed to this bill, but I have the confidence to believe that if he will listen to this debate, and if he will approach consideration with an open mind, he will be one of the strongest of its advocates when we reach the point of casting a vote. The gentleman is usually right, he is patriotic, and he believes in sustaining and preserving our constitutional system of government. And here, Mr. Speaker, we are confronted with the obligation that comes to us individually and collectively to preserve the supremacy of a system of government by laws over a system of government by men.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman.

Mr. RANKIN. The greatest Democrat the world has ever known, Thomas Jefferson, was born 197 years ago day before yesterday. He is said to have predicted that if this Republic was ever destroyed it would be destroyed by the courts. If you give the courts the right to place themselves above the Congress and the Executive, then you will have a judicial fascisti.

Mr. COX. Mr. Speaker, I must ask that the gentleman propound questions and not make speeches, because time is limited. What is the gentleman's question?

Mr. RANKIN. If you give them the right to review every single order or discharge of duty by a branch of the executive department, in my opinion you have paralyzed this Government or made it a court government.

Mr. COX. May I say to the gentleman from Mississippi that if this Government is maintained as a constitutional democracy it will be the result of courts rather than the bureaucrats in the Government. [Applause.]

Administrative law is the substitution of the discretion of bureaucrats for the rules of fixed, definite law. It was under the rule of kings, czars, emperors, mikados, and dictators that personalized government, that is administrative law, reached its maximum power over both life and property. From that maximum elevation of power, that maximum elevation of administrative law the people have for several centuries and until recently at least been gradually recovering their independence by building up a system in which the supremacy of general rules of law has been established over that of personalized government and to the obligations of which officials of whatever rank are not immune. The purpose of this bill is to recapture a part of the powers of Congress which it should never have delegated to the bureaucrats.

Mr. RANKIN. Mr. Speaker, will the gentleman yield for a question?

Mr. COX. I yield to the gentleman.

Mr. RANKIN. Then why does not the gentleman advocate giving the Congress the right to pass on them instead of transferring these prerogatives to the courts, a third branch of the Government?

Mr. COX. Our national economy is so complicated that we must employ or use this method of administering public law, but not to the extent of delegating to administrative agents the power of substituting their judgment as to the meaning of law for the judgment of the Congress which enacted the law.

Mr. RANKIN. Mr. Speaker, will the gentleman yield further?

Mr. COX. Certainly.

Mr. RANKIN. Does not the gentleman know that if this law passes in its present form that any executive branch of the Government that undertakes to discharge its duties in any particular can be dragged into court, the litigation strung out for several years, and then when that is over they can go back and take a new hold and repeat the process?

Mr. COX. I understand no such thing. The effect of this law will be to deflate the swollen powers of Government bureaucrats.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. PIERCE. If the Walter bill had ever been the law, would we have had the T. V. A.; would we have had the Bonneville Dam advanced as far as those projects are advanced?

Mr. COX. The employment of the right of review as provided by the pending bill, the Walter bill, would not in anywise have obstructed any administrative agent in the exercise of a lawful delegation of power.

Mr. PIERCE. Would not this law have given the courts the right to have held up those great enterprises during all this time?

Mr. COX. This law would give to the courts the right of review upon the application of a party at interest of any order that an administrative board might make. But why should not the courts have the right to review an order of a legislative agent that construes the acts of Congress? Why should not the courts have such right of review?

Mr. PIERCE. For the reason that the only way the people have to act is through the bureaus set up by Congress.

Mr. COX. Oh, the people have no way of acting except through the constitutional methods which they themselves have established.

Mr. PIERCE. But do not the courts delay, delay, and delay? This bill, it seems to me, puts the brakes on all administrative officials.

Mr. COX. The legislation does put a brake upon administrative agents who assume almost unlimited power to both legislate and to judge.

Mr. RAYBURN. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Texas.

Mr. RAYBURN. May I say to the gentleman, if he will allow me to make a statement, that I approach this bill with an open mind. I have not yet made up my mind that I can vote for legislation of this sort. Now, the gentleman has talked about commissions to which we have given legislative authority.

Mr. COX. There have been no complaints against any of the old commissions. It is the new commissions that have been set up during the past few years.

Mr. RAYBURN. That is exactly the point I am coming to. Why should the Federal Reserve Board be exempt, the Federal Deposit Insurance Corporation, and the Interstate Commerce Commission, the decisions of which are as controversial as any other agency of the Government, all Federal lending agencies I see have been put in here, the Federal Trade Commission, the conduct of the State Department, and so forth? Why not the Federal Power Commission that is as old as the Federal Trade Commission, because I happen to have served on the committee that reported that bill out 25 years ago? Why not the Communications Commission? Why not the Securities and Exchange Commission? Why should not those Commissions be exempted along with these other Commissions? [Applause.]

Mr. COX. I do not know what were the considerations that influenced the Judiciary Committee to except all these agencies that are named in the bill. Frankly, I think there are too many of them exempted. Certainly not another single one of them should be exempted. I know the agency that my devoted friend has particularly in mind and I do not wish to assault it because it is the creature of the gentleman's brain and heart. I know when this bill comes up for consideration under the 5-minute rule, if it progresses to that point, the gentleman will seek to have it put in the exempted class. But I want to say to the gentleman and the other Members of this House that they could commit no greater blunder than to exempt the Securities and Exchange Commission, because that Commission is fast falling to the low level of the National Labor Relations Board, due to the fact that the Commission has seemingly embraced the same philosophy as that held by the National Labor Relations Board. That Commission has the same philosophy as most of these new agencies that have been set up in recent years, whose thinking is apparently rooted in doctrine that emanates from Russia. [Applause.]

Mr. RAYBURN. May I say to the gentleman that of course he supported the measure that brought that Commission into existence. It administers three laws, all of which I happen to have the honor of being the author in the House of Representatives.

Mr. COX. That is right.

Mr. RAYBURN. I refer to the Securities Act of 1933, the Stock Exchange Act of 1934, and the Utilities Act of 1935.

Mr. COX. That is right.

Mr. RAYBURN. After the Congress gave the utilities plenty of time, and the Commission has given them 5 years to present plans to abolish these various holding companies, after the Congress has ordered them to do so, now the Commission must begin to operate under the Holding Company Act. There are a great many people in this country who want to stymie it in the courts when the Holding Company Act begins to be put into effect by this Commission.

Mr. COX. May I say to the gentleman that I am not complaining against the Securities and Exchange Commission in its undertaking to execute the death sentence of that law. I supported the gentleman wholeheartedly in his advocacy of that measure. I made no exception. I followed him all the way through. It is not those activities of the Commission about which I make complaint. I complain of the Commission's assuming that it is better capacitated because of its alleged technical and expert understanding of the problem that it has in hand to determine the meaning of Congress than Congress itself. That is what one of the higher-ups in the Commission said.

Mr. RAYBURN. Of course, no commission can be held responsible for what one commissioner may say in an unguarded moment.

Mr. COX. But the gentleman knows that that commission is falling into disrepute. He knows it is not maintaining that high position in the confidence of the people of the country which it held under the chairmanship of Joe Kennedy. Does not the gentleman know that?

Mr. RAYBURN. I think the Commission has had just as high a standing under James Landis, who is one of the most able men in this country.

Mr. COX. Has the gentleman read the book written by Mr. Landis? Mr. Landis is a very conscientious and earnest man, but he leans considerably toward ultra-liberalism. If the gentleman does not believe that, read his book.

Mr. RAYBURN. I did not hear the gentleman complain about the Securities Act, the Stock Exchange Act, or the Utilities Act.

Mr. COX. Does the gentleman think the Securities and Exchange Commission under the chairmanship of Mr. Frank is sustaining the high reputation which it won under the chairmanship of Joe Kennedy?

Mr. RAYBURN. I think it did until recently, or at least until some of these implications started.

Mr. COX. The Securities and Exchange Commission is suffering in the esteem of the people of this country because it has become bloated on power which it insists it has under the limited delegation which the Congress conferred.

Mr. RAYBURN. May I say to the gentleman that he remembers in 1935 when I was trying to pass this bill that I suffered deflation in the estimation of some people of the country.

Mr. COX. Certainly not in my estimation. The gentleman has the heart and mind and the understanding of all public questions that will qualify him for the highest offices in the gift of the people.

Mr. RAYBURN. I said some people in the country. I did not mean the House of Representatives or anyone in it. Now another commission is administering a law of which I was also the author. We had the old Radio Commission, and then there was the telegraph and telephone, jurisdiction over which had been lying in the Interstate Commerce Commission for 40 years, but nothing much had been done about it. Then a bill was introduced by me that brought all communications under the same administration; that is, the Federal Communications Commission. Why is this commission not exempted if you exempt the Federal Trade Commission and the Interstate Commerce Commission?

Mr. COX. I am not insisting on the exemption of anyone, as far as I am concerned. I should like to wipe out the exemption and go all the way, because I cannot see any very good reason why any agency of the Government should have delegated to it the power both to legislate and to judge, and that is what these agencies do.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Kentucky.

Mr. MAY. It has frequently been said that the bad administration of a good law can destroy that law.

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield myself 5 additional minutes. Of course, the gentleman is right; a good law can be used to accomplish great injury by bad administration.

Mr. MAY. In nearly all the acts we have passed here setting up various agencies of Government we have included a clause something like this, that the board of directors or the persons in charge may adopt such rules and regulations for the administration of the law as may be necessary in their judgment. Then these administrators write a rule or regulation of some kind and construe it themselves and give it the effect of law. This practice, as I understand, is all this bill is intended to reach.

Mr. COX. This bill goes no further than to provide for judicial review of the orders of these administrative agencies.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Pennsylvania.

Mr. WALTER. In view of the fact that the discussion seems to center around the Securities and Exchange Commission and the manner in which it has discharged its duty, I should like to read a portion of an opinion of the Supreme Court:

> The action of the Commission finds no support in right of principle or in law. It is wholly unreasonable and arbitrary. It violates the cardinal precept upon which the constitutional safeguards of personal liberty ultimately rests—that this shall be a government of laws—because to the precise extent that the mere will of an official or an official body is permitted to take the place of allowable official discretion or to supplant the standing law as a rule of human conduct, the government ceases to be one of laws and becomes an autocracy.

This was a unanimous decision of the Supreme Court of the United States.

Mr. RAYBURN. The Supreme Court could say that about any commission or any board or any bureau in the Government, and under certain circumstances it might be justified.

Mr. COX. The Supreme Court has no power to review the orders of these executive boards, and that is the point with which we are dealing now. That is the main point in the bill. The bill simply provides that, in addition to reviewing findings of law and findings of fact, there shall exist the right of review of orders which injuriously affect the rights of parties.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield further?

Mr. COX. I yield.

Mr. RAYBURN. I have just mentioned four measures with which I had to do. I had a little to do with another one, which bore my name in the House; that is, the bill having to do with rural electrification. It seems that none of the agencies with whose establishment I had to do are exempt.

Mr. COX. Why should anyone even think of exempting the Tennessee Valley Authority? Give me one reason.

Mr. RANKIN. I can tell the gentleman; because if you pass this law it will be litigated to death by the Power Trust and its allies—not by the people it was created to serve.

Mr. RAYBURN. I was asking the gentleman not about the Tennessee Valley Authority but the Rural Electrification Administration.

Mr. COX. Bring them all under the law.

Let me reply to the statement made by the gentleman from Pennsylvania [Mr. WALTER] by reading from another decision of the Supreme Court, a recent case, that of Morgan against United States.

Mr. RANKIN. Mr. Speaker, will the gentleman yield for a question?

Mr. COX. Let me read this excerpt first, and then I will yield to the gentleman.

In an opinion rendered by Mr. Chief Justice Hughes appears this language:

> The maintenance of proper standards on the part of administrative agencies in the performance of their quasi-judicial functions is of the highest importance and in no way cripples or embarrasses the exercise of their appropriate authority. On the contrary, it is in their manifest interest. For, as we said at the outset, if these multiplying agencies deemed to be necessary in our complex society are to serve the purposes for which they are created and endowed with vast powers, they must accredit themselves by acting in accordance with the cherished judicial tradition embodying the basic concepts of fair play.

Who in this body has the hardihood to contend that the National Labor Relations Board, for instance, has had any regard in its administration of the law for the rules of fair play, or for law, equity, justice, or right?

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I yield myself 5 additional minutes.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Illinois.

Mr. KELLER. I accept the challenge of the gentleman and with respect to every statement he has made in relation to the National Labor Relations Board I challenge you to bring up the Smith bill, which you fostered by passing a resolution taking away from the Committee on Labor its power and rights in that regard. Bring up your bill and we will see how we will vote.

Mr. COX. If the gentleman has concluded, let me have my say. Let me say to my friend that I was not addressing

myself to the gentleman from Illinois. I had no idea of letting my bucket into his intellectual well. [Laughter.] I want water, and I am afraid the gentleman from Illinois has none to spare.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to my friend.

Mr. RANKIN. I notice the gentleman attacks the Tennessee Valley Authority.

Mr. COX. No; I do not attack the Authority. I said who in God's name wants it exempted. It has had a free hand long enough, has it not?

Mr. RANKIN. It has been litigated by the very forces that are demanding this legislation. I was one of the men who helped create the Tennessee Valley Authority. I was coauthor of the bill creating it.

Mr. COX. I voted for it and I am supporting it now.

Mr. RANKIN. I wonder why these agents of the Federal Government that are trying to protect the power consumers of America, such as the Securities and Exchange Commission that is trying to break up these vast holding companies are not exempt, while others are?

Mr. COX. I will have to ask the gentleman not to put remarks in my speech unless in the form of a question.

Mr. RANKIN. I say I wonder why you leave them in the bill and exempt these other agencies.

Mr. COX. I have left nobody in the bill. It is your Judiciary Committee that reports the bill, and, I assume, is supporting it. I know the author of the bill, the gentleman from Pennsylvania, is supporting it.

Mr. RANKIN. If the gentleman will yield further, does not the gentleman know that if any of these commissions or any of these bureaus violate the law, the court has the right now to set their action aside?

Mr. COX. Let me say to the gentleman that in all of these measures setting up these administrative agencies, provision must be included providing for judicial review of questions of law, and in order to meet the due process clause of the Constitution to likewise provide for some sort of review of findings of fact.

Mr. CELLER. Mr. Speaker, will the gentleman yield for a brief question?

Mr. COX. Yes.

Mr. CELLER. There are 130 separate agencies——

Mr. COX. Yes.

Mr. CELLER. Does the gentleman think it fair to visit the sins of the few upon the many?

Mr. COX. Oh, you start the argument which is always advanced by these fellows who want to make over America. [Applause.] And most of them want to make it over along the pattern set by Russia. Do not fool yourselves, and the gentleman is fooling nobody in this House and nobody in this country.

Mr. THOMAS F. FORD. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. THOMAS F. FORD. Does not the gentleman think America needs to be made over after the orgies that took place in the twenties?

Mr. COX. I do not want these young world-heavers turned loose upon the country by some of our universities, one in particular, to make over our Government as best suits them.

Mr. THOMAS F. FORD. If they are to make it over for honesty and decency and good intent, it ought to be done.

Mr. COX. My friends, every one of them are undertaking to circumvent the Constitution, and the gentleman himself knows it.

Mr. RANKIN. Mr. Speaker, will the gentleman yield further?

Mr. COX. I yield to my friend.

The SPEAKER pro tempore. All the time of the gentleman from Georgia has now expired.

Mr. MICHENER. Mr. Speaker, I yield the gentleman from Georgia 5 additional minutes.

Mr. RANKIN. Does the gentleman think he would correct this by having all these matters poured into the lap of the present Supreme Court?

Mr. COX. Let me say to my friend that I am not particularly enamored of the new Supreme Court. [Laughter and applause.] I am not particularly enamored of the Court as now constituted, but there are those on the Court in whose patriotism and in whose understanding of constitutional government I have great confidence.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. WALTER. My distinguished friend from Mississippi probably has not read the bill because the review is to the circuit court of appeals and not to the court that he is so much afraid of.

Mr. RANKIN. That is worse than ever.

Mr. COX. Well, my friends, I want to say to you that this mixing of powers—legislative, judicial, and executive—which is being practiced on the part of these administrative agencies, constituting a fourth department of government, will certainly bring us to ruin sooner or later unless they are checked by the Congress.

I want to say to you that there is every reason why you should impose something of a restraint upon agents that you have appointed to execute laws that you have adopted insofar as they undertake to substitute their judgment for that of the Congress, and that is what is going on. Let me tell you what is happening. In all of these laws in question there is the provision that findings of facts on the part of these agencies may be reviewed by the courts, but there is no right of reversal where there is in the record substantial evidence to support the finding. In other words, insofar as review by the Supreme Court is concerned, the scintilla doctrine is applied; that is, where there is evidence supporting the findings, no reversal can be had. But these agencies, in their findings on facts, apply that same doctrine.

There are no other bodies in all the world to whom is delegated the duty of making findings of fact that apply any other than the preponderance rule. In other words, you are a trier of facts. You are charged with the duty of ascertaining the truth as to a certain controversy, and there are many witnesses summoned before you. What would you do? Would you not apply the preponderance rule; would you not give your decision in favor of the weight of evidence? Of course, you would. But these boards, who initiate these cases, who first provoke the situation that gives rise to complaint, and who, in many instances, try the case and make the findings before the taxpayer is summoned into court—what do they do? They send out their triers of fact, charged with the duty of making a finding in favor of some particular interest, and authorized to make it where there may be found in the record a particle of testimony, wholly disregarding the preponderance rule. Gentlemen, I say to you a terribly wicked thing is being done to America by some of these administrative agencies that you have set up. I regret the lack of time to make a complete statement. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Georgia has expired.

Mr. MICHENER. Mr. Speaker, I yield myself 15 minutes. I am not in a controversial mood today and therefore do not desire to enter into disputes or discussions with the "special pleaders" for some of the agencies of the Government that will be deprived of some autocratic power by this legislation. I do not care to discuss the relative value, philosophy, or knowledge of Joe Kennedy or James Landis or Jerome Frank. These men were appointed by the President, and some of them, at least, are ardent disciples of the New Deal. The administrative record each has made speaks for itself. My remarks at this time will be general, but I have to discuss this bill in detail at a later stage of the proceeding.

This rule which is before the House is an open rule. It is a fair rule; it is a square rule. It brings before the House this controversial legislation. We have 3 hours of general debate and then, under the rule, the Members may offer all germane amendments desired.

Mr. RAYBURN. Mr. Speaker, I want to make my position clear.

Mr. MICHENER. Certainly. If the gentleman wants to apologize for or explain what he has said, I yield for that purpose.

Mr. RAYBURN. Oh, the gentleman has never yet had to apologize for anything that he has said on the floor of this House, and I say to the gentleman from Michigan that, so far as I am concerned, I am not resisting the adoption of this rule.

Mr. MICHENER. I am glad to hear that. I did not mean to make an unkind remark, because we all have much faith in, and much affection for, the gentleman from Texas, the majority leader. We realize how fair, how generous he is. Although he is human like the rest of us, and enthusiastic like the rest of us, and at times he is partisan like the rest of us, and possibly, like the rest of us, he is not always right.

Mr. Speaker, administrative absolutism is fast getting a strangle hold through administrative processes in the National Government. Other speakers will give specific instances. In the beginning of the discussion of this measure we must not forget that ours is a representative form of government, and that the principles of democracy, as we understand them, place the power to make the laws in the Congress, the power to interpret those laws in the judiciary, and the power to execute those laws in the Executive.

In a recent magazine article discussing the Walter-Logan bill, which this bill makes in order, the gentleman from Pennsylvania [Mr. WALTER] made a very understandable statement. He gave the general reasons necessitating the enactment of this law, and I repeat those reasons. As a member of the Judiciary Committee studying and reporting this bill, I concur wholeheartedly. The gentleman from Pennsylvania said:

> Government in Washington is fast becoming a government by men rather than by law. Contrary to the fundamental concepts of our constitutional democracy, the trend is evident in recent years, particularly among the many administrative agencies, that the uncontrolled whims and ambitions of men instead of written laws are directing the destiny of our Nation.
>
> Such a trend strangely parallels the developments in Europe, where control of governments by men who usurped the laws has culminated in the dictatorships which now hold much of that continent in their grasp.
>
> In our Nation, for the past half century, the tendency has been to strengthen the powers of the Federal Government so as to regulate and control the governed. This tendency has grown at a constantly accelerated pace in the past 10 years. More than 100 administrative agencies have been established to regulate and control the various channels of trade and enterprise which have increased along with our social and economic advancement.
>
> In the haste to enact these various control statutes, little provision was made for means and methods whereby the governors could be governed and the regulators could be regulated. The time has come when some of these regulators consider themselves above the statutes and when they show contemptuous disregard for both the Congress and the courts. Some of these regulators constitute a very real threat to the democratic processes of government.
>
> Thus the need for an administrative law act influenced me to sponsor the House draft of the so-called Walter-Logan bill—a bill to "regulate the regulators." Such an act has long been urged by the American Bar Association and by other students of trends which are dangerous to our government by law.

Had I been making that statement you might possibly have said that it had a political tinge, but that statement is made by one of the leaders of the Democratic Party in this House, one who believes in the American way and who has courage to state his views. That statement is made by a Democrat who believes in constitutional, Jeffersonian government.

In recent years there has been a tendency on the part of the Congress to surrender to the Executive and administrative agencies the right to make rules and regulations which have the force and effect of law, even to the extent of carrying severe penalties for violation. In fact, in recent years some of the statutes creating new Federal administrative agencies have provided that the decision of the agency on the facts should be final and conclusive. It is expressly provided that there be no appeal. There has been no uniformity of the scope of judicial review and little or no provision has been made in any of the statutes as to the practice and procedure which should be followed by the agency in conducting hearings and deciding controversies. As a result some of these bureaus have become power conscious. Requirement to issue regulations interpreting the statutes has been the exception and not the rule. The Congress has been gradually but surely yielding to bureaus, boards, commissions, and other agencies its right to make laws. The administrators of these agencies follow the trend of all bureaucrats and usurp power belonging to the Congress, which was never intended to be granted to the bureau. This has led to a dangerous centralization of governmental power in the administrative branch of our Government.

In totalitarian governments edicts and orders are issued by the heads of the government, and they have the force and effect of law. There is no appeal. The dictator is the law. When we allow Government bureaus to make rules that are tantamount to laws, and then permit no appeal from them, we are rapidly approaching the totalitarian state.

Bureaucrats are never answerable to the electorate; they are answerable only to the appointing power. It necessarily follows that if bureaus are clothed with authority to make rules and regulations having the force and effect of law, and if a bureau's edict is final and there is no court review, then the bureau has even more power than the Congress, because all acts of the Congress are subject to review by the courts.

If the Congress passes a law and entrusts to some agency the administration of the law, the agency should not substitute its judgment as to what the law should be for what the Congress clearly intended as the objective. It is usurpation of power of this kind that makes the enactment of this law a necessity just now. Bureaucrats gone mad with power.

The Walter bill attempts to remedy some of the prevalent conditions and provides for uniform procedure for establishing rules and regulations of administrative agencies, with prior notice and public hearings, and authority for the United States Circuit Court of Appeals to pass on such regulations; it provides intradepartmental appeal boards; it assures wide expansion of judicial review.

I pause to join in the applause given to the distinguished gentleman from Texas [Mr. MANSFIELD], who appears among us for the first time since his severe illness.

Judge MANSFIELD, as the present occupant of the floor I am sure I speak the sentiments of every Member of the House when I welcome you back to the Congress where you belong. [Applause, the Members rising.] We all hope you have fully recovered and that you will stay with us for a long time to come. [Applause.]

Mr. MANSFIELD. I thank the gentleman very much, and I thank the House for the honor they have conferred upon me. [Applause.]

Mr. MICHENER. Now, proceeding with my argument, this bill will prevent the making over of the entire system of government without following the constitutional formula. In the last few years there have been too many efforts on the part of the administration to adapt our conditions to a new philosophy by subtle and short-route methods and thereby make the Government over. In short, this bill is designed in effect to give a new bill of rights to the individual citizen or corporation in conflict with the Government. It would require, for instance, that when new laws are passed the administrative rules and regulations which interpret them must be laid down within a short time and made public. It would provide for a uniform system of appeals within an agency and would make any final decision or order by an administrative agency subject to court review, a privilege which recent Supreme Court decisions have been steadily narrowing.

The Supreme Court in the Pottsville Broadcasting case, in an opinion written by Mr. Justice Frankfurter, a recognized authority in this field, stated:

> To assimilate the relations of these administrative bodies and the courts to the relationship between lower and upper courts is to disregard the origin and purposes of the movement for administrative regulation. * * * Unless these vital differentiations between

the functions of judicial and administrative tribunals are observed, courts will stray outside their province and read the laws of Congress through the distorting lenses of inapplicable legal doctrine.

It would seem clear that this distinguished Justice feels that our country is fast approaching the day when the people shall be ruled, regimented, and regulated by bureaus and administrators rather than by laws. This case would seem to indicate that in the opinion of the present Court these administrative agencies should not have their decisions reviewed by the court and that the legal doctrine as followed by the Supreme Court in the past should possibly not obtain in this new day.

The Walter bill will make it clear that the Congress still has some rights and powers not possessed by bureaus and similar agencies of the Government in the enactment of laws.

Of course, there will be opposition to this bill, and from whom will this opposition come? The President is quoted in the press as being opposed to the bill because if Government agencies were forced to comply with court practices it would mean a slowing down of Government procedure. The President evidently gives no consideration to the possible injustices of the agency rulings. We have had too much speed and too little consideration in legislative matters in recent years. Slowing-down procedure is exactly what is needed when procedure which means the life or death of industry, or the financial ruin of individuals, is in the hands of an arbitrary, tyrannical, and bitterly prejudiced agency.

Some of the advocates of the bill insist that it is good merely because it would hamper the work of certain Government bureaus. The American people would like to see some of these bureaus hampered, restrained, or whatever is necessary to prevent them doing the things they have been doing. This, however, is not sufficient ground for as far-reaching a bill as the Walter bill. Two wrongs never make a right. The whole subject deserves careful and impartial examination. This careful and impartial examination has been had, and while the bill is undoubtedly not perfect and possibly goes further than I would have it go in some instances, yet, after all, it seems the best that can be worked out at this time. The rule will make the bill open to amendments and as a result the bill as it leaves the House will be the composite view of a majority of our Members. The bill will be considered under democratic processes and will only become a law when a majority of our people, expressing themselves through their representatives in Congress, so determine.

In my judgment, the bill should be brought up for consideration and should pass the House. [Applause.]

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. REED of New York. I just want to make this practical observation: Every Member of Congress who comes here is subject to having his record and his vote reviewed every 2 years by his constituents. He rises or falls, according to their approval or disapproval. But the bureaucrats go on, like Tennyson's brook, forever. They can entrench themselves, and unless some bill such as this is passed, they can put out these edicts, rules and regulations, without fear of any review. The result is that they become more arrogant all the time and the prestige of Congress goes down. The Congress is blamed for the very things that they do, which are against the interests of the ordinary citizen.

Mr. MICHENER. I thank the distinguished gentleman for his contribution. He has said in concise language what I attempted to say in a general way. [Applause.]

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

Mr. WALTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6324) to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6324, with Mr. KERR in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WALTER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, in 1932 the American Bar Association, at its annual convention, adopted a resolution calling upon a committee to make a study of the growing encroachment upon the people by the administrative agencies of our Government. It is very significant to note that date. That was before much of the legislation was enacted that our friends have been discussing here this afternoon.

Pursuant to this resolution, a committee was appointed, consisting of Dean Pound, of Harvard; Col. O. R. McGuire, formerly General Counsel for the General Accounting Office; and various other leading students of administrative procedure and administrative law, among whom subsequently was Justice Frankfurter, then Professor Frankfurter, of Harvard.

The following year a similar committee was appointed and a tentative draft of legislation was prepared. This draft was submitted to all of the leading universities and law schools in our country and to lawyers not only in the Government, but to lawyers who had much experience in practice before the Government.

The following year at another committee meeting of the American Bar Association a bill was presented, and this bill was referred to the Committees on the Judiciary of both the House and the Senate. Hearings were held in the Senate by a committee in charge of the late Senator Logan, of Ketnucky, than whom there was no finer student of the law in America. In that connection may I state that Senator Logan at one time was the chief justice of the supreme court of his state.

To that hearing were invited people who could throw some light on this problem of administrative processes, and it is very significant to note that even the opponents of this legislation admit that there is a problem. The Senate committee reported a bill and the following year that bill was referred to the Committee on the Judiciary of the House of Representatives.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. WALTER. No. I will yield later.

Mr. KELLER. Just be specific in the years, if you will.

Mr. WALTER. When this bill was referred to the House Judiciary Committee we invited to hearings representatives of every department of our Government. We permitted all of the agencies to be heard at length. They all filed briefs, and great study was given to the objections interposed by these agencies. After these hearings we reached the conclusion that the opposition to this bill came from people who, while admitting there was a problem, did not approve of the proposed solution thereof. There was not a single objection interposed to this legislation that was well founded that our committee did not recognize, and the bill was redrafted in order to meet these objections. Mr. Chairman, in our zeal in America to meet the problems that have arisen in recent years we have gradually gotten away from our fundamental ideas of the separation of powers in the branches of government. It is trite for me to say to you that this is a tripartite system of government. Bear in mind, however, that the administrative agencies of our Government have two different functions: One is quasi legislative and the other is quasi judicial.

I shall not go into the need for this legislation. Suffice to say that after we had reported our bill we received endorsements from every bar association of importance in America. We received a very strong letter that I should like

to read from the general counsel for the American Federation of Labor, Mr. Joseph Padway, in which he states:

Bill H. R. 6324 dealing with administrative law legislation has had my consideration on behalf of the American Federation of Labor. I have discussed it with the legislative department and with President Green. Mr. Green stated that if in my opinion the bill was advantageous to labor I should so state and that it would receive the support of the American Federation of Labor. It is my opinion that the bill is in many respects beneficial to labor, and it has our support. It appears to us as being fair, just, and most necessary.

In addition to the endorsement of all of these bar associations and the American Federation of Labor, the National Grange has endorsed the bill; as have many business groups throughout America. These groups have studied the problem. They recognize that there is a problem and they feel that the solution thereof lies in the enactment of this bill. Certainly, Mr. Chairman, all these people cannot be wrong. Let me go a step further in this problem.

The Attorney General of the United States, Homer Cummings, recognized that there was a problem, and he made recommendations that a study be made of it. His successor, Frank Murphy, agreeing that there was a problem, had a committee appointed to study the problem. This committee retained as its secretary a young Columbia University professor, and let me say that this committee has not functioned except through this secretary. It has been together on two occasions, and I understand on one of those an attempt was made to pass some sort of resolution condemning this bill, but this the committee refused to do. This secretary has conducted the work of studying this problem, and in this connection let me call your attention to a speech he made before the Lawyers' Guild last year—and I think, Mr. Chairman, this clearly demonstrates the truth of what I said a moment ago, that the opposition to this bill comes from those people who do not approve the solution the Committee on the Judiciary offers for the problem.

What we must carefully and constantly eschew, in my opinion, is the belief that the capacity to govern justly lies only beneath the black robe of the judges and that to them, the wise and good fathers, we must turn hopefully for good guidance through the mazes of the law. That belief, I submit, may do more than merely produce poor government. It may also eventually produce chaos and thus destroy faith in government itself.

From the man who uttered that contemptuous statement comes the opposition to this bill. No one who has made a study of what the bill does or what it is intended to do can oppose it. Let me now just briefly call attention to the provisions of the bill.

Mr. CELLER. Mr. Chairman, will the gentleman yield for a brief question?

Mr. WALTER. I will yield the gentleman some time. I understand the gentleman's opposition to the bill and what occasions it.

Mr. CELLER. The President of the United States is opposed to the bill.

Mr. WALTER. Oh, no; the President of the United States is not opposed to the bill. The President of the United States has been misinformed about this bill, and the position he took was because of the provisions in the bill that the gentleman himself introduced which our committee refused to accept. [Applause.]

The CHAIRMAN. Does the gentleman from Pennsylvania yield further to the gentleman from New York?

Mr. WALTER. No; I decline to yield.

The first section of the bill is the section on definitions. The American Bar Association did not propose a section of definitions. The subcommittee of which I am a member decided that we ought to know definitely just what we were dealing with and we slowly, and I might say laboriously, prepared this section of definitions, every one of which was taken from a decision of the court of last resort in America.

Section 2 is the section with respect to the implementation of the rules, and deals with the quasi legislative power of administrative agencies. The purpose of this section is to remove, if possible, a prolific cause of disputes. In this connection, need I say more than that there are five circuits in the United States which have not yet decided whether or not a written or a verbal contract in a labor case is required. This section is not new, it is not novel, and it does not present any departure from anything that we have known in our Government. We follow statutes that have been tried and found to work and function satisfactorily. In this connection, I found it very interesting to examine the basic statute giving to the administrative agencies the power to promulgate rules. This statute was enacted in 1789, and is the first utterance on the subject. It gives to the agencies the right to promulgate rules in conformity with law. Mr. Chairman, could the founding fathers, could that original Congress have indicated more clearly that it was intended that the rules of these agencies should be tested in the courts in the event that the occasion should ever arise to question whether or not they were acting in conformity with law?

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I will yield the gentleman some time. I do not want him to interrupt me now.

Under that section, after a rule has been promulgated, the right to go into the circuit court of appeals is given to any person substantially interested. We do not have to wait for an issue to arise, we do not have to wait for a case to be started in Texas, another one in Maine, and another one in Washington, with the result that each one of three circuits will find themselves in disagreement and our citizens will not know what the law is.

After a public hearing, the administrative agency promulgates its rule for the implementation of the statute and then the test of whether or not that rule is in violation of law or in violation of the Constitution may be applied. Mr. Chairman, is that not carrying out the clearly expressed intent of the First Congress when the first law on this subject was passed? What does "in conformity with law" mean? What does it do? What does that expression provide? A justiciable issue, triable in courts and nowhere else. Section 3 provides for judicial review of the rules and is designed to prevent litigation.

There is some opposition to this section because the right to review can only go to the circuit court of appeals. Certainly we do not want the business of our Government, I may say to my friend from Mississippi, tied up through endless litigation; so the right to review lies in the circuit court of appeals and from that decision there is no further appeal.

Mr. RANKIN. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman.

Mr. RANKIN. These large holding companies are spread all over the country. A local litigant would have to go a thousand or fifteen hundred miles to a circuit court of appeals.

Mr. WALTER. I may say to the gentleman from Mississippi that anyone substantially interested in the operation of a rule of procedure of an administrative agency is represented in Washington. All of the groups which deal with the Government, as the gentleman well knows, because our offices are filled with people who have axes to grind, have representatives in Washington.

Mr. RANKIN. Oh, yes.

Mr. WALTER. I do not yield further.

All of these groups have representatives in Washington. Notice is given of the intention to promulgate a rule for the implementation of a statute in section 2. This notice is not actual, it may be constructive, but at least our citizens will know what the rules of the game are before they get into the game. [Applause.]

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I yield myself 7 additional minutes.

Section 4 deals with the quasi judicial powers of the administrative agencies and has as its purposes the adoption of uniform standards of procedure, a formal hearing after nego-

tiations, and the fixing of responsibility for administrative action. Many of our agencies have found that disputes are minimized where there has been set up in the agency a board to review the findings of the examiners who first deal with our citizens. I am not naive enough to believe that when a citizen has a controversy or a matter of business, if you please, before it becomes a controversy with our Government that he ever talks with anyone more important than a $2,500-a-year clerk.

If our citizens can dispose of their business with that clerk without feeling that they have been aggrieved, all right, well and good, they do not have to go to court; but when they find that they have been aggrieved they petition the head of the agency for hearing. An intraagency board of three employers, one of whom is a lawyer, is set up to hear this controversy. That board, under this bill, prepares a complete record, and I would compare that board with a judge who hears a case without a jury. Then that record made up by a formal hearing, notice going out to witnesses, is certified, where the aggrieved citizen has a substantial interest, to the circuit court of appeals, not in the District of Columbia only but in the circuit in which he resides, the circuit in which he has his principal place of business or the circuit in which the controversy arose, in addition to the Circuit Court of Appeals in the District of Columbia, thereby eliminating the necessity for our citizens to come to Washington every time they have been injured through the abuse of power by one of these administrative agencies. This section follows the act of July 1916, as amended by the act of June 7, 1934, 48 Statutes at Large 926. In this connection, it is interesting to note that not one case has gone to court under this statute. Do you not realize that today a citizen, if he has been aggrieved, may have his day in court, but it is through the tortuous, expensive method of injunction. He appeals to the equitable powers of the court on the theory that irreparable damage will be done him. Those of you who are lawyers in this House—and there are many who have reached the top in your profession—realize that there is a hearing in the District Court for the District of Columbia. From the decision of that court there is an appeal to the circuit court of appeals on the application for an injunction.

This measure eliminates the hearing de novo because the record that is prepared on the appeal to the board set up in the agency is certified to the circuit court of appeals, and the circuit court of appeals passes on that record just as every appellate court in America passes on the record that is prepared in a trial before a judge without a jury.

Mr. DISNEY. Will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Oklahoma.

Mr. DISNEY. What about the intervention by an interested party?

Mr. WALTER. Yes; a party who has a substantial interest and who can demonstrate to the court his interest in the controversy may petition the court for leave to intervene. That is not new. We have seen that happen right along, through petition to intervene as amicus curiae.

Mr. DISNEY. But how about intervening in the board that is set up in the department?

Mr. WALTER. Yes; he may do that.

Mr. DISNEY. Is there a provision in the bill for that?

Mr. WALTER. Yes. The bill provides, "Any person having a substantial interest in the controversy shall have the right to intervene therein."

Mr. Chairman, in studying this bill it was very interesting to learn that in two departments of our Government where similar review provisions exist in the laws that we passed, namely, the Pure Food and Cosmetcs Act and the Civil Aeronautics Act, in which there were similar provisions for appeal, not one single case has gone to the courts. I asked one of the men connected with one of those agencies, and I may say he was at the top, why it was. He said, "Well, Congressman, I think our decisions are better because we are afraid that if we make a mistake there will be another branch of our Government overrule us." [Applause.]

Mr. Chairman, after all are not the judges in our courts of original jurisdiction as good as they are because they do not want another court to reverse them? Are not their decisions as nearly in conformity with the law as they are because they fear the possibility of reversal? I think it is very significant that in the two agencies to which I referred there has not been a single appeal taken.

Section 5 provides for judicial review of decisions or orders of administrative agencies. This section follows the act of June 1936 (49 Stat. 1750).

There is a serious question as to how far the courts may go in setting aside the decisions of any agency. The bill provides seven grounds for the reversal of a decision of an agency.

The first ground is that the findings of fact are clearly erroneous. This is the rule of the Supreme Court of the United States, that applies when a circuit court passes on the judgment of a judge trying a case without a jury.

The second ground for reversal is that the findings of fact are not supported by substantial evidence. That is part of the decision and the rule that is laid down by the Supreme Court of the United States in the Consolidated Edison case.

Mr. COX. Mr. Chairman, will the gentleman yield at this point?

Mr. WALTER. No; I will yield in just a moment. Let me state in a word what the Supreme Court has said substantial evidence is:

> It is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.

Mr. Chairman, I do not believe that applying this rule to any administrative agency is imposing any hardship on that agency. I shall not go into the many cases of abuse of power that have been called to my attention because I do not have time and the rule does not provide enough time to do so.

In closing, may I say that the measure we are considering has been given the most careful thought and study, and I sincerely trust that you will support it. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE. Mr. Chairman, I believe this is about as important a bill as we will have before us this session. I am very much in favor of it. I shall not argue it, however, pro and con, but I should like to devote the short time I have to an explanation of the bill and the manner in which it works. I shall be pleased, however, to yield at any time for questions about any detail of the actual operation of the bill.

May I say at the beginning, as the gentleman from Pennsylvania has stated, that this bill has received for several years very careful consideration by many people both in and out of Congress. I believe that in his efforts to write a satisfactory bill and in bringing it here on the floor of the House the gentleman from Pennsylvania [Mr. WALTER] has done a great service for the country.

Briefly, this is the way the bill would operate. We, of course, have under our Constitution a Government of three branches. We have the legislative branch to make the law, an executive branch to administer the law, and a judicial branch to interpret the law. In the early days of the country it was easy to maintain this distinction, but as our economic life became complex we found that Congress could not legislate in all the detail that would be required in many cases. A good example is that of rate making. Obviously, Congress could not legislate every rate throughout the country, so we laid down a general formula and set up a tribunal which has authority under our guidance to legislate further, so to speak, by making rules and regulations to implement the law.

Since the creation of the Interstate Commerce Commission we have established many tribunals exercising legislative, executive, and judicial powers; in fact, we now have some 130 of these tribunals. The purpose of this bill is to regulate them and bring their activities under the Constitution and

under those principles of due process which are binding on us and on the courts.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield for a question for information?

Mr. GWYNNE. I yield to the gentleman from Texas.

Mr. RAYBURN. Perhaps I should have asked this question of the gentleman from Pennsylvania, but he seemed to be a little excited. I am asking this question purely for information and not in an argumentative sense. I stated during the remarks of the gentleman from Georgia that I had said I was not going to vote either for this bill or against it. However, I should like to know what it means and what it would do, and some of the Members of the Committee on the Judiciary should know this.

Suppose the Interstate Commerce Commission were not exempted from the operation of this bill, or the Federal Trade Commission were not exempted, what would be the situation with respect to the application of this bill to their rules and regulations and decisions, and what would be the difference between such a situation and the situation that exists under the law as it now is?

Mr. GWYNNE. I may say to the gentleman that, as far as I am concerned, I see no reason why the Federal Trade Commission should not be under the bill. However, the net result would be the same. There is no reason why the Interstate Commerce Commission should be under the bill. In the years that the Interstate Commerce Commission has been operating, the Congress, the Commission, and the courts have worked out for that institution substantially the same procedure, the same course of operation, that we lay down here for other organizations.

Mr. RAYBURN. The gentleman believes, then, that if the Interstate Commerce Commission were not exempted from the operation of this bill there would be no difference in the way it would operate as compared to the way it operates now?

Mr. GWYNNE. No; I do not mean to say that. As a matter of fact, one difference is that in connection with many cases that are appealable or are appealed from the Interstate Commerce Commission and eventually get to the Supreme Court, the Supreme Court in many instances may exercise its own judgment in determining the facts. Under this bill we limit the appeals, and the appellate court is allowed to reverse a decision only if the finding of the tribunal is not sustained by substantial evidence. What I am getting at is that this bill provides, first of all, for regulation of the legislative matters that we turn over to these tribunals.

Mr. RAYBURN. There is no agency of the Government that has more legislative authority than the Interstate Commerce Commission.

Mr. GWYNNE. That is true.

Mr. RAYBURN. There is nothing the Interstate Commerce Commission does that could not be done by the House of Representatives and the Senate if they had the expert knowledge and the time to do it.

Mr. GWYNNE. As far as the legislative part of the work is concerned.

Mr. RAYBURN. We realized and recognized that the Congress could not do that work. I am still a little cloudy, although I appreciate the statement of the gentleman, as to just what would be the difference if this law applied to the Interstate Commerce Commission and if it did not apply.

Mr. GWYNNE. It is true that the Interstate Commerce Commission establishes different rates in accordance with the formula laid down by the Congress; at least, that is my understanding of one function of the Interstate Commerce Commission.

It is true we did not provide for the Interstate Commerce Commission any supercommittee or any court that would revise their legislative decisions, as we have done for other tribunals in this bill. I do not know whether I make myself clear or not, but in order to make clear at least what the bill does, let me point out that the first part of the bill, particularly section 2, has to do only with the legislative function of these tribunals, and this is the way it will work. For example, we pass a wage and hour law, a general formula regulating wages and hours throughout the country. We then create an administrative tribunal to further legislate; I mean, to amplify the law, to make rules and regulations applying them to specific cases. Now, in the past we have found that these tribunals become a law unto themselves and have not made their rules and regulations in accordance with the formula that we had set out for them.

In other words, what we do in this bill, in section 2, is this. When we pass these great and important laws we do very little more than lay down a sort of blueprint and specifications, and we turn them over to some tribunal to build a building in accordance with the specifications we lay down. Now, because many times we have specified a house and the tribunal has built a chicken coop, we now propose, in section 2, to provide for a supervising architect, which will be the Circuit Court of Appeals of the District of Columbia, and all the appeal that is provided for in section 2 has to do with the scheme whereby Congress hopes to regulate the legislative functions of these tribunals.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. COX. You undertake, as I understand it, to provide in your bill for uniformity in procedure and for uniformity in court review. Is that correct?

Mr. GWYNNE. That is right; in other words, we should bear in mind there are two types of appeals provided for here. The first has to do entirely, not with judicial matters, but with appeals from these rules and regulations. The Wage and Hour Division, for example, when they get the law from us, before they start out to enforce it, make certain rules and regulations. Now, if some interested party says that a rule or regulation is not in accordance with the law that Congress passed, they may appeal to the circuit court of appeals of the district. We could not, as has been suggested, provide for an appeal to any other circuit court of appeals, because that is not a case or a controversy under the Constitution. The decision that will be made by the circuit court of appeals will be purely an advisory opinion and will not be binding necessarily in some case that comes up between some actual litigant and some agency of the Government.

Mr. COX. Mr. Chairman, will the gentleman yield again?

Mr. GWYNNE. I yield to the gentleman.

Mr. COX. You do not in your bill, as I understand it, undertake to prescribe any rule different from that already governing the courts of review in the review of questions of law and of fact in the decisions of these administrative agencies. You simply provide, in addition to the right of review already existing in the courts under the laws already passed, the right of review of orders which are in the nature of legislative acts.

Mr. GWYNNE. Yes; that is provided for in section 5.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Michigan.

Mr. MICHENER. Is not one purpose of this act to guarantee, insofar as we can, that the objectives contemplated by an act of Congress will be carried out rather than have the Board, as was the case in respect of the National Labor Relations Board, adopt another objective? The Congress intended collective bargaining, for instance, but the National Labor Relations Board conceived it to be its duty arbitrarily to organize labor throughout the country and set about the objective of organizing labor rather than presenting a forum whereby labor could organize itself.

Mr. GWYNNE. The gentleman is exactly right. That is exactly the purpose of the section.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman.

Mr. BULWINKLE. I want to get my own mind clear on this point. Here is the Wage and Hour Division which we

create, and the first thing which they must do is to pass a rule.

Mr. GWYNNE. Within 1 year they must make rules.

Mr. BULWINKLE. After they pass a rule, it is published for 10 days in the Federal Register. Is that correct?

Mr. GWYNNE. That is right.

Mr. BULWINKLE. Then any person who is aggrieved or has a substantial interest in the matter can attack that rule in the Wage and Hour Division itself. Is not that correct; within 30 days after the rule is published?

Mr. GWYNNE. No; the gentleman does not have it exactly correct. After the law is passed, it is then turned over to the Wage and Hour Division, and the Wage and Hour Division then must give notice that they intend to adopt rules and regulations.

Mr. BULWINKLE. Then, after they adopt them, within 30 days thereafter, anybody can come in.

Mr. GWYNNE. After any rule is adopted by the Wage and Hour Division it must be published in the Register. Within 30 days thereafter any person interested may appeal from the rule to the circuit court of appeals. His appeal is very limited. He can appeal and get the rule declared invalid only if he can show that it is a violation of the Constitution and is contrary to the statute, or has not been adopted after notice and hearing.

Mr. BULWINKLE. How long will it take from the time that rule is adopted until it is heard in the circuit court of appeals?

Mr. GWYNNE. There is a provision in the bill, at some place——

Mr. BULWINKLE. Oh, from the gentleman's knowledge. The gentleman helped in all of these.

Mr. GWYNNE. Of course there is a provision in the bill that these appeals shall be given precedence.

Mr. BULWINKLE. When would they get there? In 6 months or 8 months or 12 months?

Mr. GWYNNE. Oh, we hope the thing would be expedited. At the present time as a matter of fact there is no appeal of this character. Here is what we hope: We hope by getting some judicial review of the rule as laid down that it will expedite the matter; otherwise all over the country they will be challenging it.

Mr. BULWINKLE. The gentleman knows that by the time you take this up that 12 months will have elapsed before it will get through the circuit court of appeals.

Mr. GWYNNE. Let me say this to the gentleman. There are many activities of Government that the courts will never mix up in. Nothing we can do will allow the court to take any part in deciding them. In practically all of these laws, however, there is at the present time a way to get them in the courts. You can do it by injunction, by mandamus, a much slower and more expensive and unjust method than the one that we provide here.

Mr. BULWINKLE. All right. We have got through the circuit court of appeals after an indefinite time.

Mr. GWYNNE. Oh, no; not an indefinite time. All right, we are through; I admit that.

Mr. BULWINKLE. We come down to the rule and it is promulgated as to a certain individual in the Wage and Hour Division.

Mr. GWYNNE. That is right.

Mr. BULWINKLE. Then it goes from that on up to the Supreme Court of the United States.

Mr. GWYNNE. Oh, no. That is the end of it. No appeal can be taken from the decision on the rule. I wonder if I can explain it to the gentleman. I do not want to yield any more. If the general rule, the legislative rule, is upheld by the circuit court of appeals, that ends the matter. The administrator of the tribunal goes out and begins to enforce the law. He gets into a dispute with some citizen and that citizen then has a hearing in the tribunal as provided in section 4 of the law.

Mr. BULWINKLE. That is correct.

Mr. GWYNNE. That is a judicial matter. That is a specific case. A ruling is made by the tribunal in accordance with the machinery set down here, and the litigant is displeased with the ruling. He then has a right to appeal from the specific and definite ruling to the Circuit Court of Appeals of the District of Columbia or of his own district.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. BULWINKLE. In the case of holding companies there would be no end to it, would there?

Mr. GWYNNE. I cannot agree with that.

Mr. GUYER of Kansas. I yield the gentleman 1 minute more.

Mr. COX. Mr. Chairman, will the gentleman allow me to interject a remark in his statement?

Mr. GWYNNE. Yes.

Mr. COX. The gentleman well recognizes the fact that through the evolutionary process running on through the centuries, our American jurisprudence has been developed and that the movement has always been from the rule of discretion to a rule of law.

Mr. GWYNNE. The gentleman is correct.

Mr. COX. And you are simply undertaking to bring down to a certain extent the exaggerated rule of discretion which has been established through these grants made by Congress to these administrative heads, and what you are seeking to substitute is the general rule of law.

Mr. GWYNNE. That is correct.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. WALTER. Mr. Chairman, I yield 20 minutes to the gentleman from Virginia [Mr. SATTERFIELD].

Mr. SATTERFIELD. Mr. Chairman, the pending measure, designed to provide expeditious settlement of disputes between citizens and the Government and boards and bureaus, is in my judgment one of the most important measures to come before the Congress at this session. I do not often ask the privilege of speaking, but I have given much thought to this matter, and I shall be very grateful if you will grant me your indulgence.

A few years ago the great questions of public law dealt with the scope of legislative power. How far the State legislatures could go in regulating industry, price fixing, and taxation were the issues of the day. Subsequent court decisions have set up certain bounds within which the law-making arm of the Government may now constitutionally venture. The question today is quite different. It poses the problem of administrative procedure. The few decisions which the highest court of the land has thus far made in these matters of procedure have stimulated an astounding public interest in a matter so technical.

Those who advocate governmental regulation by the more than 130 administrative agencies in this country sound a warning to the champions of an independent judiciary. They say, beware of the use of the courts as instruments to render nugatory those administrative agencies with which society is seeking to evolve an answer to the many complicated problems facing us today.

With equal sincerity a vast number of Americans observing the steady transformation of this Government from one of law to a government by men, sound a warning against the approach to administrative absolutism.

No thoughtful student of government can escape the conclusion that whether we like it or not, it is true that governmental regulation has intervened in our efforts to solve social and economic problems of modern society. It is equally true that such regulations are not new. The law and its administration in ancient days depended upon its promulgation, interpretation, and administration on the uncontrolled will of the rulers. Those primitive governments provided the pattern for Hitler and Stalin. They were totalitarian in every sense of that word.

I think that most of us are familiar with the historical background of those early governments. We know that through the centuries there was gradually evolved a way to check the absolutism of early rulers. The solution of that

problem was judicial review, and a review in forums utterly and completely independent of administrative will.

Slowly through the centuries there emerged the basic principle that the rights, liberty, and privileges of men were based on law and not on the discretion of any man or group of men. This fundamental did not come to us in a day. It required many years, dethroned rulers, severe wars, and sacrifices to prepare for that day, a hundred and fifty years ago, when a small group of Americans assembled in Philadelphia to create a new republic in the western world. From Roman imperialism to Philadelphia in 1787 was a long time. It requires a large canvas to portray this panorama.

Undoubtedly the triumphant march of democracy, universally vindicated at the turn of the century, is on trial today, and the question, "What shall we do with the vexing problem of administrative law?" has a direct bearing on what we shall do with our present form of government, for it is becoming increasingly apparent that government by committees, boards, bureaus, and commissions will, if unchecked and uncontrolled, destroy the republican conception of government.

Frequently, Mr. Chairman, well-wishers and enthusiastic friends, solicitous of those of us who serve as Representatives in the Congress of the United States, lament the fact it is a requirement that Congressmen must be elected by their constituents every 2 years. It is a temptation to agree, but it is a duty instead, it seems to me, to explain the wisdom of that requirement. It was the opinion of the founding fathers that membership in this great body should be close to the heartbeats of the people and never beyond recall of those whom they serve. It is one of the wisest provisions in the Constitution. Entrusted with the power to enact laws, which they as good citizens must obey, it is both just and wise that the right to recall any Member of this body to civilian life be positive and prompt. If laws are to be made by boards or commissions composed of people who are not elected, it is obvious that these persons are beyond the control, leverage, and influence of the people. The result is inescapable, they are the masters and not the servants.

Prior to the War between the States in three instances the Congress conferred jurisdiction on the Federal courts to review administrative decisions on both the law and the facts. But Appomattox marked the turning point. The aftermath of that great conflict produced for at least those of us who live in the South a true picture of administrative processes unbridled, and run riot. During the War between the States the Federal Government, fighting for its existence, enlarged its conception of Federal power, and after the surrender you will find that the Congress, wittingly or unwittingly, embraced the Hamiltonian theory. Money was appropriated when no authority existed in the Constitution, and the Congress set up authorization for a bureau to supervise the spending of it. That was the period which marked the genesis of present-day bureaucracy and its attendant evils.

Perhaps we shall never attain the ideal method of making decisions affecting the rights of people. The courts of the land are not perfect, but the fact that those who fancy themselves aggrieved may appeal to them is a custom and a right that cannot be dispensed with in a democracy. If the legislative arm of the Government must delegate to the various administrative departments the power to promulgate rules which have the full force and effect of law, if there is no escape, due to the multiplicity of social and economic problems, from such a course, a way must be found to induce faith and confidence in these tribunals. When their pronouncements become absolute, necessarily they lose caste and invite suspicion. President Buchanan, when a Member of the House and serving as one of the greatest chairmen of the House Judiciary Committee, said:

> Next to the importance of doing justice is the belief that justice is being done.

I have striven to inform myself with the arguments and contentions of those who advocate the view that nothing should be done to disturb the present system of administrative procedure. I think I have read everything reflecting that view. Its proponents take the position that advance in the system of administrative procedure will come only through an understanding of the individual units in our Government. They seem to feel that people resent administrative justice because it is something new, that lawyers resent the loss of a jurisdiction that heretofore was in the courts, and that criticism of the system is a natural byproduct of that resentment. I note that Mr. James M. Landis believes that our thinking has been a little too complacent. He points out a number of our errors in thinking with reference to this subject. He says, in a remarkable statement:

> One is our accepted belief that the so-called adversary method is the only method of administering justice. In your administrative agencies there is a tendency again and again to get away from the purely adversary means of administering justice, and, because you get away from that method of administering justice, certain of the accepted maxims that are applicable to the adversary system have very little play in this field.

So long as there are issues of fact to be determined, and the law applicable thereto to be interpreted, litigants who seek a decision in their controversies must necessarily appear as adversaries. To imagine that disagreeing citizens can submerge their differences to the extent of losing their identity as adversaries in a legal squabble is to indulge in some very wishful thinking, and to vision a Utopia which I fear we shall never attain.

In the hearings before a subcommittee of the Committee on the Judiciary of the United States Senate, Dean Roscoe Pound had this to say:

> There is a real struggle going on, as near as I can make out, in the English-speaking world, between those who want to preserve the idea that these quasi-judicial determinations must be conducted in accordance with due process of law, with an elementary idea of justice and fairness, and those who favor what I call administrative absolutism. Some of the English courts have been endeavoring to stand up against a doctrine that administrative law does not mean a body of legal administrative actions, but means whatever is done officially. A teacher of law with a good deal of ability has said that law is whatever is done officially. That doctrine is one that is very much urged in some parts of Europe.
>
> Karl Marx had the idea that in a development of the social system whereby property was abolished you would not need any law and, therefore, there was going to be a movement away from law and a substitution of the immediate administrative determination of anything that was involved in controversy.

But, say the proponents of the present system, these administrative agencies are daily grinding out thousands of cases, and to require judicial review is to provide more grist than the judiciary can grind. We are told that the present procedure is not new, but the fact is, except in a few instances, the system now becoming so universal is new enough in America to cause thoughtful citizens to regard it as a perilous innovation. Its friends proclaim its efficiency. In a spirit which to me typifies a defeatism, they call attention to the enormity of issues constantly arising within the departments of the Government, issues begging a speedy decision. These gentlemen are dangerously close to the theory that method is of no consequence. Surely the membership of this House will agree that the most dangerous and ultimately disastrous idea that can lodge within the human mind is that the end justifies the means. As matters now stand we witness the current phenomena of many citizens who are ordinarily thoughtful following the line of least resistance in the conduct of the affairs of their Government. I am apprehensive that with the passage of time people are prone to forget ancient landmarks, and how important it is for us to preserve them.

The pending measure requires every Federal administrative agency to implement by rules and regulations statutes administered or enforced by it. All rules except in public emergencies must be adopted after public notice and public hearings, and they become effective upon publication in the Federal Register. The bill further provides that no rule may be

held invalid except for conflict with the Constitution or statutes of the United States, or except if adopted without the public hearings provided therefor. It will be observed that the flexibility of the rule-making power is preserved and that rules may be changed or supplemented at any time, but only after public notice and hearings, or in an emergency proclaimed by the President of the United States. Under this proposed act a citizen may appeal to an intra-agency board consisting of three members, before whom he shall have a full and fair hearing, and with the right of judicial review of the findings of that tribunal. There are other provisions in the bill which deal with the necessary mechanics to make workable the broad purposes which I have just mentioned. The Judiciary Committee of the House has given long and conscientious study to the bill and favorably recommends it.

In the administration of law are the requirements that there shall be a day of fair hearing by impartial officials; that the decision when rendered shall be based on the law and the facts, and by no chance upon the whim or caprice of the deciding official. Furthermore, that the record upon which that decision is based be preserved, and in order to assure a full observance of constitutional rights there must be in the event of complaint a check over the administrative processes by an independent branch of the Government, the judiciary.

In discussing this matter recently a gentleman stated to me that judicial review meant no more nor less than substituting judicial discretion for administrative discretion. A proper answer to that observation is plain. If such a view is correct, then the time-honored and proven virtue of the separation of the judiciary, legislative, and executive branches of the Government has become a shibboleth.

It is undoubtedly true that grievances growing out of the enforcement of rules and regulations promulgated by the departments of the Government should first be tried out and examined by attachés of the departments. Some splendid work has been done in the administrative posts, and, on the other hand, the rights of individuals have not been so zealously guarded by others in instances painful to recount. No department in the Government has made a finer record for impartiality in its decisions than the Interstate Commerce Commission. Likewise is this true with the Federal Trade Commission. Any aggrieved party has the absolute, unconditional right to appeal from any decision of the Federal Trade Commission to any circuit court of appeals in which he is located or doing business. During the nearly 25 years' existence of the Federal Trade Commission no court has ever criticized its procedure or intimated that any respondent had not had a full and fair hearing. Its procedure has been many times approved and commended by the Supreme Court and various United States circuit courts of appeals. It would be harsh to say that the threat of judicial review had been a contributing factor. Yet students of the law know that there is a restrainful influence and a guiding hand in the wise provision for appeals. The certainty of appeal has stirred many a lower court to greater effort for lurking in the very thought of appeal is the fear of reversal, and the pride which comes with affirmation. If then these gentlemen of the departments of the Government are to be triers of fact and law, let us no longer call them hearing officers or characterize them as quasi-judicial officers, for of the truth they are judges. As such I have an abiding conviction that when the right of judicial review is made part and parcel of procedure before them they will be no less susceptible to pride in the affirmation of their decisions than other members of the judiciary.

It is my firm conviction that the unchecked continuance along our present course will inevitably lead us into great trouble. Without a full hearing, without a written record setting forth the findings of fact, without a right to judicial review too much stress and strain is placed upon our citizens who have learned through centuries of experience that these things are indispensable to the orderly adjudication of controversies. If ways are found to deprive the courts of their jurisdiction of controversies between Federal administrators and the individual, or if Congress should become sufficiently subservient to permit it we shall attain administrative absolutism fully and completely.

I sincerely trust that those of us who come from Virginia will never forget that Thomas Jefferson excoriated uncontrolled executive and administrative power, and that our own James Madison strove diligently so to allocate the governmental powers between the Federal Government and the separate States, and to subdivide Federal powers further between the legislative, judicial, and the executive that forever the people of this country would have ample protection in their conflicts with officialdom. Perhaps Mr. Madison envisioned the developments of our day when he said—

> In framing a government, designed for the rule of men over men, the great difficulty lies in this: You must first enable the government to control the governed and then oblige it to control itself.

To those who are blind followers after speed and efficiency in a democracy, I refer them to the admonitions of Patrick Henry before the Virginia Convention in June of 1788, when he said—

> You are not to enquire how your trade may be increased nor how you are to become a great and powerful people, but how your liberties can be secured; for liberty ought to be the direct end of your Government.

To those who are disciples of the Hamiltonian philosophy of a great centralized government at Washington I give them the prophetic words of that great Virginian delivered on the same occasion, when he said—

> If you make the citizens of this country agree to become subjects of one great consolidated empire of America, your Government will not have sufficient energy to keep them together; such a government is incompatible with the genius of republicanism. There will be no check, no real balances, in this government.

The provisions of the pending measure will give protection to citizens and the Government in disputes before governmental agencies. If enacted it will, in my judgment, lead administrative law in the direction of orderly processes, within the fundamental concepts of the Constitution. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, what has been said by the gentleman from Virginia [Mr. SATTERFIELD] leaves very little, if anything, open to argument. However, an illustration or two from some of the decisions of the Board might give a practical slant to what the gentleman has just said.

It is doubtful if there are more than a half-dozen Members of this House who have not become indignant at the treatment they have received when attempting to take up for some of their constituents some of the questions which they have brought here to Washington. It is about time that we in Congress assert our independence of the departments in Washington.

We all know the theory of our Government—the three departments; but, unfortunately, the Congress has delegated much of its power to those independent agencies and boards, and, unfortunately, the courts in recent months in two decisions, at least, have shirked their responsibilities. When one of these boards denied to an employer and to employees the right to carry on their business, the employer the right to sell merchandise, and the employee the right to sell his services, the Supreme Court of the United States, in those two cases, one the longshoremen's case, the case of the employee, the other the fur workers' case here in the district court, quite frankly, and very plainly, said that although the ruling of the Board, under the law under consideration, destroyed the employer's business and deprived the employee of the right to sell his services, his toil, the court could not, or at least the court would not, do anything for him, and that the remedy was with Congress. So here we are. Here is an opportunity to give those who suffer from the rulings of these boards a remedy.

I think most of us would be astounded to learn that one of these boards has said that its decisions might be based upon

rumor and hearsay; that, in determining an issue where your rights or my rights are involved, the Board might take into consideration rumor and hearsay. What an absurd proposition, and yet one of the courts has said—Third Circuit Court of Appeals, in the case of Union Drawn Steel Co. and Republic Steel Corporation against N. L. R. B., decided January 20, 1940—that, while the decision of the Board may not be based entirely upon rumor and hearsay, nevertheless rumor and hearsay might be considered.

It may be that the courts have reached the conclusion, because of the wide grants of power by Congress to these administrative boards, that Congress intends that the decisions of the National Labor Relations Board on practically every question of procedure, including that of the admissibility of evidence, is final.

One court at least has, by its decisions, called attention to the danger. In a case where the Board established a rule that litigants wanting subpenas should make application to Washington, the court condemned the practice. Among other things, the court said:

It is further argued by the Board that petitioner's complaint is without merit because there is no showing that evidence favorable to it was excluded. This argument begs the question. We are not now considering the extent to which petitioner was prejudiced, but whether it was, by such procedure, deprived of a substantial right or whether the procedure employed placed it at a disadvantage in contrast with its opponent. It is also argued that the rule is reasonable because petitioner, under section 10 (e) of the act, has a right to make application to this court to adduce additional evidence. This argument also is not tenable. Such provision has no bearing upon what we regard as an unreasonable and unfair restriction upon petitioner's right to the process of subpena. (*Inland Steel Co.* v. *N. L. R. B.*, decided by the Circuit Court of Ap- in *Union Pacific R. Co.* v. *Syas* (246 Fed. 561, p. 568):

Holding that the Board had denied a party to the action a fair trial, the court further said:

The act authorizes the Board to enter an order upon a complaint alleging unfair labor practices, only after a "hearing." This must mean a trial by a tribunal free from bias and prejudice and imbued with the desire to accord to the parties equal consideration. There is perhaps no more important right to which litigants are entitled than that they be given such a trial. Its impairment, ipso facto, brings the court, and administrative bodies as well, into public disrepute and destroys the esteem and confidence which they have enjoyed so generally. Time and experience have demonstrated that the public, as well as litigants, will tolerate the honest mistakes of those who pass judgment, but not the biased acts of those who would deprive litigants of a fair and impartial trial. Foremost among the responsibilities imposed upon a reviewing court, is to make sure that this foundation of our judicial system be not undermined.

That a trial by a biased judge is not in conformity with due process is sustained by the authorities. In *Tumey* v. *Ohio* (273 U. S. 510, 535) the court said:

"No matter what the evidence was against him, he had the right to have an impartial judge."

The court, in *Jordan* v. *Massachusetts* (225 U. S. 167, 176), said:

"Due process implies a tribunal both impartial and mentally competent to afford a hearing."

The principle is aptly stated in *People* v. *Naimark* (154 App. Div. 760; 139 N. Y. Supp. 418, 420), where it is said:

"The first idea in the administration of justice * * * is that a judge must necessarily be free from all bias and partiality. He cannot be both judge and party, arbiter and advocate in the same cause. Mankind are so agreed in this principle that any departure from it shocks their common sense and sentiment of justice."

And the fact that the court's judgment may be justified on the merits does not obviate the requirement of a fair trial. As was said in *Union Pacific R. Co.* v. *Syas* (246 Fed. 561, p. 568):

"But no judgment is just if not obtained by due process of law; otherwise courts could enter judgments without trial."

The recognition of the principle is as essential in proceedings before administrative agencies as it is before courts. As was said in *Ohio Bell Telephone Co.* v. *Commission* (301 U. S. 292, p. 304):

"Indeed, much that they do within the realm of administrative discretion is exempt from supervision if those restraints have been obeyed. All the more insistent is the need, when power has been bestowed so freely, that the 'inexorable safeguard' (citing case) of a fair and open hearing be maintained in its integrity. (Citing cases.) The right to such a hearing is one of 'the rudiments of fair play' (citing case) assured to every litigant by the fourteenth amendment as a minimal requirement. (Citing cases.) There can be no compromise on the footing of convenience or expediency, or because of a natural desire to be rid of harassing delay, when that minimal requirement has been neglected or ignored."

The rule is again clearly stated in *Morgan* v. *United States* (304 U. S. 1, 14).

The Board argues that even though the criticism directed at the trial examiner be justified, yet the order should not be set aside because petitioner has failed to prove that its case was prejudiced or that any evidence favorable to it was kept from the record. It is further argued that the transfer of the proceedings to the Board with no intermediate report on the part of the examiner is conclusive against petitioner. We are not impressed with either of these arguments. To say that petitioner was not prejudiced because of the unfair and biased manner in which the case was tried by the trial examiner is purely a matter of speculation.

The foregoing are sufficient to show the necessity of a fair and impartial trial and we should now, while we have the opportunity, pass this act, compelling these independent agencies to adhere to the principles laid down in our Constitution and to the rules for the trial and settlement of controverted matters, which have been demonstrated to be absoluely necessary if justice is to prevail.

So far my remarks have been addressed to the procedure which should be followed by administrative agencies. However, the necessity of an unbiased, of an impartial tribunal was referred to in two of the Supreme Court decisions just cited.

Shortly, we shall have an opportunity to amend one of the acts which we passed—the N. L. R. A.—in a manner which will insure to those who fall within the operation of that act a fair and an impartial board.

The minority report, as supplemented, which I filed to H. R. 9195 and the majority report filed by the Smith investigating committee, furnish the evidence which justifies the conclusion that the National Labor Relations Board is not the kind of a tribunal to which every American citizen who may fall under its jurisdiction is entitled. [Applause.]

LABOR BOARD WILL BE ABOLISHED IF A. F. OF L. DEMANDS IT—OTHERWISE LEWIS COLLECTS ANOTHER INSTALLMENT ON HIS $470,000 CONTRIBUTION TO THE NEW DEAL CAMPAIGN FUND

A few weeks ago, John L. Lewis shook the New Deal political plum tree with his blast that, if the administration did not behave itself and come across, he would organize a third party, which everyone knew meant the defeat of the President's intention to control and finish his job of remaking this Government during the next 4 years. He jarred loose his plum—the retention of his friends, Smith and Madden, with the hundreds of C. I. O. allies, to administer the N. L. R. A.

Yesterday, at Flint, according to the New York Times, William Green, president of the A. F. of L., referring to Lewis, said:

I charge that this man, suffering from delusions of grandeur, is secretly desirous of becoming the dictator of the United States of America.

He charged that Lewis was "playing the game of the Communist Party." He charged him with "stirring up discontent among the underprivileged groups" and then declared:

I challenge him to explain why he is threatening to marshal these groups into a third party unless he hopes to ride into power as the dictator of America with their support.

More than a dozen times on the floor of this House and elsewhere, I have charged, and indeed C. I. O. witnesses before the Labor Committee admitted, that the object of the C. I. O. was to establish a president of labor. One big national union, with John L. Lewis as the boss.

Whether Lewis desires to become President of the United States, as charged by Green, or merely president of labor, as I have charged, his threats to establish a new party have borne ample fruit.

You may recall that he has frequently charged the President with failing to pay by political favors for the $470,000 campaign contribution his United Mine Workers made in 1936. Many of us believe the President has already overpaid him. Lewis thinks otherwise.

In any event, his latest roaring has so frightened the President that he has forced the A. F. of L. to soft-pedal its demand for the abolition of the National Labor Relations Board.

The President knows, as well as anyone, that the National Labor Relations Board is a festering blot upon his administration; that the people are fully aware that it has been

biased, prejudiced, arbitrary, and unjust. The President, as well as the country, knows that it has been roundly and soundly condemned by William Green and by the A. F. of L. Of it Green and his organization have made the following statements:

From the report of the committee on resolutions of the fifty-eighth American Federation of Labor annual convention (1938) (p. 344 of report of proceedings):

"In controversies between A. F. of L. unions and C. I. O. unions the C. I. O. unions have been awarded favorable decisions, not on the merits, but upon preconceived economic predilections of the members of the Board. There is a manifest purpose on the part of the Board to change the historical structure of our national and international unions and in effecting such change to destroy our unions.

"Your committee is of the opinion that the Board has misconceived the purpose of the act; it has perverted the spirit and intent of the law, and instead of administering the act so as to promote peace in industrial relations its method of administration has promoted strife.

"Although the act contains fundamental guaranties of the rights of self-organization by workers which the American Federation of Labor has fostered, the Board has given secondary consideration to these guaranties. Its primary consideration has been directed toward unwarranted assumption of great powers, reaching out and grasping for more and more jurisdiction, until the rights and privileges of free trade-unions have been invaded, usurped, and denied."

From the report of the committee on resolutions of the Fifty-ninth American Federation of Labor Annual Convention (1939) (p. 481 of the report of proceedings):

"Because of a perverted construction of provisions in the act and an improper administration of it by the Board, the fundamental rights referred to have been weakened and in some respects destroyed. Because of bias on the part of certain members of the Board and its personnel, the American Federation of Labor and its affiliates have been made the victims of maladministration." (*American Federation of Labor, International Longshoremen's Association and Pacific Coast District International Longshoremen's Association, No. 38*, v. *N. L. R. B.*, 103 Fed. (2d) 933 (Circuit Court of Appeals for the District of Columbia; decided on Feb. 27, 1939); affirmed by Supreme Court on January 2, 1940.)

From the address of President William Green of the American Federation of Labor at the fifty-eighth (1938) Annual Convention of the American Federation of Labor (pp. 11–12 of the report of the proceedings):

"We are not opposed to the national labor relations law. The American Federation of Labor participated in the formation of that act.

* * * * * * *

"What we object to is the administration of the law. It is badly administered. It is not administered in accordance with the spirit and the letter of the law. What we wish and what we demand is that a judicial-minded body, keenly conscious of its responsibilities, impartial in its attitude, shall administer this law and apply it without fear or favor to all groups of organized workers.

"But our complaint is this, that the National Labor Relations Board, in the administration of the act, has become the ally of the Congress of Industrial Organizations, and we won't stand for that. No Government agency possesses the right to substitute its own peculiar economic philosophy for the plain provisions of an act, nor can it nor should it be permitted to be influenced in the administration of the law by its members' own peculiar ideas."

Report of proceedings of Fifty-eighth American Federation of Labor Annual Convention (1938) (p. 12):

"We want to be free American laboring men, we demand that we be free—free to work out our own problems. We resent governmental control and governmental dictation. We want to organize, free from governmental control and governmental administration, and it is because we believe the Board is exceeding its authority, covering a field never intended to be covered by the act, that we protest against the administration of the act."

From summary of report of the executive council of the American Federation of Labor, Fifty-eighth Annual Convention (1938) (p. 62 of the report of proceedings):

"We found it necessary also to take issue with the philosophy and practice of two of the members of the National Labor Relations Board and to protest against their prejudicial attitude toward the American Federation of Labor and their undisguised attempts to foster the cause of the Congress of Industrial Organizations in rendering decisions on cases before them."

Page 133: "It is with deep regret that frankness impels us to report to you that the National Labor Relations Board has administered the act contrary to its letter, spirit, and intent, with manifest bias and prejudice against the American Federation of Labor and in favor of dual and rival organizations. Our resentment has been aroused and your officers have publicly and officially in most vigorous terms condemned this unholy alliance between a Government agency exercising quasi-judicial jurisdiction and the Congress of Industrial Organizations."

Page 134: "That a three-man board, composed of men with no direct labor experience, should undertake to shape the form and structure of our labor movement through decisions clothed with judicial authority aroused among our unions a growing feeling of apprehension and indignation.

"Since the decisions of the Supreme Court of April 12, 1937, the Board has abandoned whatever restraint it imposed upon itself prior to this date and has brazenly and by official acts declared itself as a proponent of the Congress of Industrial Organizations fostering its interests and by the effect of its decrees recruited membership for the Congress of Industrial Organizations."

Page 135: "Our suggestions for caution have gone unheeded. The administration of the act has not been in competent and impartial hands. On the contrary, flagrant bias and prejudice exist on the part of the members of the Board, as is evidenced by decisions which attempt to undermine and destroy the American Federation of Labor unions."

Page 135: "A study of numerous cases discloses the following:

"1. The Board has thwarted the intent of Congress in determining what shall constitute an appropriate unit for the purpose of collective bargaining.

"2. The Board has by its decisions determined that craft unions or other labor unions of long standing and affiliated with the American Federation of Labor have no right to free choice and self-organization. * * *

* * * * * * *

"4. The pronouncements of the Board respecting the proper unit disclose the determination on the part of the Board to comply with the contentions and demands of the Congress of Industrial Organizations and to favor Congress of Industrial Organizations unions in an effort to destroy American Federation of Labor unions * * *."

Page 136: "7. Lawyers and personnel of the regional labor boards have personal relationships with Congress of Industrial Organizations officials and have frequently advised and guided them in pending controversies with American Federation of Labor unions.

"8. The National Labor Relations Board has in many cases built up a straw man by the use of the word 'favoritism' by the employer, as a result of which, it has violated the sanctity of contractual obligations between employers and American Federation of Labor unions, has invalidated contracts, and virtually disestablished existing American Federation of Labor unions.

"9. The Board has instituted investigations and hearings at the request of small minorities of Congress of Industrial Organizations members for the purpose of assisting the Congress of Industrial Organizations in disrupting existing relations between the employers and American Federation of Labor unions."

Pages 137–138: "When American Federation of Labor unions complained respecting outrageous conduct which would affect a Congress of Industrial Organizations favorable election—conduct amounting to bribery of voters—the Board has refused to grant even a hearing on the matter, much less set aside the election. * * *

"By virtue of its decisions the Board has, by implication at least, placed American Federation of Labor unions in the category of company unions and has caused to be visited upon American Federation of Labor unions the same punishment as has been visited upon company unions."

Speaking of the Board, the resolutions committee of the 1938 American Federation of Labor convention (p. 349 of the report of proceedings) said:

"We believe they should substitute a judicial attitude for an anti-American Federation of Labor policy. I have been amazed at the facts which have been presented. They were scarcely believable. They convinced me, notwithstanding my desire to support the Board wholeheartedly in the administration of the act, that the Board had developed out of this internal controversy that arose within the American Federation of Labor, an anti-American Federation of Labor attitude, and that apparently they had substituted their own peculiar philosophic views for the plain provisions of the Labor Relations Act."

Report of the proceedings of the Fifty-ninth Annual Convention of the American Federation of Labor (1939) (p. 148, report of the executive council):

"Responsibility for much of the maladministration of the act is due to the personnel of the Board. Changes are imperative if a just policy is to be adopted and maintained."

Report of committee on resolutions of 1939 American Federation of Labor convention (p. 482 of report of proceedings):

"The examination of many of the Board's decisions proved conclusively that the structure of the international unions comprising the American Federation of Labor, and that of the American Federation of Labor itself, was at stake.

"It was proved that the National Labor Relations Board had declared bona fide trade-union agreements entered into with employers null and void, and that Federal courts, including the Supreme Court of the United States, had held that the Board was in error and unjustified in its efforts to vacate these agreements.

"It was proved that in numerous cases the Board had so prepared the ballots for election to determine the unit for representation that American Federation of Labor unions were barred.

"It was proved that in instances the National Labor Relations Board had refused to permit American Federation of Labor unions to be parties to cases coming before it.

"It was shown that in many cases American Federation of Labor unions had been dealt with unjustly and in a prejudiced manner, the proof being the decisions which had been handed down by

United States circuit courts of appeals, and the United States Supreme Court itself."

Resolution No. 85 of Fifty-ninth American Federation of Labor Convention (1939) (p. 493 of report of proceedings):

"Whereas in the administration of the Wagner Labor Relations Act in particular, the controlling personnel has shown partiality and bias, and has gone so far as to invalidate contracts properly and legally entered into: Therefore be it

"*Resolved by the American Federation of Labor in general convention assembled,* That we call upon the properly constituted authorities to set up a five-man board in place of the present board, a board of five men who will administer the law in the manner and spirit intended by its sponsors."

All of which are incorporated in the minority report filed on the Norton bill.

Perhaps the President would be glad to get rid of the present Board, which has brought down upon his administration the overwhelming indignation of the vast majority of our people. But, in view of Lewis' threat, apparently he must protect that Board. Otherwise, Lewis will give him a political switching.

Hence, it is that, while a few weeks ago the A. F. of L. was pressing for the abolition of the Board, after Green's visit to the White House we find this roaring demand softened to a gentle whisper; and Members of the House, who, through the months, have made a fight to save the A. F. of L. from the combined efforts of the C. I. O. and the Labor Board and its hundreds of employees, find themselves without the vigorous, aggressive support of the A. F. of L.

Many Members of the House, realizing the overwhelming public demand for the abolition of this Board, knowing of the warfare which it has made on the A. F. of L., stand ready to give the country and the A. F. of L. the relief to which they are entitled. Every consideration of justice, of fair play, demand that the Board be abolished.

It is no answer to say that the appointment of two new members will remedy the situation. As long as the present Board continues in office and has in its service hundreds of employees who, by thought and deed, carry on the partisan fight in favor of the C. I. O. and against the A. F. of L. and continue their assaults against businessmen generally, we will never have industrial peace.

The only sure and certain remedy which will give us any relief is the prompt abolition of the Board and a house-cleaning among its employees. This the A. F. of L. can get, if it will stand up and fight during the coming week.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, the purpose of this bill is to check and balance the law-making, law-interpreting, as well as the law-enforcing activities of the Federal administrative agencies of our Government. The power and authority which has been granted to Federal agencies, and which they have assumed during the past few years, has extended far beyond the imagination or expectation of the Members of Congress who took part in the creation and authorization of such agencies.

The number of employees operating under such agencies has almost doubled in the last 10 years. In 1932 this Government had 560,000 civil employees. That number has now reached a figure of 990,000—almost a million—and is increasing right along. We now have an annual Federal pay roll for civil employees amounting to approximately $2,000,000,000.

In view of this situation, the problem of uncontrolled power in the hands of such agencies is entitled to the very careful study and investigation on the part of Congress as representatives of the people of this country.

Each of these independent agencies and bureaus is created for the purpose of administering a certain statute or group of statutes. Congress enacts a general law, then delegates authority to administer such law to the various agencies and commissions so created. They provide their own rules and interpret them and enforce them. It is the abuse of the discretion placed in the hands of many of these bureaus and commissions that brings to our attention the need for this legislation. These agencies and bureaus interpret and enforce their own rules. They sit in judgment on those accused of violating such rules. In many cases they become a law unto themselves and have the combined power of legislative, executive, and judicial authority.

Certainly, many of these agencies are necessary, and in many cases it is required that they provide their particular rules and regulations to carry out their purpose. However, it is the abuse of this authority which has created the need for this law. It has been pointed out many times during the past few years that many of these bureaus have taken upon themselves power and authority never intended by Congress. The purpose of this bill is to curb a fatal tendency of bureaucracies to abuse the power granted them and which they have assumed and to grope continually for more. It is hoped that this measure will check this great trend toward centralization of power in the executive department and help prevent the complete destruction of division of power between the Federal and State Governments.

Unfortunately, Congress, in providing for these commissions and bureaus, did not provide for a uniform procedure for hearings, and did not provide for a uniform method, or limit the scope of judicial review. The whole thing has gone unbridled and uncontrolled. These various agencies have given little heed to decisions which have been rendered on account of other administrative agencies.

Congress created these agencies without any regard for improvement of administrative process and has not attempted—even in a general way—to define the scope of judicial review. In view of the tremendous power and authority which has been vested in such agencies, certainly their regulations and decisions should be reviewed by a separate judicial authority. There can be no reason why any agency of our Government should be permitted to make its own rules, and then have final authority to determine whether or not they were reasonable, or have been violated. Certainly, under our form of government, one who is aggrieved because of the use of such power, or by the judgment that may have been rendered by such bureau or commission, is entitled to his day in court. In recent years there has been a crying need for this legislation. There seems to be a natural human tendency on the part of those who have been vested with power and authority, not only to use such authority granted to them, but assume whatever additional power may possibly go with it.

Mr. Chairman, I called your attention at the beginning to the ever-increasing number of bureaus and agencies which have been added to our Government during the past few years. I am not complaining at this time about the individuals who have been placed in charge of such bureaus and agencies. They may be qualified for their jobs. Nearly all of those who have been appointed in the last few years secured their places as political appointees. Many of them were appointed because of "pressure groups" that insisted they be placed in such positions. Surely, it is not the intention of the American people to appoint men in political positions, give them power to make rules and regulations on the subject matter under control, and then permit them to determine whether or not such rules and regulations have been violated. The least we can do is to provide for some kind of uniform regulation whereby the American citizen who feels that he has been aggrieved may go before a disinterested tribunal and have his case reviewed on its merits.

It may be that there should be some changes in this bill. It is possible there should be amendments to it. But I call your attention to the fact that it has been brought here after a considerable amount of time and study on the part of those investigating this problem. This measure is in no wise political. It is for the best interests of our Government, and I think the American people, if they knew about it, would be demanding its passage. The growing power and authority of bureaucracy in this country is dangerous and most alarming. If held within check, it may be useful. If permitted to go unchecked and disregarded, it might swallow up and destroy democracy itself. If we are going to maintain a democracy, it must be a government by law and not a government by men. A government by men is a bureaucracy of the worst kind.

Here is one more chance to prevent the encroachment of bureaucracy which, if left uncontrolled, will destroy the very vitals of our democracy.

Mr. WALTER. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, it is with great reluctance that I oppose this bill. I am thoroughly in sympathy with the purposes of the bill. I believe, however, that the bill could indeed be greatly bettered if the committee of which I am a member had waited until the Attorney General's committee had made its report. This committee, composed of distinguished gentlemen, has worked diligently and has to its credit a great deal of erudition and scholarly learning and study on the subject of administrative law as it affects our 130 departments and bureaus. I think the bill then would have been in much better form—and in all likelihood I could have supported it—if it had been drawn differently and had not sought to treat all bureaus alike. I have the highest regard, indeed an affectionate regard, for the gentleman from Pennsylvania [Mr. WALTER], and it is with a great deal of reluctance that I differ with him on this subject. Nevertheless, I must do my duty as I see it; and I must, therefore, come into this Well and point out the errors of this bill.

I know there are many agencies that have been derelict in their duties. They have sought to legislate instead of doing the full measure of their duty. But there are 130 agencies, all different one from the other. There are no agencies alike in this Government. Why should we visit the sins of the few upon the many? And it is for the reason that this bill would lay all these agencies with few exceptions across a Procrustean bed, as it were, that I object to the bill.

Bad cases make bad laws. Some of the activities in the rulings of the interagency bureaus and independent establishments have been—to say the least—bad. The Members of both Houses are visiting the sins of some of these bad agencies on all agencies. I would even go further. A number of the Members of the Senate and the House have received naught but discomfiture and disappointments as a result of the rulings of some of these bureaus, and they have hastened favorable consideration on the aforesaid bills in order to express disapproval of the action of these agencies.

To be specific: I believe the National Labor Relations Board has shown an utter disregard of Congress. It has on several occasions overridden the plain intent of the basic statute creating it. It has sought to legislate and to replace Congress.

The Federal Communications Commission some time ago issued an order concerning international broadcasts, wherein it was stated that there could be no broadcast addressed to foreign territory unless it reflected true American culture. What in thunder is true American culture? Is it Indian culture? I would not even attempt to define it. Such an edict involved censorship. The basic statute creating the Federal Communications Commission prohibited censorship. This was, therefore, legislation with a vengeance. As a result of widespread protest, the regulation was suspended.

My own experiences with the Wage and Hour Division of the Department of Labor have been highly disappointing because of its arbitrary action. I have been confronted with mere whippersnappers—young students just out of law school—who apparently are given undue authority in originating, if not effectuating, final decisions. These young lads might be excellent in drafting briefs and memorandums of law, but when it comes to deciding important issues involving important rights, the wisdom of years and the mellowness of experience should prevail.

It is these bad cases that gave rise to these bills. It is because some of these commissions have seen fit to adopt policies contrary to congressional fiat that impetus was given toward favorable consideration of the present bill. I deplore the tendency of some of these bureaus. Some remedy is essential, for otherwise we shall drift into some sort of executive domination, if not totalitarianism, with a complete subordination of the legislative and judicial branches of the Government to the executive branch.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. WALTER. Does not the gentleman's objection go to the bill he himself introduced? That bill was far more stringent in terms. It literally put every agency into a strait jacket. The committee abandoned that bill. I am sure if the gentleman wanted to enact that bill he ought to be for this bill.

Mr. CELLER. I was asked and requested to offer a bill of the character that the gentleman indicated; and, like many Members who are requested to do things, I offered the bill. I did not give it mature reflection before I offered it, but after it was offered and after the gentleman offered his bill and I had given considerable study to the two and had conferred with numerous members of various branches of our Government, with heads of various independent agencies, and they had pointed out to me how wrong it would be to blanket all agencies regardless of their diverse facilities into one bill, to treat them all alike, I changed my viewpoint entirely. It was necessary for me to do that because my study revealed that most agencies are dissimilar in make-up and in functions. You can no more treat them all alike, as the bill does, than you can treat a pigmy like a giant. It was not a question of changing one's mind; it was a question of finding out after study what was right and what was wrong; and I feel that this bill is wrong. It will give us a cure which will be worse than the disease.

Why can we not wait until that factual study has been made? The President has realized the necessity of making that study. He authorized the then Attorney General, Mr. Murphy, in February 1939, to appoint a committee to investithe need for procedural reform in the field of administrative law. A thorough and comprehensive study should be made of existing branches of procedure with a view to detecting any existing deficiency and pointing the way to improvements. Who are the members of that committee? It is well to keep them in mind.

They are James W. Morris, United States district judge and formerly Assistant Attorney General, chairman; B. Lawrence Groner, chief justice of the United States Court of Appeals for the District of Columbia; Carl McFarland, a former Assistant Attorney General; Golden Bell, Assistant Solicitor General; Arthur T. Vanderbilt, president, American Judicature Society; Dean Acheson, formerly Under Secretary of the Treasury; Robert H. Jackson, formerly Solicitor General, now Attorney General; Prof. Harry Hart, of Harvard Law School; Prof. Harry Schulman, of Yale Law School; Prof. Ralph Fuchs, of Washington University Law School; Prof. Blythe Stason, of Michigan Law School; and Dean Lloyd Garrison, of Wisconsin Law School.

The executive director is Prof. Walter Gelhorn, of Columbia University.

In justice to the worthy members of that committee may I say they have completed to date about 50 factual studies of about some 50 different departments and agencies. I have them here. You will note they pile high on the desk. They represent a terrific amount of labor.

Mr. WALTER. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does the gentleman think that out of those studies will come any light on this subject at all?

Mr. CELLER. I most emphatically think so.

Mr. WALTER. I had thought that the study was intended to throw some light on this subject until recently when there was called to my attention a letter that a man who is doing this work wrote. As a result of this letter, I am convinced he will never complete this study, because he is receiving $7,500 a year and is trying to justify his existence.

Mr. CELLAR. I think that is an unfair statement, and I believe on reflection the gentleman from Pennsylvania may want to modify it. You could not say that Dean Acheson, Bob Jackson, and these other members I have indicated are unfair or would tolerate any unfairness. You cannot say that Judge Groner or Golden Bell, of Columbia University, is unfair. They are completing their studies and will have them

finished by the fall of this year. It is utterly impossible for them to complete their study sooner than that, and I say it is only in the way they have conducted these studies that we can get information and conclusions which will enable us to fashion a bill which will meet the exigencies of the situation. You cannot do it by a mere committee of the House. Because you have tried to do it, you have done it wrong. You try to blanket into one frame and treat alike all agencies. What should have been done was to consider each bureau or agency separately. That is just what the Attorney General's committee is doing. We could not do that, with all our arduous duties. But it is the only safe, logical way. It is a matter that requires scientific study and hours and hours of considered erudition and reflection. It is impossible for us to do it. We must take the guidance of men of scientific minds. These men have gone into the very bowels of each of the departments and you will find on the desk here all these studies made thus far. When these studies are listed, connotated, cross-indexed, and gone through, we will get a consensus of expert opinion, and on that basis we can fashion a bill, and not until then.

The bill gives no consideration to different types of orders. All orders, apparently, are treated alike, just as all bureaus are apparently treated alike, except where exceptions have been made. It requires great study to know how to draft a statute to take care of distinctions of this character. As I have worked out the situation, there are four types of orders:

First. Procedural orders partaking of nature of legislation; establishing a method of hearing and procedure, e. g.:

(a) Order to appear at certain place and time.

(b) Order to postpone a hearing.

(c) Order to dismiss proceeding.

Most of these orders do not involve rights which courts will review at present.

Second. Legislative orders: Affect classes, groups, or public at large. They implement the law like defining terms in the statute.

Third. Orders legislative in form, but judicial in effect, as a rate order affecting a company. Such are reviewable by courts.

Fourth. Judicial orders issued after notice and hearing, like injunctions, command orders, and penalty orders. All are subject to court review.

Orders may also be classed in other ways as: (1) Legislative; (2) regulatory; (3) procedural; (4) administrative controlling; (5) injunctive and command; (6) reparation; (7) penalty; (8) orders in respect of licenses, registrations; and (9) orders in re declarations and designations.

Yet, these orders are all treated alike.

Mr. KITCHENS. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Arkansas.

Mr. KITCHENS. Our courts have already assumed jurisdiction to declare the rule of any administrative agency invalid because arbitrary, capricious, or unlawful. They now have the jurisdiction to declare any rule of any administrative agency invalid for either one of those three reasons. This law says that the courts shall have no power in the proceedings except to render a declaratory judgment holding such rule valid or holding it contrary to law and invalid. I am unable to see where this bill gives the courts any further authority than they now have.

Mr. CELLER. That concerns declaratory judgments; and as to that I shall address myself later in these remarks, although my time is flickering by rather fast. I call the gentleman's attention to the fact that in section 5 (a) the rules of evidence with reference to what the courts can or cannot do concerning an order or decision appealed from have been greatly changed, whereas heretofore the findings of fact of administrative bodies and officers could not be reviewed if supported by substantial evidence. Now this bill changes that situation. That will be changed and the courts would, by this bill, be permitted to upset the findings of administrative bodies and officers if the court deems such findings merely contrary to the weight of the evidence. That gives tremendous power to the courts. What is the result? You are going to dump into the courts thousands and thousands of all manner and kinds of decisions to be reviewed.

I am going to repeat what I said in my minority report:

> The undesirable results would be aggravated by enlargement of the scope of appellate review from that now prevailing. The general rule is that the findings of fact of administrative bodies and officers will not be reviewed if supported by substantial evidence. Section 5 (a) would permit the courts to review the weight of evidence and upset the findings of fact of administrative bodies and officers if the courts deemed them contrary to the weight of evidence. This far-reaching result is to be accomplished by the seemingly innocuous clause which would permit the court to reverse findings of fact if clearly erroneous. What constitutes "clearly erroneous" is, of course, a matter of opinion. These are the words of rule 52 of the Federal Rules of Civil Procedure, which have been construed as permitting the courts to review the findings of a trial court. There is, of course, a vast difference between the findings of a trial court and the findings of an administrative tribunal or officer. It is a principle that has been deeply imbedded in administrative law for a great many years that findings of the latter type should not be subject to appellate review, unless it appears that they are not supported by substantial evidence. The Supreme Court has recognized this principle in its decisions; the Congress has done so in legislation providing for court review in certain quasi judicial matters. Finality in respect to findings of fact must reside somewhere if the operations of government are not to be constantly delayed and fettered.

Are you going to substitute a court opinion for the well-considered opinion of the head of a bureau or agency who is better qualified by far to pass upon the circumstances than Federal judges with all their other multifarious duties? If you want to dump all these solutions into the Federal appellate courts and the circuit court of appeals, well and good, but I say before you do that examine into the situations as those situations affect all these bureaus. Many of the activities of these bureaus will not lend themselves to that kind of review and it is for this reason I say wait until we get the results of the consideration of this particular committee.

Mr. MICHENER. Will the gentleman yield?

Mr. CELLER. I want to make my statement, and I hope I may continue without interruption from now on. These interruptions, and requests to yield which I am loath to refuse, simply cut up and butcher, as it were, my remarks into a disjointed statement.

Mr. MICHENER. The gentleman from Arkansas [Mr. KITCHENS] suggests that this law will not grant any more power than these bureaus and commissions now have. Let me call his attention to the fact that a number of them in the act of creation passed by the Congress specifically provided that there shall be no appeal.

Mr. CELLER. There are many, many cases where we have provided appellate media for the consideration of appeals by administrative agencies. For example, there is the Board of Review in the Veterans' Administration, there is the Insurance Claims Council in the Veterans' Administration, there is the Board of Tea Appeals in the Department of Agriculture, there is the Examining and Retiring Board of the Navy Department, the Board of Review of the Tennessee Valley Authority, the Board of Review in the Labor Department, the procedure for review in the Food and Drug Administration, the machinery for review in the Bureau of Internal Revenue and also in the Civil Aeronautics Authority. In almost every one of those instances, as pointed out by the gentleman from Pennsylvania [Mr. WALTER], our esteemed colleague, there has been no trouble, there has been no friction, there has been eminent satisfaction with that type of appeal.

Mr. WALTER. Before the gentleman goes into that feature, I should like to call his attention to the statement in section 7 of the bill that nothing contained in this act shall operate to modify or repeal any rights or procedure as now provided by law.

Mr. CELLER. I tell the gentleman that is not specific enough language in pursuance of court decisions to determine exactly what you mean. That may be ambiguous. It would be better to mention those agencies specifically.

Mr. WALTER. That was taken from a Supreme Court decision, I may say to the gentleman.

Mr. CELLER. I must respectfully take exception to the gentleman's remarks in that regard. Unless there is a very

succinct, definite amendment adopted, we would be in a very grave situation with reference to all those agencies. We can just as easily be specific. But let us assume the gentleman is right and we should have, therefore, preserved the different appellate procedures in the agencies mentioned, and we would have different procedures. He then recognizes exceptions. This bill seeks, however, to generalize and treat all other departments alike as to appeals. The gentleman makes exceptions, generally—generally to the Federal Trade Commission, the Interstate Commerce Commission, and other bureaus. Now he goes further and says with reference to the media of appeal in the agencies that there shall likewise be exceptions. If this bill is sound in principle it should treat every single agency alike, and the appellate jurisdiction should be alike in every instance. If you are going to make exceptions, then to that extent you immediately admit there is something wrong and that your bill is not as perfect as you might intend it to be.

We are somewhat to blame, however, in this Congress. We have created latterly numerous agencies and have specifically set up the type of appeal to obtain in those agencies. In agencies where we did not set up the type of appeal, we were in error. Concerning each one of those separate agencies where appeal media were set up by statute, we were very careful to set up the different types of appeal, depending in each instance on the peculiarities and idiosyncrasies of each agency. But in this bill all agencies are to be treated alike. I say, follow out the same procedure which we followed when we promulgated a bill for each agency, setting up in such agency a separate type of appeal. We must treat each agency appeal medium in diverse manner based on its own particular purposes. For example, appeals concerning the quarantine of animals should be different from appeals concerning the promotion of employees; appeals concerning the size and speed of airplanes should be different from appeals dealing with the destruction of fruits or the censoring of salacious radio programs deemed to be contrary to public morals. Furthermore, there shauld be no appeals in inconsequential matters; there should be no appeals from executive orders which involve no executive discretion; nor should there be any appeals to the courts in matters dealing with the grading of an employee or the refusal to promote an employee, the latter being purely disciplinary executive orders.

I started to indicate the different types of agencies, all of which have diverse and different powers. There are the agencies which directly affect persons outside the Government, either by adjudication or by rule making; for example, the Food and Drug Administration, the Alcoholic Beverage Control Board, the National Labor Relations Board, the Federal Power Commission, the Federal Communications Commission, the Civil Aeronautics Authority, the United States Maritime Commission, and the Securities and Exchange Commission. These Boards and Commissions generally have the power to fix rates; regulate competition; determine services; fix relations of labor; police in the interest of public health, safety, and morals; grant licenses; and exert partial censorship, as in the case of the Communications Commission.

See how diverse all these functions are. You cannot treat them all alike, yet this bill treats every one of these agencies alike. Every one of the agencies mentioned is included in the bill. Why treat the Federal Deposit Insurance Corporation, the Federal Trade Commission, and the Federal Reserve Board differently? They act like these other bureaus; they fix rates; they regulate competition; they police in the interest of public health, safety, and morals, in a certain sense; and they grant licenses as the others do. Why make these exceptions?

There is a second class of agencies, those engaged in the managerial work of the Government, such as the Civil Service Commission, the Bureau of the Budget, and the United States Employees' Compensation Commission. See how diverse and different are the activities of these three agencies in this second classification, yet they are all treated alike.

In a third classification are those agencies engaged in proprietary activities, the Tennessee Valley Authority, the General Land Office, the Alaska Railroad, and the Panama Railroad. You treat them all alike, regardless of the diversity of the functions of these agencies and bureaus. Imagine an appeal by a conductor on the Panama Railroad or Alaska Railroad because he was refused a promotion. Yet section 4 (b) says "any person aggrieved" may appeal from the "decision of any officer or employee of any agency"; and section 5 permits appeal by such person to the courts.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from California.

Mr. VOORHIS of California. Can the gentleman explain to me why there is such a long line of exemptions from the provisions of the bill? The reason I want to know the answer to this question sometime before we have to vote is that I do not understand why, if these provisions are worth while, there should be such a long list of exemptions.

Mr. CELLER. If the provisions of the bill generally are worth while in principle, there should be no exemptions, but everybody tried to get exemptions in. I am just as guilty as anybody else. I got some exemptions in likewise.

Mr. VOORHIS of California. Why did they try to get exemptions?

Mr. CELLER. I will put it this way: Those bureaus that yelled most loudly got their answer in exemptions, and those bureaus that did not yell too loudly did not. Most of the agencies—the 130 agencies were just mute—said nothing. Many of the agencies I have mentioned did not appear before the committee and gave no evidence before the committee, and the committee did not realize, or probably some of us did not realize how far-reaching was the bill we were adopting. At least, as far as I am concerned, I did not approve of the bill. I am speaking of some of the other members of the committee.

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. CELLER. Let me go further. There is a fourth class of agencies. There are the lending agencies, the Reconstruction Finance Corporation, the Home Owners' Loan Corporation, and the Federal Works Agency. Fifthly, there are the agencies of a service character, utterly different from the agencies mentioned before, like the Federal Register Bureau and the Bureau of Standards. Sixthly, there are the agencies of a beneficiary character, like the Social Security Board, the Veterans' Administration, the Children's Bureau, the Work Projects Administration, the Public Works Administration, the National Youth Administration, and the Civilian Conservation Corps.

They are utterly different one from another, and that last classification of beneficiary agencies is utterly different from the other classifications. There are also, seventhly, agencies of the protective type, like the Tariff Commission—which is outside the act—and like the Coast Guard; think of this, the Coast Guard is in the act. If the activities of the Army and the Navy, in the main, are exempted, why should the Coast Guard be included? Our Coast Guard has much to do with national defense.

Another classification, eighthly and lastly, is the agencies of conciliation and mediation, for example, the United States Conciliation Service, the National Mediation Service, the National Labor Relations Board, and the former N. R. A., and yet all these boards are blanketed into this bill. I think it was wrong to have done so. Each one of these agencies should be studied most carefully and we should see whether or not the provisions of this bill should be applied to the exigencies and the difficulties that obtain in each one of these agencies mentioned. But there has been no such study made.

Now, I am fearful that the way the bill is drawn it will tie the bureaus into endless knots. For example, let us assume that the Securities and Exchange Commission, at the suggestion of a group of honest, God-fearing security traders, promulgates a rule governing such traders. Some fly-by-night security dealer contests the rule. Under the present conditions the rule could be effective, despite his bringing the test

case into the courts. But, under the proposed measure, the Securities and Exchange Commission would be enjoined from carrying into effect such a wholesome rule encouraging wholesome trading until the courts have finally determined the issue.

As was pointed out by the Association of the Bar of the City of New York—and I may say there are a number of bar associations that are opposed, and this is not a one-sided proposition. The National Lawyers Guild is opposed, the Association of the Bar of the City of New York is opposed, and I am sure the President will oppose, if the specific question is asked of him. The Brookings Institution issued a book in opposition, by Mr. Blachly. Almost every agency of the Government is opposed. Every member of the President's Cabinet is opposed. There is not a solitary exception. It is not a one-sided proposition.

As was pointed out by the Association of the Bar of the City of New York concerning the S. E. C.:

> It would seem obvious that the same procedure for internal and judicial review may not be desirable in the case of an order initiating an investigation, on the one hand, and an order expelling a member from a securities exchange on the other. Other types of action or nonaction under that statute may be found in a refusal or failure to order a dealer's registration effective in advance of the prescribed 30 days, a refusal to allow information in a registration statement to be held confidential, an order appointing a trial examiner, a dismissal of an employee, an order referring a matter to the Attorney General of the United States, etc.

See how many orders there are possible in the Securities and Exchange Commission alone. The unlimited appeals from these orders would so tie up the work of the S. E. C. as to render it utterly ineffectual.

Now, if you want such a bill, very good. I do not want such a bill. I want the matter studied more carefully.

As far as the S. E. C. is concerned, by all means give the appeal in certain important matters, but refrain from giving it in trivial cases. Make a demarcation between those various facilities or those various functions of the S. E. C. Grant the appeal in one case—that is, where discretion is involved—and refuse the appeal in the other case, where no discretion is involved, like an Executive order, like a police order—and then I shall be satisfied, but not until then. Then treat all others. [Applause.]

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose and the Speaker pro tempore [Mr. RAYBURN] having resumed the chair, Mr. KERR, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 6324) to provide for the more expeditious settlement of disputes with the United States and for other purposes, had come to no resolution thereon.

REREFERENCE OF A BILL

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to have referred to the Committee on the Public Lands the bill S. 2191, which was referred to the Committee on Labor by mistake.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. MALONEY, for 1 week, on account of important business.

EXTENSION OF REMARKS

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a letter from M. C. McMillan, superintendent of industries of the Minnesota State Prison.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. GRAHAM] may proceed for 5 minutes at the end of all other business today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a short newspaper article.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and to incude an editorial from the Detroit News, appearing today.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an address by Brig. Gen. Burton K. Yount, Assistant Chief of the Air Corps, at Westover, Mass., April 6, 1940.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a speech by Postmaster General Farley.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an eloquent address delivered by Judge Reford Bond, a member of the State Corporation Commission of the State of Oklahoma.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks by including therein a radio address I delivered last Thursday evening.

The SPEAKER pro tempore. Is there objection?

There was no objection.

PROTEST DISCHARGE OF W. P. A. EMPLOYEES

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to extend my remarks in the RECORD to include a statement issued today by the Oklahoma delegation in Congress.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, Members of the Oklahoma delegation in Congress met today to protest against an order to drop 10,000 people from the W. P. A. rolls in our State today. A statement was prepared outlining our position on this drastic cut and I shall include this in my remarks.

We also had a meeting this afternoon with Hon. Howard Hunter, deputy commissioner of the Work Projects Administration, at which we discussed the relief situation in Oklahoma in some detail and presented our views as to why this drastic and unreasonable cut in the Oklahoma quota should not be made. We pointed out that Oklahoma is taking a far more drastic reduction than the average cut over the country despite the fact of our prolonged drought situation in Oklahoma. We were informed, however, that reductions are necessary at this time because funds are running low. We were also told that further reductions must be made unless Congress acts to stop it.

The W. P. A. in general, has done a good job in Oklahoma. There has been criticism, of course, some of which may be justified. But most of the criticism is caused by the fact that many thousands of needy and deserving people throughout the State have been unable to get W. P. A. employment for the reason the State was not allocated sufficient funds to employ anything like all of those eligible for work. Many very deserving people, with large families to support, must now look to charity or else go hungry. Today our delegation pointed out that our State has been unusually hard hit by a series of very severe and very costly droughts. Frankly, I do not know how the 10,000 people and their families being dropped by the W. P. A. in Oklahoma today can get by until

another crop is harvested. This drastic cut is going to mean real privation and untold suffering. This Congress should immediately make a deficiency appropriation to prevent these lay-offs. I favor such an appropriation and give notice now that I will oppose vigorously any move to make a drastic cut in the W. P. A. appropriation for the next fiscal year. As long as Congress can increase by $44,000,000 the Government subsidy to private shipbuilders I maintain that we can make necessary appropriations to prevent human beings from going hungry. [Applause.]

The deficiency bill carrying relief funds for the next fiscal year will be presented to this Congress within a few days. It has been suggested that it should become effective June 1 instead of July 1 next. I am advised that such action by Congress would prevent any further lay-offs. If so, I would favor it. I cannot overemphasize the seriousness of the situation in our State.

The statement issued by the Oklahoma congressional delegation, prepared and given out today, is as follows:

The letting off of 10,000 W. P. A. workers with a proposed further reduction of 20,000 before July 1 will not be tolerated by the Oklahoma delegation if we can possibly prevent it.

Oklahoma still has over 102,000 certified as needy unemployed, with more than 20,000 additional unfortunates who have been unable to even apply for certification, because of the fact that the Federal Government no longer certifies new W. P. A. applicants and the State has not assumed this responsibility.

This reduction will give less than one man in three who needs work in Oklahoma, a State that has suffered a series of droughts for the last 7 years. This will create an unbearable hardship.

This delegation goes on record to continue to stand for sufficient money to give work to all of those persons eligible in Oklahoma and flat-footedly refuses to economize at the expense of the unemployed who have no faint glimmer of hope for private employment.

Conditions in Oklahoma are now worse than they have been for the past 6 years due to the prolonged and disastrous drought. There is no prospect for early improvement; in fact the wheat yield—usually 10 bushels to the acre—is currently estimated by the Crop Reporting Board to be only 5 bushels for this year. Cotton farmers and livestock men likewise are suffering from the drought and the cotton districts from continuing depressed markets and low yields.

Contrary to the situation in the East and northern States, there has been no industrial pick-up in Oklahoma. No increases are shown or likely to occur in private employment—in fact, there is possibility of further declines as business falls monthly to a lower figure.

None of the vast sums for rearmament or for war supplies being spent in industrial areas affects the industry of Oklahoma. Instead recurring droughts has further decimated the available business normally expected.

The certified relief load of 102,000 was certified and rechecked by W. P. A. authorities themselves who have a "clean list certification." This is compared with inflated rolls of alleged eligibles often put on by State-controlled certification boards elsewhere. Since there has been no new certifications for W. P. A. since November 1939, it is estimated that at least 20,000 additional are in dire need of work.

Fact summary

Certified by W. P. A. officials	102,000
Estimated additional eligibles	20,000
Estimated total relief loan	122,000
Employed April 1 on W. P. A.	50,000
Reduction ordered April 15 to	40,000
Percent of reduction	25
Number to be worked compared with eligibles, percent	32

The SPEAKER pro tempore. Under an order heretofore made, the Chair recognizes the gentleman from Pennsylvania [Mr. GRAHAM].

THE COMMITTEE ON THE JUDICIARY

Mr. GRAHAM of Pennsylvania. Mr. Speaker—

The Speaker reads to the House the orderly method of parliaments and the demeanor of the members thereof observed in England, which he recommended to them, as civil and good: as also the method observed by the English in committees. (Votes of the Assembly (Pennsylvania), 1st month, 12th day, 1683.)

Thus from these ancient records we learn much about "the orderly method of parliaments" and the early procedure of our first legislative bodies. It is authoritatively stated that the General Assembly of Pennsylvania furnished by far the largest part of our national law-making devices. Virginia had the beginnings of standing committees, yet Pennsylvania was much further advanced in the use of them.

Attempted imitation of Parliament is evident on the face of the First Pennsylvania Assembly's Journal. It occupied itself at the outset with a consideration of parliamentary practice and the formulation of a crude written procedure. With a degree of conservatism surprising even for them, the Pennsylvanians held to this down to the inception of our National Government and carried it to Congress, whence its influence has spread throughout the length and breadth of the land. Its items were reenacted and improved from time to time, so that in Revolutionary days they formed a code of 19 neatly arranged and numbered rules. (Journal of Pennsylvania Assembly, November 30, 1776.)

In them, and still more in the assembly records generally, is traceable through a devious history the interweaving of old English methods with innovations that are now especially a part of the practice of our National House of Representatives. Of these may be noted the power of the Speaker, the previous question, and various leading features of the committee system. (McConachie.)

Upon the opening of a Provincial Assembly in Pennsylvania, there were appointed committees for Ways and Means; Accounts; Revision of the Laws and Minutes; Revision of the Criminal Laws; Rules; Claims; Unfinished Business; and the President's message. These continued throughout the whole of the session. McConachie, in his Congressional Committees, says of them:

Their names are suggestive of the early lists in the national House—indeed, all the forms of opening proceedings at New York in 1789 seem to have been copied almost literally after those which had long prevailed in Philadelphia. Also from England the American colonies, most notably Pennsylvania and Virginia, drew and transmitted to the legislative bodies of our Federal Union, the most common parliamentary forms relating to the use of select and standing committees, as well as the device known as the Committee of the Whole.

The day following the organization of the Senate in the First Congress—Tuesday, April 7, 1789—

Messrs. Ellsworth, Paterson, Maclay, Strong, Lee, Bassett, Few, and Wingate were appointed a committee to bring in a bill for organizing the judiciary of the United States.

This was the first Committee on the Judiciary in the Senate. Later, on Monday, April 13, Mr. Carroll and Mr. Izard were added to the Judiciary Committee. And on—

Friday, June 12, Mr. Lee in behalf of this committee reported a bill to establish the judicial courts of the United States.

This bill passed the Senate on July 17, and in the entry for Monday, July 23, we read:

The Secretary carried to the House of Representatives, for their concurrence, a bill to establish the judicial courts of the United States.

However, when this bill reached the House it was handled in a way entirely different from that used in the Senate as shown by the following excerpts from the proceedings of the House on the dates mentioned. Monday, July 20:

A message from the Senate informed the House that they had passed the bill for establishing an executive department, to be denominated the Department of Foreign Affairs, with several amendments, to which they desired the concurrence of the House; that they have also passed a bill to establish the judicial courts of the United States, to which they desire the concurrence of the House. * * * The bill sent from the Senate, "to establish the judicial courts of the United States," was read the second time, and ordered to be committed to a Committee of the Whole House on Monday next.

Nothing was done, however, until on Monday, August 24, when the following appears:

The House now resolved itself into a Committee of the Whole on the bill sent from the Senate, entitled "An act to establish the judicial courts of the United States," Mr. Boudinot in the chair.

The bill was debated in the Committee of the Whole, on August 29, 31, September 8, 9, 10, 11, 12, until on September 14 we find:

The House then went into a Committee of the Whole on the judiciary bill, Mr. Boudinot in the chair; and having gone through the same, reported it to the House with several amendments, which were ordered to lie on the table.

On Tuesday, September 15:

The House proceeded to consider the amendments reported by the Committee of the Whole to the bill to establish the judicial courts of the United States, which being concurred with, the bill, as amended, was ordered to be engrossed for a third reading.

And on Thursday, September 17:

The bill for establishing the judicial courts of the United States was read the third time and passed. * * * A message from the Senate informed the House that * * *; also, that they agree to some, and disagree to others, of the amendments proposed by the House to the bill for establishing the judicial courts of the United States.

And on Monday, September 21, we reach the final entry on this subject:

The House then proceeded to reconsider such of the amendments to the judiciary bill, as had been disagreed to by the Senate; and adopted them without debate.

Thus, by entirely different methods of procedure did the two Houses of Congress draft and report the First Judiciary Act of 1789, which has been characterized as "probably the most important and most satisfactory act ever passed by Congress."

In tracing the origin and development of the Committee on the Judiciary of the House of Representatives, the thirteenth standing committee created in the House, we must turn to the records and proceedings of the Thirteenth Congress, for therein do we learn of the creation of this committee.

THE THIRTEENTH CONGRESS

The Thirteenth Congress extended from March 4, 1813, to March 3, 1815. It consisted of 3 sessions—the first, from May 24, 1813, to August 2, 1813, 71 days; the second, from December 6, 1813, to April 18, 1814, 134 days; and the third, from September 19, 1814, to March 3, 1815, 166 days. The Speaker of the House during the first and a part of the second sessions was Henry Clay, of Kentucky. He resigned January 19, 1814, and on that day Langdon Cheves, of South Carolina, was elected Speaker. James Madison was serving his second term as President from March 4, 1813, to March 3, 1817. The House consisted of 182 Members, representing 18 States and 4 Territories. The population of the United States, as shown by the census of 1810, was 7,239,881. The ratio of representation was 1 Representative for every 35,000 of population.

It was during this first session that the initial move was made to create a standing committee to be known as the Committee on the Judiciary. Thus it was almost a quarter of a century after the meeting of the First Congress that the Committee on the Judiciary of the House came into existence.

However, in the first session of the preceding Twelfth Congress an effort had been made in this direction as evidenced by the following (24 Cong. Ann. 1086):

Monday, February 24, 1812, Mr. Gold offered the following resolution: *"Resolved,* That a committee be appointed to inquire whether any, and if any, what alteration is necessary in the judicial system of the United States, and that they report by bill." Agreed to, and a committee of five appointed.

The author of this resolution was Thomas R. Gold, Representative from New York and later a member of the Committee on the Judiciary in the first session of the Fourteenth Congress.

Mr. Gold was not a Member of the Thirteenth Congress and, of course, was not named on the committee when Henry Clay, as Speaker, appointed the first committee.

In the proceedings and debates of the House of Representatives of the United States at the first session of the Thirteenth Congress, begun at the city of Washington May 24, 1813, we learn that on Tuesday, June 1—

A motion was made by Mr. Jackson, of Virginia, to amend the Standing Rules and Orders of the House by adding the following thereto:

"An additional standing committee shall be appointed at the commencement of each session, viz: a Committee on the Judiciary, to consist of seven members. It shall be the duty of the said Committee on the Judiciary to take into consideration all such petitions and matters or things touching judicial proceedings as shall be presented, or may come in question, and be referred to them by the House, and to report their opinion thereupon, together with such propositions relative thereto, as to them shall deem expedient.

"Ordered, That the said amendments do lie on the table."

In the proceedings of Thursday, June 3, the following entry appears:

THE JUDICIARY

Mr. J. G. Jackson called up the resolution which he submitted for consideration a day or two ago, in the following words:

"Resolved, That the following be added to the Standing Rules and Orders of the House: An additional standing committee shall be appointed at the commencement of each session, viz: a Committee on the Judiciary, to consist of seven members. It shall be the duty of the said committee to take into consideration all such petitions and matters or things touching judicial proceedings, as shall be presented or may come in question and be referred to them by the House, and to report their opinion thereupon, together with such propositions relative thereto as to them shall seem expedient."

Mr. Jackson said he had been induced to submit this resolution from the consideration that our laws are in many instances defective, and it is of the utmost importance that they should be amended, and that this object could be best attained by the appointment of a standing committee to whom should be referred all propositions for establishing new courts and regulating these powers.

He recollected two cases falling within his own observation which had led him to contemplate some such provision, and it was not without some surprise that he found it had been passed over so long. As long ago as during the existence of the internal taxes one of those cases occurred. It would be recollected, he said, that prosecutions might be commenced in State courts for the penalties attendant on the infraction of those laws. In pursuance of this provision a prosecution had been commenced in Virginia in an inferior court; judgment was rendered against an individual, who it was manifest had not conformed to the provisions of the law. The case was carried to a higher court, however, and on the ground that the Constitution had vested the judicial powers of the United States in the Supreme Court, and such other courts as Congress might establish, it was decided that it was not in the power of Congress to confer jurisdiction on the State courts. The offenders, of course, escaped. Another case occurred in the course of the last year, in which a prosecution was instituted against a post rider for having opened the public mail traveling from Ohio to Kentucky. The fact was notorious. The same question occurred again, and the same decision took place. The individual was permitted to escape without punishment.

An amendment to our laws was unquestionably necessary in this respect. To consider such cases, and the various applications for altering the organization or location of courts, etc., he considered the appointment of a standing committee necessary. With this view, and also to render the decision of the House more uniform on these applications, as they would be if all referred to the same committee, he had thought proper to propose this amendment to the rules.

No opposition being made to the motion, it was adopted without division.

Nothing further seems to have been done at this session. The explanation is probably this: On Wednesday, May 26, preceding the standing Committees on Elections, Ways and Means, Claims, Commerce and Manufactures, Public Lands, District of Columbia, Post Offices and Post Roads, Revisal and Unfinished Business and Accounts had been appointed, and, inasmuch as Mr. Jackson's resolution did not pass until June 3, it is altogether likely that it was determined to pass over the appointment of this committee until the next session. War against Great Britain had been declared on June 18, 1812, and was still in progress, and the minds of the Representatives were occupied with matters other than those of the judiciary.

Then, in Proceedings and Debates of the House of Representatives at the second session of the Thirteenth Congress, begun at the city of Washington, Monday, December 6, 1813, in the proceedings of Tuesday, December 7, we find the following:

STANDING COMMITTEES

A motion was made by Mr. Dawson that the House do now proceed to the appointment of the several standing committees, except the Committee on Elections; and, the question being taken, it passed in the affirmative. Whereupon, the following committees were appointed, viz: Committee of Ways and Means * * *; Committee on the Public Lands * * *; Committee on the Post Office and Post Roads * * *; Committee for the District of Columbia * * *; Committee on the Judiciary, Mr. Ingersoll, Mr. Nelson, Mr. Pitken, Mr. Stockton, Mr. Pickens, Mr. Montgomery, and Mr. Oakley; Committee of Revisal and Unfinished Business * * *; Committee of Accounts.

The Members appointed on the Committee of the Judiciary were Charles Jared Ingersoll, of Pennsylvana; Hugh Nelson, of Virginia; Timothy Pitken, of Connecticut; Richard Stockton, of New Jersey; Israel Pickens, of North Carolina; Thomas

Montgomery, of Kentucky; and Thomas J. Oakley, of New York. John Dawson, of Virginia, was the Member making the motion. A brief sketch of the lives of the seven members of the first Committee on the Judiciary follows:

Charles Jared Ingersoll was the son of Jared Ingersoll, a member of the Federal Constitutional Convention, and was elected as a Democrat to the Thirteenth Congress; he served as United States district attorney for Pennsylvania, 1815–29; elected to the Twenty-seventh and three succeeding Congresses—March 4, 1841–March 3, 1849; appointed Minister to France in 1847, but was not confirmed by the Senate; appointed United States judge for the district of Connecticut April 8, 1853; and died in Philadelphia, Pa., May 14, 1862. He was the first chairman of the committee.

Hugh Nelson served in the State Senate of Virginia, 1786–91; member of the State house of delegates in 1793 and served as speaker; judge of the general courts; elected to the Twelfth, Thirteenth, Fourteenth, Fifteenth, Sixteenth, and Seventeenth Congresses, and served from March 4, 1811, until his resignation on January 14, 1823, having received an appointment in the Diplomatic Service; appointed by President James Monroe as United States Minister to Spain on January 15, 1823; died at his home, Belvoir, Albemarle County, Va., March 18, 1836.

Timothy Pitkin, member of State House of Representatives of Connecticut; served as clerk of the house, 1800–1802, and as speaker, 1803–5; elected as a Federalist to the Ninth Congress; reelected to the Tenth and to the five succeeding Congresses and served from September 16, 1805, to March 3, 1819; defeated for Speaker of the House of Representatives in the first session of the Thirteenth Congress by Henry Clay; delegate to the convention which framed the new State constitution in 1818; again a member of the State house of representatives, 1819–30; died in New Haven, Conn., December 18, 1847.

Richard Stockton was both a Senator and Representative from New Jersey; elected as a Federalist to the United States Senate and served from November 12, 1796, to March 3, 1799; member of the State general assembly; elected to the Thirteenth Congress—March 4, 1813–March 3, 1815; died near Princeton, N. J., March 7, 1825.

Israel Pickens, a Representative from North Carolina and a Senator from Alabama; member of State senate in 1809; elected as a Democrat from North Carolina to the Twelfth, Thirteenth, and Fourteenth Congresses—March 4, 1811–March 3, 1817; register of the land office of Mississippi Territory—which included the present State of Alabama—1817–21; Governor of Alabama, 1821–25; appointed to the United States Senate from Alabama; declined appointment of judge of the United States Court for the District of Alabama in 1826; died near Matanzas, Cuba, April 24, 1827.

Thomas Montgomery, judge of the circuit court of Lincoln County, Ky.; member of the State house of representatives in 1811; elected as a Democrat to the Thirteenth Congress, and reelected to the Sixteenth and Seventeenth Congresses; died in Stanford, Ky., April 2, 1828.

Thomas J. Oakley, surrogate of Dutchess County, N. Y., in 1810; elected as a Federalist to the Thirteenth Congress; member of the State Assembly; attorney general of New York; elected as a Clinton Democrat to the Twentieth Congress; judge of the superior court of New York City; appointed Chief Justice in October 1847, and served until his death in New York City, May 11, 1857.

John G. Jackson, who introduced the resolution of June 1, 1813, to create a Committee on the Judiciary, was a civil engineer; appointed surveyor of public lands of what is now the State of Ohio in 1793; member of the Virginia House of Burgesses, 1798–1801; elected as a Democrat to the Eighth, Ninth, Tenth, and Eleventh Congresses, and served from March 4, 1803, to September 28, 1810, when he resigned; member of the State house of delegates in 1811 and 1812; brigadier general of Virginia Militia in 1812; elected as a Democrat to the Thirteenth and Fourteenth Congresses; while in Congress fought a duel with Joseph Pearson, of North Carolina; appointed United States district judge for the western district of Virginia in 1819, and served until his death in Clarksburg, Va. (now West Virginia), March 28, 1825.

John Dawson, who moved the appointment of the Committee on the Judiciary on December 7, 1813, was both a delegate and a representative from Virginia; member of the State house of delegates, 1786–89; member of the Congress of the Confederation in 1788 and 1789; delegate to the State convention in 1788 that ratified the Federal Constitution; elected privy councilor in 1789; elected as a Democrat to the Fifth and eight succeeding Congresses, and served from March 4, 1797, until his death; was bearer of dispatches from President John Adams to the Government of France in 1801; served as aide to Gen. Jacob Brown and to Gen. Andrew Jackson in the War of 1812; died in Washington, D. C., March 31, 1814.

Thus to two sons of the Old Dominion fall the honors of being first to introduce the resolution and first to move the creation of the Committee on the Judiciary in the House of Representatives.

The committee was soon put to work, for on Friday, December 10:

> On motion of Mr. Hempstead * * * it was
> *Resolved*, That the Committee on the Judiciary be instructed to inquire into the expediency of making provision, by law, for the appointment of an additional judge of the supreme court, in the Territory of Missouri, exclusively for the district of Arkansas, with leave to report by bill or otherwise.

More work was to follow, for on December 15, 20, 21 the committee was instructed to inquire into certain matters. On Friday, December 24, we read as follows:

> Mr. Ingersoll, from the Judiciary Committee, reported a bill for the appointment of an additional judge in the Missouri Territory, and for other purposes, which was twice read and committed.

This bill was read the third time and passed. On Thursday, December 30:

> On motion of Mr. Ingersoll:
> "*Resolved*, That the Committee on the Judiciary be instructed to inquire into the expediency of altering the judicial system of the United States.
> "*Resolved also*, That the same committee be instructed to inquire into the expediency of providing by law for the more effectual punishment of crimes against the United States, and that they have leave to report by bill or otherwise."

We now see the committee at its appointed task, a work which has continued without interruption throughout the succeeding Congresses for the past 127 years.

Before leaving the Thirteenth Congress it is well to remember the following: On August 2, 1813, Egbert Benson, Member from New York, resigned. His departure removed the last tie binding the present Congress to the past. Egbert Benson had been a delegate to the Annapolis convention in 1786; had served in the Congress of the Confederation, 1784–85, 1786–88; member of the State constitutional convention in New York in 1788, which ratified the Federal Constitution, and had served in the First and Second Congresses under the Constitution from March 4, 1789, to March 3, 1793.

It is indeed interesting to turn from the past and look ahead through the succeeding century and a quarter's history of this truly great committee.

CHAIRMEN

During the 127 years of its existence 39 different men have served as chairman of the committee. The list is as follows in the order of their first term of service as chairmen:

Thirteenth Congress, second session, Charles J. Ingersoll, Pennsylvania.
Thirteenth Congress, third session, Charles J. Ingersoll, Pennsylvania.
Fourteenth Congress, first session, Hugh Nelson, Virginia.
Fourteenth Congress, second session, Hugh Nelson, Virginia.
Fifteenth Congress, first session, Hugh Nelson, Virginia.
Fifteenth Congress, second session, Hugh Nelson, Virginia.
Sixteenth Congress, first session, John Sergeant, Pennsylvania.
Sixteenth Congress, second session, John Sergeant, Pennsylvania.
Seventeenth Congress, first session, John Sergeant, Pennsylvania.
Seventeenth Congress, second session, Hugh Nelson, Virginia.
Eighteenth Congress, first session, Daniel Webster, Massachusetts.

Eighteenth Congress, second session, Daniel Webster, Massachusetts.
Nineteenth Congress, first session, Daniel Webster, Massachusetts.
Nineteenth Congress, second session, Daniel Webster, Massachusetts.
Twentieth Congress, first session, Philip P. Barbour, Virginia.
Twentieth Congress, second session, Philip P. Barbour, Virginia.
Twenty-first Congress, first session, James Buchanan, Pennsylvania.
Twenty-first Congress, second session, James Buchanan, Pennsylvania.
Twenty-second Congress, first session, Warren Davis, South Carolina.
Twenty-second Congress, second session, John Bell, Tennessee.
Twenty-third Congress, first session, John Bell, Tennessee.
Twenty-third Congress, second session, Thomas Foster, Georgia.
Twenty-fourth Congress, first session, Samuel Beardsley, New York.
Twenty-fourth Congress, second session, Francis Thomas, Maryland.
Twenty-fifth Congress, first session, Francis Thomas, Maryland.
Twenty-fifth Congress, second session, Francis Thomas, Maryland.
Twenty-fifth Congress, third session, Francis Thomas, Maryland.
Twenty-sixth Congress, first session, John Sergeant, Pennsylvania.
Twenty-sixth Congress, second session, John Sergeant, Pennsylvania.
Twenty-seventh Congress, first session, Daniel Barnard, New York.
Twenty-seventh Congress, second session, Daniel Barnard, New York.
Twenty-seventh Congress, third session, Daniel Barnard, New York.
Twenty-eighth Congress, first session, William Wilkins, Pennsylvania.
Twenty-eighth Congress, second session, Romulus Saunders, North Carolina.
Twenty-ninth Congress, first session, George Rathbun, New York.
Twenty-ninth Congress, second session, George Rathbun, New York.
Thirtieth Congress, first session, Joseph Ingersoll, Pennsylvania.
Thirtieth Congress, second session, Joseph Ingersoll, Pennsylvania.
Thirty-first Congress, James Thomson, Pennsylvania.
Thirty-second Congress, James K. McLanahan, Pennsylvania.
Thirty-third Congress, Frederick P. Stanton, Tennessee.
Thirty-fourth Congress, George A. Simmons, New York.
Thirty-fifth Congress, George S. Houston, Alabama.
Thirty-sixth Congress, John Hickman, Pennsylvania.
Thirty-seventh Congress, John Hickman, Pennsylvania.
Thirty-eighth Congress, James F. Wilson, Iowa.
Thirty-ninth Congress, James F. Wilson, Iowa.
Fortieth Congress, James F. Wilson, Iowa.
Forty-first Congress, John A. Bingham, Ohio.
Forty-second Congress, John A. Bingham, Ohio.
Forty-third Congress, Benjamin F. Butler, Massachusetts.
Forty-fourth Congress, J. Proctor Knott, Kentucky.
Forty-fifth Congress, J. Proctor Knott, Kentucky.
Forty-sixth Congress, J. Proctor Knott, Kentucky.
Forty-seventh Congress, Thomas B. Reed, Maine.
Forty-eighth Congress, John Randolph Tucker, Virginia.
Forty-ninth Congress, John Randolph Tucker, Virginia.
Fiftieth Congress, David B. Culberson, Texas.
Fifty-first Congress, Ezra B. Taylor, Ohio.
Fifty-second Congress, David B. Culberson, Texas.
Fifty-third Congress, David B. Culberson, Texas.
Fifty-fourth Congress, David B. Henderson, Iowa.
Fifty-fifth Congress, David B. Henderson, Iowa.
Fifty-sixth Congress, George W. Ray, New York.
Fifty-seventh Congress, George W. Ray, New York.
Fifty-eighth Congress, John J. Jenkins, Wisconsin.
Fifty-ninth Congress, John J. Jenkins, Wisconsin.
Sixtieth Congress, John J. Jenkins, Wisconsin.
Sixty-first Congress, Richard Wayne Parker, New Jersey.
Sixty-second Congress, Henry D. Clayton, Alabama.
Sixty-third Congress, Henry D. Clayton, Alabama.
Sixty-fourth Congress, Edwin Y. Webb, North Carolina.
Sixty-fifth Congress, Edwin Y. Webb, North Carolina.
Sixty-sixth Congress, Andrew J. Volstead, Minnesota.
Sixty-seventh Congress, Andrew J. Volstead, Minnesota.
Sixty-eighth Congress, George S. Graham, Pennsylvania.
Sixty-ninth Congress, George S. Graham, Pennsylvania.
Seventieth Congress, George S. Graham, Pennsylvania.
Seventy-first Congress, George S. Graham, Pennsylvania.
Seventy-second Congress, Hatton W. Sumners, Texas.
Seventy-third Congress, Hatton W. Sumners, Texas.
Seventy-fourth Congress, Hatton W. Sumners, Texas.
Seventy-fifth Congress, Hatton W. Sumners, Texas.
Seventy-sixth Congress, Hatton W. Sumners, Texas.

In recapitulation it is seen that of the men who held the chairmanship, nine came from Pennsylvania, five came from New York, three came from Virginia, two each from Massachusetts, Tennessee, North Carolina, Alabama, Iowa, Ohio, Texas, and one each from South Carolina, Georgia, Maryland, Kentucky, Maine, Wisconsin, New Jersey, and Minnesota. It falls to the lot of the gentleman from Texas, Hon. HATTON W. SUMNERS, the present chairman, to have served for the longest continuous period, he having been chairman since the beginning of the Seventy-second Congress and a member of the committee since the Sixty-fifth Congress.

MEMBERSHIP

From the second session of the Thirteenth Congress, to and including this session of the Seventy-sixth Congress, 480 men have composed the personnel of this committee.

That these men were men of more than average ability is attested by these facts:

Three, Franklin H. Pierce, of New Hampshire; James Buchanan, of Pennsylvania; and William McKinley, Jr., of Ohio, have been Presidents of the United States, while three other members have been unsuccessful candidates for the high office, viz, John Bell, of Tennessee, on the Constitutional Union ticket of 1860; Stephen A. Douglas, of Illinois, on the Democratic ticket that same year; and John W. Davis, of West Virginia, on the Democratic ticket in 1924.

One, James S. Sherman, of New York, has been Vice President, and three, George H. Pendleton, of Ohio, Allen G. Thurman, of Ohio, and John Sergeant, of Pennsylvania, have been unsuccessful candidates for the office.

Seven, Philip P. Barbour, of Virginia, in the Seventeenth; John Bell, of Tennessee, in the Twenty-third; John W. Jones, of Virginia, in the Twenty-eighth; Michael C. Kerr, of Indiana, in the Forty-fourth; Thomas B. Reed, of Maine, in the Fifty-first, Fifty-fourth, and Fifty-fifth; David B. Henderson, of Iowa, in the Fifty-sixth and Fifty-seventh; and Frederick H. Gillett, of Massachusetts, in the Sixty-sixth, Sixty-seventh, and Sixty-eighth Congresses, have been Speakers of the House; and three, Timothy Pitkin, of Connecticut, in the Thirteenth Congress; Samuel S. Marshall, of Illinois, in the Fortieth Congress; and Joseph W. Bailey, of Texas, in the Fifty-third and Fifty-fourth Congresses, have been unsuccessful candidates for the speakership. Another, Armistead Burt, of South Carolina, served as Speaker in 1848 during the absence of Speaker Winthrop.

In later years three have been President pro tempore of the Senate, viz, Allen G. Thurman, of Ohio; Isham G. Harris, of Tennessee; and William P. Frye, of Maine.

Fifteen have been Secretaries in the Cabinets of the Presidents, to wit:

Three, Daniel Webster, of Massachusetts; James Buchanan, of Pennsylvania; and Edward Livingston, of Louisiana, have been Secretaries of State.

One, Charles Toucy, of Connecticut, has been both Secretary of the Navy and Attorney General. Two, James M. Beck and W. E. Fuller, have been Assistant Attorneys General of the United States.

Two, John W. Davis, of West Virginia, and James M. Beck, of Pennsylvania, have been Solicitor General of the United States.

Four, John C. Spencer, of New York; John Bell, of Tennessee; William Wilkins, of Pennsylvania; and George W. McCrary, of Iowa, have each served as Secretary of War; Spencer had also been appointed as Associate Justice of the Supreme Court in 1844, but was rejected January 31, 1844.

John C. Spencer also served as Secretary of the Treasury from March 3, 1843, to May 2, 1844, when he resigned.

George S. Boutwell, Massachusetts, and Thomas Corwin, Ohio, also served as Secretaries of the Treasury.

Three, Charles Toucey, as stated, Hilary A. Herbert, of Alabama, and Edwin Denby, of Michigan, have been Secretaries of the Navy.

Three, Charles A. Wickliffe, of Kentucky, Nathan K. Hall, of New York, and William L. Wilson, of West Virginia, have been Postmaster Generals.

Twenty-two have served in the Diplomatic Service, either as ministers or ambassadors to foreign countries: Hugh Nelson, of Virginia, to Spain; Romulus Saunders, of North Carolina, to Spain; James Buchanan, of Pennsylvania, to Russia and to Great Britain; Edward Livingston, of Louisiana, to France; William C. Rives, of Virginia, to France;

Robert P. Letcher, of Kentucky, to Mexico; Francis Thomas, of Maryland, to Peru; Balie Peyton, of Tennessee, to Chile; Thomas Corwin, of Ohio, to Mexico; Daniel D. Barnard, of New York, to Prussia; David A. Starkweather, of Ohio, to Chile; William Wilkins, of Pennsylvania, to Russia; Joseph R. Ingersoll, of Pennsylvania, to Great Britain; Richard K. Meade, of Virginia, to Brazil; Humphrey Marshall, of Kentucky, to China; Christopher Robinson, of Rhode Island, to Peru; Albert G. Porter, of Indiana, to Italy; George H. Pendleton, of Ohio, to Germany; Charles R. Buckalew, of Pennsylvania, to Ecuador; John W. Davis, of West Virginia, to Great Britain; John A. Bingham, of Ohio, to Japan; James O. Brodhead, of Missouri, to Switzerland.

One, Philip P. Barbour, of Virginia, has been an Associate Justice of the Supreme Court of the United States.

Three, Philip P. Barbour, aforesaid, George W. McCrary, of Iowa, and J. Earl Major, of Illinois, have been United States circuit court judges.

Twelve, Charles J. Ingersoll, of Pennsylvania; William Wilkins, of Pennsylvania; Asa Biggs, of North Carolina; Nathan K. Hall, of New York; George W. McCrary, of Iowa; John H. Rogers, of Iowa; Albert C. Thompson, of Ohio; George W. Ray, of New York; Edwin Y. Webb, of North Carolina; Louis Fitzhenry, of Illinois; J. LeRoy Adair, of Illinois; and Henry D. Clayton, of Alabama, have been United States district judges.

Four have been United States judges in Territories, namely: Robert Reid, of Georgia, East Florida; Alexander White, of Alabama, Utah; John Pettit, of Indiana, Kansas; John J. Jenkins, of Wisconsin, Puerto Rico. Walter I. McCoy, of New Jersey, has served as chief justice, Supreme Court of the District of Columbia; and Richard S. Whaley, of South Carolina, has served as chief justice of the United States Court of Claims.

John A. Bingham, of Ohio, was judge advocate of the Union Army and special judge advocate in the trial of the conspirators against the life of President Lincoln.

C. Frank Reavis, of Nebraska, and Louis E. Graham, of Pennsylvania, have served as Special Assistants to the Attorney General of the United States.

Thirty-four have served as United States attorneys: Charles J. Ingersoll, Joseph Hopkinson, Enoch Lincoln, Edward Livingston, John C. Wright, Samuel Beardsley, Gorham Parks, Balie Peyton, J. Ogden Hoffman, Samson Mason, James I. Roosevelt, John Pettit, Lucian Barbour, Noah Davis, Daniel W. Voorhees, Jasper D. Ward, Hugh J. Jewett, William P. Lynde, John C. Lehr, William Dorsheimer, Thomas M. Browne, Horatio Bisbee, Jr., William A. Stone, James M. Connally, John J. Jenkins, DeAlva S. Alexander, Henry D. Clayton, Martin W. Littleton, Frank Plumley, Andrew J. Montague, William C. Hammer, Louis E. Graham, James O. Brodhead, and William V. Gregory. William Dorsheimer has the unique distinction of having served as United States attorney for both the northern and southern districts of New York.

Three—John Dickey, of Pennsylvania; Gorham Parks, of Maine; and John J. Mitchell, of Massachusetts—have been United States marshalls.

Foster V. Brown, of Tennessee, has been attorney general of Puerto Rico.

Forty-nine have been United States Senators, namely: Richard Stockton, New Jersey; Israel Pickens, Alabama; James Pleasants, Virginia; James Fisk, Vermont; Daniel Webster, Massachusetts; Josiah Johnson, Louisiana; James Buchanan, Pennsylvania; Edward Livingston, Louisiana; William C. Rives and John S. Carlile, Virginia; John L. Kerr, Maryland; John Bell, Tennessee; Franklin Pierce, New Hampshire; Isaac Toucey, Connecticut; Thomas Corwin, Ohio; Hopkins L. Turney, Tennessee; Walter J. Colquitt, Georgia; James A. Pearce, Maryland; Garrett Davis, Kentucky; William Wilkins, Pennsylvania; John Pettit, Indiana; Stephen A. Douglass, Illinois; Richard Brodhead, Pennsylvania; Allen G. Thurman, Ohio; James Dixon, Connecticut; Asa Biggs, North Carolina; Preston King, New York; Isham G. Harris, Tennessee; George S. Houston, Alabama; George H. Pendleton, Ohio; James F. Wilson, Iowa; George S. Boutwell, Massachusetts; Daniel W. Voorhees, Indiana; Luke P. Poland, Vermont; William P. Frye, Maine; Eppa Hunter, Virginia; George F. Hoar, Massachusetts; Omar D. Conger, Michigan; Elbridge G. Lapham, New York; John W. Stewart, Vermont; Charles R. Buckalew, Pennsylvania; Joseph W. Bailey, Texas; Frederick H. Gillett, Massachusetts; Oscar W. Underwood, Alabama; George W. Norris, Nebraska; Thaddeus H. Caraway, Arkansas; M. M. Neely, West Virginia; John E. Miller, Arkansas; and John M. Robsion, Kentucky.

Thirty-seven have served as Governors of States and Territories, namely; Israel Pickens, Alabama; James Pleasants, Virginia; Robert Wright, Maryland; Robert Reed, Florida (Territory); Enoch Lincoln, Maine; Hutchins Burton, North Carolina; Robert P. Letcher, James Clark, Kentucky; Charles A. Wickliffe, Lieutenant Governor and Governor, Kentucky; Edward D. White, Louisiana; William W. Ellsworth, Connecticut; Francis Thomas, Maryland; Isaac Toucey, Connecticut; Joshua L. Martin, Alabama; Thomas Corwin, Ohio; Joseph Trumbull, Connecticut; Paul Dillingham, Lieutenant Governor and Governor, Vermont; Charles S. Morehead, Kentucky; Isham G. Harris, Tennessee; George S. Houston, Alabama; Albert G. Porter, Indiana; George S. Boutwell, Massachusetts; Austin A. King, Missouri; Benjamin F. Butler, Massachusetts; J. Proctor Knott, Kentucky; George D. Robinson, Massachusetts; William C. McKinley, Jr., Ohio; William C. Oates, Alabama; William A. Stone, Pennsylvania; Samuel W. McCall, Massachusetts; Samuel W. T. Lanham, Texas; J. N. Gillett, California; John S. Little, Arkansas; Richard Yates, Illinois; Andrew J. Montague, Virginia; and Frederick P. Stanton, Kansas (Territory); William Dorsheimer served as Lieutenant Governor of New York, and more recently Gordon Browning has served as Governor of Tennessee.

Romulus Saunders was defeated by one vote for Governor of North Carolina.

Twenty-five have served as State attorneys general, namely, Thomas Oakley, New York; Richard Wilde, Georgia; Hutchins Burton, North Carolina; Romulus Saunders, North Carolina; John M. Robertson, Virginia; Samuel Beardsley, New York; J. Ogden Hoffman, New York; Edward Stanley, North Carolina; Charles S. Morehead, Kentucky; Abraham Wakeman, New York; Mason W. Tappan, New Hampshire; Christopher Robinson, Rhode Island; John A. Peters, Maine; Lyman Tremain, New York; William P. Frye, Maine; J. Proctor Knott, Missouri; N. J. Hammond, Georgia; Thomas B. Reed, Maine; J. Randolph Tucker, Virginia; Horatio Bisbee, Jr., Florida; H. C. McCormick, Pennsylvania; Charles E. Littlefield, Maine; Romeo H. Freer, West Virginia; Henry W. Palmer, Pennsylvania; and Andrew J. Montague, Virginia.

The following have served as assistant or State deputy attorneys general, namely, Thomas R. Gold, New York; William L. Brent, Louisiana; Abraham X. Parker, New York; W. E. Fuller, Iowa; Robert L. Henry, Texas; Richard Yates, Illinois; Fred H. Dominick, South Carolina; Fiorello H. LaGuardia, New York; and Louis E. Graham, of Pennsylvania, as special assistant to the attorney general of their States. John C. Spencer, of New York, served as special attorney general to prosecute the abductors of William Morgan.

Six have held the post of secretary of state in their respective States, namely: John C. Spencer, New York; George Robertson, Kentucky; Benjamin Hardin, Kentucky; Stephen A. Douglas, Illinois; Samuel Galloway, Ohio; and William P. Stenger, of Pennsylvania.

Ten have been chief justice of their State supreme court, namely: Arthur Livermore, New Hampshire; William L. Storrs, Connecticut; Allen G. Thurman, Ohio; James Thompson, Pennsylvania; Origen S. Seymour, Connecticut; John A. Peters, Maine; Ulysses Mercur, Pennsylvania; Luke P. Poland, Vermont; William Kellogg, Nebraska; and Samuel Beardsley, New York.

Twenty-two have been justices of State supreme courts, namely: James Fisk, Vermont; Philemon Beecher, Ohio; Joseph Brevard, South Carolina; John C. Wright, Ohio; William W. Ellsworth, Connecticut; Richard Coulter, Pennsylvania; Henry A. Foster, New York; James I. Roosevelt, New

York; John Pettit, Indiana; Stephen A. Douglas, Illinois; Daniel Breck, Kentucky; John Kerr, Jr., North Carolina; Thomas A. R. Nelson, Tennessee; Benjamin F. Thomas, Massachusetts; John C. Churchill, New York; Noah Davis, New York; Thomas Ashe, North Carolina; Joseph R. Reed, Iowa; Thomas R. Stockdale, Mississippi; H. Henry Powers, Vermont; Case Broderick, Idaho; and Hubert Utterback, Iowa.

John A. Buchanan was associate judge of Court of Appeals of Virginia; George Robertson, chief justice of the Court of Appeals of Kentucky; and Warren Miller was also judge of the State Supreme Court of Appeals of West Virginia.

One hundred and nine have filled the office of either county, district, superior, common pleas, or circuit judge in the counties of their several States, to wit: Hugh Nelson, Thomas T. Boulden, John M. Robertson, James Garland, George W. Summers, John S. Cashie, John T. Harris, Virginia; Thomas Montgomery, Stephen Ormsby, Tunstall Quarles, Richard A. Buckner, James Clark, Richard French, Daniel Breck, Isaac H. Goodnight, and John W. Lewis, Kentucky; Thomas Oakley, Henry R. Storrs, Samuel Beardsley, Aaron Vanderpoel, Andrew D. W. Bruyn, James I. Roosevelt, Nathan K. Hall, Origen S. Seymour, John H. Reynolds, John C. Churchill, Lyman Tremain, Scott Lord, New York; James Fisk, Green B. Samuels, Frank Plumley, Vermont; Richard Wright, Clement Dorsey, Albert Constable, Maryland; Robert Reid, John H. Lumpkin, Marshall J. Wellborn, John D. Stewart, Walter T. Colquitt, and Malcolm C. Tarver, Georgia; Romulus Saunders, John Kerr, Jr., Risden T. Bennett, North Carolina; Josiah Johnston, Louisiana; Joseph Hemphill, Samuel W. Morris, William Wilkens, Joseph Buffington, James Thompson, Henry Chapman, Ulysses Mercur, Pennsylvania; Joshua L. Martin, John Bragg, and Samuel Hobbs, Alabama; Samson Mason, David A. Starkweather, George Bliss, William Lawrence, Ezra J. Taylor, George E. Seney, Albert C. Thompson, Fernando C. Layton, Herman P. Goebel, Warren Gard, Ohio; Milton Brown and William C. Houston, Tennessee; George Catlin, Stephen W. Kellogg, Connecticut; William Kellogg, Samuel S. Marshall, Jasper D. Ward, L. E. Payson, Edward Lane, Richard Yates, and James M. Barnes, Illinois; Austin A. King, Charles G. Burton, David A. DeArmond, Henry S. Caulfield, William W. Rucker, Missouri; Jeremiah M. Wilson, Jeptha D. New, and Raymond S. Springer, Indiana; William Loughbridge, Joseph R. Reed, Lot Thomas, William D. Boies, and Hubert Utterbach, Iowa; Omar D. Conger, Michigan; H. L. Humphrey, John J. Jenkins, David G. Clason, Wisconsin; Edward K. Valentine, and George W. Norris, Nebraska; John H. Rogers, John S. Little, and John N. Tillman, Arkansas; James Buchanan, New Jersey; Romeo H. Freer, Hunter H. Moss, James L. Strother, and Warren Miller, West Virginia; Frank M. Nye, Minnesota; Joseph Walsh, Massachusetts; Richard E. Bird and Charles I. Sparks, Kansas; and Thomas D. McKeown and P. L. Gassaway, Oklahoma.

Five have been presidents of State constitutional conventions, namely: Joseph Hopkinson and John Sergeant, Pennsylvania; P. P. Barbour, Virginia; Franklin Pierce, New Hampshire; and Robert Reid, Florida.

Fifty have been delegates to State constitutional conventions.

One hundred and twenty-eight have been either district, prosecuting, or commonwealth attorneys.

Two hundred and twenty-two have been members of State legislatures or house of representatives, and of this number 45 have served as speakers of their legislative assemblies.

One hundred and four have been State senators; and 10 of these have been presidents of their respective senates.

Three have been presidents of the American Bar Association, viz: Clarkson N. Potter, New York, Henry St. George Tucker, Virginia, and James O. Brodhead, Missouri.

Five have been presidents of State bar associations, viz: John A. McMahon, Ohio State, William H. Fleming, Georgia State, John W. Davis and Wells Goodykoontz, West Virginia State, and Henry J. Steele, Pennsylvania State.

Four have been college and university presidents, viz: John N. Tillman, University of Arkansas; William L. Wilson, West Virginia University and Washington and Lee University; Edwin Willets, Michigan Agricultural College; and Abraham X. Parker, Thomas S. Clarkson Memorial School of Technology.

The following have been professors in colleges, universities, and law schools: Richard H. Wilde, professor of law in the University of Louisiana; George Robertson, professor of law in the Transylvania University; George Tucker, professor of moral philosophy, University of Virginia; William L. Storrs, professor of law, Wesleyan and Yale Universities; J. Proctor Knott, dean of law school, Centre College; George S. Graham, professor of criminal law and procedure, University of Pennsylvania; J. Randolph Tucker, professor of equity, University of Virginia, and author of Tucker on the Constitution; William C. Maybury, lecturer of medical jurisprudence in Michigan College of Medicine.

Five have been presidents of railroads, viz: Horace F. Clark, New York, Union Pacific and Michigan Southern railroads; George H. Pendleton, Ohio, Kentucky Central Railroad; Hugh J. Jewett, Ohio, Erie Railroad; H. C. McCormick, Pennsylvania, Williamsport & North Branch Railroad; and William Brown, Tennessee, Mobile & Ohio Railroad; James F. Wilson, Iowa, was Government director of the Union Pacific Railroad.

Francis Thomas, Maryland, was president of the Chesapeake and Ohio Canal; William F. Gordon, Virginia, served as State canal commissioner; Frederick E. Woodridge, Vermont, as State auditor; Samuel W. Moulton, Illinois, president, State board of education; Alfred C. Chapin, New York, as State comptroller and State railroad commissioner.

William Drayton, of South Carolina, was president of the Bank of the United States.

Joseph Hopkinson wrote the patriotic anthem, Hail Columbia.

Jonathan Cilley, while serving as a member of the committee, was killed in a duel.

During the existence of the Confederacy, James A. Seddon, Virginia, served as Secretary of War of the Confederate States; Julian Hartridge, Georgia, was a member of the first and second Confederate Congresses; Weldon Edwards, North Carolina, president of the State Secession Convention; Thomas Ashe, North Carolina, was also a member of the Confederate Congress; Francis Burton Craige, North Carolina, was a delegate to the State Secession Convention and a delegate to the Provisional Congress of the Confederate States which met in Richmond, Va., in July 1861.

Humphrey Marshall, Kentucky, served as a brigadier general in the Confederate Army.

William C. Rives was a delegate from Virginia to the Confederate Provisional Congress in Montgomery, Ala., and Richmond, Va. George William Summers was a delegate to Secession Convention in Richmond in 1861. Abraham Venable was a delegate from the State of North Carolina to the Provisional Confederate Congress in 1861 and a member of the House of Representatives of the Confederacy, 1862–64. Eppa Hunton was a member of the Virginia Convention in 1861 and rose to the rank of brigadier general in the Confederate Army.

The following have declined appointments, viz: John Sergeant, Pennsylvania, declined appointment as Minister to England; George Robertson, Kentucky, declined appointment as Territorial Governor of Arkansas, and the diplomatic posts of United States Minister to Colombia and Peru; William Drayton, South Carolina, declined appointment of Secretary of War in the Cabinet of President Jackson, also Minister to Spain; James Dixon, Connecticut, was appointed Minister to Russia and declined; James F. Wilson, Iowa, was tendered the position of Secretary of State in the Cabinet of President Grant which he declined; James Fisk was appointed United States judge for the Territory of Indiana and declined; Franklin Pierce declined the appointment as Attorney General; Balie Payton declined the appointment as Secretary of War; James Dixon was appointed

Minister to Russia and declined; John K. Miller declined the chief justiceship of Washington Territory.

Eleazor W. Ripley, Representative from Louisiana, was a member of the Massachusetts House of Representatives in 1807 and 1811, served as Speaker the last term; member of Massachusetts Senate; served in the War of 1812; brevetted major general on July 25, 1814, for gallant conduct in the Battle of Niagara Falls, Canada; presented by a resolution of Congress dated November 3, 1814, a gold medal, with suitable emblems and devices in testimony of the high sense entertained by Congress of his gallantry and good conduct in the several conflicts of Chippewa, Niagara, and Erie; settled in Jackson, La.; member of the State Senate; elected, as a Democrat, to the Twenty-fourth and Twenty-fifth Congresses, and served until his death. The life, character, activities, and accomplishments of this member are but typical of those of many other members of the Committee on the Judiciary.

There is only one instance in which two brothers served as chairman of the Committee on the Judiciary, and that is in the case of Charles J. Ingersoll, chairman of the first committee in the Thirteenth Congress, and Joseph R. Ingersoll, chairman of the committee in the Thirtieth Congress. These two members were sons of Jared Ingersoll, who had attended the Federal Constitutional Convention, and signed the Constitution.

MEMBERS OF THE COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, FROM THE SECOND SESSION OF THE THIRTEENTH CONGRESS THROUGH THE SEVENTY-SIXTH CONGRESS

THIRTEENTH CONGRESS, MARCH 4, 1813, TO MARCH 3, 1815

Second session, December 6, 1813–April 18, 1814: Charles J. Ingersoll, chairman, Pennsylvania; Hugh Nelson, Virginia; Timothy Pitkin, Connecticut; Richard Stockton, New Jersey; Israel Pickens, North Carolina; Thomas Montgomery, Kentucky; Thomas J. Oakley, New York.

Third session, September 19, 1814–March 3, 1815: Charles J. Ingersoll, chairman, Pennsylvania; James Pleasants, Virginia; Thomas Telefair, Georgia; Lewis B. Sturges, Connecticut; Thomas Cooper, Delaware; James Fisk, Vermont; David Evans, South Carolina.

FOURTEENTH CONGRESS, MARCH 4, 1815, TO MARCH 3, 1817

First session: Hugh Nelson, chairman, Virginia; Stephen Ormsby, Kentucky; Thomas Cooper, Delaware; Robert Wright, Maryland; Richard H. Wilde, Georgia; Thomas R. Gold, New York; John Sergeant, Pennsylvania.

Second session: Hugh Nelson, chairman, Virginia; Richard H. Wilde, Georgia; Joseph Hopkinson, Pennsylvania; Robert Wright, Maryland; Stephen Ormsby, Kentucky; Daniel Webster, New Hampshire; William C. Love, North Carolina.

FIFTEENTH CONGRESS, MARCH 4, 1817, TO MARCH 3, 1819

First session: Hugh Nelson, chairman, Virginia; Joseph Hopkinson, Pennsylvania; John Spencer, New York; Weldon Edwards, North Carolina; Philemon Beecher, Ohio; Arthur Livermore, New Hampshire; Salma Hale, New Hampshire.

Second session: Hugh Nelson, chairman, Virginia; Joseph Hopkinson, Pennsylvania; Weldon Edwards, North Carolina; Philemon Beecher, Ohio; Henry R. Storrs, New York; Tunstall Quarles, Kentucky; Jonathan O. Moseley, Connecticut.

SIXTEENTH CONGRESS, MARCH 4, 1819, TO MARCH 3, 1821

First session: John Sergeant, chairman, Pennsylvania; Philemon Beecher, Ohio; George Robertson, Kentucky; Robert R. Reid, Georgia; Joseph Brevard, South Carolina; Enoch Lincoln, Massachusetts; George Tucker, Virginia.

Second session: John Sergeant, chairman, Pennsylvania; Philemon Beecher, Ohio; George Robertson, Kentucky; Joseph Brevard, South Carolina; Enoch Lincoln, Massachusetts; George Tucker, Virginia; William Plumer, Jr., New Hampshire.

SEVENTEENTH CONGRESS, MARCH 4, 1821, TO MARCH 3, 1823

First session: John Sergeant, chairman, Pennsylvania; William Plumer, Jr., New Hampshire; John D. Dickinson, New York; Hugh Nelson,[1] Virginia; Hutchins G. Burton, North Carolina; Romulus M. Saunders, North Carolina; Josiah S. Johnston, Louisiana.

Second session: Hugh Nelson, chairman, Virginia; William Plumer, Jr., New Hampshire; John D. Dickinson, New York; Hutchins G. Burton, North Carolina; Romulus M. Saunders, North Carolina; Josiah S. Johnston, Louisiana; Joseph Hemphill, Pennsylvania.

EIGHTEENTH CONGRESS, MARCH 4, 1823, TO MARCH 3, 1825

First session: Daniel Webster, chairman, Massachusetts; Philip P. Barbour, Virginia; William Plumer, Jr., New Hampshire; Hutchins G. Burton, North Carolina; James Buchanan, Pennsylvania; Romulus M. Saunders, North Carolina; William L. Brent, Louisiana.

Second session: Daniel Webster, chairman, Massachusetts; Philip P. Barbour, Virginia; William Plumer, Jr., New Hampshire; James Buchanan, Pennsylvania; William Brent, Louisiana; Richard A. Buckner, Kentucky; Thomas R. Ross, Ohio.

[1] Resigned January 14, 1823.

NINETEENTH CONGRESS, MARCH 4, 1825, TO MARCH 3, 1827

First session: Daniel Webster, chairman, Massachusetts; Edward Livingston, Louisiana; James Buchanan, Pennsylvania; John C. Wright, Ohio; James Clarke,[2] Kentucky; William Drayton,[2] South Carolina; Clement Dorsey, Maryland.

Second session: Daniel Webster, chairman, Massachusetts; John C. Wright, Ohio; William C. Rives, Virginia; Robert P. Letcher, Kentucky; Charles Humphrey, New York; George W. Owen, Alabama; John L. Kerr, Maryland.

TWENTIETH CONGRESS, MARCH 4, 1827, TO MARCH 3, 1829

First session: Philip P. Barbour, chairman, Virginia; Edward Livingston, Louisiana; James Buchanan, Pennsylvania; William C. Rives, Virginia; Charles A. Wickliffe, Kentucky; John L. Kerr, Maryland; Henry R. Storrs, New York.

Second session: Philip P. Barbour, chairman, Virginia; James Buchanan, Pennsylvania; William C. Rives, Virginia; Charles A. Wickliffe, Kentucky; John L. Kerr, Maryland; Henry R. Storrs, New York; John Bell, Tennessee.

TWENTY-FIRST CONGRESS, MARCH 4, 1829, TO MARCH 3, 1831

First session: James Buchanan, chairman, Pennsylvania; Charles A. Wickliffe, Kentucky; Henry R. Storrs, New York; Warren R. Davis, South Carolina; Thomas T. Bouldin, Virginia; William Ellsworth, Connecticut; Edward D. White, Louisiana.

Second session: James Buchanan, chairman, Pennsylvania; Warren R. Davis, South Carolina; William W. Ellsworth, Connecticut; Henry Daniel, Kentucky; Edward D. White, Louisiana; Thomas F. Foster, Georgia; William F. Gordon,[3] Virginia.

TWENTY-SECOND CONGRESS, MARCH 4, 1831, TO MARCH 3, 1833

First session: Warren R. Davis, chairman, South Carolina; William W. Ellsworth, Connecticut; Henry Daniel, Kentucky; Edward D. White, Louisiana; Thomas F. Foster, Georgia; William F. Gordon, Virginia; Samuel Beardsley, New York.

Second session: John Bell, chairman, Tennessee; William W. Ellsworth, Connecticut; Henry Daniel, Kentucky; Thomas F. Foster, Georgia; William F. Gordon, Virginia; Samuel Beardsley, New York; Richard Coulter, Pennsylvania.

TWENTY-THIRD CONGRESS, MARCH 4, 1833, TO MARCH 3, 1835

First session: John Bell, chairman, Tennessee; William W. Ellsworth,[4] Connecticut; Thomas F. Foster, Georgia; William F. Gordon, Virginia; Samuel Beardsley, New York; Francis Thomas, Maryland; Benjamin Hardin, Kentucky; Gorham Parks, Maine; Franklin Pierce, New Hampshire.

Second session: Thomas F. Foster, chairman, Georgia; William F. Gordon, Virginia; Samuel Beardsley, New York; Francis Thomas, Maryland; Benjamin Hardin, Kentucky; Gorham Parks, Maine; Franklin Pierce, New Hampshire; John M. Robertson,[5] Virginia; Thomas L. Hamer, Ohio.

TWENTY-FOURTH CONGRESS, MARCH 4, 1835, TO MARCH 3, 1837

First session: Samuel Beardsley, chairman,[6] New York; Francis Thomas, Maryland; Benjamin Hardin, Kentucky; Franklin Pierce, New Hampshire; John Robertson, Virginia; Balie Peyton, Tennessee; Isaac Toucey, Connecticut; John W. Jones, Virginia; Joshua L. Martin, Alabama.

Second session: Francis Thomas, chairman, Maryland; Benjamin Hardin, Kentucky; Franklin Pierce, New Hampshire; John Robertson, Virginia; Balie Peyton, Tennessee; Isaac Toucey, Connecticut; Joshua L. Martin, Alabama; Aaron Vanderpoel, New York; Eleazer W. Ripley, Louisiana.

TWENTY-FIFTH CONGRESS, MARCH 4, 1837, TO MARCH 3, 1839

First session: Francis Thomas, chairman, Maryland; John Robertson, Virginia; Isaac Toucey, Connecticut; Joshua L. Martin, Alabama; Thomas Corwin, Ohio; Jesse A. Bynum, North Carolina; James Garland, Virginia; Ogden Hoffman, New York; William W. Potter, Pennsylvania.

Second session: Francis Thomas, chairman, Maryland; John Robertson, Virginia; Isaac Toucey, Connecticut; Thomas Corwin, Ohio; James Garland, Virginia; Andrew D. W. Bruyn, New York; Samuel W. Morris, Pennsylvania; Hopkins L. Turney, Tennessee; Jonathan Cilley,[7] Maine.

Third session: Francis Thomas, chairman, Maryland; John Robertson, Virginia; Isaac Toucey, Connecticut; Thomas Corwin, Ohio; James Garland, Virginia; Samuel W. Morris, Pennsylvania; Hopkins L. Turney, Tennessee; Joshua L. Martin, Alabama; Henry A. Foster, New York.

TWENTY-SIXTH CONGRESS, MARCH 4, 1839, TO MARCH 3, 1841

First session: John Sergeant, chairman, Pennsylvania; Isaac E. Crary, Michigan; J. Ogden Hoffman, New York; Hopkins L. Turney, Tennessee; Samson Mason, Ohio; Green B. Samuel, Virginia; Walter T. Colquitt,[8] Georgia; William L. Storrs,[9] Connecticut; Daniel D. Barnard, New York.

[2] Took his seat December 5, 1825.
[3] Took his seat January 25, 1830.
[4] Resigned July 8, 1834.
[5] Took his seat December 8, 1834.
[6] Resigned March 29, 1836.
[7] Jonathan Cilley was killed in a duel with William J. Graves, of Kentucky, February 24, 1838.
[8] Resigned July 21, 1840.
[9] Resigned June 1840.

Second session: John Sergeant, chairman, Pennsylvania; J. Ogden Hoffman, New York; Hopkins L. Turney, Tennessee; Green B. Samuel, Virginia; Daniel D. Barnard, New York; Edward Stanly, North Carolina; Sampson H. Butler, South Carolina; Joseph Trumbull, Connecticut; David A. Starkweather, Ohio.

TWENTY-SEVENTH CONGRESS, MARCH 4, 1841, TO MARCH 3, 1843

First session: Daniel D. Barnard, chairman, New York; Joseph Trumbull, Connecticut; John Maxwell, New Jersey; Thomas F. Foster, Georgia; Milton Brown, Tennessee; James A. Pearce, Maryland; Charles J. Ingersoll, Pennsylvania; James I. Roosevelt, New York; Romulus M. Saunders, North Carolina.

Second session: Daniel D. Barnard, chairman, New York; Joseph Trumbull, Connecticut; John Maxwell, New Jersey; Thomas F. Foster, Georgia; Milton Brown, Tennessee; James A. Pearce, Maryland; Charles J. Ingersoll, Pennsylvania; James I. Roosevelt, New York; Romulus M. Saunders, North Carolina.

Third session: Daniel D. Barnard, chairman, New York; Joseph Trumbull, Connecticut; James A. Pearce, Maryland; John Maxwell, New Jersey; Milton Brown, Tennessee; Garrett Davis, Kentucky; Charles J. Ingersoll, Pennsylvania; James I. Roosevelt, New York; Romulus M. Saunders, North Carolina.

TWENTY-EIGHTH CONGRESS, MARCH 14, 1843, TO MARCH 3, 1845

First session: William Wilkins, chairman,[10] Pennsylvania; Romulus M. Saunders, North Carolina; Richard French, Kentucky; Paul Dillingham, Jr., Vermont; Armistead Burt, South Carolina; Samuel F. Vinton, Ohio; John Pettit, Indiana; John Dickey, Pennsylvania; George S. Catlin, Connecticut.

Second session: Romulus M. Saunders, chairman, North Carolina; Richard French, Kentucky; Paul Dillingham, Vermont; Armistead Burt, South Carolina; Samuel F. Vinton, Ohio; John Pettit, Indiana; George W. Summers, Virginia; Stephen A. Douglass, Illinois; Richard Brodhead, Pennsylvania.

TWENTY-NINTH CONGRESS, MARCH 4, 1845, TO MARCH 3, 1847

First session: George Rathbun, chairman, New York; John Pettit, Indiana; John H. Lumpkin, Georgia; Milton Brown, Tennessee; Joseph Buffington, Pennsylvania; Albert Constable, Maryland; Allen G. Thurman, Ohio; James Dixon, Connecticut; Asa Biggs, North Carolina.

Second session: George Rathbun, chairman, New York; John Pettit, Indiana; John H. Lumpkin, Georgia; Milton Brown, Tennessee; Joseph Buffington, Pennsylvania; James A. Seddon, Virginia; Allen G. Thurman, Ohio; James Dixon, Connecticut; Asa Biggs, North Carolina.

THIRTIETH CONGRESS, MARCH 4, 1847, TO MARCH 3, 1849

First session: Joseph R. Ingersoll,[11] chairman, Pennsylvania; George Ashmun, Massachusetts; John Pettit, Indiana; Nathan K. Hall, New York; John H. Lumpkin, Georgia; James Dixon, Connecticut; Richard French, Kentucky; John L. Taylor, Ohio; Richard K. Meade,[12] Virginia.

Second session: Joseph R. Ingersoll, chairman, Pennsylvania; George Ashmun, Massachusetts; John Pettit, Indiana; Nathan K. Hall, New York; John H. Lumpkin, Georgia; James Dixon, Connecticut; Richard French, Kentucky; John L. Taylor, Ohio; Richard K. Meade, Virginia.

THIRTY-FIRST CONGRESS, MARCH 4, 1849, TO MARCH 3, 1851

December 27, 1849: James Thompson, chairman, Pennsylvania; John K. Miller, Ohio; George Ashmun, Massachusetts; Richard K. Meade, Virginia; Charles S. Morehead, Kentucky; Preston King, New York; Abraham W. Venable, North Carolina; Thaddeus Stevens, Pennsylvania; Marshall J. Wellborn, Georgia; Daniel Breck,[13] Kentucky.

THIRTY-SECOND CONGRESS, MARCH 4, 1851, TO MARCH 3, 1853

December 9, 1851: James X. McLanahan, chairman, Pennsylvania; Richard K. Meade, Virginia; Humphrey Marshall,[14] Kentucky; Abraham W. Venable, North Carolina; Isham G. Harris, Tennessee; James Meachem, Vermont; John Bragg, Alabama; Samuel W. Parker, Indiana; Preston King, New York; David Outlaw,[15] North Carolina.

THIRTY-THIRD CONGRESS, MARCH 4, 1853, TO MARCH 3, 1855

December 12, 1853: Frederick P. Stanton, chairman, Tennessee; John S. Caskie, Virginia; James Meachem, Vermont; Origen S. Seymour, Connecticut; Samuel W. Parker, Indiana; Hendrick B. Wright, Pennsylvania; John Kerr, Jr., North Carolina; Francis B. Cutting, New York; Henry May, Maryland.

THIRTY-FOURTH CONGRESS, MARCH 4, 1855, TO MARCH 3, 1857

February 13, 1856: George A. Simmons, chairman, New York; Humphrey Marshall, Kentucky; Lucien Barbour, Indiana; John S. Caskie, Virginia; Samuel Galloway, Ohio; Sampson W. Harris, Alabama; William A. Lake, Mississippi; Abram Wakeman, New York; Mason W. Tappan, New Hampshire.

[10] Resigned February 14, 1844.
[11] Brother of Charles J.
[12] Took his seat December 6, 1847.
[13] December 5, 1850, Daniel Breck was appointed to fill the vacancy caused by resignation of Charles S. Morehead.
[14] Resigned August 4, 1852.
[15] December 7, 1852, David Outlaw was appointed to fill the vacancy caused by the resignation of Humphrey Marshall.

THIRTY-FIFTH CONGRESS, MARCH 4, 1857, TO MARCH 3, 1859

December 14, 1857: George S. Houston, chairman, Alabama; John S. Caskie, Virginia; Mason W. Tappan, New Hampshire; Burton Craige, North Carolina; Charles Billinghurst, Wisconsin; Miles Taylor, Louisiana; Charles Ready, Tennessee; Henry Chapman, Pennsylvania; Horace F. Clark, New York.

THIRTY-SIXTH CONGRESS, MARCH 4, 1859, TO MARCH 3, 1861

February 2, 1860: John Hickman, chairman, Pennsylvania; John A. Bingham, Ohio; George S. Houston,[16] Alabama; Miles Taylor,[17] Louisiana; Thomas A. R. Nelson, Tennessee; William Kellogg, Illinois; John H. Reynolds, New York; Christopher Robinson, Rhode Island; Albert G. Porter, Maryland.

THIRTY-SEVENTH CONGRESS, MARCH 4, 1861, TO MARCH 3, 1863

July 8, 1861: John Hickman, chairman, Pennsylvania; John A. Bingham, Ohio; George H. Pendleton, Ohio; William Kellogg, Illinois; Albert G. Porter, Indiana; John S. Carlile,[18] Virginia; Benjamin F. Thomas,[19] Massachusetts; Henry May, Maryland; Alexander S. Diven, New York; James F. Wilson,[20] Iowa.

James F. Wilson was appointed December 5, 1861, to fill the vacancy caused by the resignation of John S. Carlile, who resigned July 9, 1861, having been elected Senator.

THIRTY-SEVENTH CONGRESS, MARCH 4, 1863, TO MARCH 3, 1865

December 14, 1863: James F. Wilson, chairman, Iowa; George S. Boutwell, Massachusetts; Francis Kernan, New York; Francis Thomas, Maryland; Thomas Williams, Pennsylvania; Austin A. King, Missouri; Frederick E. Woodbridge, Vermont; Daniel Morris, New York; George Bliss, Ohio.

THIRTY-NINTH CONGRESS, MARCH 4, 1865, TO MARCH 3, 1867

December 11, 1865: James F. Wilson, chairman, Iowa; George S. Boutwell, Massachusetts; Francis Thomas, Maryland; Thomas Williams, Pennsylvania; Frederick E. Woodbridge, Vermont; Daniel Morris, New York; Andrew J. Rogers, New Jersey; William Lawrence, Ohio; Burton C. Cook, Illinois.

FORTIETH CONGRESS, MARCH 4, 1867, TO MARCH 3, 1869

November 25, 1867: James F. Wilson, chairman, Iowa; George S. Boutwell, Massachusetts; Francis Thomas, Indiana; Thomas Williams, Pennsylvania; Frederick E. Woodbridge, Vermont; William Laurence, Ohio; John C. Churchill, New York; Samuel S. Marshall, Illinois; Charles A. Eldridge, Wisconsin.

FORTY-FIRST CONGRESS, MARCH 4, 1869, TO MARCH 3, 1871

March 15, 1869: John A. Bingham, chairman, Ohio; Noah Davis,[21] New York; Benjamin F. Butler, Massachusetts; Burton C. Cook, Illinois; John A. Peters, Maine; Ulysses Mercur, Pennsylvania; William Loughridge, Iowa; Charles A. Eldridge, Wisconsin; Michael C. Kerr, Indiana; Stephen W. Kellogg,[22] Connecticut; Giles W. Hotchkiss,[21] New York.

FORTY-SECOND CONGRESS, MARCH 4, 1871, TO MARCH 3, 1873

December 4, 1871: John A. Bingham, chairman, Ohio; Benjamin F. Butler, Massachusetts; John A. Peters, Maine; Ulysses Mercur,[23] Pennsylvania; Jeremiah M. Wilson, Indiana; Milo Goodrich, New York; Charles A. Eldridge, Wisconsin; Daniel W. Voorhees, Indiana; Clarkson N. Potter, New York; Lazarus D. Shoemaker, Pennsylvania.

FORTY-THIRD CONGRESS, MARCH 4, 1873, TO MARCH 3, 1875

December 5, 1873: Benjamin F. Butler, chairman, Massachusetts; Jeremiah M. Wilson, Indiana; Luke P. Poland, Vermont; Lyman Tremain, New York; William P. Frye, Maine; John Cessna, Pennsylvania; Alexander White, Alabama; Jasper D. Ward, Illinois; Charles A. Eldridge, Wisconsin; Clarkson N. Potter, New York; Hugh J. Jewett,[24] Ohio; William E. Finck,[25] Ohio.

FORTY-FOURTH CONGRESS, MARCH 4, 1875, TO MARCH 3, 1877

December 20, 1875: James Proctor Knott, chairman, Kentucky; Eppa Hunton, Virginia; Thomas S. Ashe, North Carolina; William Pitt Lynde, Wisconsin; Scott Lord, New York; Frank H. Hurd, Ohio; Bernard G. Caulfield, Illinois; George W. McCrary, Iowa; William Lawrence, Ohio; William P. Frye, Maine; Henry H. Starkweather,[26] Connecticut; George F. Hoar, Massachusetts.

FORTY-FIFTH CONGRESS, MARCH 4, 1877, TO MARCH 3, 1879

October 29, 1877: J. Proctor Knott, chairman, Kentucky; William P. Lynde, Wisconsin; John T. Harris, Virginia; Julian Hartridge,[27] Georgia; William S. Stenger, Pennsylvania; John A. McMahon, Ohio; David B. Culberson, Texas; William P. Frye, Maine; Benjamin F. Butler, Massachusetts; Omar D. Conger, Michigan; Elbridge G. Lapham, New York.

[16] Withdrew, January 21, 1861.
[17] Withdrew, February 5, 1861.
[18] Resigned, July 9, 1861.
[19] Took his seat July 4, 1861.
[20] Took his seat, December 5, 1861.
[21] Noah Davis resigned July 15, 1870, and Giles W. Hotchkiss was appointed to fill the vacancy July 15, 1870.
[22] Stephen W. Kellogg was added after first session on December 16, 1869.
[23] Ulysses Mercur, resigned December 2, 1872, and Lazarus D. Shoemaker was appointed to fill the vacancy.
[24] Hugh J. Jewett resigned June 23, 1874, and William E. Finck was elected to fill the vacancy.
[25] Took his seat December 7, 1874.
[26] Died January 28, 1876.
[27] Died January 8, 1879.

FORTY-SIXTH CONGRESS, MARCH 4, 1879, TO MARCH 3, 1881

April 11, 1879: J. Proctor Knott, chairman, Kentucky; John T. Harris, Virginia; David B. Culberson, Texas; Frank H. Hurd, Ohio; John F. House, Tennessee; John W. Ryon, Pennsylvania; Hilary A. Herbert, Alabama; Jepha D. New, Indiana; Nathaniel J. Hammond, Georgia; Elbridge G. Lapham, New York; George D. Robinson, Massachusetts; Thomas B. Reed, Maine; William McKinley, Jr., Ohio; Charles G. Williams, Wisconsin; Edwin Willits, Michigan; Ezra B. Taylor,[28] Ohio.

FORTY-SEVENTH CONGRESS, MARCH 4, 1881, TO MARCH 3, 1883

December 27, 1881: Thomas B. Reed, chairman, Main; Edwin Willits, Michigan; George D. Robinson, Massachusetts; James F. Briggs, New Hampshire; Herman L. Humphrey, Wisconsin; Ezra B. Taylor, Ohio; Moses A. McCoid, Iowa; Lewis E. Payson, Illinois; Amasa Norcross, Massachusetts; J. Proctor Knott, Kentucky; Nathaniel J. Hammond, Georgia; David B. Culberson, Texas; George L. Converse, Ohio; Van H. Manning, Mississippi; Richard W. Townshend, Illinois.

FORTY-EIGHTH CONGRESS, MARCH 4, 1883, TO MARCH 3, 1885

December 24, 1883: John Randolph Tucker, chairman, Virginia; Nathaniel J. Hammond, Georgia; David B. Culberson, Texas; Samuel W. Moulton, Illinois; James O. Brodhead, Missouri; William Dorsheimer, New York; Patrick A. Collins, Massachusetts; George E. Seney, Ohio; William C. Maybury, Michigan; Thomas B. Reed, Maine; Ezra B. Taylor, Ohio; Moses A. McCoid, Iowa; Thomas M. Browne, Indiana; Luke P. Poland, Vermont; Horatio Bisbee, Jr., Florida; Abraham X. Parker, New York; Edward K. Valentine, Nebraska.

FORTY-NINTH CONGRESS, MARCH 4, 1885, TO MARCH 3, 1887

January 1, 1886: John Randolph Tucker, chairman, Virginia; Nathaniel J. Hammond, Georgia; David B. Culberson, Texas; Patrick A. Collins, Massachusetts; George E. Seney, Ohio; William C. Oates, Alabama; John R. Eden, Illinois; John H. Rogers, Arkansas; Risden T. Bennett, North Carolina; Ezra P. Taylor, Ohio; Abraham X. Parker, New York; Ambrose A. Ranney, Massachusetts; William P. Hepburn, Iowa; John W. Stewart, Vermont; Lucien B. Caswell, Wisconsin.

FIFTIETH CONGRESS, MARCH 4, 1887, TO MARCH 3, 1889

January 5, 1888: David B. Culbertson, chairman, Texas; Patrick A. Collins, Massachusetts; George E. Seney, Ohio; William C. Oates, Alabama; John H. Rogers, Arkansas; John M. Glover, Missouri; John S. Henderson, North Carolina; Charles R. Buckalew, Pennsylvania; John D. Stewart, Georgia; Ezra B. Taylor, Ohio; Abraham X. Parker, New York; John W. Stewart, Vermont; Lucien B. Caswell, Wisconsin; George E. Adams, Illinois; William E. Fuller, Iowa.

FIFTY-FIRST CONGRESS, MARCH 4, 1889, TO MARCH 3, 1891

December 21, 1890: Ezra B. Taylor, chairman, Ohio; John S. Stewart, Vermont; Lucien B. Caswell, Wisconsin; George E. Adams, Illinois; James Buchanan, New Jersey; Albert C. Thompson, Ohio; H. C. McCormick, Pennsylvania; James S. Sherman, New York; Joseph R. Reed, Iowa; David B. Culbertson, Texas; William C. Oates, Alabama; John H. Rogers, Arkansas; William L. Wilson, West Virginia; John S. Henderson, North Carolina; John D. Stewart, Georgia.

FIFTY-SECOND CONGRESS, MARCH 4, 1891, TO MARCH 3, 1893

December 23, 1891: David B. Culberson, chairman, Texas; William C. Oates, Alabama; William D. Bynum, Indiana; Thomas R. Stockdale, Mississippi; Isaac H. Goodnight, Kentucky; Charles J. Boatner, Louisiana; John A. Buchanan, Virginia; Alfred C. Chapin,[29] New York; Fernando C. Layton, Ohio; Simon P. Wolverton, Pennsylvania; Ezra B. Taylor, Ohio; James Buchanan, New Jersey; George W. Ray, New York; H. Henry Powers, Vermont; Case Broderick, Kansas; John R. Fellows,[30] New York.

FIFTY-THIRD CONGRESS, MARCH 4, 1893, TO MARCH 3, 1895

August 21, 1893: David B. Culberson, chairman, Texas; William C. Oates,[31] Alabama; Thomas R. Stockdale, Mississippi; Isaac H. Goodnight, Kentucky; Charles J. Boatner, Louisiana; Fernando C. Layton, Ohio; Simon P. Wolverton, Pennsylvania; John R. Fellows,[32] New York; Edward Lane, Illinois; Joseph W. Bailey, Texas; William L. Terry, Arkansas; George W. Ray, New York; Henry Powers, Vermont; Case Broderick, Kansas; William A. Stone, Pennsylvania; Thomas Updegraff, Iowa; Robert A. Childs, Illinois; David A. DeArmond,[33] Missouri; George P. Harrison,[34] Alabama.

FIFTY-FOURTH CONGRESS, MARCH 4, 1895, TO MARCH 3, 1897

December 21, 1895: David B. Henderson, chairman, Iowa; George W. Ray, New York; Case Broderick, Kansas; Thomas Updegraff, Iowa; Frederick H. Gillett, Massachusetts; Luther M. Strong, Ohio; Henry M. Baker, New Hampshire; James A. Connolly, Illinois; Charles G. Burton, Missouri; Foster V. Brown, Tennessee; John W. Lewis, Kentucky; David B. Culberson, Texas; Joseph E. Washington, Tennessee; Joseph W. Bailey, Texas; William L. Terry, Arkansas; David A. DeArmond, Missouri; Joshua W. Miles,[35] Maryland.

FIFTY-FIFTH CONGRESS, MARCH 4, 1897, TO MARCH 3, 1899

July 22, 1897: David B. Henderson, chairman, Iowa; George W. Ray, New York; Case Broderick, Kansas; Thomas Updegraff, Iowa; James A. Connolly, Illinois; Samuel W. McCall, Massachusetts; John J. Jenkins, Wisconsin; Richard Wayne Parker, New Jersey; Jesse R. Overstreet, Indiana; Warren Miller, West Virginia; DeAlva Alexander, New York; William L. Terry, Arkansas; David A. DeArmond, Missouri; Samuel W. T. Lanham, Texas; William Elliott, South Carolina; Oscar W. Underwood, Alabama; David H. Smith, Kentucky.

FIFTY-SIXTH CONGRESS, MARCH 4, 1899, TO MARCH 3, 1901

December 18, 1899: George W. Ray, chairman, New York; John J. Jenkins, Wisconsin; Richard Wayne Parker, New Jersey; Jesse Overstreet, Indiana; DeAlva S. Alexander, New York; Vespasian Warner, Illinois; Winfield S. Kerr, Ohio; Charles E. Littlefield,[36] Maine; Romeo H. Freer, West Virginia; Julius Kahn, California; William L. Terry, Arkansas; David A. DeArmond, Missouri; Samuel W. T. Lanham, Texas; William Elliott, South Carolina; David H. Smith, Kentucky; William H. Fleming, Georgia; Henry D. Clayton, Alabama.

FIFTY-SEVENTH CONGRESS, MARCH 4, 1901, TO MARCH 3, 1903

December 10, 1901: George W. Ray, chairman,[36a] New York; John J. Jenkins, Wisconsin; Richard Wayne Parker, New Jersey; Jesse Overstreet, Indiana; DeAlva S. Alexander, New York; Vespasian Warner, Illinois; Charles E. Littlefield, Maine; Julius Kahn, California; Lot Thomas, Iowa; Henry W. Palmer,[37] Pennsylvania; Robert M. Nevin, Ohio; David A. DeArmond, Missouri; Samuel W. T. Lanham,[38] Texas; William Elliott, South Carolina; David H. Smith, Kentucky; William H. Fleming, Georgia; Henry D. Clayton, Alabama; Robert L. Henry,[39] Texas; Samuel Leland Powers, Massachusetts.

On December 2, 1902 (2d sess., 57th Cong., Journal, p. 8; RECORD, p. 19), the Speaker announced the following committee appointments: * * *

"Mr. Henry W. Palmer, of Pennsylvania, as a member of the Committee on the Judiciary, to be numbered 11 on the list, and other majority members to be advanced one number each."

This is an instance where the Speaker in filling vacancies on a committee sometimes designates the rank of the appointee on the committee list (Hinds Precedents, vol. 4, p. 907).

FIFTY-NINTH CONGRESS, MARCH 4, 1903, TO MARCH 3, 1905

December 5, 1903: John J. Jenkins, chairman, Wisconsin; Richard Wayne Parker, New Jersey DeAlva S. Alexander, New York; Vespasian Warner, Illinois; Charles E. Littlefield, Maine; Lot Thomas, Iowa; Samuel Leland Powers, Massachusetts; Robert M. Nevin, Ohio; Henry W. Palmer, Pennsylvania; George A. Pearre, Maryland; James N. Gillett, California; David A. DeArmond, Missouri; David H. Smith, Kentucky; Henry D. Clayton, Alabama; Robert L. Henry, Texas; John S. Little, Arkansas; and William G. Brantley, Georgia.

FIFTY-NINTH CONGRESS, MARCH 4, 1905, TO MARCH 3, 1907

December 12, 1905: John J. Jenkins, chairman, Wisconsin; Richard Wayne Parker, New Jersey; DeAlva Alexander, New York; Charles E. Littlefield, Maine; Robert M. Nevin, Ohio; Henry W. Palmer, Pennsylvania; George A. Pearre, Maryland; James N. Gillett,[40] California; Charles Q. Tirrell, Massachusetts; John A. Sterling, Illinois; Benjamin P. Birdsall, Iowa; John H. Foster,[41] Indiana; David A. DeArmond, Missouri; David H. Smith, Kentucky; Henry D. Clayton, Alabama; Robert L. Henry, Texas; John S. Little,[42] Arkansas; William G. Brantley, Georgia; Henry T. Bannon,[43] Ohio; and Charles C. Reid,[44] Arkansas.

SIXTIETH CONGRESS, MARCH 4, 1907, TO MARCH 3, 1909

John J. Jenkins, chairman, Wisconsin; Richard Wayne Parker, New Jersey; DeAlva S. Alexander, New York; Charles E. Littlefield,[45] Maine; Charles Q. Tirrell, Massachusetts; John A. Sterling, Illinois; John H. Foster, Indiana; Henry T. Bannon, Ohio; Reuben O. Moon, Pennsylvania; Gerrit J. Diekema,[46] Michigan; George R. Malby, New York; Henry S. Caulfield, Missouri; David A. DeArmond, Missouri; Henry D. Clayton, Alabama; Robert L. Henry, Texas; William G. Brantley, Georgia; Charles C. Reid, Arkansas; Edwin Y. Webb, North Carolina; and Edwin W. Higgins,[47] Connecticut.

---

[28] Took his seat December 13, 1880.
[29] Took his seat December 7, 1891. Resigned December 16, 1892.
[30] Elected to fill vacancy caused by the resignation of Alfred C. Chapin.
[31] Resigned, effective November 5, 1894.
[32] Resigned, effective December 31, 1893.
[33] Elected January 17, 1894, to fill vacancy caused by resignation of John R. Fellows.
[34] Elected December 3, 1894, to fill vacancy caused by resignation of William C. Oates.
[35] April 24, 1896, added after first session.
[36] Took his seat December 4, 1899.
[36a] Resigned December 11, 1902.
[37] December 2, 1902, took his seat.
[38] Resigned January 15, 1903.
[39] January 1, 1903, elected to fill vacancy caused by resignation of Samuel W. T. Lanham.
[40] Resigned November 4, 1906.
[41] Took his seat December 4, 1905.
[42] Resigned to take effect January 14, 1907.
[43] December 6, 1906, second session, elected to fill vacancy caused by resignation of James N. Gillett.
[44] January 26, 1907, second session, elected to fill vacancy caused by resignation of John S. Little.
[45] Resigned, effective September 30, 1908.
[46] Took his seat December 2, 1907.
[47] December 8, 1908, second session, appointed to fill vacancy caused by resignation of Charles E. Littlefield.

SIXTY-FIRST CONGRESS, MARCH 4, 1909, TO MARCH 3, 1911

August 5, 1909: Richard Wayne Parker, chairman, New Jersey; Charles Q. Tirrell,[48] Massachusetts; John A. Sterling, Illinois; Reuben O. Moon, Pennsylvania; Gerrit J. Diekema, Michigan; George R. Malby, New York; Edwin W. Higgins, Connecticut; Herman P. Goebel, Ohio; Edwin Denby, Michigan; Paul Howland, Ohio; Frank M. Nye, Minnesota; William P. Sheffield, Rhode Island; David DeArmond,[49] Missouri; Henry D. Clayton, Alabama; Robert L. Henry, Texas; William G. Brantley, Georgia; Charles C. Reid, Arkansas; Edwin Y. Webb, North Carolina; Charles C. Carlin,[50] Virginia; and John J. Mitchell,[51] Massachusetts.

Sessions: First, March 15, 1909–August 5, 1909; second, December 6, 1909–June 25, 1910; third, December 5, 1910–March 3, 1911.

SIXTY-SECOND CONGRESS, MARCH 4, 1911, TO MARCH 3, 1913

Henry D. Clayton, chairman, Alabama; Edwin Y. Webb, North Carolina; William W. Rucker, Missouri; William C. Houston, Tennessee; John C. Floyd, Arkansas; Robert Y. Thomas, Jr., Kentucky; James M. Graham, Illinois; H. Garland Dupre, Louisiana; Martin W. Littleton, New York; Walter I. McCoy, New Jersey; John W. Davis, West Virginia; Daniel J. McGillicuddy, Maine; Jack Beall, Texas; John A. Sterling, Illinois; Reuben O. Moon, Pennsylvania; Edwin W. Higgins, Connecticut; L. Paul Howland, Ohio; Frank M. Nye, Minnesota; George W. Norris, Nebraska; Francis H. Dodds, Michigan; Robert L. Henry, Texas; Charles C. Carlin, Virginia.

SIXTY-THIRD CONGRESS, MARCH 4, 1913, TO MARCH 3, 1915

Henry D. Clayton, chairman,[52] Alabama; Edwin Y. Webb, North Carolina; John C. Floyd, Arkansas; Robert Y. Thomas, Jr., Kentucky; H. Garland Dupre, Louisiana; Walter I. McCoy,[53] New Jersey; John W. Davis,[54] West Virginia; Daniel J. McGillicuddy, Maine; Jack Beall, Texas; Joseph Taggart, Kansas; Louis Fitzhenry, Illinois; John F. Carew, New York; John B. Peterson, Indiana; Andrew J. Volstead, Minnesota; John M. Nelson, Wisconsin; Dick T. Morgan, Alabama; Henry G. Danforth, New York; Leonidas C. Dyer,[55] Missouri; George S. Graham, Pennsylvania; Walter M. Chandler, New York; John J. Mitchell (14),[56] Massachusetts; William L. Igoe, Missouri; Warren Gard, Ohio; Frank Plumley, Vermont.

SIXTY-FOURTH CONGRESS, MARCH 4, 1915, TO MARCH 3, 1917

Edwin Y. Webb, chairman, North Carolina; Robert Y. Thomas, Jr., Kentucky; H. Garland Dupre, Louisiana; Joseph Taggart, Kansas; William L. Igoe, Missouri; Warren Gard, Ohio; William Eliza Williams, Illinois; Richard S. Whaley, South Carolina; Harry H. Dale, New York; Thaddeus H. Caraway, Arkansas; M. M. Neely, West Virginia; Henry J. Steele, Pennsylvania; Andrew J. Volstead, Minnesota; John M. Nelson, Wisconsin; Dick T. Morgan, Oklahoma; Henry G. Danforth, New York; George S. Graham, Pennsylvania; Walter M. Chandler, New York; Leonidas C. Dyer, Missouri; Hunter H. Moss, Jr.,[57] West Virginia; Charles G. Carlin, Virginia; J. Randall Walker, Georgia; Joseph Walsh, Massachusetts.

SIXTY-FIFTH CONGRESS, MARCH 4, 1917, TO MARCH 3, 1919

Edwin Y. Webb, chairman, North Carolina; Robert Y. Thomas, Jr., Kentucky; William L. Igoe, Missouri; Warren Gard, Ohio; Richard S. Whaley, South Carolina; Thaddeus H. Caraway, Arkansas; M. M. Neely, West Virginia; Henry J. Steele, Pennsylvania; J. Randall Walker, Georgia; Hatton W. Sumners, Texas; Joseph V. Flynn, New York; Andrew J. Volstead, Minnesota; John M. Nelson, Wisconsin; Dick T. Morgan, Oklahoma; George S. Graham, Pennsylvania; Walter M. Chandler, New York; Leonidas C. Dyer, Missouri; Joseph Walsh, Massachusetts; C. Frank Reavis, Nebraska; Walter W. Magee, New York; Charles C. Carlin,[58] Virginia.

SIXTY-SIXTH CONGRESS, MARCH 4, 1919, TO MARCH 3, 1921

Andrew J. Volstead, chairman, Minnesota; Dick T. Morgan,[59] Oklahoma; George S. Graham, Pennsylvania; Leonidas C. Dyer, Missouri; Joseph Walsh, Massachusetts; C. Frank Reavis, Nebraska; James W. Husted, New York; Gilbert A. Currie, Michigan; David G. Classon, Wisconsin; W. D. Boies, Iowa; Charles A. Christopherson, South Dakota; Richard Yates, Illinois; Wells Goodykoontz, West Virginia; Edwin Y. Webb,[60] North Carolina; Robert Y. Thomas, Jr., Kentucky; William L. Igoe, Missouri; Warren Gard, Ohio; Richard S. Whaley, South Carolina; Thaddeus H. Caraway, Arkansas; M. M. Neely, West Virginia; Henry J. Steele, Pennsylvania.

SIXTY-SEVENTH CONGRESS, MARCH 4, 1921, TO MARCH 3, 1923

Andrew J. Volstead, chairman, Minnesota; George S. Graham, Pennsylvania; Leonidas C. Dyer, Missouri; Joseph Walsh,[61] Massachusetts; C. Frank Reavis,[62] Nebraska; Davis G. Classon, Wisconsin; W. D. Boies, Iowa; Charles A. Christopherson, South Dakota; Richard Yates, Illinois; Wells Goodykoontz, West Virginia; Ira G. Hersey, Maine; Walter M. Chandler, New York; Israel M. Foster, Ohio; Earl C. Michener, Michigan; Andrew J. Hickey, Indiana; Robert Y. Thomas, Jr., Kentucky; Hatton W. Sumners, Texas; Andrew J. Montague, Virginia; James W. Wise, Georgia; John N. Tillman, Arkansas; Fred H. Dominick, South Carolina; Albert W. Jefferis,[63] Nebraska; Richard E. Bird,[64] Kansas.

SIXTY-EIGHTH CONGRESS, MARCH 4, 1923, TO MARCH 3, 1925

George S. Graham, chairman, Pennsylvania; Leonidas C. Dyer, Missouri; W. D. Boies, Iowa; C. A. Christopherson, South Dakota; Richard Yates, Illinois; Ira G. Hersey, Maine; Israel M. Foster, Ohio; Earl C. Michener, Michigan; Andrew J. Hickey, Indiana; Nathan D. Perlman, New York; Oscar J. Larson, Minnesota; J. Banks Kurtz, Pennsylvania; Robert Y. Thomas, Jr.,[65] Kentucky; Hatton W. Sumners, Texas; Andrew J. Montague, Virginia; James W. Wise,[66] Georgia; John N. Tillman, Arkansas; Fred S. Dominick, South Carolina; Samuel C. Major, Missouri; Royal H. Weller, New York; Patrick B. O'Sullivan, Connecticut; William B. Bowling,[67] Alabama.

SIXTY-NINTH CONGRESS, MARCH 4, 1925, TO MARCH 3, 1927

George S. Graham, chairman, Pennsylvania; Leonidas C. Dyer, Missouri; W. D. Boies, Iowa; C. A. Christopherson, South Dakota; Richard Yates, Illinois; Ira G. Hersey, Maine; Earl C. Michener, Michigan; Andrew J. Hickey, Indiana; Nathan D. Perlman, New York; J. Banks Kurtz, Pennsylvania; C. Ellis Moore, Ohio; John J. Gorman, Illinois; George R. Stobbs, Massachusetts; James F. Strother, West Virginia; Hatton W. Sumners, Texas; Andrew J. Montague, Virginia; John N. Tillman, Arkansas; Fred H. Dominick, South Carolina; Samuel C. Major, Missouri; Royal H. Weller, New York; Zebulon Weaver, North Carolina; Henry St. George Tucker, Virginia; William B. Bowling, Alabama.

December 11, 1923, unanimous consent was granted to increase the membership of this committee to 23 members.

SEVENTIETH CONGRESS, DECEMBER 5, 1927, TO MARCH 3, 1929

George S. Graham, chairman, Pennsylvania; Leonidas C. Dyer, Missouri; W. D. Boies, Iowa; C. A. Christopherson, South Dakota; Richard Yates, Illinois; Ira G. Hersey, Maine; Earl C. Michener, Michigan; Andrew J. Hickey, Indiana; J. Banks Kurtz, Pennsylvania; C. Ellis Moore, Ohio; George R. Stobbs, Massachusetts; James F. Strother, West Virginia; Fiorello LaGuardia, New York; Homer W. Hall, Illinois; Hatton W. Sumners, Texas; Andrew J. Montague, Virginia; John N. Tillman, Arkansas; Fred H. Dominick, South Carolina; Samuel C. Major, Missouri; Royal H. Weller,[68] New York; Zebulon Weaver, North Carolina; Henry St. George Tucker, Virginia.

Hon. William B. Bowling, of Alabama, was a member of this committee during the Seventieth Congress until August 16, 1928, when he resigned from the House of Representatives.

SEVENTY-FIRST CONGRESS, APRIL 15, 1929, TO MARCH 3, 1931

George S. Graham, chairman, Pennsylvania; Leonidas C. Dyer, Missouri; C. A. Christopherson, South Dakota; Richard Yates, Illinois; Earl C. Michener, Michigan; Andrew J. Hickey, Indiana; J. Banks Kurtz, Pennsylvania; C. Ellis Moore, Ohio; George R. Stobbs, Massachusetts; Fiorello H. LaGuardia, New York; Homer W. Hall, Illinois; Carl G. Bachmann, West Virginia; Charles I. Sparks, Kansas; Charles A. Jonas, North Carolina; Charles E. Swanson, Iowa; Hatton W. Sumners, Texas; Andrew J. Montague, Virginia; Fred H. Dominick, South Carolina; Henry St. George Tucker, Virginia; Tom D. McKeown, Oklahoma; Gordon Browning, Tennessee; Emanuel Celler, New York.

Hon. William C. Hammer, of North Carolina, a member of this committee, died on September 26, 1930.

SEVENTY-SECOND CONGRESS, DECEMBER 7, 1931, TO MARCH 3, 1933

Hatton W. Sumners, chairman, Texas; Andrew J. Montague, Virginia; Fred H. Doninick, South Carolina; Tom D. McKeown, Oklahoma; Gordon Browning, Tennessee; Emanuel Celler, New York; Frank Oliver, New York; William V. Gregory, Kentucky; Malcolm C. Tarver, Georgia; Francis B. Condon, Rhode Island; Zebulon Weaver, North Carolina; William H. Dieterich, Illinois; Leonidas C. Dyer, Missouri; Charles A. Christopherson, South Dakota; Richard Yates, Illinois; Earl C. Michener, Michigan; J. Banks Kurtz, Pennsylvania; C. Ellis Moore, Ohio; Fiorello H. LaGuardia, New York; Homer W. Hall, Illinois; Carl G. Bachmann, West Virginia; Charles I. Sparks, Kansas; Henry St. George Tucker, Virginia.

SEVENTY-THIRD CONGRESS, MARCH 9, 1933, TO JANUARY 3, 1935

Hatton W. Sumners, chairman, Texas; Andrew J. Montague, Virginia; Tom D. McKeown, Oklahoma; Gordon Browning, Tennessee; Emanuel Celler, New York; Frank Oliver, New York; William V. Gregory, Kentucky; Malcolm C. Tarver, Georgia; Francis B. Condon, Rhode Island; Zebulon Weaver, North Carolina; J. Earl Major, Illinois; John E. Miller, Arkansas; Arthur D. Healey, Massachusetts; Warren J. Duffey, Ohio; James E. Ruffin, Missouri; Lawrence Lewis, Colorado; John C. Lehr, Michigan; J. Banks Kurtz, Pennsylvania; Cassius C. Dowell, Iowa; Randolph Perkins, New Jersey; Joseph L.

---

[48] Died July 31, 1910.
[49] Died November 23, 1909.
[50] Second session.
[51] Took his seat December 5, 1910, third session.
[52] Resigned, effective May 25, 1914.
[53] Resigned October 3, 1914.
[54] Resigned August 29, 1913.
[55] Seat contested, served until June 19, 1914.
[56] Took his seat April 26, 1914.
[57] Died July 15, 1916.
[58] Resigned March 3, 1919.
[59] Died July 4, 1920.
[60] Resigned November 10, 1919.
[61] Resigned August 2, 1922.
[62] Resigned June 3, 1922.
[63] Elected December 11, 1922, to succeed Joseph Walsh.
[64] Elected August 30, 1922, to succeed C. Frank Reavis.
[65] Died, September 3, 1925, before Congress assembled.
[66] Never qualified, owing to prolonged illness.
[67] Hon. William B. Bowling, Alabama, was appointed to fill the vacancy caused by the failure of James W. Wise to take his seat.
[68] Died March 2, 1929.

Hooper, Michigan; U. S. Guyer, Kansas; Clarence E. Hancock, New York; James M. Beck, Pennsylvania; William E. Hess, Ohio; Wesley Lloyd, Washington.

SEVENTY-FOURTH CONGRESS, JANUARY 3, 1935, TO JANUARY 5, 1937

Hatton W. Sumners, chairman, Texas; Andrew J. Montague, Virginia; Emanuel Celler, New York; William V. Gregory, Kentucky; Malcolm C. Tarver, Georgia; Francis B. Condon, Rhode Island; Zebulon Weaver, North Carolina; John E. Miller, Arkansas; Arthur D. Healey, Massachusetts; Warren J. Duffey, Ohio; Lawrence Lewis, Colorado; Wesley Lloyd, Washington; William E. Hess, Ohio; J. Leroy Adair, Illinois; Robert L. Ramsay, West Virginia; Francis E. Walter, Pennsylvania; P. L. Gassaway, Oklahoma; Walter Chandler, Tennessee; Hubert Utterback, Iowa; James P. B. Duffy, New York; Charles F. McLaughlin, Nebraska; William M. Citron, Connecticut; Sam Hobbs, Alabama; Earl C. Michener, Michigan; John M. Robsion, Kentucky; William H. Wilson, Pennsylvania; Randolph Perkins, New Jersey; U. S. Guyer, Kansas; Clarence E. Hancock, New York.

SEVENTY-FIFTH CONGRESS

Hatton W. Sumners, chairman, Texas; Andrew J. Montague, Virginia; Emanuel Celler, New York; Zebulon Weaver, North Carolina; John E. Miller, Arkansas; Arthur D. Healey, Massachusetts; Robert L. Ramsay, West Virginia; Frances E. Walter, Pennsylvania; Walter Chandler, Tennessee; Charles F. McLaughlin, Nebraska; William M. Citron, Connecticut; Sam Hobbs, Alabama; Abe Murdock, Utah; John H. Tolan, California; Edward W. Creal, Kentucky; William T. Byrne, New York; George D. O'Brien, Michigan; Frank W. Towey, Jr., New Jersey; Edwin V. Champion, Illinois; Sam C. Massingale, Oklahoma; Dave E. Satterfield, Jr., Virginia; U. S. Guyer, Kansas; Clarence E. Hancock, New York; Earl C. Michener, Michigan; John M. Robsion, Kentucky; Chauncey W. Reed, Illinois; John W. Gwynne, Iowa.

SEVENTY-SIXTH CONGRESS, JANUARY 3, 1939—

Hatton W. Sumners, chairman, Texas; Emanuel Celler, New York; Zebulon Weaver, North Carolina; Arthur D. Healey, Massachusetts; Francis E. Walter, Pennsylvania; Walter Chandler,[69] Tennessee; Charles F. McLaughlin, Nebraska; Sam Hobbs, Alabama; Abe Murdock, Utah; John H. Tolan, California; Edward W. Creal, Kentucky; William T. Byrne, New York; Sam C. Massingale, Oklahoma; Dave E. Satterfield, Jr., Virginia; James M. Barnes, Illinois; W. Ben Gibbs, Georgia; U. S. Guyer, Kansas; Clarence E. Hancock, New York; Earl C. Michener, Michigan; John M. Robsion, Kentucky; Chauncey W. Reed, Illinois; John W. Gwynne, Iowa; Louis E. Graham, Pennsylvania; Wallace E. Pierce,[70] New York; B. J. Monkiewicz, Connecticut; Raymond S. Springer, Indiana; Estes Kefauver,[71] Tennessee; Albert L. Vreeland,[72] New Jersey.

PRESENT MEMBERSHIP OF THE COMMITTEE

HATTON W. SUMNERS, chairman, Dallas, Tex.; lawyer; elected prosecuting attorney of Dallas County in 1900 and served two terms; president of the District and County Attorney's Association of Texas in 1906 and 1907; elected to the Sixty-third and all succeeding Congresses; one of the managers appointed by the House of Representatives to conduct impeachment proceedings against George W. English, Harold Louderback, and Halsted L. Ritter, judges of United States District Courts, for the Eastern District of Illinois, Northern District of California, and Southern District of Florida, respectively.

EMANUEL CELLER, Brooklyn, N. Y.; attended the public schools, was graduated from the Boys' High School of Brooklyn, from Columbia College, and from Columbia University Law School. Admitted to bar, elected as Democrat to the Sixty-eighth Congress and reelected to succeeding Congresses.

ZEBULON WEAVER, Asheville, N. C.; graduated at Weaver College and studied law in the University of North Carolina; admitted to the bar; was elected to House of Representatives of North Carolina and served in sessions of 1907 and 1909; twice elected State senator for thirty-sixth district and served in sessions of 1913 and 1915; elected to the Sixty-fifth and each succeeding Congress, except the Seventy-second Congress, and is now serving his eleventh term.

ARTHUR D. HEALEY, Somerville, Mass.; graduated Somerville Latin School; attended Dartmouth College; graduate of Boston University Law School; lawyer; World War veteran; elected to Seventy-third and succeeding Congresses.

FRANCIS E. WALTER, Easton, Pa.; graduate George Washington University and Georgetown University Law School; attorney at law; solicitor for Northampton County, Pa.; served in air service of the Navy during the World War; elected to the Seventy-third and succeeding Congresses.

CHARLES F. MCLAUGHLIN, Omaha, Nebr.; graduate of University of Nebraska and Columbia University; lawyer; captain, Field Artillery, American Expeditionary Forces; delegate to Nebraska State constitution convention; past president of Omaha Bar Association; elected to the Seventy-fourth and succeeding Congresses.

SAM HOBBS, Selma, Ala.; attended public school, Callaway's Preparatory School, Marion Military Institute, Vanderbilt University, and University of Alabama; lawyer; appointed judge of the Fourth Judicial Circuit of Alabama in 1921; elected 1923; chairman of Muscle Shoals Commission, 1931; chairman of Alabama N. R. A. Committee, 1933; elected to Seventy-fourth and succeeding Congresses; elected by the House of Representatives one of the managers on the part of the House for the impeachment trial of Halsted L. Ritter, judge of United States District Court for the Southern District of Florida.

ABE MURDOCK, Beaver, Utah; lawyer; served as city attorney and city councilman of Beaver, as county attorney of Beaver County, and as attorney for the Beaver County School District; elected to Seventy-third Congress and succeeding Congresses.

JOHN H. TOLAN, Oakland, Calif.; attended University of Kansas Law School and graduated; admitted to practice of law in Kansas and in Montana; county attorney in Deer Lodge County, Mont.; member of State bar of California; elected to the Seventy-fourth Congress and succeeding Congresses.

EDWARD W. CREAL, Hodgenville, Ky.; lawyer; educated in public schools and at Centre College; elected county school superintendent; served three terms; county attorney; elected Commonwealth attorney for two terms; president of the Commonwealth Attorney's Association of Kentucky in 1934; elected to Seventy-fourth Congress and succeeding Congresses.

WILLIAM T. BYRNE, Loudonville, N. Y.; graduate of Albany grammar school, high school, and law school; lawyer; member of New York Senate, 1923–36; elected to Seventy-fifth and Seventy-sixth Congresses.

SAM C. MASSINGALE, Cordell, Okla.; educated University of Mississippi; studied law, Fort Worth, Tex.; private in Second Texas Infantry in the Spanish-American War; served as a member of the Territorial Council of Oklahoma; elected to Seventy-fourth and succeeding Congresses.

DAVE E. SATTERFIELD, Jr., Richmond, Va.; graduate of University of Richmond Law School; lawyer; commissioned officer in Naval Flying Corps during the World War; served as Commonwealth's attorney for the city of Richmond, 1922–23; elected to Seventy-fifth and Seventy-sixth Congresses.

JAMES M. BARNES, Jacksonville, Ill.; graduated from Illinois College, Harvard Law School; served with United States Marines in France during the World War; elected county judge of Morgan County, reelected; president of the Illinois County and Probate Judges Association for two terms; elected to the Seventy-sixth Congress.

W. BEN GIBBS, Jessup, Ga.; educated in common schools and Mercer University; lawyer; elected prosecuting attorney of the city court of Jessup in 1914; elected prosecuting attorney of the Brunswick judicial circuit in 1924, which position he held until he was elected to the Seventy-fifth Congress.

ESTES KEFAUVER, Chattanooga, Tenn.; received A. B. degree at University of Tennessee and LL. B. at Yale University; lawyer; served as commissioner of finance and taxation, State of Tennessee; elected to Seventy-sixth Congress at a special election.

U. S. GUYER, Kansas City, Kans., attended Lane University, Western College, Kansas University Law School, Kansas City School of Law; lawyer; superintendent of schools, St. Johns, Kans., 1902; elected judge of city court, 1907–09; mayor of Kansas City, Kans., 1909–10; elected to Seventieth Congress and succeeding Congresses; ranking Republican member on committees—Judiciary, Claims, Elections.

CLARENCE E. HANCOCK, Syracuse, N. Y., graduate Wesleyan University and New York Law School; lawyer; corporation counsel, Syracuse, 1926–27; served with First New York Calvary, Mexican border, 1916–17; Twenty-seventh Division, World War, 1917–19; elected to the Seventieth and succeeding Congresses.

EARL C. MICHENER, Adrian, Mich., educated in public schools of Adrian, the University of Michigan, and the law department of Columbian University; lawyer; served throughout the Spanish-American War; elected to Sixty-sixth and all succeeding Congresses, except the Seventy-third.

JOHN M. ROBSION, Barboursville, Ky., received degree from the National Normal University, of Lebanon, Ohio; also attended the Ohio Northern University and Holbrook College; lawyer; elected to the Sixty-sixth and succeeding Congresses, including the Seventy-first; appointed to the United States Senate on January 9, 1930; elected to Seventy-fourth and succeeding Congresses.

CHAUNCEY W. REED, West Chicago, Ill., educated in West Chicago public and high schools, Northwestern University, and Webster College of Law; city treasurer of the city of West Chicago, 1913–14; lawyer; during the World War served in the Eighty-sixth Division; elected State attorney of DuPage County in 1920, 1924, 1928, 1932; served two terms as president of the Illinois State's Attorneys' Association in 1927 and 1933; member of committee of State Bar Association to prepare a revision of the criminal laws; elected to the Seventy-fourth and succeeding Congresses.

JOHN W. GWYNNE, Waterloo, Iowa; received degree of B. A. and LL.B. from State University of Iowa; lawyer; judge of the municipal court of the city of Waterloo for 6 years; prosecuting attorney of Black Hawk County for 6 years; served in the World War with the Eighty-eighth Division; elected to the Seventy-fourth and succeeding Congresses.

LOUIS E. GRAHAM, Beaver, Pa., graduate of Washington and Jefferson College; attorney at law; deputy sheriff of Beaver County, 1903–06; district attorney of Beaver County, three terms, 1912–24; Government appeal agent during World War; special deputy attorney general of Pennsylvania, 1924–27; chief legal advisor of former Sixth Federal Prohibition District, 1927–29; United States Attorney

---

[69] Resigned January 2, 1940.

[70] Died January 3, 1940.

[71] Appointed January 8, 1940, to fill vacancy caused by resignation of Walter Chandler.

[72] Appointed January 12, 1940, to fill vacancy caused by death of Wallace E. Pierce.

for the Western District of Pennsylvania, 1930–34; Special Assistant to the Attorney General of the United States, 1934–36; elected to the Seventy-sixth Congress.

B. J. MONKIEWICZ, New Britain, Conn., graduate of Fordham University Law School; attorney at law; member of board of compensation and assessment in 1927; served as clerk of the city and police courts of New Britain; revised the ordinances of the city of New Britain; appointed prosecutor of the police court of New Britain; was in Columbia University naval unit; elected to Seventy-sixth Congress.

RAYMOND S. SPRINGER, Connersville, Ind., attended Butler University; graduated from the Indiana Law School; lawyer; served as judge of the thirty-seventh judicial circuit of Indiana, 1916–22; captain of infantry in World War; elected to the Seventy-sixth Congress.

ALBERT L. VREELAND, East Orange, N. J., graduated from the Peddie School, New York Electrical School, and the New Jersey Law School; lawyer; served as ambulance driver, A. R. C., in 1918–19; served as judge of the recorders court of East Orange, 1934–38; elected to the Seventy-sixth Congress.

Since the appointment of the committee in the Seventy-sixth Congress, the two members hereinafter named are no longer members of the committee.

Walter Chandler, Memphis, Tenn., graduate of University of Tennessee; lawyer; assistant district attorney general, 1916; member of Tennessee House of Representatives in 1917 and Tennessee Senate in 1921; city attorney of Memphis, 1928–34; president of Tennessee Bar Association, 1928; captain, One hundred and Fourteenth Field Artillery, Thirtieth Division, American Expeditionary Force, Combat Service; resigned January 2, 1940, to become mayor of Memphis, Tenn.

Wallace E. Pierce, Plattsburg, N. Y., lawyer; served in the Assembly of the State of New York, 1917–19; died January 3, 1940, on the opening day of the present session.

THE JURISDICTION OF THE COMMITTEE

The powers and dutes of the Committee on the Judiciary are fixed by section 4 of rule XI in the following words:

All proposed legislation shall be referred to the committees named in the preceding rule, as follows, namely:
Subjects relating * * *
4. To judicial proceedings, civil and criminal law: to the Committee on the Judiciary.

There has been no change in the form of this rule since its adoption in the revision of 1880. This occurred on January 6, 1880, and was then rule No. 83. (See CONGRESSIONAL RECORD, 2d sess., 46th Cong., p. 205.)

From the date of the creation of this committee on December 7, 1813, until the aforesaid revision in 1880, the jurisdiction of the committee under rule No. 83 was determined—

to take into consideration all such petitions and matters or things touching judicial proceedings as shall be presented or may come in question and be referred to them by the House.

Under the foregoing rule of the House of Representatives which provides for the distribution of its business among the standing committees there is assigned to the Committee on the Judiciary all matters relating to impeachments, the establishment, jurisdiction, and procedure of Federal courts; crimes; penalties, and extradition; bankruptcy; Government contracts; the relation of the courts to labor and corporations; antitrust legislation; amendments to the Constitution of the United States; the rights and privileges of women; the settlement of boundary lines between a State and a Territory; and the regulation of the traffic in intoxicating liquors.

CHANGES IN MEMBERSHIP OF THE COMMITTEE ON THE JUDICIARY

The membership of the committee is fixed by section 4 of rule X—adopted April 5, 1911, first session, Sixty-second Congress, pages 11–86—in the following words:

There shall be elected by the House, at the commencement of each Congress, the following standing committees, viz: * * *
4. On the Judiciary, to consist of 25 members.

At the time of its creation the committee consisted of seven members—Journal, page 19, Annals, volume 1, page 32. The committee consisted of this number until 1833.

In the first session of the Twenty-third Congress, on Thursday, December 5, 1833, the following is stated:

Committees of the House, Mr. Hubbard again moved his amendments to the fifty-fifth rule, which fixes the number and size of the standing committees of the House, so as to make those formerly containing only seven members now to contain nine, and those consisting of three, now to consist of five members. The amendment was carried and the rule as amended was adopted. An order was passed for the appointment of standing committees. December 9 committee appointed.

The number remained the same until 1869, in the second session of the Forty-first Congress, when on December 9—Congressional Globe, page 62—Mr. Welker introduced a resolution authorizing the Speaker to assign Representatives admitted since organization of the present Congress to any of the committees as additional members.

On March 3, 1873, third session of the Forty-second Congress, a resolution was introduced by Mr. Banks amending the rules of the House so that the standing committees with 9 members are to have 13 members—Congressional Globe, page 2132.

On January 6, 1880, second session of the Forty-sixth Congress—CONGRESSIONAL RECORD, volume 10, page 203—a report was adopted fixing membership of committees at 15 from the time forward.

On August 21, 1893, first session of the Fifty-third Congress—CONGRESSIONAL RECORD, volume 25, page 554—Speaker announced the appointment of 17 members to the Committee on the Judiciary.

On April 5, 1911, first session of the Sixty-second Congress—CONGRESSIONAL RECORD, volume 47, pages 55–80—House Resolution 30 provided for increase of committee membership from 15 to 21.

On December 11, 1925, first session of the Sixty-ninth Congress:

On motion of Mr. Tilson, by unanimous consent,
Ordered, That the membership of the Committee on the Judiciary be increased from 22 to 23 members until March 2, 1927. (CONGRESSIONAL RECORD, vol. 66, p. 725.)

On December 12, 1927, first session of the Seventieth Congress—House Resolutions 53 and 54, CONGRESSIONAL RECORD, volume 69, page 491—election of 23 members of the Committee on the Judiciary announced.

On December 14, 1931, first session, Seventy-second Congress—CONGRESSIONAL RECORD, volume 75, page 465—House Resoution 54, providing for 23 members on the Committee on the Judiciary agreed to by the House.

On March 14, 1933, first session of Seventy-third Congress—CONGRESSIONAL RECORD, volume 77, page 43—House Resolution 43, providing for 25 members on Committee on the Judiciary agreed to by the House.

From the foregoing statement it appears that some of the changes in the size of the committee were effected by simply electing a larger number of members than prescribed by the current rule.

The present membership of the committee is 26, and in this membership 21 States are represented.

IMPEACHMENTS

Since, under the Constitution, impeachment proceedings must originate in the House of Representatives, and since the Committee on the Judiciary is the law committee of the House, all its members being lawyers, all matters of impeachment, and resolutions calling for investigation of such charges are referred by the House to the Committee on the Judiciary in the first instance.

In the nine impeachment proceedings which have resulted in trial, since the formation of the committee in 1813, the Committee on the Judiciary has done much to develop, clarify, and state the law of impeachment and in this respect has performed a great and lasting service to the country as a whole.

While the House of Representatives has the sole power of impeachment the Senate has the sole power to try all impeachments. However, the jurisdiction of the Senate does not attach until articles of impeachment have been exhibited to it by the House.

The several sections of the Constitution applicable to impeachment proceedings are hereinafter set out.

CONSTITUTION

Article I

Section 2, clause 5:

The House of Representatives shall choose their Speaker and other officers; and shall have the sole power of impeachments.

Section 3, clause 6:

The Senate shall have the sole power to try all impeachments. When sitting for that purpose, they shall be on oath or affirmation.

When the President of the United States is tried, the Chief Justice shall preside; and no person shall be convicted without the concurrence of two-thirds of the Members present.

Clause 7:

Judgment in cases of impeachment shall not extend further than removal from office, and disqualification to hold and enjoy any office of honor, trust or profit, under the United States; but the party convicted shall, nevertheless, be liable and subject to indictments, trial, judgments, and punishments according to law.

Article II

Section 4, clause 1:

The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors.

GOOD BEHAVIOR

Article III

SECTION I. The judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services, a compensation which shall not be diminished during their continuance in office.

SEC. II. The trial of all crimes, except in cases of impeachment, shall be by jury.

NATURE OF IMPEACHMENT

On January 3, 1913, in the Senate sitting in the trial of the impeachment of Judge Robert W. Archbald, Mr. Manager Henry D. Clayton, of Alabama, submitted on behalf of the House of Representatives a brief from which the following is an excerpt:

THE GENERAL NATURE OF IMPEACHMENTS

The fundamental law of impeachment was stated by Richard Wooddeson, an eminent English authority, in his Law Lectures, delivered at Oxford in 1777, as follows (pp. 499 and 501, 1842 ad.):

"It is certain that magistrates and officers entrusted with the administration of public affairs may abuse their delegated powers to the extensive detriment of the community and at the same time in a manner not properly cognizable before the ordinary tribunals. The influence of such delinquents and the nature of such offenses may not unsuitably engage the authority of the highest court and the wisdom of the sagest assembly. The Commons, therefore, as the Grand Inquest of the Nation, became suitors for penal justice, and they cannot consistently, either with their own dignity or with safety to the accused, sue elsewhere but to those who share with them in the legislature.

"On this policy is founded the origin of impeachments which began soon after the Constitution assumed its present form.

* * * * * * *

"Such kinds of misdeeds, however, as peculiarly injure the commonwealth by the abuse of high offices of trust, are most proper—and have been the most usual—grounds for this kind of prosecution."

Referring to the function of impeachments, Rawle, in his work on the Constitution (p. 211) says:

"The delegation of important trusts affecting the higher interests of society is always from various causes liable to abuse. The fondness frequently felt for the inordinate extension of power, the influence of party and of prejudice, the seductions of foreign States, or the baser appetite for illegitimate emoluments are sometimes productions of what are not unaptly termed 'political offenses' (Federalist, No. 65), which it would be difficult to take cognizance of in the ordinary course of judicial proceeding.

"The involutions and varieties of vice are too many and too artful to be anticipated by positive law."

In Story on the Constitution (vol. 1, 5th ed., p. 584) the parliamentary history of impeachments is briefly stated, as follows:

"800. In examining the parliamentary history of impeachments it will be found that many offenses not easily definable by law, and many of a purely political character, have been deemed high crimes and misdemeanors worthy of this extraordinary remedy. * * * One cannot but be struck, in this slight enumeration, with the utter unfitness of the common tribunals of justice to take cognizance of such offenses, and with the entire propriety of confining the jurisdiction over them to a tribunal capable of understanding and reforming and scrutinizing the polity of the State, and of sufficient dignity to maintain the independence and reputation of worthy public officers."

Elmore Whitehurst, Esq., formerly clerk of the Committee on the Judiciary of the House and now assistant director, administrative office of the United States courts, in a brief prepared on this subject, has summed up, the nature of impeachments, in the following manner:

Impeachment came into our Constitution from England. There it was a criminal proceeding with all the accouterment of a criminal trial, and with a possible penalty upon conviction of a sentence of ignominious death with confiscation of property. When it reached the United States Constitution the criminal penalties were stripped from impeachment. Judgment upon conviction was limited to removal from office with a possible judgment barring the defendant from again holding office of trust or profit. Impeachment was changed from a criminal to a civil proceeding. Since there was no other precedents to guide, when the first impeachments came to trial in this country, English precedents naturally were followed. Thus it came about that for more than 150 years of our history the real nature of impeachment under our Constitution was obscured by confusion of thought brought about by the fact that impeachment proceedings were conducted as if they were criminal trials. The Judiciary Committee, particularly in recent years, has fought vigorously and successfully to establish general acceptance that impeachments in this country are not criminal trials but are solely ouster proceedings and should be tried as such.

Another very able statement of the nature of impeachment is found in the speech of Hon. HATTON W. SUMNERS in the House, in the CONGRESSIONAL RECORD, June 12, 1933.

Mr. Whitehurst has also set out the method of examination of impeachment charges, as follows:

It is the practice of the Judiciary Committee to make a preliminary informal examination of charges brought against judges. If, in the opinion of the committee, the action is warranted, a resolution is reported to the House authorizing and directing the committee to conduct an investigation of the charges and giving the power to subpena persons and papers. An exhaustive examination into the charges follows the adoption of the resolution by the House. Hearings are conducted before a subcommittee at which the accused and the accusers are accorded the privilege, usually exercised, to appear in person, to be represented by counsel, and to examine and cross-examine witnesses. The accused may testify in his own behalf. The evidence is printed, and after full consideration in executive session the committee makes its report to the House. If the judgment of the committee is for impeachment, articles of impeachment are drafted and presented to the House with the committee report. After debate, the House votes on the question of impeachment. If an impeachment is voted by a majority of the House, managers are appointed to conduct the trial in the Senate. The managers are agents of the House. In practice they are named from members of the Judiciary Committee by the chairman, who presents the names to the House in a resolution, which is ordinarily agreed to without debate. The managers present themselves at the bar of the Senate and demand the impeachment of the accused in the name of the House of Representatives and of all of the people of the United States. A summons is issued to the accused to appear and answer. The Senate organizes itself into a court of impeachment, and the trial is held in the Senate Chamber. The managers conduct the prosecution, while the respondent, as the accused is termed, is represented by counsel of his own choosing.

IMPEACHMENTS

In the 151 years of this Nation's existence under the Constitution the Senate of the United States has sat as a Court of Impeachment in 12 cases.

Prior to the creation of the Committee on the Judiciary three of these had been disposed of, to wit:

That of William Blount, a Senator of the United States from Tennessee, in 1798–99; John Pickering, judge of the United States District Court for the District of New Hampshire, 1803–4; and that of Samuel Chase, Associate Justice of the Supreme Court of the United States, 1804–5. The charges against Blount were dismissed for want of jurisdiction, Pickering was removed from office, and Chase acquitted.

The first Court of Impeachment to be held after the creation of the Committee on the Judiciary of the House in 1813 was that of James H. Peck, judge of the United States District Court for the District of Missouri. This trial lasted from Monday, April 26, 1830, to Monday, January 31, 1831.

The case of Judge Peck originated as a result of a memorial by an individual, which was referred to the Committee on the Judiciary and was by that committee reported to the House with a recommendation in favor of impeachment.

On March 23, 1830, Mr. Buchanan, chairman of the committee, submitted a report from the Committee on the Judiciary recommending the impeachment of James H. Peck.

Judge Peck was impeached in a single article containing a number of specifications on the ground that he had grossly abused his power as a judge in sentencing an attorney to 24 hours' imprisonment and suspension from the bar of his court for 18 calendar months for writing and publishing a moderate criticism of one of Judge Peck's decisions in a case

in which the attorney had appeared on behalf of the plaintiff, with the result that the attorney was practically prevented from further participation in the case. The respondent was acquitted by the Senate on all of the article presented against him on the ground that he was justified in assuming that he was legally clothed with the power that he had exercised, and that the element of malice had not been established. The vote was 22 to 21 against conviction.

Five managers were selected by ballot, three of whom were members of the Committee on the Judiciary; they were Mr. Buchanan, of Pennsylvania; Mr. Storrs, of New York; Mr. Wickliffe, of Kentucky; Mr. Spencer of New York; and Mr. McDuffie, of South Carolina, the three first named being members of the committee.

On April 26, 1830, Messrs. Buchanan and Storrs appeared before the bar of the Senate and impeached Judge Peck in the following manner, to wit:

Mr. President, we have been directed, in the name of the House of Representatives and of all the people of the United States, to impeach James H. Peck, judge of the District Court of the United States for the District of Missouri, of high misdemeanors in office, and to acquaint the Senate that the House of Representatives will in due time exhibit particular articles of impeachment against him and make good the same. We have also been directed to demand that the Senate take order for the appearance of the said James H. Peck to answer to said impeachment.

While Judge Peck was acquitted, nevertheless, as a result of this trial the act of March 2, 1831, defining and limiting the power of judges to punish for contempt was passed. It is entitled "An act declaratory of the law concerning contempt of court," and was enacted to remedy the wrongs this case disclosed. The history of this act is interesting and important. One of the main questions in the case was whether the power of the Federal courts to punish contempts was derivable from the common law or whether it was limited by the act of September 24, 1789, the seventeenth section of which provided that all the said courts of the United States—

shall have power to administer all necessary oaths or affirmations, and to punish by fine and imprisonment, at the discretion of said courts, all contempts of authority in any cause or hearing before the same.

Upon the one hand, the contention was that the Federal courts were of limited jurisdiction, and unless a statute or constitutional provision could be found conferring power, no such power could be exercised. Upon the other hand, the claim was made with great vigor and zeal that all courts have the inherent right to protect themselves and to maintain their authority by punishing for contempt all who disturb the court or who directly or indirectly defy its orders and decrees or do anything to bring court or judge into disrepute. It was claimed that all the power to punish contempts of every kind possessed and exercised by the courts in England before the revolution was possessed by and could be lawfully exercised by the Federal courts. Nothing was settled by the result of the trial of Judge Peck. To meet the doubt and settle the uncertainty as to the power of the Federal courts to punish contempt, Mr. Draper, a Member of the House, introduced the following resolution:

Resolved, That the Committee on the Judiciary be directed to inquire into the expediency of defining by statute all offenses which may be punished as contempt of the courts of the United States.

To which the following amendment was added:

And also to limit the punishment of the same. (Gales & Seaton, for 1831, p. 559.)

The act of 1831 was reported by Mr. Buchanan from the Committee on the Judiciary in pursuance of this resolution.

In the decision of the Supreme Court in *Ex Parte Robinson* (19 Wall. 211) there is found a very clear statement as to the nature and character of the offenses punishable under this act.

Following the foregoing impeachment trial which has been set out somewhat in detail came the impeachments of West H. Humphreys, judge of the United States District Court for the Middle, Eastern, and Western Districts of Tennessee; he was removed from office; the trial lasted from May 7, 1862, to June 26, 1862.

Next was that of Andrew Johnson, President of the United States; he was acquitted; the trial lasted from February 25, 1868, to May 26, 1868.

Next was that of William W. Belknap, Secretary of War; he was acquitted; the trial lasted from March 3, 1876, to August 1, 1876.

Next was that of Charles Swayne, judge of the United States District Court for the Northern District of Florida; he was acquitted; the trial lasted from December 14, 1904, to February 27, 1905.

Then followed the trial of Robert W. Archbald, additional circuit judge of the United States from the third judicial circuit and designated a judge of the United States Commerce Court; he was removed from office; the Senate sat as a court of impeachment from July 13, 1912, to January 13, 1913.

Next was that of George W. English, judge of the United States District Court for the Eastern District of Illinois; he resigned from office November 4, 1926; the court of impeachment adjourned to December 13, 1926, when on request of the House managers, the impeachment proceedings were dismissed.

Next came the trial of Harold Louderback, judge of the United States District Court for the Northern District of California; he was acquitted; the trial lasted from May 15, 1933, to May 24, 1933.

The last time that the Senate sat as a court of impeachment was that of Halsted L. Ritter, judge of the United States District Court for the Southern District of Florida; he was removed from office; the trial lasted from April 6, 1936, to April 17, 1936.

These trials have vastly changed the concept of the real nature of impeachments in this country, but due to their great length, the mass of testimony, the law, and the rulings, plus the fact that this history of the committee has already been prolonged to undue length, they are not separately discussed at this time.

It is a far cry from the year 1813 to the year 1940. From the little Nation of 18 States to one of 48; from a population of seven and one-fourth to one hundred and thirty-two millions. Yet this is the span of the committee's existence. A committee which existed before the advent of the railroad, the telegraph, the telephone, the wireless, the electric light, the airplane, the oceangoing steamship, the automobile, the truck, and the tractor. A committee which came into existence before the War of 1812 had ended. A committee whose first members were to see the Capitol burned, and whose later members were to pass through the Mexican, Civil, Spanish-American, and World Wars. A committee which has witnessed 9 amendments added to the Constitution of the United States.

Yet quietly, effectively, and surely it has done its work as one of the truly great committees of the House of Representatives. The statute books of the Nation are filled with the results of its labors, hundreds of decisions of the Federal courts have dealt with the bills it proposed and which finally became the laws of the land. No laws more important to the property, the liberties, and the lives of the citizens of this Nation come before the House of Representatives than those which are referred to its Committee on the Judiciary and which in turn that committee reports back to the House for its decision.

A great and important responsibility.

In writing the history of the committee, the thought has been simply to tell the story of its origin, to trace the public services of its members through the years, to invite attention to its jurisdiction, and to briefly mention a few of its legislative accomplishments.

This is only a foundation; to tell the complete story of the acts reported, together with the debates and legislative battles which ensued, will require a much longer statement.

As an illustration, on January 4, 1826, there began a debate on a bill reported from the Committee on the Judiciary of the House, by Daniel Webster, providing for three new circuits and three new associate judges which continued for 3 weeks, or until January 25. This is one of the great debates dealing with judicial organization, but, such are the limitations of

time and space of the article that only a reference can be made to it here.

When the full story of the work of the Committee on the Judiciary is told it will be one of the most fascinating stories in the legislative history of the Congress.

Sources: Annals of Congress; Congressional Debates; Congressional Globes; CONGRESSIONAL RECORDS; Congressional Directories; Biographical Directory of the American Congress, 1774–1927; Hind's Precedents of the House of Representatives (1907), vol. III; Cannon's Precedents of the House of Representatives (1933), vols. III, VI; House Journals; House Rules and Manual; "Congressional Committees," McConachie; "Creation of the Federal Judiciary," G. J. Schulz; Library of Congress, Legislative Reference Service; "Cases of Impeachment," Extracts from the Journal of the United States Senate; "Supreme Court in United States History," Warren; "American Doctrine of Judicial Supremacy," Haines; "Debates in the Federal Convention of 1787," reported by James Madison, edited by Gaillard Hunt and James B. Scott; "Constitution of the United States," John Randolph Tucker; Proceedings of the Senate and House of Representatives of the United States in the Trial of Impeachment of Robert W. Archbald; "The Business of the Supreme Court," Frankfurter and Landis; Proceedings of the United States Senate in the Trial of Impeachment of Halsted L. Ritter, Senate Document No. 200, Seventy-fourth Congress, second session.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3097. An act for the relief of Katherine M. Drier; to the Committee on War Claims.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore announced his signature to an enrolled bill of the Senate of the following title:

S. 2505. An act to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionments.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Saturday, April 13, 1940, present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H. R. 289. An act for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899.

H. R. 838. An act for the relief of Ray E. Nies;

H. R. 2041. An act for the relief of Tom Kelly;

H. R. 2055. An act for the relief of K. E. Parker Co.;

H. R. 2086 An act for the relief of Joseph Sciortino;

H. R. 2161. An act for the relief of the Pacific Airmotive Corporation, Burbank, Calif.;

H R. 2356. An act for the relief of the International Grain Co., Inc.;

H. R. 2487. An act for the relief of Krikor Haroutunian;

H. R. 3477. An act for the relief of Francisco R. Acosta;

H. R. 3674. An act for the relief of the Allegheny Forging Co.;

H. R. 3769. An act for the relief of the Keuffel & Esser Co. of New York;

H. R. 3784. An act for the relief of the estate of J. D. Warlick;

H. R. 3970. An act for the relief of Charles Sidenstucker;

H. R. 4256. An act for the relief of the estate of George B. Spearin, deceased;

H. R. 4388. An act for the relief of James Henry Rigdon;

H. R. 4436. An act for the relief of Robert Faughnan, a minor;

H. R. 4776. An act to amend section 6 of the Organic Act of Alaska;

H. R. 5257. An act for the relief of R. D. Torian;

H. R. 5295. An act for the relief of the Priest Lumber Co.;

H. R. 5397. An act for the relief of Richard L. Calder;

H. R. 5812. An act for the relief of Marguerite P. Carmack;

H. R. 5866. An act for the relief of Howard Daury;

H. R. 5928. An act for the relief of Ella Ragotski;

H. R. 6379. An act to amend section 1 of an act entitled "An act authorizing the Secretary of the Interior to employ engineers and economists for consultation purposes on important reclamation work," approved February 28, 1929 (45 Stat. 1406);

H. R. 6513. An act for the relief of Floyd H. Roberts;

H. R. 7015. An act to reenact section 259 of the Judicial Code, relating to the traveling and subsistence expenses of circuit and district judges;

H. R. 7081. An act authorizing the Secretary of the Navy to sell certain surplus land owned by the United States in Bremerton, Wash.;

H. R. 7265. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 7420. An act to amend laws for preventing collisions of vessels;

H. R. 7421. An act to provide for terms of the District Court of the United States for the Western District of Arkansas at Fayetteville;

H. R. 7612. An act for the transfer of funds to the town of Wrangell, Alaska;

H. R. 7809. An act authorizing the reconstruction or replacement of certain bridges necessitated by the Rio Grande canalization project and authorizing appropriation for that purpose;

H. R. 7855. An act for the relief of Morrison-Knudsen Co., Inc., and W. C. Cole;

H. R. 7857. An act for the relief of O'Brien Bros., Inc., New York City, N. Y.;

H. R. 7989. An act to legalize a bridge across the Nestucca River at Pacific City, Oreg.;

H. R. 8077. An act to authorize certain officers of the Army of the United States to accept such medals, orders, and decorations as have been tendered them by foreign governments;

H. R. 8083. An act to authorize the Secretary of War to furnish markers for certain graves;

H. R. 8238. An act providing for the incorporation of the United Spanish War Veterans;

H. R. 8262. An act to regulate, in the District of Columbia, the disposal of certain refuse, and for other purposes;

H. R. 8446. An act to amend the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931, as amended;

H. R. 8498. An act to authorize the Secretary of the Interior to permit the payment of the costs of repairs, resurfacing, improvement, and enlargement of the Arrowrock Dam in 20 annual installments, and for other purposes;

H. R. 8540. An act to authorize an increase in the White House police force;

H. R. 8639. An act to change the name of a portion of Twenty-fourth Street NW. to Williamsburg Lane;

H. R. 8669. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Mo.;

H. R. 8702. An act to amend the Judicial Code with respect to the continuation of grand juries to finish investigations;

H. R. 8792. An act to authorize and direct the Commissioners of the District of Columbia to accept and maintain a memorial fountain to the members of the Metropolitan Police Department;

H. R. 8822. An act to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territories of Hawaii or Alaska, and any State or Territory;

H. R. 8917. An act to authorize the construction of a waiting room and comfort station in Commodore Barney Circle, United States Reservation 55–56, and for other purposes;

H. J. Res. 433. Joint resolution to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1940;

H. J. Res. 453. Joint resolution authorizing Capt. William Bowie, former Chief of the Division of Geodesy in the United States Coast and Geodetic Survey, Department of Commerce,

to accept and wear the decoration of the Cross of Grand Officer of the Order of St. Sava;

H. J. Res. 465. Joint resolution authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1941, and for other purposes; and

H. J. Res. 466. Joint resolution to provide for the maintenance of public order and the protection of life and property in connection with the Presidential inaugural ceremonies of 1941.

Mr. WALTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 11 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 16, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Tuesday, April 16, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

There will be a meeting of the Committee on Merchant Marine and Fisheries at 10 a. m., Tuesday, April 16, 1940, at which time the committee will consider the bill (H. R. 8475) to define American fishery.

The Committee on Merchant Marine and Fisheries will hold hearings on the following resolution on Wednesday, April 24, 1940:

House Joint Resolution 509, to suspend section 510 (g) of the Merchant Marine Act, 1936, during the present European war. Hearings will be held at 10 a. m.

The Committee on Merchant Marine and Fisheries will hold hearings on the following bill on Tuesday, April 30, 1940:

H. R. 8855, to admit the American-owned steamship *Port Saunders* and steamship *Hawk* to American registry and to permit their use in coastwise and fisheries trade. Hearing will be held at 10 a. m.

COMMITTEE ON THE CIVIL SERVICE

Hearings on boards and courts of appeals bills will begin on Tuesday, April 16, 1940, at 10 a. m., room 246, Old House Office Building.

COMMITTEE ON THE PUBLIC LANDS

There will be a meeting of the Committee on the Public Lands on Tuesday, April 16, 1940, at 10:30 a. m., in room 328, House Office Building, to consider H. R. 7152.

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet at 10:30 a. m., Tuesday, April 16, 1940, to consider House Joint Resolution 501, for the relief of the distressed and starving men, women, and children of Poland.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds Tuesday, April 16, 1940, at 10 a. m., for the consideration of House Joint Resolution 487. Important. The hearings will be held in room 1501, New House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 17, 1940, at 10: 30 a. m., for the consideration of private bills and unfinished business.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 17, 1940, at 10:30 a. m., for the consideration of H. R. 3048, H. R. 5674, House Joint Resolution 243; S. 1450, and S. 2523.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the bridge subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, April 17, 1940, for the consideration of H. R. 7864, to authorize the construction of a bridge across the Ohio River at or near Cannelton, Perry County, Ind.

EXECUTIVE COMMUNICATIONS, ETC.

1551. Under clause 2 of rule XXIV a letter from the Secretary of Agriculture, transmitting a group of amendments to the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938 was taken from the Speaker's table and referred to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HOFFMAN: Committee on Labor. Part 3 A, supplement to minority report to accompany H. R. 9195. A bill to amend the National Labor Relations Act (Rept. No. 1928). Referred to the Committee of the Whole House on the state of the Union.

Mr. RAMSPECK: Committee on the Civil Service. H. R. 6507. A bill to provide for leave of absence, with pay, for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court or court of the United States; without amendment (Rept. No. 1959). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 7811. A bill to establish the Hot Springs division of the western judicial district of Arkansas; with amendment (Rept. No. 1961). Referred to the Committee of the Whole House on the state of the Union.

Mr. BUCK: Committee on Ways and Means. House Joint Resolution 431. Joint resolution to amend the joint resolution entitled "Joint resolution providing for the importation of articles free from tariff or customs duty for the purpose of exhibition at the Golden Gate International Exposition to be held at San Francisco, Calif., in 1939, and for other purposes," approved May 18, 1937, as amended; with amendment (Rept. No. 1962). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 9390. A bill granting pensions and increase of pensions to certain widows, former widows, and dependent children of veterans of the Civil War; without amendment (Rept. No. 1960). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from consideration of the bill (H. R. 9257) granting a pension to Price Thomas, and the same was referred to the Committee on World War Veterans' Legislation.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 9378. A bill to reimburse the city of Springfield, Mass., for expenditures made for the construction and equipment of pumping stations in connection with public-works projects for flood control in the Connecticut River; to the Committee on Flood Control.

By Mr. COLMER:

H. R. 9379. A bill for the relief of certain employees of the Corps of Engineers; to the Committee on Claims.

By Mr. HART:

H. R. 9380. A bill to amend the Foreign Trade Zones Act (48 Stat. 998, 1003, Public, 397, 73d Cong., 2d sess.), approved June 18, 1934, to clarify its purposes, provide for reasonable

rates and charges within a zone, and for other purposes; to the Committee on Ways and Means.

By Mr. HOBBS:

H. R. 9381. A bill to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ALEXANDER:

H. R. 9382. A bill authorizing employment of engineers and/or architects in private practice for Government projects; to the Committee on Public Buildings and Grounds.

By Mr. BLAND:

H. R. 9383. A bill to amend the Canal Zone Code with respect to the trial of joint defendants, the removal of fugitives from justice, and the regulation of criminal procedure in the Canal Zone; to the Committee on Merchant Marine and Fisheries.

By Mr. JONKMAN:

H. R. 9384 (by request). A bill to simplify the practice in cases where a patent is or may be in part valid and in part invalid; to the Committee on Patents.

By Mr. KNUTSON:

H. R. 9385. A bill to prohibit ballot stuffing and other evil political practices in national elections; to the Committee on the Judiciary.

By Mr. KRAMER:

H. R. 9386 (by request). A bill to improve the practice concerning applications for patents made by plural applicants and patents issued thereon, to provide for applications in certain circumstances by assignees of inventors, and to simplify the formal application papers; to the Committee on Patents.

By Mr. McLEOD:

H. R. 9387. A bill to provide for the incorporation of the National Association of Regulars; to the Committee on the Judiciary.

By Mr. MYERS:

H. R. 9388 (by request). A bill to protect inventors whose first application for patent was filed in a foreign country from undue limitations of their rights to obtain United States patents; to the Committee on Patents.

By Mr. ROBINSON of Utah:

H. R. 9389. A bill to more effectively utilize certain lands of the public domain, and for other purposes; to the Committee on the Public Lands.

By Mr. DIMOND:

H. R. 9391. A bill to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps so as to provide for an exception with respect to the University of Alaska; to the Committee on Military Affairs.

By Mr. BYRON:

H. R. 9392. A bill to authorize members of the police force and fire department of the District of Columbia to reside at a distance of not more than 12 miles from the District of Columbia; to the Committee on the District of Columbia.

By Mr. SHERIDAN:

H. R. 9393. A bill to amend the civil-service law to permit certain employees of the legislative branch of the Government to be transferred to positions under the competitive classified civil service; to the Committee on the Civil Service.

By Mr. FLANNAGAN:

H. R. 9394. A bill to provide for the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia; to the Committee on the Public Lands.

By Mr. TOLAN:

H. R. 9395. A bill to provide that credit under the Civil Service Retirement Act of May 29, 1930, as amended, shall be allowed for certain service in the Philippine Islands; to the Committee on the Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND:

H. R. 9396. A bill for the relief of Nettie M. Woolfolk and Jerry Woolfolk; to the Committee on Claims.

By Mr. CREAL:

H. R. 9397. A bill for the relief of C. P. Bradbury, J. W. Croan, W. S. Dawson, S. B. Foster, Virgil Hibbs, T. W. Hoagland, Charles Howlett, H. Q. Newman, Starks L. Nooe, L. N. Patterson, Otis Porter, Mrs. Ott Saddler, W. N. Simmons, and Tomy Wilson; to the Committee on Claims.

By Mr. COLE of New York:

H. R. 9398. A bill granting an increase of pension to Martha K. Holcomb; to the Committee on Invalid Pensions.

By Mr. HOFFMAN:

H. R. 9399. A bill for the relief of Ruth Crawford; to the Committee on Claims.

By Mr. KENNEDY of Maryland:

H. R. 9400. A bill for the relief of Dr. Louis L. Jacobs and Dr. Louis Sachs; to the Committee on Claims.

By Mr. MAGNUSON:

H. R. 9401. A bill for the relief of Sarah E. Thompson; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 9402. A bill granting a pension to Laura Underwood; to the Committee on Invalid Pensions.

By Mrs. ROGERS of Massachusetts:

H. R. 9403. A bill for the relief of Marie V. Talbert and her sons, James Osborn Talbert and Dewey Talbert; to the Committee on Claims.

By Mr. SMITH of Ohio:

H. R. 9404. A bill granting a pension to Emma M. Layton, to the Committee on Invalid Pensions.

H. R. 9405. A bill granting a pension to Susan Davis; to the Committee on World War Veterans' Legislation.

By Mr. HOFFMAN:

H. J. Res. 517. Joint resolution to clear title to certain real estate; to the Committee on Public Buildings and Grounds.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7436. By Mr. BOLLES: Petition of sundry citizens of Racine, Wis., expressing approval of any legislation authorizing an embargo on war materials for Japan; to the Committee on Foreign Affairs.

7437. By Mr. DEROUEN. Petition of the Louisiana Motor Transport Association, Inc., headquarters, Baton Rouge, La., with respect to the Federal tax of 1 cent per gallon on gasoline, and resolution opposing the continuation of the present Federal tax of 4 cents per gallon on lubricating oil; to the Committee on Ways and Means.

7438. Also, petition of the Evangeline Parish, La., police jury, praying for a reduction in the sponsor's contribution toward Works Progress Administration projects so that greater employment might be provided for those persons in need or destitute circumstances who are qualified and willing to work; to the Committee on Appropriations.

7439. By Mr. HART: Petition of the Mountain View Woman's Club, Mountain View, N. J., favoring and desiring the adoption of a plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7440. By Mr. KENNEDY of Maryland: Petition signed by Elsie Clark Krug and 14 others, all of Baltimore, Md., urging that the United States withdraw from the business of supplying raw materials to Japan; to the Committee on Foreign Affairs.

7441. By Mr. KEOGH: Petition of the National Consumers League, New York City, opposing the passage of the Barden bill to amend the Fair Labor Standards Act; to the Committee on Labor.

7442. Also, petition of the American Association of University Women, Washington, D. C., opposing the Barden bill (H. R. 7133); to the Committee on Labor.

7443. Also, petition of the Montana State Industrial Union Council, opposing amendments to the National Labor Relations Act; to the Committee on Labor.

7444. Also, petition of the New York Board of Trade, New York City, concerning House bill 8813 to amend the National Labor Relations Act; Senate bill 1032 to extend the Walsh-Healy Act; Senate bill 3580 to provide for the registration of investment companies, investment councillors; Senate bill 3046 to prevent pernicious political activities; to the Committee on Labor.

7445. Also, petition of the Washington League of Women Shoppers, opposing the Barden bill to amend the Fair Labor Standards Act; to the Committee on Labor.

7446. By Mr. LAMBERTSON: Petition of Roy Lee Cole and 291 other soldiers of Wadsworth, Kans., urging the enactment of House bills 7980 and 7950 into law to provide for disabled veterans and their dependents; to the Committee on World War Veterans' Legislation.

7447. By Mr. SCHIFFLER: Petition of the officers and members of Local Union No. 4006, United Mine Workers of America, Kingmont, W. Va., proposing amendments to the unemployment compensation law; to the Committee on Ways and Means.

7448. By Mr. WOLCOTT: Petition of Rev. D. A. Morris and 26 others, of St. Clair Shores, Mich., favoring Senate bill 517 designed to prohibit the advertising of alcoholic beverages over any American radio station; to the Committee on Interstate and Foreign Commerce.

7449. By the SPEAKER: Petition of the International Hod Carriers, Building and Common Laborers Union of America, Local 206, Ogden Building, Ogden, Utah, petitioning consideration of their resolution with reference to Work Projects Administration program; to the Committee on Appropriations.

7450. Also, petition of Post Office Clerks, Local 1109, Sam F. Fleming, secretary, petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7451. Also, petition of the National Federation of Post Office Clerks, Local 1126, Thomas Gaughty, president, Rushville, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7452. Also, petition of Hotel, Restaurant and Tavern Employees' Union, Local No. 548, James F. Lague, president, petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7453. Also, petition of the International Union, United Automobile Workers of America, Bendix Local No. 9, South Bend, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7454. Also, petition of the Amalgamated Association of Street Electric and Motor Coach Employees of America, division 996, George Binty, president, petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7455. Also, petition of Public School No. 59, Buffalo, N. Y., petitioning consideration of their resolution with reference to the Polish Government, located in France, concerning relief; to the Committee on Foreign Affairs.

7456. Also, petition of Williamsburg Community Association, Brooklyn, N. Y., petitioning consideration of their resolution with reference to antialien bills; to the Committee on Foreign Affairs.

7457. Also, petition of the International Brotherhood of Electrical Workers, Local Union No. 217, Earnest Carr, President, and L. J. Colt, secretary, petitioning consideration of their resolution with reference to Work Projects Administration program; to the Committee on Appropriations.

7458. Also, petition of Printers Local No. 22, L. I. McGill, president, and Clyde W. Painter, secretary, petitioning consideration of their resolution with reference to Work Projects Administration program; to the Committee on Appropriations.

7459. Also, petition of the Automobile Dealers Association of Alabama, Birmingham, Ala., petitioning consideration of their Resolutions Nos. 1, 2, and 3, with reference to the Federal Trade Commission, the National Labor Relations Board, and the Wage and Hour Board, House bill 6342 and Senate bill 915; to the Committee on Labor.

7460. Also, petition of the Department of County Judges, Commissioners, and Supervisors, Pete Hughes, chairman, resolution committee, assembled in Houston, Tex., petitioning consideration of their resolution with reference to Federal lands from taxation; to the Committee on the Public Lands.

SENATE

TUESDAY, APRIL 16, 1940

(Legislative day of Monday, April 8, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, the Father of our Lord Jesus Christ, of whom the whole family in heaven and earth is named: Imbue us with the spirit of Thy dear Son, that we may understand His teachings and apply them wisely to the facts and circumstances of our daily life. In the midst of the world's confusion keep us steadfast in our faith, responsive in heart and mind, that we may rejoice in other people's joy and in every service we are called upon to render for the furtherance of truth. Bestow upon us all the gifts of kindness, generosity, courtesy, self-control, and, above all, those gifts that will engender happiness, freedom, and simplicity, gifts that will make our tired world grow young again. We ask it in the Saviour's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, April 15, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 1918. An act relating to the retired pay of certain retired Army officers;

S. 2348. An act relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters;

S. 2599. An act to amend the Naval Reserve Act of 1938 (Public, No. 732, 52 Stat. 1175);

S. 2661. An act to create a board of inspectors, Bureau of Marine Inspection and Navigation, at Miami, Fla.;

S. 2993. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States, and acceptance by gift of certain lands from the city of San Diego, Calif.;

S. 3067. An act authorizing appropriations to be made for the disposition of the remains of personnel of the Navy and Marine Corps and certain civilian employees of the Navy, and for other purposes;

S. 3174. An act to authorize the Secretary of the Navy to accept, without cost to the United States, a fee-simple conveyance of 16.4 acres, more or less, of land at Floyd Bennett Field in the city and State of New York;

S. 3440. An act to amend the Locomotive Inspection Act of February 17, 1911, as amended, so as to change the title of

the chief inspector and assistant chief inspectors of locomotive boilers; and

S. 3528. An act authorizing the adoption for the Foreign Service of an accounting procedure in the matter of disbursement of funds appropriated for the Department of State.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 6693. An act to amend the provisions of law relating to the use of private vehicles for official travel in order to effect economy and better administration; and

H. R. 6901. An act granting increase of pensions to certain widows of veterans of the Civil War.

The message further announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 289) to amend section 5 of Public Law No. 360, Sixty-sixth Congress.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 1008. An act to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes;

H. R. 2406. An act to provide for the adjustment of the status of planners and estimators and progressmen of the field service of the Navy Department;

H. R. 5918. An act amending Public Law No. 96 of the Seventy-fifth Congress, being an act entitled "An act amending section 2 of Public Law No. 716 of the Seventy-fourth Congress, being an act entitled 'An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes' ";

H. R. 6796. An act to authorize the purchase of certain lands for the San Carlos Apache Tribe, Ariz.;

H. R. 7078. An act to authorize the acquisition by the United States of lands in Manchester and Jackson Townships of the county of Ocean and State of New Jersey for use in connection with the naval air station, Lakehurst, N. J.;

H. R. 7615. An act authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a toll bridge across Sarasota Pass, county of Manatee, State of Florida;

H. R. 7663. An act providing for sick leave for substitute postal employees;

H. R. 7733. An act to provide increased pensions for veterans of the Regular Establishment with service-connected disability incurred in or aggravated by service prior to April 21, 1898;

H. R. 7981. An act to grant pensions to certain unremarried dependent widows of Civil War veterans who were married to the veteran subsequent to June 26, 1905;

H. R. 8397. An act to extend the times for commencing and completing the construction of a bridge and approaches across the St. Louis River at or near the city of Duluth, Minn., and the city of Superior, Wis., and to amend the act of August 7, 1939, and for other purposes;

H. R. 8403. An act to convey certain lands to the State of Wyoming;

H. R. 8452. An act to declare Frankford Creek, Pa., to be a nonnavigable stream;

H. R. 8495. An act to extend the times for commencing and completing the construction of a bridge or bridges across the Mississippi River at or near the cities of Dubuque, Iowa, and East Dubuque, Ill., and to amend the act of July 18, 1939, and for other purposes;

H. R. 8500. An act authorizing the Secretary of War to execute an easement deed to the State of New Mexico for the use and occupation of lands and water areas at Conchas Dam and Reservoir project, New Mexico;

H. R. 8508. An act to amend the Subsistence Expense Act of 1926, as amended by the act of June 30, 1932 (ch. 314, sec. 209, 47 Stat. 405);

H. R. 8583. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Little Falls, Minn.;

H. R. 8650. An act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Great Pee Dee River, at or near Cashua Ferry, S. C.;

H. R. 8733. An act to clarify the employment status of special-delivery messengers in the Postal Service;

H. R. 8772. An act to amend the act of August 23, 1912 (37 Stat. 414; U. S. C., title 31, sec. 679);

H. R. 9185. An act to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended;

H. R. 9264. An act to provide for uniformity of allowances for the transportation of household goods of civilian officers and employees when transferred from one official station to another for permanent duty; and

H. J. Res. 490. Joint resolution providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 52), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That sections 5 and 6 of House Concurrent Resolution 32, which passed the House of Representatives on the 31st day of July 1939, and the Senate on the 2d day of August 1939, establishing the Virginia (Merrimac)-Monitor Commission, is hereby amended to read as follows:

"SEC. 5. That the Commission shall on or before the 15th day of April 1942 make a report to Congress for such enabling legislation, if any, as the Congress may desire.

"SEC. 6. That the Commission hereby created shall expire within 4 years after the adoption of this concurrent resolution."

ENROLLED BILL SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the enrolled bill (S. 2505) to amend an act to provide for the fifteenth and subsequent decennial censuses and to provide for apportionment of Representatives in Congress, approved June 18, 1929, so as to change the date of subsequent apportionment, and it was signed by the Vice President.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Schwellenbach
Ashurst	Ellender	Lee	Sheppard
Austin	Frazier	Lodge	Shipstead
Bailey	George	Lucas	Slattery
Bankhead	Gibson	Lundeen	Smathers
Barbour	Gillette	McCarran	Stewart
Barkley	Green	McKellar	Taft
Bone	Guffey	McNary	Thomas, Idaho
Bulow	Gurney	Maloney	Thomas, Okla.
Burke	Hale	Mead	Thomas, Utah
Byrd	Harrison	Minton	Tobey
Byrnes	Hatch	Murray	Townsend
Capper	Hayden	Neely	Tydings
Caraway	Herring	Norris	Vandenberg
Chandler	Hill	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Connally	Holt	Pepper	Walsh
Danaher	Hughes	Reed	White
Davis	Johnson, Calif.	Russell	
Donahey	Johnson, Colo.	Schwartz	

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senator from Idaho [Mr. CLARK], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Arkansas [Mr. MILLER], the Senator from Nevada [Mr. PITTMAN], the Senators from Maryland [Mr. RADCLIFFE and Mr. TYDINGS], the Senator from South Carolina [Mr.

SMITH], and the Senator from Montana [Mr. WHEELER] are detained on public business.

The Senator from Virginia [Mr. GLASS] is unavoidably detained.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. NYE] are necessarily absent.

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

LETTER FROM THE PRESIDENT RELATIVE TO SUGAR LEGISLATION

Mr. HARRISON. Mr. President, I desire to have printed in the RECORD a letter addressed by the President to Chairman JONES, of the House Committee on Agriculture, relative to sugar legislation. In view of the importance of this subject and the widespread interest in it, I ask that the letter be printed in the RECORD at this point for the information of Senators.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE.
Washington, April 11, 1940.

DEAR MR. CHAIRMAN: Reference is made to your recent letters to the Departments of State, Interior, and Agriculture, requesting comments on the various bills with respect to sugar which were introduced in the Seventy-sixth Congress and are now pending before the House Committee on Agriculture. In accordance with your request, and since your committee is now holding public hearings on these measures, it is believed that you may wish to have at this time a summary of our views on the basic issues of public policy which are involved in this group of bills.

In reviewing the present sugar situation I have been gratified to note the great improvement in conditions that has taken place since the adoption of the sugar program 6 years ago. Domestic sugar producers are fortunately receiving incomes at approximately the parity level, and they are enjoying a large volume of production. The losses of sugar processors in the years preceding the program have been converted into profits; child labor has been greatly reduced; wages and working conditions for labor have been improved, and there has been brought about an important and greatly needed recovery in the market for our surplus products in the foreign countries from which sugar is imported into the United States. Furthermore, the world price of sugar has increased substantially.

I also find that under the existing provisions of the Sugar Act of 1937, domestic sugar producers and processors will receive price protection through the quota system for the full calendar year of 1940, and that domestic sugar-beet and sugar-cane growers will receive benefit payments on their 1940 crops even though the marketings of the sugar may extend well over into 1941. The seaboard cane-sugar refiners are protected for an indefinite period against competition of Philippine refiners under terms of the Philippine Independence Act, and they will continue to enjoy quota protection from the competition of Cuban refiners for the full calendar year of 1940. The tax on sugar will remain in effect until July 1, 1941. Consequently, it seems clear that no sugar legislation is necessarily required at this session of the Congress although it might be advisable to extend the life of the Sugar Act of 1937 for an additional period through a joint resolution of the Congress.

In considering the questions raised by these bills, I find myself again confronted with the fact that the basic problem of good government inherent in sugar legislation is to balance, practically and fairly, the directly conflicting interests of the various groups of American citizens concerned; the producers of sugar and the producers of export commodities, the farmers and the processors, the employers and labor, and the industry as a whole and consumers and taxpayers. These requirements of the general welfare indicate that at least three fundamental aspects of the major bills on sugar now pending before the House Committee on Agriculture should be given special consideration:

In the first place, several of the proposals would unavoidably bring about an impairment of the export market for surplus American agricultural and industrial products, and they would do so at a time when increased export outlets are so greatly needed. It is to be regretted that each increased acre of domestic sugar-beet and sugar-cane production inevitably results in a contraction of our export markets in an amount equal to the value of the product of several acres of our principal agricultural crops. A decrease in sugar imports would, therefore, require an unnecessary and painful readjustment and contraction in our production of export commodities. It would also injure the economic status of other American republics, to which we must look in increasing degree for enlarged outlets for the products of our own labor, land, and factories. It would strike a serious blow, particularly at the foreign marketing of such important surplus farm commodities of the United States as corn-hog products, rice, wheat, and cotton.

In the second place, some of these bills would discard the established basis of distribution of quotas among the various sugar-producing areas that was carefully developed by the Congress after considerable labor. In its report to the Congress in 1937, your committee stated that the quotas had been arrived at "after careful consideration of the history of production in each area and its present and future capacity to market." I believe that we all appreciate readily the natural desire of each producing area to enlarge its share of the market, but it would be most difficult to justify an abandonment of the existing distribution of quotas in favor of a new and arbitrary basis of allotments. It is also clear that a reshuffling of domestic quotas so as to discriminate against producers in the domestic insular areas would, under the special circumstances, hardly be a conscionable procedure. The people of the Territory of Hawaii and the possessions of Puerto Rico and the Virgin Islands are American citizens who compose some of those minority groups in our population with local governments that lack the protections of statehood. If this circumstance were not given adequate consideration, it would be possible to destroy by legislation the livelihood of our citizens in the insular parts of the United States through the enactment of discriminatory prohibitions against their products; and they would possess no legal power to take countermeasures in self-defense. Such a course of action, as I have pointed out on a previous occasion, would be tantamount to an imperialistic classification of citizens and a tyrannical abuse of minority rights that is utterly contrary to the American concept of fairness and democracy. Among the cases in point is the proposal to reinstate the former discrimination against the refining of sugar in the insular parts of the United States.

In the third place, the bills submitted to your committee include a proposal that would sacrifice the protection afforded consumers under existing legislation and substitute a sugar price standard requiring a reduction in total quota supplies to consumers to a point that would enhance sugar prices beyond the level required to give a majority of producers full parity returns. One of the principal objectives of the sugar program is to assure producers and others fair and reasonable incomes; but after that has been done, further increases in price would place an excessive burden of public protection for the sugar industry as a whole on agriculture, industry, consumers, and taxpayers.

Under the existing circumstances, with sugar producers enjoying approximately a parity level of income and a large volume of production, with labor being benefited by improved wages and working conditions, with sugar processors making substantial profits, and with a gratifying increase in our exports to foreign sugar-producing countries, I am confident that the House Committee on Agriculture will not recommend any bill that would impair the foreign outlets for our surplus products, run counter to the good-neighbor policy, discriminate among various groups of domestic producers and processors, or increase the burden on our consumers and taxpayers.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Hon. MARVIN JONES,
Chairman, Committee on Agriculture, House of Representatives, Washington, D. C.

SUBCOMMITTEE TO STUDY OLD-AGE ASSISTANCE, FEDERAL OLD-AGE AND SURVIVORS' INSURANCE BENEFITS, ETC.

Mr. HARRISON. Mr. President, I ask unanimous consent to have printed in the RECORD the text of a resolution adopted this morning by the Senate Finance Committee.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolution adopted by Senate Finance Committee on April 16, 1940

Resolved, That the chairman of the committee is authorized to appoint a subcommittee of eight members, of whom three shall constitute a quorum, to make a full and complete study with respect to (1) the provisions of the Social Security Act, as amended, relating to old-age assistance and Federal old-age and survivors insurance benefits, and the Federal Insurance Contributions Act, (2) any bills relating to such matters referred to the committee during the Seventy-sixth Congress, and (3) any proposals dealing with related subjects which may be submitted to the subcommittee during the course of its study. The subcommittee shall report to the full committee as soon as practicable, together with its recommendations.

Mr. HARRISON. Pursuant to this resolution, I have appointed the following subcommittee:

The Senator from Georgia [Mr. GEORGE], chairman; the Senator from Texas [Mr. CONNALLY], the Senator from Virginia [Mr. BYRD], the Senator from Iowa [Mr. HERRING], the Senator from Colorado [Mr. JOHNSON], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Delaware [Mr. TOWNSEND].

PETITIONS

The VICE PRESIDENT laid before the Senate resolutions of Painters Local Union No. 22 and Local Union No. 217, I. B. E. W., affiliated with the Ogden Building Trades Council, of Ogden, Utah, relative to the W. P. A. construction program, which were referred to the Committee on Appropriations.

Mr. FRAZIER presented the petition of 400 business and professional men, being citizens of Stark County, N. Dak., favoring the reemployment of 90 men dropped from the W. P. A. rolls and also no further curtailment in the number of workers employed under the W. P. A. in Stark County, N. Dak., which was referred to the Committee on Appropriations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHIPSTEAD:

S. 3785. A bill to cancel the indebtedness resulting from certain feed loans, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. McCARRAN:

S. 3786. A bill to provide for the punishment of persons transporting stolen animals in interstate commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. WAGNER:

S. 3787. A bill to grant relief from payment of income tax for back years to certain State employees paid by the United States; to the Committee on Finance.

By Mr. KING:

S. 3788. A bill to amend section 18 (U. S. C., title 46, sec. 817; 39 Stat. 735) of the Shipping Act of 1916 (U. S. C., title 46, sec. 801; 39 Stat. 728, ch. 451, approved September 7, 1916), and to amend section 5 (U. S. C., title 46, sec. 8456; 52 Stat. 964) of the Intercoastal Shipping Act (U. S. C., title 46, sec. 848; 47 Stat. 1425, ch. 199, approved March 3, 1933); to the Committee on Territories and Insular Affairs.

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 1008. An act to confer to certain persons who served in a civilian capacity under the jurisdiction of the Quartermaster General during the War with Spain, the Philippine Insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes; to the Committee on Finance.

H. R. 2406. An act to provide for the adjustment of the status of planners and estimators and progressmen of the field service of the Navy Department; and

H. R. 7078. An act to authorize the acquisition by the United States of lands in Manchester and Jackson Townships of the county of Ocean and State of New Jersey for use in connection with the naval air station, Lakehurst, N. J.; to the Committee on Naval Affairs.

H. R. 5918. An act amending Public Law No. 96 of the Seventy-fifth Congress, being an act entitled "An act amending section 2 of Public Law No. 716 of the Seventy-fourth Congress, being an act entitled 'An act to relieve restricted Indians whose lands have been taxed or have been lost by failure to pay taxes, and for other purposes'"; and

H. R. 6796. An act to authorize the purchase of certain lands for the San Carlos Apache Tribe, Arizona; to the Committee on Indian Affairs.

H. R. 7615. An act authorizing the Bradenton Co., its successors and assigns, to construct, maintain, and operate a toll bridge across Sarasota Pass, county of Manatee, State of Florida;

H. R. 8397. An act to extend the times for commencing and completing the construction of a bridge and approaches across the St. Louis River at or near the city of Duluth, Minn., and the city of Superior, Wis., and to amend the act of August 7, 1939, and for other purposes;

H. R. 8452. An act to declare Frankford Creek, Pa., to be a nonnavigable stream;

H. R. 8495. An act to extend the times for commencing and completing the construction of a bridge or bridges across the Mississippi River at or near the cities of Dubuque, Iowa, and East Dubuque, Ill., and to amend the act of July 18, 1939, and for other purposes;

H. R. 8500. An act authorizing the Secretary of War to execute an easement deed to the State of New Mexico for the use and occupation of lands and water areas at Conchas Dam and Reservoir project, New Mexico;

H. R. 8583. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Little Falls, Minn.; and

H. R. 8650. An act granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Great Pee Dee River, at or near Cashua Ferry, S. C.; to the Committee on Commerce.

H. R. 7733. An act to provide increased pensions for veterans of the Regular Establishment with service-connected disability incurred in or aggravated by service prior to April 21, 1898; and

H. R. 7981. An act to grant pensions to certain unremarried dependent widows of Civil War veterans who were married to the veteran subsequent to June 26, 1905; to the Committee on Pensions.

H. R. 8403. An act to convey certain lands to the State of Wyoming; to the Committee on Public Lands and Surveys.

H. R. 8733. An act to clarify the employment status of special-delivery messengers in the Postal Service; to the Committee on Post Offices and Post Roads.

H. R. 9185. An act to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended; to the Committee on Territories and Insular Affairs.

H. R. 8508. An act to amend the Subsistence Expense Act of 1926, as amended by the act of June 30, 1932 (ch. 314, sec. 209, 47 Stat. 405); and

H. R. 9264. An act to provide for uniformity of allowances for the transportation of household goods of civilian officers and employees when transferred from one official station to another for permanent duty; to the Committee on Expenditures in the Executive Departments.

H. R. 8772. An act to amend the act of August 23, 1912 (37 Stat. 414; U. S. C., title 31, sec. 679); and

H. J. Res. 490. Joint resolution providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings

of the International Technical Committee of Aerial Legal Experts and the commissions established by that committee; to the Calendar.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 52) to amend House Concurrent Resolution 32, Seventy-sixth Congress, first session, establishing the Virginia (Merrimac)-Monitor Commission, was referred to the Committee on the Library.

AN ADEQUATE NAVY—ADDRESS BY SENATOR WALSH BEFORE DAUGHTERS OF THE AMERICAN REVOLUTION

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address made by him before the Daughters of the American Revolution at Washington, D. C., on April 15, 1940, on the subject An Adequate Navy, which appears in the Appendix.]

ADDRESSES BY SENATOR GREEN AND HON. JAMES A. FARLEY AT JEFFERSON DAY DINNER, PROVIDENCE, R. I.

[Mr. MINTON asked and obtained leave to have printed in the RECORD addresses delivered by Senator Green and Hon. James A. Farley at the annual Jefferson Day dinner of the Democratic State committee held at Providence, R. I., April 14, 1940, which appear in the Appendix.]

"'DUE PROCESS' AND MR. JUSTICE BLACK"—ARTICLE BY RT. REV. MSGR. JOHN A. RYAN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article entitled "'Due Process' and Mr. Justice Black," by Rt. Rev. Msgr. John A. Ryan, D. D., published in the Catholic World for April 1940, which appears in the Appendix.]

ADDRESS BY MILO PERKINS ON THE CHALLENGE OF UNDERCONSUMPTION

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address on the subject of the challenge of underconsumption, delivered by Milo Perkins, president of the Federal Surplus Commodities Corporation, at Des Moines, Iowa, February 24, 1940, which appears in the Appendix.]

UNEMPLOYMENT—ARTICLE BY CHARLES G. ROSS

[Mr. SCHWARTZ asked and obtained leave to have printed in the RECORD an article from the Washington (D. C.) Evening Star of Monday, April 15, 1940, by Charles G. Ross, on the subject of unemployment, which appears in the Appendix.]

CIVIL AERONAUTICS AUTHORITY

[Mr. MCCARRAN asked and obtained leave to have printed in the RECORD a letter from David L. Behncke, president of the Air Line Pilots' Association; two articles appearing in the American Aviation Daily; an article by David Lawrence, published in the Washington Evening Star of April 15, 1940; and an article by Drew Pearson and Robert S. Allen, published in the Washington Times-Herald of April 16, 1940; all relating to the Civil Aeronautics Authority, which appear in the Appendix.]

TRANSFER OF CIVIL AERONAUTICS AUTHORITY TO DEPARTMENT OF COMMERCE

[Mr. MCCARRAN asked and obtained leave to have printed in the RECORD the following editorials on the subject of the transfer of the Civil Aeronautics Authority to the Department of Commerce: From the New York Times of April 13, 1940; from the Washington (D. C.) Post of April 13, 1940; from the Washington (D. C.) Evening Star of April 12, 1940; and from the Washington (D. C.) Evening Star of April 15, 1940, which appear in the Appendix.]

EDITORIAL FROM NEW YORK POST ON THE LABOR BOARD

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an editorial from the New York Post of April 8, 1940, entitled "The Labor Board," which appears in the Appendix.]

ARTICLE BY H. ELIOT KAPLAN ON POLITICAL NEUTRALITY OF THE CIVIL SERVICE

[Mr. HATCH asked and obtained leave to have printed in the RECORD an article by H. Eliot Kaplan, entitled "Political Neutrality of the Civil Service," published in the Public Personnel Review of April 1940, which appears in the Appendix.]

APPOINTMENT OF ADDITIONAL DISTRICT AND CIRCUIT JUDGES

The Senate resumed the consideration of the bill (H. R. 7079) to provide for the appointment of additional district and circuit judges.

The VICE PRESIDENT. When the Senate took a recess yesterday, the Senator from Kansas [Mr. REED] had the floor; and it was the understanding that he would have recognition today.

Mr. REED. Mr. President, the unfinished business at the close of yesterday was a bill to create additional circuit and district judgeships, as amended by the Senate. I joined with the majority leader and the minority leader in their desire to terminate proceedings as early as possible today; and I, myself, desire, in accordance of that understanding, to save all the time I can.

I have three amendments, which I send to the desk at one time, and ask to have stated.

The VICE PRESIDENT. Without objection, the amendments will be stated at this time.

The CHIEF CLERK. On page 2, line 12, it is proposed to strike out "six" and insert in lieu thereof "five"; and in line 15 to strike out "district of New Jersey."

Also, on page 2, line 12, it is proposed to strike out "six" and insert in lieu thereof "five", and in lines 14 and 15 to strike out "Southern district of California, district"; and insert in lieu thereof "District."

Also, on page 2, line 12, it is proposed to strike out "six" and insert in lieu thereof "five"; and on page 2, line 16, to strike out "eastern district of Pennsylvania."

Mr. REED. Mr. President, again to save time, I send to the desk and ask to have lie on the table, pending their insertion in the RECORD, three tables which I have prepared.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. REED. Mr. President, I shall talk from those tables, copies of which were distributed in the Senate Chamber last Friday. If any Member has not a copy of the table relating to any amendment in which he has an interest, I shall be very happy to supply him a copy at this time. I am taking this course, to which I hope no objection will be raised, in an effort to finish my discussion of the amendments in about a half hour. That will give Senators who entertain other views a chance to express those views. Furthermore, in connection with what I have said I wish to state that, in order to save time, I shall not ask for a yea-and-nay vote on the amendments, and I shall not raise any question of a quorum during the consideration of the amendments. I shall, however, move to recommit the bill after the amendments shall have been disposed of, and upon that motion I desire a record vote.

The VICE PRESIDENT. The question is on agreeing to the first amendment offered by the Senator from Kansas.

Mr. REED. Mr. President, these statements are before every Senator who desires to be informed. As I have repeatedly stated, I have caused an analysis to be made of the business of every district for which an additional judge is allowed by this bill. The first amendment relates to New Jersey. I desire very briefly to discuss the New Jersey situation.

Four judges are authorized in that district. The whole State of New Jersey is one district. For some time a vacancy existed in that district because of the failure of the President to appoint, due to the fact that he was unable to get the senior Senator from New Jersey [Mr. SMATHERS] and the mayor of Jersey City, Mr. Frank Hague, to agree as to who should be appointed. However, that vacancy has been filled.

The salient points of the New Jersey statement as to the business of that district are as follows:

At the beginning of 1930 there were 895 criminal cases pending. Please bear in mind that there are four judges. On the 30th of June 1939 there were 480 cases on the docket, less than half of the number of cases of that particular class 10 years before.

Of civil cases to which the United States is a party, on June 30, 1930, there were 1,142 cases pending. On June 30, 1939, there were 412 such cases pending, about one-third of the number 10 years before.

Of other civil cases in which both parties are private citizens, and which by general agreement are the most important cases and take most of the time of the average court, in 1930 there were 796 cases pending, and on June 30, 1939, there were 588 cases pending. I do not refer to the bankruptcy cases, because they are largely handled by referees anyway, and it has been repeatedly stated by distinguished lawyers that as a rule bankruptcy cases do not require much of the time of the court.

Mr. President, I have shown the improvement in the business of the New Jersey district in 10 years. It is true that there was a congestion in that district along about 1934, 1935, and 1936; but that condition has steadily improved. For example, in 1935, there were 1,158 civil cases pending. In 1936 there were 1,185 civil cases pending. In 1937 there were 934 civil cases pending. In 1938 there were 635; and at the end of 1939, notwithstanding, there were only three judges there, because of the vacancy which was not filled, there were 588 civil cases pending. Since New Jersey presents a peculiar situation, I have asked the Attorney General's office to give us information as nearly up to date as he could supply it. The data show that, whereas on June 30 of last year, there were 480 criminal cases pending, an average of 120 for each judge. On February 29 this year, the last date for which I could obtain official reliable information, there were 401 cases pending, 100 cases for each judge. Of the United States civil cases, on June 30, the other statement shows, there were 401 cases pending, and on February 29 this year, there were 353 cases pending; that is, the average for each judge last June 30 was 103, and the average for each judge on February 29, this year, was 88. The number of the other civil cases has slightly increased, from 588 to 641, which means an increase for each judge of from 147 to 155.

Mr. President, I ask consent to have a copy of the statement, which is taken from the records of the Attorney General's office, inserted in the RECORD at this point in my remarks, together with the long statement which I send to the desk, so far as it relates to New Jersey.

The PRESIDING OFFICER (Mr. BURKE in the chair). Is there objection?

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Cases pending in United States District Courts, District of New Jersey, 4 judges

Year ending—	Criminal		United States civil		Other civil		Bankruptcy	
	Total cases	Average per judge	Total cases	Average per judge	Total cases	Average per judge	Total cases	Average per judge
June 30, 1939	480	120	412	103	588	147	1,804	451
July 1, 1939, to Feb. 29, 1940	401	100	353	88	621	155	1,599	400

Authority: Reports of the Department of Justice.

10-year analysis of cases, by classes, filed, terminated, and pending in United States District Court, District of New Jersey, 4 judges

	Criminal				United States civil				Other civil				Bankruptcy			
	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year
1930	1,029	912	1,046	895	1,445	1,182	1,485	1,142	688	632	524	796	1,858	1,275	1,003	2,130
1931	895	1,124	1,197	822	1,142	1,556	1,575	1,120	796	727	606	917	2,130	1,551	1,293	2,388
1932	822	1,558	1,911	469	1,120	2,106	2,004	1,222	917	726	571	1,072	2,388	1,875	1,199	3,064
1933	469	1,779	1,751	497	1,222	1,685	1,485	1,422	1,072	871	777	1,166		1,814	1,894	2,984
1934	497	470	729	238	1,422	525	994	953	1,166	1,090	962	1,294	2,984	1,572	1,679	2,877
1935	238	425	349	314	953	584	583	[1] 954 / [2] 1,121	1,294	782	731	[1] 1,345 / [2] 1,158	2,877	1,548	2,189	2,236
1936	314	373	332	355	1,121	449	585	985	1,449	824	1,088	1,185	2,236	1,691	1,454	2,473
1937	355	336	287	404	985	200	394	881	1,185	478	729	934	2,473	1,729	2,045	2,157
1938	404	439	405	438	881	390	744	527	934	510	809	635	2,157	1,738	1,864	2,031
1939	438	369	327	480	527	331	446	412	635	537	584	588	2,031	1,394	1,621	1,804
Total		7,785	8,334			9,098	10,295			7,177	7,381			16,187	16,241	

[1] Our figure which is correct.
[2] 1935 cases pending error in book, but must be followed to make years following tally.

Authority: Reports of the Attorney General of the United States.

Mr. REED. Mr. President, I also ask unanimous consent to have inserted in the RECORD two editorials from the Newark News dealing with this judgeship situation. I am not a lawyer; I am a newspaperman, and I know more about newspapermen, thank God, than I do about lawyers. The Newark News is the largest newspaper in New Jersey, and among newspapers has a very high reputation for integrity, and for fidelity to the public interest. I ask unanimous consent to have inserted in the RECORD at this point the editorials to which I have referred.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Newark Evening News of March 18, 1940]

THAT FIFTH JUDGE

Pressure for the creation of a fifth United States district court judge for New Jersey has been constant for the last 2 years. This pressure has come from within the Congress and from without. These previous attempts to add to the judicial establishment failed. But now the House has adopted and sent to the Senate an omnibus bill, designed by and for logrollers, under the provisions of which 10 new judges would be appointed, 1 of whom would be assigned to New Jersey. The chief argument for the new judgeship in this State is that criminal and civil dockets are congested "alarmingly."

Crowded calendars may be attributed directly to the delay in appointing a successor to Judge Clark on the district bench. And what and who were responsible for that delay? Politics and politicians, namely, Senator SMATHERS and Mayor Hague. They could not agree on a nominee, and so 18 months intervened between Judge Clark's elevation and the appointment of Judge Walker as his successor. Meantime cases accumulated, and the very delay which had its origin in politics has been used by Democratic Congressmen from New Jersey to help steer the omnibus bill through the House.

As to those congested dockets, Senior Judge Biggs, of the third circuit, has assigned three members of his court to sit in New Jersey and to dispose of 200 pending criminal cases. Judge Biggs himself is sitting in Camden to facilitate clearance. Judges from districts less pressed might be brought into the jurisdiction to dispose of civil litigation.

Why, then, a fifth judge?

[From the Newark Evening News of April 5, 1940]

THAT "RIDICULOUS" JUDGESHIP

Senator REED (Republican), of Kansas, objects to the House omnibus bill creating 10 new Federal judges, of which 1 would go to New Jersey—a fifth district judgeship here, for which no convincing need has been shown. The Kansas Senator told the Senate that an additional judgeship in New Jersey was "ridiculous, because Senator SMATHERS intimated on the Senate floor that a Federal judgeship there was vacant for almost a year because SMATHERS and Frank Hague couldn't agree on an appointment."

Just so. Mr. REED points out that there have been ninety-odd judges appointed under the Hoover and Roosevelt administrations, and that "I'm going to fight this thing every way I know how." Of the creation of judgeships there seems to be no end.

As concerns New Jersey, the question recurs: Why a fifth judge? Senator REED has the answer—logrolling.

Mr. REED. As I stated, Mr. President, I am trying to save the time of the Senate so that Senators who desire to get

away may be able to do so promptly. Without asking for a roll call upon the amendment relating to the New Jersey court, I wish to proceed to discuss the southern California amendment. I am doing this only for the purpose of saving time, and in the hope of accommodating Senators on the other side.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. ASHURST. Whatever the Senator may say is agreeable to me. The Senator is secure from my prejudice. Any one who fights so fairly and vigorously as does the Senator from Kansas is secure from my prejudice at least.

Mr. REED. I thank the gracious Senator from Arizona very much for his kindness. He is always kind. What I am trying to do now is to save the time of the Senate.

Among the statements I have sent to the desk is one which shows the business of the court of the southern district of California. I invite the particular attention of the Senator from Nevada [Mr. McCARRAN] to this. He went to California and made a report to the Committee on the Judiciary. Has the Senator a copy of this statement?

Mr. McCARRAN. Yes; the Senator from Kansas gave me a copy quite early.

Mr. REED. I have tried to supply every Senator who might have any interest in the matter with a copy so that he might secure any information he desired.

Mr. ASHURST. The Senator is now discussing the California case?

Mr. REED. I shall proceed to discuss the California matter. Of course, we are hoping no one will make any very long speeches, because if that happens I am afraid we will not get away by 1:30.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. ASHURST. The Senator knows that the Senate Committee on the Judiciary laid certain burdens on its various members, and the Senator from Nevada [Mr. McCARRAN], a member of the committee, was appointed by the chairman of the committee to go to California to make an investigation. At great trouble to himself he performed that task in a most commendable way. The work he did was laborious, and he submitted to the committee quite an elaborate report.

While I happen to know much about the need for an additional judge in southern California, I have no such wealth of information on the subject, as has the able Senator from Nevada [Mr. McCARRAN], who, at the proper time, I am sure, will secure recognition and lay before the Senate the various facts.

Mr. REED. Mr. President, the Senator from Nevada and I discussed this matter on the floor last year. I stated then that I made no objection to the provision for an additional judge for southern California. I do make an objection now.

Let me say to the distinguished Senator from Arizona, being one of his constituents, that I have been in Los Angeles many times myself, and I know the lights there are bright and dazzling, and they might confuse the eyes of even an honest man. The fact is, the more honest he is the more dazzled he is likely to be. I have been greatly dazzled myself. It is barely possible that the Senator from Nevada may have been.

Mr. ASHURST. Mr. President——

Mr. REED. I beg the Senator not to ask me to yield. I am trying to save the time of the Senate.

The PRESIDING OFFICER. The Senator from Kansas declines to yield.

Mr. REED. I am not declining out of any desire to be discourteous. I join the majority and minority leaders in seeking to have the matter concluded by 1:30.

If I may have the privilege, or if the Senator from Connecticut may have it, if he prefers, my wish is that when we offer a motion to recommit, which we shall do, there may be about 10 minutes for discussion. Therefore I am trying to conclude with the discussion of the amendments by, say, 1:15 or 1:20.

In southern California there are seven judges. Congress has been giving the southern district of California an additional judge about every year or every other year, until there are now seven judges in that district. I shall read the figures as to the maximum number of cases in that district in any year in the last 10 years, and the condition of the docket on June 30 last. This is the best information I have been able to obtain.

I do not contend, any more than does Judge Otis, that it is possible absolutely to determine the work of a district or of a number of judges by the number of cases. It is a broad, sweeping kind of measurement. As Judge Otis well said, it will not measure one thirty-second of an inch, but it will measure a mile, and we have traveled many miles in allowing additional judges for southern California.

Mr. President, I shall start on the table of figures which is on the desk, and I ask the Chair to recall that I should like to have the tables printed in the order in which I discuss the various districts. Otherwise I would have kept them separate.

I ask that the statement as to California be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

10-year analysis of cases, by classes, filed, terminated, and pending in United States District Court, District of Southern California, 7 judges

	Criminal				United States civil				Other civil				Bankruptcy			
	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending close of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year
1930	----------	477	1,170	602	369	333	194	508	793	428	477	744	1,885	2,056	2,138	1,803
1931	602	1,347	1,318	631	508	625	368	765	744	608	462	890	1,803	2,357	1,993	2,167
1932	631	1,438	1,443	626	765	795	488	1,072	890	696	506	1,080	2,167	2,449	2,101	2,515
1933	[1]	1,302	1,302	608	1,072	583	637	1,018	1,080	691	715	1,056	2,515	2,408	2,511	2,412
1934	608	843	1,072	379	1,018	175	420	773	1,056	605	637	1,024	2,412	2,624	2,552	2,484
1935	379	801	768	412	773	213	330	[2] 656 [3] 673	1,024	619	615	[2] 993	2,484	3,399	3,011	2,872
1936	412	686	780	318	673	245	388	530	993	532	734	791	2,872	2,499	2,999	2,372
1937	318	754	784	288	530	234	319	445	791	466	580	677	2,278	2,393	2,494	2,177
1938	288	647	731	204	445	249	366	328	677	425	555	547	2,177	2,546	2,416	2,307
1939	204	808	816	196	328	304	399	233	547	400	486	461	2,307	2,658	2,290	2,675
Total	----------	9,103	10,184	----------	----------	3,756	3,909	----------	----------	5,470	5,767	----------	----------	25,389	24,505	----------

[1] Not listed.
[2] Our figure which is correct.
[3] 1935 cases pending error in book, but must be followed to make years following tally.
[4] Pending figures different from those shown in annual report 1936. Revised error in figures previously recorded.

Authority: Reports of the Attorney General of the United States.

Mr. REED. Mr. President, the highest number of criminal cases in the last 10 years pending on the docket in southern California was in 1931, when 631 such cases were pending. At the end of the last fiscal year 196 were pending.

If we take United States civil cases, we find that the highest number of such cases pending at any one time was in 1932. At the end of the last fiscal year 233 were pending. The highest number of civil cases pending at any time was in 1932, when 1,080 were pending.

I now wish to read a statement of the figures, by years, of the civil cases, which everyone agrees comprise the most important business a Federal court has to handle. In 1932 there were 1,072 such cases; in 1933 there were 1,018, and in 1934 there were 773.

In connection with the statement to which I am referring an explanation is necessary for 1935. We found an error in the records of the Attorney General, and the officials of his office agreed that it was an error. It is one of those things which just happen. So two figures are used, and I wish to be fair and read them both. The statement furnished by the Attorney General's office, which I think is in error in this particular, shows that there were 673 cases in 1935. The correct number, which upon analysis the Department of Justice agreed with my secretary, who went over the matter, was correct, was 656. Be that as it may, there is not much difference.

In 1936 there were 530 United States civil cases. In 1937 there were 445; in 1938 there were 328, and in 1939 there were 233.

I had intended to read figures as to the other civil cases. The highest figure of the purely civil cases, in which both parties were civil litigants, was in 1932, when there were 1,080 such cases.

In 1933 there were 1,056; in 1934 there were 1,024; in 1935 there were 993; in 1936 there were 791; in 1937 there were 677, and in 1938 there were 547.

At the end of the last fiscal year, with 7 judges, there were 461 civil cases pending. Can anyone, I do not care whether he be a United States Senator, or a member of the F. B. I., or a prosecuting attorney, or judge, or anyone else, find necessity for adding to 7 judges, when, as shown by the dockets in that district last year there were pending only 196 criminal cases, 233 United States civil cases, and 461 purely civil cases?

The improvement in the California situation, with the addition of the judges already allowed, has been remarkable. I inform the distinguished chairman of the Judiciary Committee and the Senator in charge of the bill that probably later in the session I shall bring up a further study of this situation. There are districts in the United States with two and three judges which have more business than has the southern California district with seven judges. I have disregarded the bankruptcy cases. They are heard by referees. But I want to say to the distinguished Senator from Nevada [Mr. McCARRAN] and the very able Senator from New Mexico [Mr. HATCH] that we did not fail to look into that. We found a number of districts with three or four judges which had more bankruptcy cases pending than did the southern California district with seven judges.

Mr. President, I now want to discuss the third amendment.

Mr. McCARRAN. Mr. President, does the Senator wish to be interrupted? I desire to give a few enlightening statements to the Senate pertaining to the southern California district. I do not care to interrupt the Senator unless he would prefer an interruption at this time.

Mr. REED. Mr. President, I said that I presented these three amendments together rather than separately merely to save the time of the Senate. The Senator from Nevada can make his statement in his own time, or he may interrupt me now if he chooses.

Mr. McCARRAN. I think the Senator would be very much enlightened by an authentic statement made by one of the judges of the district of southern California while every judge of the district was present. The statement was made on the 15th day of May 1939, at which time I made the investigation with respect to the district of southern California. I wish to read the statement of cases and proceedings then pending made by the presiding judge, Judge James, whose integrity is beyond all question.

Mr. REED. The Senator from Nevada understands, does he not, that the figures I have used in every case have been obtained from the Department of Justice.

Mr. McCARRAN. I understand that; but I am going to give to the Senate first-hand, from an authentic source, the very best evidence that can be obtained. I read Judge James' statement as follows:

Judge JAMES. If the other judges have covered the ground, I want to give just a few figures. I have prepared a statement showing the filings for a year of civil and criminal. In connection with that, I have a little statement here which I will ask the reporter to copy into the record and then I won't need to go into it particularly.

(The statement above referred to is as follows:)

"STATEMENT OF CASES AND PROCEEDINGS FILED IN THE DISTRICT COURT OF THE SOUTHERN DISTRICT OF CALIFORNIA FROM MAY 1, 1938, TO MAY 1, 1939

"Civil (including equity)	731
"Criminal	772
"Total civil and criminal	1,503
"Reorganization	28
"Bankruptcy	2,643
"Total	2,671
"Total cases filed	4,174

"Estimates of the time required to handle the 1,503 civil and criminal cases filed for the year from May 1, 1938, to May 1, 1939, may be made with approximate certainty as to the result. First, calculating the available trial days in a year, we exclude Mondays, as the law and motion calendars and all short matters are heard by each of the judges on that day; then, if we calculate the remaining open week time up to Saturday noon, it will show the total available trial time for each judge to be 220 days in a year (excluding the month of August, which is considered a vacation month).

"Now, if the court were supplied with 7 judges, the total trial time available for all judges would amount to 1,540 days in the year. Many cases, such as the numerous patent suits on the civil side, and mail-fraud cases on the criminal side, often occupy weeks of a judge's time. The general average of the ordinary civil trial would be at least 2 days; hence it is fair to estimate that 7 judges would try 770 cases per year. With a total of 1,503 civil and criminal cases filed during the past year, it is quite apparent that that number could not be disposed of under 1½ years, making due allowance for the number that would not reach trial.

"Judges should be allowed reasonable periods off the bench to work in chambers on submitted cases and matters. In patent cases, especially, there are invariably offered many prior patents, and hours of time are required to study and analyze them. Tax suits by and against the United States require much study as well. If hasty decisions are made, the appeals will be increased in number, and reversals will be more frequent, with the result that second trials must be had. There is great need, too, that the judges be provided with law secretaries, who could aid greatly in handling chamber work.

"Regular trial sessions of the court are held twice each year at Fresno and San Diego, with intervening motion days. These sessions at a minimum will each last from 4 to 7 weeks. Our district includes the 17 southern counties.

"In the above no account has been taken of reorganization matters under the Bankruptcy Act, or bankruptcy proceedings proper. It is the common experience of the judges that reorganization proceedings occupy far more than a total of 3 or 4 days of a judge's time. In the bankruptcy matters, while the referees conduct the larger part of the administration, there are constantly review proceedings brought from orders made by the referees, and these proceedings take up a great deal of time in the aggregate."

In that respect the judge made no mention of the cases that would normally be filed during the year while these 1,503 cases were being tried.

Let me draw to the attention of the able Senator from Kansas the fact that for amount of business the southern district of California has no equal in the United States. It has a population which, in my opinion, the census will show to be very close to 5,000,000. It has varied industries, and for some reason or other it has had more than its share of mail-fraud cases. That is probably due to the rapid influx of population.

Mr. President, I am not boosting southern California. I am presenting to the able Senator from Kansas only the result of a careful study made by me of the situation there as

regards the business of the Federal court. I have here—and I wish it might be inserted in the RECORD—a copy of the proceedings conducted by me in California when every one of the trial judges of the Federal court in the southern district of California was present and gave his statement, which reveals to the Senate that the southern district of California could not only use 8 judges but it could use 10 judges, because the business warrants such an addition to the number of judges.

Let me say to the able Senator from Kansas that human endurance is a thing which reaches a limit. When a man is placed on the bench or in his chambers and he is expected to work from 12 to 18 hours a day, one cannot expect him to carry on at that rate interminably. Human nature gives out after a time.

I have a statement in my hand which shows that the seven judges now on the Federal bench in the southern district of California, which extends from the northern line of Fresno County in central California to the Mexican line in southern California, are working from 15 to 18 hours a day. Such hours of work simply cannot be continued. Why make slaves out of public servants who render the highest degree of efficient service in all the intricacies of our Government?

Mr. HATCH. Mr. President, will the Senator yield right there?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Kansas yield to the Senator from New Mexico?

Mr. REED. I yield.

Mr. HATCH. I ask the Senator from Nevada if the work performed by the judges of this country relates only to quantity of work and hours, or does quality have some relation to it?

Mr. McCARRAN. Most certainly, if the Senator from Kansas will pardon me again, the quality of work is all important. Let me draw to the attention of the able Senator from Kansas a chapter of history which applies to southern California, when the district courts were called upon to try and determine the legality of certain oil claims in southern California, in which the Federal Government was involved. Some of those cases took many weeks to try. So quality in matters of that kind speaks far more than quantity. I say again to the able Senator from Kansas, for whose solicitude in this regard I have great respect, that southern California should have 10 trial judges instead of 8.

Mr. REED. Mr. President, frequent reference has been made to the report of the judicial conference, and it has been very frequently and freely stated by the distinguished Senator from Arizona [Mr. ASHURST], who does not happen to be present in the Chamber at the moment, and by the Senator from New Mexico [Mr. HATCH] that the Judiciary Committee has not been able to follow entirely the recommendations of the judicial conference.

In that attitude I concur, and I wish to give the reason for doing so.

The next phase of the question which I shall discuss—having to do with the last of the three amendments which I sent to the desk—is the eastern district of Pennsylvania.

On page 5 of the report of the judicial conference, at its September session, 1939, the conference reported as follows:

> The Attorney General also states that the following districts, which showed arrears a year ago, now report that the dockets are current.

Mr. President, after declaring that the docket in the eastern district of Pennsylvania was up to date—using the language, "now reports that the dockets are current"—on page 7 the judicial conference recommends an additional judge for the eastern district of Pennsylvania. I do not care if the recommendation is made by the Chief Justice of the United States and the senior circuit judges; those two things are inconsistent. On one page there is a finding that the docket of a district is up to date, and on the second page following there is a recommendation for an additional judge for that district.

I do not blame the Judiciary Committee for not taking the recommendation of the judicial conference. I do not wish to repeat, but I have referred to Judge Otis' comment that the judicial conference itself is frequently misled, because it is human. We have a direct example from the last report of the regular conference. I think an extra session has been held since that time, which has nothing to do with this question.

The judicial conference, presided over by the Chief Justice, meets in September every year, and last September it found that the business in the eastern district of Pennsylvania was current, and yet on the second page following it recommends an additional judge.

I do not know how to reconcile those things. I can well understand that the Committee on the Judiciary may have difficulty.

Mr. President, I ask unanimous consent to have the table relating to Pennsylvania printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The table is as follows:

10-year analysis of cases, by classes, filed, terminated, and pending in United States District Court, District of Eastern Pennsylvania, 4 judges

	Criminal				United States civil				Other civil				Bankruptcy			
	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year	Cases pending beginning of fiscal year	Filed	Terminated	Cases pending end of fiscal year
1930	343	803	746	400	776	722	903	595	1,540	417	591	1,366	1,565	1,045	821	1,789
1931	400	553	741	212	595	583	643	535	1,366	442	439	1,369	1,789	1,205	846	2,148
1932	212	421	436	197	535	522	543	514	1,369	535	308	1,596	2,148	1,339	1,098	2,389
1933	197	1,154	665	686	514	499	576	437	1,596	413	469	1,540	2,389	1,322	1,115	2,596
1934	686	298	862	122	437	272	362	347	1,540	476	460	1,556	2,596	797	1,440	1,953
1935	122	425	377	170	347	415	421	[1] 393	1,556	459	416	[1] 1,505	1,953	732	860	1,825
1936	170	452	423	199	393	276	337	332	1,575	617	631	1,561	1,825	598	814	1,609
1937	199	510	451	258	332	179	188	323	1,561	435	398	1,598	1,609	592	725	1,476
1938	258	379	440	197	323	298	412	209	1,598	536	539	1,595	1,476	533	600	1,409
1939	197	370	383	184	209	221	215	215	1,595	503	815	1,283	1,409	525	616	1,318
Total		5,365	5,524			3,987	4,600			4,833	5,066			8,688	8,935	

[1] 1935 cases pending error in book, but must be followed to make years following tally.

Authority: Reports of the Attorney General of the United States.

Mr. REED. Mr. President, I have repeatedly told the same story. I am under no illusions. There are sufficient votes on the other side to defeat all my amendments, and that is perfectly all right with me. All I am doing is making a record for the information of the people of the United States, to the very best of my ability, without any prejudice or bias, and without any feeling except a general knowledge that we have about 25 more district judges than we need.

I hope that when the administrator appointed by the Supreme Court goes into action—and I have conferred with his office in this connection—it will be possible so to arrange the work of the various courts so that it may be carried on without delay, without confusion, and with a smaller number of judges than we now have. I cannot reconcile my conscience to allowing additional judges, when during the past 20 years we have allowed 87 additional district judges

and 22 additional circuit judges, although litigation has declined in that time, and although there is today, on the docket of every district for which the bill provides an additional judge, less business than at any time in 10 years. How in heaven's name we are justified in authorizing additional judges, I cannot understand.

Mr. President, I wish to call attention to a few figures in connection with the Pennsylvania situation, and then I shall yield the floor to Senators who do not agree with me.

I ask unanimous consent that at 1:20 o'clock p. m. I may have 10 minutes in which to discuss the motion to recommit. I shall conclude in 2 or 3 minutes, and Senators who are opposed to me may have the remainder of the time until 1:20.

The PRESIDING OFFICER. Is there objection to the request of the junior Senator from Kansas that, beginning at 1:20 o'clock he be given 10 minutes to discuss a motion to recommit the bill? The Chair hears none, and it is so ordered.

Mr. REED. Mr. President, I have done my part today. I have gone as fast as I could.

With respect to criminal cases in the eastern district of Pennsylvania, the high-water mark was reached in 1933, when national prohibition was in effect. There were 686 cases pending. On June 30 last there were 184 cases pending. That district has 4 judges, and the recent vacancy there has been filled.

With respect to United States civil cases, the high-water mark was reached in 1930, when 595 cases were pending at the end of the fiscal year. Let me read the figures on United States civil cases for the past 4 years. In 1936 there were 332 pending at the end of the year; in 1937, 323; in 1938, 209; and in 1939, 215. That is a little more than 50 cases pending for each judge. No judge in a district of any consequence can ever get his docket clear. If he does not have more than 50 cases on his docket, he probably feels lost.

With respect to other civil cases, I show on this statement the business for 10 years. The high-water mark was reached in 1936, when 1,598 cases were pending at the end of the fiscal year. At the end of the last fiscal year, June 30, 1939, there were 1,283 cases pending. That is the lowest number that has been pending in the eastern district of Pennsylvania in any year since, including 1930.

In order to bring the matter a little closer down to date, I asked the Department of Justice to bring it down to February 29, as it has done in the case of New Jersey. I find a startling improvement in the condition. I am now reading the total number of cases pending on February 29 for 4 judges. There were 259 criminal cases, 194 United States civil cases, and 837 other civil cases, a reduction of more than 400 between July 1 of last year and February 29 of this year.

Mr. President, I ask unanimous consent that this table be printed in the RECORD at this point in connection with my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Cases pending in United States District Court, District of Eastern Pennsylvania, 4 judges

	Criminal		United States civil		Other civil		Bankruptcy	
	Total cases	Average per judge	Total cases	Average per judge	Total cases	Average per judge	Total cases	Average per judge
Year ending June 30, 1939	184	46	215	54	1,283	321	1,318	330
From July 1, 1939, to Feb. 29, 1940	259	65	194	49	837	209	1,013	253

Authority: Reports of the Department of Justice.

Mr. REED. Mr. President, these are the figures of the Department of Justice, and not my own.

I now yield the floor.

Mr. SMATHERS. Mr. President, I wish to take only about 3 minutes to answer the 3-day speech of my distinguished colleague from Kansas.

I marvel at the audacity, the temerity, and the impertinence of the junior Senator from Kansas. He comes across the continent, from the great wheat fields of Kansas, screaming that he is "the United States Senator of the United States," and asks us——

Mr. REED. Mr. President, I rise to a question of personal privilege. I did not say that. I said I was a United States Senator of the United States, which I thought included New Jersey; and I still say it.

The PRESIDING OFFICER. The Senator from Kansas is out of order.

Mr. REED. Not on a question of personal privilege, Mr. President?

The PRESIDING OFFICER. The Senator may not take another Senator from the floor on a question of personal privilege.

Mr. REED. I am not taking him from the floor. I merely wished to say what I have said.

The PRESIDING OFFICER. The Senator from Kansas is out of order. The Senator from New Jersey has the floor.

Mr. SMATHERS. When the Senator from New Jersey asked the Senator from Kansas if he did not think his Republican colleague, the Senator from New Jersey [Mr. BARBOUR], knew more about what New Jersey needed in the way of a new judge than did the Senator from Kansas, the Senator from Kansas replied, according to the RECORD, that he was "the" or "a"—I do not care which—United States Senator of the United States, and therefore a Senator of New Jersey.

I do not recall ever having seen the name of the junior Senator from Kansas on the ballots of New Jersey, and I do not expect to see his name there this fall.

Mr. President, the junior Senator from Kansas comes into my State and to the New Jersey Bar Association that has recommended an additional judge in New Jersey, he says, "I am not a lawyer, but hold on; you do not need a new judge, and I will proceed to tell you why." He comes into the State of New Jersey and says to his Republican colleague, who joins in the request that New Jersey may have sufficient judges, "Hold on, while you are elected by the people of the State of New Jersey, you do not need a new judge in New Jersey, and I will tell you why." And he says to the three Republican judges in my State of New Jersey, who have met and adopted a resolution urging that the Congress provide them with an additional judge, "Hold on, you do not need a new judge, and I will tell you why."

Mr. President, in the olden days, according to the Bible, wise men came out of the east, but after listening to this all-American roving Senator from Kansas I am sure that they now come out of the West.

I am not going to take the time of the Senate further. A bill similar to this having passed this body once, this bill having passed the House and being supported by my Republican colleague and by the three Republican United States district court judges in my State who are today urging that an additional judge be provided, I am satisfied that this bill will pass, notwithstanding the 3-day speech we have heard from my distinguished colleague, the great roving Senator from the State of Kansas. [Laughter.]

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kansas [Mr. REED] to the amendment of the committee.

Mr. McNARY. Mr. President, I inquire what is the pending amendment?

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. REED. Before that is done, may I suggest that we take a separate voice vote on each of the three amendments?

Mr. SMATHERS. I suggest the absence of a quorum.

Mr. McNARY. Just a moment. I do not yield for that purpose.

The PRESIDING OFFICER. The clerk will state the pending amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 2, line 12, it is proposed to strike out "six" and insert in lieu thereof "five"; and in line 15, to strike out "district of New Jersey."

Mr. McNARY. I assume that debate is about to be concluded on this amendment; so I yield to the able Senator from New Jersey to make his suggestion.

Mr. SMATHERS. I thank the Senator. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Schwellenbach
Ashurst	Ellender	Lee	Sheppard
Austin	Frazier	Lodge	Shipstead
Bailey	George	Lucas	Slattery
Bankhead	Gibson	Lundeen	Smathers
Barbour	Gillette	McCarran	Stewart
Barkley	Green	McKellar	Taft
Bone	Guffey	McNary	Thomas, Idaho
Bulow	Gurney	Maloney	Thomas, Okla.
Burke	Hale	Mead	Thomas, Utah
Byrd	Harrison	Minton	Tobey
Byrnes	Hatch	Murray	Townsend
Capper	Hayden	Neely	Tydings
Caraway	Herring	Norris	Vandenberg
Chandler	Hill	O'Mahoney	Van Nuys
Chavez	Holman	Overton	Wagner
Connally	Holt	Pepper	Walsh
Danaher	Hughes	Reed	White
Davis	Johnson, Calif.	Russell	
Donahey	Johnson, Colo.	Schwartz	

The PRESIDING OFFICER. Seventy-eight Senators having answered the roll call, a quorum is present.

The question is on the amendment offered by the Senator from Kansas [Mr. REED] to the committee amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The next amendment offered by the Senator from Kansas will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 2, line 12, it is proposed to strike out "six" and insert in lieu thereof "five", and in lines 14 and 15 to strike out "southern district of California district" and insert in lieu thereof "district."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas to the amendment reported by the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The next amendment offered by the Senator from Kansas will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 2, line 12, it is proposed to strike out "six" and insert in lieu thereof "five", and on page 2, line 16, to strike out "eastern district of Pennsylvania."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas to the amendment reported by the committee.

The amendment to the amendment was rejected.

Mr. REED. Mr. President, I have another amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Kansas will be stated.

The LEGISLATIVE CLERK. In the committee amendment, at the end of the bill, it is proposed to insert a new section, to read as follows:

A vacancy occurring in the office of any circuit judge or district judge appointed pursuant to this act shall not be filled unless the Congress shall so provide.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas to the amendment reported by the committee.

The amendment to the amendment was rejected.

Mr. McCARRAN. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert a new section, as follows:

After the date of enactment of this act, the salary of the judge of the District Court of the Virgin Islands of the United States shall be at the rate of $10,000 a year.

Mr. McCARRAN. Mr. President, the salary of every district judge in the United States, and in the insular possessions, and in the Federal Court for China is $10,000 per annum. One judge, and one only—namely, the Federal district judge for the Virgin Islands—receives $7,500.

The Federal district judge for the Virgin Islands, Judge Herman E. Moore, is a Negro. He is a very highly educated man. He has served with credit to himself and to those who employed him in every capacity in which he was employed. He is a graduate of Boston Law School, with a long line of experience. He carries on the court work in the Virgin Islands, sitting in two places down there, and carries it on expeditiously and to the credit of the Federal court. So far as I can see, there is no reason why there should be any discrimination in pay. In my judgment, color makes no difference when efficient service is rendered. Therefore I have offered this amendment, so that the judge of the Virgin Islands Federal Court shall receive the same salary as any other Federal judge—no more, no less.

Mr. ASHURST. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. ASHURST. The Senator from Nevada has investigated the matter. I ask him a question for information. Is it the Senator's information that the various district judges in the Territories and other possessions of the United States receive $10,000 a year, as do district judges on the mainland?

Mr. McCARRAN. That is my information.

Mr. ASHURST. I know the Senator is well informed on that subject. If that be true, while I have not expected or wished any amendments of this nature on the bill, I am decidedly for the amendment since the question has been raised.

As the Senator says, it is true that the judge in the Virgin Islands is a colored man. I happen to know that he is a learned man. He is a sound jurist, a man of high character. If it be true—and I take the Senator's word for it—that the judges in other Territories or possessions of the United States receive $10,000 a year, there is no reason for the present apparent discrimination against the judge in the Virgin Islands.

Mr. McCARRAN. Let me be very frank with the Senate and state that my investigation of the matter was hurried. If I should be wrong, the conference may eliminate the amendment.

Mr. ASHURST. It may go to conference, and there the matter may be looked into.

Mr. HARRISON. Mr. President, may I ask a question of some Senator? Has there been any change in the general pay of these judges during the past 3 or 4 years?

Mr. McCARRAN. No; not during the past 10 years.

Mr. HARRISON. I know that a very estimable gentleman from my State served as judge in the Virgin Islands for several years, and I am sure his record will compare quite favorably with that of the present occupant of the office. I do not see any reason why the salary should be increased at this time. I know that the other judge received $7,500.

The PRESIDING OFFICER. By unanimous consent, the floor now goes to the junior Senator from Kansas [Mr. REED].

Mr. McCARRAN. Mr. President, what is the parliamentary status?

The PRESIDING OFFICER. The parliamentary status is that the Senate has agreed to give the floor to the junior Senator from Kansas at 1:20 o'clock.

Mr. BARKLEY. Mr. President, a parliamentary inquiry. That will not prevent the amendment of the Senator from Nevada [Mr. McCARRAN] from being voted on at 1:30?

The PRESIDING OFFICER. No; his motion will be disposed of at 1:30.

Mr. REED. Mr. President, this matter came up a year ago on the motion of the Senator from Connecticut [Mr. DANAHER], a member of the Judiciary Committee, to recommit the bill of last year, which was identical with the bill of this year. I wish the Senator from Connecticut were present. He is still a member of the Judiciary Committee. He told me yesterday that he is in favor of recommitting the bill; but I intended to ask him, as a member of the committee, to make the motion to recommit.

The main reason which was urged last year and this year was, first, that last year we passed a law authorizing and creating a new position—that of an administrator, to be appointed by the Supreme Court—and providing, as has been brought out in this discussion, in order better to conduct the affairs of the Federal courts, that judges may be temporarily moved from one district where they are not busy to another district where they are overloaded. If I may interpret the act liberally, the purpose was to find a better way than constantly imposing additional burdens upon the taxpayers to take care of this declining volume of litigation.

I have not done anything that I have done, last year or this year, out of any personal feeling. Notwithstanding the deputy sheriff—I beg your pardon, the distinguished Senator from New Jersey—nothing that I have done has been done out of any feeling except a desire to serve the public interest. This year, when the matter came up to us in exactly the same form in which it came up last year——

Mr. SMATHERS. Mr. President, I rise to a point of order. I desire to say that I resent the remark of the Senator from Kansas.

The PRESIDING OFFICER. The Senator from New Jersey will state his point of order.

Mr. SMATHERS. The Senator from Kansas is trying to be funny at the expense of one of his colleagues, and I think it entirely improper and out of order.

The PRESIDING OFFICER. The Senator from New Jersey does not have the floor, the Senator from Kansas does have the floor, and unless the Senator from Kansas yields, the Chair is not in position to take him off the floor.

Mr. REED. Mr. President, I wish the majority leader were present. I think I have done a good job in saving the time of the Senate, and living up to the agreement we made yesterday, to be ready to vote at 1:30, and that at 1:30 we would begin to vote on the bill and all amendments. I have waived making any quorum calls or doing anything which would result in delay. The only quorum call that has been had was not at my suggestion, but at the suggestion of the Senator from New Jersey.

Mr. President, as a part of the understanding we had last night, I shall ask that upon either the motion to recommit or the final passage of the bill, and I am not particular which, we shall have a record vote. I hope my friends on the other side—and all on the other side except about one are my friends—will be generous enough to give us the yeas and nays.

It is my earnest belief that, instead of passing the bill, we should recommit it to the Committee on the Judiciary with instructions to investigate further the need for additional judges in the light of what has developed, for we must remember—and the Senator from New Mexico has been candid and fair about it—that the bill we are considering today is identical with the bill which was before the Senate a year ago, and since then much water has gone over the dam. The volume of litigation has constantly declined, and the condition of the docket in every district has improved.

Under these conditions it is not good business to vote for additional Federal judges. The Senator from Arizona and the Senator from New Mexico stated—I wish to quote them correctly, and I am sure they will correct me if I do not—that they have had no hearings on the bill this year, that they merely wrote into the bill as it passed the House, which we are considering, the bill which was passed by the Senate last year. I am correct, am I not?

Mr. HATCH. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Kansas yield to the Senator from New Mexico?

Mr. REED. It will have to be for only about half a minute.

Mr. HATCH. I desire to answer the Senator's question, and to ask leave to put into the RECORD a statement from the judicial conference as to these judges. Will the Senator yield for that purpose?

Mr. REED. Certainly.

Mr. HATCH. I answer the Senator's question in the affirmative by saying that we held no hearings this year. Our hearings were held last year. We thought the work we did last year was well performed, and we were willing to stand on it this year.

With the permission of the Senator from Kentucky, in view of the fact that I will not have a further opportunity——

Mr. REED. I trust the Senator will not offend the majority leader by saying I am from Kentucky. [Laughter.]

Mr. HATCH. I mean Kansas. I was thinking of the junior Senator from Kentucky [Mr. CHANDLER], who is presiding at this time, and who I know would very much prefer to be on the floor in order that he might say a word in behalf of the amendment offered by the Senator from Nevada [Mr. MCCARRAN], but the Senator from Kentucky is presiding.

With the permission of the Senator from Kansas, I wish to say that all the judges included in the bill, with the exception of the judge for Florida, have been recommended by the judicial conference, presided over by the Chief Justice of the United States. It is true that as to the judge for the sixth circuit the recommendation was changed. With the Senator's permission I should like to insert the report of the judicial conference at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE JUDICIAL CONFERENCE, SEPTEMBER SESSION, 1939

The judicial conference provided for in the act of Congress of September 14, 1922 (U. S. C., title 28, sec. 218), convened on September 28, 1939, and continued in session for 3 days. The following judges were present in response to the call of the Chief Justice:

First circuit, Senior Circuit Judge Scott Wilson.
Second circuit, Senior Circuit Judge Learned Hand.
Third circuit, Senior Circuit Judge John Biggs, Jr.
Fourth circuit, Senior Circuit Judge John J. Parker.
Fifth circuit, Senior Circuit Judge Rufus E. Foster.
Sixth circuit, Senior Circuit Judge Xenophon Hicks.
Seventh circuit, Senior Circuit Judge Evan A. Evans.
Eighth circuit, Senior Circuit Judge Kimbrough Stone.
Ninth circuit, Senior Circuit Judge Curtis D. Wilbur.
District of Columbia, Chief Justice D. Lawrence Groner.

The senior circuit judge for the tenth circuit, Judge Robert E. Lewis, was unable to attend, and his place was taken by Circuit Judge Orie L. Phillips.

The Attorney General and the Solicitor General, with their aides, were present at the opening of the conference.

State of the dockets—number of cases begun, disposed of, and pending in the Federal district courts: The Attorney General submitted to the conference a report of the condition of the dockets of the district courts for the fiscal year ending June 30, 1939, as compared with the previous fiscal year. Each circuit judge also presented to the conference a detailed report, by districts, of the work of the courts in his circuit.

The report of the Attorney General disclosed the following comparison of cases commenced and terminated during the fiscal years 1937 and 1938:

	Commenced		Terminated	
	1938	1939	1938	1939
Criminal	34,099	34,701	34,214	35,588
Civil	33,409	33,531	38,155	37,463
Bankruptcy	57,306	50,997	57,303	52,102

For every year since 1932 the conference has noted a decrease, more or less pronounced, in the number of cases pending in the district courts. The figures for the year ending June 30, 1939, show a continuation of this trend:

Pending cases	1938	1939
Criminal cases	10,896	10,009
United States civil cases	11,285	9,593
Private suits	24,587	22,347
Bankruptcy cases	54,277	53,172
Total	101,045	95,121

It will be observed that there has been some increase in the number of criminal cases filed and terminated. But the increase in the number terminated has been greater than the increase in

the number filed. The result is some reduction in the number of cases pending at the end of the year, this amounting to almost 9 percent.

There is an increase of 122 civil cases in the number filed during the year ending June 30, 1939, as compared with the preceding year. This difference is little more than negligible. And it appears that during the past year and the preceding year the number of civil cases terminated was approximately 4,000 in excess of the number filed so that there has been a steady decrease in the number of pending cases.

Taking together the United States civil cases and private suits, the total number of civil cases pending at the end of the fiscal year 1937 was 40,618; in 1938, 35,872; and in 1939, 31,940. This decrease in the volume of pending cases is probably due, the Attorney General suggests, to the increase in the number of judges.

There has been a marked reduction in the number of bankruptcy cases filed during the last fiscal year. But as there has been a similar diminution in the number of proceedings concluded, the reduction in the number of pending cases is much less than the diminution in the number filed.

Arrearages: Delays in the disposition of cases: There has been a marked reduction in the arrears of civil cases as disclosed by the tabular statement submitted by the Attorney General. It is thus shown that on June 30, 1939, 65.3 percent of civil cases had been pending 6 months or over, as against 67 percent in 1938; 45.6 percent had been pending 1 year or over, as against 50.2 percent in 1938; 25.1 percent for 2 years or over, as against 32 percent in 1938; 17.3 percent for 3 years or over, as against 22 percent in 1938; 12.1 percent for 4 years or over, as against 16 percent in 1938; and 9.4 percent had been pending 5 years or over, as against 13 percent a year ago.

We pointed out last year in considering the tabular statement submitted that to obtain a true picture of the state of judicial work it was necessary to consider the reasons why cases had been pending for a considerable time and not simply the number set forth. There are many reasons for the pendency of cases which do not involve inordinate delays. Thus, as we said last year, cases may be held to await a decision in some other jurisdiction, which would make a trial unnecessary or affect the rights involved, or to await the result of negotiations for settlement; foreclosure suits may be suspended by moratorium or redemption statutes; the litigation may be ancillary to that in another jurisdiction or there may be an injunction restraining proceedings; or cases may be held awaiting appeals.

It cannot be too often emphasized that judicial statistics require analysis and knowledge of the circumstances to which they relate, and while they may, in a general sense, be of value to show a trend, they often afford an inadequate basis for a just conclusion. When the present report was received, several of the senior circuit judges made inquiries to ascertain the actual reasons for the delays which were shown. The result was to indicate that in many cases the delays were justified. There is, however, as pointed out, a gratifying reduction in arrears and this has been due to the efforts of the judges to expedite the disposition of cases. Last year, we pointed out that one remedy which had proved effective in many jurisdictions was to have the entire docket called at reasonable intervals so that the "dead wood" may be removed and the cases that are expected to be tried may be brought to a speedy determination. This practice, as recommended, has been followed in a number of districts.

The Attorney General observes that, except in a few congested centers, the court dockets are in excellent condition and generally current, the waiting time for trials being caused by the intervals between terms of court. While it appears, as the Attorney General states, that 18 out of 85 districts—as against 17 a year ago—report more or less congestion in their dockets, a comparison of the conditions in the 2 years indicates that the extent of the congestion and arrears has considerably diminished; that only in the District of Columbia, the southern district of New York, and the western district of Washington have the arrears increased.

In the District of Columbia it is hoped that the recent increase in the number of judges will result in at least an amelioration of the great delays there existing. But this may not prove to be a complete cure in view of the fact that the number of civil cases filed during the year was 5,601 as against 5,045 during the preceding year. On the other hand, there has been a diminution in the number of criminal cases filed.

In the southern district of New York the arrears appear to be again accumulating. In the western district of Washington there has been a considerable increase in the arrears in jury cases and some increase as to nonjury cases.

The Attorney General reports that in the northern district of Georgia, the western district of Louisiana, the eastern district of Michigan, and the northern district of Ohio, while there is still congestion, that reported a year or two ago appears to have been considerably alleviated.

The Attorney General also states that the following districts which showed arrears a year ago now report that the dockets are current: Northern district of Alabama, eastern district of Illinois, eastern district of Kentucky, district of Massachusetts, eastern district of Pennsylvania, middle district of Pennsylvania, and northern district of Texas.

It is believed that in the district of Massachusetts an important factor in clearing up the congestion has been the adoption of pretrial procedure for all jury cases.

It appears that in the following districts where the dockets were reported to be current a year ago there is now congestion to a greater or less degree: eastern district of Arkansas, northern district of California, northern district of Illinois, western district of Kentucky, district of New Jersey, middle district of Tennessee, eastern district of Washington.

The Attorney General adds that in the eastern district of Arkansas, the northern district of California, and the eastern district of Washington this state of affairs is due to temporary conditions.

The statement and tables submitted by the Attorney General were supplemented by full reports by the senior circuit judges from each circuit as to the condition of the dockets in the several districts.

Circuit courts of appeals: We are able to report, as heretofore, that in general the circuit courts of appeals are up with their work. We called attention last year to the accumulation of cases in the sixth circuit. Progress has been made in the disposition of these cases and the conference believes that with the present force of circuit judges the circuit court of appeals will be able in the near future to make its docket fairly current.

We also pointed out last year that the circuit court of appeals for the eighth circuit had been able to keep abreast of its work only through the aid of retired judges. After a careful review of the situation there, the conference decided to recommend one additional circuit judge for that circuit.

No other recommendations for additional circuit judges are made at this time.

The conference renews its recommendation that section 212 of title 28 of the United States Code should be amended so that, in a circuit where there are more than three circuit judges, the majority of the circuit judges may be able to provide for a court of more than three judges when in their opinion unusual circumstances make such action advisable.

District courts—additional judges required: The conference carefully considered the reports submitted by the Attorney General and also the intimate description of conditions furnished by the circuit judges.

In the southern district of New York additional judges are clearly required. The conference recommends that the vacancy caused by the appointment of Judge Robert P. Patterson to the circuit court of appeals should be filled, and that the present restriction should be removed. (See act of May 31, 1938, sec. 4 (d); 52 Stat. 584.) The filling of this vacancy, however, will not afford all the judicial assistance that is needed and the conference recommends that provision should be made for two additional judges, that is, in addition to the filling of the vacancy above mentioned. This recommendation is made with the qualification that it be provided that the first three vacancies occurring in the district court in that district shall not be filled.

The conference also recommends that provision be made for an additional district judge in the following districts: One additional district judge for the district of New Jersey; one additional district judge for the eastern district of Pennsylvania; one additional district judge for the northern district of Georgia; one additional district judge for the northern district of Ohio; one additional district judge for the eastern district of Missouri; one additional district judge for the southern district of California; one additional district judge for the western district of Oklahoma.

Court rules: In view of the changes necessitated in the rules of courts by reason of the adoption of the Rules of Civil Procedure, the conference last year appointed a committee to review the rules of the circuit courts of appeals for the purpose of making recommendations in order to obtain uniformity so far as might be found practicable. This committee was composed of Circuit Judges Parker, Hicks, Wilbur, and Phillips.

At the present session of the conference, Judge Parker submitted two rules which had been drafted in cooperation with a committee of the Department of Justice, of which Hon. James W. Morris was chairman. These rules concern the review by the circuit courts of appeals (a) of orders of the Board of Tax Appeals and of the United States Processing Tax Board of Review, and (b) of orders of other administrative bodies. The conference recommends to the several circuit courts of appeals the adoption of these rules, as thus submitted, in the form in which they are proposed.

District court rules: At the last conference a committee was appointed, composed of District Judge John C. Knox, of the southern district of New York; District Judge William P. James, of the southern district of California; and District Judge Robert C. Baltzell, of the southern district of Indiana to examine the various rules of the district courts and to make recommendations so that the greatest practicable degree of uniformity throughout the country should be secured. This committee was assisted during the year by Maj. Edgar B. Tolman and by representatives of the Department of Justice. A tentative draft of uniform local rules was prepared and presented to the members of the conference.

The conference continues this committee for another year to the end that the above-mentioned report and such further suggestions as may be made should be considered.

Boundaries of judicial circuits and districts: At the conference held in 1937 a committee was appointed to consider possible changes in the boundaries of existing circuits and districts and to confer with the appropriate committee of the Senate and House of Representatives with relation to this matter. The conference continues this committee, which, as now constituted, consists of Judges Foster, Wilbur, Phillips, and Learned Hand.

The administration of the United States courts: For some time measures have been under consideration looking to the establishment of an administrative office of the United States courts. One objective was to give to the courts the power of managing their own business affairs and to that extent to relieve the Department of Justice of responsibility. Another objective was to secure an im-

proved supervision of the work of the courts through an organization under judicial control. After full discussion of these objectives, the conference, at its last session, appointed a committee to prepare recommendations in collaboration with the Attorney General. This committee was composed of Chief Justice Groner of the United States Circuit Court of Appeals for the District of Columbia, and Circuit Judges Manton, Parker, Evans, and Stone. The result of the collaboration of this committee with the committee appointed by the Attorney General and with representatives of bar associations has been the promotion and ultimate adoption of legislation to attain the desired ends. The act, which adds a new chapter (chapter XV) to the Judicial Code entitled "The Administration of the United States Courts," was passed by the Congress and was approved by the President on August 7, 1939, to take effect 90 days thereafter.

A large part of the present session of the conference has been taken up with a discussion of the provisions of this act and of the necessary steps fully to achieve the purposes in view. The act provides for the appointment by the Supreme Court of the United States of a director and an assistant director of the administrative office. While these appointments are to be made by the Supreme Court, the act provides that the director shall have charge of the matters specified "under the supervision and direction of the conference of senior circuit judges." The director is charged with duties of the highest importance and it was deemed not only fitting but necessary that the conference of senior circuit judges, in order to exercise the intended supervision over his activities, should be represented by a committee which shall be in immediate touch with the director and be in a position to keep the conference fully informed. For this purpose the conference has appointed an advisory committee to advise and assist the director in the exercise of his duties until further order of the conference. The committee is composed of the Chief Justice of the United States, as chairman, Chief Justice Groner of the United States Court of Appeals for the District of Columbia, and Circuit Judges Parker, Stone, and Biggs.

The act provides (sec. 306) that, to the end that the work of the district courts shall be effectively and expeditiously transacted, it shall be the duty of the senior circuit judge of each circuit to call at least twice a year a council composed of the circuit judges for the circuit at which the senior circuit judge shall preside. The senior judge is directed to submit to the council the quarterly reports which the director is required to submit (sec. 304 (2)) in relation to the state of the dockets of the various courts, their needs of assistance, the preparation of statistical data and information as to the business transacted. It is made the duty of district judges promptly to carry out the directions of the council as to the administration of the business of their courts. The conference considered the duty of the circuit judges under this provision and the responsibility of the council, convened and informed as stated, for the appropriate expediting of the work of the district courts.

In addition to these councils composed of the circuit judges in each circuit, the act provides (sec. 307) that a conference shall be held annually in each judicial circuit which shall be composed of circuit and district judges in such circuit, who reside within the continental United States, with participation of members of the bar under rules to be prescribed by the circuit courts of appeals. These conferences are stated to be for the purposes of considering the state of the business of the courts and of advising ways and means of improving the administration of justice within the circuits.

The conference considered these provisions, and several of the circuit judges described at length the character of the proceedings of conferences which had been held in their circuits, including the sort of questions presented, the arrangement of programs, and incidental matters. The profitable results of these conferences in a number of circuits were emphasized.

It is confidently expected that through the operation of this act the important objectives to which reference has been made will be measurably attained.

Sentences in criminal cases: The conference appointed a committee composed of Judges Learned Hand, Evans, and Wilbur to consider and report upon the feasibility of an indeterminate-sentence law for the Federal courts; also with respect to the advisability of conferring upon the circuit courts of appeals the power to increase or reduce sentences.

Rules of practice and procedure in criminal cases: The Supreme Court, on May 7, 1934, pursuant to the act of March 8, 1934, promulgated Rules of Practice and Procedure, after plea of guilty, verdict, or finding of guilt, in criminal cases brought in the district courts of the United States and in the Supreme Court of the District of Columbia. The conference requests the Supreme Court to consider amendments of these rules so as to conform the practice relating to records on appeal in criminal cases to the practice provided for by the Rules of Civil Procedure. The conference also requests the Supreme Court to consider an extension of the Criminal Appeals Rules (within the authority conferred by the Congress) to appeals from courts to which the rules do not presently apply.

The conference approved Senate bill No. 1283, Seventy-sixth Congress, first session, which provides for the conferring upon the Supreme Court of the power to promulgate rules of pleading, practice, and procedure with respect to any or all proceedings prior to and including verdict, or finding of guilty or not guilty by a court if a jury has been waived, or plea of guilty, in criminal cases in the various courts specified.

Rules of evidence in criminal cases in the Federal courts: The conference appointed a committee composed of Judges Phillips, Hicks, and Wilbur to study and report on the advisability of legislation with respect to the rules of evidence, and also the competency and privilege of witnesses, in criminal cases in the courts of the United States.

Provision for law clerks: The conference directs that the Director of the Administrative Office of the United States Courts upon his appointment prepare as soon as practicable for the consideration of the conference proposals with respect to the salaries of law clerks of district judges and circuit judges with a view to a recommendation of such legislation as may be found advisable.

Court reporters: The subject of compensation of court reporters was referred to the Director of the Administrative Office of the United States Courts to the end that as soon as practicable after his appointment he should prepare recommendations for the consideration of the conference.

Public defenders: Upon considering its former recommendation upon this subject, the conference approved in substance S. 1845 and H. R. 4782, Seventy-sixth Congress, first session, with respect to the appointment of public defenders.

Recess: In view of the fact that action may be required by the conference in connection with the operation of the act creating the Administrative Office of the United States Courts, the conference, instead of adjourning, declared a recess subject to the call of the Chief Justice.

For the judicial conference:

CHARLES E. HUGHES,
Chief Justice.

SEPTEMBER 30, 1939.

Mr. REED. Mr. President, I have only about a minute or two left. I send a motion to the desk and ask to have it stated.

The PRESIDING OFFICER. The clerk will read the motion.

The legislative clerk read as follows:

I move that House bill 7079, to provide for the appointment of additional district and circuit judges, be recommitted to the Committee on the Judiciary with instructions to make further investigation as to the need of the additional judges provided in this bill and the existing district judges.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kansas [Mr. REED] that the bill be recommitted.

Mr. HATCH. Mr. President, was it on this motion that the Senator wanted the yeas and nays?

Mr. McNARY. I think it was rather agreed that the vote on this motion would be an oral vote, and that when the bill was placed on its final passage there would be a yea-and-nay vote.

Mr. HATCH. I did not quite understand what the agreement was.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kansas that the bill be recommitted. [Putting the question.] The noes appear to have it.

Mr. McNARY. I ask for a division.

On a division, the motion was rejected.

The PRESIDING OFFICER. The question is now upon the amendment offered by the Senator from Nevada [Mr. McCARRAN] to the committee amendment.

Mr. RUSSELL. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to add at the end of the bill a new section, to read as follows:

SEC. 3. After the date of the enactment of this act the salary of the judge of the District Court of the Virgin Islands of the United States shall be at the rate of $10,000 a year.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. McCARRAN]. [Putting the question.] The Chair is in doubt. Those in favor of the amendment to the amendment will rise and stand until counted. [A pause.] Those opposed will rise. The amendment to the amendment is agreed to.

Mr. HARRISON. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HARRISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ellender	Lee	Schwartz
Ashurst	Frazier	Lodge	Schwellenbach
Austin	George	Lucas	Sheppard
Bailey	Gibson	Lundeen	Slattery
Barbour	Gillette	McCarran	Smathers
Barkley	Green	McKellar	Stewart
Bone	Guffey	McNary	Taft
Bulow	Gurney	Maloney	Thomas, Idaho
Burke	Hale	Mead	Thomas, Okla.
Byrd	Harrison	Minton	Thomas, Utah
Byrnes	Hatch	Murray	Tobey
Capper	Hayden	Neely	Townsend
Caraway	Herring	Norris	Tydings
Chandler	Hill	O'Mahoney	Vandenberg
Chavez	Holman	Overton	Wagner
Connally	Hughes	Pepper	Walsh
Danaher	Johnson, Colo.	Reed	White
Downey	King	Russell	

The PRESIDING OFFICER. Seventy-one Senators having answered to their names, a quorum is present.

The question is now upon the amendment of the Senator from Nevada [Mr. McCARRAN] to the amendment of the committee, on which the yeas and nays have been ordered.

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. It is my position that it is too late now to call for the yeas and nays, because the Chair announced the result of the vote.

The PRESIDING OFFICER. The Chair did announce the result of the vote, but thinks he acted a little precipitately. The Senator from Mississippi [Mr. HARRISON] was on his feet asking for the yeas and nays, and the Chair believes he was in error in making the announcement. The yeas and nays have been ordered.

Mr. McCARRAN. Am I not right in assuming that the RECORD will show that the decision was announced by the Chair?

The PRESIDING OFFICER. The Chair cannot answer that question. The Chair does not know what the RECORD will show, but feels that he made the announcement while the Senator from Mississippi was on his feet asking for the yeas and nays. The Chair does not wish to deny a yea and nay vote if the Senate wishes to order it.

The question is on agreeing to the amendment of the Senator from Nevada to the committee amendment. The clerk will call the roll.

Mr. HARRISON. Mr. President, the roll call not having been begun, am I permitted to say something?

The PRESIDING OFFICER. Debate is not in order at the present time.

Mr. McNARY. Mr. President, that would conflict with the unanimous-consent agreement.

Mr. HARRISON. I understand.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KING (when his name was called). Upon this vote I have a pair with the junior Senator from North Carolina [Mr. REYNOLDS]. Not knowing how he would vote on this question I withhold my vote.

Mr. NORRIS (when Mr. LA FOLLETTE'S name was called). The Senator from Wisconsin [Mr. LA FOLLETTE] is detained at one of the Government departments.

Mr. TYDINGS (when Mr. RADCLIFFE'S name was called). My colleague the Senator from Maryland [Mr. RADCLIFFE] is necessarily detained from the Senate. He is unable to secure a pair. If he were present, he would vote "yea" on this question.

Mr. THOMAS of Utah (when his name was called). On this vote I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the junior Senator from Missouri [Mr. TRUMAN] and will vote. I vote "yea."

Mr. TOWNSEND (when his name was called). I inquire if the senior Senator from Tennessee [Mr. McKELLAR] has voted?

The PRESIDING OFFICER. The Chair is informed he has not voted.

Mr. TOWNSEND. I have a general pair with the senior Senator from Tennessee. Therefore I withhold my vote.

The roll call was concluded.

Mr. HILL. My colleague the senior Senator from Alabama [Mr. BANKHEAD] is unavoidably absent from the Senate on important business.

The PRESIDING OFFICER (Mr. CHANDLER) (after having voted in the affirmative). Before the result is announced the Chair will state that he has a pair on this question with the Senator from Pennsylvania [Mr. DAVIS], who is detained on public business. The present occupant of the Chair transfers that pair to the Senator from Missouri [Mr. CLARK], and will permit his vote to stand.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Virginia [Mr. GLASS] is unavoidably detained.

The Senator from Florida [Mr. ANDREWS], the Senator from Washington [Mr. BONE], the Senator from South Dakota [Mr. BULOW], the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from Rhode Island [Mr. GERRY], the Senator from West Virginia [Mr. HOLT], the Senator from Tennessee [Mr. McKELLAR], the Senator from Arkansas [Mr. MILLER], the Senator from Nevada [Mr. PITTMAN], the Senator from South Carolina [Mr. SMITH], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Montana [Mr. WHEELER] are detained on public business.

Mr. AUSTIN. I announce that the Senator from Wisconsin [Mr. WILEY] has a general pair with the Senator from Michigan [Mr. BROWN]. I am not advised how either Senator would vote on this question.

The Senator from North Dakota [Mr. NYE] is paired with the Senator from Mississippi [Mr. BILBO]. On this question the Senator from North Dakota would vote "yea" and I am advised the Senator from Mississippi would vote "nay."

The Senator from Minnesota [Mr. SHIPSTEAD] has a general pair with the Senator from Virginia [Mr. GLASS].

The result was announced—yeas 49, nays 17, as follows:

YEAS—49

Ashurst	Gillette	McCarran	Taft
Bailey	Green	McNary	Thomas, Idaho
Barbour	Guffey	Maloney	Thomas, Okla.
Barkley	Gurney	Mead	Thomas, Utah
Burke	Hayden	Minton	Tobey
Byrd	Herring	Murray	Tydings
Chandler	Holman	Neely	Vandenberg
Chavez	Hughes	Norris	Wagner
Connally	Johnson, Colo.	O'Mahoney	Walsh
Danaher	Lee	Schwartz	White
Downey	Lodge	Schwellenbach	
Ellender	Lucas	Slattery	
Frazier	Lundeen	Smathers	

NAYS—17

Adams	George	Hill	Sheppard
Austin	Gibson	Overton	Stewart
Byrnes	Hale	Pepper	
Capper	Harrison	Reed	
Caraway	Hatch	Russell	

NOT VOTING—30

Andrews	Clark, Mo.	La Follette	Smith
Bankhead	Davis	McKellar	Townsend
Bilbo	Donahey	Miller	Truman
Bone	Gerry	Nye	Van Nuys
Bridges	Glass	Pittman	Wheeler
Brown	Holt	Radcliffe	Wiley
Bulow	Johnson, Calif.	Reynolds	
Clark, Idaho	King	Shipstead	

So Mr. McCARRAN'S amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The question recurs on the committee amendment as amended.

Mr. REED. I ask for the yeas and nays.

Mr. McNARY. That does not contemplate a final vote?

The PRESIDING OFFICER. No; it does not contemplate a final vote.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The committee amendment as amended was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. McNARY. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. KING (when his name was called). Upon this vote I have a pair with the junior Senator from North Carolina [Mr. REYNOLDS]. Not knowing how he would vote on this question, I withhold my vote.

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). The Senator from Wisconsin [Mr. LA FOLLETTE] is detained in one of the Government departments. I am advised that if present and voting, he would vote "yea."

Mr. THOMAS of Utah (when his name was called). On this vote I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Florida [Mr. ANDREWS] and will vote. I vote "yea."

The PRESIDING OFFICER [after having voted in the affirmative]. The Chair again announces that he has a general pair on this vote with the Senator from Pennsylvania [Mr. DAVIS], who is detained on public business. The Chair transfers that pair to the Senator from Missouri [Mr. CLARK], and permits his vote to stand.

The roll call was concluded.

Mr. HILL. My colleague, the senior Senator from Alabama [Mr. BANKHEAD] is absent on important official business. I am advised that, if present and voting, he would vote "yea."

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Virginia [Mr. GLASS] is unavoidably detained.

The Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senator from Washington [Mr. BONE], the Senator from Michigan [Mr. BROWN], the Senators from Missouri [Mr. CLARK and Mr. TRUMAN], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from Rhode Island [Mr. GERRY], the Senator from Iowa [Mr. HERRING], the Senator from West Virginia [Mr. HOLT], the Senator from Arkansas [Mr. MILLER], the Senator from Nevada [Mr. PITTMAN], the Senator from Maryland [Mr. RADCLIFFE], the Senator from South Carolina [Mr. SMITH], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Montana [Mr. WHEELER] are detained on public business.

I am advised that, if present and voting, the Senator from Florida, the Senator from Mississippi, the Senator from Michigan, the Senators from Missouri, the Senator from Arkansas, and the Senator from Maryland would vote "yea."

Mr. AUSTIN. I announce the absence of the junior Senator from Wisconsin [Mr. WILEY] on official business. On this question he is paired with the Senator from Michigan [Mr. BROWN]. If present, the Senator from Wisconsin would vote "nay," and the Senator from Michigan would vote "yea."

The Senator from North Dakota [Mr. NYE] has a pair with the Senator from Iowa [Mr. HERRING]. I am advised that the Senator from North Dakota, if present, would vote "yea." I am not advised how the Senator from Iowa would vote.

The Senator from Minnesota [Mr. SHIPSTEAD] has a general pair with the Senator from Virginia [Mr. GLASS].

The result was announced—yeas 47, nays 21, as follows:

YEAS—47

Adams	Byrnes	Connally	Frazier
Ashurst	Caraway	Danaher	George
Barbour	Chandler	Downey	Gillette
Barkley	Chavez	Ellender	Green
Guffey	Lucas	Neely	Slattery
Harrison	Lundeen	O'Mahoney	Smathers
Hatch	McCarran	Overton	Stewart
Hayden	McKellar	Pepper	Thomas, Okla.
Hill	Maloney	Russell	Thomas, Utah
Hughes	Mead	Schwartz	Wagner
Johnson, Colo.	Minton	Schwellenbach	Walsh
Lee	Murray	Sheppard	

NAYS—21

Austin	Gibson	Norris	Tydings
Bailey	Gurney	Reed	Vandenberg
Bulow	Hale	Taft	White
Burke	Holman	Thomas, Idaho	
Byrd	Lodge	Tobey	
Capper	McNary	Townsend	

NOT VOTING—28

Andrews	Clark, Mo.	Johnson, Calif.	Reynolds
Bankhead	Davis	King	Shipstead
Bilbo	Donahey	La Follette	Smith
Bone	Gerry	Miller	Truman
Bridges	Glass	Nye	Van Nuys
Brown	Herring	Pittman	Wheeler
Clark, Idaho	Holt	Radcliffe	Wiley

So the bill H. R. 7079 was passed.

Mr. HATCH. Mr. President, I move that the Senate insist upon its amendment, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HATCH, Mr. MCCARRAN, and Mr. AUSTIN conferees on the part of the Senate.

Mr. McCARRAN. Mr. President, with reference to the bill just passed by the Senate about half an hour ago, I received a special-delivery letter from Mr. Justice Wilbur, presiding judge of the Ninth Circuit Court of Appeals, and also a letter from Mr. Justice James, the presiding judge of the southern district of California, together with a report from the clerk of that court. I ask that these documents be printed in the RECORD.

There being no objection, the letters and report were ordered to be printed in the RECORD, as follows:

UNITED STATES CIRCUIT COURT OF APPEALS,
NINTH JUDICIAL CIRCUIT,
Los Angeles, April 15, 1940.

Hon. WM. P. JAMES,
United States District Judge, Los Angeles, Calif.

MY DEAR JUDGE: You have called to my attention a letter from Senator MCCARRAN, of Nevada, concerning need for an additional judge in the southern district of California. I am writing you in order that you may enclose this statement with your letter to Senator MCCARRAN instead of writing him direct.

As you know, this request for an additional judge was made by the judicial conference in Washington at each of its two last meetings.

From actual personal contact with the problem of the district court in the southern district of California and acquaintance with the conditions in southern California based upon over 50 years' experience, and 10 years' experience in hearing appeals from this district, I am satisfied that we not only need one additional judge in the southern district of California but that with the rapid extension of Federal jurisdiction under laws recently passed, the number of cases that will demand a long period of trial already filed in this district, even if the present judges continue to dispatch business in this district with the fidelity and devotion with which they have previously done, we will again fall behind. A litigant is entitled to prompt hearing of cases in court although it is rare that he gets such attention.

I have not quoted statistics because, after all, the question involved is not one of statistics but of a practical situation which can be ascertained by anyone who examines the records and observes the amount of time necessary to try some of the pending mail fraud cases, violations of the Sherman Anti-Trust Act, and patent cases.

Sincerely yours,

CURTIS D. WILBUR.

UNITED STATES DISTRICT COURT,
Los Angeles, April 15, 1940.

Hon. PAT MCCARRAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I received your special-delivery letter calling attention to the fact that Senator REED is opposed to the increase of one judge for the southern district of California. His compilation from reports of the Attorney General respecting the number of cases has no real bearing upon our crowded condition. It is the heavy cases, of which there are many pending in this district, that eat up the time of the judges. Of course, the shorter cases are speedily disposed of, many by pleas of guilty.

I have had our clerk prepare a statement, which gives a fair picture of the present status of the business of the court. I also enclose a letter from Judge Wilbur, our senior circuit judge, who

happens to be here holding court at this time. You will remember that only during the past year the circuit court found it not only desirable but necessary to hold a 6-month session in the southern district of California, because practically one-half of all the appeals from the seven States in the circuit, including Hawaii and Alaska, come from this district.

Trials of pending cases cannot be set and finally heard within any 6-month term of court, and we have not been able to better that situation. We must have more judges if the litigant is given anything like a reasonably early trial. It is useless for me to enter upon a further argument, because I think the conditions confronting us are now fully explained. We are all hoping that the added help will be given us by Congress.

I am, with very best wishes,

Most sincerely yours,

WM. P. JAMES,
Senior United States District Judge.

LOS ANGELES, CALIF., *April 15, 1940.*

STATUS OF CALENDAR

There are pending in this court a large number of criminal cases which will take more than the usual time for trial. Some of these are:

14279–H–Criminal which has 7 corporate defendants and 14 individual defendants;

14250–Y–Criminal which has 11 corporate defendants and 62 individual defendants;

14280–Y–Criminal which has 3 corporate defendants and 17 individual defendants;

14286–Y–Criminal which has 3 corporate defendants and 22 individual defendants;

14262–Y–Criminal which has 9 corporate defendants and 74 individual defendants; and

14302–H–Criminal which has 11 corporate defendants and 20 individual defendants;

these six cases are all antitrust cases and the estimated time for trial, as given by the assistant attorneys general who are prosecuting the cases, is 1½ years for the six cases.

The special grand jury hearing the antitrust cases is still in session and there will doubtless be additional indictments returned.

14149–M–Criminal is an antitrust case involving the oil companies, having 48 corporate defendants, which will take at least 6 months to try. Counsel for some of the defendants have estimated approximately 1 year for trial, due to the number of exhibits which will have to be offered and analyzed.

14048–B–Criminal is a criminal contempt case against Fox West Coast Theaters et al. which is being prosecuted by special assistant attorneys general and will take 3 months for trial.

14215–Y–Criminal is a mail fraud case against Odell and 15 others which is now set for trial commencing the latter part of April which will take at least 6 months for trial.

14051–RJ–Criminal is a criminal case against Yamatoda, et al, for violation of the Lindbergh kidnaping law. This case is now set for trial commencing April 30, 1940, and will take at least 6 weeks for trial.

14075–M, 14076–H, 14077–Y, and 14078–H–Criminal are cases for violation of the mail fraud and securities and exchange laws which will take approximately 6 weeks for trial.

The above cases being criminal cases have preference over civil cases for trial. If all seven judges of this court did nothing but try the above criminal cases with a total estimated trial time of 42 months it would occupy the time of all members of this court for the next 6 months.

LAND CONDEMNATION CASES

There are pending 10 land condemnation cases in which the Government is condemning land for various purposes. 204–J–Civil involves 47 separate parcels. There have already been two trials with a jury covering certain parcels and a third trial involving 17 parcels is now set for April 16, 1940, and will take approximately 3 weeks for trial.

453–Y–Civil involves 216 parcels of land. Trial as to 74 parcels is to be set on April 15, 1940, there being no estimate as yet as to the time for trial.

657–RJ–Civil involves 66 parcels. Trial as to 19 parcels is now set in October and will take approximately 1 month.

The other seven cases have not been set for trial, and no estimate of the trial time has been made. These cases involve a large number of parcels, and the judges are inclined to give early trials in these cases as the owners' land has been taken from them by the Government, and some of them are in dire need of the money in order to rehabilitate themselves.

SHERMAN AND CLAYTON ACTS CASES

There are a number of Sherman and Clayton Acts cases pending. 7902–B–Law was tried once, resulting in a hung jury. The trial took 28 trial days on the first trial and no doubt will take about the same time for the second trial.

There are several of these cases in addition in which no estimate of trial time has been made.

One judge of this court started a trial on November 7, 1939, of four cases, which were consolidated for the purposes of trial. These cases involve the title to over 600 acres of producing and potential oil lands at Long Beach Harbor valued at many millions of dollars. The estimated trial time was a minimum of 6 months and a maximum of 2 years. After 3 months of trial upon the resting of the claimants' case on one of the many issues involved the parties requested a recess for the purpose of negotiating on a settlement. Other cases are being tried in the interim, but so far it has not been decided whether the trial will have to continue to a conclusion or if the parties will be able to compromise the litigation. If the trial must continue it will take several months more, and may run into many months depending on the result of investigations still in progress.

467–B–Civil is a civil case by the United States against the General Petroleum Corp. et al. for additional royalty interests. The Assistant Attorney General prosecuting this case estimates a minimum of 4 months' trial time.

564–J–Civil, Mutual Orange Distributors against Agricultural Prorate Commission of State of California et al., is a three-judge case which took the time of two district judges and one circuit judge for 8 days at the hearing on the merits. Briefs are now being filed, and the case may later be again set for oral argument.

There are pending in this district, 71 matters under section 77–B of the Bankruptcy Act, and 19 matters under chapter X of the Bankruptcy Act, as amended by the Chandler Act. These matters all consume a great deal of the judge's time.

There are pending 96 patent cases, most of which have been pending for a long time but not tried on account of the length of time necessary for trial which could not be spared from criminal cases, and other cases entitled to an earlier trial.

The naturalization department has increased the number of petitions filed per month from 400 to about 1,000.

Judge Jeremiah Neterer from the western district of Washington called the January term calendar in the southern division of this district at San Diego in order to enable Judge James of this district to try cases in Los Angeles. He sat in San Diego for approximately 3 months in order to try all the cases in which trials were requested. There will be over 50 criminal cases on the calendar at San Diego on April 19, 1940. If not-guilty pleas are entered at that time the cases will be set down for trial during the July term at San Diego.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATIONS

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate proceed to the consideration of House Bill 8668, the War Department civil functions appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. THOMAS of Oklahoma. I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, I understand that the Senator does not wish to go further with the bill this afternoon.

Mr. THOMAS of Oklahoma. As I understand, the bill will be the unfinished business tomorrow.

Mr. BARKLEY. Yes.

REPLY BY ATTORNEY GENERAL JACKSON TO SENATOR BRIDGES

Mr. BARKLEY. Mr. President, a few days ago the Senator from New Hampshire [Mr. BRIDGES] made some comments in the Senate on the disposition of certain cases before the Department of Justice and criticized the Attorney General. I ask unanimous consent that a statement issued to the press yesterday by the Attorney General be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE

Attorney General Robert H. Jackson today issued the following statement:

"Senator BRIDGES' political attack on me on the Senate floor is based on cases pending in the courts. He even includes a discussion of one that is now on trial before a jury, and his speech is well designed—and was no doubt intended—to prejudice the Government's case. If Senator BRIDGES feels no ethical restraint, I am not at liberty to descend to this level, even in self-defense. I have tried to make it a policy of this Department that we will avoid the issuance of statements or publicity designed, or likely, to influence trials in the courts. It is too much, however, to expect that such considerations of fair play would appeal to Senator BRIDGES.

"Fortunately no such consideration restrains me from discussing one of the situations involved in the Senator's attack which he discusses with an understanding and accuracy that is characteristic of his entire speech. As it has been so long disposed of, I am free to discuss it. Senator BRIDGES asks:

" 'What has become of the investigation at Hot Springs, Ark., of charges against city officials and police that they had accepted bribes for harboring Federal fugitives from justice?'

"The answer is that the former chief of police, the former lieutenant of detectives, and two associates have been indicted and have been convicted and are now serving maximum terms, while a fifth pleaded guilty after indictment and received a sentence which has been served.

"Herbert Akers is now in Atlanta Penitentiary; Joseph Wakelin, former chief of police at Hot Springs, is now imprisoned at the Federal institution at Springfield, Mo.; former Lt. Cecil Brock is confined in Leavenworth Penitentiary; and Jewel Grayson is at Alderson Federal Penitentiary for Women. All of these prisoners have applied for parole and in each case it has been denied. With the exception of one defendant who pleaded guilty, the trials were bitterly contested.

"Of course, Senator BRIDGES is to be forgiven for knowing nothing of the subject of which he talked, for he has had his ear so close to the ground that he has not been able to get his eyes to the level of court proceedings.

"His violent partisanship and his determination to inflict his own candidacy upon his party and the country has caused him to throw overboard even that elemental sense of restraint and caution that men not in possession of the facts usually exercise. He is the 'infant terrible' on the contemporary political scene, and is not taken seriously even by the members of his own party."

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CHANDLER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. HARRISON, from the Committee on Finance, reported favorably the following nominations:

Dental Surgeon Frank C. Cady to be senior dental surgeon in the United States Public Health Service, to rank as such from May 13, 1940; and

Senior Surgeon Clarence H. Waring to be medical director in the United States Public Health Service, to rank as such from August 22, 1940.

Mr. HARRISON also, from the Committee on Finance, reported favorably the nominations of following surgeons to be senior surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

William Y. Hollingsworth, May 24, 1940; and

Leo W. Tucker, June 15, 1940.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS—NOMINATIONS FAVORABLY REPORTED

The legislative clerk proceeded to read sundry nominations of postmasters which had been favorably reported.

Mr. BARKLEY. I ask that the nominations of postmasters which have been favorably reported be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters which have been favorably reported are confirmed en bloc.

That concludes the Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 56 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, April 17, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 16 (legislative day of April 8), 1940

UNITED STATES MARITIME COMMISSION

Thomas M. Woodward, of Pennsylvania, to be a member of the United States Maritime Commission for the term of 6 years from September 26, 1939, to which office he was appointed during the last recess of the Senate. (Reappointment.)

PROMOTIONS IN THE NAVY

The following-named commanders to be captains in the Navy, to rank from the date stated opposite their names:

Eugene T. Oates, September 23, 1939.

Daniel E. Barbey, April 1, 1940.

The following-named lieutenant commanders to be commanders in the Navy to rank from the 1st day of August 1939:

Albert E. Freed	Robert S. Smith, Jr.
Walker P. Rodman	Stephen K. Hall
Logan C. Ramsey	Frank N. Sayre
William E. Clayton	Ross A. Dierdorff
George M. O'Rear	Palmer M. Gunnell
Charles L. Andrews, Jr.	Raymond G. Deewall
Philip P. Welch	Charles M. Johnson
Harry A. Rochester	Henry L. Pitts

The following-named lieutenant commanders to be commanders in the Navy to rank from the 1st day of September 1939:

Raymond E. Farnsworth	Harvey R. Bowes
Norman E. Millar	Cyril E. Taylor
Scott E. Peck	Laurence Bennett
Emil B. Perry	

The following-named lieutenant commanders to be commanders in the Navy, to rank from the date stated opposite their names:

Marion E. Crist, September 23, 1939.
Robert D. Threshie, September 23, 1939.
Robert E. Robinson, Jr., September 23, 1939.
Karl J. Christoph, September 23, 1939.
John P. Vetter, September 23, 1939.
John F. Crowe, Jr., December 8, 1939.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the date stated opposite their names:

Joseph M. Began, July 1, 1939.
Jeane R. Clark, August 1, 1939.
John S. Blue, August 1, 1939.
William C. Schultz, September 1, 1939.
Cameron Briggs, September 1, 1939.
Arthur H. Graubart, September 1, 1939.
William J. O'Brien, September 1, 1939.
William O. Gallery, September 1, 1939.
Harry F. Miller, September 23, 1939.
John O. Lambrecht, September 23, 1939.
William L. Wright, September 23, 1939.
Howard T. Orville, November 1, 1939.
Oliver F. Naquin, November 1, 1939.
Thomas H. Tonseth, December 8, 1939.
Waldeman N. Christensen, December 8, 1939.
Joseph H. Wellings, December 8, 1939.
William R. Headden, December 8, 1939.
Paul C. Crosley, December 29, 1939.
James M. Hicks, December 29, 1939.
Edward L. Beck, January 1, 1940.
William A. New, January 1, 1940.
William H. Standley, Jr., January 1, 1940.
Fred R. Stickney, January 1, 1940.
Warren P. Mowatt, January 29, 1940.
Carter A. Printup, February 1, 1940.
Bennett W. Wright, February 1, 1940.

The following-named Lieutenants (junior grade) to be Lieutenants in the Navy, to rank from the date stated opposite their names:

Harry E. Seidel, Jr., July 1, 1939.
Halford A. Knoertzer, August 1, 1939.
William J. Dimitrijevic, August 1, 1939.
Roland H. Dale, August 1, 1939.
James V. Reilly, September 1, 1939.
Paul H. Harrington, September 23, 1939.
Leon S. Kintberger, September 23, 1939.
Earl T. Hydeman, October 1, 1939.
John R. Van Evera, November 1, 1939.

Alfred L. Cope, November 1, 1939.
Richard C. Williams, Jr., November 1, 1939.
Harold L. Sargent, December 8, 1939.
Norman E. Blaisdell, December 29, 1939.
William P. Schroeder, December 29, 1939.
George R. Beardslee, January 1, 1940.
William B. Perkins, January 1, 1940.
Maximilian G. Schmidt, January 1, 1940.
Alvin W. Slayden, January 1, 1940.
Charlton L. Murphy, Jr., January 1, 1940.
Ralph M. Wilson, February 1, 1940.
Paul E. Emrick, February 12, 1940.
Robert O. Beer, February 20, 1940.
Earl R. Eastwold, February 20, 1940.

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 4th day of June 1939:

William J. Lederer, Jr.
Edward E. Hoffman

John H. Cox to be an assistant surgeon in the Navy, with the rank of lieutenant (junior grade) to rank from the 2d day of April 1940.

Chaplain Herbert Dumstrey to be a chaplain in the Navy, with the rank of captain, to rank from the 1st day of August 1939.

Lieut. Joseph C. Wylie, Jr., to be a lieutenant in the Navy from the 1st day of September 1939, to correct the date of rank as previously nominated and confirmed.

The following-named lieutenants (junior grade) to be assistant paymasters in the Navy, with the rank of lieutenant (junior grade), to rank from the 4th day of June 1939:

John D. Hewitt 3d
Billy Johnson

The following-named ensigns to be assistant paymasters in the Navy, with the rank of ensign, to rank from the 3d day of June 1937:

Bernhard H. Bieri, Jr.	Clifford A. Messenheimer
Raymond F. Parker	Paul S. Burt, Jr.
William J. Held	Charles J. Zellner
Charles Stein, Jr.	Wesley J. Stuessi
Lewis O. Davis	Edward K. Scofield

The following-named ensigns to be assistant naval constructors in the Navy, with the rank of ensign, to rank from the 2d day of June 1938.

Irvin J. Frankel	James J. Stilwell
James F. Ellis, Jr.	John B. Shirley

Ensign John J. Cassidy, Jr., to be an assistant civil engineer in the navy, with the rank of ensign, to rank from the 2d day of June 1938.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 16 (legislative day of April 8), 1940

POSTMASTERS

OKLAHOMA

Tip J. Hammons, Hammon.
Clifford A. Shaw, Oakwood.

PENNSYLVANIA

Oliver F. Stolz, Carrolltown.
Harry Tarbotton, Jr., Darby.
Ambrose M. Schettig, Ebensburg.
Paul O. Holtz, Hastings.
John Harry Grube, Landisville.
Eleanor C. Brennan, Paoli.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 16, 1940

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore, Mr. RAYBURN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou ever blessed Lord, fill us with Thy Spirit that we may achieve great things in patience, in perseverance, in life, and in every good word and work. Grant that our zeal and diligence may inspire wise endeavor in those who are listless and careless. Though the signs of the times may give but little comfort, measured by the years, yet the power of truth will be augmented until it gives ascendency to a new world and man shall know the vastness of our Father's house. We beseech Thee to cause the shadow of retribution to fall across all those who are swayed by the scepter of injustice and inhumanity. The Lord God forgive our sins and save us from ourselves. If we are covetous, may we not become slaves to our own selfishness, nor prey of evil desire. More and more relate us to the eternal, timeless things, such as love, purity, and truth, and Thine shall be the praise forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 17 and 28 to the bill (H. R. 7922) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1941, and for other purposes."

HOUR OF MEETING APRIL 24

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that on Wednesday, April 24, on account of the memorial services, the House convene at 11:45 o'clock a. m.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a statement made by the President after he signed the Trade Agreements Act; also a statement by Secretary Hull when the bill passed the Senate.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix on the Wheeler-Lea transportation bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a radio address delivered over the blue network by myself.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include certain tables and extracts.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. PLUMLEY] may extend his remarks by including a speech made by Hon. W. Arthur Simpson.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include letters from Presidents Lincoln and Buchanan.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein some recent editorials from the Endicott Bulletin on the flood situation.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ANTHRACITE COAL

Mr. FENTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FENTON. Mr. Speaker, on March 2, 1939, it was my privilege to address the House on the results of my studies and surveys of the anthracite coal situation in Pennsylvania, at which time I called attention to the importance of making provision for the initiation of a program of scientific research on the utilization of anthracite coal as provided for in my bill (H. R. 5849) to provide for the rehabilitation of the anthracite coal industry by providing for the establishment, equipment, maintenance, and operation of a research laboratory in the Pennsylvania anthracite region to conduct researches and investigations on the mining, preparation, and utilization of anthracite coal, and to develop new scientific, chemical, and technical uses, and new and extended markets and outlets for anthracite coal and its products.

My bill further provides that—

Such laboratory shall be planned as a center for information and assistance in matters pertaining to the more efficient mining, preparation, and utilization of anthracite coal; and pertaining to safety, health, and sanitation in mining operations, and other matters relating to problems of the anthracite industry.

ANTHRACITE COAL RESERVES

In my previous speech I called attention to the fact that the present anthracite coal reserves are estimated at about 16,500,000,000 tons—about three-fourths of the original reserves.

All of the anthracite coal of any commercial importance lies in four major fields in eastern Pennsylvania within an area of 3,300 square miles—less 500 square miles of which are underlain by workable coal beds.

During my service in Congress I have endeavored to direct attention to the national importance and significance of scientific research looking to the development of new uses for anthracite and its products.

PROPOSED LEGISLATION FOR RESEARCH

It has been very pleasing as well as gratifying to me personally to observe the attention given to anthracite coal research since the introduction of my original bill, H. H. 4109, on February 14, 1939. This bill was superseded by H. R. 5849, which I introduced on April 18, 1939.

On February 27, 1939, my colleague the gentleman from Pennsylvania [Mr. FLANNERY] introduced H. R. 4543, and on May 25, 1939, my colleague the gentleman from Pennsylvania [Mr. VAN ZANDT] introduced his bill, H. R. 6529. All of these bills provide for Federal funds for research on anthracite coal.

On July 13, 1939, my colleague the gentleman from Pennsylvania [Mr. MOSER] introduced his bill, H. R. 7189, appropriating the sum of $54,500 to enable the Bureau of Mines to conduct research and experiments to find new uses for anthracite coal. This bill was passed by the House in the closing days of the first session, and is now before the Senate Committee on Mines and Mining.

As a result of the passage of a special act by the Pennsylvania Legislature, cooperative research has been undertaken by the Pennsylvania State College, in cooperation with the State department of mines and the coal industry. These researches at Pennsylvania State College cover gasification of anthracite, activation of carbon, and other lines of research of coal utilization.

All of these efforts are, of course, steps in the right direction and prove the soundness of my position in initiating activities for research on anthracite-coal utilization. I hope that a still larger program can be provided whereby the Federal Government, through its scientific and technical staff will be able to assist our people in the anthracite region in opening up new uses and markets for our coal.

It is not my intention at this time, however, to discuss in any detail the value of research of this character to our people in the anthracite region. It is rather my desire to discuss the other aspects of my bill, H. R. 5849, providing for this proposed laboratory to serve as a center for information and assistance in matters pertaining to safety, health, and sanitation in mining operations and other matters relating to problems of the anthracite-coal industries.

SAFETY AND HEALTH IN ANTHRACITE MINING

It must, of course, be recognized that matters pertaining to the safety and health of coal miners are of fundamental importance. The hazardous occupation of the miner requires that all possible precautions be taken to assure his safety during working operations.

Due primarily to the hazardous nature of anthracite-coal mining, such as large coal beds, pitching veins, and so forth, special hazards are encountered in the mines in our region. In my opinion continued research studies on matters pertaining to the safety and health of our miners should be encouraged.

The establishment of an anthracite-research laboratory as provided in my bill, H. R. 5849, will make possible these important studies and investigations.

But we are not only faced with the necessity of providing safety for our miners during actual mining operations. We are now confronted with the problem of safety for the homes of our people in the anthracite region. The recent experiences in Shenandoah, one of the largest towns in my district, has caused particular anxiety in our part of the anthracite-coal fields.

SHENANDOAH, PA., SURFACE SUBSIDENCE

Early Monday morning, March 4, a 17-block area in Shenandoah, a thriving borough of approximately 22,000 people, was badly damaged by surface settling or what we commonly call cave-in conditions.

A large number of properties, including homes and business places and public schools, were affected. The residents in the section of the town affected by the surface subsidence are very much alarmed as to their future safety. The uncertainty as to whether there will be a further serious development involving not only this area but other sections of Shenandoah is causing a great deal of concern.

The direct cause of this surface disturbance in our section of the anthracite region is now being investigated by State and local authorities. Our people in the region are naturally very much interested in ascertaining the facts and circumstances contributing to this condition.

Here again it is my feeling that the Federal engineers in the Bureau of Mines can cooperate with the Pennsylvania State Department of Mines in conducting investigations relating to surface subsidence and development of efficient control measures. I am hopeful that some plan can be worked out to make funds available for this important undertaking.

A study of safety in mining operations, both as it may affect the coal miner at his work as well as his family at home, certainly should be encouraged by the Federal Government.

SURFACE SUBSIDENCE IN ANTHRACITE REGION

This recent surface subsidence at Shenandoah indicates the importance of determining definitely the factors that contributed to this condition and the working out of methods for prevention of occurrences of this character in other anthracite mining towns.

I am told it is the opinion of many prominent mining men that under certain conditions the most practical way of preventing loss of unmined coal in pillars and of protecting surface property from damage by subsidence is by filling the workings with refuse material. The value of mine filling as a roof support for surface protection has long been recognized.

United States Bureau of Mines Bulletin No. 60, by Charles Enzian, discusses the use of hydraulic mine filling in the Pennsylvania anthracite mine fields. The author states:

Hydraulic mine filling has played an important part and been highly effective in the prevention of surface subsidence. Further consideration should be given to hydraulic mine filling as a means of prevention of such surface subsidence as has occurred in Shenandoah.

I also favor further appropriation of funds for engineering studies of the factors contributing to surface subsidence or settling. This subject should be given particular attention by

the Bureau of Mines with special attention to the heavy veins in the western and southern anthracite regions.

SAFETY IN ANTHRACITE MINING

One of the important provisions in H. R. 5849 is to make possible studies pertaining to the safety and health of anthracite miners and to the sanitation conditions under which they work.

The hazards of mining are well known and many lives have been lost from explosions of mine gases, explosions of blasting materials, falls of roof and coal, and haulage and transportation accidents, and other causes.

Some attention has been given to studies of "anthracosis," resulting from breathing the coal dust in anthracite coal mines and the effect on the miner. Further research is essential to acquire accurate data on this subject, which have for years been so vitally important to anthracite miners.

ANTHROSILICOSIS (MINERS' ASTHMA) AMONG HARD-COAL MINERS

The United States Public Health Service has made a preliminary study of the nature and prevalence of chronic, incapacitating miners' asthma. The results of this study are published in Public Health Bulletin No. 221, entitled "Anthrosilicosis Among Hard-Coal Miners."

In making this study, a representative mine was selected in each of the three districts in which the anthracite-coal field is divided by geological formation and by method of mining. One of the mines selected was in the northern, one in the southern, and one in the western middle area. It was agreed that all employees, including office, breaker, and other outside workers, as well as all underground employees, would be examined in each of the three mines selected for study.

Anthrosilicosis is a chronic disease due to breathing air containing dust generated in the various processes involved in the mining and preparation of anthracite coal.

The Public Health Service reports that according to their conclusions, based on the examination of 2,711 men—about 96 percent of the number on the pay roll of three representative anthracite coal mining companies studied—the prevalence of anthrosilicosis among the entire group of employees was found to be about 23 percent, almost one-quarter of the total number. The mortality from respiratory diseases was found to be much greater among anthracite workers than in the general adult male population of the country. This important problem, which greatly affects the welfare of our miners, should be given some attention.

In considering safety in anthracite mining the following conclusions can be obtained from the publications of the Federal Bureau of Mines:

First. Accident rates—especially fatality rates—in anthracite mines from falls of roof and coal are higher than corresponding rates for other types of underground mining in the United States.

Second. Accident reports published by the Bureau of Mines indicate that where the number of accidents of all types in anthracite mines is being reduced gradually those caused by falls of roof and coal still are responsible for over 50 percent of the fatalities, and in 1 year were responsible for 140 deaths and almost 3,000 lost-time injuries.

Third. Statistics on roof-fall accidents reveal that anthracite mines have the highest death rate of all underground mines.

Fourth. The injury rate for handling materials, especially timber, is higher for anthracite mines than for any other type of mine. In fact, there are more lost-time injuries from this cause than from any other except roof falls and haulage.

Fifth. Accident rates for handling material in 1935 were three times as high for anthracite than for metal mines and almost three times as high for bituminous-coal mines.

EXPLOSIONS IN ANTHRACITE MINES

According to reports of the Bureau of Mines, there have been a total of 1,243 explosions in anthracite-coal mines from 1847 to 1937, causing the death of 2,252 miners.

Many of these explosions were due to the ignition of explosive mine gases and also explosions during placing operations. Although progress has been made in recent years in controlling mine explosions, this matter will always be of fundamental importance to the coal-mining industry.

Such matters as adequate mine ventilation, improved methods of lighting, safe blasting methods, and similar matters pertaining to mine explosions should be given further attention.

HEALTH IN ANTHRACITE MINING

Being a medical doctor, I am naturally interested in health conditions as they relate to anthracite mining. My experiences over a number of years on the staff of one of our hospitals in the coal regions has given me a first-hand picture of the conditions surrounding accidents, injuries, and health matters as they concern the miner.

The Bureau of Mines reports that the subject of health in mining has not been given the attention it warrants. This is particularly true as to the occurrence of dusts, high humidity, and other influences harmful to the health of the mine worker.

Although definite statistics are not and probably never will be available, it is almost a certainty that far more underground workers are incapacitated or die immediately from breathing excessive amounts of dusts than are killed by mine explosions and fires.

Air conditioning, now practically in its infancy in general industry, offers a possible fruitful means of safeguarding the comfort and health and, to some extent, the safety of the mine worker.

A few mining companies are making air-conditioning installations, although definite data on results are not at hand. Further research should be carried on to discover feasible methods of air conditioning coal mines.

The Bureau of Mines has done much work on ventilation of mines as well as on methods of reducing dust and heat humidity. These studies should be continued and expanded to include anthracite-coal mines.

Research work on health and safety in the mining and allied industries offers large remuneration in salvation of life and limb as well as in dollars and cents for dividends as well as capital investment.

Pertinent questions in connection with occupational diseases are harassing industry—both workers and employers—and the mining industry is very deeply affected.

Much work should be done on the subject of the effect of dust on the miner since thousands of workers are incapacitated annually by dust diseases and hundreds die of it. Suits involving many millions of dollars have been in court in connection with dust diseases in mines and tunnels.

The prevention of dust diseases in mining is a problem that unquestionably can be solved by further research, such as contemplated in the research laboratory provided for in my bill. The investigations of the Bureau of Mines should be expanded to include studies of dust conditions affecting the anthracite miner.

There are numerous other health and safety problems in the mining and allied industries that can be studied with a view to solution. While much progress has been made during recent years in safety in all kinds of mining, it has been estimated by the Bureau of Mines that accidents in the mining industry could be still further reduced from 50 percent to 75 percent below what they are now. This would amount to financial savings of millions of dollars annually to both workers and operators to say nothing of the admittedly great humanitarian and sociological benefits which would certainly occur to the entire Nation.

FIRST-AID TRAINING PROGRAMS

The anthracite-coal region has pioneered in first-aid training for mine employees.

As early as 1907 some of the coal companies in our section of the region began to develop plans for training their employees in both mine-rescue and first-aid work.

This first-aid-training work has given valuable returns and has provided well-trained first-aid organizations at many of our mines. Training work of this character should be encouraged and continued in every mining region in the United States. As a medical doctor I know its practical value.

The Bureau of Mines, in cooperation with the coal companies, has done very valuable work in first-aid-training campaigns in the anthracite region. In the period from January 1934 to September 1939 a total of 1,327 first-aid instructors had been trained with a grand total of 38,059 miners trained in first-aid work. Much of this work was done in my own district and I have been able to make first-hand observations as to its value.

RESEARCH IN ANTHRACITE LABORATORY

I have endeavored in this brief space to indicate the various kinds of research studies and investigations provided for in my bill, H. R. 5849, providing for the establishment of a research laboratory in the anthracite-coal region.

In my opinion the most practical way to study and investigate problems peculiar to anthracite-coal mining and utilization is to provide the necessary facility in the region where actual mining operations are carried on and where the problems affecting the life and safety of our people can be studied by direct contact with the people concerned.

The major problems that a research laboratory of this character could undertake would include the following:

First. Working out new industrial uses for the utilization of anthracite coal and its products.

Second. Improvement in mining methods with increased mining efficiency.

Third. Studies of facts contributing to surface subsidence and development of methods for control and prevention.

Fourth. Safety and health of anthracite miners and methods for protection during mining operations.

Fifth. Matters pertaining to problems peculiar to the anthracite coal industry.

Research of this character would be helpful to the people in our region. It would be the means of stimulating the entire anthracite-coal region and restoring the confidence of our miners.

It is my intention to devote every effort to secure the support of the Federal and State Governments in this undertaking, which is so vital to the welfare of our people. [Applause.]

REPORT FROM ACTING COMPTROLLER GENERAL OF THE UNITED STATES

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein two letters signed by public officials.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. COCHRAN. Mr. Speaker, during the many years that I have been a Member of Congress, I have seen many Government reports but I can conceive of no more plain political bunk than the report which was submitted to the Speaker of the House under date of April 12 signed by Hon. R. N. Elliott, Acting Comptroller General of the United States, calling attention to certain schools and training courses which are being conducted in or by Government departments and independent establishments. This report was referred to the Committee on Expenditures in the Executive Departments, of which I am chairman.

The report contains 74 pages and Mr. Elliott seemed rather exercised to learn that in several instances fees and tuition are charged for the courses and that there has been accumulated a considerable sum over and above operating expenses, especially in reference to the school in the Department of Agriculture, the head of which is Dr. A. F. Woods, a retired Federal employee who was formerly connected with the Bureau of Plant Industry. It seems that this school has in its treasury at the present time a few thousand dollars. Mr. Elliott calls attention to the fact that no accounting is made to the Government of the money. Why should any accounting be made to the Government when no Government funds are involved? Mr. Elliott cites a statute of the Budget and Accounting Act of 1921, section 312a, in support of his contention that it appears to him that many of the courses go far beyond the strict training of employees for the better performance of their official duties. If he would have cited the Deficiency Act of March 3, 1901, he would have found that the activities of the school do not go beyond existing law.

Under the leave granted me, it is my intention to place in the RECORD a letter addressed to the Secretary of Agriculture in 1931 by the then Comptroller General, Mr. McCarl, and the reply of the Acting Secretary of Agriculture, Hon. R. N. Dunlap, which is a complete answer to Mr. Elliott's fears. As Mr. Elliott knows, like himself, these officials are Republicans.

I noticed in the report that Mr. Elliott devoted a great deal of space to private organizations set up for the purpose of assisting ambitious young men and young women, which has absolutely no bearing upon the schools in question. Why waste public funds in making such foolish investigations and reports?

I am going to call the attention of one outstanding school which has been in operation and it so happens that only yesterday a new class was enrolled. It was the fourteenth session of the Federal Bureau of Investigation's National Police Academy conducted by Director J. Edgar Hoover. Police officials from all over the United States, nearly 500 in number, have graduated from this academy. The cooperation from the local authorities with the F. B. I. as a result of this school has proved to be of extreme value not only to the Government but to the various police organizations throughout the country.

I might add that the present school in the Department of Agriculture was started in 1921 upon the recommendation of the Honorable Henry C. Wallace, the then Secretary of Agriculture in President Harding's Cabinet. Mr. Wallace, a Republican, was the father of the present Secretary of Agriculture. This is the first time the school has ever been subject to any criticism. It is serving a useful purpose. [Applause,]

Mr. Speaker, the attached correspondence speaks for itself:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, September 3, 1931.

The honorable the SECRETARY OF AGRICULTURE.

SIR:

* * * * * * *

Under the Director of Scientific Work the Department conducts an educational enterprise known as the graduate school in connection with which courses are now being offered in the field of agricultural science, chemistry, economics, statistics, and languages. It is understood that these courses are conducted in the offices and laboratories of the Department, and that such supplies and equipment as are necessary in connection therewith are provided from official stocks or funds. The lectures, etc., occur after hours, and generally the classes are tutored by employees of the Department. Participating students are required to pay a fee of $25 for two semesters, and it is understood that such fees are paid as compensation to the respective lecturers. Advice as to the authority under which this school is conducted will be appreciated.

* * * * * * *

Respectfully,

J. R. MCCARL,
Comptroller General of the United States.

OCTOBER 8, 1931.

The honorable the COMPTROLLER GENERAL.

SIR: I have your letter of September 3, 1931, concerning certain practices of the Department, and while other matters mentioned will be taken up in separate communication, I am pleased to advise you herewith as to the matter of the graduate school referred to on the second page of your letter.

After mentioning certain details of the work of the school as you understand it to be conducted, some of which are not in accordance with the facts, you ask to be advised as to the authority under which this school activity is conducted.

By joint resolution of April 12, 1892 (27 Stat. 395), Congress provided as follows:

"That the facilities for research and illustration in the following and any other governmental collections now existing or hereafter to be established in the city of Washington for the promotion of knowledge shall be accessible, under such rules and restrictions as the officers in charge of each collection may prescribe, subject to such authority as is now or may hereafter be permitted by law, to the scientific investigators and to students of any institution of

higher education now incorporated or hereafter to be incorporated under the laws of Congress or of the District of Columbia, to wit:

"1. Of the Library of Congress.
"2. Of the National Museum.
"3. Of the Patent Office.
"4. Of the Bureau of Education.
"5. Of the Bureau of Ethnology.
"6. Of the Army Medical Museum.
"7. Of the Department of Agriculture.
"8. Of the Fish Commission.
"9. Of the Botanic Gardens.
"10. Of the Coast and Geodetic Survey.
"11. Of the Geological Survey.
"12. Of the Naval Observatory."

By the Deficiency Act of March 3, 1901 (31 Stat. 1010, 1039), Congress provided as follows:

"That facilities for study and research in the Government departments * * * shall be afforded to scientific investigators and to duly qualified individuals, students, and graduates of institutions of learning in the several States and Territories, as well as in the District of Columbia, under such rules and restrictions as the heads of the departments and bureaus mentioned may prescribe."

This activity of the Department of Agriculture has been recognized and enjoyed for a number of years by the local institutions of learning. In the George Washington Catalog for 1931–32, on page 55, under the heading "Governmental institutions accessible to students," the joint resolution of April 12, 1892, is quoted with an explanatory statement that Congress has thus made the scientific resources of the Government accessible to students in order to promote research and the diffusion of knowledge.

The Department believes that in the conduct of this graduate school it is merely carrying out the expressed will of the Congress. The fees charged, which the Secretary has determined to be necessary to make the school a going concern, are very small; they are not "paid as compensation to the respective class lecturers," though they do go into the graduate-school fund (now amounting to about $7,000), which is used not only to pay the sum of $5 per lecture to each lecturer but to pay for all supplies and equipment necessary for laboratory and lecture work, except that the Department handles some of the mimeographing and routine correspondence necessary to make its facilities for study and research available to students.

Although it would seem to be plain, from the acts of Congress above quoted, that it would be proper to use supplies and equipment from official stocks in the work of the school, inasmuch as they are departmental "facilities" authorized by Congress so to be used, the school does not do so, but buys its own supplies and equipment, and if in the course of classroom or laboratory use any Government property is used or consumed, it is at once replaced from the school fund. No Government funds are used in the conduct of this school, the only Federal expense involved being the wear and tear in the use of the rooms or laboratories where the school work is conducted and the mimeographing and routine correspondence above referred to, which is believed to be contemplated and authorized by Congress in the acts above quoted.

Respectfully,

R. N. DUNLAP, *Acting Secretary.*

Mr. Speaker, I now include a statement prepared by the Graduate School of the Department of Agriculture:

The Graduate School of the United States Department of Agriculture in Washington, which was referred to more than any other in the report, is an unofficial institution of higher education, organized in 1921 to make available to Government employees systematic opportunities to prepare themselves for more efficient service in their present positions and also to prepare themselves for higher classifications.

Many Government employees are able to supplement their previous education by pursuing courses at local institutions. But in a number of special fields the desired courses are not available in these institutions, or they are given during the day, when Government workers cannot attend the classes, or for some other good reason the employee is not able to get the work desired in a local college. Hence the opportunity afforded by the systematic work organized to meet the special needs of Government workers is essential to the effective prosecution of the Federal services.

HISTORY

The demand for continued educational opportunity was first formally recognized in the Federal Government when the Bureau of Standards, in 1908, inaugurated a program of graduate study conducted outside of working hours. The results were so successful that a similar plan was finally adopted by the Department of Agriculture. This was done after careful consideration of the recommendations of the Joint Reclassification Commission and after consultation with deans of graduate schools and colleges of agriculture, with university presidents, and with other leaders in higher education throughout the country, who gave not only unanimous approval but cordial assurances of cooperation.

With the approval of the Secretary of Agriculture, the graduate school was formally opened in 1921.

During the first year, 1921–22, some 213 students enrolled in the following courses: Statistical methods, genetics, crystallography, agricultural economics, statistical mechanics, mycology, plant physiology, and biochemistry.

The figures for the past year (1938–39) of a total registration of 2,361 students in 110 courses, not including special lecture courses, tells the story of a steady growth and interest in the opportunities offered.

ORGANIZATION AND ADMINISTRATION

Authority for the establishment of the school is derived from joint resolution April 12, 1892 (27 Stat. 395), and the act of Congress of March 3, 1901 (31 Stat. 1010, 1039), providing that "Facilities for study and research in Government departments shall be afforded to scientific investigators and to duly qualified individuals and students under such rules and restrictions as the heads of departments and bureaus may prescribe." See also the organic act establishing the Department of Agriculture (Rev. Stat., sec. 520).

Under this authority the school is supervised by an administrative committee and by a director appointed by the Secretary of Agriculture. The members of the committee are heads of bureaus and other specialists in the Department.

Subject to this formal supervision by the Department, the school operates independently. Its financial operation is separate from governmental budgetary administration, for it was organized as an unofficial undertaking and has never received any congressional appropriation and its classes are held after official hours.

The director is assisted by six assistant directors designated by him, in charge of the following subject-matter groups: I. Mathematics and physical science; II. Social science; III. Biological science; IV. Economics; V. Personnel training; VI. Language and literature.

FACULTY

Most of the 140 instructors in the school are recognized specialists, largely in scientific fields, employed in the Government service. A large proportion of them have left university faculties to come to Washington; they are therefore seasoned classroom teachers, familiar with the best academic practice. Some are faculty members in nearby universities. An alphabetical list of instructors, showing degrees, institutions from which received, subjects taught, is available on request.

STUDENTS

About half of the students are employees of the Department of Agriculture. The rest are from over 50 Government departments and agencies, together with a small registration of men and women outside of the Government.

CURRICULUM

The curriculum includes in the current year (1939–40) the following divisions: Accounting, biology, chemistry, economics, engineering, geography, history, modern languages, public speaking, management, mathematics, meteorology, philosophy, psychology, sociology, soil conservation, statistics, and English composition, English literature, and editing. The curriculum is flexible and changes from year to year as the demands of the service require.

The majority of the current 110 courses are of graduate level. The rest are of the standard undergraduate character, needed by many employees, especially in languages and mathematics. In addition are provided a few courses of a clerical and secretarial nature.

FACILITIES

In no other city in the country is assembled a comparable range of educational facilities. The Library of Congress, unequaled in most major fields of knowledge, the numerous specialized departmental libraries, and the National Archives in a new building, the museums, such as the Smithsonian Institution, National Museum, art galleries, and the various collections and laboratories—all are available to the student. In the Department of Agriculture itself is housed a library of about 400,000 volumes, the largest in the world within several fields. One of the special divisions of this library is the social science reading room, open until 9 every evening.

Courses are conducted in nearly 50 class and lecture rooms and laboratories, most of which are in the South Building of the Department. Six other Government buildings, such as those of the Smithsonian Institution, provide space for courses requiring special facilities. The school has provided all necessary classroom equipment and apparatus.

GENERAL REGULATIONS

Graduate credit can be obtained only by person having a bachelor's degree from an accredited college. Whenever possible, students are required to arrange their program in advance with the college in which they are registered or plan to register for a degree. Except in certain upper undergraduate courses approved as a part of the program, undergraduate courses may be required without credit. Each student must file an official transcript of his collegiate record. The record must show the satisfactory completion of an undergraduate major in the subject chosen for specialization in the graduate school.

RELATIONS TO OTHER INSTITUTIONS

As emphasized in foregoing statements, the school aims not to compete but to cooperate with other institutions of higher learning. It has no authority to grant academic degrees. But, from the beginning, its certification of credits for certain courses has been accepted by universities in all parts of the country. Among these institutions are Columbia, Cornell, Harvard, Johns Hopkins, and Yale Universities, the Universities of Chicago, Michigan, Iowa, Oregon, California, Kansas, Missouri, and Louisiana, and the Massachusetts Institute of Technology. Since 1926 semester certifications issued total 2,015; 1,647 of these are of graduate, advanced undergraduate, or highly technical grade, and 368 of definitely undergraduate level.

The school also certifies credits to the Civil Service Commission as prerequisite courses for taking certain civil-service examinations.

A list of courses available is published twice a year, in September and January, and is sent to all colleges and universities and the

Civil Service Commission and to all Government departments and to individuals upon request.

UNDERGRADUATE COURSES

Such undergraduate courses as are found to be desirable are conducted separately from the graduate programs though under the same general administrative control.

Fifteen standard high-school units of work are required as prerequisite for undergraduate courses for credit. Those who have not completed undergraduate programs are urged to do so if possible at an available college.

Some of the courses offered are of a special in-service training nature designed for training on the job and are therefore not given for academic credit and are certified only on a non-academic basis; others are standard undergraduate courses and may be accepted at the discretion of the institution to which certified, when they meet its requirements. Under this system one semester credit is granted for 30 class hours of work plus the required reading and preparation.

PUBLIC LECTURE SERIES AND PUBLICATIONS

One of the most notable services rendered by the school is the series of public lecture courses given by leading authorities, attendance at some of which has taxed the capacity of the auditorium, seating over 600. Among these courses have been series on The History of Science, Public Health, Personnel Administration, Fundamentals of Democracy, Personality Adjustment, and Statistical Methods.

A number of these series have been published at cost and are in widespread demand by libraries, and particularly at colleges and universities, where they are used as regular texts.

These publications include the following: On Least Squares, Lectures and Conferences on Mathematical Statistics, On the Statistical Theory of Errors, Lectures on the Statistical Method, Administrative Management, Current Economic Problems, Elements of Personnel Administration, Understanding Ourselves: A Survey of Psychology Today, and The Adjustment of Personality.

In the revised edition of Introduction to the Study of Public Administration, by Leonard White, professor of public administration in the University of Chicago and former Civil Service Commissioner, is included a brief description of this graduate school, from which, by permission of The Macmillan Co. and Dr. White, two paragraphs are quoted (p. 364):

"Without question, the most elaborate and most successful in-service training institution is the Graduate School of the Department of Agriculture.

"The high standards of instruction and the breadth of training afforded by the graduate school mark it as one of the foremost training institutions of its kind in the world."

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend the remarks which I will make in Committee of the Whole and to include two short articles on the Walter-Logan bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in two respects, one to include a radio address and the other to include some letters I have received.

The SPEAKER pro tempore. Without objection, the requests are granted.

There was no objection.

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a series of news articles published by one of the leading chains of newspapers in America.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. LEAVY. Mr. Speaker, I ask unanimous consent that on Thursday next, after the reading of the Journal and the disposition of other business and any other special orders that may have been entered, I may address the House for 20 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

REFUGEES FROM FINLAND

Mr. GEHRMANN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER pro tempore. The Chair cannot entertain such a request. The Chair will entertain a request for the gentleman to address the House for 1 minute.

Mr. GEHRMANN. Mr. Speaker, this is an extraordinary occasion, and I just want a minute or two to say something about a couple of children that were rescued in Finland.

The SPEAKER pro tempore. Without objection, the gentleman may address the House for 1 minute.

There was no objection.

Mr. GEHRMANN. Mr. Speaker, I am very proud to be able to announce that there are two children in the gallery——

The SPEAKER pro tempore. The gentleman from Wisconsin will suspend. The Chair calls the gentleman's attention to the fact that it is a violation of the rules of the House for a Member on the floor to introduce anyone in the gallery.

Mr. GEHRMANN. Mr. Speaker, I beg the Chair's pardon, but I am not introducing them. I just want to say that there are two children who were stranded in Finland in the war zone. They got out of there just before——

The SPEAKER pro tempore. The gentleman's remarks are still a violation of the rules of the House.

Mr. GEHRMANN. Mr. Speaker, it would seem that the extraordinary occasion, the fact that the State Department interested itself——

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. RISK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by my colleague the gentleman from Rhode Island [Mr. SANDAGER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short article by David Lawrence.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. CROSSER asked and was given permission to revise and extend his own remarks.

AMENDMENT TO MOTORBOAT LAWS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6039) to amend laws for preventing collisions of vessels, to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes, with Senate amendments, and to agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out lines 16 to 18, inclusive.
Page 2, line 19, strike out "(b)" and insert "(a)."
Page 2, line 19, strike out "class 1" and insert "classes A and 1."
Page 3, line 3, strike out "(c)" and insert "(b)."
Page 3, strike out lines 24 and 25 and lines 1 to 6, inclusive, on page 4, and insert:
"(c) Motorboats of classes 2 and 3, when propelled by sail and machinery, or by sail alone, shall carry the colored side lights, suitably screened, but not the white lights prescribed by this section: *Provided, however,* That motorboats of all classes, when so propelled, shall carry, ready at hand, a lantern or flashlight showing a white light which shall be exhibited in sufficient time to avert collision: *Provided further,* That motorboats of classes A and 1, when so propelled, shall not be required to carry the combined lantern prescribed by subsection (a) of this section."
Page 4, line 7, strike out "(e)" and insert "(d)."

Mr. MICHENER. Mr. Speaker, reserving the right to object, is this agreeable to the minority members of the committee?

Mr. BLAND. This was brought up in a meeting of the committee this morning when there was one other Democrat present and four or five Republicans, including the ranking minority member, the gentleman from California [Mr. WELCH]. It was agreed to by all present.

Mr. MICHENER. In general, what is the effect of the changes made by the Senate?

Mr. BLAND. They are very brief. In general the first amendment requires a combination white light to be carried and leaves the law as it is today. We had made some little change, but it was thought it would be better to leave the law as it is and require a certain additional light to be used on those smaller boats.

The other amendment came about as the result of a construction made by the Bureau of Navigation which was found not to exist. It has reference to the maintenance of white lights on certain classes of boats.

Mr. MICHENER. Mr. Speaker, I withdraw my reservation of objection.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, has any change been made in the regulations concerning motorboats on the Great Lakes?

Mr. BLAND. Not in the amendments. I do not recall whether there was in the original bill or not, but not in the amendment. I may say to the gentleman from Michigan that these amendments are Senator VANDENBERG's amendments.

Mr. WOLCOTT. There has been no change in the bill except as the gentleman has explained?

Mr. BLAND. That is all.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

THE FEDERAL DEFICIT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, I am going to talk about a new subject this morning. [Applause.] It will be new to you New Deal Democrats who applaud, because I want to say to you that as of April 11 we are $2,924,956,701.14 in the red on this year's operations of the Government. Is not this new to you? Certainly it is.

I now want to call your attention to the fact that you cannot go on spending $8,000 a minute more than you take in. You have about reached the national debt limit. Something terrible is going to happen unless you come to realize your error. You Democrats have not thought of bringing in a new tax bill. You Democrats have not thought of trying to cut down these expenses. All you have done this session is to appropriate, appropriate, appropriate! Is that new to you? No; that is not new—these terrible extravagant appropriations. But where are you going to get the money? Not one of you can answer that question. You do not know and I do not think the new dealers care. It is a terrible position you have the country in; correct it at once before it is too late. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. HENNINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the St. Louis Post-Dispatch. I also ask unanimous consent to extend my remarks and to include therein an editorial from the Washington Times-Herald.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by J. D. A. Morrow, of the Pittsburgh Coal Co., expressing the damaging effects of the National Bituminous Coal Act of 1937 on the bituminous-coal industry.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent that on tomorrow after the disposition of the order of business for the day and any special orders that may have heretofore been entered I may address the House for 10 minutes.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. WALTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6324) to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

Mr. RANKIN. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER pro tempore. The gentleman from Mississippi, I presume, understands the situation?

Mr. RANKIN. Yes. I will withhold the point of order and make it on the motion. I want a quorum present. If we are going to discuss this bill we want the Members to hear both sides. This is more important than the ball game.

The SPEAKER pro tempore. The gentleman can make his point of order now, then.

Mr. RANKIN. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Arnold	Ditter	Kee	Sabath
Barton	Douglas	Keller	Sacks
Bates, Ky.	Durham	Kelly	Scrugham
Bates, Mass.	Engel	Kirwan	Seccombe
Beam	Fitzpatrick	Lea	Secrest
Bell	Gifford	McDowell	Shafer, Mich.
Bradley, Pa.	Gilchrist	McGranery	Simpson
Buckley, N. Y.	Gore	McLean	Somers, N. Y.
Burch	Green	Maciejewski	South
Burgin	Harness	Maloney	Starnes, Ala.
Byrne, N. Y.	Harter, N. Y.	Mansfield	Steagall
Camp	Harter, Ohio	Martin, Ill.	Stearns, N. H.
Carter	Healey	Massingale	Sweeney
Cartwright	Hoffman	Merritt	Thill
Casey, Mass.	Hook	Myers	Tibbott
Claypool	Houston	O'Day	Voorhis, Calif.
Coffee, Wash.	Jarman	Patrick	Wadsworth
Connery	Jennings	Patton	Wheat
Darrow	Johnson, Ill.	Plumley	Whelchel
Dingell	Johnson, Luther	Rabaut	White, Ohio

The SPEAKER pro tempore. On this roll call 347 Members have answered to their names. A quorum is present.

On motion of Mr. COOPER, further proceedings under the call were dispensed with.

PROMOTION-LIST OFFICERS OF THE ARMY

Mr. LEWIS of Colorado, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 1963), which was referred to the House Calendar and ordered to be printed:

House Resolution 466

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 9243, a bill to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Military Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

THE LOGAN-WALTER BILL

Mr. WALTER. Mr. Speaker, I renew my motion that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6324) to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6324, with Mr. KERR in the chair.

The Clerk read the title of the bill.

Mr. GUYER of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. HANCOCK].

Mr. HANCOCK. Mr. Chairman, it is not my purpose to discuss the bill under consideration in detail. I am not prepared for that. It has been fully explained by the able chairman of the subcommittee of the Judiciary Committee [Mr. WALTER] and the other members of his subcommittee who bring the bill before us. I wish to go on record as favoring this much-needed and long-delayed reform and to submit a few general observations.

Administrative law has been developing in this country for a great many years, as the complexity of the Government has grown and new functions have been assumed. During the last 7 or 8 years dozens of new governmental agencies have been created in a desperate effort to cure our economic ills by bureaucratic control. Administrative law has mushroomed alarmingly and the harassed businessman has been driven frantic in his efforts to obey the multitude of rules, regulations, and orders promulgated by the inexperienced and dreamy eyed young men who have undertaken the task of "permanently readjusting many of our social and economic arrangements."

I have not forgotten that one of the high priests of the New Deal in its early days, who I believe is now in the molasses business, once said:

> We have a century and more of development to undo * * * and it may require the laying of rough, unholy hands on many a sacred precedent, doubtless calling on an enlarged and nationalized police force for enforcement.

Rough, unholy hands have indeed been laid on many a sacred precedent, and by this bill we propose to stop it.

Five or six years ago regulations were issued, revised, and rescinded, and reissued with bewildering rapidity and all without notice to the citizens affected thereby, and all with the force and effect of law. It was impossible for men in business to ascertain what was forbidden and what was permitted. This confused state of affairs was corrected by the passage of a law requiring that governmental regulations and orders be filed with the United States Archivist and published in the Federal Register before they became effective. This bill will make a longer and more important step toward orderly government by compelling the numerous Government agencies to adopt rules and apply them in accordance with the law of the land.

I doubt if there is a Member of this Congress who cannot cite from his personal knowledge many instances of autocratic, arbitrary, unreasonable, and illegal exercise of authority by our younger bureaus. In some cases this can be attributed to the fact that there are men in high places who are impatient of constitutional restraints and believe the framework of our Government has been outmoded. But for the most part, I believe the bureaucratic conduct we complain about is due to an excess of zeal. The attempts to obtain enlarged authority by departments and agencies and to usurp the functions of each other are familiar phenomena. It is natural for members of boards and commissions to feel that their objectives are of supreme and paramount importance. They cannot be criticized for that, but their activities must be kept within legal limits if we wish to avoid bureaucratic absolutism.

When commissions, boards, authorities, or bureaus are created by act of Congress to perform certain defined functions, they are given authority to make rules to effectuate those functions; and when they make such rules, they are acting in a quasi-legislative capacity. The proposed law would compel them to follow the legislative practice of Congress, which from the beginning has held open public hearings on proposed legislation of general public interest. Americans abhor star-chamber proceedings.

The bill provides that administrative rules shall be issued "only after publication of notice and public hearings." A right of appeal is given to those affected by any administrative rule, but—

> No rule shall be held invalid except for violation of the Constitution or for conflict with a statute or for lack of authority conferred upon the agency issuing it by the statute or statutes pursuant to which it was issued, or for failure to comply with section 2 of this act.

Section 2 requires publication of notice and public hearings before an administrative rule can be issued.

This provision does not permit the court to substitute its judgment for that of an administrative agency. It merely compels the latter to keep within the law. How can any man who believes in our system of justice complain about this feature of the bill?

When an administrative agency applies its regulations to individual cases, it acts in a quasi-judicial capacity, and the bill will require the agency to comply with the elementary rules of court procedure. Intra-agency boards are set up to hear and determine the complaint of an aggrieved person, who "shall have an opportunity at an early day for a full and fair hearing before such board." Written findings of fact, the right to subpena witnesses, and other incidents of ordinary court procedure are provided for. Here, too, a right of appeal to a circuit court of appeals is afforded, but a decision of an agency shall not be reversed unless—

> It is made to appear to the satisfaction of the court (1) that the findings of fact are clearly erroneous; or (2) that the findings of fact are not supported by substantial evidence; or (3) that the decision is not supported by the findings of fact; or (4) that the decision was issued without due notice and a reasonable opportunity having been afforded the aggrieved party for a full and fair hearing; or (5) that the decision is beyond the jurisdiction of the agency or independent agency, as the case may be; or (6) that the decision infringes the Constitution or statutes of the United States; or (7) that the decision is otherwise contrary to law.

The judgments of the circuit courts of appeals are made final, except for review by the Supreme Court on writs of certiorari.

These provisions do not interfere with the discretionary powers of the bureaus; they simply compel the bureaus to be law abiding; and they protect American citizens against bureaucratic tyranny.

This bill is not a hasty or ill-considered piece of legislation. It is the product of the best legal minds in the American Bar Association and other leading bar associations throughout the Nation, as well as of able members of the Judiciary Committees of the Senate and the House, after years of study. It has their strong support, and the support of important business, labor, and farm organizations throughout the country.

Its principal opponents are the bureaucrats themselves, who feel they are better qualified to pass on the legality of their actions than the courts. No reasonable man will agree with them.

Too often the men appointed to regulatory bodies are without experience in the private activities they are appointed to regulate. They are likely to be theoretical zealots ardently devoted to a cause. They are not elected by the people and are not responsible to the people as are the Members of Congress who enact the laws creating their jobs and prescribing their duties.

They are immoderately partisan toward the objectives they strive to reach, and the end often obscures the means. They cannot approach a question concerning their power and authority with the fair and impartial point of view of the court.

We have had some renegade judges, but they have been few. Any normal man appointed to the bench leaves his prejudices and predilections behind him and dedicates himself to the high principles of the code of judicial ethics. If we cannot trust our courts to do justice between man and man, and between bureau and citizen, our structure of government is doomed to collapse.

I have discussed the bill before us in its broadest aspects only as they appeal to me. Business in the United States is

being strangled by Government interference and bureaucratic control and must be set free.

Let me conclude by quoting the words of a great American statesman, the late Senator Borah:

> Of all forms of government which have ever been permitted to torture the human family, the most burdensome, the most expensive, the most demoralizing, the most devastating to human happiness, and the most destructive of human values is a bureaucracy. It has destroyed every civilization upon which it has fastened its lecherous grip.

[Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I want to highly commend the distinguished gentleman from Pennsylvania [Mr. WALTER] and his subcommittee for the fine solution they have worked out for a very difficult problem. I also want to thank him and the gentleman from Iowa [Mr. GWYNNE] for the scholarly and lucid explanation of this bill. It was an effort on the part of the subcommitee to restrain any arbitrary powers that might be assumed by administrative agencies and bureaus.

It was not conceived and worked out in a partisan spirit or by any partisan organization. It was an honest, sincere effort to meet the rising tide of bureaucratic domination which has been threatening to grasp arbitrary power which seems to inspire bureaus and commissions regardless of their political fatherhood.

Abraham Lincoln, who, just 75 years ago this morning, was lying in state in the East Room of the White House, with the halo of martyrdom crowning his brow, never uttered a truer word than when he declared that it was never safe to entrust to any one man or body of men arbitrary power, because it was almost an irresistible tendency of human nature to abuse such power.

One thing that has rather fatigued me in this debate and in similar discussions is the loose statement that all this centralization of government that threatens us is a product of what many persons have referred to as the Hamiltonian idea of a strong, highly centralized government. This unrestrained centralization of power manifested in a few administrative agencies is just the opposite of what Hamilton pictured in the Federalist, which still remains the finest commentary upon the Constitution.

He did favor a government of more energy and centralization in the Executive, and every time we get in a tight place in war and this once in peace we prove he was right by putting into the hands of the Executive power not authorized by the Constitution. We did that in the War between the States with President Lincoln, and in the World War with President Wilson, and each, when the crisis was past, gladly yielded back that power to the Congress that granted it. We hope President Roosevelt will do likewise if we ever see the depression ended.

Hamilton, as shown by his commentaries in the Federalist, favored an Executive with those needed powers granted in the Constitution, but always restrained by a nonpolitical and impartial Supreme Court—which we cannot boast of today—and a Congress unimpeded by any rubber accessories; a Court independent and incorruptible; a Congress representing a people jealous of the sacred rights of the individual. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, at the outset of what I have to say, I wish to compliment the gentleman from Pennsylvania [Mr. WALTER] on the splendid work he has done in presenting this praiseworthy legislation. [Applause.] I also wish to compliment my good friend the distinguished gentleman from Georgia [Mr. COX] on the splendid remarks he made yesterday when he was speaking on the rule. [Applause.]

Mr. Chairman, to me this legislation is sound legislation. This bill seeks merely to create uniformity in the governmental agencies. The major agencies in our Government are 130 in number, and this does not embrace the bureaus and boards which are within the various agencies. We must remember when we are dealing with this particular question that we are dealing with those rules and those regulations which have to do with a government of approximately 900,000 people who are employed in those separate and several independent agencies and bureaus. These rules and regulations apply to all of our people. These department heads have been vested with power to create rules and to promulgate regulations for the implementation of the laws, and these rules and regulations have been promulgated and established by the several and various departments and agencies. These rules and regulations have the force and effect of law.

May I say in that connection, Mr. Chairman, that in the creation and establishment of these rules and regulations they have not been consistent. There has been a vast difference in the rules and regulations between departments and agencies, and not alone has there been a vast difference between departments and agencies but there has been a difference within the same department and within the same agency in respect of those rules and regulations that have been adopted. These rules have differed insofar as to create confusion within such departments. Some of these rules and regulations have been so confusing and so different that the people generally have not been able to ascertain what they really are or what their true meaning is.

At this particular time I wish to call the attention of the Members to some of the flagrant violations respecting the establishment and promulgation of rules and regulations. Not long ago there came to my personal attention—and I do not doubt that many Members of the House have had similar and like experiences—the fact that in a hearing before a Federal agency the trial hearer was met with a question of admitting certain evidence at the hearing. Objection was made to the admissibility of the evidence. The objection was based on legal grounds and should have been sustained, because the evidence was inadmissible. However, the agent of that Department finally stated, knowing that the law was in exact opposition to the admission of the testimony offered, "I will legislate for this particular case," and he immediately permitted the evidence to come before him. In other words, he legislated in one breath, and in the next he permitted inadmissible evidence to come before the hearing and go into the record. This is just one instance. There are thousands of them.

You recall, as I recall, that quite recently the Federal Communications Commission was forced by a mass protest made all over the Nation to rescind a regulation adopted by it for the sale of time on the air for controversial questions. There was no legal remedy. The mass protest itself was the only remedy; the law was inadequate to reach that particular question. The mass protest caused the rescission of the order.

A few months ago the Wage and Hour Division of the Department of Labor proclaimed a very vicious regulation which would have had a very disastrous effect on small country-weekly newspapers. It would have meant that many of them would have been forced out of existence, had that regulation been imposed upon them.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I cannot; I have only a limited time.

Mr. THOMAS F. FORD. The gentleman has made a statement that is not correct.

Mr. SPRINGER. The gentleman from California may obtain time, if he desires. However, the people made a mass protest from ocean to ocean and from the Great Lakes to the Gulf, and the Members of Congress joined in that protest. By reason of it there was a rescission of that rule. There was no law respecting it, but the mass protest was the sole cause of the rescission of that rule and regulation.

In my own congressional district in Indiana there is now in progress an investigation over a grave error in the rules and regulations which were promulgated under the A. A. A. The farmer who was aggrieved was a subscriber. He was ordered by the local administrator of that authority to mow down 21 acres of his growing wheat before it ripened. The farmer

protested because, he said, "That is too large an acreage for destruction, taking it in consideration with the total acreage of my crop." But the local administrator said, "That is the rule," and the farmer had no choice. He could but obey. He destroyed his crop, but now he cannot get pay for it because the local supervisor erred in the percentage of the crop that was ordered destroyed. This was in my district. What was the result of it? There was a mild reprimand to the administrator who had erred, but that was all. The farmer's crop was lost, and he had no recourse. There was no law to protect him.

This bill will tend to aid in cases of that particular character because the rules and regulations will be coordinated. They will be classified and published and the people will know what the rules and regulations are in these many and various departments. That alone is a complete justification for the passage of this bill.

Mr. Chairman, it is evident even from the remarks of the gentlemen who have spoken in opposition to the passage of this bill that the need for an administrative law is unquestioned. They have spoken not so much against the establishment of a method of control over the quasi-judicial activities of the various agencies as they have pleaded for the postponement of legislative action to create an administrative law. The President, in appointing the Attorney General's committee to report on such proposed legislation, undoubtedly realized that the need existed; yet he claims unfamiliarity with the Walter-Logan bill, and declines to comment on it other than to express a guarded request that action on an administrative law act be postponed.

Why in the face of this recognized need and why with the Nation-wide approval given this bill by bar associations—local, State, and National, and other organizations interested in the preservation of "government by law"—should legislative action be postponed? It is high time that some action was taken, and delay can but add to the cumulative evidence favorable to an administrative law. Delay prolongs the opportunity for government by men to spread its heinous tentacles and strangle our liberties.

Delay and caution were words unheard when the legislative action was taken to create the majority of the agencies over which this bill proposes to place a checkrein. The various agencies excluded in this bill were created by legislation so carefully and thoughtfully directed that the statute established in itself a method of control over the possible aberrations of those charged with its administration. Indeed it is to be regretted that all such creative statutes could not have had embodied in them the same protective provisions. Had such care and judgment been exercised there would not have been created the need for an administrative law with which we are now faced.

No, Mr. Chairman; I cannot countenance the cry for postponement and delay in this matter. "Justice delayed is justice denied" applies here with much forcefulness. The Walter-Logan bill is a carefully prepared foundation stone upon which we can build to insure justice to the individual—justice as guaranteed to the individual under the concepts of our constitutional form of Government.

Any objection that the bill proposes to set up a system which will swamp the judicial and delay administrative action cannot be rightfully upheld. The psychological effect of an administrative law would restrain the hasty actions of any agency, or official of that agency, in making regulations, or issuing rulings, and thus curtail the number of controversial decisions.

May I say, Mr. Chairman, that the tendency of great power is to exact more power. These agencies have come to the point where they may be classed by all of us as a giant bureaucracy. We must stop this theory of government by men and retain the basic policy in this Nation of government by law. There has been too much abuse of uncontrolled discretionary power in men to regulate and control. Under the present plan, when the rule or regulation is oppressive, then the masses are called upon to protest; or when the action of the agency is such as to meet with the universal disapproval of the people, a popular protest will tend to nullify it; but where a single individual or a single concern has been made to suffer, there is no mass protest to serve him. He is unable to enlist a sufficient number of people in his cause who would contact the department in his behalf and thus aid in securing a nullification of the rule or regulation which has caused the injury complained of. He must bear his burden as the forgotten man without the right of review or appeal under the present plan. This bill gives to the individual and to the masses the right to be heard without discrimination. This bill may not be a cure-all, but it is a step in the right direction, I am confident. It will aid in curbing the power which has been assumed and which has developed a condition which, if permitted to continue without restraint in this country, will eventually mean the loss of our constitutional rights and our liberties in America. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield such time as he may desire to use to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, the bill under consideration, known as the Walter-Logan bill, in my judgment is meritorious. One of the indictments against our present governmental activities is that through the years we have allowed to grow up many agencies, bureaus, and subordinate subdivisions of these agencies and bureaus, which carry on much of our governmental work.

Under the Constitution we have a division of the activities of government into the legislative, executive, and judicial. Our forefathers who adopted the Constitution, after long and laborious debate, and, in many cases, compromise, provided for this division of our governmental powers, so that there might be checks and balances, one against the other, and thus safeguard the possibility of permitting autocratic government to take the place of that established under the Constitution. Throughout the years we have zealously safeguarded these three branches of our Federal structure and have guarded against any one of the separate departments encroaching upon the functions or prerogatives of the other.

However, these governmental agencies which have grown up in recent years until they now number over 130, often assume the functions of all 3 departments under the Constitution. They not only lay down the rules and regulations through the authority delegated to them by the Congress, which in effect become laws, but they construe and interpret these rules and regulations and in so doing exercise quasi-judicial functions. Thereafter, they enforce them, thus occupying at one and the same time the 3 separate departments of our Government. Under existing law there is practically no opportunity for a citizen aggrieved by this procedure to appeal to the courts.

The purpose of this bill is to provide against this autocratic exercise of power by bureaus set up by the Congress. It will, to some extent, restore to the Congress the functions of legislation given to it by the Constitution. It will also permit citizens to appeal to the courts in the cases provided by provisions of the act, and thereby restore to the judiciary the rights lodged in it by the Constitution.

Aside from these very worthy objectives, it will also tend to curb the present tendency to permit these bureaus to become autocratic and gradually change our form of government from a representative democracy to that of a totalitarian state. It will preserve in our laws the fundamental purpose underlying our whole system of maintaining a government by law rather than a government by men.

Mr. Chairman, as a part of my remarks under leave granted by the House, I include a very apt discussion of this legislation in the Washington Post of this date by Mr. Mark Sullivan; also an editorial appearing in the Post of the same issue.

[From the Washington Post of April 16, 1940]

THE STATE AGAINST MAN

(By Mark Sullivan)

THE WALTER-LOGAN BILL

The House this week is debating the Walter-Logan bill. To try to explain this measure is to encounter one of the most frequent bedevilments that beset every writer of news from Washington. The bill contains some 4,000 words—and this dispatch is limited to some 800. Even if there were space enough to print the bill in full, its

necessarily technical, legal phraseology would not be easily understood.

Yet the bill ought to be understood. It goes to the heart of what is troubling the country and the world—the conflict between the rights of man and the authority of government. It aims to protect the citizen against arbitrary power exercised by agents of government. It aims to save America from being brought under the type of government that has spread over Europe during the past 20 years. The purpose of the bill was stated by one of its original authors, recently deceased Democratic Senator Logan, of Kentucky:

"To stem and, if possible, to reverse the drift * * * which, if it should succeed in any substantial degree in this country, could but result in totalitarianism."

Let us be clear about just what the Walter-Logan bill attempts—and does not attempt. It does not attempt to limit the scope of government. It does not attempt to reduce the authority of agents of government. The Walter-Logan bill attempts only to provide this: That wherever an agency of government attempts to exercise power over a citizen, wherever it lays hands on the citizen's person or property—in every such case the citizen shall have an appeal to a court, a judicial body. That is the same as saying, and no more than saying, that every man shall be entitled to his day in court.

The bill has to do with departments of government, executive bureaus, such as triple A, the Labor Board, scores of others. These agencies are created by Congress. Congress, in creating an agency, gives it certain limited power to make regulations—because Congress cannot provide in advance for every situation that will arise. Congress can only confer the powers in broad terms and authorize the agency to make regulations. The regulations must—or ought to—be confined strictly within the limits of the power conferred by Congress.

But the Government agencies sometimes do not keep within the limits set by Congress. Sometimes they interpret their authority from Congress as authority to do whatever they deem desirable. When Congress wrote the census law it authorized only a limited scope of questions. But the Census Bureau wrote additional questions, and was indignant when anyone challenged those questions.

So Congress sets up the agencies. The agencies thereupon write regulations, thousands of regulations, which citizens are required to obey. And under the regulations, employees of the agencies issue orders, tens of thousands of orders, each requiring a citizen to do a certain thing or refrain from doing another thing. A farmer (in many situations) must plant what the agent of A. A. A. tells him to plant and only as many acres as the agent decrees. Again, just recently a corporation is ready to put television sets on the market, but F. C. C. forbids. There are hundreds of such orders every day. Often the orders are issued by minor employees of the agencies, distant from Washington. Often the orders and regulations are accompanied by penalties. The citizen must obey or run risk. A citizen must answer the questions asked by a census taker or be subject to fine or imprisonment, even though the legality of some questions, the very constitutionality of them, is seriously doubted.

Now, what the Walter-Logan Act provides is merely that every order, every regulation, issued by an executive agency shall be subject to appeal to a judicial body, a court. To put it the other way, if a citizen affected by an order or regulation wishes to appeal to a court, he shall have the right, and there shall be an appropriate court to which he can go.

It must be a true court, a truly judicial body. That is, the judicial body must be impartial, disinterested. It must be a court in which the Government official and the citizen stand exactly equal. This is elementary, but has come to be violated in practice.

Some Government agencies say, in effect, "We are a court ourselves." They say, "if the citizen feels an order or regulation does him injustice, we will give him a hearing." Such a hearing by the same body that issued the order is like saying to the citizen, "Before we compel you to do what we order we will let you talk if you want to." It is a case of the same body acting as both prosecutor and judge.

And that is contrary to the oldest and most fundamental conception of justice. As often put, no man may be a judge in his own case. And what the Walter-Logan bill proposes is that no Government agency shall be a judge in its own case. It proposes to set up a court outside the agency, an independent court, a court which has no more interest in the Government official than in the citizen.

The administration resists the Walter-Logan bill. After it had been endorsed by the Judiciary Committees of both House and Senate; after it had been actually passed by the Senate without a dissenting vote, the administration has held it up nearly a year. The reason? Senator Logan answered:

"The sole issue here presented to Congress is whether we shall have a government by men or a government by law. There are persons connected with the present administration who believe it ought to be a government by men, so they are rabidly opposed to this bill."

[From the Washington Post of April 16, 1940]

BUTTRESSING JUSTICE

The Walter-Logan bill, which is being debated in the House, has been properly singled out as one of the most important pieces of legislation pending before Congress. It would affect more than 100 Federal agencies and bureaus. More important, it would have a vital bearing upon the rights of citizens who come into controversy with those agencies.

The bill is not well understood by the public. This does not mean, however, that it has not been carefully prepared and widely discussed by lawyers and students of government. The House Judiciary Committee report approving the measure expresses doubt whether "there has been legislation proposed in a century which has had more extended and careful study than that given to this bill." It is the product of more than 3 years of work by a special committee of the American Bar Association and carries the endorsement of many organizations of both lawyers and laymen.

The simple purpose of the bill is to define more clearly the rights of the individual in dealing with the Government. Over a period of many decades Congress has created a varied assortment of agencies to enforce regulatory laws. In some instances it has defined the rights of citizens appearing before such authorities. But in many other instances the citizen has no clear-cut right to have his controversy with the Government properly adjudicated. The result, in the words of the House Judiciary Committee, is a "situation of indescribable confusion."

For example, there is no uniform requirement that all rules and regulations set up by governmental agencies be published. Citizens may be prosecuted for violation of rules they have never heard of and which they could not even find in print. The Walter-Logan bill would require publication of such regulations in the Federal Register before they go into effect.

Interested citizens would have an opportunity, moreover, to express their views as to what regulations would be proper and desirable. The bill would require all Federal administrative agencies to conduct public hearings before formulating their rules and regulations.

Ours is a government of laws and not of men. Yet in some instances citizens who have grievances against the Government cannot even demand a hearing. In other cases they find it impossible to appeal their grievances to the courts for proper adjudication. It can scarcely be said that we have "equal justice under law" when the right of appeal to the courts is thus withheld in one instance and granted in another.

The Walter-Logan bill does not attempt to transfer to the courts the functions of quasi-judicial regulatory bodies or other administrative officials. It is merely a means of requiring that these agencies themselves act only within the law. That is an eminently reasonable objective. In the language of the Judiciary Committee, "the law must provide that the governors shall be governed and the regulators shall be regulated, if our present form of government is to endure."

Some provisions of the bill may be found to be unwise. But the principle on which it rests is basically sound. If civil liberties are to be respected, no governmental agency can be permitted to raise itself above the law. As Federal regulation of human relationships becomes more and more extensive, some well-esablished means of buttressing this American concept of justice becomes imperative.

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MONKIEWICZ].

Mr. MONKIEWICZ. Mr. Chairman, it has been my pleasure as a member of the Judiciary Committee to take part in the deliberations when this bill came up for consideration. It has also been my pleasure to vote to report it out favorably. Since that time I have given this matter more study and thought; I have listened to the learned arguments of the very able men who discussed this problem when the rule was under consideration. I have also listened diligently to the arguments used in general debate and nothing has taken place that would change my mind about it.

There is nothing alarming about this bill; it is not a reform bill; it is not a revolutionary proposition; it does not propose to introduce or inject anything strange or foreign into our system of government. It proposes to correct a problem or a situation that exists in our Government at the present time.

This problem did not arise over night. It did not come upon us suddenly. This situation had its inception a great many years ago. It continued to exist and it grew until it has reached the great proportions of today.

There is no effort being made here to place the blame for this situation upon this administration or any previous administration. The fault lies with us, the legislative branch of the Government, for allowing this situation to exist and to grow. For a great many years men have given this problem a great deal of time and study so that the measure before us today is the result of work of a long time and not something put together in a hurry.

There are two main sources of objection to this bill. Strange to say, they both admit the existence of the problem and both agree that something should be done about it. They are both in accord with the proponents of this measure that the present system is wrong.

One of these sources offers a solution. It proposes a special court to deal with administrative problems and disputes. This matter of the special court has received the attention of

the leading lawyers of the country; most of the reputable bar associations of our country have given it thorough study and examination, and after long deliberation this solution was rejected by them. The matter of a special court has also been considered and studied by the Senate Judiciary Committee and that body, after hearings, rejected it. The House Judiciary Committee also had this court proposition under advisement, and after careful study found the solution to be impractical and impossible.

The other source of objection to this bill does not offer any solution although it admits the existence of the problem. This source merely suggests delay, explaining that in due time the various departments will work out their own problems and eventually set up their own rules.

Now, Mr. Chairman, that is just what this bill proposes to do. This measure, outside of a skeleton procedure for appeal, does not intend to impose upon the various departments a fixed set of rules. It merely directs the various agencies to set up their own rules and instructs them to publish these rules so that the public at large will know what they are.

Our difficulty in the last number of years has been that we have endeavored to foist upon American business methods foreign to the American interpretation of fair play and justice. Business is the American way of life. American business for years has enjoyed the highest position in the world. American business, when treated in the American way, will thrive; but just as soon as we begin to impose foreign methods upon it, it will become stinted. Autocratic methods and American business just will not mix. I predict that the enactment of this legislation into law will serve to free our business from the cramped position of recent years. American business wants rules. It wants to play the game according to prescribed rules. Let us give it a fair chance.

Mr. Chairman, I most sincerely hope that this bill will pass. Many of my colleagues taking part in this debate have stated that this is the most important measure under consideration during this session. I agree with them. It has the endorsement of almost every reputable bar association in the country. It has the approval of business and industry. During all the time that this matter was before the Judiciary Committee I received a great many letters, telegrams, and oral appeals in behalf of this measure and not one word of opposition to it. [Applause.]

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, when I hear gentlemen arise, as did the gentleman from Kansas [Mr. GUYER] and invoke the name of Abraham Lincoln, I am inclined to paraphrase an expression by a great martyr of the past and say, "O Lincoln, what blunders have been committed in thy name."

Abraham Lincoln was warning then against a concentration of power into the hands of the courts, as this bill would do, which Thomas Jefferson said was the most dangerous thing that could ever happen to this Republic. I believe Jefferson said that if this Republic was ever destroyed, it would be destroyed by the courts.

The gentleman from Kansas goes on to say that Alexander Hamilton believed in the concentration of power, but he wanted to give it to the Chief Executive. Alexander Hamilton never went as far as this bill does to concentrate the powers of the Government into the hands of the courts.

The distinguished gentleman from Indiana [Mr. SPRINGER] spoke about some farmer in his district who has been imposed upon by his acreage allotments. Let me call the attention of the gentleman from Indiana to the fact that this bill is striking directly at the heart of the Rural Electrification Administration that has done more for his district than all the other governmental agencies combined have for the last 20 years.

Let me also remind the distinguished gentleman from Georgia [Mr. Cox], who on yesterday intimated that it was communism that was opposed to this bill, that communism and fascism are merely symptoms of the same disease, one of them is the fever and the other is the chill of the dying liberties of mankind. This bill is backed by the utilities fascisti, the most deadly enemy to economic democracy this country has ever seen.

What this bill would do if put into effect would be to increase the facilities of the utilities system to impose the most corrupt Government this Nation has ever seen.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. WALTER. Will the gentleman point out some of the rights that some of these companies would have that they have not got now?

Mr. RANKIN. I certainly will. They would drag every agency that interferes with their nefarious conduct into court by spurious litigation and string it out from year to year. The gentleman's memory cannot be so short as to forget what they did or tried to do to the T. V. A. time after time. They dragged the Tennessee Valley Authority into court with spurious litigation and strung it out for years.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. WALTER. Was it not possible to string out that litigation because of the present law?

Mr. RANKIN. Oh, yes; but this makes it possible to string it out again after all legitimate issues have been settled. Let me tell you what is behind it. In the first place, this law was first proposed by the American Bar Association, a super aggregation of corporation lawyers, who as a rule are dictated to by the railroad companies, the power companies, and other utilities.

Why did you leave out the Interstate Commerce Commission that is today an accessory to the thievery within the law or within their own regulations, that robs the people of the South and the West by discriminatory freight rates that no other country on earth would tolerate? Why did you exempt them?

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. COX. What agencies would the gentleman put in and which ones would he take out?

Mr. RANKIN. Oh, we are not going to put in any, because this bill will never become a law, at least in its present form.

Mr. COX. There is no doubt in the gentleman's mind, is there, that this bill will pass this House by an overwhelming majority?

Mr. RANKIN. Certainly there is doubt about its passage in its present form.

Why did you leave out the Interstate Commerce Commission, that is passing regulations now and robbing the people of the South and the West through discriminatory freight rates, while you have put in the R. E. A., the greatest agency for the benefit of the farmers that this Government has ever seen?

Mr. WALTER. Mr. Chairman, will the gentleman yield so that I may answer that question?

Mr. RANKIN. No. I will give the gentleman plenty of time to answer it.

Mr. WALTER. I shall yield myself some time.

Mr. RANKIN. Oh, the gentleman from Georgia [Mr. Cox] yesterday, when speaking on this subject, evidently had not read a news article that came out of Washington and was published this morning in the New York Times.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. COX. I confess that I never read it, but the gentleman himself admitted yesterday that he had never read the bill.

Mr. RANKIN. Oh, I looked over the bill carefully, and, as far as that is concerned, there is enough evil on page 15 to kill a dozen such bills. Mr. Chairman, right down in Georgia, the Georgia Power Co. is now in trouble. The utilities would kill the Security and Exchange Commission. Why? They want to go back to Wall Street, with their skulduggery. The Security and Exchange Commission is demanding that they come up and comply with the holding company law. Do you know what is in that holding company law? Listen to this.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Let me finish my statement. Listen to this. I am reading from the holding company law:

It shall be unlawful for any registered holding company or any subsidiary company thereof by use of the mails or any means or instrumentality of interstate commerce, or otherwise, directly or indirectly, to make any contribution whatsoever in connection with the candidacy, nomination, election, or appointment of any person for or to any office or position in the Government of the United States, State, or any political subdivision of a State, or any agency, authority, or instrumentality or any one or more of the foregoing, or to make any contribution to or in support of any political party or any committee or agency thereof.

Down in Georgia today they are having another Georgia "cakewalk." The Georgia Power Co., owned by the Commonwealth & Southern, presided over by Mr. Wendell Willkie, who is trying to induce the Republican Party to nominate him for the Presidency, is now being called to account for violation of this law.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. COX. Does the gentleman mention my name in connection with the Georgia Power Co.?

Mr. RANKIN. No.

Mr. COX. Or mean to intimate that I have the slightest interest in that company?

Mr. RANKIN. None whatever. I said the gentleman did not even know about this.

Mr. COX. I have been as violent in my attacks on that company as has the gentleman.

Mr. RANKIN. Oh, I cannot admit that. I do not believe that they would charge the gentleman with that. So far as this House is concerned they regard me as Power Trust enemy No. 1.

Mr. KEEFE. Mr. Chairman, will the gentleman yield for a question?

Mr. RANKIN. I yield for a question.

Mr. KEEFE. Will the gentleman indicate just how this bill will destroy the Securities and Exchange Commission?

Mr. RANKIN. Yes.

Mr. KEEFE. Or destroy the Rural Electrification Administration?

Mr. RANKIN. Yes, sir.

Mr. KEEFE. I would like to have the gentleman state it.

Mr. RANKIN. I will tell you exactly. By stringing out litigation. They would bring an injunction suit and try it over here a thousand miles from your city. Then when they got beat they would come back and take another hold. They would string this litigation out until they could browbeat the people as they are trying to do in Portland, Oreg., now into submitting to their domination.

Mr. KEEFE. Will the gentleman answer this question?

Mr. RANKIN. Yes.

Mr. KEEFE. Is there anything in the law today that prevents them from carrying on litigation in the courts and stringing it out?

Mr. RANKIN. Oh, yes. They do not have any right to go in and run the agency itself.

Mr. KEEFE. They do not have any right. Will they have any right to go in and run the agency under this bill?

Mr. RANKIN. Oh, yes. They will claim that right, and they will litigate for it until doomsday.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. COX. Does not the gentleman think that an agency which can be run by some power company should have the attention of the Congress, as is attempted in the pending bill?

Mr. RANKIN. Oh, they should have the protection of the Congress, and they do have it. They have the protection of the Securities and Exchange Commission. Out here in St. Louis—this is what they are afraid of—listen to this:

Officials denied that there was anything personal in any intimations from some of Mr. Willkie's associates that the S. E. C. favored the North American Co. As a matter of fact, the North American Co. owns the Union Electric Co. of Missouri.

And today the Securities and Exchange Commission is bringing that corrupt outfit to justice and indicting the officials it has corrupted all over that country, Democrats and Republicans. [Applause.]

Oh, Mr. Chairman, this bill would paralyze the S. E. C. and permit to continue this gigantic octopus known as the Power Trust—these utilities holding companies that are today robbing the people of Georgia in overcharges for electric lights and power amounting to $11,000,000 a year; that are today robbing the American people from one end of the country to the other, including Indiana of $24,000,000, Wisconsin of $20,000,000; robbing the American people, the consumers of electric power and lights, of a billion dollars a year and denying to the average individual the use of those electrical appliances that go to make it possible for them to live in this modern electric age and enjoy the comforts and conveniences of modern life.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. CELLER. This bill makes no distinction between trivial matters and important matters. Every trivial matter can be brought into court.

Mr. RANKIN. Yes; I have said that already. I pointed that out.

Mr. CELLER. And the S. E. C. would be tied up for months.

Mr. RANKIN. Yes. I pointed that out.

Now, why do they subject the Rural Electrification Administration to all this annoyance at the hands of a bunch that is carrying on through the holding companies, with six or eight billion dollars of water in their capital structures, robbing every man that turns an electric switch, except in a few isolated areas? Why turn the Rural Electrification Administration over to them, when they have been spending money by the millions to try to cripple it, building "spite" lines into communities, disturbing farmers, and trying to kill the greatest movement that has ever been set on foot for the benefit of the farming people of this Nation? Why, oh, why do they subject the Federal Power Commission to all these indignities and put them at the mercy of this gigantic octopus that sprawls over the Nation and winds its tentacles about every enterprise and every home that uses electricity, that it may strangle and destroy the Federal Power Commission that is today rendering the greatest service in its history, saving for the American people the water power of this Nation, the greatest natural resource in all the world outside of the soil from which we live? Why, oh, why do they want to turn them over to this bunch of corporation lawyers, some of whom are drawing fees that almost make the salary of the President of the United States look like a tip to the waiter?

No, Mr. Chairman, this bill is not in the interest of the American people—and I say that with all deference to my friend the gentleman from Pennsylvania [Mr. WALTER]. This bill will do infinitely more harm than good.

The gentleman from Oregon [Mr. ANGELL] said he might support this bill. But I am sure he will not support it in its present form. Right at his very door today the people of Portland, Oreg., are struggling with this octopus known as the Power Trust, this superutility, that is trying to impose upon them its will and fasten upon them a policy that will enable that outfit to suck the economic lifeblood from the people of that great northwest country and prevent them from enjoying the benefits they should derive from Bonneville and from Grand Coulee.

A few years ago I stood on the banks of that great stream. No man outside of the West has worked harder for Bonneville than I have. I stood on the banks of that magnificent Blue Danube of the West and I saw down the years to come a prosperous country, happy homes, thriving enterprises that this very outfit that is pushing this bill from the outside would now destroy and rob those people of the benefits of the great natural resources with which God has blessed them. [Applause.]

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Chairman, my friend the gentleman from Mississippi has made a great contribution to the setting up of regulatory measures which have operated upon the power trusts of this country, and for that I applaud him. But he misses the whole point of this bill.

It has been demonstrated on this floor that one of the primary purposes of the bill is to prevent the further intermingling of the powers of government; and I would like to say for the benefit of the gentleman from Mississippi that "the doctrine of separation of powers, of the executive, legislative, and judicial branches of the Federal Government is fundamental in the American theory of constitutional government. One branch is not to encroach upon the other except insofar as authorized by the Constitution. Essential functions of the legislative are not to be usurped by the Executive nor by the judiciary. Similarly, the legislative is not to interfere with the other coordinate departments of the Government except where the intermingling of spheres of action is authorized or contemplated by the Constitution." In reference to the Securities and Exchange Commission I would like to quote from a decision of the Supreme Court which was briefly referred to by the gentleman from Pennsylvania on yesterday. In reply to an attack made upon the courts of this country by the present dean of the Harvard law school, who at one time was a member of the Securities and Exchange Commission, I quote from this decision, as follows:

> The action of the Commission finds no support in right principle or in law.

Now, mind you, this is the Commission about which so many Members of this House have manifested great solicitude. Continuing, the Court said:

> It is wholly unreasonable and arbitrary. It violates the cardinal precept upon which the constitutional safeguards of personal liberty ultimately rest—that this shall be a Government of laws—because, to the precise extent that the mere will of an official or an official body is permitted to take the place of allowable official discretion or to supplant the standing law as a rule of human conduct, the Government ceases to be one of laws and becomes an autocracy. Against the threat of such a contingency the courts have always been vigilant, and, if they are to perform their constitutional duties in the future, must never cease to be viligant, to detect and turn aside the danger at its beginning.
>
> The admonition of Mr. Justice Bradley in *Boyd* v. *United States* (116 U. S. 616, 635) should never be forgotten: "It may be that it is the obnoxious thing in its mildest and least repulsive form; but illegitimate and unconstitutional practices get their first footing in that way, namely, by silent approaches and slight deviations from legal modes of procedure. * * * It is the duty of courts to be watchful for the constitutional rights of the citizen, and against any stealthy encroachments thereon. Their motto should be 'obsta principiis.'"
>
> Arbitrary power and the rule of the Constitution cannot both exist. They are antagonistic and incompatible forces; and one or the other must of necessity perish whenever they are brought into conflict. To borrow the words of Mr. Justice Day: "There is no place in our constitutional system for the exercise of arbitrary power." *Garfield* v. *Goldsby* (211 U. S. 249, 262). To escape assumptions of such power on the part of the three primary departments of the Government is not enough. Our institutions must be kept free from the appropriation of unauthorized power by lesser agencies as well. And if the various administrative bureaus and commissions, necessarily called and being called into existence by the increasing complexities of our modern business and political affairs, are permitted gradually to extend their powers by encroachments—even petty encroachments—upon the fundamental rights, privileges, and immunities of the people, we shall, in the end, while avoiding the fatal consequences of a supreme autocracy, become submerged by a multitude of minor invasions of personal rights, less destructive but no less violative of constitutional guaranties. *Jones* v. *Securities and Exchange Commission* (298 U. S. 1, 33; 80 L. ed. 1025.)

[Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. ELSTON].

Mr. ELSTON. Mr. Chairman, the passage of the Logan-Walter bill is of unusual importance. The men who wrote the Constitution believed that the freedom which had been won upon the battlefields of the Revolutionary War could best be preserved by keeping separate the legislative, executive, and judicial powers of the Government. It was their considered judgment that a system of checks and balances was the method best designed to keep government in the hands of the people and to prevent any abuse of power.

In keeping with this policy Congress, for more than a century and a quarter, refrained almost entirely from any attempt to delegate its lawmaking authority. It was not until 1887 that the first permanent Government bureau was created—the Interstate Commerce Commission. Between the years 1789 and 1932 but 13 major commissions and regulatory bodies were created. Between 1933 and 1938, however, 50 have been added. Within these bureaus other agencies have developed and additional minor departments created, to say nothing of the many Government corporations that have come into being, until today we face the startling fact that approximately 130 Federal agencies have the authority to make, administer, and enforce rules and regulations which have the binding force of law. We have witnessed the spectacle of Government bureaus, none of the members of which have been elected by the people, making a law and then acting as its own judge, jury, and executioner in the enforcement of it. Such autocratic power was never intended to be conferred by those who drafted the Constitution.

President Roosevelt sensed the danger of government through irresponsible bureaucracies when, in his annual message to Congress on January 3, 1936, he said:

> * * * In 34 months we have built up new instruments of public power. In the hands of a people's government this power is wholesome and proper. But in the hands of political puppets of an economic autocracy such power will provide shackles for the liberties of the people. Give them their way and they will take the course of every autocracy of the past—power for themselves, enslavement for the public.

The businessman, both large and small, the workman in the factory, even the housewife, have felt in varying degrees the lash of bureaucratic government and a tightening of the shackles upon their liberties. Even the States and their political subdivisions are not exempt.

The extent to which an entire State may be affected was disclosed by the action of the Chairman of the Social Security Board in refusing to pay to the State of Ohio the sum of $1,338,160.92 lawfully due the old-age pension fund of the State. A more disgraceful abuse of power has probably never been witnessed. Merely because ex-Governor Davey of Ohio engaged in a petty political quarrel with the administration in Washington a power-drunk bureaucrat imposed the equivalent of a fine of $1,338,160.92 upon the State of Ohio and its more than 6,000,000 people.

Those who live in Ohio are not the only ones who have felt the tyranny of government through bureaucracy. A few weeks ago the Federal Communications Commission issued an order which postponed the starting date of television programs because that Commission had decided that television needed more research and because the rapid strides in television will make the sets of today obsolete in a year or two. It has been our privilege to watch the development of the automobile and the radio. Does anyone believe that the automobile industry would be where it is today if Henry Ford, for example, had been told that he could not market his first model on the ground that it might be obsolete in a year or two? Does anyone believe that the radio would have reached its high state of perfection had the public been barred from purchasing instruments during the experimental stages of its development? While the Federal Communications Commission is exempt from the provisions of the Logan-Walter bill, the action of the Commission in this instance is a striking illustration of the far-reaching effect of bureaucratic power.

Before the policy of government by bureaucracy came into being this was strictly a government of laws. It was not difficult for any person to familiarize himself with the law. A lawyer had no trouble in advising his clients as to the law. Today we are lost in a maze of rules, regulations, orders, and edicts which emanate from Washington in an ever-increasing volume. The rule of today may be changed by the regulation of tomorrow, and it requires nothing more than the whim or caprice of a department head to do it. No attorney can

safely advise his clients today as to their rights, as no compilation exists of the great mass of rules and orders which have been made for the regulation of their lives and property. The Government, in order to bring some order out of chaos, is now undertaking the codification of all bureau-made laws. Before the job is completed it is estimated that those already in effect will fill 23 volumes of 1,200 pages each, but as they are all subject to repeal or change overnight, the code will be of but little value. Truly we are fast becoming a government of men through a fourth branch of government, against which the constitutional system of checks and balances does not operate. Orders, rules, and regulations harass us all. The filling out of forms has become a part of our daily life. In many cases, particularly so far as the small business is concerned, additional help has been necessary solely to supply the data requested by Government agencies.

On the subject of legislation and government by men let me again quote Mr. Roosevelt, who observed:

> The doctrine of regulation and legislation by "master minds," in whose judgment and will all the people may gladly and quietly acquiesce, has been too glaringly apparent at Washington during these last 10 years. Were it possible to find "master minds" so unselfish, so willing to decide unhesitatingly against their own personal interests or private prejudices, men almost Godlike in their ability to hold the scales of justice with an even hand, such a government might be to the interest of the country, but there are none such on our political horizon, and we cannot expect a complete reversal of all the teachings of history.

This utterance was not made by Mr. Roosevelt while he was President; it was made on March 2, 1930, when he was Governor of New York.

No one will deny that certain administrative agencies are essential to the proper administration of government, nor will it be denied that some rules and regulations, within reasonable bounds, are necessary. The Logan-Walter bill will not affect these, but it will do much to free the American people from the tyranny of departmental government. For a number of years Congress has been delegating to the executive department and to Government departments more authority than was ever intended under our form of government. Much of this authority must be recaptured by Congress if we are to continue as a government of laws. Until that can be done the Logan-Walter bill will be a means toward curbing excessive abuse of power on the part of those to whom such authority has been delegated.

The Logan-Walter bill represents years of study by the American Bar Association and by Congress. It seeks to more clearly define the rights of the individual in his dealings with the Government. It provides for uniform procedure in Government departments, and, if citizens desire it, public hearings may be had before rules and regulations become effective. If this bill should pass, citizens may no longer need to fear that they will be prosecuted for rules they never heard of and which they could not find in any publication. While it cannot be expected to correct all of the abuses of power so prevalent under our present departmental system of government, it will go a long way toward protecting personal and property rights. Through the creation of bureau upon bureau, Washington has become a wilderness of alphabetical agencies, representing a type of government quite popular in some parts of Europe, but not in keeping with American ideals. The Logan-Walter bill will at least apply American principles to the system. [Applause.]

(Mr. ELSTON asked and was given permission to revise and extend his remarks.)

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, it is only human nature that the bureaucrats should object to this bill. I was talking to one of them recently and asked him how he could justify the fact that the law provided no effective review for the decisions of his agency. He said: "It is not necessary in our case, for our decisions are always fair." That is what he thinks, of course; that is what they all think. They would not decide the way they do unless they thought they were deciding wisely. On the other hand it is just as fundamental in human nature for a citizen to feel that a decision against him is unfair unless he has at least a chance to have it reviewed and have its fairness considered by someone other than the person who made the decision.

The very fact that the bureaucrats claim that this natural, reasonable, and human requirement will paralyze their work shows their inability to understand the functioning of freedom and the ways of free men. If the bureaucrats were all-wise, they would have no fear, for they would be upheld so uniformly that appeals would be discouraged; for we must remember that even under this law appeals will cost time and money. On the other hand, if the bureaucrats are so all-wrong that appeals will paralyze their work, then it is in the public interest that their work should be paralyzed. But they say, and we have heard it expressed here today, that their regulations will be tied up not because they are unwise or unjust but merely for delay and for embarrassment, merely because of the sheer cussedness of the people they deal with. I submit to this House that this reveals the wholesale contempt of many bureaucrats for the good sense and good faith of their victims and is one good reason for this legislation.

We have heard surmises as to the attitude of the President toward this legislation. I do not think we have any hope of securing his approval. An Executive who would destroy the independence of a body which had functioned as satisfactorily as the Civil Aeronautics Authority, who would destroy entirely the independent Air Safety Board, and would, without warning, throw our air commerce back under Executive domination, as the President has done in his third and fourth reorganization plans, can be expected to be the foe of the Logan-Walter plan for the independent review of administrative laws and orders.

The bill exempts "any matter * * * relating to the internal revenue." This must be because it is presumed that the Board of Tax Appeals provides independent review of internal-revenue matters. It could not be because no independent review is needed in tax matters, for certainly there is no function of Government where the citizen needs protection against unfair regulations or orders as much as in tax matters, where his property may be taken away from him unjustly.

It is very hollow comfort to say that he must pay, regardless of the justice of the tax-gatherer's demands, and then bring suit and if successful, hope that some day Congress will reimburse him. The Board of Tax Appeals, however, has jurisdiction over only gifts, inheritance, and income taxes, and the rest of the broad field of Federal taxes are collected without any chance for independent review.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. CELLER. Why are matters affecting the Internal Revenue Department taken out of the bill, but matters affecting the Coast Guard, which sometimes refers to national defense, are included?

Mr. VORYS of Ohio. There is one class of exemptions that I think clearly depend on the fact that independent review is provided. My suspicion is that some of the exemptions were put in here merely to gain votes for the bill and I am opposed to a number of the exemptions.

Mr. CELLER. Why have any exemptions then?

Mr. VORYS of Ohio. I have no time to yield further for this line of inquiry. Mr. Chairman, I want to give you an example of what happens under the social security situation.

In Ohio a taxpayer has had the collection of his Ohio share of the unemployment compensation tax, in the amount of approximately $12,000, enjoined by the Ohio courts as being contrary to law, but although the Ohio law has been approved by the Social Security Board as in conformity with the Federal law, on the same set of facts the collector of internal revenue has required this taxpayer to pay his Federal tax, and from this decision there is no appeal which will stop payment.

We have seen in the past year a refusal of the Social Security Board to make payments to the State of Ohio under circumstances which this House thought were contrary to law,

but the State of Ohio was helpless to recover the tax or to have its case effectively reviewed in court.

This bill would correct this evil, and a small amendment, which I shall propose tomorrow, would give the taxpayer under social security and other taxes the chance to have his case receive an independent review.

The bureaucratic objection to such review is that the Government needs the money so badly and so promptly that there is not time to determine before payment whether payment is being properly required.

I would answer that I hope my Government has not reached a state where it must rely upon unjust taxes in order to exist.

The Logan-Walter bill is, in my opinion, the most significant measure we have considered at this session. If it passes and is wisely and efficiently administered, there is hope for preserving the democratic process in a complex world. If it fails, if as its enemies say, there is no longer any place for this principle in our Government, then the hope for the preservation of democracy is gone.

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, almost a month ago the Senate passed and sent to this House S. 3046, which amends the original Hatch Act and extends the provisions of that law to employees of States and other political subdivisions, who are paid in full or in part from the funds of the Federal Government. Since that time the House Committee on the Judiciary has had this bill under consideration.

I have no way of knowing what the intentions of the Committee on the Judiciary may be in regard to this measure, but it is my feeling that there can be no valid reason why there should be longer delay by the committee in reporting it out for consideration by the membership of this body. That feeling, I have been assured, is shared by the majority of the Members of the House.

I recognize fully the fact that some Members still fail to realize that the people whom they represent are, almost without exception, favorable to this legislation and are demanding its enactment into law. I recognize equally the further fact that a few politicians of the boss type are strenuously opposing the bill because they see in it the death knell of their cherished loot or spoils patronage system which has enabled them to perpetuate their political control. I realize they are doing everything in their power, exerting all the pressure they can, to kill this legislation.

Certainly no one who believes in clean politics, efficiency, and honesty in government, can have any objection to the Hatch Act and the proposed amendments. Happily the vast majority of the people of this Nation do believe in clean politics, honesty, and efficiency and do favor the Hatch Act. It is the manifest duty of the representatives of those people to accept their mandate and support the legislation they want regardless of pressure by political bosses.

The time has arrived to strip all the camouflage from consideration of this bill, to brush aside the smoke screen of petty political ambitions, and determine whether we are to have honesty and efficiency in government or not.

Public approval of this legislation has been echoed by virtually the entire press, the radio commentators, and other media of public expression. It is difficult for me, in view of that, to condone the attitude of those who seek to scuttle this bill.

Let those who oppose this legislation have full opportunity to speak out and state candidly, if they will, their reasons for opposition.

The proponents of the bill, confident that the majority of the Members of this House will be governed only by the wishes and welfare of those whom they represent, are not fearful of the outcome. We do, however, enter a most vehement protest against the use of dilatory and obstructionist tactics to prevent S. 3046 from being given full consideration by the membership of this House. [Applause.]

Mr. WALTER. Mr. Chairman, I yield myself a half minute.

Mr. Chairman, I did not know that the gentleman from New Mexico [Mr. DEMPSEY] was going to talk about something other than the bill under consideration. I feel, however, that an explanation is necessary because of what he said.

Mr. DEMPSEY. Will the gentleman yield?

Mr. WALTER. I will not yield.

Mr. DEMPSEY. The gentleman is not stating the facts.

Mr. WALTER. The bill that the gentleman has mentioned was referred to a subcommittee last month. The subcommittee held two or three hearings on the bill, and the full committee has been considering this very important legislation twice a week at the regular meetings for 3 weeks. There is a very serious question involved, and certainly the statement that our committee is not acting as promptly and expeditiously as it possibly can is not entirely correct.

Mr. DEMPSEY. Will the gentleman yield?

(Here the gavel fell.)

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I do not share the faith of my friend the gentleman from Mississippi [Mr. RANKIN] in the infallibility of commissions and bureaus; neither do I have, as he has, more faith in the bureaucrats of the Nation than I have in the courts. I would rather my rights be passed upon by the courts than by the bureaucrats.

Mr. DEMPSEY. Will the gentleman yield for a second?

Mr. ROBSION of Kentucky. I do not want to get into this Hatch bill matter here.

Mr. DEMPSEY. I am not going to take the gentleman into it.

Mr. ROBSION of Kentucky. Well, the gentleman will take me into it. I may say to him that I am very strong for the Hatch bill. I think the committee should report it out promptly for the consideration of the House, and I certainly want our committee to act now.

Mr. DEMPSEY. That is not what I was going to speak on.

Mr. ROBSION of Kentucky. Mr. Chairman, the gentleman from Mississippi is worried about dilatory suits and delays. On page 14 there is this salutary provision in the bill:

> The courts shall have jurisdiction and power to impose damages in any case where the decision of the agency or independent agency is affirmed and the court finds that there was no substantial basis for the petition for review.

Yes; anybody who brings one of these dilatory suits may be punished by the assessment of damages and costs. Now, this measure comes not as a passing thought of someone. This measure grows out of several years of careful and painstaking investigation by many able men. It was sponsored in the Senate by the late distinguished Democratic Senator from Kentucky, Mr. Logan, who for many years was attorney general for the State of Kentucky and for many years sat on its highest court and was chief justice of that court. I am sure that no Kentuckian was ever more concerned about the rights of the people and the orderly carrying out of the acts of Congress than Senator Logan himself.

The sponsor of the bill in the House is our own able and distinguished Democratic colleague from Pennsylvania; so this is not a case of a Republican minority fighting any of the agencies of the Government. This bill is sponsored by able and distinguished Democrats. It received almost unanimous approval of our Judiciary Committee.

I was very much impressed with an editorial appearing in the Washington Daily News on April 11, 1940. We have built up, perhaps, 137 bureaus, commissions, and other agencies of this Government and they have hundreds of thousands of officials and employees. In the last 7 years we have added bureau upon bureau and commission upon commission, and we have added about 400,000 Federal officeholders.

This very able editorial reads, in part:

> The agencies make rules, which in effect are laws. They interpret and enforce their own rules. And they sit in judgment on those accused of violating the rules. In them, then, are combined the

three powers—legislative, executive, and judicial—which the Constitution undertook to keep separate in order that Americans might be free from the tyranny of government.

So it is that the records of many of these agencies are filled with examples of abuse of bureaucratic power.

Congress has conferred upon these bureaus and commissions extraordinary powers. It has given to them legislative, judicial, and executive power. We have conferred no such power upon any other group or agency in this Government.

There is another very illuminating statement in this editorial:

The purpose of the bill is to curb a fatal tendency as old as the history of governments—the tendency of bureaucracy to abuse the power it has and to grasp ceaselessly for more. Specifically, the proposal is to check and balance the lawmaking, the law-interpreting, and the law-enforcing activities of Federal administrative agencies.

I believe one of the ablest speeches I ever heard on this question was made before some town meeting in Massachusetts a few years ago. It was not a political meeting or political speech. That speaker said that the thing that all of us had to fear all the time was power—not merely power in the hands of Republicans or Democrats, but political power in any man's hands—because, as this editorial points out, the tendency is to abuse power and to seek ceaselessly more power. They often justify themselves by urging the desirable purposes and ends they seek to serve.

In this bill, what do we seek to do? To give American citizens who feel themselves aggrieved by some rule or decision of a commission, bureau, or board the right to go into the United States Circuit Court of Appeals and have the facts and the law passed upon by an unbiased court. No one ever heard of courts destroying any country. They have neither the purse nor the sword. Nations are destroyed and the liberties of people are taken by executives with the sword in one hand and the purse in the other hand. The courts hold neither the purse nor the sword. They have no power except the influence of righteous and just decisions in protecting the rights of the people. [Applause.]

Speaking further about this bill, the editorial continues:

It is designed to expedite administrative processes, to reduce their cost, and to insure that ours shall continue to be a government by law, with the part men must take in it increased in real effectiveness but safeguarded against abuse.

Thus we will protect the liberties of the American people. If we cannot entrust our liberties to the courts, with only one function to perform—judicial—how can we trust them to these bureaucrats, in whom have been vested legislative powers, judicial powers, and executive powers to pass on acts of Congress, and at the same time to make their own rules, regulations, and orders having the effect of laws, and then pass upon their own rules, regulations, and orders, and then execute them? If you are going to put the halter on anybody, on whom will you put it—the group that has the three great powers or the group, the courts, that are able, free from politics, and free from bias? The courts do not make or execute the laws. They merely interpret them. If you cannot trust the courts, the judicial branch of our Government, where can you safely rest the liberties and the rights of the American people? [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, the issue which the Walter-Logan bill presents is whether the Congress is to be placed in a position of abject and servile subjection to numerous governmental boards, commissions, and agencies, or whether the Congress will resume its functions as a legislative body.

I firmly believe that the present usurpation of power by the bureaucratic agencies, if not restrained, will of necessity result in a species of despotism, which will become so firmly entrenched that it will be difficult to dislodge.

There is ample evidence that in many instances these instrumentalities have not hesitated to trample on the most sacred rights of citizens. It is surely known to every Member of Congress the extent to which businessmen have become the victims of political appointees, who, clothed with delegated power, have assumed to rule because of their self-admitted superior excellence and superlative genius.

The vigor with which this bill is opposed by the Government bureaucracy, now entrenched here, is in and of itself a threat to free government. It is obvious that the increasing power of a growing administrative organization is always accompanied by a decreasing power on the part of the rest of society to resist its further growth and control.

Are we not fully aware that throughout the world today liberties are being destroyed by those who are displacing government by law and substituting government by men? I believe that free men and women in this country are looking to the Congress to remove every vestige of this totalitarian technique from our system of government. [Applause.]

Mr. WALTER. Mr. Chairman, I yield to the gentleman from California [Mr. THOMAS F. FORD] such time as he may desire.

Mr. THOMAS F. FORD. Mr. Chairman, if I understand this bill it proposes that general rules and regulations be based on hearings, in advance of their promulgation.

That would certainly be a very undemocratic—aye—unjust proceeding. It would in the end mean—and I believe that is the end sought by the outside interests that are supporting this bill—that the great and powerful groups, who are interested only in their own particular and limited interests, could employ batteries of high-priced lawyers who, by interposing unlimited objections, could thus block all restraint while the rank and file, in whose interest the rule was designed to operate, would be barred from being heard. As a matter of fact section 2 (c) of this bill, according to a study made by the Brookings Institution, "seems not only to permit, but almost to invite, tactics which would in effect prevent the administration of any law opposed by a well-financed pressure group."

It may be remarked here that the fear of administrative absolutism is the motivating force behind this bill. At least that is the straw man set up by those who wish to conduct their business without any sort of regard for the general welfare.

In commenting on the doctrine of judicial formula, the Brookings Institution has this to say at the conclusion of its study:

The desire to extend a judicial form of procedure, with judicial review, to legislative and discretionary action on the part of the administrative authorities, is based upon a trust in the judicial formula, combined with a distrust of administrative experience, both of which are carried so far as to cause forgetfulness of the constitutional separation of powers. Not the administration alone, but the courts as well, interpret the Constitution as meaning that there is a sphere of administrative action over which the constitutional courts have no control except as to the question of regularity. To call this sphere "absolutism" is to forget that the separation of powers is designed explicitly to prevent one branch of government from becoming absolute and usurping the functions of the others. No progress would be made by seeking to substitute a real and all-pervading judicial absolutism for the imaginary administrative absolutism, which is charged but not proved by supporters of the judicial formula.

Finally, the doctrine of the judicial formula is wrong in its fundamental objectives. Even if its doubtfully constitutional features and its most rash departures from the established system of constitutional and administrative law were eliminated, its animating purpose, the desire to subject every possible disagreement between the individual and the administration to complete control by the courts, is opposed to the inevitable, necessary, and useful evolution of administrative procedures and administrative and judicial controls that have been a notable feature of Federal Government during more than half a century. The theory is based on the moribund conception that law cannot prevail or justice be done except through the courts. It fails to accord to administrative authorities and procedures the degree of power and of finality which the courts themselves, applying the laws under the Constitution of the United States, have recognized as belonging to those authorities and procedures. Because it looks backward and tries to revive the very system of judicial regulation of business and industry which proved so impossible as to lead to the establishment of administrative regulatory bodies, it should be discarded. Because it destroys and does not construct, because it offers no real protection to the citizen but does menace effective administration; because it rests upon dead theory instead of evolving reality, the doctrine of the judicial formula should be rejected.

The National Labor Relations Act itself provides for judicial review by the circuit courts of appeals of every final order made by the Board. See section 10 (e) and section 10 (f).

Until the order is approved by the court it is unenforceable and carries no fines or penalties. The Supreme Court of the United States has several times reviewed the provisions of the statute and has pointed this out. For example, in the well-known case of *National Labor Relations Board* v. *Jones & Laughlin Steel Corporation* (301 U. S. 1), the Supreme Court, speaking through Chief Justice Hughes, said:

> The act establishes standards to which the Board must conform. There must be complaint, notice, and hearing. The Board must receive evidence and make findings. The findings as to the facts are to be conclusive, but only if supported by evidence. The order of the Board is subject to review by the designated court, and only when sustained by the court may the order be enforced. Upon that review all questions of the jurisdiction of the Board and the regularity of its proceedings, all questions of constitutional right or statutory authority are open to examination by the court. We construe the procedural provisions as affording adequate opportunity to secure judicial protection against arbitrary action in accordance with the well-settled rules applicable to administrative agencies set up by Congress to aid in the enforcement of valid legislation. It is not necessary to repeat these rules which have frequently been declared. None of them appears to have been transgressed in the instant case. Respondent was notified and heard. It had opportunity to meet the charge of unfair labor practices upon the merits, and by withdrawing from the hearing it declined to avail itself of that opportunity. The facts found by the Board support its order and the evidence supports the findings. Respondent has no just ground for complaint on this score.

These provisions of the statute have been constantly availed of to obtain judicial review of Board orders. There have been more than 100 cases of this one character in the circuit courts of appeals and the Supreme Court of the United States. Attached hereto is a list of the cases in which Board orders have been reviewed by the Supreme Court. In only 2 of these cases—Sands Manufacturing and Columbian Enameling & Stamping Co.—was a Board order entirely set aside. In 2 the orders were modified—Fansteel and Consolidated Edison Co. In the other 15 cases the Board order was enforced in toto. In addition to these Supreme Court cases there have been about 100 final cases in the circuit courts of appeals.

Although the findings of the Board as to the facts if supported by evidence are conclusive upon the court, the Supreme Court has construed this several times to mean that there must be substantial support in the evidence for the Board's findings. This is the same rule which applies to all administrative agencies, including the Federal Trade Commission and the Interstate Commerce Commission. The procedure of the National Labor Relations Act was modeled upon the Federal Trade Commission Act. There is no more reason to exempt the Federal Trade Commission than the National Labor Relations Board. Indeed, the records before the Smith committee investigating the National Labor Relations Board show that its litigation record in the Supreme Court is far superior to that of either the Federal Trade Commission or the Interstate Commerce Commission. If this is true, there seems to be no reason why the Federal Trade Commission or the Interstate Commerce Commission should be exempted when their procedure and orders have not stood up as well as those of the National Labor Relations Board.

N. L. R. B. v. *Jones & Laughlin Steel Corporation* (301 U. S. 1).
N. L. R. B. v. *Fruehauf Trailer Co.* (301 U. S. 49).
N. L. R. B. v. *Friedman-Harry Marks Clothing Co.* (301 U. S. 58 (2 cases)).
Associated Press v. *N. L. R. B.* (301 U. S. 103).
Washington, V. & M. Coach Co. v. *N. L. R. B.* (301 U. S. 142).
N. L. R. B. v. *Pennsylvania Greyhound Lines, Inc.* (303 U. S. 261).
N. L. R. B. v. *Pacific Greyhound Lines* (303 U. S. 272).
Santa Cruz Fruit Packing Co. v. *N. L. R. B.* (303 U. S. 453).
N. L. R. B. v. *Mackay Radio & Telegraph Co.* (304 U. S. 333).
N. L. R. B. v. *Fainblatt et al.* (306 U. S. 601).
N. L. R. B. v. *Newport News Shipbuilding & Drydock Co.*, December 4, 1939.
N. L. R. B. v. *the Falk Corporation*, January 2, 1940.
N. L. R. B. v. *the Waterman Steamship Corporation*, February 12, 1940; rehearing denied March 11, 1940.
Consolidated Edison Co., of New York, v. *N. L. R. B.* (305 U. S. 197).
International Brotherhood of Electrical Workers v. *N. L. R. B.* (305 U. S. 197).
N. L. R. B. v. *Fansteel Metallurgical Corporation* (306 U. S. 240).
National Licorice Co. v. *N. L. R. B.*, March 4, 1940.
American Mfg. Co. v. *N. L. R. B.*, March 11, 1940.
N. L. R. B. v. *Sands Mfg. Co* (306 U. S. 332).
N. L. R. B. v. *Columbian Enameling & Stamping Co.* (306 U. S. 292).

Mr. GUYER of Kansas. Mr. Chairman, I yield to the gentleman from Michigan [Mr. BLACKNEY] such time as he may desire.

Mr. BLACKNEY. Mr. Chairman, I desire to express my approval of H. R. 6324, a bill to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

The tremendous growth of Federal bureaus and agencies with the attendant power given them has resulted in a peculiar situation in the Federal Government. Under our Constitution there are three specific and distinct departments of government, the legislative, executive, and judicial, but this separation of power does not hold true with reference to many Federal bureaus and agencies. Usually they are given the power to make such necessary rules and regulations as they deem advisable in the enforcement of the particular law. This is an executive power. Then this same bureau or agency makes application of these various powers, which is executive power. Finally, if dispute arises over these rules or regulations, the same agency or department that made the rules and executed the rules now becomes the court that decides those rules. Thus we see that these agencies have legislative, executive, and judicial power. This is not in keeping with the theory of American government as exemplified by the Constitution. Therefore, demands have been made upon Congress to protect the public from arbitrary and extralegal rules of these Federal bureaus and agencies by means of the Walter-Logan "bill of rights."

Many prominent societies, institutions, and citizens favor the passage of this bill: The American Coalition, representing more than 100 patriotic societies with membership of 1,500,000 have enlisted in the fight for this measure; the National Grange, with 800,000 farmers; the American Federation of Labor, with its 4,000,000 union members; the American Federation of Investors; the American Bar Association; the National Association of Women Lawyers; and the bar organizations of the leading States have all expressed approval of this measure.

This bill has been approved unanimously in Congress by the Judiciary Committee of both the House and Senate. The Rules Committee, with one dissenter, voted to give it a right-of-way over other legislation in the House.

Opposition to this bill arises from the Federal departments and agencies whose authority would be curtailed and also from the National Lawyers' Guild, which had an internal row last summer over the stand it should take on communism.

The American Bar Association declares that the Walter-Logan measure is a necessary supplement to the Bill of Rights in the Constitution.

The present provision of the bill which gives new rights to the people and imposes certain restrictions on Federal bureaus are:

First. Any person who believes he has been treated unfairly or unjustly by the decision of any officer or employee of a Federal department, board, or commission may appeal this case to the United States circuit court in the district where he lives or does business. The bureaus themselves now are final arbiters of most controversies that result from their decisions.

Second. The decision of Federal agencies will be set aside by the courts for any one of six reasons:

(a) If the facts on which it is based are clearly erroneous.

(b) If the findings of the agencies are not supported by substantial evidence.

(c) If the decision is not supported by proven facts.

(d) If a full and fair hearing was not provided.

(e) If the decision goes beyond the lawful authority of the agency.

(f) If it infringes upon other Federal laws or the Constitution.

Third. Within a year after a law is passed, all necessary rules and regulations must be issued by the agency charged with enforcing it. The United States circuit courts will review any rule if the persons who are affected believe it goes further than the law or the Constitution permits. At present

there is no provision for controlling these rule-making powers of Federal bureaus.

The decisions made by quasi-judicial administrations—often actuated by partisan feelings—need to be checked and balanced by wholly judicial officials in much the same way as the decisions of trial judges are checked and balanced by courts of appeal.

The agencies which would be check-reined by the Logan-Walter bill are: The National Labor Relations Board, the Securities and Exchange Commission, the revamped Agricultural Adjustment Administration, and the Department of Agriculture, the Wage and Hour Division, and other branches of the Department of Labor, the Bituminous Coal Commission and the Department of the Interior, the Social Securities Board, the Federal Communications Commission, and the Federal Alcohol Administration.

With the tremendous growth of bureaucracies in the United States it is high time that restrictions be placed upon the powers and prerogatives of the various boards and agencies thus created.

We must still preserve the American system which provides for legislative, executive, and judicial departments of Government.

In the interest of America and in the interest of American people I hope that this bill passes. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. HAWKS].

Mr. HAWKS. Mr. Chairman, in our consideration of H. R. 6324, the bill to provide for the more expeditious settlement of disputes with the United States, and for other purposes, I believe it is perfectly sound for us to consider statements of others who have been compelled in the past to view this subject with considerable alarm.

I refer particularly to a report of the Committee on Ministers' Powers, presented by the Lord High Chancelor to Parliament, in April 1932. There are two or three paragraphs in that report that may be quoted:

But disqualifying interest is not confined to pecuniary interest. In *Reginald* v. *Rand* ((1866) L. R. 1 Q. B. 230) the Court of Queen's Bench laid it down that wherever there was a real likelihood that the judge would, from kindred or any other causes, have a bias in favor of one of the parties, it would be very wrong in him to act. In *Rex* v. *Sunderland Justices* ((1901) 2 K. B. 357) this rule was applied by the court of appeal in the case of certain borough justices, who were also members of the borough council and adjudicated in a matter arising out of a proposal which they had actively supported in the council, although their pecuniary interest as trustees for the ratepayers was held insufficient in itself to raise the presumption of bias. "It is hardly necessary to point out," said the master of the rolls, "how very important it is that persons who have to exercise judicial functions with regard to any matter should not lay themselves open to any suggestion of bias on their part."

Indeed we think it is clear that bias from strong and sincere conviction as to public policy may operate as a more serious disqualification than pecuniary interest. No honest man acting in a judicial capacity allows himself to be influenced by pecuniary interest: if anything, the danger is likely to be that through fear of yielding to motives of self-interest he may unconsciously do an injustice to the party with which his pecuniary interest may appear to others to identify him. But the bias to which a public-spirited man is subjected if he adjudicates in any case in which he is interested on public grounds is more subtle and less easy for him to detect and resist.

We are here considering questions of public policy and from the public point of view it is important to remember that the principle underlying all the decisions in regard to disqualification by reason of bias is that the mind of the judge ought to be free to decide on purely judicial grounds and should not be directly or indirectly influenced by, or exposed to the influence of, either motives of self-interest or opinions about policy or any other considerations not relevant to the issue.

We are of opinion that in considering the assignment of judicial functions to Ministers Parliament should keep clearly in view the maxim that no man is to be judge in a cause in which he has an interest. We think that in any case in which the Minister's department would naturally approach the issue to be determined with a desire that the decision should go one way rather than another, the Minister should be regarded as having an interest in the cause. Parliament would do well in such a case to provide that the Minister himself should not be the judge, but that the case should be decided by an independent tribunal.

It is unfair to impose on a practical administrator the duty of adjudicating in any matter in which it could fairly be argued that his impartiality would be in inverse ratio to his strength and ability as a minister.

I believe that this subject of bias, which has not been brought out by this debate so far, should be seriously considered by the Committee. Certainly it has a very definite bearing upon the subject of judicial functions as applied to administrative activities; and that, of course, is the real sense of this bill. It is an effort to maintain constitutional government by recognition of the legislative, administrative, and judicial branches of our Government.

The executive function of planned economy is always delegated to an ever-expanding bureaucracy. There is no tendency in the life of our country that is so antagonistic to the spirit which has always animated us, the spirit responsible for our growth and development; no tendency, let me repeat, so antagonistic as the clutching, deadening hand of bureaucracy. That it is a clutching, deadening hand all history testifies; our own experience of the past 8 years adds its weight to history's verdict. The bibliography is too long for recital here—it carries us back beyond recorded history, without a triumph to relieve the catalog of its disastrous consequences.

There is nothing new in this contest with the forces of bureaucracy. The struggle for freedom from tyranny in thought and speech, from tyranny in religion, in government, and in industry is one of the greatest achievements of the human race. It is a battle that must be waged over and over, it is a conflict of the ages, a struggle to be free. The victories won have been the crowning glory of mankind.

There is no intention to discuss here the history of the foundation of our country; we know the care taken to surround each repository of power with our system of checks and balances. It needs to be said here, in plain words, that good citizenship includes loyalty to that system; and those who do not cherish such loyalty, who do not believe in that system of checks and balances, should find no place in our Government service. There is the shoe, let whom it fits wear it. It is a part of our heritage to maintain through the years the same care that was exercised in our national beginnings.

One would be blind not to recognize the increasing complexities of the life of today. The horse and buggy is gone and we have the automobile, the truck, the bus, the tank, the bomber, the radio, television, and we use a naval destroyer to go fishing. Who could feel any pang for the days that are gone, when we have so many modern gadgets and so many utterly unproductive ways of being busy.

The lawyer of today spends his time piloting his corporate clients through unavoidable mazes of routine—what one of my friends, engaged in a long-drawn-out reorganization the other day, called rigmarole, expressing his wonder that anything in such field is ever accomplished finally.

It is in the atmosphere of rigmarole that bureaucracy proliferates.

If the delegation of some degree of power is unavoidable for the dispatch of public business, the greater the degree in which this is true, the more rigidly must the lines for its exercise be drawn; and the more stern the prohibition against any effort at expansion, encroachment, the creation of more and more rigmarole, and more especially against any confusion as to what is public business and what is not. Here is the crux. Forget it not. Here is the crux: It is our talk, here in the Congress; we must not ask or expect the courts to fight this battle for us.

It is human nature that power tends to consolidate its position, to build bulwarks against every question raised as to possession or its exercise. Unrestrained, this tendency leads to disaster, to the point where society becomes everything, the individual nothing, and freedom evaporates. Encroachment is the very watchword of bureaucracy.

The other day I ran across a purported soliloquy set up to sum up the essence of the faith of the ardent bureaucrat. It parallels so exactly what we have seen develop in the past 8 years that I want to give it to you right here:

1. The business of the Executive is to govern.
2. The only persons fit to govern are experts.
3. The experts in the art of government are the permanent officials, who, exhibiting an anxious and too much neglected virtue, "think themselves worthy of great things, being worthy."

4. But the expert must deal with things as they are. The "four-square man" makes the best of the circumstances in which he finds himself.

5. Two main obstacles hamper the beneficent work of the expert. One is the sovereignty of Parliament, and the other is the rule of law.

6. A kind of fetish worship, prevalent among an ignorant public, prevents the destruction of these obstacles. The expert, therefore, must make use of the first in order to frustrate the second.

7. To this end let him, under parliamentary forms, clothe himself with despotic power, and then, because the forms are parliamentary, defy the law courts.

8. This course will prove tolerably simple if he can:

(a) Get legislation passed in skeleton form.

(b) Fill up the gaps with his own rules, orders, and regulations.

(c) Make it difficult or impossible for Parliament to check the said rules, orders, and regulations.

(d) Secure for them the force of statute.

(e) Make his own decision final.

(f) Arrange that the fact of his decision shall be conclusive proof of its legality.

(g) Take power to modify the provisions of statutes.

(h) Prevent and avoid any sort of appeal to a court of law.

9. If the expert can get rid of the lord chancelor, reduce the judges to a branch of the civil service, compel them to give opinions beforehand on hypothetical cases, and appoint them himself through a businessman to be called Minister of Justice, the coping-stone will be laid.

This quotation is from the New Despotism by Lord Hewart of Bury, Lord Chief Justice of England. It fits the argument so well, I have wondered if it might not be that our new agencies have used it to direct their own lines of procedure. Was not legislation passed in skeleton form? Have the gaps not been filled—to overflowing—with rules, orders, and regulations; and are we not now engaged in the struggle to preserve the rule of law, to see that some of these regulators shall no longer consider themselves above the statutes, and shall no longer show contemptuous disregard for the Congress and the courts.

We confront the question: Can our Republic save itself from the serious faults and dangers which threaten it? Can the people as a whole be trusted to choose wisely their leaders and policies?

We have been told that we were to act as guinea pigs in an economic laboratory, with the promise, never fulfilled, that errors would be frankly acknowledged. We can only make the comment that intelligence is a great time-saver when compared with trial and error, and that the test tube has not shown a single success.

We hear it repeated again and again that we are engaged in making democracy work. Sometimes many of us think the avowal is heard, where is fact it is only lip service, and comes with an ill grace from those who would substitute for democracy the rule of the bureaucrat in appointive office.

The strength and stability of democracies are in direct ratio to their inclusiveness, their breadth of base. Bureaucracies are inverted pyramids, and we have not yet reached the point in this country where we are ready to build, or tolerate, the inverted pyramid resting only upon the governmental agency—delegated power—as its apex.

No person or class, autocrat or bureaucrat, is wise enough or good enough to run the business of everybody in this country, either in the form of open tyranny or under the insidious cloak of delegated power.

You may gather from what I have said, that I am no friend of economic planning or the bureaucracy to put such plans into effect. The planners and the bureaucrats have never understood that it is as useless to attempt to subvert or flout economic law. The historian Taine wrote:

> The economic world, like the physical world, has its laws. We may misunderstand them, but we cannot escape them. Sometimes they act with us, sometimes against us. They may please us, but they never consider us. It is for us to consider them.

When business assumes too large a place and usurps the field of political action, it invites disaster, but it does not extinguish the state. When the state or politics usurps the place of business, of free enterprise, business dies and bureaucracy is the mortician. History records many such funerals.

Let this be remembered when we hear discussions about the iniquities of the economic oligarchy. It is important, more important than appears until given second thought.

The basis of the destruction of democracy has always been the redistribution of wealth. It has been attempted many times. The only result of such would-be crusades has been the destruction of wealth, not its redistribution.

It is essential, then, that we keep our eyes wide open to the persistent drive for centralized control with government by Executive decree. We must be increasingly alert and aggressive in our determination to curb usurpation of the judicial function by Federal bureaus and agencies. We have, in haste, clothed them with power far too sweeping to be placed in the hands of any irresponsible agency.

Turn, if you will, to section 21 (a) of the Securities Exchange Act of 1934, whereby there was established the Securities and Exchange Commission, read it, and try to bear in mind that we are a republic, a republic made up of 48 States, a Nation firm in its faith in the rule of law. If you can read the first sentence without a shudder, it will only mean that you read with the eye alone, seeing the words on the printed page without grasping what they mean.

The first sentence reads:

> The Commission may, in its discretion, make such investigations as it deems necessary to determine whether any person has violated or is about to violate any provision of this title or any rule or regulation thereunder, and may require or permit any person to file with it a statement in writing, under oath or otherwise as the Commission shall determine, as to all the facts and circumstances concerning the matter to be investigated.

Since when has it been possible to bring within the grasp of the law any one—person—believed, by an impersonal agency, to be about to violate some rule or regulation known only to the accuser? If such reading does not call to the mind stories of the tyrannies of the Gestapo of Germany, or the Russian Ogpu, it should. What means the permission granted to—

> any person to file with it a statement in writing, under oath or otherwise * * * as to all the facts and circumstances.

Can you read that as anything but a welcome to informers, despised throughout all history?

Read further and comprehend the unlimited power of an investigator conferred to follow up suspicion, not to gather the evidence where a crime has admittedly been committed, but, if you please, to convict John Doe of the determination to transgress some rule or regulation. The decision, obviously, is not based on the state of John Doe's mind and his intentions, but, upon that of some examiner, some nosey boy who was all set before he started. Read further and find out about that vast power to compel attendance and the production of records, which may, in turn, be delegated to any Johnny-come-lately of an officer designated by it—the Commission—whose jurisdiction covers the entire Nation. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State, at any designated place of hearing.

Have we, as a people, forsaken our faith in the rule of law, and transferred our allegiance to a despotism minus any benevolence?

Let me digress here, just a moment, to say that it is utterly beside the question, what use may have been made of such power, we are not going to tolerate despotic power, whether abused, or most benevolently used. It was a great Democrat who said:

> The way to success in this great country, with its fair judgments, is to show that you are not afraid of anybody but God and His final verdict.

I am directing your attention to, and asking you to ponder, the Securities and Exchange Act, because it is as a part of the law of the land, a subtle and dangerous threat to our liberties, and I say it does try to impose its rule by fear. I point to the so-called consent decree.

I might also call your attention to the abuses of power by the National Labor Relations Board, the R. E. A., and other governmental agencies set up in direct competition with American citizens engaged in industry. Time will not permit details.

I have discussed this matter in its broader sense, and have tried to keep it on a rather high plane. I believe the framers

of this Walter-Logan bill have given conscientious and serious thought to their fundamental constitutional government, and as one of the authors, the deceased Senator Logan, said:

The sole issue, here presented to Congress, is whether we shall have a government by men or a government by law. There are persons connected with the present administration who believe it ought to be a government by men—so they are rabidly opposed to this bill.

[Applause.]

Mr. WALTER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. KERR, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill, H. R. 6324, to provide for the more expeditious settlements of disputes with the United States, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the Presidential address before the Pan American Union.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I also ask unanimous consent to extend my remarks in the RECORD by including therein a statement of the Democratic national committeeman and the Republican National committeeman, Messrs. Farley and Hamilton.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein an editorial from the Los Angeles Times.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include a statement of certain farm leaders in opposition to the bill, H. R. 8748.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a letter from a constituent regarding the Townsend plan.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain editorial comments concerning the plan of the President for the reorganization of the Safety Board and the Civil Aeronautics Authority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CONNERY, indefinitely, on account of illness.

EXTENSION OF REMARKS

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 1918. An act relating to the retired pay of certain retired Army officers;

S. 2348. An act relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters;

S. 2599. An act to amend the Naval Reserve Act of 1938 (Public, No. 732, 52 Stat. 1175);

S. 3174. An act to authorize the Secretary of the Navy to accept, without cost to the United States, a fee-simple conveyance of 16.4 acres, more or less, of land at Floyd Bennett Field in the city and State of New York; and

S. 3528. An act authorizing the adoption for the Foreign Service of an accounting procedure in the matter of disbursement of funds appropriated for the Department of State.

ADJOURNMENT

Mr. WALTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 5 minutes p. m.) the House adjourned until tomorrow, Wednesday, April 17, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings on the following resolution on Wednesday, April 24, 1940:

House Joint Resolution 509, to suspend section 510 (g) of the Merchant Marine Act, 1936, during the present European war. Hearings will be held at 10 a. m.

The Committee on Merchant Marine and Fisheries will hold hearings on the following bill on Tuesday, April 30, 1940:

H. R. 8855, to admit the American-owned steamship *Port Saunders* and steamship *Hawk* to American registry and to permit their use in coastwise and fisheries trade. Hearing will be held at 10 a. m.

COMMITTEE ON THE CIVIL SERVICE

Hearings on boards and courts of appeals bills will begin on Wednesday, April 17, 1940, at 10 a. m., room 246, House Office Building.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds Wednesday, April 17, 1940, at 10 a. m., for the consideration of House Joint Resolution 487. Important. The hearings will be held in room 1501, New House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, April 17, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

COMMITTEE ON INDIAN AFFAIRS

There will be a meeting of the Committee on Indian Affairs on Wednesday next, April 17, 1940, at 10:30 a. m., for the consideration of H. R. 3048, H. R. 5674, House Joint Resolution 243, S. 1450, and S. 2523.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the bridge subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Wednesday, April 17, 1940, for the consideration of H. R. 7864, to authorize the construction of a bridge across the Ohio River at or near Cannelton, Perry County, Ind.

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Thursday, April 18, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1552. A letter from the secretary of Hawaii, transmitting copy of the Journal of the Senate of the Legislature of the

Territory of Hawaii, regular session of 1939; to the Committee on the Territories.

1553. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the United States Navy for personal property lost in the hurricane and flood at New London, Conn., on September 21, 1938; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XXII,

Mr. LEWIS of Colorado: Committee on Rules. House Resolution 466. Resolution providing for the consideration of H. R. 9243, a bill to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes, without amendment (Rept. No. 1963); referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CROSSER:

H. R. 9406. A bill to amend the Interstate Commerce Act, title 49, chapter I, section 1, by adding two paragraphs after paragraph 11 of said section to be known as paragraphs 11a and 11b, pertaining to the supervision of sleeping cars and providing penalties; to the Committee on Interstate and Foreign Commerce.

By Mr. EDELSTEIN:

H. R. 9407. A bill to prohibit the transportation in interstate or foreign commerce of nonkosher meat represented to be kosher meat, and to provide a penalty for its violation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MALONEY:

H. R. 9408. A bill to amend section 601 (c) of the Revenue Act of 1932, as amended; to the Committee on Ways and Means.

By Mr. O'CONNOR:

H. R. 9409. A bill to amend the Pittman-Robertson Act; to the Committee on Agriculture.

By Mr. WEAVER:

H. R. 9410. A bill to provide for restoration of pension to certain dependent parents upon termination of remarriage, and for other purposes; to the Committee on Invalid Pensions.

By Mr. KILBURN:

H. R. 9411. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. COOLEY:

H. R. 9412. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 9413. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 9414. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 9415. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 9416. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

H. R. 9417. A bill to amend the Agricultural Adjustment Act of 1938, as amended; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 9418. A bill for the relief of the Eberhart Steel Products Co., Inc.; to the Committee on Claims.

By Mr. RUTHERFORD:

H. R. 9419. A bill granting an increase of pension to Grace Brown; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7461. By Mr. GWYNNE: Petition of numerous citizens of the Third Iowa District, urging enactment of House bill 1, known as the Patman chain-store tax bill; to the Committee on Ways and Means.

7462. Also, petition of sundry citizens of the Third Iowa District, urging enactment of House bill 944, known as the wool-labeling bill; to the Committee on Interstate and Foreign Commerce.

7463. Also, petition of sundry citizens of the Third Iowa District, urging enactment of House bill 1, known as the Patman chain-store tax bill; to the Committee on Ways and Means.

7464. By Mr. HART: Petition of the State of New Jersey Board of Commerce and Navigation, Newark, N. J., requesting that favorable consideration be given to the adoption of a plan of flood control for the Passaic River Valley; to the Committee on Flood Control.

7465. By Mr. VAN ZANDT: Petition of the Polish Society of Brotherly Help of Du Bois, Pa., expressing approval of the loan of $15,000,000 for the benefit of the suffering people of Poland; to the Committee on Foreign Affairs.

7466. Also, petition of the Polish National Alliance, Group No. 974, of Du Bois, Pa., expressing approval of the loan of $15,000,000 for the benefit of the suffering people of Poland; to the Committee on Foreign Affairs.

7467. Also, petition of the Polish Citizens Club of Du Bois, Pa., expressing approval of the loan of $15,000,000 for the benefit of the suffering people of Poland; to the Committee on Foreign Affairs.

7468. By the SPEAKER: Petition of the International Workers Order (Russian Section, Branch No. 3109), Philadelphia, Pa., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

7469. Also, petition of the Terre Haute Musicians Protective Association, Local No. 25, Terre Haute, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7470. Also, petition of the Architectural and Engineering Guild, Local 66, New York, N. Y., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7471. Also, petition of the Workers Alliance of America, Local Group No. 1270, Chester, Pa., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

7472. Also, petition of the International Workers Order, Philadelphia Branch, city of Bridgeport, Conn., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

7473. Also, petition of the Amalgamated Association of Street and Electric Railway Employees of America, Division 995, Bus Drivers, Indianapolis, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, APRIL 17, 1940

(Legislative day of Monday, April 8, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Lord of all power and might, in whose hands are the lives of men and their true destiny: Grant unto us, Thy servants, the pardoning grace of Thy forgiveness, and cleanse us from our sins, for we have made resolves in sacred moments of reflection that have not borne fruit in our relations with each

other; neither have we paid our vows in the presence of all Thy people. Help us to realize more and more that, while man looketh on the outward appearance, God looketh on the heart, and that out of the abundance of the heart the mouth speaketh. We beseech Thee, therefore, so to purify our hearts that we may see clearly that our own deepest need and that of our world is for moral order, personal integrity, social justice, and human unselfishness. So, we cry out for the birth, the growth, the manhood of love; its ascendency, its sovereignty, its endless and cloudless reign, and do Thou crown us with its high and holy attributes, that, as we behold the image of our God, we may grow up into His likeness. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the legislative proceedings of the calendar day Tuesday, April 16, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Schwellenbach
Ashurst	Ellender	La Follette	Sheppard
Austin	Frazier	Lee	Shipstead
Bailey	George	Lodge	Slattery
Bankhead	Gerry	Lucas	Smathers
Barbour	Gibson	Lundeen	Stewart
Barkley	Gillette	McCarran	Taft
Bone	Glass	McKellar	Thomas, Idaho
Bulow	Green	McNary	Thomas, Okla.
Burke	Gurney	Maloney	Thomas, Utah
Byrd	Hale	Mead	Tobey
Byrnes	Harrison	Minton	Townsend
Capper	Hatch	Murray	Truman
Caraway	Hayden	Neely	Tydings
Chandler	Herring	Norris	Vandenberg
Chavez	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Connally	Holt	Pepper	Walsh
Danaher	Hughes	Reed	Wheeler
Davis	Johnson, Calif.	Russell	White
Donahey	Johnson, Colo.	Schwartz	Wiley

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senator from Missouri [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MILLER], the Senator from Nevada [Mr. PITTMAN], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from South Carolina [Mr. SMITH] are detained on public business.

Mr. AUSTIN. I announce the necessary absence of the Senator from New Hampshire [Mr. BRIDGES] and the Senator from North Dakota [Mr. NYE].

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1918. An act relating to the retired pay of certain retired Army officers;

S. 2348. An act relating to allowances to certain naval officers stationed in the Canal Zone for rental of quarters;

S. 2599. An act to amend the Naval Reserve Act of 1938 (Public, No. 732, 52 Stat. 1175);

S. 3174. An act to authorize the Secretary of the Navy to accept, without cost to the United States, a fee-simple conveyance of 16.4 acres, more or less, of land at Floyd Bennett Field in the city and State of New York; and

S. 3528. An act authorizing the adoption for the Foreign Service of an accounting procedure in the matter of disbursement of funds appropriated for the Department of State.

LAWS COVERING CERTAIN VESSELS

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of Commerce, transmitting a draft of proposed legislation to apply laws covering steam vessels to certain passenger-carrying vessels, which, with the accompanying paper, was referred to the Committee on Commerce.

SENATE JOURNAL, TWENTIETH LEGISLATURE, HAWAII

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Hawaii (through the Governor of Hawaii and the Department of the Interior), transmitting, pursuant to law, copy of the Senate Journal of the Legislature of the Territory of Hawaii, regular session, 1939, which, with the accompanying document, was referred to the Committee on Territories and Insular Affairs.

PETITIONS

The VICE PRESIDENT laid before the Senate petitions of sundry citizens of Ogden, Utah, and vicinity, praying that Government construction work be performed by construction companies rather than under the W. P. A., which were referred to the Committee on Appropriations.

PRESERVATION OF PEACE: WAR PROPAGANDA

Mr. HOLT presented a letter written by him relative to the preservation of peace, which was ordered to be printed in the RECORD, as follows:

DEAR FRIEND: War seems far removed to many but if the United States gets in, it will mean the boys and young men of your community will be called upon to go to battle, probably to be killed, wounded, or shell-shocked. It may mean someone close to you.

Now is the time to work for peace while we are at peace.

Never before in the present war has there been a greater need for vigilance than now. The issue of our involvement comes more and more to the front every day.

A headline in Monday's Washington Post says: "British growing impatient over neutrality of America." The story then proceeds to set out a speech by an English major stating why the United States should get into the conflict now. The attorney general of Ontario, Canada, has said that Canada should do everything possible to get the United States into active participation.

American columnists and American busybodies are again calling for America to go forth to save democracy, a cry many remember twenty-odd years ago. These busybodies and international meddlers won't go to save democracy. They want your son and your friend to do the saving. Propaganda to involve us is flooding the country. Every attempt is being made to use our sympathy and our prejudice to get us active or at least get us ready to enter.

I am proud to list myself in the antiwar group. I believe in strong national defense here but not an expeditionary army over there.

I am one who believes we should "save America first" instead of sending soldiers abroad. I am an isolationist. I want to isolate every American boy from being sent across the ocean to fight in foreign wars.

My record is clear. Speech after speech by me has called for our staying out of these European wars. I have opposed every move that I felt was in the direction of war.

Members of the Senate and House finally determine whether we go. My vote and my voice will be raised against participation in the wars of Europe.

Remember, now is the time to work for peace while we are at peace.

Sincerely,

RUSH D. HOLT.

REPORTS OF COMMITTEES

Mr. SHEPPARD (for Mr. REYNOLDS), from the Committee on Military Affairs, to which was referred the bill (S. 3675) to authorize the establishment of boundary lines for the Wilmington National Cemetery, N. C., reported it without amendment and submitted a report (No. 1430) thereon.

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (S. 3157) to authorize the construction of a bridge across the Ohio River at or near Cannelton, Perry County, Ind., reported it with an amendment and submitted a report (No. 1431) thereon.

He also, from the same committee, to which was referred the bill (S. 3570) to grant the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Allegheny River at Port Allegany Borough, Liberty Township, in the county of McKean, and in the Commonwealth of Pennsylvania, reported

it with amendments and submitted a report (No. 1432) thereon.

He also, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 2999. A bill to legalize a bridge across Bayou Lafourche at Galiano, La. (Rept. No. 1433);

S. 3183. A bill to extend the time for completing the construction of a bridge across the Mississippi River at or near La Crosse, Wis. (Rept. No. 1434);

S. 3254. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark. (Rept. No. 1435);

S. 3561. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Mauckport, Harrison County, Ind. (Rept. No. 1436);

H. R. 7406. A bill granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Middletown, Pa. (Rept. No. 1437);

H. R. 7407. A bill granting the consent of Congress to the General State Authority, Commonwealth of Pennsylvania, and/or the Pennsylvania Bridge and Tunnel Commission, either singly or jointly, to construct, maintain, and operate a toll bridge across the Susquehanna River at or near the city of Millersburg, Pa. (Rept. No. 1438);

H. R. 7655. A bill to extend the times for commencing and completing the construction of a bridge across the Delaware River between the village of Barryville, N. Y., and the village of Shohola, Pa. (Rept. No. 1439);

H. R. 8320. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River near Jefferson Barracks, Mo. (Rept. No. 1440);

H. R. 8397. A bill to extend the times for commencing and completing the construction of a bridge and approaches across the St. Louis River at or near the city of Duluth, Minn., and the city of Superior, Wis., and to amend the act of August 7, 1939, and for other purposes (Rept. No. 1441);

H. R. 8467. A bill authorizing the Superior Oil Co., a California corporation, to construct, maintain, and operate a free highway bridge or causeway and approaches thereto across the old channel of the Wabash River from Cut-off Island, Posey County, Ind., to White County, Ill. (Rept. No. 1442);

H. R. 8471. A bill granting the consent of Congress to the Commonwealth of Pennsylvania to construct, maintain, and operate a free highway bridge across the Susquehanna River, at or near Wyalusing, between Terry and Wyalusing Townships, in the county of Bradford, and in the Commonwealth of Pennsylvania (Rept. No. 1443);

H. R. 8495. A bill to extend the times for commencing and completing the construction of a bridge or bridges across the Mississippi River at or near the cities of Dubuque, Iowa, and East Dubuque, Ill., and to amend the act of July 18, 1939, and for other purposes (Rept. No. 1444);

H. R. 8583. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Little Falls, Minn. (Rept. No. 1445); and

H. R. 8650. A bill granting the consent of Congress to the State Highway Department of South Carolina to construct, maintain, and operate a free highway bridge across the Great Pee Dee River, at or near Cashua Ferry, S. C. (Rept. No. 1446).

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3106. A bill authorizing the use of special canceling stamps and postmarking dies at the Portland, Oreg., post office in connection with the annual Portland Rose Festival (Rept. No. 1447); and

H. R. 8398. A bill amending acts extending the franking privilege to widows of ex-Presidents of the United States (Rept. No. 1448).

Mr. MEAD, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 3019) providing for sick leave for substitute postal employees, reported it with an amendment and submitted a report (No. 1449) thereon.

He also, from the same committee, to which was referred the bill (S. 3667) to provide for the local delivery rate on certain first-class mail matter, reported it without amendment and submitted a report (No. 1450) thereon.

HOUSE BILL PLACED ON THE CALENDAR

The bill (H. R. 7663) providing for sick leave for substitute postal employees was read twice by its title and ordered to be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MEAD:

S. 3789. A bill for the relief of the Eberhart Steel Products Co., Inc.; to the Committee on Claims.

By Mr. NEELY:

S. 3790. A bill for the relief of Licurgus Burdett; to the Committee on Claims.

By Mr. McNARY:

S. 3791. A bill for the relief of Marinius M. Londahl; to the Committee on Military Affairs.

By Mr. CLARK of Idaho:

S. 3792. A bill for the relief of James Hogan; to the Committee on Military Affairs.

S. 3793. A bill to supplement existing laws with respect to the training of civilian aircraft pilots; to the Committee on Commerce.

By Mr. CHAVEZ:

S. 3794. A bill for the relief of certain Navajo Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. TYDINGS:

S. 3795. A bill to authorize the transportation of employees of the Alaska Road Commission, and to validate payments made for that and other purposes; to the Committee on Territories and Insular Affairs.

By Mr. HOLMAN:

S. 3796. A bill granting a pension to Susan F. Cates; to the Committee on Pensions.

S. 3797. A bill to authorize the enlargement of the Timberline Lodge, located within the Mount Hood National Forest, Oreg., and to provide additional water and sanitary facilities; to the Committee on Public Lands and Surveys.

By Mr. MINTON:

S. 3798. A bill to amend the Interstate Commerce Act, title 49, chapter 1, section 1, by adding two paragraphs after paragraph 11 of said section to be known as paragraphs 11a and 11b, pertaining to the supervision of sleeping cars and providing penalties; to the Committee on Interstate Commerce.

By Mr. LEE:

S. 3799. A bill to provide compensation for State and local law-enforcement officers killed or injured while assisting Federal officers in hazardous law-enforcement work; to the Committee on Education and Labor.

By Mr. BYRD:

S. 3800. A bill for the relief of Preston Lodge, No. 47, Ancient Free and Accepted Masons, of Jonesville, Va.; to the Committee on Claims.

By Mr. TRUMAN:

S. 3801. A bill to extend the time for commencing and completing the construction of a railroad bridge across the Missouri River at or near Randolph, Mo.; to the Committee on Commerce.

By Mr. WHEELER:

S. 3802. A bill for the relief of the dependents of Carl H. Siria; to the Committee on Claims.

S. 3803. A bill for the relief of Charles Perkins MacKenzie; to the Committee on Finance.

S. 3804. A bill to correct the naval record of Arthur Emery De Grazier; to the Committee on Naval Affairs.

By Mr. LEE:

S. 3805. A bill to authorize soil-conservation work upon certain streams; to the Committee on Commerce.

ESTABLISHMENT OF STANDING COMMITTEES ON CIVIL AVIATION

Mr. McCARRAN submitted the following concurrent resolution (S. Con. Res. 44), which was referred to the Committee on Rules:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint committee consisting of three Members of the Senate, to be appointed by the President of the Senate, and three Members of the House, to be appointed by the Speaker, to study and report to the Senate and House, respectively, with respect to the feasibility of establishing standing committees of the Senate and House, respectively, on civil aviation. Such joint committee shall submit its report prior to the adjournment of the third session of the Seventy-sixth Congress.

ACCOMPLISHMENTS OF THE WORK PROJECTS ADMINISTRATION IN WYOMING

[Mr. SCHWARTZ asked and obtained leave to have printed in the RECORD a summary of the work performed by the Federal Works Agency, Work Projects Administration, in Wyoming through December 31, 1939, which appears in the Appendix.]

FOREIGN POLICY

[Mr. LODGE asked and obtained leave to have printed in the RECORD a letter from Mr. Joseph A. Conry on the subject of foreign policy, published in the Springfield Republican of April 16, 1940, which appears in the Appendix.]

INVOLVEMENT IN WAR—EDITORIAL FROM THE NEW ULM DAILY JOURNAL

[Mr. McCARRAN asked and obtained leave to have printed in the RECORD an editorial from the New Ulm (Minn.) Daily Journal on the subject How We Go to War, which appears in the Appendix.]

AIR SAFETY BOARD

Mr. AUSTIN. Mr. President, I am about to make a request for unanimous consent.

For the purpose of giving point to my request I desire briefly to state the setting for the documents I intend to ask to have inserted in the RECORD. They pertain to the President's message, recently read in the Senate, relating to the fourth plan of Government reorganization. They particularly bear upon section 7 of that plan, in which the functions of the Air Safety Board are consolidated with the functions of the Civil Aeronautics Authority, which, according to the plan—

Shall hereafter be known as the Civil Aeronautics Board, and which shall, in addition to its other functions, discharge the duties heretofore vested in the Air Safety Board so as to provide for the independent investigation of aircraft accidents.

Of course there is more to section 7. I am not pretending to read the whole of it; but I call attention to enough of it to show that it is the purpose of this part of the plan to abolish the independence of that particular Board, the Air Safety Board, which is now functioning free from the interests and the cross-currents which are created by being tied up with the rules-making body in the Civil Aeronautics Authority.

One of the obvious reasons why the Air Safety Board has been so effective in being a part of the cause of an unequaled record relating to safety is its independence from adventitious interests affecting its investigation of the facts and then affecting its recommendation not merely with respect to the rules but also with respect to the operation of aircraft and with respect to the mechanism itself. After the investigations it has made, there have come forward recommendations growing out of what the Board has ascertained as to the causes of accidents, and as a result we have had a new type of wing and a new type of propeller which have helped to save human life.

If the only cause for this change should turn out to be that mentioned in the President's message, namely, this—

In addition to the effective and coordinated discharge of accident-investigation work which this transfer will facilitate, economies in administration will be possible.

I say, if the only real cause for this change, which amounts to an abolition of the Board, is economy in administration, we ought to pause before we make such a radical change.

What I ask the Senate to do is to give consent to the insertion in the RECORD at this point of a statement which I released yesterday relating to this matter, and which was published in part in the New York Herald Tribune of Wednesday, April 17—that is, this morning—and in part in many other newspapers throughout the United States, but not published in full. I desire to give publicity to the full statement, and I wish to take responsibility for it. That is why I, myself, offer it.

I also include in this request publication of a telegram received this morning from the Air Line Pilots' Association, David L. Behncke, president. Obviously, this is the particular body of men in all the United States that is vitally affected by this proposal of change. These are the birds of the air, as it were. They are the men whose lives are protected by the activities of the particular Board which would be abolished if this recommendation were carried out.

Mr. President, I ask unanimous consent that there be inserted in the RECORD this release by myself, the column from the New York Herald Tribune, and the telegram from the Air Line Pilots' Association.

Mr. BYRNES. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Vermont yield to the Senator from South Carolina?

Mr. AUSTIN. Yes.

Mr. BYRNES. Will the Senator advise me if I am correct in believing that of the two gentlemen whose positions would be abolished, one was formerly a writer on aviation subjects for the New York Herald Tribune, a clipping from which newspaper the Senator now offers, and the other gentleman whose appointment is to end was vice president of the association whose resolution the Senator also offers?

Mr. AUSTIN. Mr. President, I do not know to what the Senator refers. It is a very strange inquiry.

Mr. BYRNES. The Senator offers for insertion in the RECORD a clipping or editorial from the New York Herald Tribune. My information is that one of the gentlemen whose jobs will be abolished by the reorganization order was formerly a writer for the New York Herald Tribune. The Senator offers a resolution from the Air Line Pilots' Association. My information is that the other man whose job is abolished is a former vice president of that association whose resolution is now offered by the Senator. I merely want to know if I am correct.

Mr. AUSTIN. The form and substance of the question is now different from that first asked. I was not aware that Mr. Behncke was a member of this Board. In fact, the only person I know on the Board personally is Mr. C. B. Allen, who formerly was a special writer for the New York Herald-Tribune on the subject of aeronautics, and to my certain knowledge is one of the best-informed men in the United States on civil aeronautics, an expert pilot himself, and a man who knows the theory as well as the practice of piloting airships, and therefore is eminently qualified to be on this Board. I have never before supposed that the Board consisted only of the two men mentioned by the Senator from South Carolina. Does the Senator from South Carolina claim that that is the situation?

Mr. BYRNES. No; I do not. I understood, and I am merely asking for information, that Mr. Allen, one of the gentlemen on the Board which the Senator said would be abolished, was a writer on the Herald Tribune, and the other was—is it Mr. Hardin? Is a man of that name a member of the Board?

Mr. AUSTIN. I do not know whether Mr. Behncke is on the Board or not.

Mr. BYRNES. I was just asking if another member of the Board which the Senator said would be abolished was not the vice president of the association whose resolution the Senator offered.

Mr. AUSTIN. I am saying that I do not know as to that.

Mr. BYRNES. That is all I asked the Senator.

Mr. AUSTIN. However, Mr. President, if the purpose of the two questions is to cast any reflection upon these gentlemen or their statements, it is a futility to try that sort of thing with me anyway, for I have heard this man David L. Behncke testify in several committees. It happens that I have been on several subcommittees which dealt with the subject of aeronautics, especially civil aeronautics, and I heard Mr. David Behncke testify. I know him by his appearance in committee. He is an expert pilot. He is president of the Air Line Pilots' Association. His testimony would carry great weight with me respecting devices and rules of flying, requirements of statistical information which must be obtained by a pilot before he leaves the ground, and all those things which are necessary for the preservation of human life in transportation by air. He is a man of character.

As to C. B. Allen, I will defend him to the end as a man of high character, of great intelligence, of disinterested public service. He left a gainful employment to come here and to give the public of America who fly the skies the benefit of his special training and skill and experience. These men ought not to be reflected upon. If they show any interest in this matter, they speak with authority—not the authority of office but the authority of experience and judgment. I offer their testimony, sincerely believing in it.

The VICE PRESIDENT. Is there objection to the request of the Senator from Vermont to have printed in the RECORD the matters referred to by him? The Chair hears none.

The matters referred to are as follows:

RELEASE BY WARREN R. AUSTIN, REPUBLICAN SENATOR FROM VERMONT, RELATING TO CIVIL AERONAUTICS AUTHORITY AND THE AIR SAFETY BOARD AS AFFECTED BY THE PRESIDENT'S PLAN FOR REORGANIZATION

A careful study of the fourth plan on Government reorganization submitted by the President of the United States to the Congress on April 11, 1940, makes it evident that aviation is about to be subjected again to the destructive forces of political domination.

The activities of the Civil Aeronautics Authority and the Air Safety Board since their organization on August 22, 1938, have earned the plaudits of the President of the United States, the public, and the aviation industry, as well as of Members of the Congress. This universal acclaim is in sharp contrast to the vituperation and abuse which was hurled at its predecessor, the Bureau of Air Commerce, and which in the past resulted in numerous expensive investigations on the part of the Congress.

The period from 1933 to August 22, 1938, was marked by a series of "blitzkrieg" assaults upon the aviation industry by the various political bureaucrats who desired to control this new industry of far-reaching and growing importance.

As a minority member of the Special Committee to Investigate Air and Ocean Mail Contracts, I protested the unfair cancelation of the air-mail contracts in 1934. It is interesting to note that no legal justification has yet been found for the Government's action, and that, although several compromise settlements have been made on the suits pending before the Court of Claims, there is still one unsettled suit.

As a member of the subcommittee of the Committee on Interstate Commerce during the first session of the Seventy-fifth Congress, I participated in extensive hearings on bills then pending to provide for the regulation of the transportation of passengers and property by aircraft and to promote the safety of scheduled air transportation. Those hearings clearly brought out the desire on the part of the Post Office Department and the Department of Commerce for a continuance of their political control and the retention of the vindictive provisions of the Air Mail Act.

As a result of the aircraft accident in which our colleague, Senator Cutting, lost his life, the late Senator Copeland conducted an investigation of the Bureau of Air Commerce and its activities. This clearly brought out the inefficiency and mismanagement of the Department of Commerce in handling aeronautical regulation and development.

I warmly supported the creation of an independent agency charged with the encouragement, development, and proper regulation of an air transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense. The true value of the Civil Aeronautics Authority has been demonstrated by its activities.

The independence of the Air Safety Board, in its accident investigations, has been the outstanding factor in creating a safety record unparalleled in the history of any form of transportation. Sincere and honest effort deserves a better reward than that now proposed by the President. Accident investigations have been conducted by expert technicians employed under the nonpartisan competitive requirements of the Civil Service Commission. The investigators, directed by an independent board whose members are recognized as outstanding in the field of aeronautics, have conducted investigations and made impartial findings, free from any trace of political pressure. In view of the achievements of the Air Safety Board as presently constituted, it is unthinkable that this vital safety function of independent accident investigation should be abolished. No matter how fair the present members of the Authority may be, they are the rule-making body and under the reorganization plan, with their personnel and budget controlled by the Secretary of Commerce, they could not possibly be as free from the charge of bias and prejudice in the conduct of accident investigations as the present independent Air Safety Board.

Aeronautical development under an independent agency whose sole problem is its proper accomplishment will be much more rapid and efficient than under the supervision and direction of the Secretary of Commerce charged with a multitude of additional and distracting duties. The vital importance of progressive aeronautical development in the United States, under conditions existing throughout the world today, is clearly recognized by every American citizen. I am confident the American public will not consent to the return of American aviation to the status of a political football. I will vigorously oppose Reorganization Plan No. IV.

The issue is not a party issue; it is a matter of public safety which should transcend all selfish partisan considerations. It is a challenge to the constructive forces of democracy.

On March 22, 1939, in the debate on the exemption of the Civil Aeronautics Authority from the terms of the reorganization bill, I was particularly concerned about the independence of the Air Safety Board, and stated, "I should like to see it (the exemption) agreed to unanimously, if possible. I know of no reason for transferring or abolishing the functions of a brand-new agency of government, intended to be an independent agency, having charge of probably the most important aspect of transportation with which we are concerned today * * *. I think it would be a great blunder to put this institution at the hazard of any man's whim or any man's notion that he may bring about some economy by transferring or transforming this new agency right in the midst of a very successful and progressive beginning." I still feel as I did then, especially in view of the splendid record that the Civil Aeronautics Authority and the Air Safety Board have made.

We were assured at that time by the proponents of the reorganization plan that exemption was unnecessary due to the fact that any change in the new organization was unthinkable. Now that it has proved its value the proposed transfer is even more unthinkable.

In a letter to the National Aviation Forum, dated January 24, 1939, the President stated:

"Civil aviation is clearly recognized as the backlog of national defense in the Civil Aeronautics Act which set up the effective machinery for a comprehensive national policy with respect to the air.

"Underlying the statute is the principle that the country's welfare in time of peace and its safety in time of war rests upon the existence of a stabilized aircraft production—an economically and technically sound air transportation system, both domestic and overseas—an adequate supply of well-trained civilian pilots and ground personnel.

"This new national policy set up by the Congress views American aviation as a special problem requiring special treatment. Aviation is the only form of transportation which operates in a medium which knows no frontiers but touches alike all countries of the earth. One fact which stands out is that hardly another civil activity of our people bears such a direct and intimate relation to the national security as does civil aviation * * *."

The Congress was in agreement with the President on that date, but if special treatment means placing civil aeronautics back under political control, I am sure the Congress will disagree.

In view of the numerous messages sent to the Congress by the President dealing with civil aeronautics, the message of transmittal of the fourth reorganization plan and the plan itself reach the height of inconsistency.

Every one of the 2,000,000 air travelers in the United States must resent, as I do, this attack on the safety of air transportation.

[From the New York Herald Tribune of April 17, 1940]

AUSTIN TO FIGHT UNITED STATES AIR BOARD REORGANIZATION—SENATOR CALLS ROOSEVELT'S PROPOSALS ATTACK ON SAFETY BY POLITICIANS

(By Ansel E. Talbert)

WASHINGTON, April 16.—An open nonpartisan battle in the Senate against President Roosevelt's proposal to reorganize the Civil Aeronautics Authority by making it a board of the Department of Commerce and abolish the Air Safety Board was made certain tonight when Senator WARREN R. AUSTIN, Republican, of Vermont, announced his intention of joining Senator PAT MCCARRAN, Democrat, of Nevada, in opposing the changes.

Senator AUSTIN, senior minority member of the Senate Military Affairs Committee, and a member of the Committee on Interstate Commerce, called the reorganization plan an issue which had no connection with party issues. He said that it was a matter of public safety which was a challenge to the constructive forces of democracy. Senator AUSTIN added that he would oppose the reorganization plan, which will go into effect June 14 unless defeated by a concurrent resolution of the House and Senate, "with every ounce of strength I possess."

SEES ATTACK ON SAFETY

"Every 1 of the 2,000,000 air travelers in the United States must resent as I do this attack on the safety of air transportation," Senator AUSTIN asserted. In a reference to his fight against the administration's action in 1934 in canceling without warning the air-mail contracts—which resulted in the death of 11 Army pilots

forced to take over the job of flying the mail without preparation in midwinter and a number of others on familiarization flights—Senator AUSTIN pointed out it was "interesting to note that no legal justification has yet been found for the Government's action on that occasion."

"The period from 1933 to August 22, 1938, when the Civil Aeronautics Authority and the Air Safety Board were organized, was marked by a series of 'blitzkrieg' assaults upon the aviation industry by the various political bureaucrats whose desire to control this new industry of far-reaching and growing importance," Senator AUSTIN charged. "A careful study of the fourth plan on Government reorganization submitted by the President of the United States to the Congress on April 11, 1940, makes it evident that aviation is about to be subjected again to the destructive forces of political domination."

Senator AUSTIN asserted that the independence of the Air Safety Board in its accident investigations has been the "outstanding factor in creating a safety record unparalleled in the history of any form of transportation"—a reference to the year of perfect safety which the air lines of the United States completed March 26. On that date President Roosevelt, in a letter to Robert H. Hinckle, Chairman of the Civil Aeronautics Authority, extended heartiest congratulations to the personnel of the C. A. A. and the air lines. Mr. Hinckley, who was not informed in advance of the proposed reorganization, is reported authoritatively to be ready to resign his post if the C. A. A. is put under the Department of Commerce.

DESERVES BETTER REWARD

"Sincere and honest effort deserves a better reward than that now proposed by the President," Senator AUSTIN continued. "Accident investigations have been conducted by expert technicians employed under the nonpartisan competitive requirements of the Civil Service Commission.

"This independent Board, whose members are recognized as outstanding in the field of aeronautics, have conducted investigations and made impartial findings free from any trace of political pressure. In view of the achievements of the Air Safety Board as presently constituted it is unthinkable that this vital safety function of independent accident investigation should be abolished."

It was recalled that during the congressional debate which preceded the passage of the Civil Aeronautics Act of 1938, Representative CLARENCE F. LEA, Democrat, of California, who tonight was reported to be studying the proposed reorganization plan, on which as yet he has not committed himself, made a particular point of the benefits in setting up an independent agency for fact finding on airplane accidents. He stressed that if the Civil Aeronautics Authority were allowed to appoint the personnel of the Air Safety Board, this would hamper the Board in making any reports which might be adverse to the Authority. It might be necessary, he pointed out, for the Board to blame the C. A. A. itself for a particular air-line accident because of unreasonable regulation.

Because of Representative LEA's insistence, the Air Safety Board, although nominally under the C. A. A., was made to consist of three members appointed directly by the President. Its funds do not come out of those appropriated for the C. A. A., but are separate funds appropriated directly for Congress.

Tonight it became known that the Air Safety Board, which received $380,000 from Congress for the fiscal year ending on June 30, was turning back between $50,000 and $70,000 of these funds unspent. The reason given by President Roosevelt for abolition of the Air Safety Board was that such a move would save the salaries of its members and increase the "efficiency and economy" of government. David Behncke, president of the Air Line Pilots' Association, called attention tonight to the fact that, by all the standards of evaluation, the Board had a 100-percent record of efficiency to date and a "splendid record" of economical operation.

It was pointed out by aviation leaders that since the middle of 1933 the number of employees in the executive branch of the Government had increased from 565,432 to 939,015, and that therefore the President's proposed cutting down of employees in the case of the Air Safety Board was against the trend during his entire administration. It was noted that the Department of Commerce, under which it is proposed to place the Civil Aeronautics Authority, was one of the five Government agencies having the largest employment increases during the early part of this year. From January to February the Department's employment jumped 373 persons, more than the entire field force, office staff, and other employees of the Air Safety Board.

WASHINGTON, D. C., *April 16, 1940.*

Hon. WARREN R. AUSTIN,
Senate Office Building, Washington, D. C.:

In this day and age so many startling things are constantly happening that we have become accustomed to the unusual, and we are not easily startled or aroused. The air-line pilots, due to the nature of their work, are not easily excitable, yet only a few days ago when the President announced his fourth reorganization plan, abolishing the Air Safety Board and stripping the new Air Authority of its identity and independence and proposed that air-accident investigation and civil air regulation generally be placed back under the Department of Commerce, the pilots were not only startled but they were utterly flabbergasted. The regulation of air transportation and civil aviation by the Department of Commerce is something that the pilots and in fact most everyone in the industry look back upon with abhorrence. It is not even a pleasant story to recount. Crash upon crash, needless sacrificing of human life. During this dark period the pilots lost 146 of their number by reason of crash deaths. And a startling total of 473 persons lost their lives in air crashes.

Everyone, especially Congress, fought long and tirelessly to free the industry from this era of chaos and create an independent agency to give the industry the kind of regulation and air-accident investigation procedure that it so sorely needed. The pilots pointed out that safety was vital to the success of the industry and that accident investigation would have to be done by an independent air safety board free from all influence and control by those who made the industry's regulations. This Congress did when it passed the Civil Aeronautics Act of 1938. We all know the results. Crashes were cut to a minimum. There have been no fatalities in the past 12 months. When Congress established the Air Safety Board it restored public confidence in air travel with one stroke. If the President's reorganization plan is approved to place regulation and air-accident investigation back under the Department of Commerce, public confidence will be destroyed, because where humans' own lives are involved they have a long memory. The line pilots to a man plead with you that you do everything possible to prevent this. I am explaining further in a special-delivery letter today. Your cooperation is respectfully and earnestly solicited.

AIR LINE PILOTS ASSOCIATION,
DAVID L. BEHNCKE, *President.*

Mr. BYRNES. Mr. President, nothing in what I said reflected on the ability of either of the two gentlemen to whom the Senator referred, or of any gentlemen connected with the Air Safety Board, as technicians or as experts on the subject of aviation. Nothing in my question indicated any reflection upon the character of either one of those two gentlemen, or of any other gentleman. But asking a man for his advice upon the technical construction of an airplane or the operation of an airplane is entirely different from asking him and accepting his advice as to whether or not his job should be abolished. The question here is not as to the ability of the individual, the gentleman referred to, the former writer on the Tribune. He may be one of the ablest or the ablest man in the United States upon that subject. The question is whether his advice is entirely disinterested, and whether he has absolutely no interest in offering advice to the Congress as to whether or not his own job should be abolished. On that question I submit we can exercise our own judgment.

If the Board should be abolished, we can believe that every man upon it is not only a man of character but a man of great ability in his line. The sole question is the wisdom or the lack of wisdom in a mere organization matter. It involves no reflection upon the character of the gentlemen concerned.

While I am on my feet, let me say, as a member of the Committee on Appropriations, that we have quite a different view of the organization from that held sincerely by the Senator from Vermont. In the Committee on Appropriations we have found a divided board, a board divided in its opinion of its own jurisdiction, different members clamoring for the power to spend the money appropriated by the Congress, going so far on one occasion as to require us to tell them to withdraw and reach an agreement among themselves as to who had control and was authorized to administer the functions of the Board.

I merely wish to say to the Senator from Vermont that I asked the question at this time because a resolution has been offered on the subject. As chairman of the committee to which it was referred I would have immediately arranged to call a meeting to consider it, but the Member of the Senate who offered the resolution had requested that I should not call the meeting for about 10 days, inasmuch as he was to leave the city. So soon as he returns a meeting will be held, and the Senator and all others who are interested will have equal opportunity to present their views. At that time we will go into the question, and ascertain some of the reasons for the divided opinion of the Board itself as to jurisdiction, and whether or not there is any justification for the statement made by newspaper writers that if an organization is placed in a different building in this city some pilot may have an accident in Michigan or Maine. It is merely a question of determining a matter of organization, as to whether it would be wise or unwise to transfer a branch of the Government.

Mr. AUSTIN. Mr. President, I will not detain the Senate long. I merely wish to say, briefly, that if I were to assume

what is assumed by the Senator from South Carolina, namely, that the two men to whom he has called attention are interested in retaining the positions they hold because of the compensation they receive—if I were to assume that, I would say make the most of it. If it is possible to discredit those men on account of a charge of venal interest, do it if you can. That does not affect my opinion of them. I know they are men of such character that they will not try to sway or influence the judgment of the Senate because they happen to be in positions in which they are drawing salaries which might be discontinued. So far as Mr. Allen is concerned, I think the United States will be very lucky if it is able to keep him in this job. I doubt whether we can keep him there. We cannot offer him so much as he can earn somewhere else.

I do not think this attempt to reflect upon the value of these two men and their credibility is a worthy attempt. As a matter of fact, I cannot quite perceive the import of the inquiry about C. B. Allen. I am not offering C. B. Allen as a witness. I have put in my statement, together with the comment of a column writer by the name of Ansel E. Talbert, and a telegram from the president of the Air Line Pilots' Association.

CONSTITUTIONAL GOVERNMENT—ADDRESS BY THE LATE SENATOR BORAH

Mr. THOMAS of Idaho. Mr. President, in February 1937 the people of the United States faced a crisis in their Government which has had no parallel since the Civil War. It was then that the President proposed to make the United States Supreme Court and the Federal judiciary subservient to the will of the Executive and of Congress. Both to men learned in constitutional law and to the millions more to whom the Constitution is a guaranty that they will be permitted to continue living and working under the rule of a free government, it seemed that the very foundation of the Republic was threatened.

A few days before the President's plan was revealed to Congress and a shocked nation, Senator Borah had thus warned the people of the United States in a radio address:

To establish the precedent of making vital changes in our national charter without the authority of the people expressed in the manner pointed out by the Constitution may seem expedient for today, but may torment us on many and many a tomorrow.

The Supreme Court occupies a central position in assuring us the enjoyment of our constitutional guaranties. Of the Court he said in this speech:

* * * When its worth is measured by the service it has rendered to the cause of human liberty, to the advancement of human happiness, and to the maintenance of a government of law rather than a government of men, that it stands among the foremost institutions of the world seems true beyond peradventure of a doubt.

During the months that followed this faith in the principles of constitutional government, which Senator Borah shared with millions of his fellow Americans, was to meet one of its severest tests. An administration which had just been elected by an overwhelming vote, and which was almost unopposed in either House of Congress, seemed destined to have its way at the expense of the Constitution, the Supreme Court, and whatever guaranties of human liberty stood in its path.

The story of how the voice of the American people made itself heard from every section of the country to encourage and support those men in Congress who opposed the administration's will is one of the most inspiring chapters in American history. It is a living refutation of those who would have us believe that the Constitution is an obsolete document surviving from "horse and buggy" days, inapplicable to the conditions of our times. It was the voice of the American people speaking through the majority report of the Judiciary Committee which declared:

It is a measure which should be so emphatically rejected that its parallel will never again be presented to the free representatives of the free people of America.

In September, following the disposal of the plan to pack the Supreme Court, Senator Borah addressed a meeting in Washington which had gathered to celebrate the one hundred and fiftieth anniversary of the Constitution. The press speculated that he would denounce the administration, that he would lash those who had so recently attempted to undermine the courts and the Constitution. Instead, his address was a tribute to the principles of American government. It exhibited a quiet faith that the enduring foundations of our democracy will be strengthened through all of the attacks by those who would destroy them. Senator Borah had spoken with conviction when he said in February:

It would be a serious error, if not a fatal mistake, to regard these questions touching the integrity of the Constitution and the independence of the courts as party questions or to seek to treat them as such.

At this time, when freedom has lost its meaning in practically every country save this, when civilization itself seems to totter on the brink of destruction, it seems particularly appropriate that we should read again the words of Senator Borah and recapture his faith in the permanence of our democracy.

His speech in commemoration of the one hundred and fiftieth anniversary of the Constitution, on September 16, 1937, has never previously been published in the RECORD.

Mr. President, I ask unanimous consent to have this address by Senator Borah printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, it sometimes seems to make but little difference to those so fortunate as to possess influence or to enjoy power, economical or political, what kind of a government you have. It may be a matter of some importance to them, but it is not vital. They fare reasonably well under any kind of government. The industrial leaders in two of the most despotic governments of Europe are said to be entirely content with their security and satisfied with their profits.

But no kind of government has yet been devised—and both reason and experience teach none can be devised—which offers opportunity and insures liberty to the average man or woman, which preserves and protects the rights and privileges of those whom Lincoln called the common people, except a government of law with independent tribunals of justice. There is no such thing as security for the masses or protection for minority groups, political, racial, or religious, never has been—and in the nature of things never can be—under any form of government save government where the people through their representatives make the laws and uncontrolled courts construe them.

This is the kind of government for which the Declaration of Independence declared and for which American patriots waged a 7 years' war. This is the kind of government which on September 17, 1787, was submitted to the people for approval.

The story of the writing of the Constitution, its submission and its adoption, and, finally, the launching of a free Nation, needs to be reread and retold again and again. The boldness of that enterprise, the overmastering spirit with which it was carried forward, the unselfish devotion of the leaders to the cause of human liberty, and, above all, the comforts and the blessings which this plan of government has brought to the average man or woman, lifts the story into the realm of sacred history. Perhaps you would expect me to retell that story tonight, but I have other things which it seems I ought to discuss. Before doing so, however, let me pause for one observation which seems relevant in connection with the adoption of the Constitution and relevant to the happenings and duties of our own immediate time.

It is often said, in recent years, that the Constitution of the United States is not a sacred document. This is one of the assumptions constantly advanced by those who would change the Constitution as you would change a statute, bend it or twist it to every political breeze, or tear it up altogether. Of course, the Constitution, as it exists at any particular time, is not sacred as against the right and power of the people to amend it in the manner provided in the Constitution. The people may make over our Government in any manner which seems to the people proper and wise. The means, and the method, are always at hand to adjust the powers of government to the tasks of government, not the powers which individuals, or groups, may insist the Government should have, but the powers which all the people may determine the Government shall have. And therein lies the whole difference between democracy and autocracy.

But, until the people speak, until the people make known their desire, the Constitution is sacredly binding upon the people, upon officials, upon the Congress, the Executive, and the courts. In the language of the Father of his Country, "The basis of our political systems is the right of the people to make and to alter their constitutions of government—but the Constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all."

Certainly, it must be so regarded by all who take a solemn oath to maintain and support it. It is sacred against the rights

or power of Congress or the Executive or the courts, or of all combined, to change or modify it through unwarranted, forced, or strained constructions. Such changes are usurpations—none the less vicious because not openly avowed. If that were not true, constitutional government would be a mere trap with which to ensnare the peoples' support to accomplish their own enslavement.

Will those who contend that the Constitution is not sacred go so far as to say that the right of the people to determine the form of government under which they live is not sacred, that liberty is not sacred, that to be free from arbitrary arrests and the torture chamber is not sacred, that the right to live your faith and worship your God unmolested is not sacred? If they will not go so far as to say these things are not sacred, then let us remember that upon the exclusive power of the people to make their Constitution and to keep it as they make it, or amend it, as they choose, all these sacred things depend. When the people lost control of their Constitution, they have already lost control of their Government. It is an old story that when the people lose power, they lose liberty.

I may have a wrong conception of the word "sacred." But I feel that an instrument of government, purchased by years of sacrifice and bloodshed upon the field, by weeks and months of arduous effort in counsel, which has held together people of all climes, races, and faiths in ordered liberty, which gives freedom to all who come within its jurisdiction, which makes the people sovereign and public officials their agents, is sacred by every rule which measures the worth of human progress or human freedom.

Mr. Chairman, it has often been stated there was not much new, or original, in the Constitution of the United States. Its simplicity and its strength and durability lie in the fact that the framers were content to be guided by experience and to place in our scheme of government no more than experience had revealed as expedient and wise. It may well be—indeed, one might say it must be—that, in dealing with new problems, experience will again call for such changes as may be deemed expedient and wise. Widespread poverty in the midst of wealth, the concentration of economic power, the unquenchable thirst of a progressive people for the better things of life, have brought, and will continue to bring, to the Government matters for consideration. And the people, as I have already said, have the power, and I doubt not will have the intelligence and the patriotism, to meet all such exigencies and to grant to the Government whatever powers are necessary.

But some of the experiences embodied in our framework of government had been so bitter and searching, so unerring in the truths revealed, so profoundly a part of the scheme of freedom, that they can never be changed without a surrender of the whole scheme of freedom itself. In the way of illustration, no one will contend that the right of the people to amend the Constitution should ever be taken away from the people or that through subterfuge they should be cheated of that right. And it seems equally beyond question that, if the people are to write the fundamental law, incorporating therein the pledges and guaranties which keep them free, and to prescribe the limits beyond which their agents and servants may not go, in interfering with or disregarding its terms, then there must somewhere be set up an umpire, impartial and final, to judge between the people and their agents and servants. No one familiar with the history of the Constitutional Convention or familiar with the thought of the day outside of the convention will doubt that the framers, without division, recognized the necessity of creating such an umpire. And they will have no doubt that this idea met with the approval of the people of those times. Looking upon the pure and impartial administration of justice as the highest achievement of government and the surest bond of national union, they, with practically one accord, sought to set up a tribunal of justice free and apart from the storms of politics.

In this vital matter the framers were working again by the light of experience, for the idea of an independent tribunal of justice did not originate, in the first instance, in the councils of state or among those of great influence. It had originated with the humble and persecuted, with those who had suffered from political opinions or religious beliefs, and the sanctity of whose homes and the security of whose families had often been violated by those in power. The demand for tribunals, uninfluenced by and unafraid of, political power, came from the people of Old England, was carried across the sea by those seeking security in a new world, was kept alive throughout the Colonies, gathered up and incorporated by Jefferson in the Declaration of Independence, and, finally, came to majestic completeness in the Constitution. No institution of ours has its roots deeper down in the elemental passions of a free people.

We enjoy in this country what a distinguished churchman has called a modern miracle. Men of all races, English, German, Italian, Norwegian, Irish, Greek, and all, with their varied and conflicting views and ways of thinking and living, representing all faiths, all creeds, and all religions, Protestant, Catholic, Jew, Scientist, and those with no belief, all living in peace and security under one flag. It seems no less than a miracle when we recall rivers running red with human blood shed in racial and religious warfare, and when we now look abroad and see great nations tortured with racial and religious controversies, torn with internecine strife, visiting on each other cruelties which find few parallels in all the history of persecutions. Let us pause in our service this evening and make inquiry why it is we are so richly blessed.

We shall find it is not because divine Providence has sought us out for special favor, for He "hath made of one blood all nations of men," not because we are altogether different from other peoples in our likes and dislikes, our prejudices and our passions. We shall find that our peculiarly good fortune and our rare blessings are due primarily to the fact that we have had a Constitution guaranteeing liberty and protection under the law to all, and a Supreme Court which for 150 years has never, when appealed to, permitted that guaranty to be disregarded.

There have been times when political forces have sought to disregard some or all of the guaranties of the Constitution—freedom of speech, of the press, freedom from arbitrary arrests, freedom of priest or minister to administer to his people—and there have been times when political forces have sought to close the courts. But when national feeling has run high—as national feeling at times inevitably will—when great leaders have swayed with the storm—as great leaders sometimes do—the supreme tribunal created by the fathers has remembered the Constitution and thrown its shield about all who sought its protection. When in the haste or zeal of some great effort those in control of the political forces of the Nation have looked upon the Bill of Rights as an obstacle to their aims, the Court has proved to be, as James Madison expressed the hope and belief it would prove, "an impenetrable bulwark against every assumption of power in the Legislature or the Executive," and has furthermore resisted "every encroachment upon the rights" which the people had stipulated in the Constitution should never be disregarded or surrendered. This modern miracle of ours is constitutional government, with its checks and balances, its laws and courts, in practical operation. It is democracy working.

The marvel of those men who stood about the birth of this Nation is not that they met the exigencies of the immediate hour—other leaders in other times had done that only to see their work perish with them—but that they could, and did, outline principles of government applicable to all times. They saw in their clear vision a great republic deriving all power from the people and designed solely to serve the people. They were familiar with the tragic efforts of the people in the past to set up such a government and they could see, or thought they could see, some of the vicissitudes of the future, and they built not for their own day but for all time. They understood well that occasions would arise when the people themselves, as well as their leaders, might grow restless under those constitutional restraints upon which all the rights of the people rest, and they sought to guard against that day. May I quote here the words of Thomas Jefferson: "An elective despotism was not the Government we fought for, but one which should not only be founded on free principles, but in which the powers of government be so divided and balanced among several bodies, * * * that no one could transcend their legal limits without being effectually checked and restrained by the others."

Since the Great War the world has seemed more or less topsy-turvy. That event came near banishing moral forces from public affairs. Consciously or unconsciously, leaders and peoples alike have ever since felt the baneful influence of the theory that force is the sole, as well as the supreme, arbiter in all matters, domestic or foreign, touching the affairs of government. Logically, therefore, before the wounded were hardly off the field and while the hospitals in practically all countries were crowded with the maimed and the insane, preparations were begun for other wars. Huge programs for increased armaments on the one hand, with tax burdens without precedent imposed upon the already harassed and broken citizen on the other hand. All this in the face of a fast approaching economic break-down, devastating and world-wide. The sanctity of treaties and the solemn obligations of nations gave way under the weight of the war passion, while the people were asked to carry heavier and heavier burdens, which they have done with a fortitude and a martyrdom unparalleled in the history of mankind.

Is it any wonder that under such circumstances the whole theory of democratic government should be placed under challenge by its enemies and often left to function under suspicion by its friends? Need we be surprised that during this period practically every principle vital to the existence of popular government has either been assailed or doubted? Could we expect that during the reign of this saturnalia of force and the mad aftermath the system of government which depends for its highest achievement upon peace and for its very life upon the liberty and self-helping, self-governing capacity of the individual should go unscathed? But the attack calls for action, not surrender—not even a compromise of the principles embodied in our Constitution. We are not to take up the role of cowards fleeing before a revolution, but to retain the role of American citizens conscious of the worth of the heritage left for a time in our keeping and conscious also of our duty to transmit the heritage unimpaired. The people in this country believe in constitutional government. They have given evidence of that too often to leave the matter in doubt. Great emergencies may call for exceptional exertions of power upon the part of government, but that does not establish principles and should not be permitted to establish precedents. The principles of free government are the chief concern of the American people. This they have many times demonstrated, and there is no reason to feel they will fail to do so again.

Here I desire to digress long enough to take notice of a statement made recently by a high official of a foreign government, and undoubtedly, by authority of his government. His statement was to the effect that the emissaries from his country coming here to preach their doctrine must be protected by our Government, that they must enjoy, as it were, immunity in their efforts to sow the seeds of religious intolerance, race hatred, and arbitrary power

among us. It seems to me this high official has a very inadequate understanding of the workings of constitutional government and a strange misconception of the American people. It seems worth while to explain. The orderly procedure in such matters under constitutional government would be about as follows: These emissaries will be protected by the guaranteed right of assemblage, of free speech, of free press—vital liberties long since murdered in the land from whence the emissaries came. The people of this country are fairly well informed already of the teachings and practices in that country by news which has long since reached our shores. But they will listen—in patience if not respect. So long as these emissaries observe the laws of the land, they will receive the protection of the laws. If these emissaries are so willful, however, as is their wont, as to violate the laws of the land, they will have a trial, not in the puppet courts of their homeland, but in independent courts where justice is administered without fear or favor and without price. If they should be found guilty, they will be punished regardless of the country from which they came. And if their crimes are of such a nature as to call for such action, constitutional government will probably electrocute these evangels of discord and leave arbitrary power to take care of the implied threat already given. This, it seems to me, would be the orderly procedure under constitutional government. The advice is given freely but with little hope it will be understood.

Many believe that constitutional government is approaching its severest test. The supposition is that the intricate and complex problems growing out of modern industrial life cannot be dealt with successfully through the slow-moving machinery of constitutional government. But while the task of government in these extraordinary times is very great, the patience, the energy, the resourcefulness, and the patriotism of these 130,000,000 people are also very great—immeasurable, incalculable. Never has education been so widespread, never the means of transmitting knowledge to all and upon all subjects been so universal and perfect. Thomas Carlyle, in his life of Robert Burns, comparing the modern era with former times, said: "Man stands, as it were, in the midst of a boundless arsenal and magazine, filled with all the weapons and engines which man's skill has been able to devise from earliest time; and he works accordingly, with a strength borrowed from all past ages." And while the citizen in these days stands in the midst of all kinds of questions calling for greater and graver responsibility, what reason have we to suppose that the American citizen will not be equal to the task? Certainly there has been no evidence either of incompetency or unreliability in these frightful years through which we have just passed.

There seems to me something decidedly un-American in these doubts and fears touching the inability of democracy to cope with the problems of modern life. Let's leave these doubts and fears to those who openly decry our system of free government and who hate the very principles upon which it rests. Why should we doubt that system of government which has brought so much of happiness to the individual and so much of power to the Nation? If fate should be against democracy it will be time enough to grapple with that tragedy when it comes, but let's not commit the crime of encouraging it. Under that self-discipline which national exigencies always suggest and which a great people always accepts, there is no reason why the achievements of our Government and the success of our people in the past should be anything more than the prelude to still greater achievements in the future.

And may I say to the youth of this country, those who will have most to do in directing the affairs of the Nation in the near future, that the more they study the history of our country, the more they will realize that success in public affairs, as in all other things, comes, not to those who doubt but to those who believe. Those whom this Republic has placed among her immortals were not those who staggered through in unbelief, but those who believed that what constitutional government had promised constitutional government would perform.

The best illustration of this pessimistic political philosophy is the theory so often advanced that personal liberty has become incompatible with economic security, that the time has come when if the masses would make sure of shelter and food they must surrender freedom. The things to be done, it is argued, are so big, so vast, that they must be done by the Government, and the citizen must yield up all discretion, all judgment, together with most of his ancient privileges and his personal liberty. If that is true, of course, we began wrong 150 years ago. If that is true, Washington and Jefferson were wrong and Mussolini and Hitler are right. This theory would write "lie" across the Declaration of Independence and "obsolete" across the Federal Constitution. But the theory itself is false, and has been proven to be false by all human experience. Personal liberty, the discretion and judgment of the citizens are not incompatible with, but are essential factors in, economic security. In those countries where the people have been induced to give up their rights as free men and free women under the promise of economic security, they have lost both. There has been greater advancement since the Declaration of Independence and the adoption of the Federal Constitution in all those things which contribute to the moral and physical well being, to the happiness and dignity of the man in the factory, in the store, on the farm and in the mine, to make it possible to own homes and to dwell in them in security, than in the 3,000 years preceding. Our work is by no means complete. But that which has been accomplished demonstrates we are on the right road. No, no! Liberty, in its full and true sense, is an indispensable part of economic security. Political liberty and economic freedom are allies, not enemies.

In considering these gloomy theories and the reason why these views are among us, we must keep in mind the experience of the last 25 years—the Gethsemane through which humanity has passed. They have been mad, confusing, discouraging years. They spread far and wide the seeds of distrust and despair. The Great War and the world-wide depression which followed naturally left their wounds upon the body politic and exacted their toll of human suffering, but as this long night of agony draws to a close and the dawn of a new day breaks, this outstanding, inspiring fact remains: It is in those countries, and those countries alone, where men and women are still free, free to choose their own calling or profession, free to live their own lives, free to worship their God as they conceive their God, that material recovery has been greatest and economic security most pronounced. The exacting years of the war, the devastating years of the depression, have demonstrated that constitutional government is the only government which, in restoring the economic welfare of the people, at the same time preserves their rights and their liberty. While caring for the material interests of the citizen, it does not barter away his spiritual freedom.

This Government and what it stands for, this Constitution and what it means to the happiness and to the advancement of the people, not only to those so fortunate as to find shelter under its terms, but as a steadying, stabilizing force for all humanity, is the priceless heritage which has been entrusted for a brief time to our keeping, and as a people we know its worth and as a people we will preserve it and pass it on unimpaired to our children and our children's children.

In conclusion, this anniversary will call forth many words of praise for our great charter of Government. But after all is said that may be said about our Constitution, it all seems inadequate and vain compared with the irrefutable facts and the living truths which testify to its worth. Its measure of worth is revealed and confirmed, not by words but by experience. We cherish and value it, not because of what may be said of it but because of what it has done for us as a people. It has given us peace among ourselves and between 48 sovereign States. It has guaranteed alike the welfare of the individual and of the public. Beyond any frame of government yet devised, it leaves room for that individual initiative which is the crowning characteristic of our people, while it affords complete opportunity for unity in all that concerns the Nation as a whole. While mindful of human infirmities and of individual wants, its ultimate objective is national power and national glory. Finally, the strongest assurance of its perpetuity is the fact that it affords perfect machinery for gathering up, as it were, and formulating into laws and policies the reserve common sense of a great people. And it is common sense that rules the world.

We have not lived, we are not to live, in the republic of Plato, but in the Republic of Washington and Jefferson, Jackson and Lincoln, fitted for the storm as well as the calm. We will have our differences, our contentions, and our controversies, even our seasons of bitterness and discord. We will make mistakes and sometimes grope long for the right way. At times we will fight harder for party than for country, for political power rather than public welfare. But such is the nature, such the glory of democracy, that ultimately all such things are lost in the depth of devotion for that constitutional system which, in a world all but terrified with intolerance and oppression, keeps us independent, united, and free.

A few evenings ago, in calling upon a friend, I passed by that monument to Abraham Lincoln, which stands in Lincoln Park, the monument representing Lincoln with the kneeling slaves and their broken shackles.

I thought again over the life of Abraham Lincoln and tried to comprehend its greatness. I saw the awkward country boy in his cabin home in the forests of Kentucky. I saw him as he covered his mother's new grave with autumn's withered leaves and went back to his humble home to enter the race for fame. I saw him as he walked near the auction block in the slave market of New Orleans and heard him utter his curse upon the institution of slavery. I saw him in after years when, as one of the greatest rulers upon this earth, he walked with patience and compassion the paths of power. I heard men denounce him as a tyrant and a usurper. I listened for the answer, but he quietly submitted to it all. I saw him in the storm of civil strife as he steered the ship of state into the Union harbor. At last the storm began to clear, the light break through the rifted clouds, and I saw Abraham Lincoln walking in the morning of a new day with 4,000,000 human beings unloosed of their fetters striving to walk by his side.

I said to myself, this all happened in our democracy. It could not have happened anywhere but in a democracy. No tyrant's hand to crush the unfolding genius, no bureaucratic power to assign him his place in society or in government. My friends, this is the scheme of human happiness, of ordered liberty, whose one hundred and fiftieth anniversary we celebrate tonight.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes.

Mr. THOMAS of Oklahoma. Mr. President, I desire to make a very brief statement relative to the items in the pending bill, House bill 8668, the War Department civil functions bill.

This bill covers the nonmilitary activities or civil functions of the War Department. It carries funds for taking care of our national cemeteries. It carries funds for the Alaska communication system under the Signal Corps; likewise for the maintenance and new construction of rivers and harbors. It carries funds for continuation of work on existing projects for flood control, and for continuing work upon the Mississippi River and its tributaries.

The bill also carries funds for the Fort Peck hydroelectric plant and for the Bonneville Dam. It carries funds for the making of topographical maps. It likewise carries funds for the maintenance of the Soldiers' Home. It provides funds for carrying on the work in the Panama Canal Zone, and likewise for initiating or starting construction of a new canal embracing a third set of locks in the Panama Canal Zone.

Mr. President, the bill, as it reached the Senate from the House, carried the sum of $203,000,000. The Senate committee has added, in the way of a recommendation, an additional sum, so that now the bill before the Senate, if enacted, will carry $223,000,000. The increases in the main are for two items. One is for the initiation and construction of a new canal across the Canal Zone. The other is for additional funds for the Corps of Engineers.

The amount recommended for the construction of the new canal is $15,000,000. If that amendment is agreed to by the Senate it will necessitate an amendment of existing law by way of legislation, and if the $15,000,000 item is agreed to, I shall at the proper time offer the additional authorizing language.

The bill adds some additional money to be expended by the Corps of Engineers. It increases the amount for maintenance by approximately $1,287,000. It likewise increases the amount for some repair work on the Sacramento River in California caused by recent floods. The amount of this increase is $642,000. It likewise recommends that the sum appropriated for speeding up construction on the Bonneville Dam be increased in the sum of $2,600,000.

So, Mr. President, consent having been granted that the first reading of the bill be dispensed with, and likewise that the committee amendments be first considered, I ask that the committee amendments be stated.

The PRESIDING OFFICER (Mr. KING in the chair). The clerk will proceed to state the amendments of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Corps of Engineers—Rivers and Harbors," on page 6, line 22, after the words "by law", to strike out "$66,721,510" and insert "$68,009,110", so as to read:

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Débris Commission in carrying on the work authorized by the act approved March 1, 1893, as amended (33 U. S. C. 661, 678, and 683); for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States, including maintenance of the Hennepin Canal in Illinois; for payment annually of tuition fees of not to exceed 50 student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (10 U. S. C. 535); for examinations, surveys, and contingencies of rivers and harbors; for printing and binding, newspapers, lawbooks, books of reference, periodicals, and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this appropriation, including such printing as may be authorized by the Committee on Printing of the House of Representatives, either during a recess or session of Congress, of surveys authorized by law, and such surveys as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress, and for the purchase (not to exceed $197,700) of motor-propelled passenger-carrying vehicles and motorboats, for official use: *Provided*, That no part of this appropriation shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, $68,009,110.

The amendment was agreed to.

The next amendment was, under the subhead "Flood control," on page 10, at the end of line 7, after "50 Stat. 849)", to strike out "$600,000" and insert "$1,242,000", so as to read:

Flood control, Sacramento River, Calif.: For prosecuting work of flood control, Sacramento River, Calif., in accordance with the provisions of acts approved March 1, 1917, May 15, 1928, and August 26, 1937 (33 U. S. C. 703, 704; 50 Stat. 849), $1,242,000.

The amendment was agreed to.

The next amendment was, under the subhead "Hydroelectric power", on page 10, line 18, to strike out "$800,000, no part of which shall be available for obligation for any expense incident to the installation of more than six electrical power units" and insert "$3,400,000", so as to read:

Power plant, Bonneville Dam, Columbia River, Oreg.: For continuing the construction of the hydroelectric power plant at Bonneville Dam, Columbia River, Oreg., as authorized by the acts approved August 30, 1935 (49 Stat. 1038), and August 20, 1937 (50 Stat. 731), $3,400,000.

The amendment was agreed to.

The next amendment was, on page 10, after line 20, to insert:

SURVEYS AND MAPPING

For topographic surveys and mapping as proposed in Senate Document No. 54, Seventy-sixth Congress, first session, to be applied to the same objects (but not limited to the amounts specified for such objects) enumerated in the Interior Department Appropriation Act for the fiscal year ending June 30, 1941, under the heading "Geological Survey" and the subheading thereunder "Topographic surveys," $1,210,350, to remain available until June 30, 1942: *Provided*, That this appropriation shall be devoted to mapping in strategic areas, in accordance with priorities to be determined by the Secretary of War.

The amendment was agreed to.

The next amendment was, under the heading "The Panama Canal", on page 11, line 15, after the name "Canal Zone", to insert "and construction of additional facilities,"; on page 12, line 5, after the name "Panama Canal", to insert a comma and "and construction of additional facilities"; and on page 13, line 5, after the name "Panama Canal", to insert "and construction of additional facilities,", so as to read:

For every expenditure requisite for and incident to the maintenance and operation, sanitation, and civil government of the Panama Canal and Canal Zone, and construction of additional facilities, including the following: Compensation of all officials and employees; foreign and domestic newspapers and periodicals; lawbooks; textbooks and books of reference; printing and binding, including printing of annual report; rent and personal services in the District of Columbia; purchase or exchange of typewriting, adding, and other machines; purchase or exchange, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles; claims for damages to vessels passing through the locks of the Panama Canal, as authorized by the Panama Canal Act; claims for losses of or damages to property arising from the conduct of authorized business operations; claims for damages to property arising from the maintenance and operation, sanitation, and civil government of the Panama Canal, and construction of additional facilities; acquisition of land and land under water, as authorized in the Panama Canal Act; expenses incurred in assembling, assorting, storing, repairing, and selling material, machinery, and equipment heretofore or hereafter purchased or acquired for the construction of the Panama Canal which are unserviceable or no longer needed, to be reimbursed from the proceeds of such sale; expenses incident to conducting hearings and examining estimates for appropriations on the Isthmus; expenses incident to any emergency arising because of calamity by flood, fire, pestilence, or like character not foreseen or otherwise provided for herein; travel expenses, when prescribed by the Governor of the Panama Canal to persons engaged in field work or traveling on official business; not to exceed $2,000 for travel and subsistence expenses of members of the police and fire forces of the Panama Canal incident to their special training in the United States; transportation, including insurance, of public funds and securities between the United States and the Canal Zone; purchase, construction, repair, replacement, alteration, or enlargement of buildings, structures, equipment, and other improvements; and for such other expenses not in the United States as the Governor of the Panama Canal may deem necessary best to promote the maintenance and operation, sanitation, and civil government of the Panama Canal, and construction of additional facilities, all to be expended under the direction of the Governor of the Panama Canal and accounted for as follows:

The amendment was agreed to.

The next amendment was, on page 13, line 23, after "(50 Stat. 478)", to strike out "$8,861,367" and insert "$8,011,367", and in line 7, after the words "in all", to strike out "$27,861,367" and insert "$27,011,367", so as to read:

For maintenance and operation of the Panama Canal: Salary of the Governor, $10,000; contingencies of the Governor, to be expended in his discretion, not exceeding $3,000; purchase, inspection, delivery, handling, and storing of materials, supplies, and equipment for issue to all departments of the Panama Canal, the Panama Railroad, other branches of the United States Government, and for authorized sales; payment in lump sums of not exceeding the amounts authorized by the Injury Compensation Act approved September 7, 1916 (5 U. S. C. 793), to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal; and relief payments authorized by the act approved July 8, 1937 (50 Stat. 478), $8,011,367; for continuing the construction of special protective works, $19,000,000; in all $27,011,367, together with all moneys arising from the conduct of business operations authorized by the Panama Canal Act, and, in addition, the Governor of the Panama Canal may, when authorized by the Secretary of War, enter into contracts prior to July 1, 1941, for or on account of the construction of special protective works, Panama Canal, to an amount not in excess of $4,500,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof.

The amendment was agreed to.

The next amendment was, on page 14, after line 8, to insert:

Construction of additional facilities—Panama Canal: For construction of additional facilities for the improvement and enlargement of the capacity of the Panama Canal, in accordance with the act approved August 11, 1939 (53 Stat. 1409), including reimbursement to the appropriations "Maintenance and operation, Panama Canal," "Sanitation, Panama Canal," and "Civil government, Panama Canal," in such amounts as the Governor of the Panama Canal shall from time to time determine to be additional costs incurred for the objects specified in said appropriations on account of the prosecution of the work; in all, $15,000,000.

Mr. DANAHER. Mr. President, I should like to ask the Senator from Oklahoma a question. I refer to line 13 on page 14. The language to which I refer occurs in the pending committee amendment. After providing for the construction of additional facilities, it says:

Including reimbursement to the appropriations "Maintenance and operation, Panama Canal."

And so forth, to the total amount of $15,000,000.

Calling the Senator's specific attention to line 13, I ask whether the sum of $15,000,000 previously has been spent, and has been withdrawn from the appropriations listed in lines 14 and 15, and for which reimbursement is now sought?

Mr. THOMAS of Oklahoma. Mr. President, the answer is no. This is a new item.

Mr. DANAHER. Mr. President, will the Senator please explain to us why we are now undertaking to include a reimbursement to previous appropriations which are specifically listed, and we thereupon say that we are going to give $15,000,000 back to funds which have not been exhausted or depleted? What do we mean then by the use of the word "reimbursement"?

Mr. THOMAS of Oklahoma. Mr. President, the item covered on page 14 beginning with line 9 and ending with line 19, is an appropriation to start construction of a new canal across the Canal Zone. It is for the purpose of starting the ditch, so-called. The first money will be spent on the excavation. There is no money in this item for the construction of locks. That will come later. At a later date, if this amendment shall be agreed to, it will be necessary to modify existing law somewhat so as to give the authorities permission to enter into contracts for future work, that is for making the plans and specifications and contracting for the construction of the locks themselves.

The bill passed last year by the Congress authorizing the construction of the third set of locks, which embraces a second canal, totals something like $277,000,000. The department desires a contractual authorization of some $99,000,000, and they desire to start work with the sum of $15,000,000. So those three items are bound together, and the item in question is for the initiation of the work. The first work, of course, will be digging the ditch, and later on there will be the construction of the locks. But future Congresses will make available the money as the money may be requested by the Department and approved by the Bureau of the Budget.

Mr. DANAHER. Mr. President, I thank the Senator. Let me pursue the matter for a moment more. I may say to the Senator that it is true that when the bill providing for additional locks for the Panama Canal was before us we authorized a total expenditure of $277,000,000, and we also provided that not more than $15,000,000 should be spent in the first year. I am now informed that when this very bill was before the House, the House refused to appropriate $15,000,000, in accordance with the authorization contained in the act approved August 11, 1939. It is my information—and I will say that, as I recall, it has come to me only through the press—that work had actually been started, that the money had been expended, that some $15,000,000 had been contracted for, notwithstanding the fact that the actual appropriation had not been made. I assumed, therefore, when I looked at the committee amendment on page 14, that the work had been paid for out of the appropriations mentioned in lines 14 and 15. I therefore interpreted the words in line 13, "including reimbursement", to mean that we were restoring to those appropriations money which had been expended therefrom. Am I not correct in my deduction, let me ask the Senator?

Mr. THOMAS of Oklahoma. Mr. President, I was in Panama during the month of November 1939, at which time I was permitted to inspect fairly well the work going on in the Canal Zone. I was shown nothing in the way of work on the new canal; I discovered nothing along that line, and at this time I know of nothing.

I refer to the hearings on this bill before the Senate Committee on Appropriations. If the Senator will take his copy of the hearings and turn to page 2, he will find under the heading "Panama Canal—Maintenance and Operation," the following:

PANAMA CANAL—MAINTENANCE AND OPERATION

(1) At page 10, line 26, after the words "Canal Zone", add "and construction of additional facilities."

(2) At page 11, line 14, after the words "Panama Canal", insert "and construction of additional facilities."

(3) At page 12, line 13, after the words "Panama Canal", add "and construction of additional facilities."

Here is the explanation as given in the hearings, and it is placed there by the authorities:

Explanation: The addition of this clause in the general provisions relating to Panama Canal appropriations is very desirable in connection with the amendment proposed authorizing an appropriation for the construction of additional facilities at the Panama Canal. The existing language refers to the three main appropriations of the Panama Canal, and reference should be made to this additional appropriation when it is included in the Appropriation Act.

As to whether or not any money has been spent on the Canal, I refer to page 36 of the hearings. I read as follows:

AMOUNT SPENT TO DATE ON PREPARATION OF PLANS

Under authority of the joint resolution of May 1, 1936, the Panama Canal has for the past 2 years been engaged in making plans for the proposed lock project, and approximately $263,000 has been expended for this purpose. The work is still in progress, and considerably more will be accomplished by the end of this fiscal year. As a result, we are assured that the detailed plans will be ready by the time contracts must be made to complete the project within 6 years.

That is the record in the hearings upon this particular item.

Mr. DANAHER. Let me say further that had this language in the committee amendment provided for an appropriation in accordance with our previous authorization I never would have raised the slightest question about it. I believe the work ought to be commenced; I believe it ought to be undertaken; I am perfectly willing to see it go forward; but, Mr. President, when we write a bill, and talk about reimbursement to appropriations, the word "reimbursement" means, according to my understanding of it, that we now make appropriations totaling $15,000,000 so as to leave the former appropriations intact. If that is not the purpose of the word "reimbursement," then, Mr. President, I think the

amendment ought to be corrected to state the facts and what the real intention is. Will the Senator further comment on the word "reimbursement"?

Mr. THOMAS of Oklahoma. Mr. President, this amendment was submitted to the committee by the Canal Zone authorities. The committee takes it for granted that the language is such as to provide for the work which the authorities desire to have done. For that reason the committee is not prepared to suggest an amendment. If the Senator has an amendment, I am sure the Senate will be glad to consider it.

Mr. DANAHER. Let me make clear to the Senator what I am driving at. I do not want to see the Panama Canal authorities, or any other authorities, undertaking work which they think they need in advance of Congress actually making the appropriations. The mere fact that we make an authorization by no means authorizes them to go ahead with the expenditure. As I understand, we must thereafter appropriate. The word "reimbursement" implies that the work has been undertaken and that the money has been spent and has been taken out of these items, and now we are being asked to restore it. If that is the purpose, and we all understand it and are willing to ratify that type of procedure, very well.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. VANDENBERG. I ask the Senator whether or not the War Department or the Canal Zone authorities presented the same request to the House Appropriations Committee.

Mr. THOMAS of Oklahoma. The House record shows that the matter was presented to the House committee. The House committee did not recommend the item, and the House itself did not insert it. So it is inserted by the Senate committee virtually as a new proposal so far as the Congress is concerned. Of course, there is a Budget estimate for the item.

Mr. VANDENBERG. Is the Senator familiar with the reasons why the House objected?

Mr. THOMAS of Oklahoma. I think I am.

Mr. VANDENBERG. Will the Senator state the reasons? I am asking purely for information. I am curious about the matter.

Mr. THOMAS of Oklahoma. At the present time there is a rather complete canal across the Canal Zone. The Canal is serviceable, and there is no complaint, save that it is narrow. Some existing ships cannot go through the Panama Canal as it is now constructed. The locks are too narrow. Some British ships cannot go through. We can send any of our ships through the Canal. However, some of our airplane carriers will barely go through. They will not go through without scraping the sides, and damage has been done both to ships and to the Canal.

It is the plan of the Navy Department to increase the width of some of the navy ships by adding to them what are called blisters. A blister is a protection on the side of the ship which renders the main parts of the ship immune to attack by torpedo or something which might destroy the blister, which is a protrusion on the side to prevent injury to the ship. If blisters are installed, the Canal will be too narrow to permit the passage of the larger ships having blisters on their sides.

That is one reason, but that is not the main reason for the starting of the new canal. Something might happen to the present Canal, such as an earthquake. Of course, even if we had two or three canals, an earthquake might conceivably destroy all of them; but if an enemy should come over the existing Canal, or go through the Canal and do damage to the locks, of course the Canal would be rendered unserviceable. That is possible.

I will say to the Senator from Michigan that the greatest danger is through the destruction of a vessel in the locks themselves. Of course there is no sure way to prevent such a thing. If we should become involved in some kind of trouble, and a ship should start through the Canal, and in going through some of the locks it should be blown up, or through sabotage or otherwise a ship carrying high explosives should be destroyed in the Canal, of course the damage to the locks could not be foretold. It might put them out of commission for weeks or months, in which event the Canal would be dead.

So it is the opinion of the Canal Zone authorities, the War Department, the Navy Department, and all the departments interested, that a new set of locks should be constructed to provide a new canal across the zone. The new canal, if constructed, would be located very nearly parallel to the existing canal. In some places it would be two or three hundred yards from the existing Canal. In other places it would be a third of a mile, and in one place perhaps half a mile, or a little more than half a mile, from the existing Canal.

At the present time the main part of the Canal is through and across Gatun Lake. If the new canal were built, it would still use Gatun Lake for such distance as the lake is available, but a new ditch on the Atlantic side and a new ditch on the Pacific side, with corresponding locks would be necessary. The present Canal has two sets of locks. The new canal would have only one set of locks, so it is referred to as a third set of locks.

As to whether or not we need the new canal now, the record is very clear that we do not need it now for commercial purposes. The present Canal is taking care of all the trade which it is desired to send through the Canal at the present time. The testimony in the record is clear that for commercial purposes the new canal would not be necessary for 20 years, or prior to 1960. By that time it is thought that if the world should return to sanity, and trade relations should expand as they have expanded in the past, the Canal would probably be too small or too narrow to accommodate the traffic.

So the authorities are very clear that for the present the new canal is not necessary for commercial purposes. It is necessary only in the event larger ships are built, or in the event of trouble due to war. That trouble would come about by reason of the existing Canal being destroyed by bombs, by ships in the Canal, or by some other agency.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. VANDENBERG. What I was asking the able Senator is whether or not he knows why, in the face of this very persuasive set of circumstances, the House of Representatives declined to include the item in the bill.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. I am not a member of the committee, but I happen to have come into possession of certain information.

There was some confusion in the House committee growing out of the testimony of the engineers as to whether or not the work could be begun in this fiscal year; and because the committee was not certain that it could be begun, it did not include the item. However, since the bill passed the House the matter has been cleared up by the engineers of the Panama Canal Zone and the War Department, who have stated that they can begin the work within this fiscal year; and for that reason I understand the item is now included.

Mr. THOMAS of Oklahoma. Mr. President, I wish to read a sentence or two from the House committee report. In this connection I ask that page 9 of the House committee report be included in the RECORD at this particular point, down to the line reading "Limitations and legislative provisions."

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NEW LOCKS

In addition to providing protection for the existing Canal establishment, the Budget includes provision for embarking upon a new set of locks, to cost $277,000,000. The project was authorized by the act approved August 11, 1939 (Public, No. 391, 76th Cong.), and is presented at this time as an urgent defense measure, although its completion is not planned until 6 years hence, at the earliest. The

need for additional locks for shipping, it is estimated, will not occur before 1960. Investigation and planning of the project thus far relate principally to the foundation and the general outline of the lay-out of lock structures. Detailed plans have not been started and will take 2 years to complete.

The Budget proposes an initial appropriation of $15,000,000, and contractual authorization of $99,300,000. The proposed uses are indicated generally in the table at the top of page 42 of the hearings. Included in the $15,000,000 is $1,591,900 for the preparation of the detailed plans and specifications for the structural features.

The committee believes this project is being pushed too rapidly. The proposition is to commit the Government to a vast and costly undertaking 2 years in advance of the time when detailed plans and specifications will be ready for accomplishing the structural features. In the absence of such plans and specifications the ultimate cost must largely be conjectural. The project is urged at this time as a defense measure, but a project that cannot be completed for 6 years has questionable standing as an urgent defense measure. Moreover, we are now engaged in building protective works around existing Canal facilities at an estimated cost of $39,570,000. If this work does not give the sought protection, an auxiliary waterway closely paralleling the present one and similarly protected would be of doubtful value. Both would be equally vulnerable.

After viewing the proposition from all angles, the committee is unwilling to recommend an appropriation or contractual authority for initiating work upon a new set of locks at this time. It may be all right to proceed with the preparation of detailed plans and specifications, since such work, it is said, will take 2 years. They will be needed ultimately to do the work as shipping approaches the capacity of the present facilities. The committee, therefore, instead of the Budget proposal, has added $850,000 to the regular appropriation for maintenance and operation of the Canal toward the preparation of such plans and specifications. The resultant reduction is $14,150,000.

Mr. THOMAS of Oklahoma. The particular portion which I desire to read for the benefit of the Senate is as follows:

The Budget proposes an initial appropriation of $15,000,000 and contractual authorization of $99,300,000. The proposed uses are indicated generally in the table at the top of page 42 of the hearings. Included in the $15,000,000 is $1,591,900 for the preparation of the detailed plans and specifications for the structural features.

More directly, in reply to the question of the Senator from Michigan:

The committee believes this project is being pushed too rapidly. The proposition is to commit the Government to a vast and costly undertaking 2 years in advance of the time when detailed plans and specifications will be ready for accomplishing the structural features. In the absence of such plans and specifications the ultimate cost must largely be conjectural. The project is urged at this time as a defense measure, but a project that cannot be completed for 6 years has questionable standing as an urgent defense measure. Moreover, we are now engaged in building protective works around existing Canal facilities at an estimated cost of $39,570,000. If this work does not give the sought protection, an auxiliary waterway closely paralleling the present one and similarly protected would be of doubtful value. Both would be equally vulnerable.

That is the reason the House committee gave for failing to include the item of $15,000,000 and failing to start actual construction of the third set of locks in the second canal.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. The Senator has referred to building a new canal. It is referred to in the press as a new canal. I think it is considered by most persons a new canal. However, I should like to ask the Senator whether or not that is true?

The Panama Canal consists of several sections. One is Gatun Lake, and another is the Culebra Cut. Then at each end there is a canal on lower ground, one going into the Pacific and the other into the Atlantic.

As I understand—and I am asking the Senator for information about it—the so-called new canal does not include the digging of another Culebra Cut, for instance, across the divide, where it was necessary to go to very great expense, even after the Canal was finished, to take care of the slides which occurred. The Culebra Cut will be used by the so-called new canal, just as Gatun Lake will be used by the new canal. Is not that correct?

Mr. THOMAS of Oklahoma. As I understand, Culebra Cut is on a level with Gatun Lake.

Mr. NORRIS. That is true.

Mr. THOMAS of Oklahoma. And if the new canal is authorized, Culebra Cut will be used in connection with Gatun Lake. That combination accounts for a very large part of the distance across the top of the ridge between the Atlantic and the Pacific sides.

Mr. NORRIS. Yes.

I think we authorized something over $200,000,000 to build the so-called new canal; but if we were to build a new canal and have another cut through the divide, it would certainly require much more than $200,000,000. The construction of an entirely new canal would cost in the neighborhood of $400,000,000 or $500,000,000. As I understand, the only part that is new is the building of a canal from Gatun Lake to the Atlantic Ocean, and the building of another canal on the Pacific side, commencing near the Culebra Cut and extending to the Pacific Ocean. Is that correct?

Mr. THOMAS of Oklahoma. That is my understanding.

Mr. President, Governor Ridley, of the Canal Zone, appeared before our committee and testified on this specific point. The testimony will be found on pages 39 and 40 of the Senate committee hearings. I shall read very briefly from his testimony.

I asked Governor Ridley:

I would like to have it so that the members of the committee can see it—

I was asking for a map, and Governor Ridley exhibited a map on the wall. Then from the map he gave the explanation as follows:

Now, this project affects only the portions of the Canal at either end of Gatun Lake. This is the Pacific Ocean [indicating] and this is Balboa Harbor [indicating], and this shows the present Canal and locks [indicating].

He had the map before him.

Now, for the new project we expect to take off with a bypass channel from Balboa Harbor along this colored line [indicating] and put in a set of locks at this point [indicating], which will raise the vessel two-thirds of the way up to Gatun Lake level. And then it enters the Miraflores Lake, which exists now. Then it starts another bypass around the Pedro Miguel locks along this line [indicating] and requires another lock opposite the existing Pedro Miguel locks to raise the vessel up to the level of Gatun Lake at this point [indicating]. This is the Culebra Cut [indicating].

Senator TRUMAN asked this question:

Are those new locks big enough to let the *Queen Mary* and the *Queen Elizabeth* go through when the work is completed?

Governor RIDLEY. Yes, sir.

Senator HAYDEN. Then the exceedingly heavy work that was done in the Gaillard Cut does not have to be done over again? Do you utilize that?

Governor RIDLEY. No, sir; it starts here [indicating] after you pass through the Gaillard Cut.

Senator HAYDEN. You can avoid doing anything in the range of higher mountains that was cut through at Culebra or the Gaillard Cut?

The portion on the top of page 40 I will ask to have placed in the RECORD down to the point where it says "investment during construction." It simply affords a little further detail in the description of the location of the Canal on the map by the Governor of the Canal Zone.

ATLANTIC OCEAN SIDE

Governor RIDLEY. Yes, sir; all the slide area is in there [indicating]. Now, the Atlantic side—this is Limon Bay and the Atlantic Ocean [indicating], and this is Gatun Lock [indicating]. The present Canal is here [indicating], and these are the present locks [indicating]. We are going over here about a half mile away and cut a channel down from Gatun Lake to this point along that colored line [indicating]. The locks will be in here [indicating]. There are three chambers in one flight there, dropping from 85 feet to sea level.

Senator LODGE. How far away is that one from the other?

Governor RIDLEY. About half a mile away from one lock to here [indicating]. I can leave these maps with you, Mr. Chairman.

Senator THOMAS. I think it would be advisable. The secretary will take charge of them so they will not be misplaced.

INVESTMENT IN PANAMA CANAL

For the record, will you please state the cost of the existing system at Panama Canal and locks; in other words, how much has been expended in Panama on the locks and the Canal?

Governor RIDLEY. The total cost of the Canal capitalized on our books is approximately $543,000,000. In that capital cost there is a one hundred and twenty-nine million theoretical interest on the investment during construction.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Oklahoma yield to the Senator from Massachusetts?

Mr. THOMAS of Oklahoma. I yield.

Mr. LODGE. Is it not correct to say, in answer to the question of the Senator from Nebraska, that the greatest single danger to the Panama Canal is not bombardment from the air; it is not an earthquake; it is not an accident happening to some ship in one of the locks or in one of the large bodies of water forming a part of the Canal; but the greatest single danger that could happen to the Canal is that a ship might be sabotaged or exploded within one of the locks. That is the greatest danger; and the construction of an extra set of locks would completely protect against that danger. At the present time we cannot protect ourselves against it at all, because, to protect ourselves against it would require unloading every single ship before it goes through the Canal, and making a search for hidden explosives and hidden compartments in the ship, which would be equivalent to unloading the ship. If we have a third set of locks, we need never open them to commercial traffic at all if we do not want to, and we could thereby completely and utterly prevent any sabotaging of the locks.

Mr. THOMAS of Oklahoma. Mr. President, the Senator from Massachusetts has correctly interpreted the testimony before the committee, as I understand the testimony.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Colorado?

Mr. ADAMS. I wish to say a word or two in my own time.

Mr. THOMAS of Oklahoma. Very well.

Mr. ADAMS. Mr. President, it seems to me that the Senate should hesitate a little before embarking on this tremendous expenditure of approximately $300,000,000. It is true that only $15,000,000 are provided in the bill, but there is to follow an authorization for a contract of $99,000,000. Having started it, it must be completed. It is conceded that the additional set of locks is not needed for commercial purposes; there is no question as to its not being necessary for commercial purposes. The only argument is that it is needed for national defense.

We are going to spend $300,000,000. Why? Because of the conjuring up of imaginary possibilities. First, we must find someone who is going to war with us. To listen to the arguments which were made before the committee, one would think we were now at war or had potential, imminent enemies. I know of no enemy of this country; I know of no hazard of war; I know of no nation in the world that wishes or dares to make war upon us. Even assuming we were at war, then we would have to conjure up dangers to the Canal from the enemy, although no enemy nearer than 3,000 miles is even to be thought of, and we are more often told of an enemy that may be 6,000 miles away.

We are spending many millions of dollars to protect the Canal. There is included in this bill, I think, the sum of $27,000,000 for protective work. Why are additional locks needed? What is the imaginary instance of some enemy running a ship inside a lock and then exploding the ship and destroying the Canal? In other words, it is intimated that the American Navy and the Governor of the Canal Zone are not going to be sufficiently vigilant to keep an enemy ship from going through the Canal right into the locks of the Canal. I cannot conceive of a greater reflection upon the capacity of the Navy and those who are in charge of the Canal.

Mr. LEE. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. LEE. Could the Senator conceive of the almost unbelievable betrayal of Norway and the passage of a German troop train right under the very guns of a Norwegian fort? That has just happened.

Mr. ADAMS. I should be very glad to say to the Senator that I draw a distinction he does not draw. There are no Americans who would sell out their country; there are no Americans in the Navy who would permit such things to happen. I have no apprehension that the things which are reported to have occurred in Norway will occur here.

Mr. LEE. There was once a Benedict Arnold, was there not? The Senator is imputing to me an accusation which I did not have in mind to make. There is much more evidence of intrigue and deceit than there is of bribery in the selling out of Norway's own officials. The Senator, I think, is mistaken if he thinks it is absolutely impossible to deceive anybody in the United States.

Mr. ADAMS. Oh, no; it is demonstrated every day that it is not impossible to deceive people in the United States.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. DANAHER. May I invite the attention of the Senator from Colorado to page 14, line 13, of this bill, and ask him, please, to interpret for me the word "reimbursement"?

Mr. ADAMS. I am not concerned about that; that is a minor matter. I am talking about $300,000,000 involved in a new venture.

Mr. DANAHER. Will the Senator yield further?

Mr. ADAMS. Certainly.

Mr. DANAHER. Will the Senator say he is not concerned in——

Mr. ADAMS. What I mean is that, in the argument I am trying to make, I am not concerning myself about what the Senator suggests.

Mr. DANAHER. Will the Senator yield further?

Mr. ADAMS. Certainly.

Mr. DANAHER. Will the Senator say he is not concerned if it shall develop that somebody went ahead and undertook this Canal venture and undertook to lay out the work and to begin the development of it without an appropriation?

Mr. ADAMS. Whether that has been done or not, it does not persuade me that we should go ahead and spend $300,000,000 additional money to build locks which are not needed, at a time when the condition of the finances of the United States is threatening us with disaster far greater than any war.

The danger to the United States today is internal and not external. Today the national defense can be more securely protected by protecting the internal finances of this land than by spending $300,000,000 in building useless locks in the Panama Canal. We speak of the debt limit; we speak of the national debt. We will see a deficit of $3,000,000,000 this year; we saw a deficit of $4,000,000,000 last year. We know there will be deficits next year. We know that the national debt will exceed the $45,000,000,000 limit. We do not know what day the credit of the United States may show impairment.

Mr. KING. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. KING. I propound a question in view of the statement made by the Senator from Connecticut [Mr. DANAHER]. Probably I misinterpreted it; I hope I did. I assume from his statement that some person or persons, or some official agency, without authority, is undertaking, in part, at least, the construction or the preparation of plans for another set of locks or for an expenditure of several hundred million dollars without authority. I was about to ask the Senator whether that is the case; whether or not there is any evidence before the committee that officials of the Government have contracted obligations or incurred expenditures based upon the assumption that Congress would appropriate at this session or in the near future several hundred million dollars for the construction of additional highways across the Isthmus of Panama. I ask the Senator whether there is any evidence before the committee that that has been done, for I understood from the observation of the Senator from Connecticut that it had been done.

Mr. ADAMS. I do not know, Mr. President. The word "reimbursement," which disturbs the Senator from Connecticut—I think justly—is a word which obviously has its natural meaning; and if appropriations have been expended, I shall be glad to have them reimbursed and have that much less spent on the Canal. So I am not objecting to that, even though it is founded upon a disregard of the statutes as to the appropriation of funds; but I simply have in mind the one fact that we are being crowded by unfounded apprehensions

into a dangerous and, I think, a needless expenditure of $300,000,000 for an extra canal.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. BARKLEY. It occurs to me that the Congress settled that matter a year ago when it authorized this canal. It has been authorized, and, regardless of the bookkeeping which may result in this $15,000,000 expenditure, it strikes me that that is a modest beginning on a third set of locks which Congress a year ago authorized. If it did not want the canal built, it should not have been authorized.

Mr. ADAMS. That is the argument very often presented on the floor. A bill comes up, and it is said, "This is merely an authorization. It does not involve an expenditure, and the Appropriations Committee and the Senate may subsequently consider whether they will expend the money authorized."

Mr. BARKLEY. If the Senator will yield at that point, on an enormous item such as this—the construction of a third set of locks in the Panama Canal—I think Congress could not be said to have had any doubt that the money would ultimately be spent. Congress would not simply authorize the appropriation of $277,000,000 in the hope that it never would be spent; and we know that we could never build another canal or a third set of locks without an authorization in the beginning.

It is true that frequently bills in which Senators are interested pass with an authorization, and the argument is made that it is only an authorization and the money may never be appropriated; but I very much doubt if anybody had that notion in regard to the authorization for this canal.

Mr. ADAMS. Mr. President, the Senator from Kentucky is one of the outstanding instances in this body of men who can learn from experience. That is, the Senator is a man who has never permitted himself to be bound by a previous error if he found he was wrong, and certainly the Congress could well follow the Senator's example. If we were wrong in deciding that we were going to build the Canal—if the last session decided that it should be built and this session decided that that decision was a mistake—certainly we should correct our mistake.

Mr. BARKLEY. Congress has not decided that it was a mistake.

Mr. ADAMS. It would decide that perhaps it was a mistake if we should refuse to appropriate the money, or we could let the authorization stand.

Mr. BARKLEY. Of all the authorizations ever made by Congress, certainly one so important and so large as this one was not made with our tongues in our cheeks and with our fingers crossed. It was, of course, understood when the authorization was made that Congress would appropriate the money as it was needed to construct the third set of locks, regardless of what may have happened as to other authorizations.

I appreciate the compliment the Senator pays to me, which I regard as a genuine compliment——

Mr. ADAMS. It is genuine.

Mr. BARKLEY. That I am not bound by any mistakes of the past. I hope I am sufficiently liberal and broad-minded that if I decide I have made a mistake I change my course.

Mr. ADAMS. I do not want the Senator to construe my remark as meaning that I think he has made many mistakes; I mean a very limited number.

Mr. BARKLEY. I have made many. I am willing to concede that I have made many, and I hope I have sometimes profited by them; but I do not think this is one of them. I voted to authorize a third set of locks because I thought they were needed. I still think they are needed, and for that reason I am going to support this appropriation.

Mr. ADAMS. I am surprised.

Mr. President, I recall the first time the bill authorizing these locks came upon the floor. It was sent back to the committee. The Senator from Missouri [Mr. CLARK] was responsible for its being sent back, by reason of certain amendments which were offered. The next time it came up it passed while bills on the calendar were being considered by unanimous consent; and I do not have to tell Senators how much consideration frequently is given on the floor to bills which come up when measures on the calendar are being considered by unanimous consent. It may be that only the same amount of consideration will be given to this appropriation. I merely wanted to make my own position clear—that we are disregarding far greater dangers within our country in order to protect against imaginary, hypothetical, conjured-up dangers from outside.

Mr. THOMAS of Oklahoma. Mr. President, further replying to the inquiry raised by the Senator from Connecticut [Mr. DANAHER], I ask permission to place in the RECORD, at this point, the language found on page 54 of the House hearings. Summarizing that language, I will state to the Senator that the words referred to are placed in the bill in order to satisfy the Comptroller General; and by referring to the page I have indicated in the House hearings, that statement will be verified.

Mr. STARNES, a member of the House committee, made this statement. After having the language interpreted, he said:

> You maintain—
>
> He was talking to Mr. SMITH—
>
> that it is necessary to include that language in order to meet the possible objections which the Comptroller General might raise?
>
> Governor RIDLEY. Yes; these provisions have been added from time to time in our regulation appropriation bill in order to meet objections of the Comptroller General in connection with the expenditures which we have to make in our regular operations.

I think the facts are clear, that the authorities have spent some money heretofore appropriated for starting this canal. They admit that they have used something like $200,000 in preparing plans. If they have used more, this language will authorize them to take money from the $15,000,000 to reimburse the fund from which money has been drawn. I think that is a fair inference, and I think the facts are as stated.

Mr. DANAHER. Mr. President, will the Senator from Oklahoma yield to me?

Mr. THOMAS of Oklahoma. Yes.

Mr. DANAHER. Governor Ridley also testified, on page 54 of the House hearings, as follows:

> In other words, it is authority to do these things in connection with that particular work. Those things are necessary to have in this bill, in order to meet the Comptroller General's restrictions on the special authority to do things. You will find all these things in our regular Panama Canal Act, but since this has been separated this year into a separate item, contrary to the policy followed last year, we are just repeating that language.

The point is that the Senator from Colorado [Mr. ADAMS] has very aptly and very properly called attention to the mounting national debt. He has very properly called attention to the fact that the $45,000,000,000 debt-limit is likely to be exceeded. He has called attention to the fact that deficit after deficit has been incurred by departments, only to have them come here and ask us to make additional appropriations each year to meet those deficits. So, Mr. President, I was directing attention to the fact that, while it is true that in August of 1939 we authorized an addition to the Panama Canal, we never appropriated the $277,000,000 then authorized. Therefore we have always meanwhile had control of whether we would or would not appropriate the $15,000,000 which we were told last August would be needed during the first year to commence the work on the canal.

Let me say to the Senator from Colorado that I grant that, if we are going to have a new canal, it is necessary to have transportation, living quarters, and all the other things which normally are provided for in the Panama Canal Act. Governor Ridley is absolutely correct about that; but when the ordinary revenue appropriated under the Panama Canal Act to these several subdivisions has been depleted because the money has been used to pave the way in anticipation of a new Panama Canal, and we are now being asked to make reimbursement, I point out that someone under the Army Civil Functions Authority anticipated that the Congress necessarily would approve the new canal. The press is replete with the story that after the President took his spring fishing trip to the Cocos Islands, when he came back only to discover

that the House had stricken out this $15,000,000 item notwithstanding all the work that was being done and already had been done in the Panama Canal Zone, a very curious and a very odd situation developed. That is why we now are being asked to reimburse funds which have in part been depleted to the extent of $15,000,000, we are told, in anticipation of appropriating the $277,000,000.

That is all that is involved; and the word "reimbursement" was designedly and intentionally put in by the committee, or whoever drafted the language, in order to mean that funds which had been used are now to be restored to their original appropriation. Of course, the Comptroller General requires it. Of course, he will not approve the accounts if we do not make this reimbursement. Because I assume that we shall go forward with the additional locks, and that we shall appropriate for them, I assume that the reimbursement necessarily, as a matter of accounting and as a matter of law, should and must be made. I do, however, direct attention to the continued practice, year in and year out, of mounting deficits, of departments exceeding appropriations, and going ahead with work before the money is available, or before Congress passes on it.

That is all I have to say.

The PRESIDING OFFICER (Mr. WILEY in the chair). The Chair calls the attention of the Senate to the fact that while Senators have been discussing the amendment on page 14, no action has been taken on the amendment on lines 24 and 25, page 13. The question is on agreeing to that amendment.

The amendment was agreed to.

The next amendment of the committee was, on page 14, after line 8, to insert the following:

Construction of additional facilities—Panama Canal: For construction of additional facilities for the improvement and enlargement of the capacity of the Panama Canal, in accordance with the act approved August 11, 1939 (53 Stat. 1409), including reimbursement to the appropriations "Maintenance and Operation, Panama Canal," "Sanitation, Panama Canal," and "Civil Government, Panama Canal," in such amounts as the Governor of the Panama Canal shall from time to time determine to be additional costs incurred for the objects specified in said appropriations on account of the prosecution of the work; in all, $15,000,000.

Mr. LEE. Mr. President, I rise for the purpose of making a little clearer my attitude on the question raised by the Senator from Colorado [Mr. ADAMS] a while ago with respect to treachery within our own borders. The Senator made the statement that the United States is not in danger of attack. That may be true; I feel that there is a reasonable amount of accuracy in the statement. If that be true, it is because we have not let our national defenses down.

Mr. President, there may have been a time when I myself felt that if a nation attended to its own business on this earth it would have peace, and not be bothered; but if I ever held that opinion it has lately been removed from my mind. I have advocated from many platforms and in this forum the slogan, "Keep the United States out of war." I believe that is the sincere desire of every true American. But today we must add another phrase to that, "Be prepared to keep war out of the United States."

Ethiopia did not want war. The leaders of Ethiopia kept Ethiopia out of war, but they were not able to keep war out of Ethiopia.

The members of the Czechoslovakian Government kept that country out of war, but they were not able to keep war out of that nation.

China has been a peaceful nation since its beginning, which dates back to the dawn of history itself. China did not want war. China's only sin was a lack of preparation for national defense. China was not able to keep war out of her country.

Poland was an innocent country, so far as violating the rights of other nations was concerned. The charge was never made that Poland ever violated the rights of other nations. Poland's only failing was that she was not so strong as some of her military neighbors.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. ADAMS. Has the Senator overlooked the fact that the United States has been spending more money for defense purposes than has ever been spent by any nation in peacetimes; that the nations which were supposed to be prepared have not been spending anything approaching the amount we are spending this year, and that we are spending three times as much this year as we spent 5 or 6 years ago?

Mr. LEE. The Senator may be correct in that; and knowing his studious and scholarly attitude and his regard for facts, I am inclined to take his word for it; but the result is what counts. Can the Senator also rise in his place and say that our national defense in proportion to our wealth and our population and our place in the society of nations is equally as far advanced as that of other nations and the combination of other nations which could be and would be a threat to this country? If we pay more for the same amount of defense than other nations, that is too bad, and that is another question, one into which we should inquire.

But the question in which I am interested just now, and to which I am directing my attention, is, Do we have adequate defense and do we need these additional locks on the Panama Canal? The War Department says we need them. As a matter of fact, I think we need another canal. The War Department, judging from some of the statements of the Secretary himself, has indicated that it believes that we should have an additional canal. But enlarging the locks we have there now is second choice, merely a substitute for another canal.

Mr. ADAMS. Mr. President, I think the Senator is quite in error as to that.

Mr. LEE. I misused a word. Perhaps I should not have referred to enlarging the locks but have said building additional locks there.

Mr. ADAMS. I do not believe the Senator has listened to the statement of the chairman of the committee as to that. In substance, what is to be provided is a new canal over a very considerable section paralleling the Canal now there, using the same lake and the same cut, but a set of parallel locks, and a parallel canal for a very considerable distance.

Mr. LEE. Insofar as the present question is concerned, I am not interested in that. The question is exactly the same. It is whether we are going to make the Panama Canal adequate to provide a certain amount of protection against sabotage, in case there should be sabotage, which would make the present Canal unusable for the purposes of getting ships through it. There is no argument on that point.

The Senator seems secure in his thought and his feeling that sabotage and espionage possibilities are absolutely foreign to the United States. With that I do not agree. I can swell out my chest as far as anyone can when I speak the word "American." "There are no Americans over in Norway," or something to that effect, the Senator stated, "and," he continued, "the invaders were not dealing with Americans." I have just as much native pride in America as has anyone else, but, at the same time, we know that in every country some people may be found who cannot be trusted. That, however, is not exactly the point I am making. The danger comes, not from Americans, but from the infiltration of people from Germany, and people from Russia. I fully sympathize with the statement of Representative DIES, the chairman of the Dies committee, and I desire to give every encouragement and support to the work that committee is doing in tearing the mask from un-American subversive activities in this country. Personally, I think that about all we need to do is to let the light in, because, when the light is turned into the dark corners the rats disappear; they run. I am in full sympathy with that committee. I am in sympathy with the statement Mr. DIES made lately that he believes we should redefine the Monroe Doctrine and make it apply to the infiltration of enemies to our form of government, as in Mexico, where they could set up a puppet government, not by a military and open, frontal movement, but by an under-cover method. Mr. Hitler's way of working is by treachery, bribery, intrigue, and all the methods of indirection by which he can undermine what he cannot

directly overthrow. I think it is as great a threat to the Government of the United States to have some Latin-American government undermined by an infiltration of those in sympathy with the Nazi and Bolshevik governments, and set up there a base for those two governments, as it would be to have them move in down there with battleships.

We need not deceive ourselves. We pride ourselves on the solidarity of the Western Hemisphere. What does that mean, boiled down? It means, from a military standpoint, the United States of America. There is not a munitions factory south of the border. I believe I am correct in the statement that there is not a shipyard in the Western Hemisphere, outside of the United States, which can build a battleship. It all boils down to the United States. If we are to enforce the Monroe Doctrine, and I think it is time that we revitalize it by letting it be known that if Mr. Hitler steps his foot on this domain he will put it in a bear trap, and he will not be dealing with an old man with an umbrella. We should redefine the Monroe Doctrine by making it apply to the underhanded methods of penetration employed by Hitler.

Mr. President, I decidedly disagree with my good friend, that great patriotic Senator from Colorado [Mr. ADAMS], in his feeling of security, his feeling that it is impossible to have sabotage in this country. I think it would be relatively an easy matter to sabotage the present Panama Canal without bringing in a German battleship, or the battleship of any other country, and exploding the whole battleship there. One man in a key place could do it. The most amazing and unparalleled treachery in all history has just happened under our very eyes, and while we listened in on the radio.

Suppose that a month ago someone had risen in Norway and said, "We should purge our country, we should look out for spies and deceitful ones in high places." He would have been laughed off the stage, just as one is today when he rises and says there is danger. We have a tendency to say, "Oh, you have been seeing too many picture shows." I am not alarmed about it, but I think there is a point where complacency ends and stupidity begins.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. THOMAS of Oklahoma. The Senator referred to the fact that a German battleship might enter the Panama Canal and be exploded and do a vast amount of damage. Does not the Senator understand that a commercial ship, a passenger ship, even, or a tanker of any kind, from some neutral nation, in the regular course of business might secure passage through the Panama Canal?

Such a ship might contain a vast amount of merchandise. The merchandise might be in barrels labeled "vinegar," or some other liquid. It might be in cartons labeled "food" of some kind. It might be mislabeled. The barrels and cartons might contain high explosives. Yet to prevent that we would have to do one of two things, either close the Canal to commercial shipping or examine each particular carton. Of course that would be impossible to do. So under the present practice, either in wartime or while we are at peace, for that matter, a commercial ship or passenger ship might secure passage through the Canal, and at the most dangerous point might be exploded, in which event the Canal might be closed for an indefinite period—perhaps for months.

Mr. LEE. Mr. President, I thank the Senator, and I am sure what he has just said is true.

Pursuing the thought a little further, I wish to say that I think the Dies committee is doing a good work. They have already revealed to us that the Communists, for instance, operating through a direct connection with the Third Internationale, have set up an underground source of communication in this country. They have already planted in a number of colleges—7, I believe, in Massachusetts alone—their organizations, running from a membership of 25 to 60. They have "plants," that is 3 or 4 Communists, as they say, "developed members," which are planted in mass organizations. They get into key positions and guide operations. I am not alarmed by this. That happens, I suppose, all the time. But in days such as we are witnessing now, with half the world ablaze with war, and after having just witnessed the betrayal of a nation from within, I do not believe it is foolish for us to consider methods of turning the light on subversive activities.

Mr. President, we know that Adolf Hitler has stated that a policy of treachery would be adopted in penetrating into other countries. It is his philosophy to further his program by intrigue. It is not necessary to have all the people of a nation sympathetic to a particular form of government to enable such a program to succeed. We have the example of Norway, where only a few persons were used to further the German program, but those few persons were in key positions, and by the use of treachery and faked orders, the Germans were able to take that country almost without resistance.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks, a brief editorial from the Washington, D. C., Evening Star of Wednesday, April 17, 1940, under the heading "War by Intrigue."

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial is as follows:

[From Washington (D. C.) Evening Star, April 17, 1940]

WAR BY INTRIGUE

Nazi Germany's invasion of Norway, hailed at the time in Berlin as another convincing demonstration of the overwhelming power of the Reich's war machine, turns out to have been a rather shabby affair by whatever standard of decency one chooses to measure it. Norway, it now appears, did not succumb to Germany's military might, but was the victim of a campaign of intrigue which has few if any parallels in recorded history.

By the standard of results obtained—and that, after all, must be the final test in war—this latest adventure of Adolf Hitler's was an undeniable success. The principal Norwegian ports fell into German hands with hardly a struggle, and the government of King Haakon was forced to flee in confusion. As conquests go, this was an absurdly easy one, but it may well be doubted that the fighting men of the German Army can contemplate the manner of its achievement with any pride.

The true story of Norway's fall was published in the Star on Monday. That article, product of a splendid job of reporting by Leland Stowe, and since corroborated by other newspapermen, reveals that Norway, proud home of the Vikings, was literally handed over to the invaders by keymen in her own defense forces and a minority political group. Precisely how this was accomplished remains uncertain. Some of the traitorous Norwegians may have been converted to the Nazi ideology; others may have "sold out" their own country for a price.

But, to the extent that this shocking act of treachery has any direct bearing on the United States, the exact methods employed are relatively unimportant, the real significance lying in its value as a demonstration of the efficiency of the Nazi secret agents. Their accomplishment in Norway by no means indicates that they could hope for equal success in this country. Indeed, it requires a straining of the imagination to conceive even of a comparable attempt being made here, but that is beside the point.

The lesson for this Nation to learn from Norway's tragedy is that the Nazi agents are almost incredibly effective in their work, and there is a great deal that they might do to cripple this country should it become involved in war. On the basis of the demonstrated capacities of these agents, it would seem that the least any patriotic American should do is to refrain from protesting against or hampering in any way the entirely reasonable and legitimate efforts this Government now is making to safeguard the United States from subversive activities of all kinds.

Mr. LEE. Mr. President, I wish to add to my remarks an article which appears in today's edition of the Washington Evening Star. I call it to the attention of the Senate at this time, because it is so much in line with what I have just said.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEXICANS UNCOVER EVIDENCE OF PLOT TO FOMENT REVOLT—NAZI AND COMMUNIST AGENTS COOPERATING, SECRET POLICE SAY

MEXICO CITY, April 17.—Informed Government sources said that Mexican secret police had evidence of undercover activities of Nazi and Communist agents seeking to foment an uprising to divert American nations, particularly the United States, from any move to enter the European conflict.

They expressed confidence any such movement would be nipped at the start, however.

A spokesman for the German legation said that Germany certainly would not participate in any plot to overthrow a friendly government.

An executive of the secret police said, however, "We now have under surveillance a known Gestapo (German secret police) agent, believed to be in charge of all German espionage activity in Mexico. We have not moved against him yet because we are trying to untangle the web of which he appears to be the center."

This executive expressed belief that at least 100 Nazi agents and Mexican employees were working under orders of this key leader and that a number of skilled Communist operatives were collaborating.

Informed sources also said that Mexican troops were reliably reported to be patroling various sectors, including the Rio Grande, to prevent arms smuggling by various anti-Government political factions.

Mr. President, I wish to pursue a little further the thought on which I have been speaking, that is, that we are desirous of protecting American peace both from military attack, and from the attack of the insidious foe who would undermine what he cannot overthrow.

Because we are interested in peace, I believe we should be interested in the methods by which modern dictators attack nations. I believe a nation forewarned should be prepared. One of the Members of this body just called my attention to the following article, which appeared this morning in the Times-Herald:

"CONQUEST BY TREASON" WAS PREDICTED BY HITLER

H. V. Kaltenborn, broadcasting over N. B. C. last night his comment on the manner of Germany's seizure of Norway, called attention to Hitler's advance notice of how he would go about taking over neighboring nations through treason within.

He quoted from page 13 of the German-language edition of Hermann Rauschning's book, The Voice of Destruction, detailing his conversations with Hitler. Herr Rauschning declared the Fuehrer said to him:

"My declaration of war will consist in the sudden appearance of my troops in the capital of the enemy with which I am still at peace. They will wear the proper uniforms. They will march through the streets in bright daylight; no one will stop them. Everything has been prepared down to the smallest detail.

"They will march to the general staff headquarters; they will occupy the ministries and the parliament, and in a few minutes the leaders will have been removed. The army will be without its general staff. All political leaders will have been liquidated.

"There will be endless confusion, but for a long time I will have had contact with those men who will direct the new government, a government that suits my purpose. We can always find such men. We can find them in every country. We don't even have to buy them. They will come to us of their own accord. Pride, confused thinking, political animosity and egotism are their chief motives.

"We will have peace, and before that we will have war. I can guarantee the impossible is always possible."

Mr. President, in this regard I think there is a line of demarcation between a political party which advocates changing our form of government by extra-legal means and those political parties which advocate changes within the four walls of the Constitution, or by peaceful and legal means.

Thus, Herr von Quisling, who was set up as head of the puppet government in Norway, I suppose occupies about the same position there as does Fritz Kuhn, the head of the German-American Bund in this country. I suppose if it should happen that Herr Hitler were to move in on the Government of the United States he would have in mind to make Fritz Kuhn the head of the puppet government in this country, and I suppose that is the purpose for which he has organized the German-American Bund, and trained and drilled its members. I suppose the same thing is true with respect to communism in this country. No doubt the same purpose exists for organizing the Communist Party in America. Today it is an underground organization, with ramifications throughout the entire country. It is an organization which advocates the overthrow or change of our form of government, not by the methods prescribed by the Constitution, but by extra-legal methods, to use their own language.

Therefore, Mr. President, I insist that we safeguard our peace, not only by military preparedness, to which I subscribe and which I shall support, but also by turning the light into the dark corners and exposing subversive, un-American activities which have no other purpose than the destruction of democracy in the United States, and the establishment of some other form of government. I do not believe we owe such persons a job. I think every Communist who is on the pay roll of the United States Government, and every other person whose allegiance is to some other flag, should be discharged. I think we are tolerant enough to such persons when we allow them to live in the United States and to enjoy its freedom.

Mr. President, yesterday I attended the opening ball game in Washington, and I enjoyed it. I saw our President at the game, mingling with the citizens of this country. He was happy and they were happy. When I witnessed that scene I thought what a privilege it is to live in a great land of freedom, where the Chief Executive is permitted to enjoy that privilege of freedom. I contrasted our situation with that of the nations of Europe.

There the chief executive in such circumstances would have been surrounded by a great military force. There would not have been that free exchange of happiness that we have in this country. We must keep this country free in order that we may continue to be happy.

Eternal vigilance is the price of liberty. We must not go to sleep. I am not alarmed—far from it. On the other hand, when we see such things as are happening now, things which we do not read out of a book of mythology, but which are actually happening today, I think it is time for us to awake to the insidious methods of overthrowing governments which are being employed today.

A revolution could be started in a Latin-American country, I suppose, for about a million dollars, and then some dictator nation by giving aid to one side or the other could there establish a foothold. I have just read an article to the Senate which pointed out that such a thing is being attempted in Mexico now.

Mr. President, I think this is a good time for us to redefine the Monroe Doctrine and let it apply to infiltration and insidious methods of gaining a foothold in the Western Hemisphere. I think that is entirely appropriate at this time while we are considering means to strengthen our military fortifications.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 14, lines 9 to 19.

The Chair agreed to recognize the Senator from Massachusetts [Mr. LODGE].

Mr. TOWNSEND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Schwellenbach
Ashurst	Ellender	La Follette	Sheppard
Austin	Frazier	Lee	Shipstead
Bailey	George	Lodge	Slattery
Bankhead	Gerry	Lucas	Smathers
Barbour	Gibson	Lundeen	Stewart
Barkley	Gillette	McCarran	Taft
Bone	Glass	McKellar	Thomas, Idaho
Bulow	Green	McNary	Thomas, Okla.
Burke	Gurney	Maloney	Thomas, Utah
Byrd	Hale	Mead	Tobey
Byrnes	Harrison	Minton	Townsend
Capper	Hatch	Murray	Truman
Caraway	Hayden	Neely	Tydings
Chandler	Herring	Norris	Vandenberg
Chavez	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Connally	Holt	Pepper	Walsh
Danaher	Hughes	Reed	Wheeler
Davis	Johnson, Calif.	Russell	White
Donahey	Johnson, Colo.	Schwartz	Wiley

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. NORRIS. Mr. President, I was not seeking recognition. I was about to suggest the absence of a quorum to accommodate the Senator from Massachusetts [Mr. LODGE], who, I am told, desires to speak on this subject. He is not present. I do not desire recognition.

Mr. MCNARY. Mr. President, I think an error has crept into the proceedings. The Senator from Massachusetts [Mr. LODGE] desired to confine his remarks to an amendment which will be offered by the Senator in charge of the bill [Mr. THOMAS of Oklahoma].

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 14, after line 8. [Putting the question.] The ayes seem to have it.

Mr. ADAMS. Mr. President, I ask for a division.

On a division, the amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 15, line 14, before the word "to", to strike out "$30,098,771" and insert "$44,248,771", so as to read:

Total, Panama Canal, $44,248,771, to be available until expended.

The amendment was agreed to.

The next amendment was, on page 16, after line 20, to strike out:

SEC. 2. No part of any appropriation contained in this act shall be used directly or indirectly after January 1, 1941, for the payment of any civilian for services rendered by them on the Canal Zone while occupying a skilled, technical, clerical, administrative, or supervisory position unless such person is a citizen of the United States of America.

And insert in lieu thereof:

SEC. 2. No part of any appropriation contained in this act shall be used directly or indirectly after May 1, 1941, except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: *Provided, however,* (1) That at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (2) that nothing in this act shall prohibit the continued employment of any person who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone; (3) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions, the controlling factors in filling these positions shall be efficiency, experience, training, and education; (4) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act shall (a) normally be employed not more than 40 hours per week, (b) shall receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 percent.

Mr. THOMAS of Oklahoma. Mr. President, the senior Senator from Kentucky [Mr. BARKLEY] desires to make some observations on section 2. I see he is now present.

Mr. BARKLEY. Mr. President, I have received a letter from the Secretary of War concerning the provisions of section 2, and I ask that it be read by the clerk.

The PRESIDING OFFICER. The letter will be read.

The Chief Clerk read as follows:

WAR DEPARTMENT,
Washington, April 12, 1940.

Hon. ALBEN W. BARKLEY,
United States Senate, Washington, D. C.

DEAR SENATOR BARKLEY: My attention has been called to the amendment of section 2 of the War Department civil-functions appropriation bill for the fiscal year 1941 (H. R. 8668) by the Senate Committee on Appropriations in Report No. 1397, and to the additional amendment to section 2, which Senator MCCARRAN intends to propose on the Senate floor.

Section 2 of the bill as reported by the committee would prevent the employment on the Canal Zone of all persons other than citizens of the United States or of the Republic of Panama, in skilled, technical, clerical, administrative, executive, and supervisory positions, except for temporary employment in emergencies, with a proviso which would authorize the continued employment of persons who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone.

The proposed legislation would add greatly to the costs of maintaining, operating, improving, and defending the Canal without securing commensurate advantages. Owing to the high costs of recruiting, transporting, and maintaining American citizens for work in the Canal Zone, the additional costs that would have to be incurred under this legislation would be more than sufficient to employ an equal number at good wages in our own country, where none of the unfavorable climatic and other adverse conditions that prevail in the Canal Zone would be encountered.

The additional costs of replacing a large number of employees are well set forth in a detailed analysis made in 1935 by the Panama Canal to determine the cost of replacing a specified group of native tropical workers with Americans. The analysis dealt with a proposal to employ 3,144 additional Americans. It showed that the capital expenditure necessary to provide the requisite housing, hospital, school, and municipal facilities would amount to $26,525,000, or, in round figures, $8,400 per new American employee, and that the continuing annual cost thereafter would be approximately $5,350,000. This estimate is conservative.

The amounts included for the Panama Canal in the War Department civil-functions appropriation bill do not cover these additional costs. In order to provide the housing and other necessary facilities by May 1, 1941, the date section 2 of the bill would become effective, it would be necessary to begin their construction as soon as practicable and to prosecute it vigorously. While an expenditure of $25,000,000 or more would be required eventually, at least $10,000,000 should be included in the pending appropriation for the Panama Canal for the construction of such part of the necessary quarters and other facilities as it is reasonably practicable to provide by May 1, 1941. An increase of $1,000,000 should also be included to cover the increased operating costs during the last 2 months of the fiscal year 1941. The funds required for carrying the construction of the necessary housing and facilities to completion and for meeting the increased costs of operation can be submitted in the regular estimates for 1942 and subsequent fiscal years, but the initial appropriation for beginning the work should be provided in the pending bill.

The amendment intended to be proposed by Senator MCCARRAN, which constitutes new legislation not necessary for the purposes of the appropriation measure, would extend these uneconomical and undesirable effects to the Panama Railroad and would jeopardize the sound economic status of that self-sustaining corporation.

I believe it would be preferable to defer this legislation for very careful consideration of all its effects; but if it is to be enacted now, the appropriation should be increased as suggested conservatively above.

Sincerely yours,

HARRY H. WOODRING,
Secretary of War.

Mr. THOMAS of Oklahoma. Mr. President, I think I should make a brief statement before the Senator from Kentucky [Mr. BARKLEY] makes his observations.

Mr. BARKLEY. If the Senator will permit me, I know nothing about this matter except what is contained in the letter of the Secretary of War. I am not certain whether the letter of the Secretary is to be construed as opposing the Senate committee amendment with respect to the Panama Canal proper or whether it is to be regarded as fundamentally opposed to the entire proposal. I am simply suggesting that if the committee amendment is adopted, we should increase the appropriation by $11,000,000 so as to provide for the additional cost. I have talked with the Secretary of War since I received the letter, and I explained to him the difference between the House provision and the amendment of the Senate committee, which he already understood. Regardless of the action of the Senate in this matter, it is the view of the Secretary of War—and I suppose it is beyond question that he is correct about it—that if this amendment is agreed to it will ultimately require an additional $26,000,000 cost, ten or eleven million dollars of which he thinks ought to be included in this bill. The House bill, as I understand, prohibited absolutely the employment of anybody on the Canal Zone except citizens of the United States; and that provision is a violation of our treaty with the Panama Republic.

Mr. THOMAS of Oklahoma. That is hardly correct, for the prohibition related to employees in the higher brackets.

Mr. BARKLEY. Yes, to those in the higher brackets. I do not mean the cheaper labor—what are called the silver employees. I believe there is a difference between them.

Mr. THOMAS of Oklahoma. The House provision applied to all the "gold" employees.

Mr. BARKLEY. There are "silver" and "gold" employees, the silver employees being those who are paid in silver, the result of which is about a 50-percent payment as compared to those who are paid in gold, and the "silver" employees encompass the lower brackets of employees on the Panama Canal. The Senate committee has tried to work out an amendment that would not be in violation of the treaty between our country and Panama. Undoubtedly the House provision would cost more than the Senate amendment, if I am correctly informed.

The Senator from Oklahoma, I am sure, is in possession of all the facts, and I should like to have him comment on the effect, based on his information and the hearings before the committee, as well as the Secretary's letter, of the provision of the amendment of the committee pertaining only to the Panama Canal proper, and also differentiating between that and the extension of this provision to the Panama Railroad, which is a corporation organized under the laws of the State of New York, which receives no subsidy, as I understand, from the Government, and which operates not only the railroad on the Panama Canal Zone but also operates the ships that ply between the United States and the Canal Zone.

Mr. THOMAS of Oklahoma. Mr. President, section 2 as contained in the House bill, and likewise section 2 embodied in the amendment suggested by the committee amendment, have to do with the Canal Zone. The Canal Zone is a narrow strip of land across the Isthmus of Panama. The United States acquired it by lease and not by purchase. As I recall, the lease is for 99 years, which makes the Canal Zone, in effect, American territory. For many years we have been expending large sums of money in the Panama Canal Zone. During these years a controversy has arisen between American labor and the labor working on the Canal Zone. Because the Canal is in a tropical climate and because at the inception of the work of the construction of the Canal it was necessary to obtain labor that could withstand that climate, a great number of residents of tropical countries were employed. They came from the Republic of Panama, from the West Indies, and other contiguous countries, and as a result a good number of those men are still located at Colon and at Panama City, and they work on the Canal Zone.

Because of this labor controversy, because American labor is demanding that they be given the good jobs in Panama, the jobs in the higher brackets, the so-called skilled positions, and because the authorities in Panama have refused to discharge Panamanians and those from the West Indies who are not American citizens, but who are trained, faithful employees, skilled, in a way, whose labor has been satisfactory on the Canal Zone, this amendment was brought before the House.

The House amendment provides that all these positions shall be available only to American citizens, and, if the House provision should obtain and should be incorporated into the law, then, after a certain day—that is, when the bill becomes operative—no funds from this appropriation would be available for the payment of certain salaries, the result of which would be, in effect, to discharge the Panamanians and Dominicans and other West Indian labor that now have jobs on the Canal in the higher brackets.

A few years ago—I do not have the exact date—the United States and the Republic of Panama entered into a treaty covering a great number of instances and circumstances and points in controversy. In the ratification of that treaty, and preliminary to its ratification, a number of notes were exchanged. On March 2, 1936, our Secretary of State, Mr. Cordell Hull, sent a note to the members of the Panamanian Treaty Commission, and, as the note is very brief, I ask that the entire note, as found on page 56 of the publication known as Treaty Series No. 945, be included in the RECORD in full.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

DEPARTMENT OF STATE,
Washington, March 2, 1936.

SIRS: With reference to the representations made by you during the negotiation of the treaty signed today regarding Panamanian citizens employed by the Panama Canal or by the Panama Railroad Co., I have the honor to state that the Government of the United States of America, in recognition of the special relationship between the United States of America and the Republic of Panama with respect to the Panama Canal and the Panama Railroad Co., maintains, and will maintain as its public policy, the principle of equality of opportunity and treatment set down in the order of December 23, 1908, of the Secretary of War, and in the Executive orders of February 2, 1914, and February 20, 1920, and will favor the maintenance, enforcement, or enactment of such provisions, consistent with the efficient operation and maintenance of the Canal and its auxiliary works and their effective protection and sanitation, as will assure to Panamanian citizens employed by the Canal or the railroad equality of treatment with employees who are citizens of the United States of America.

Accept, sirs, the renewed assurances of my highest consideration.

CORDELL HULL.

The Honorable Doctor RICARDO J. ALFARO,
The Honorable Doctor NARCISO GARAY,
Members of the Panamanian Treaty Commission,
Washington, D. C.

Mr. THOMAS of Oklahoma. This note states that the United States "maintains and will maintain as its public policy the principle of equality of opportunity and treatment set down in the order of December 23, 1908, of the Secretary of War, in Executive orders of February 2, 1914, and February 20, 1920."

Those orders are to the same effect, that in our relations with Panama with regard to work on the Panama Canal the United States "maintains and will continue to maintain as its public policy the principle of equality of opportunity and treatment."

In order that the RECORD may be more complete, I ask unanimous consent that, in connection with my statement, the orders of the Secretary of War and of the President found on page 7 of the Senate committee report be placed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The orders referred to are as follows:

The order of the Acting Secretary of War dated December 23, 1908, which gave to citizens of Panama the opportunity for employment in the skilled positions, stated as follows:

"On and after this date, the employment by the Isthmian Canal Commission of skilled laborers, clerks, and all others who have heretofore been known as gold employees of the Commission shall be restricted to American citizens and citizens of Panama * * *."

This policy was extended and amended as follows in an Executive order dated February 2, 1914, which stated:

"All employees who receive over $75 per month or over 40 cents per hour must be citizens of the United States or the Republic of Panama, and such citizens will be given preference for employment in all grades. * * *"

Similarly, the Executive order of February 20, 1920, provided that—

"All employees who receive compensation at the rate of more than $960 a year or 40 cents an hour, must be citizens of the United States or the Republic of Panama, and such citizens will be given preference for employment in all grades." The above-quoted order and Executive orders provided Panamanians the desired equality of opportunity for employment and treatment in employment in skilled positions from 1908 to March 2, 1936, when, as previously stated, we undertook a commitment in an exchange of notes attached to the new general treaty to continue this opportunity.

Mr. THOMAS of Oklahoma. Mr. President, if the House provision should finally be incorporated into this bill, it is contended by many that such a provision would be a violation of the treaty between the United States and the Panama Republic, and that at this particular time the breaking by us of a treaty to which we are a party would not be for the best interest of our own Republic. At a time when strong and powerful nations are attacking weaker nations and conquering them at will, it is not thought advisable that we should countenance, much less suggest, that the United States should break one of its treaties, even though it be with a weak nation, not singling out the Panama Republic, although it is well known that the Republic of Panama is not a strong nation financially and has practically no defense of its own. In South America and Central America there are many nations that have practically no defense whatever. I think Nicaragua has an army of less than 500; I think Costa Rica has an army of only a few hundred; and none of the Central American republics have armies of any considerable size, and such small armies as they have are poorly equipped; they are not uniformed very well and are not adequately supplied with guns and ammunition. So it is recommended by the Senate committee that the breaking of this treaty with the Panamanian Republic be not countenanced.

In the committee the question was discussed at some length, and numerous suggestions were made as to how we could do full justice to the American taxpayers and American labor, at the same time do full justice to the Panamanians, and at the same time not break or void this treaty. The suggestions which were submitted to the committee were sent to the Secretary of State or to the State Department, and after a few days' consideration the State Department sent back the text as it is found in the Senate committee amendment. So the recommendation of the committee is that section 2 in the form in which it appears in the bill as reported to the Senate be substituted for section 2 of the House bill, for the reason, first, that the House section would violate the treaty, and we think section 2 as embodied in the Senate amendment would not violate the treaty and would afford to organized American labor practically all it demands.

The Senate committee is in entire sympathy with the demands made by those who are sponsoring section 2 as

embodied in the Senate amendment, and likewise section 2 as embraced in the House amendment; but, for the reasons stated, the Senate committee is not willing to recommend the adoption of section 2 as found in the House bill, but is recommending the substitution of section 2 as found in the committee report.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Kentucky.

Mr. BARKLEY. I fully appreciate, as the Senator knows, not only in regard to this bill but in regard to previous measures pertaining to the Panama Canal, the desire of Americans to be employed there in preference to citizens of other nations when American labor is available and desires to go down to the Canal Zone for employment. Of course, we are under no particular obligation to the citizens of any other country outside of Panama; and I can very well understand the reasons for not desiring, not only at this time but at any time, to violate the treaty between the United States and Panama. We obtained that strip of territory, 10 miles wide, from the Republic of Panama under circumstances that certainly were to the advantage of the United States, and the subsequent agreements which have been entered into between our country and Panama ought to be kept under all circumstances.

The point of this matter is, it seems that the Secretary of War is considerably concerned about the increased cost, and also whether the increased cost ought to be taken care of in this bill. He recommends an increase of $11,000,000 in this bill for the additional cost of going down there and building housing facilities which will have to be constructed if the American citizens who may be available for work there are sent down to the Canal Zone. All the buildings in the Canal Zone, as the Senator knows, belong to the United States. There is no such thing as private ownership of property within the Canal Zone. All these housing facilities are owned by the Government. What is the Senator's suggestion with respect to the additional appropriation needed if this amendment is adopted, even in the form in which it has been reported by the Senate committee?

Mr. THOMAS of Oklahoma. The testimony before the Senate committee showed that some of our workers who go to Panama, and get jobs, find housing facilities on the east coast at Colon and adjacent points, and on the west coast at Panama City and adjacent points. No facilities are available on the Zone proper at the present time for housing additional workers. If any such facilities are available, they are inconsequential.

So, if this amendment should be agreed to, and labor should take the chance of going to Panama to get jobs, and if they secured positions, they would have to put up with the accommodations they could find there at that time. The United States, by adopting this provision, does not thereby agree to build mansions, or even any other sort of housing, for the additional laborers who may go down there. Of course, we presume they will be provided with suitable and satisfactory living quarters; but this section does not require us to build housing establishments to take care of the increase.

I take it that no laboring man would go to Panama unless he had his housing facilities taken care of in advance. He would not go down there now, not knowing whether or not there is any place in which he might live. But we have agencies of the Government and agencies of the American Federation of Labor, for example, which are fully advised as to the housing conditions; and I am sure no laboring man would be required to go to Panama unless he could be advised in advance and unless he were advised in advance of the housing he could expect. Laboring men would not have to take their families in the first instance; and, of course, a single man could much more easily find accommodations than could a man with a family.

There are three bills in which to deal with this subject. This is the first one, the bill dealing with the civil functions of the War Department. The second is the regular Military Establishment bill, which will come along later on. The third is the Navy Department bill. Each of these three bills will carry funds for the employment of labor. It is my understanding and my judgment that each of these three bills should carry exactly the same provision with regard to this identical question; so whatever is agreed to in this bill will probably be the model to be carried in the Navy bill and to be carried in the regular War Department bill. After we have agreed, if we shall, upon a section, we can then agree as to the housing necessities; and after the section is agreed to, and we see what ought to be done in good conscience to take care of the additional American citizens who may go to Panama, then in some deficiency bill which will come along hereafter, if it is desired, we may include an item to take care of housing, if we shall have agreed upon a uniform section.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. BARKLEY. May I ask the Senator a question? The Senator has stated that no housing facilities are now available for an increased number of Americans who might go from this country to the Panama Canal Zone. Inasmuch as we are starting the construction of a third set of locks, costing some $277,000,000, I assume that the demand by American citizens for positions in the Panama Canal Zone will probably be greater than it has been for some time, due to our own unemployment situation. While there may not be any houses available, I understand that there is, within the Canal Zone, territory which is available for the construction of additional houses, if necessary.

Mr. THOMAS of Oklahoma. There is no doubt about that.

Mr. BARKLEY. So it may be necessary, although there is no moral or legal obligation on the part of the Government, to build additional houses. I think experience there has shown that it turns out to be necessary to do it, because inasmuch as the Government is furnishing the housing facilities for most of those who are now employed there, especially American citizens, probably it would be required to do the same thing for any others who might go there.

I realize that until this matter goes to conference and it is determined how the language will be worked out it is difficult to know exactly the amount that will be required.

Mr. THOMAS of Oklahoma. With the Senator's permission, I will read one answer by Governor Ridley upon this particular point. The Senator from Arizona [Mr. HAYDEN] asked him as to the number of American citizens now employed in Panama. I will read both the question of the Senator from Arizona and the reply of Governor Ridley:

Senator HAYDEN. The point I want to make, though, is this: In your present administration do you employ American citizens in skilled, technical, clerical, administrative, and supervisory positions? Are all those positions occupied by Americans?

Governor RIDLEY. No; but, as I said, we cannot tell which ones there are, or how many, until we make a detailed survey to see how this law affects them. The proponents of the bill have stated that we are employing from 3,500 to 5,000. We cannot tell how many there are until we make this survey. It is impossible to say.

Apparently the authorities there do not know at this time just how many American citizens are employed in the Panama Canal Zone work; and until this section is agreed to, until they have a survey, and until they consider the condition of housing there now, they will not be able to say how much it will cost to provide facilities to take care of the increase.

Mr. BARKLEY. One further question: This amendment provides, practically, that the number of employees in the higher brackets shall be equally divided between the United States and the Panama Republic; that is, it provides that the number of Panamanians shall not be greater than the number of American citizens.

Mr. THOMAS of Oklahoma. I should like to make a statement at that point, if I may. This section does not provide that Panamanians shall have half of the better jobs. It does provide that not to exceed one-half of all the employees of the Panama Canal Zone shall be Panamanians. The inference is that most, if not all, of the good jobs shall be given to Americans.

Mr. BARKLEY. I understand.

Mr. THOMAS of Oklahoma. And that the other jobs—the real labor jobs—shall be available to Panamanians.

Mr. BARKLEY. But if it should turn out, after making a survey, that the Panamanians do hold practically half of the jobs, then the only persons who would be discharged would be citizens of other countries than the United States and the Panama Republic; and the Senator does not know how many those would be.

I gather from the Senator's remarks that he would not be willing to offer or to accept an amendment to the bill providing the sum of $11,000,000 suggested by the Secretary of War as necessary even under the language of the Senate committee amendment. Is that a correct statement?

Mr. THOMAS of Oklahoma. Mr. President, it is my belief that the Secretary of War was arguing against section 2 as it is in the House bill, and that he was not arguing against the section as the committee recommends it. I myself should not be willing to include in this bill any money for housing purposes until after we have agreed upon a section, and until after the responsible authority makes some definite recommendation on the section that will be agreed to.

Mr. BYRNES. Mr. President——

Mr. THOMAS of Oklahoma. I shall be very glad now to yield to the Senator from South Carolina, who has charge of the Navy bill.

Mr. BARKLEY. One other question at that point.

The letter of the Secretary of War refers to the Panama Railroad. I do not see in the amendment, as reported by the Senate committee, anything pertaining to the Panama Railroad; and that probably is an amendment in contemplation by the Senator from Nevada [Mr. McCARRAN].

While I am on my feet, what is the Senator's reaction to the proposal of an amendment making the same provision apply to the Panama Railroad, which operates ships between New York and Norfolk and other points in the United States and the Panama Canal Zone?

Mr. THOMAS of Oklahoma. Mr. President, there are at least four organizations in the Panama Canal Zone. One is the Canal Zone Authority proper. That is under the Governor of the Panama Canal. Then there is the War Department, another separate institution. Then there is the Panama Railroad, another institution. Then there is the Navy Department. I think no two of these departments have the same rules and regulations relating to their labor.

It is my judgment that American labor should be treated equally, and if there are American laborers working for the railroad, American laborers working for the Navy, American workers working for the Canal Zone authorities, or working for the War Department, they should have equal treatment. So far as I am concerned, I shall support amendments which will give the railroad workers and the Navy workers and the War Department workers and the Canal Zone workers exactly the same treatment. If amendments are offered, so far as I am concerned, not as chairman of the committee, but for myself personally, I shall vote to give them equal treatment.

Mr. BARKLEY. Mr. President, I realize the impossibility of securing an additional appropriation in this bill against the opposition of the committee, but would it be possible to make the necessary provision in a deficiency bill if the final conference on the three bills referred to by the Senator should make necessary additional appropriations, in order to make up the difference between what is paid American labor and what is paid the labor of other countries in the Panama Canal Zone, including the civil functions provided for in the regular War Department appropriations, the Navy appropriations, and the others even including those for the Panama railroad, which draws no subsidy from the Government, which is a private corporation organized under the laws of New York, the Government owning all the stock except one share? I appreciate the force of the Senator's suggestion that it would require more of an appropriation to make up the difference between the receipts of the Panama Railroad and the amount expended by it, but would it be feasible to include such an increase for all these services in the deficiency bill which will come in later, if it is found to be necessary?

Mr. THOMAS of Oklahoma. Mr. President, the deficiency bill will be under the jurisdiction of a subcommittee presided over by the senior Senator from Colorado [Mr. ADAMS], and I could not speak for that subcommittee. But if it is found necessary, in the discharge of our obligations to our own citizens in Panama, to provide money for housing purposes, speaking for myself alone, I should vote for that kind of an item, not now, but in connection with a deficiency bill.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BYRNES. Mr. President, the letter of the Secretary of War concludes with the request that Congress defer this legislation for careful consideration of all its possible effects. The Committee on Appropriations has given most careful consideration to the matter, and I suggest to the Senator from Kentucky that it would be unnecessary and unwise to attempt to include an appropriation for this subject in the pending bill, because since I rose to ask the Senator to yield to me it has been developed that in the Navy appropriation bill, which is to follow, the same language is included, and it is the unanimous opinion of the Committee on Appropriations that whatever language is determined upon by the Senate in connection with the pending bill should be included in the other bills seeking to effect the same remedy.

The letter of the Secretary of War indicates to my mind that he has not been able to give to this matter the consideration which it deserves, and which he appreciates it would require. In the very nature of things the Senator from Oklahoma cannot tell, nor could I, as the chairman of the Subcommittee on Naval Appropriations, how many employees would be affected. For instance, the Secretary asks that an appropriation of a million dollars be included to provide increased compensation to employees from May 1. It is impossible at this time to tell how many American workers would take advantage of the opportunity to go to Panama to accept this employment. It would be impossible for us to tell that until sometime next year, and in the deficiency bill then that could be provided for.

As to the housing proposal, it was our thought in the Committee on Appropriations that we should give very careful consideration to the question of having some other organization of the Government, such as the United States Housing Administration, provide such quarters as might be necessary. Instead of having the Army provide quarters of some kind and the Navy provide quarters of some kind and the Panama Canal Railroad provide different quarters, we felt that a policy should be determined upon and the rentals be fixed, and that the matter should be handled in a businesslike way, which could be done only by the committee taking it up and considering it as a whole. It will have to be looked into, but I think that from the standpoint of housing it would not be wise to provide for the matter in connection with the pending bill, before the legislation has ever been agreed upon. The conferees might not agree to it hereafter, and we can well await the adoption of the language by Congress, and then have a hearing, and determine how the housing shall be provided, and how much shall be invested in it.

On the other question, it is argued by the representatives of labor, with considerable conviction to my mind, that the American skilled worker will be able to do a great deal more work in the same time than the Panamanian worker. If that be true, it would be worth while investigating for how many it would be necessary to provide, whether the guess of the Secretary of War is correct, that a million dollars would be necessary for 2 months. That matter has not been gone into. It has been argued to the committee, and argued by the Senator from Nevada, I think, and his statement certainly impressed me, that in considering the cost we must not forget that if we transport to Panama American workers who are out of jobs in the United States to take jobs there it would be essential to provide them with W. P. A. employment here if they were out of jobs.

I hope the Senator will not agree to accept an amendment at this time, but will wait until the legislation is adopted by the Congress, and let us devise a plan then for the Navy, the Army, and the Panama Railroad.

Mr. SCHWARTZ. Mr. President, the testimony before the Committee on Military Affairs has demonstrated that American labor would produce twice, and possibly two and a half

times as much, what would be produced by native labor from the adjoining islands. Consequently, when it comes to the question of transporting laborers we would be transporting one American citizen from here to the Canal, and if we used the labor from the adjacent islands as against him we would be transporting and bringing back two and a half times as many.

Mr. BARKLEY. Mr. President, what I am concerned about is not that we may employ too many Americans. I am very sympathetic with the suggestion that any American laborer who wants to go to Panama should be given a chance to be employed there and at proper wages. I am somewhat concerned about the possibility of luring American workmen to the Canal Zone and then, when they get there, have them find that there are not sufficient housing facilities to take care of them. We all know how drowning men grab at straws, and with the conditions now existing, with the number of men unemployed, there is a certain fascination and allurement in the idea of building more locks in the Panama Canal, with the possibility of a great many people rushing down there to get jobs and finding when they get there that the housing facilities are not adequate.

I think we should keep in mind the necessity for providing for these things, not only providing adequate compensation but not having any new employees go there and be compelled to live under conditions which are not on a level with those of the laborers who are there now and who have been there for a number of years.

Mr. SCHWARTZ. Mr. President, as I understand, the situation with reference to the possible employment of American skilled labor is that the Army will contact committees of the American Federation of Labor, particularly of the skilled branches, and they in turn will make available labor for the Canal Zone to the extent to which it does not now exist. The labor unions are not going to send their men there unless they have ascertained previously that it will not be a wild-goose chase.

Mr. LA FOLLETTE. Mr. President, as I understand, no persons go to the Zone now unless they first fill out applications and have them approved by the authorities. Furthermore, it seems to me very unlikely that persons would be in a position to make the long and expensive trip to Panama unless they were assured of employment. I think we need not be apprehensive that there will be any great influx of unemployed American citizens into the Panama Canal Zone unless they are certain of employment after they reach there.

Mr. THOMAS of Oklahoma. Mr. President, on this point I think I should state that all the authorities in Panama are against the House provision, and also against the Senate committee substitute. The Canal government, the railroad authorities, the Navy Department, and the War Department, each expressed opposition to the House provision, and I am sure their opposition would go to the Senate committee substitute. It is my own interpretation, not speaking for the committee, that the excessive and additional expenses of transportation and housing, running into millions, are used by some of the witnesses as an argument against the section, rather than as an appeal for funds in the event the section is agreed to.

Mr. VANDENBERG. Mr. President, I wish to ask the Senator from Oklahoma for information, one further question regarding the language at the end of section 2. Is this proposal for a 25-percent increase in pay differential a new factor that is introduced into the situation?

Mr. THOMAS of Oklahoma. No, Mr. President; it is in existence now, and has been for a long time.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 17, beginning with line 21.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 218) to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6039) to amend laws for preventing collisions of vessels, to regulate equipment of certain motorboats on the navigable waters of the United States, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3800) to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. JONES of Texas, Mr. FULMER, Mr. DOXEY, Mr. HOPE, and Mr. KINZER were appointed managers on the part of the House at the conference.

The message requested the Senate to return to the House the bill (S. 2661) to create a board of inspectors, Bureau of Marine Inspection and Navigation, at Miami, Fla., together with the accompanying message.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes.

Mr. McCARRAN. At this time I ask to have stated an amendment with respect to which there must be a suspension of the rule.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the committee amendment, on page 18, after line 4, it is proposed to insert the following:

(5) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government.

The PRESIDING OFFICER. It seems to the Chair that the Senator's amendment conflicts with the committee amendment which has just been agreed to, and that it would be necessary to have the vote by which the committee amendment was agreed to reconsidered.

Mr. McCARRAN. My amendment, which was just read at the desk, is a part of the amendment offered in the committee, and I think I am at liberty to say that the language of my amendment would have been adopted by the committee together with the remainder of the amendment had it not been considered to be legislation.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. THOMAS of Oklahoma. The amendment offered by the Senator from Nevada was agreed to by the committee, and he is authorized by the committee to offer the amendment to the committee amendment on behalf of the committee. But because it does contain legislation it could not be reported by the committee. It had to be offered by the Senator and voted upon on the floor. Unless some Senator makes a point of order, there is no occasion for suspension of the rules, but in the event a point of order is made we must admit it is legislation, in which event proper notice has been served for suspension of the rule.

The PRESIDING OFFICER. Without objection, the vote by which the committee amendment dealing with section 2, beginning with line 21, page 16, was agreed to is reconsidered. Without objection, the amendment offered by the Senator from Nevada [Mr. McCARRAN] to the committee amendment is agreed to, and without objection, the committee amendment, as amended, is agreed to.

Mr. THOMAS of Oklahoma. On behalf of the committee I offer the following amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill under the caption "Construction of additional facilities—Panama Canal", and insert the following:

and, in addition, the Governor of the Panama Canal may, when authorized by the Secretary of War, make or authorize the making of contracts prior to July 1, 1941, for or on account of the construction of such additional facilities, to an amount not in excess of $99,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, on behalf of the committee, I desire to offer another amendment. This amendment is the one in which the junior Senator from Massachusetts [Mr. LODGE] is interested. If he can be reached, he may want to discuss the amendment in the event it is objected to on the floor of the Senate.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma on behalf of the committee will be stated.

The CHIEF CLERK. On page 9, line 9, after "Chief of Engineers", is is proposed to insert a colon and the following:

Provided further, That the local flood-protection works at Hartford and East Hartford, Conn., and Springfield, West Springfield, Chicopee, Holyoke, and Northampton, Mass., authorized by the Flood Control Act approved June 28, 1938, shall be constructed in accordance with the revised plans and cost estimates described in House Document No. 653, Seventy-sixth Congress, third session.

Mr. MALONEY. Mr. President, I wish to offer a correction, with the approval of the Senator from Massachusetts [Mr. LODGE]. The amendment, as offered, is proposed to be inserted on page 9, line 9. I think that ought to be changed to read, "at the appropriate place in the bill."

The PRESIDING OFFICER. Without objection, the change suggested by the Senator from Connecticut will be made, and without objection, the amendment is agreed to.

Mr. THOMAS of Oklahoma. Mr. President, on my own motion I offered an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. At the proper place in the bill, under the caption, "Flood control, general," it is proposed to insert the following:

"*Provided further*, That the additional sum of $28,000,000 is hereby authorized to be appropriated for continuing construction of the comprehensive plan for flood control and other purposes in the Arkansas River Basin as authorized in the Flood Control Act approved June 28, 1938: *Provided further*, That the additional sum of $13,000,000 is hereby authorized to be appropriated for continuing construction of the comprehensive plan for flood control and other purposes in the White River Basin as authorized in the Flood Control Act approved June 28, 1938."

Mr. THOMAS of Oklahoma. Mr. President, I think I should present a brief statement in support of this amendment.

In 1938, the Congress passed what is known as the comprehensive plan for the control of floods, with special reference to the Mississippi River, the Missouri River, and their tributaries. In that act a limitation of $21,000,000 was placed upon the construction of flood-control works on the Arkansas River, and of $25,000,000 on the White River. These two rivers furnish much of the flood water which eventually reaches the Mississippi River.

The Board of Army Engineers have initiated projects which are now under construction, and which will exhaust the money which has been appropriated. It is not proposed by this amendment to authorize any new construction. It is proposed only to raise the ceiling so that in the future the Board of Engineers may formulate a program and ask Congress to appropriate money for special purposes already authorized.

This bill carries no money for such purpose, and none will be asked in this Congress. If next year the Board should ask for certain flood-control works on the White River in Arkansas, extending into Missouri, and on the Arkansas River, extending through Arkansas, Oklahoma, and Kansas into Colorado, the Congress could then consider such requests.

I have had handed me today a statement of flood waters in the Arkansas River Valley. The Weather Bureau, as of this date, reports as follows:

April 17: Heavy rains occurred in Oklahoma and Kansas yesterday and are continuing today. The disturbance consisted mainly of local thunderstorms, but in certain localities the precipitation was very heavy. In the Neosho River basin, approximately halfway between Wichita, Kans., and Kansas City, eight inches were reported, which will no doubt cause flooding on the lower Neosho River.

Mr. President, the Neosho River flows into the Arkansas, and, of course, eventually that flood will reach the Arkansas River. It is intended to give the Board of Engineers the power and the opportunity of recommending next year to the Congress such projects as they think should be started next year. When, and if recommendations come in, it will be within the province of the Congress to say whether or not money shall be made available.

So this amendment does not authorize any new construction. It only raises the ceiling, and if the ceiling should be raised, the Congress would have the opportunity of making appropriations in the event such appropriations were recommended.

Mr. BYRNES. Mr. President, I merely wish to make the statement that in the committee I opposed this amendment, as well as the amendments offered by the Senator from Massachusetts [Mr. LODGE] and the Senator from Connecticut [Mr. MALONEY]. I was absent from the Chamber and unable to make the point of order against the other two amendments. They have been considered by the Senate and agreed to. Therefore, I see no reason why the Senator from Oklahoma or any other Senator should not offer an amendment providing for an authorization project.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, earlier in the day the Senate adopted an amendment affecting the Sacramento River in California. There is a Budget estimate covering the amendment adopted, but in order to make the money available in the proper manner it is necessary slightly to change existing law.

On behalf of the senior Senator from California [Mr. JOHNSON], I offer such an amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma [Mr. THOMAS] on behalf of the Senator from California [Mr. JOHNSON] will be stated.

The CHIEF CLERK. On page 10, line 5, after "$600,000", it is proposed to insert a colon and the following:

Flood control, Sacramento River, Calif.: There is hereby authorized, for the completion of Sacramento River flood-control works heretofore authorized, the additional sum of $1,844,000.

The amendment was agreed to.

Mr. THOMAS of Oklahoma. Mr. President, on my own motion I desire to offer an amendment, unless some other Member desires to submit an amendment in his own behalf, in which event I shall yield the floor.

Mr. HILL. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Alabama will be stated.

The CHIEF CLERK. At the appropriate place in the bill it is proposed to insert the following:

Provided further, That funds appropriated herein may be used for flood-control work on Autauga Creek at Prattville, Ala., in accordance with the recommendations of the Chief of Engineers and subject to the conditions set forth in House Document No. 657, Seventy-Sixth Congress, third session.

Mr. HILL. Mr. President, this appropriation is authorized under the rules, the authorization bill having been considered by the Senate Committee on Commerce, and the bill having been passed by the Senate. The amendment would simply make it possible for the engineers, within the amount of money carried in the appropriation bill for flood control—

some $70,000,000—to do the work on this particular project, the project being a flood-control project in the little city of Prattville, Ala.

Autauga Creek runs through that city. There are today some levees on that creek. During recent years—more particularly during 1938, and again in August 1939—there have been terrible floods on that creek. The engineers tell us that this work must be done to prevent such floods.

The work consists of enlarging and strengthening the existing levees and digging out and widening the mouth of the creek. In the flood last August one person was killed, railroad trestles were wiped out, and 9 or 10 buildings were completely washed away. Many other buildings were damaged; and altogether some 362 buildings and houses were damaged by that flood. Streets and sidewalks were washed away. Much refuse was washed into the town.

There are two big mills in the city operated by the Frankfort Cotton Mill and the Continental Gin Co. Those mills were under 9 feet of water. They employ 87 percent of the people employed in the town. The owners of the mills have determined and served notice that unless some flood protection is provided at the town of Prattville they will move away. If those two mills are moved away, there will not longer be any town left. This flood-control work is absolutely necessary unless the town is to pass out of existence and become only a ghost of the past.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. McNARY. What is the amount involved in this project?

Mr. HILL. The amount involved is about $500,000.

Mr. McNARY. Was it included in the original Senate bill which was on the calendar and was recommitted to the Committee on Commerce?

Mr. HILL. It was not included in that bill; but it was authorized in a bill which the Senate Committee on Commerce considered and favorably reported to the Senate, and which the Senate passed at the present session of the Congress. The reason why the Senate Commerce Committee considered this project in a separate bill and reported that bill to the Senate was because of an emergency. If the proposed relief is to be granted and is to do any good, it must be granted right away. There must be no delay. Only 4 weeks ago there was a threat of another terrible flood in this very town; and unless we do this work to prevent such floods, there will be no town left.

Mr. McNARY. My inquiry is directed to this point: Is this project in the omnibus flood control bill?

Mr. HILL. As the Senator knows, there is no omnibus flood control bill now on the calendar.

Mr. McNARY. No.

Mr. HILL. It was not in the omnibus bill last year because the engineers had not finished their survey and had not made their report.

Mr. McNARY. I am speaking of the bill on the calendar placed there in the last session, and in this session recommitted to the Committee on Commerce. That bill included flood-control projects as well as river and harbor projects. Was the Senator's project in that bill?

Mr. HILL. The project was not in that bill. As I have said to the Senator from Oregon, the report from the engineers on this project came in only in January of this year, which, of course, was a number of months after the bill of last year was reported by the Senate Committee on Commerce.

It could not have gone in last year's bill because the report had not come in from the Army engineers.

Mr. McNARY. Has the Senator an authorization for his project?

Mr. HILL. I have an authorization in that a bill covering the matter has passed the Senate.

Mr. McNARY. It has not passed the House, has it?

Mr. HILL. It has not passed the House, but the amendment is in order, the bill having passed the Senate at the present session of the Congress. As the Senator knows, that makes it in order to offer the amendment to this measure.

Mr. McNARY. I am not in charge of the bill, but I am not convinced by the Senator's argument that the amendment is not subject to a point of order. I shall not raise it, however; it is not my bill.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. BYRNES. What amount is involved in the authorization?

Mr. HILL. $500,000, I will say to the Senator.

Mr. BYRNES. What is the character of the project?

Mr. HILL. It is a flood-control project in Alabama, affecting a town of about 2,500 people. There is a creek, Autauga Creek, which flows through the town. There have been intermittent floods there; a bad flood occurred in 1928 and even a worse one in 1929. According to the report of the engineers, unless this flood-control work is done, and done soon, there will not be any town there. It is on that basis of emergency that the Senate Committee on Commerce, after considering the bill to which I have referred, reported the bill favorably.

I will say to the Senator from South Carolina that we presented the facts to the subcommittee now in charge of the pending bill, and I believe the subcommittee was impressed with the need of the compulsion for this project and of this flood-control work being done. At that time the authorization bill had not passed the Senate, and it was not in order to put the provision in the pending bill. All my amendment would do would be to make this project eligible under the $70,000,000 proposed to be appropriated by the pending bill.

Mr. BYRNES. Then, the object of the Senator is to have a portion of the general fund used to carry out the purpose of his amendment?

Mr. HILL. Of course, so that it would be eligible for money from the appropriation carried in the bill, just as other projects would be eligible. As the Senator knows, one section of the bill, applying only to the Mississippi River and its tributaries, provides a general appropriation, leaving its expenditure entirely, as I read the section, in the hands of the Army engineers.

Mr. BYRNES. The Senator is not asking for a specific appropriation?

Mr. HILL. I am not asking for a specific appropriation, but making this project eligible for funds from the $70,000,000 appropriated by the bill.

Mr. BYRNES. It is legislation, then, upon the subject?

Mr. HILL. No; it is not legislation.

Mr. BYRNES. The Senator does not think it comes within the rule as to legislation on an appropriation bill?

Mr. HILL. Under the rules of the Senate, I think it certainly does not require a two-thirds vote to put it in the bill. It is entirely in order under the rules of the Senate.

Mr. BYRNES. If the committee has not made a point of order on other authorizations of this kind, I do not think it should do so in this instance.

Mr. HILL. I do not think a point of order would lie, because under rule XVI, found on page 20 of the rules, the amendment is clearly in order, as the authorization bill has been favorably reported by the Senate Commerce Committee and the Senate has passed that bill.

Mr. THOMAS of Oklahoma. Mr. President, this matter was presented to the subcommittee at some length. It is a proposal to authorize the protection of one city, at least, in Alabama. The testimony was positive that it was a flourishing city and that, for the want of flood protection when the floods come the city is likely to be badly damaged, and that unless very soon something is done the citizens will be forced, because of the lack of the improvement and the consequent damage, to leave the city. The record before the subcommittee was such as to impress the subcommittee sufficiently to recommend the inclusion of the item in the bill; but, because it contains legislation, and for other reasons sufficient to the members, it was not agreed to by the main committee.

The amendment, if agreed to, would not increase the appropriation. If the amendment should be agreed to by the Senate, and later by the House, and become a part of the law, the Board of Engineers would consider it as an authorization to construct this flood-control work, and money carried in the bill could be used for that purpose. Of course, that would be

in the discretion of the Board. Personally, not speaking for the committee, the argument impressed me very much, and I should be glad to see the item go to conference.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Alabama [Mr. HILL].

The amendment was agreed to.

Mr. MALONEY. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill, it is proposed to insert the following:

To carry out the flood-control project at East Hartford, Conn., authorized by the Flood Control Act approved June 28, 1938, in accordance with the revised plans and cost estimates described in House Document No. 653, Seventy-sixth Congress, third session, $249,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. MALONEY].

The amendment was agreed to.

Mr. GEORGE. Mr. President, I have an amendment which I desire to offer, and I wish to say in explanation of the amendment that while it does embrace a multiple-use project, it has for its primary purpose flood control for the city of Augusta, Ga., a city of 70,000 people. It was included in the bill which was reported by the Commerce Committee of the Senate last year, and which was recommitted to that committee for further consideration. It is not included in the bill now reported by the committee because that bill, as I understand, is confined to navigation projects.

I offer this amendment, Mr. President, because it is similar to and identical with certain other amendments which have been placed in the bill.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

Savannah River and Clark Hill Reservoir: Senate Document No. 66, Seventy-sixth Congress, first session, in accordance with the plan recommended on page 4 of said document: *Provided*, That in marketing power developed by this project, the policy of giving preference and priority to States, municipalities, public bodies, and cooperatives, heretofore established by the Congress in the Federal Power Act and the Bonneville Act, shall be preserved and continued.

Whenever any power project not under Federal license is benefited by the Clark Hill Reservoir project, the Federal Power Commission, after notice to the owner or owners of such unlicensed project and after opportunity for hearing, shall determine and fix a reasonable and equitable annual charge to be paid to the United States on account of such benefits by said owner or owners or other recipients of such benefits.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

Mr. THOMAS of Oklahoma. Mr. President, this amendment was not presented to the committee, and I should be glad to have the Senator from Georgia explain the purport and effect of the amendment.

Mr. GEORGE. I shall be glad to do that.

As I have already said, this authorization—for, frankly, that is what it is—was included in the bill which was reported to the Senate by the Commerce Committee last year. It is not now in the bill reported by the Appropriations Committee, a bill providing a very much lesser sum than the other bill, because it is not strictly a navigation project.

This is a multiple-use project beyond any doubt, and I would not, of course, care to make any statement to the contrary.

This project has been recommended by the Board of Army Engineers, by the Chief of Engineers, by a special board appointed by the President, by the National Resources Committee, and by the Federal Power Commission. It has had very strong approval by the boards by which it has been considered.

It calls for the construction of a large reservoir on the Savannah River above the city of Augusta, in the State of South Carolina. Naturally power will be generated. It would seem futile to undertake a large power project there, which is necessary to the flood-control features of the bill and which is necessary also to certain navigation features of the bill, without making some provision as to power. On the question of flood control, I am very glad to say that Augusta is a city, as I have already said, of some 70,000 people. It is on the Savannah River; it is subject to periodic floods; it is only fairly adequately protected at the present time by a levee system, which under unusual conditions is not a protection to the city. I am offering the amendment to this bill—and I am not asking any present appropriation or participation in any fund—for the purpose of having it authorized, so that subsequently we may be able to obtain the necessary funds with which this project can be commenced and constructed.

I should like to say that the Federal Power Commission and the National Resources Committee made a special study of the power possibilities and of the distribution of the power, and their report is extremely favorable to this project. Of course, the question of flood control and the navigation features of the project are beyond question, because they have the approval of the Board of Army Engineers, made after an exhaustive study and after very careful surveys conducted over a long period of time.

Let me say that the Savannah River is partially navigable now by virtue of locks and dams in the river below Augusta. It is navigable for the greater part of the year, approximately 9½ to 10½ months of the year; but, not being navigable for the entire year, the whole value of the project as a navigation project is lost, because adequate, uniform, dependable, regular schedules cannot be maintained on the river. So, since other projects similar to this authorization have gone into the bill, I hope the chairman of the committee will permit this one to go into the bill.

Mr. THOMAS of Oklahoma. Mr. President, I understand that the Senator from Georgia has offered this amendment on the implied, if not the direct, promise that no funds will be asked for during this Congress. Am I correct in that understanding?

Mr. GEORGE. Mr. President, I think the Senator is correct. This amendment would carry no money. It is a mere authorization.

Mr. THOMAS of Oklahoma. Mr. President, I further realize that a project of this kind has a rather stony road to travel through the Congress. It is an amendment which involves power, an amendment which involves navigation, and an amendment which involves flood control. In the other body of Congress the action of two committees is necessary to approve an amendment of this character—first, the Rivers and Harbors Committee which acts independently; second, the Flood Control Committee, which acts independently. It would be extremely difficult, as I understand, to get through that body a bill embracing this authorization.

Let me state at this point that from my viewpoint the Board of Army Engineers, headed by the Chief of Engineers, perhaps has as high a standing before the Congress as any other board in the Government. I think we follow its recommendations more closely than we follow the recommendations of any other board.

If the Board is not for this project or any other project, it does not get by. If the Board is of the opinion that this is a good project after it is authorized, then in due time a request will be made for funds with which to construct the project.

With this understanding, and in view of the action of the Senate in permitting other amendments to be adopted, I do not feel constrained to make a point of order against the submission of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. WALSH. Mr. President, I desire to ask the Senator in charge of the bill a general question. Has the Committee on Appropriations any information to indicate to what ex-

tent flood-control projects have been authorized for which money has not been appropriated?

Mr. THOMAS of Oklahoma. Mr. President, I cannot definitely answer that question; but in the authorization bill passed in 1938 a list of projects was authorized at a total estimated cost of about $375,000,000, and, of course, only a small part of that amount has been appropriated.

Mr. WALSH. There are further authorizations in this bill?

Mr. THOMAS of Oklahoma. This is not an authorization bill.

Mr. WALSH. But some of the previous authorizations have money for them appropriated in this bill?

Mr. THOMAS of Oklahoma. If the Senate adheres to the House bill, it will appropriate only $70,000,000 for continuing work on existing flood-control projects and the initiation of work on new projects. Of that sum, about $60,000,000 will be used to continue work on existing projects, and approximately $10,000,000 only will be available for emergency purposes and for the initiation of new projects.

Mr. WALSH. Did I correctly understand the Senator to say that the Army engineers would have to decide what new projects would be undertaken?

Mr. THOMAS of Oklahoma. They have done so in the past, and I take it for granted they will do so in the future.

Mr. WALSH. So they select from the projects authorized by the Congress and from the amount of money made available by the Congress the new projects which will be undertaken?

Mr. THOMAS of Oklahoma. Mr. President, of the long list of projects which have been authorized, the Board of Army Engineers make a request of the Budget Bureau for a certain amount of money to build certain projects and to continue work on certain projects. In this particular year the Board asked for $206,000,000 with which to carry on work on existing projects and to start new projects. I say they asked for that amount of money; I should say that they submitted a list of projects and advised the Board that they could efficiently use a certain sum, $206,000,000, in carrying out this congressional program. The Budget Bureau cut the item of $206,000,000 down to $70,000,000.

Mr. WALSH. It is quite apparent that only a small part of the projects already undertaken can be carried on with only that amount of money appropriated.

Mr. THOMAS of Oklahoma. For the current year the Board had $133,000,000; so for next year, 1941, unless that amount is increased, the Board will have only $70,000,000, which is slightly in excess of one-half of what they have for this year.

Mr. WALSH. All of which means, of course, that the protection of the public against the danger and damage of floods is being postponed because of our inability to appropriate the money.

Mr. THOMAS of Oklahoma. Mr. President, I intend now to offer an amendment that is in point in regard to the question about which the Senator from Massachusetts is now inquiring.

The pending bill as it comes from the House carries $70,000,000 for this purpose. The subcommittee asked the main committee to increase that amount to $100,000,000, but the main committee saw the matter otherwise, and the vote of the subcommittee did not prevail; so I cannot offer this as a committee amendment.

Upon my own motion, Mr. President, I move that on page 8, in line 5, the figures "$70,000,000" be stricken out and that the figures "$100,000,000" be inserted in lieu thereof, which amendment brings up the particular point now under discussion by the Senator from Massachusetts.

Mr. WALSH. Mr. President, it seems to me that if we intend to maintain reasonable speed in completing flood-control projects, the amendment offered by the Senator from Oklahoma should be adopted. I am rather surprised to learn that so little money has been appropriated for the authorizations already made. If I should ask the Senator what surveys have been made by the Board of Army Engineers, and the amount of money necessary to carry them out, I suppose we should have a very much larger figure.

Mr. THOMAS of Oklahoma. Answering that question, the RECORD shows that the Chief of Engineers requested $206,000,000.

Mr. WALSH. I understand that; but they also, of course, have projects for which they did not ask money.

Mr. THOMAS of Oklahoma. They have many projects which are ready for authorization, and many projects which are authorized, which they did not include in their request for funds, or in their statement that they could efficiently use funds for construction purposes.

Mr. WALSH. While we desire to be careful and prudent in our appropriations, and while it is commendable of the Committee on Appropriations to continue to reduce to the lowest level the amount of money appropriated, it seems to me flood-control projects are of such supreme importance that we at least ought to vote the $30,000,000 additional which I assume the Senator, who was the chairman of the subcommittee, was thoroughly impressed with the necessity and importance of appropriating. How many members were there on the subcommittee?

Mr. THOMAS of Oklahoma. There were about 12, I think.

Mr. WALSH. And what was the attitude of the 12 members toward this matter?

Mr. THOMAS of Oklahoma. I think the record is not available, but sentiment in the subcommittee was substantially in favor of that increase.

Mr. WALSH. And some of the subcommittee were ex officio members from the Committee on Commerce?

Mr. THOMAS of Oklahoma. Yes; that is correct.

Mr. WALSH. So the subcommittee felt that this was a reasonable request to make of the Congress, though I assume many of its members would have preferred to make the appropriation much larger?

Mr. THOMAS of Oklahoma. That is correct.

Mr. WALSH. I hope the amendment will be agreed to.

Mr. THOMAS of Oklahoma. Mr. President, if I may briefly make another observation or two, the record before the committee shows that the annual loss through damage by floods amounts to more than $100,000,000. In other words, the United States on the average suffers an annual loss of $100,000,000. The subcommittee was of the opinion that it would not be bad policy to appropriate a sum of money equal to the annual loss caused by floods. That is point No. 1.

Mr. WALSH. And that is the reason why the subcommittee agreed upon the figure $100,000,000 instead of $70,000,000 which the full committee recommended?

Mr. THOMAS of Oklahoma. That was one reason. The second reason, if I correctly interpret the testimony, was that if only $70,000,000 should be appropriated, that would not be sufficient to carry on efficiently the work on the projects now under construction. In other words, the appropriation of only $70,000,000 would cause them to slow down the work now going on upon existing projects under construction.

Mr. WALSH. Which means that even the existing projects, if they are not completed, are more or less useless to avert future floods.

Mr. THOMAS of Oklahoma. They are wholly useless. I may cite one illustration in my own State. The State, under a State authority, financed through the Federal Government the construction of a power project at Pensacola. It was authorized for construction by Congress; but the State of Oklahoma passed its own law, issued its own bonds, sold the bonds in the main to the Government to raise the funds, and received a grant; and by means of Federal funds this dam has been constructed. Within the last 2 weeks the gates have been closed. The dam is almost complete. The top may not be complete, because there is a highway across the summit, and there may be some finishing work necessary in connection with that. Today, an 8-inch rain fell in the Neosho River Basin, which feeds into the river on which this dam is located, the Illinois River. This dam is a large

one, with a large reservoir area. So, no matter how high the flood may be in the Neosho River, an 8-inch waterfall, or a 10-inch waterfall, or a 12-inch waterfall going down that river against that dam, with its gates closed, as they have been closed in the last 2 weeks, will do no damage, and there will be no flood over the dam. The dam would not have been worth 5 cents if the flood had come 2 weeks ago. But today the dam is finished, so to speak, and it is now a perfect flood-control dam and reservoir, although it is built for power purposes and later on will be used for those purposes.

Mr. WALSH. That is an excellent illustration of the fact that once a project is undertaken it should be completed.

Mr. THOMAS of Oklahoma. No flood-control project is of benefit until it is completed. That applies to ditches, dams, and reservoirs.

Mr. WALSH. We have the same situation in connection with the flood area of New England, where a large number of projects have been authorized, and only a few of them completed, and none finally completed on the main rivers of New England. I agree with the Senator heartily that at least when we have undertaken these projects and they have been started, we should continue them and appropriate the necessary money, having pledged ourselves to undertake the projects.

Mr. THOMAS of Oklahoma. Let me make one further observation, Mr. President. If this sum is not increased, not only will no new projects be started, but work will be slowed down on existing projects. Perhaps that is not the worst effect. If this amount is not increased, the Board of Engineers must close some of its regional offices, and it must throw out of employment a great number of its existing personnel, because now they have a personnel built up to spend $133,000,000 annually, for they are spending that much this year, and next year, if the amount is curtailed to $70,000,000, they will not need personnel sufficient for the expenditure of $133,000,000.

I submit these arguments in favor of the motion to increase the amount from $70,000,000 to $100,000,000.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma, which will be stated.

The LEGISLATIVE CLERK. It is proposed on page 8, line 5, to strike out "$70,000,000" and to insert in lieu thereof "$100,000,000."

Mr. BYRNES. Mr. President, I wish to say just a few words. In the Committee on Appropriations I opposed the increase asked. I recognize the importance of the projects included, but, after all, we have been proceeding quite rapidly with the increase of appropriations for river and harbor and flood-control work. In 1934 we appropriated $86,000,000 for flood-control work; in 1935 we appropriated $29,000,000; in 1936 we appropriated $39,000,000; in 1937 we appropriated only $27,000,000; in 1938 we appropriated $86,000,000. In 1939 the appropriation jumped from $86,000,000 to $120,000,000, and from 1939 to 1940 we increased the appropriation from $120,000,000 to $152,000,000, an increase of $32,000,000 in a single year.

Much work has been done, and must have been done, as the result of all the appropriations which have been made, and the continued increases. I know that the time will never come when Congress will not be appropriating money for flood-control work, because it is a tremendous program, and it covers the entire country. The sole question is the rate of speed at which we should proceed.

The Budget Bureau thought that the $70,000,000 was sufficient. It is now proposed to increase the sum recommended by a very large amount, and I think that in view of the condition of the Nation's finances, no matter how desirable it may be to make these appropriations, we could well wait another year, and in an orderly way provide for funds for the flood-control program.

There is nothing sacred about any particular figure; it is merely a question of judgment as to what the Congress believes it is possible to make available for this work in view of our financial condition. I think the Budget estimate was sufficient, and I so voted in the Committee on Appropriations, and shall vote that way on the floor of the Senate.

Mr. BONE. Mr. President, I could not let this opportunity pass without expressing concurrence with the views of the senior Senator from Oklahoma [Mr. THOMAS], who offered the amendment to add $30,000,000 to the flood-control Budget item. I do not presume to sit in judgment on the merits of any of the projects which were listed in the remarks of the Senator from Oklahoma last Friday, but I think I should be remiss in my duty if I did not call attention to the situation confronting the city of Tacoma, Wash., which happens to be my own home city. Tacoma is one of the great cities of the Pacific coast, and it is named in the list of those which would probably be the beneficiaries were the additional money added to the Budget item.

Notwithstanding the fact that Tacoma is one of the great cities of the Pacific coast, I have seen all sections of that city inundated by the Puyallup River, a weird, absurd picture, of a great American city being inundated by one of the mountain rivers, which gets out of bounds at times, and to control which seems almost impossible by the methods which have been employed. The Mud Mountain Dam is being erected by the Government in an attempt to curb this mountain stream. Various streams rise in the Cascade Mountains, and flow to the sea, or to Puget Sound. They rise very rapidly as a result of the heavy rains in that section, so rapidly that it is impossible to do anything with them.

I am very hopeful that the item will be increased by the amount suggested by the able Senator from Oklahoma, first, because I believe that the gentlemen who brought their best judgment to bear on this problem have agreed that an increase of $30,000,000 is necessary to carry on the minimum amount of work which should be done; and, secondly, because I have an earnest and sincere desire to be of service to my own city, which has been so grievously damaged by the violent floodwaters of the Puyallup River.

Mr. LEE. Mr. President, I rise in support of the amendment of my colleague the senior Senator from Oklahoma [Mr. THOMAS] for an additional $30,000,000 for flood control. That would make a total of $100,000,000.

The estimate of the Army engineers is that floods cost in actual property damage $100,000,000 a year. There is an old Chinese proverb which runs something like this:

> Control the mountains and you can control the rivers.

The trouble with China is that she did not learn to control the mountains, and now she cannot control the rivers. The Yellow River has literally washed China away and changed her social economy.

Mr. President, this is a problem with which local communities cannot cope. Floods begin at this time of the year. The snows on the mountains begin to melt. The spring rains come in the lowlands. The little mountain rivulets join their force with the streams and the gulley and start their destructive trip toward the ocean.

I have in mind particularly now the Mississippi River and the Ohio River. I was a witness of the last great flood on the Ohio River and I saw part of the damage it did. Much of the damage caused by flood can be prevented by flood-control measures. Much of the preliminary survey has already been made by the Army engineers. The thing that is needed now is money with which to do the construction work.

The amendment offered proposes an appropriation sufficient to bring the sum available up to the amount of the destruction in a year. Surely we must keep up with the destruction.

We have some wild rivers in Oklahoma. The Cimarron River gets its name from its nature. The name means "uncontrollable."

Some years ago a flood-control convention was held in Oklahoma City, which was attended by a well-known consulting engineer from Chicago, who was, as well, a human engineer. Not only was he an expert engineer in the matter

of rivers but he knew about people. It so happened that I attended that banquet, and I never heard such a "throwin' of words and slingin' of language" since I commenced listening to oratory. That engineer rose and began to tell us about floods. I remember some of his language. He said:

> I grew up on the banks of the old Missouri, and I learned about rivers from her. When I was a boy I used to walk down to her murky waters and watch the deepening dimples as they danced and died on her glassy bosom, and I learned about rivers from her.

He continued:

> I was mystified by it all. I did not know whence it came or whither it went. But I learned about rivers from her. I saw the mists come up and the river go down, and I learned about rivers from her.

Well, I just thought, "Mister, you may know about the old Missouri, but if you never saw our old Cimarron or the old South Canadian on a tear, you ain't seen nothin' yet." [Laughter.] When that old river gets on a rampage she runs upstream faster than the Missouri can fall over Niagara. [Laughter.]

When it comes to mystery, there are farmers from the mouth to the source of that old stream today who are mystified. Some of them have farms they did not use to have, and some used to have farms they do not have now.

So, as a Biblical old stream she "giveth and she taketh away," and the farmers do not know "from whence it cometh nor whither it goeth."

We know something about damage from flood in Oklahoma. There is only one power that can control floods. As these streams at this time of the year begin to swell from the melting snows of the mountains and add their turbulent currents one to the other, they join forces as they come on down toward the Mississippi Valley, until the old father of waters becomes a raging torrent. That yellow, roaring, hissing, foaming tide goes on and brings destruction. Like a dragon of destruction it lies in the Mississippi Basin, lashing the Ohio and Missouri Valleys with its tail and threatening New Orleans with its mouth. Only the power of the Federal Government can prevent destruction by floods.

Mr. DAVIS. Mr. President, flood control in Pennsylvania has long been delayed. Every year the situation becomes increasingly serious. I have received numerous petitions from responsible citizens of Plymouth, York, Williamsport, Johnstown, and other centers of Pennsylvania urging that the projects already started be completed at the very earliest possible time. Increased appropriation is needed for this purpose. I favor the amendment submitted by the Senator from Oklahoma [Mr. THOMAS]. I favor the proposal made by the United States Army engineers that an additional $30,000,000 above that set forth in the Budget be made available.

Mr. President, I have lived in towns in Pennsylvania which have been flooded. I know something about floods. The amendment contains particular items which affect my State. Plymouth will receive $300,000; York will receive $800,000; Williamsport will receive $400,000; Johnstown Channel will receive $600,000; and Youghiogheny Reservoir will receive $1,500.

Mr. President, Johnstown has suffered enough. The need for flood control throughout Pennsylvania in many places is increasingly great. I remember when as a boy one of my relatives, a victim of the great Johnstown flood, came to live with us. This is the time for these constructive enterprises. Men need the employment now. If we are to go in debt and to continue to go in debt, let us see to it that public funds are spent for permanent, worth-while projects that will endure down the years. Let us make safe and permanent provision for those who live along the river banks. Invariably such persons will be found to be in the low-income group, unable to provide for their own needs in time of disaster and distress. Flood-control needs cannot longer be delayed without incurring even greater disaster. Johnstown and the other flood danger spots of the Nation have suffered enough. Let us now make the necessary appropriation to come to their rescue, and the necessary appropriation will be made if the proposal submitted by the senior Senator from Oklahoma shall be adopted. I heartily concur in the amendment offered by him.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. THOMAS].

Mr. TAFT. Mr. President, I rise to oppose the amendment of the Senator from Oklahoma. It was disapproved after the Appropriations Committee had thoroughly considered the whole question. It seems to me there have been more irrelevant arguments on this question than on any measure I have heard discussed.

Mr. President, of course, every project is desirable. Of course, we want to stop floods as rapidly as possible. That is not the question. The question is, Where are we going to get the money with which to pay for flood-control work? The Budget Bureau already recommends appropriations which involve a deficit of over $3,000,000,000. We are constantly increasing the debt. How on earth are we to pay for things when we have no money?

I think the sponsor of an amendment of this kind ought to tell us where we can get the necessary money. He proposes, I take it, that there be issued $30,000,000 more of Government bonds to add to the already tremendous debt which is now approaching $45,000,000,000.

As I have said, of course, every one of these projects is desirable. However, every one with any sense knows that we must weigh our revenues, and determine whether we have the money to spend on these desirable projects. That is true with respect to every individual. It is true of you, Mr. President, and me, and of everyone else in the United States. Every city government, every State government, every school district, every village council knows that it cannot, for any length of time, spend money in excess of its revenues. Only the Federal Government seems to think it is above all law.

Of course, these projects are desirable and, of course, Senators feel they would like to have these projects for their particular States.

I should like to read the letter I received from the sponsor of this amendment, the Senator from Oklahoma, because it seems to me to set forth very clearly the pork-barrel proposition which is before the Senate today. I received a letter from the Senator from Oklahoma saying:

> The flood control and rivers and harbors appropriation bill will probably come up for consideration in the Senate on Monday. The appropriations * * * are greatly reduced below the amounts provided for the current year.

I shall not read the whole letter.

> The particular items pertaining to your State are as follows:
> Cincinnati, $350,000.
> Dillon Reservoir, $1,000,000.
> Delaware Reservoir, $750,000.
> Muskingum Conservancy District, $374,000.
> Massillon, $200,000.
> Martins Ferry, $400,000.
> These facts are called to your attention in connection with a motion which will probably be made on Monday to add $30,000,000 to increase the flood-control item from $70,000,000 to $100,000,000.
> Respectfully submitted.
>
> ELMER THOMAS, *Chairman.*

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. THOMAS of Oklahoma. Is there any statement in that letter which is not true?

Mr. TAFT. I do not know that there is any statement in it which is not true. I have not examined it thoroughly. My point is that the appeal is made to me that, as a pork-barrel proposition, I ought to vote for these things because of the projects which are in my State, and of others which will be added if this amendment is placed in the bill. Every other Senator is appealed to in the same way. The projects in his State are set forth, and the idea is that we are going to yield because we would like these things for our State. Ohio would receive two and one-half million dollars, therefore I must vote for an increase of $30,000,000 to give every other Senator what he wants in his State.

So far as I am concerned, that appeal turned me against the amendment as much as anything could turn me against it.

Mr. THOMAS of Oklahoma. Mr. President, has the Senator any objection to having the letter from which he read printed in the RECORD at this point?

Mr. TAFT. Not at all. I will offer it at the end of my remarks.

The argument is made that we are going to have to dismiss personnel which has gradually been acquired. As a matter of fact the appropriation last year was $133,000,000, but the average over a number of years has been very much smaller than $70,000,000.

Flood control is a tremendous project. It will cost several billion dollars before we get through. But $70,000,000 is as much as we can afford to spend, even if we admit the justice of the Budget for this year.

So far as the argument is concerned with respect to dismissal of personnel, if that argument is pressed at all we never will reduce any public works.

In this case we do not reduce the personnel of the Army engineers. We do not have to relieve any Army man from his Army duty. There may be various personnel employed which will be very gradually reduced because this year we will not spend $133,000,000, which was the sum appropriated for the current year. Those things can be carried along and gradually stopped.

I hope very much that the flood-control program can proceed. I think the President has neglected the flood-control program. I think there is discrimination against the program. When we had the T. V. A. matter before us I pointed out that we were actually making an increase of $5,000,000 over last year's appropriation for the T. V. A. I think the administration has deliberately slighted the projects proposed by the Army engineers. Yet if the Budget is presented, and it is perfectly apparent, even after these sums are allowed, that we are unable to pay the bill, it only means an increased debt, which will in time destroy our whole economic fabric.

Mr. President, flood control is important. Cincinnati has been flooded. I have seen probably more destruction from flood than any other Senator has seen. I am anxious to see the flood-control program proceed. Yet the alternative of national bankruptcy is so much worse, that I believe we can go on as we have gone on for 50 years.

For a long period of time Congress paid no attention to the matter of flood control. In 1884 we had a flood about as bad as that of 1937. After a flood the destruction can very rapidly be repaired. Two weeks after our last big flood we were back doing business as usual.

It is not at all clear that we should not abandon a great many places which we propose to protect with flood walls. It is a question whether in the long run it is worth while to protect them. The money used for protection in many cases amounts to more than the actual value of the property. I think the Army engineers have weeded out the projects and have proceeded with those that are sound.

Yet it is something for which we can wait. We shall have to wait for most of it. We shall have to wait for many years before the whole program is completed. The Bureau of the Budget and the House Committee on Appropriations, looking at the whole picture, feel that $70,000,000 is all we can pay this year if we are to maintain even the very reasonable Budget which has already been put before the Congress.

It seems to me, therefore, that unless we are willing to increase all appropriations, unless we are willing to say that we do not care where the money comes from, and unless we are willing to say that we do not care how high the public debt goes, we ought to vote down the amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, in connection with my remarks, the letter of April 13, 1940, addressed to me by the Senator in charge of the bill, the Senator from Oklahoma [Mr. THOMAS], to which I have referred.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
April 13, 1940.

Hon. ROBERT A. TAFT,
United States Senate, Washington, D. C.

DEAR SENATOR TAFT: The flood-control and rivers and harbors appropriation bill will probably come up for consideration in the Senate on Monday. The appropriations carried in the bill are greatly reduced below the amounts provided for the current year. The Chief of Engineers requested $206,000,000 for flood control and the Budget reduced the request to $70,000,000. The amount available for the current year is $133,000,000, so if the amount proposed in the Senate bill is not increased, much of the work now under construction will have to be slowed down and few, if any, new projects can be initiated. In addition, the personnel of the Board of Engineers will be greatly reduced.

On page 4434 of Friday's RECORD will be found a break-down of the $70,000,000 item, and on page 4435 will be found a break-down of the sum of $30,000,000 which the Chief of Engineers states that he could use efficiently in carrying on the program.

The particular items pertaining to your State are as follows:

Ohio:

Cincinnati	$350,000
Dillon Reservoir	1,000,000
Delaware Reservoir	750,000
Muskingum Conservancy District	374,000
Massillon	200,000
Martins Ferry	400,000

These facts are called to your attention in connection with a motion which will probably be made on Monday to add $30,000,000 to increase the flood-control item from $70,000,000 to $100,000,000.

Respectfully submitted.

ELMER THOMAS, *Chairman.*

Mr. ADAMS obtained the floor.

Mr. RUSSELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	King	Schwellenbach
Ashurst	Ellender	La Follette	Sheppard
Austin	Frazier	Lee	Shipstead
Bailey	George	Lodge	Slattery
Bankhead	Gerry	Lucas	Smathers
Barbour	Gibson	Lundeen	Stewart
Barkley	Gillette	McCarran	Taft
Bone	Glass	McKellar	Thomas, Idaho
Bulow	Green	McNary	Thomas, Okla.
Burke	Gurney	Maloney	Thomas, Utah
Byrd	Hale	Mead	Tobey
Byrnes	Harrison	Minton	Townsend
Capper	Hatch	Murray	Truman
Caraway	Hayden	Neely	Tydings
Chandler	Herring	Norris	Vandenberg
Chavez	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Holman	Overton	Wagner
Connally	Holt	Pepper	Walsh
Danaher	Hughes	Reed	Wheeler
Davis	Johnson, Calif.	Russell	White
Donahey	Johnson, Colo.	Schwartz	Wiley

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

Mr. ADAMS. Mr. President, I think this is truly a flood bill; but I think there is a flood aspect of it which is being partly overlooked. The flood which threatens the country is not the flood which comes down the streams which Senators have in mind. It is the flood of appropriations and expenditures which is being turned loose on the country by the Senate of the United States. The disaster which will be done by the raging waters here and there will be as nothing compared with the damage which will be done by the flood of appropriations which this body is turning loose on the country.

I say that most earnestly and most seriously. I have been a member of the Appropriations Committee, endeavoring not to stop heavy appropriations but merely to limit them.

This particular matter was taken up by the Appropriations Committee, and the Appropriations Committee voted against the increase. The Appropriations Committee, charged with the duty of representing the Senate in these matters, endeavors, under most uncomfortable circumstances, to meet its obligations. It is not an agreeable thing to vote against appropriations. It is not agreeable to be told that if we do not make a certain appropriation some village or some valley may be wiped out. But I say, Mr. President, that flood

control, to meet the demands made here, could not be constructed with $30,000,000. It could not be constructed with $30,000,000,000. Every little run-off, every little swale, is a possible site for a flood.

I live in a community which was practically wiped out by the flood of 1921. Three or four hundred persons in my community were drowned, and many millions of dollars' worth of property were destroyed. The city in which I live constructed flood works at its own cost. We did not stand by and say "Our town will be ruined and industry will be driven out if the Federal Government does not come in and pay the cost of protecting us." We protected ourselves.

In the State in which I live there are flood projects of importance. There are 10,000 places where floods might occur. It is perfectly idle to say that we can prevent floods with an added $30,000,000. Until we can control the rains we cannot control the floods.

Mr. President, $30,000,000 is an important item in itself. It is of added importance as an indication of the attitude of the Congress. The House of Representatives has endeavored to tighten the belt of Congress. It has tried to cut down appropriations; and this body—supposedly the upper body—immediately turns loose the floodgates of appropriations. What are we thinking of? We are thinking of some little narrow valley. We are forgetting 130,000,000 people.

How do these appropriation bills commence? What is the first clause?

That the following sums are appropriated out of any money in the Treasury not otherwise appropriated.

That clause is rapidly becoming a false statement. We are making appropriations, not out of money in the Treasury but out of money which must be borrowed if the obligations are to be paid; and the ceiling of the debt limit is coming close to us. At the rate we have been making appropriations today, this Congress will not adjourn without having incurred obligations which will inevitably run this Government through the debt limit. Yet what are we doing? Thinking of the little valley, the little stream. We propose to protect the people there and to forget the great flood of debt and disaster. It is a real threat.

We talk of foreign enemies. We heard such talk earlier in the day. We are afraid of enemies 6,000 or 3,000 miles away. We are worried about what has happened in Norway. I say, Mr. President, that the greatest danger to America is the very thing we are doing here—appropriating moneys for good purposes beyond our means.

Mr. President, notwithstanding the fact that our leader on the committee exercises his perfectly proper right to differ with the committee, I think the Senate should support the action of the committee. Not only is the $30,000,000 important, but I think the precedent is important. I think we shall make a serious mistake if we proceed to ignore the coming threatening storm and disregard our committees when they seek to economize.

Mr. President, I hope the Senate will give consideration to the hazards which lie ahead.

Mr. REED. Mr. President, I rise to support the Senator from Colorado [Mr. ADAMS] in opposition to this additional appropriation of $30,000,000. I wish to tell a story, showing what the people think about such matters, which ought to interest the Senate.

When a river and harbor bill came from the House to the Senate last year the Commerce Committee of the Senate raised the authorization from, as I recall, $82,000,000 to $405,000,000. When I reached home after the Senate adjourned, no action having been taken upon that bill, I began to receive some inquiries about a river in Kansas. Not until I had been home for a while did I receive a copy of the Army engineers' report, which was not printed until July of last year, and so was not available to me until I reached home. I found there was a provision for a $31,000,000 appropriation for a so-called flood-control project in a certain valley next door to where I live in Kansas. The river which flows through that valley is called the Verdigris River. It is a French name. The Army engineers had reported on it, the House had reported on it, and the Senate provided appropriation of $31,000,000 for flood control on that river, which, as I have said, is next door to me.

I wrote to every mayor, every chamber of commerce, every newspaper in that valley, suggesting that a meeting be held at a central point in the valley to which everybody should be invited. There came, Mr. President, 700 people to that meeting, all of whom, perhaps, with the exception of myself and a few more, who lived in the adjoining valley, were from that valley in the so-called flood plain. We discussed the question of Government finances; of the necessity of additional taxes; of the necessity, in lieu of additional taxes, of raising the statutory limit on the debt. I asked for an expression from that meeting of 700 people, 80 percent of whom were farmers, who lived in that valley, in the flood plain. Not a single man voted for an increase of taxes; not a single man voted to raise the statutory limit on the debt, and 80 percent of the people, actually living in the valley, were in sympathy with the opposition which I had expressed to that expenditure.

My distinguished friend, the Secretary of War, Mr. Harry Woodring, who was my successor as Governor of Kansas, and who is my personal friend, lives in a town in that valley 27 miles from my own home town. He had expressed a difference of opinion with me, and rather criticized a Senator for failing to vote in favor of an appropriation for his own State. Mr. President, within the last 2 or 3 weeks there has been a city election in the town of Neodesha, the home town of the Secretary of War. In that election there was a citizens' ticket and a people's ticket, one of which was for that so-called flood-control program and the other against it. The town is strategically situated at the junction of the two rivers, and the man who was against that appropriation won the election.

If Senators sitting here today think they have to vote for these appropriations in order to get themselves reelected or to please their people, they are making a mistake. I am relying on my own experience in my own State, in my own section of the State, and on the result of an election recently held in the home town of the Secretary of War, who up to that time differed with me as to the advisability of that expenditure, to indicate that the people of the United States are opposed to an increase in the debt; they are opposed to the imposition of additional taxes, and they are looking to the Congress to exercise all possible economy.

The Appropriations Committee of the House would not put this item in the bill; the Appropriations Committee of the Senate refused to report it favorably. I do not think the Senate ought to fly in the face of public opinion and real necessity and against the recommendation of the Appropriations Committees of both Houses.

Mr. BYRNES. Mr. President, I merely wish to say a word. In the committee, in addition to this amendment, there was offered another amendment increasing by $25,000,000, according to my recollection, another item in the bill. I think the Senate might as well have in mind in voting upon this amendment that in all probability there will be another amendment adding another $25,000,000 to the bill.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma [Mr. THOMAS] increasing the appropriation $30,000,000.

Mr. TAFT. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. MCNARY (when his name was called). Upon this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON], who is unavoidably absent. Not knowing how he would vote, I withhold my vote.

Mr. SHIPSTEAD. I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am not informed how he would vote if present. I find I can transfer my pair with him to the junior Senator from Idaho [Mr. THOMAS]. I do not know how that Senator would vote, but I am permitted, under the transfer, to vote, and I vote "yea."

The roll call was concluded.

Mr. THOMAS of Utah (when his name was called). On this vote I have a pair with the Senator from New Jersey

[Mr. BARBOUR]. I do not know how he would vote if present, and, therefore, withhold my vote.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. REYNOLDS] is absent from the Senate because of illness.

The Senator from Virginia [Mr. GLASS] is unavoidably detained. I am advised that, if present and voting, he would vote "nay."

The Senator from West Virginia [Mr. HOLT] has been called to his home, and is therefore necessarily absent.

The Senator from Florida [Mr. ANDREWS], the Senator from Arizona [Mr. ASHURST], the Senator from Mississippi [Mr. BILBO], the Senator from Michigan [Mr. BROWN], the Senator from Missouri [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Arkansas [Mr. MILLER], the Senator from Nevada [Mr. PITTMAN], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from South Carolina [Mr. SMITH] are detained on public business.

The Senator from California [Mr. DOWNEY], the Senator from Mississippi [Mr. HARRISON], the Senator from Illinois [Mr. LUCAS], and the Senator from Missouri [Mr. TRUMAN] are detained in various Government departments.

I am advised that, if present and voting, the junior Senator from Mississippi [Mr. BILBO], the Senator from California [Mr. DOWNEY], the Senator from Arkansas [Mr. MILLER], and the Senator from West Virginia [Mr. HOLT] would vote "yea."

Mr. McKELLAR. I have a general pair with the Senator from Delaware [Mr. TOWNSEND]. I am advised, however, that he would vote as I intend to vote. Therefore, I am at liberty to vote and vote "nay."

Mr. AUSTIN. I announce the following general pairs: The Senator from North Dakota [Mr. FRAZIER] with the Senator from South Carolina [Mr. SMITH], the Senator from North Dakota [Mr. NYE] with the Senator from Illinois [Mr. LUCAS], the Senator from New Hampshire [Mr. TOBEY] with the Senator from Missouri [Mr. TRUMAN], and the Senator from Michigan [Mr. VANDENBERG] with the Senator from Pennsylvania [Mr. GUFFEY].

I am not advised how any of these Senators would vote, if present.

The result was announced—yeas 31, nays 39, as follows:

YEAS—31

Bankhead	Ellender	Maloney	Sheppard
Bone	Hayden	Mead	Shipstead
Burke	Hill	Neely	Slattery
Caraway	Johnson, Calif.	Norris	Thomas, Okla.
Chavez	La Follette	Overton	Wagner
Clark, Idaho	Lee	Pepper	Walsh
Connally	Lundeen	Schwartz	Wheeler
Davis	McCarran	Schwellenbach	

NAYS—39

Adams	Danaher	Herring	Reed
Austin	Donahey	Holman	Russell
Bailey	George	Hughes	Smathers
Barbour	Gerry	Johnson, Colo.	Stewart
Barkley	Gibson	King	Taft
Bulow	Gillette	Lodge	Tydings
Byrd	Green	McKellar	Van Nuys
Byrnes	Gurney	Minton	White
Capper	Hale	Murray	Wiley
Chandler	Hatch	O'Mahoney	

NOT VOTING—26

Andrews	Frazier	Miller	Thomas, Utah
Ashurst	Glass	Nye	Tobey
Bilbo	Guffey	Pittman	Townsend
Bridges	Harrison	Radcliffe	Truman
Brown	Holt	Reynolds	Vandenberg
Clark, Mo.	Lucas	Smith	
Downey	McNary	Thomas, Idaho	

So the amendment of Mr. THOMAS of Oklahoma was rejected.

Mr. WHEELER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Montana will be stated.

The CHIEF CLERK. On page 4, between lines 12 and 13, it is proposed to insert the following:

CUSTER HISTORICAL MUSEUM

To enable the Secretary of War to carry out the provisions of the act entitled "An act to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.," approved August 10, 1939, $25,000, to remain available until expended.

Mr. WHEELER. Mr. President, the War Department has recommended the erection of this museum. It was authorized by the Senate at, I think, the last session of Congress. The subcommittee of the Appropriations Committee recommended it, but I understand the full committee turned it down.

There is tremendous interest in the Custer Battlefield. Already a number of relics of Custer have been collected near Billings, Mont.; the cemetery is visited every year by a great many persons; and there is much interest in it.

The amendment carries with it an appropriation of only $25,000, and I hope it will be accepted by the Senator in charge of the bill.

Mr. THOMAS of Oklahoma. Mr. President, heretofore the Congress has considered and authorized this project. This item is for the construction of a museum, which means a building, on an existing battlefield. The subcommittee was impressed by the statement made in behalf of the item, and recommended to the full committee that the bill provide for the construction of the museum; but, as stated by the Senator from Montana, the full committee did not agree with the recommendation of the subcommittee.

Speaking for the full committee, of course, I should have to sustain the objection; but speaking for the subcommittee, I approve the suggestion. If the Senate desires to include this item in the bill, it will be taken to conference, and I will see if the conferees will not agree to it.

I think I have made a fair statement about the whole matter.

Mr. WHEELER. Mr. President, I am very thankful to the Senator from Oklahoma, and I hope the amendment may be taken to conference. It carries an appropriation of only $25,000 for the construction of a building to take care of the various relics which have been assembled on the Custer battlefield.

At the present time there is not any appropriate building in which to house these relics. Many of them will be destroyed by reason of the fact that there is not any appropriate building for their care and preservation. I certainly feel that the amendment ought to be adopted.

Mr. BYRNES. Mr. President, in the committee I voted against the appropriation. I desire to ask the Senator from Oklahoma if the statement was not made to the full committee that this item had been inserted in a bill before this time. Am I wrong in that understanding?

Mr. THOMAS of Oklahoma. Mr. President, I do not remember any such statement having been made to the committee.

Mr. BYRNES. I understood that the item had been previously adopted by the Senate, and that the House conferees had refused to agree to it.

Mr. THOMAS of Oklahoma. I am now advised by the clerks of the Committee on Appropriations that heretofore the Senate has agreed to the item, but that the House conferees refused to accept it, whereupon the item had to be withdrawn. It has heretofore been adopted by the Senate.

Mr. BYRNES. That is my recollection; and I must say that the committee were of the opinion that whether it was done by one Congress or two Congresses the item had been included, and they were unable to secure the assent of the conferees of the House, and therefore determined that it would be unwise to include the item in the pending bill. Other than that I know nothing about the merits of the proposal.

Mr. WHEELER. Let me say to the Senator that there has been a great deal of interest in this matter not only on the part of local people in Montana but on the part of various Army officers from one end of the country to the other. They have taken it up with me and asked me to try to have this amendment adopted. There is much more interest in it on the part of people outside Montana, in St. Louis and Austin, than there is on the part of the local people.

As a matter of fact, there is a small place there which at the present time is housing some of the Custer relics, but it is desired to have a house there in which all the relics can be brought together. For instance, an Army officer whom I met a short time ago in Boston told me that at St. Louis some Custer relics are stored in a basement, and no one is paying any attention to them; that they ought to be moved out there, and all assembled at one place.

All I am asking is that the Senate again send the item to conference and see if we cannot convince the House conferees that it should be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. WHEELER], increasing the total appropriation by $25,000 for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time, was read the third time, and passed.

Mr. THOMAS of Oklahoma. I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. THOMAS of Oklahoma, Mr. HAYDEN, Mr. OVERTON, Mr. RUSSELL, Mr. SHEPPARD, Mr. TOWNSEND, and Mr. BRIDGES conferees on the part of the Senate.

NAVAL APPROPRIATIONS

Mr. BYRNES. I move that the Senate proceed to the consideration of House bill 8438, the appropriation bill for the Navy Department.

The PRESIDING OFFICER. The question is on the motion of the Senator from South Carolina.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8438) making appropriations for the Navy Department and the Naval Service for the fiscal year ending June 30, 1941, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. BYRNES. I ask unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, does the Senator from South Carolina wish to go on with the bill now, or to have it go over until tomorrow?

Mr. BYRNES. I should prefer not to go on with the bill tonight.

Mr. BARKLEY. At this hour, I think it is not advisable to go ahead with the bill.

CONSERVATION AND DEVELOPMENT OF INDIAN LANDS AND RESOURCES

Mr. O'MAHONEY. Mr. President, there is on the table a motion to reconsider the vote by which Senate bill 2103, to repeal the act entitled "An act to conserve and develop Indian lands and resources," introduced by the Senator from North Dakota [Mr. FRAZIER], was passed some time ago. Several Senators are interested in this motion, and I am advised by them that it will not take very long to dispose of it.

Mr. McCARRAN. Mr. President, what is the subject of the motion?

Mr. O'MAHONEY. It is a motion to reconsider the vote by which a bill to repeal the act entitled "An act to conserve and develop Indian lands and resources" was passed. I am about to ask unanimous consent that tomorrow the naval appropriation bill be temporarily laid aside in order that the motion may be disposed of. I am assured that it will not take very long.

Mr. McNARY. Mr. President, has the Senator reference to the bill introduced by the senior Senator from North Dakota [Mr. FRAZIER]?

Mr. O'MAHONEY. Yes.

Mr. McNARY. The Senator from North Dakota will be absent tomorrow, and I should have to object, in his absence.

Mr. CHAVEZ. Mr. President, let me state to the Senator from Oregon that the Senator from North Dakota and I are in complete agreement with those who sponsor the bill. The original bill was introduced by the Senator from North Dakota, and other Senators introduced similar bills. We got them all together, and the bill was reported to the calendar, passed the Senate, and went to the House. The Senator from Wyoming made a motion to reconsider the vote by which the bill was passed, and that is the only thing in controversy. We will see that the Senator's interests are protected.

Mr. BYRNES. Mr. President, I should like to ask what the urgency is, and why the appropriation bill should be set aside for the consideration of this motion. Why could it not wait until the Senator from North Dakota returns?

Mr. CHAVEZ. The only urgency is that the bill passed the Senate, then the Senator from Wyoming made a motion for reconsideration of the vote by which the bill was passed. We should like to have the motion disposed of so that the bill can go to the House and be acted on.

Mr. O'MAHONEY. Mr. President, I have been trying to present this matter when all the Senators interested were present. In view of what the Senator from Oregon has stated, I would not want the Senator from North Dakota to think I was taking the bill up in his absence. Perhaps it would be just as well for me to give notice now that it will be my intention to make this motion after the naval appropriation bill shall have been disposed of.

Mr. McNARY. The Senator from North Dakota was called away this afternoon. He will be back Tuesday.

Mr. O'MAHONEY. If it is agreeable to the Senator from New Mexico, I shall wait until Tuesday before calling up the motion.

TRANSFER OF CIVIL AERONAUTICS AUTHORITY AND AIR SAFETY BOARD

Mr. McCARRAN. Mr. President, I send forward a telegram from the president of the Air Line Pilots' Association and ask that it be read by the clerk.

The PRESIDING OFFICER. The clerk will read, if there is no objection.

The Chief Clerk read as follows:

WASHINGTON, D. C., *April 16, 1940.*

Hon. PAT MCCARRAN,
Senate Office Building, Washington, D. C.:

In this day and age so many startling things are constantly happening that we have become accustomed to the unusual and we are not easily startled or aroused. The air-line pilots, due to the nature of their work, are not easily excitable, yet only a few days ago when the President announced his fourth reorganization plan abolishing the Air Safety Board and stripping the new air authority of its identity and independence and proposed that air accident investigation and civil air regulation generally be placed back under the Department of Commerce, the pilots were not only startled but they were utterly flabbergasted. The regulation of air transportation and civil aviation by the Department of Commerce is something that the pilots and, in fact, most everyone in the industry look back upon with abhorrence. It is not even a pleasant story to recount. Crash upon crash needless sacrificing of human life. During this dark period the pilots lost 146 of their number by reason of crash deaths. And a startling total of 473 persons lost their lives in air crashes. Everyone, especially Congress, fought long and tirelessly to free the industry from this era of chaos and create an independent agency to give the industry the kind of regulation and air-accident investigation procedure that it so sorely needed. The pilots pointed out that safety was vital to the success of the industry and that accident investigation would have to be done by an independent air-safety board, free from all influence and control by those who made the industry's regulations. This Congress did when it passed the Civil Aeronautics Act of 1938, we all know the results. Crashes were cut to a minimum. There have been no fatalities in the past 12 months. When Congress established the Air Safety Board it restored public confidence in air travel with one stroke. If the President's reorganization plan is approved to place regulation and air accident investigation back under the Department of Commerce, public confidence will be destroyed because where humans own lives are involved they have a long memory. The

line pilots to a man plead with you that you do everything possible to prevent this. I am explaining further in a special delivery letter today. Your cooperation is respectfully and earnestly solicited.

AIR LINE PILOTS ASSOCIATION,
DAVID L. BEHNCKE, *President.*

Mr. McCARRAN. Mr. President, in line with the subject of the telegram just read, I ask that there be inserted in the RECORD, following the telegram, a letter from the National Aviation Day Association, through its chairman, on the same subject.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL AVIATION DAY ASSOCIATION, INC.,
Washington, D. C., April 17, 1940.

Hon. PATRICK A. MCCARRAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR MCCARRAN: With respect to the matter of transferring the Civil Aeronautics Authority from status as an independent establishment to that of a bureau under the Department of Commerce, our association has considered the matter as touching upon a subject in which we have a vital interest, and we believe that you and other Members of Congress may be interested in our conclusions:

First. The history of Civil Aeronautics, as will be recalled, is that it had its genesis as the Bureau of Air Commerce of the Department of Commerce, where its methods and operation were severely criticized by Congress, as well as interested outsiders.

Second. Presumably to cut the Gordian knot Congress reconstituted Civil Aeronautics as an independent establishment, with the understanding that the incompetency and maladministration in the former bureau must speedily be abolished and the new agency conduct itself in the efficient manner intended by Congress and the Chief Executive.

In metamorphosis from the old Bureau of Air Commerce to the newly established Civil Aeronautics Authority there were a number of changes in administrative personnel and methods, and, as it is now generally understood, the present agency is now upon an efficient operating basis. In fact, within the past year, it is manifest that under its present leadership C. A. A. is really doing the job as it was intended to do, and doing it well.

Our association, because of present conditions, when the agency is just entering into what appears to be its greatest period of usefulness to the Government, and the general public it is presumed to serve, views with trepidation any untoward changes affecting it.

We are heartily in sympathy with the general purposes of governmental reorganization, where agencies can be transferred, consolidated, or even abolished in the interest of better service to the public or economy, but in the case of the present Civil Aeronautics Authority we deem any such change now unnecessary, unwise, and even harmful to good public policy.

We direct attention to the fact that today aviation occupies the spotlight in the public interest possibly more than any other subject. It cannot be questioned but that its great significance as a military weapon is being proven every day by the warring nations in Europe, and wise men who have American interests in charge are taking the lessons thus, so forcefully driven home, very much to heart.

Back of the present purely military aspects of aviation as a potent arm of our national defense is the indisputable fact that today aviation is our fastest growing industry, and we must look to the future, when, God willing, wars will cease, and civil aviation will come fully into its own as an efficient, speedy, and economical means of transportation, including the all-important task of carrying the mails, and thus playing its part in stabilizing our national economy by expanding its manufacturing and servicing phases into what we are sure will be one of America's greatest industries and assets.

We also believe that in due course, if Civil Aeronautics Authority is continued as an independent establishment, it may parallel in many respects other important Government agencies, such as, for example, the Interstate Commerce Commission, the Federal Trade Commission, and other establishments having judicial or quasi-judicial powers over various phases of industrial activities.

Please understand, Senator, we have no criticism of the Department of Commerce insofar as its conduct of the various matters assigned to it now are concerned, but we seriously question the wisdom of thrusting into it a highly complex, specialized agency which has proven itself able to stand on its own bottom, and to which the Department's present staff, by virtue of its abilities and experience in the field of aviation generally, assuredly could not lend any further valued assistance.

Concluding, we affirm our belief that it would be a mistake to change the present set-up of Civil Aeronautics Authority or the Air Safety Board.

Cordially yours,

NATIONAL AVIATION DAY ASSOCIATION, INC.,
By JOHN J. CRIM,
Chairman.

LOSSES FROM THE MEDITERRANEAN FRUITFLY ERADICATION CAMPAIGN

Mr. BYRNES. Mr. President, I ask unanimous consent for the consideration at this time of Senate Concurrent Resolution 40, reported by me from the Committee to Audit and Control the Contingent Expenses of the Senate.

The PRESIDING OFFICER. Is there objection?

There being no objection, the concurrent resolution (S. Con. Res. 40) enacting a special joint committee to investigate the matter of losses resulting from the Mediterranean fruitfly eradication campaign in Florida in 1929 and 1930 was considered and agreed to, as follows:

Resolved, etc., That there is hereby created a special joint congressional committee to be composed of three members of the Committee on Claims of the Senate, to be appointed by the chairman thereof, and three members of the Committee on Claims of the House of Representatives, to be appointed by the chairman of such committee. It shall be the duty of such special committee to make a full and complete investigation with respect to the losses sustained as a result of the Mediterranean fruitfly eradication and quarantine campaign conducted in the State of Florida in 1929 and 1930 by the United States Government with a view to determining, among other things, the nature, character, and amount of such losses, the circumstances under which such losses occurred, and the persons by whom such losses were sustained. The committee shall report to the Congress at the earliest practicable date the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this concurrent resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-sixth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the committee.

The preamble was agreed to.

RETURN OF A BILL TO THE HOUSE

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives requesting the Senate to return to the House the bill (S. 2661) to create a board of inspectors, Bureau of Marine Inspection and Navigation, at Miami, Fla., together with the accompanying message.

Mr. BARKLEY. I move that the Senate accede to the request of the House of Representatives.

The motion was agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER (Mr. WILEY). If there be no further reports of committees, the clerk will state the nominations on the calendar.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters which had been favorably reported.

Mr. McKELLAR. I ask unanimous consent that the nominations favorably reported be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 18, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 17 (legislative day of April 8), 1940

UNITED STATES PUBLIC HEALTH SERVICE

TO BE MEDICAL DIRECTOR

Clarence H. Waring

TO BE SENIOR SURGEONS

William Y. Hollingsworth
Leo W. Tucker

TO BE SENIOR DENTAL SURGEON

Frank C. Cady

POSTMASTERS

ARIZONA

Patrick D. Ryan, Fort Huachuca.
Martin Layton, Safford.

MAINE

Gladys C. Thurlow, Buckfield.
Bearge M. Hagopian, Madison.

MASSACHUSETTS

John J. O'Brien, Bridgewater.
John F. Kennedy, Chicopee.
Mary T. Harrington, Holden.
John V. Malone, Lancaster.
Charles H. McCarty, Lenox.
John H. Gavin, Manchester.
Charles D. Streeter, Mount Hermon.
Dorothy T. Swift, North Falmouth.
Philip Morris, Siasconset.
Maurice Williams, South Easton.
Walter P. Cook, Yarmouth Port.

TEXAS

George W. Ragland, Abernathy.
John L. Rudeseal, Ackerly.
Annie K. Turney, Alpine.
Alton C. Barnes, Arlington.
Thomas A. Caudle, Ballinger.
Glenn A. Adair, Blum.
Whittaker Downman Bains, Brookshire.
Eunice C. Burroughs, Buffalo.
Elmer A. Hoppe, Carmine.
Claude H. Martin, Crane.
Erin M. McAskill, Edinburg.
Frank Benton Crush, Garland.
Ella Bartlett, George West.
Dona M. Moorman, Gorman.
Ira S. Koon, Hallsville.
Helen M. Peel, Jourdanton.
Harry G. Hubert, Junction.
Henry Morton Stanley Mohle, Lockhart.
Roger S. Guyton, McCamey.
Alfred C. Finley, Meadow.
Patrick S. Hendricks, Midlothian.
Otto V. Hightower, Odem.
Joseph F. Wiles, Olton.
Hattie M. Culpepper, Palmer.
Carroll T. Coolidge, Pasadena.
Charles B. Myers, Poteet.
Ernest C. Waddell, Putnam.
Andrew J. Bushong, Rankin.
John E. Cooke, Rockdale.
Ethridge C. Fowler, Silverton.
Annie E. Finn, Sunset.
John Edgar Kimsey, Texon.
Brett Hargrove, Woodsboro.
James A. McFadden, Yoakum.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 17, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

God be merciful unto us and bless us, and cause His face to shine upon us; that Thy way may be known upon earth; Thy saving health among all nations. Let the people praise Thee, O God; let all the people praise Thee. Oh, let the nations be glad and sing for joy, for Thou shalt judge the people righteously and govern the nations upon earth. Let the people praise Thee, O God; let all the people praise Thee; then shall the earth yield her increase and God, even our own God, shall bless us; God shall bless us, and all the ends of the earth shall fear Him. Through Jesus Christ, our Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7079. An act to provide for the appointment of additional district and circuit judges.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATCH, Mr. MCCARRAN, and Mr. AUSTIN to be the conferees on the part of the Senate.

AMENDMENT TO NAVY ACT OF JUNE 23, 1938

Mr. VINSON of Georgia. Mr. Speaker, I present a conference report upon the bill (H. R. 4929) to amend the act of June 23, 1938 (52 Stat. 944), for printing under the rule.

QUARTERING OF TROOPS DURING PERIOD OF INAUGURATION, 1941

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Joint Resolution 218, to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies, which I send to the desk.

The Clerk read as follows:

Resolved, etc., That the Administrator of the Federal Works Agency or head of any executive department or establishment is authorized to allocate such space in any public building under his care and supervision as he deems necessary for the purposes of quartering troops participating in the inaugural ceremonies to be held on January 20, 1941, but such use shall not continue after January 22, 1941. Authority granted by this joint resolution may be exercised notwithstanding the provisions of the Legislative, Executive, and Judicial Appropriation Act for the fiscal year ending June 30, 1903, approved April 28, 1902, prohibiting the use of public buildings in connection with inaugural ceremonies.

The SPEAKER pro tempore. Is there objection?

Mr. LANHAM. Mr. Speaker, this is the usual resolution passed every 4 years with reference to taking care of the troops of the various States that come here for the inauguration.

Mr. RICH. Reserving the right to object, I want to say here that when the Republicans come in next January you will need a lot of space to take care of them, because we are going to have a real President inaugurated next January 20.

The SPEAKER pro tempore. Is there objection to the present consideration of the Senate joint resolution?

There was no objection.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WARREN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short resolution.

The SPEAKER pro tempore. Is there objection?

There was no objection.

MARY AGNES M'MAHON

Mr. WARREN. Mr. Speaker, I present the following privileged resolution from the Committee on Accounts which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 464

Resolved, That there shall be paid out of the contingent fund of the House to Mary Agnes McMahon, widow of Thomas G. McMahon, late an employee of the House, an amount equal to 6 months' salary compensation, and an additional amount not to exceed $250 to defray funeral expenses of the said Thomas G. McMahon.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

RELIEVING CERTAIN EMPLOYEES OF VETERANS' FACILITIES

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to place in the RECORD at this point a letter which I received from General Hines this morning.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I am placing in the RECORD today a letter received from General Hines of the Veterans' Administration in which he says that he has signed an order which keeps the commitment he made to the Committee on Appropriations and the Committee on Expenditures, which will relieve the employees of the veterans' facilities from the requirement now in effect, by which they are required to pay $22.50 a month for meals, regardless of whether or not they partake of the meals. This order goes into effect May 1 and is the answer to many requests and petitions that have been filed in the last few weeks by various Members. In the future it will be optional with the employee whether he or she eats three meals at the facility.

The letter is as follows:

VETERANS' ADMINISTRATION,
Washington, April 16, 1940.

Hon. JOHN J. COCHRAN,
House of Representatives, Washington, D. C.

MY DEAR MR. COCHRAN: Having in mind your interest in the status of employees of the Veterans' Administration employed at our hospital facilities, who under our rules have been permitted to live off the station, but have been required to pay for subsistence (three meals a day) and referring to recent proposals before the Congress seeking to make optional the acceptance of allowances by these employees, I have today signed an order effective May 1, 1940, which, for all employees living off the station and who previously have been charged for three meals a day, will make optional the taking of more than one meal a day and thus, at the employee's option, he may be relieved of partaking of and paying for two meals per day.

This order will benefit nearly 9,000 employees at our several hospital facilities who are living off the stations with their families, and I am confident granting this option will meet much of the criticism which has been reported from among this group of employees who have felt that they were being charged for something they did not desire or which they may not have entirely benefited from, and will materially add to their convenience.

The order itself contemplates that they will take the one meal served at the hospital during their 8-hour tour of duty. This 8-hour tour of duty provides for one-half hour for a meal and it appears administratively sound that these employees should be required to take this one meal served during their tour of duty during the one-half hour allowed for it. Where previously the charge for subsistence among this group of employees, cafeteria style, was $22.50 per month, the present subsistence charge for one meal will be one-third of that amount, namely $7.50 a month, and thus the employees will be relieved of charges amounting to $15 per month.

Very sincerely yours, FRANK T. HINES, *Administrator.*

EXTENSION OF REMARKS

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert an editorial from the Endicott Times.

The SPEAKER pro tempore. Is there objection?

There was no objection.

CALIFORNIA TIDELANDS OIL

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I do this to direct the attention to the facts contained in an editorial headed "Tidelands Oil Again," from the Los Angeles Times. We have heard about Mr. Hitler's "blitzkrieg." We have one by the Federal Government in California, wherein they are trying to take the tidelands of California. We are going to resist that. The Federal Government has tried to enforce upon us a Federal oil control, and in order to get us into that, they are going to try to "blitzkrieg" us in in that way. This just cannot happen, and I hope all you gentlemen will read the editorial and do some thinking afterward.

Mr. Speaker, I ask unanimous consent to include the editorial as a part of my remarks.

The SPEAKER pro tempore. Is there objection?

There was no objection.

[From the Los Angeles Times of April 11, 1940]

TIDELANDS OIL AGAIN

Reports that the Cole committee, which has been seeking, so far unsuccessfully, some plan for bringing oil production under Federal rule, is about to take up the old question of California's tideland oil pools, tend to confirm predictions that an effort would be made to tie these unrelated matters together for an illegitimate purpose. It is not inconceivable that somebody is trying to frighten California into dropping opposition to Cole bill regulation.

The Department of Justice has been supposed to be investigating the title to tideland oil, and unless and until it reports there is no reason for action by a congressional committee.

That the California tidelands and the oil under them belong to California remains the unaltered opinion of neutral legal experts, and the failure of the Department of Justice so far to announce any other opinion indicates that it is also the opinion of legal officialdom in Washington. What light the Cole committee could throw on this question of law is hard to imagine.

Any attempted Federal raid on California property will be resisted; nor should California be frightened by a stuffed club into acceptance of Secretary Ickes' oil dictatorship.

PROPOSED STANDING COMMITTEES OF HOUSE AND SENATE ON CIVIL AVIATION

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to read the following communication which I received this morning, addressed to me, and to extend my remarks by including therein a copy of a House concurrent resolution.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, the communication and resolution are as follows:

THE NATIONAL AVIATION DAY ASSOCIATION, INC., at its regular meeting held on Friday, April 12, 1940, unanimously endorsed the following resolutions:

"Whereas the increasing importance of aviation, both in a military and an industrial sense, is now manifested by a universal public interest; and

"Whereas it is inevitable that accurate knowledge of aviation matters will necessitate more and more study on the part of Members of Congress, scientists, technicians, industrialists, educators, et al.: Be it

"*Resolved*, That, in view of the foregoing, the NATIONAL AVIATION DAY ASSOCIATION, INC., respectfully suggests to all Members of Congress the advisability and desirability of immediately creating a standing Committee on Aviation Affairs, to take full rank with the other great committees of the Senate and House; and that

"THE NATIONAL AVIATION DAY ASSOCIATION, INC., respectfully suggests to Members of Congress that, by formal resolution, the President of the Senate and Speaker of the House be authorized and directed to appoint each three Members of the Senate and three Members of the House to constitute a special joint committee to study and report upon the feasibility of establishing Senate and House standing Committees on Aviation Affairs; and that

"Copies of this resolution be furnished to all Members of Congress, the President of the United States, and the press."

JOHN J. CRIM, *Chairman.*
C. H. C. BAKER, *Secretary.*

Concurrent resolution creating a joint committee to study and report with respect to the feasibility of establishing standing House and Senate Committees on Civil Aviation

Resolved by the House of Representatives (the Senate concurring), That there is hereby created a joint committee consisting of three Members of the House to be appointed by the Speaker, and three Members of the Senate to be appointed by the President of the Senate, to study and to report, to the House and Senate, respectively, with respect to the feasibility of establish-

ing standing committees of the House and Senate, respectively, on civil aviation. Such joint committee shall submit its report prior to the adjournment of the third session of the Seventy-sixth Congress.

GREAT LAKES WATERSHED

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DONDERO. Mr. Speaker, 10 years ago, lacking but 4 days, the Supreme Court of the United States handed down a momentous and important decision which measured to the State of Illinois and the sanitary district of Chicago the amount of water that could be diverted from the Great Lakes for purposes other than domestic pumpage. It also provided ample time from April 21, 1930, to December 31, 1938, to the sanitary district of Chicago based upon a liberal estimate for completing its entire system for sewage treatment.

The amount of water the decree provided was 1,500 cubic feet per second in addition to domestic pumpage.

During the latter part of last year the State of Illinois instituted proceedings before the Supreme Court of the United States to modify its decision or decree so as to permit the use of 5,000 cubic feet per second instead of the 1,500 cubic feet per second, or more than three times the amount originally provided in the Court's decree in addition to domestic pumpage until December 31, 1942.

This matter came before the Court very recently, and a decision has been handed down appointing a special master to examine into the request of the State of Illinois and directing the master to report with all convenient speed.

In order that the Members of this House who come from the Great Lakes section of this country and those who come from the Mississippi Valley may be fully aware of the provisions of the Court's decision in this most important matter, I ask unanimous consent to insert in the RECORD, as a part of my remarks, the decision of the Supreme Court of the United States rendered on the 3d day of April of this year.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

[Supreme Court of the United States. Nos. 2, 3, and 4, original.—October term, 1939. No. 2, original, *State of Wisconsin, Minnesota, Ohio, and Pennsylvania, complainants,* v. *State of Illinois and the Sanitary District of Chicago, defendants.* No. 3, original, *State of Michigan, complainant,* v. *State of Illinois and the Sanitary District of Chicago et al., defendants.* No. 4, original, *State of New York, complainant,* v. *State of Illinois and the Sanitary District of Chicago et al., defendants.* April 3, 1940]

PER CURIAM

By the decree of April 21, 1930 (281 U. S. 179, 696), the State of Illinois and the Sanitary District of Chicago were enjoined from diverting on and after December 31, 1938, any of the waters of the Great Lakes-St. Lawrence system or watershed through the Chicago Drainage Canal or otherwise in excess of the annual average of 1,500 cubic feet per second in addition to domestic pumpage. That date was fixed as affording adequate time, upon a liberal estimate, for the completion of the entire system designed for sewage treatment, together with controlling works to prevent reversals of the Chicago River in times of storm.

The State of Illinois now seeks a temporary modification of the decree so as to permit an increase of the diversion to not more than 5,000 cubic feet per second, in addition to domestic pumpage, until December 31, 1942. The State submits its petition, not on behalf of the city of Chicago or the sanitary district, but at the instance of certain communities bordering on the Illinois Waterway, including Lockport and Joliet. The grounds for the application are that the system for sewage treatment has not yet been completed and will not be completed until the end of the year 1942, and that, in consequence, through the introduction of untreated sewage into the stream, an "obnoxious, noisome, filthy, insanitary, and dangerous condition to public health" exists along the Sanitary District Canal and the Illinois Waterway.

The State of Illinois has failed to show that it has provided all possible means at its command for the completion of the sewage-treatment system as required by the decree as specifically enlarged in 1933 (289 U. S. 395, 710). No adequate excuse has been presented for the delay. Nor has the State submitted appropriate proof that the conditions complained of constitute a menace to the health of the inhabitants of the complaining communities or that the State is not able to provide suitable measures to remedy or ameliorate the alleged conditions without an increase in the diversion of water from Lake Michigan in violation of the rights of the complainant States as adjudged by this Court.

In order, however, that the Court may be satisfied as to the actual condition of the Illinois Waterway by reason of the introduction of untreated sewage, and as to the actual effect, if any, of that condition upon the health of the inhabitants of the complaining communities, and also with respect to the feasibility of remedial or ameliorating measures available to the State of Illinois without an increase in the diversion of water from Lake Michigan, the Court appoints a special master to make a summary inquiry as to such condition, effect, and measures, and to report to this Court with all convenient speed.

EXTENSION OF REMARKS

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article by Mr. George E. Sokolsky appearing in the New York Herald Tribune of April 1.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

GREENLAND

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, at this time I rise to ask the membership of the House if the Department of State is asleep.

Since the complete occupation of Denmark by Germany a very important question has arisen regarding Greenland, a Danish possession.

Greenland is a part of the Western Hemisphere. It constitutes about 850,000 square miles, an area almost as large as the United States from the Mississippi River to the Atlantic Ocean. Over half of it lies between the sixty-fifth and seventy-fifth parallels which also include the Territory of Alaska. Over half of Greenland is inhabitable throughout the year and more during part of the year.

Greenland is known to possess many valuable mineral deposits. Much of its value is still to be discovered.

Being a part of the Western Hemisphere and by location a part of the North American Continent, there is no question about the fact that Greenland comes within the scope of the Monroe Doctrine.

Comparatively speaking, Greenland is geographically closer to the United States and Canada than to Europe. It is only 6 hours by air from New York. It is an excellent location for the defense of the North Atlantic. Considering it as a naval base, an air base, a submarine base, this territory must not fall into the hands of any European country at the present time.

According to the reported statements of the British Ambassador, England does not plan to occupy Greenland unless Germany should attempt to take over the country. England apparently fails to recognize any interest of the United States in the matter. I believe that Greenland is of utmost importance to the United States. We have the whole of North America to defend—not England. It is our Navy and our Army and our Air Corps that will defend this continent—not England's.

I believe that this country should very definitely notify all European countries—and this includes England—that any attempt to occupy Greenland by any country will be considered an unfriendly act, and the United States will oppose any such action.

I believe this Congress should notify our dilatory State Department to establish a United States protectorate over Greenland until such time as Denmark regains her sovereignty and the question can be permanently settled.

At the present time England possesses more territory in the Western Hemisphere than the United States, and England will grab more while this country is asleep—unless we take immediate action. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an address given at Chicago by me last Sunday.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Oakland (Calif.) Post-Inquirer.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include quotations from letters and communications which I have received.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, a second request, to extend my remarks in the RECORD and include quotations from newspapers and magazines dealing with the present neutrality and war.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

SOCIAL SECURITY, OLD AGE PENSIONS, AND UNEMPLOYMENT

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, some time ago there was formed from the membership of the House a voluntary, nonpartisan committee to consider the problem of unemployment and its solution. Seventy Members of the House voluntarily joined this committee and have been working on the unemployment problem. Twelve subcommittees were formed, and these subcommittees have been meeting, securing information, making studies, and are now filing reports of their work with the main committee which has held many meetings. I am a member of the subcommittee on social security, old-age pensions, and unemployment. This subcommittee has for a considerable time been giving a careful study to this problem and by unanimous agreement it has arrived at some conclusions which, in my judgment, are most important in the consideration of the problem of unemployment, which I desire to call to the attention of my colleagues.

INTRODUCTORY STATEMENT

National recovery in the United States is entirely dependent upon an adequate and sustained purchasing power in the hands of the American people. If business and industry are to be assured of opportunity for the steady production of goods, with reasonable profits, and if labor is to be assured stable and sufficient employment, with living wages, purchasing power must keep pace with production.

Economic stability depends today almost entirely upon the expansion of demand. With adequate purchasing power available, demand for commodities and services will come naturally, and this demand will force increased production and, in turn, stabilize employment and make more work available.

Annually about 15 to 20 percent of currently received income is neither spent nor invested but is saved. This means that this amount is taken out of circulation, reducing the volume of active purchasing power and causing more unemployment. The main question is how, under the circumstances, are we going to consume all we can produce?

Part of our people can produce enough for all of the people. It is necessary that some group be enabled to consume without taking part in production. There are a considerable number of persons in the country who, through no fault of their own, cannot take part in production. In this age it is almost impossible for a man to get a job after he reaches the age of 60. This group over 60 years of age, who have toiled the longest, should not be deprived of taking part in the consumption of goods. They are the victims of an industrial system for which they are not responsible.

We owe a duty to our old folks and we can perform this duty by establishing a national annuity system on a pay-as-you-go basis, drawing upon some of the idle savings as means of financing it. This plan would take care of all groups that are American citizens over the age of 60. They would be paid by the Federal Government an amount determined by prorating the tax revenue derived from the special taxes levied for this purpose. The revenue should be derived from a broad general tax plus taxes which will operate to reduce the volume of idle savings and make more funds available for active consumer buying power.

ANALYSIS

Probably the central reason for unemployment today is failure of consumer buying power to keep pace with the production of goods and services. If we are to have a full employment, it is necessary for production of goods to be continuously balanced by an equivalent flow of consumer demand.

Certain facts in recent experience have important bearing on this question. These facts are as follows:

(1) Production tends to increase faster than employment.

(2) Under modern scientific methods of production, part of the people are able to produce enough for all the people.

(3) If, however, all the people do not consume their reasonable share of national production, inventories increase, production must be reduced, and even those currently employed will be in danger of losing their jobs.

(4) In the closing months of 1939 the Federal Reserve index of industrial production stood at the highest figure on record, and in the whole year of 1939 the production of goods and services equaled that of 1929. This, however, was accomplished with the employment of a million less people than were employed in 1929. It was inevitable under these circumstances for inventories to increase and for production itself to be curtailed so that today the index of production is once again falling.

(5) Various methods have been employed to try to keep consumer demand in line with production. Between 1922 and 1929 the consumers of the country had contracted a debt of between nine and eleven billion dollars for purchases which they had made on the installment plan. That is, they had attempted to purchase goods in an amount of $9,000,000,000 in excess of their incomes. This could not go on and it was one of the causes of the crash of 1929. It would have come much sooner had it not been for people buying goods beyond their incomes. They tried to stretch consumer demand to equal production. It couldn't be done.

(6) We find that persons 60 years of age and older, once they have become unemployed, find it almost impossible to get back to work again. There are various factors which cause this, among them those connected with industrial insurance and retirement systems. It is a fact, however, which must be taken practically into account.

(7) In various ways an attempt has been made to bring about better adjustment between production and consumer demand by enabling certain groups to consume even though they do not take part in production. Relief, retirement systems for Government employees, and certain categories of social security are examples of this.

OUTLINE OF PROPOSED ANNUITY SYSTEM

If it is necessary for some group in society to be enabled to consume its share of national production without contributing to that production, then, obviously, this group should be those people who have worked the longest and contributed most in the past to our national wealth and to the building up of our very efficient productive machine. This evidently indicates an old-age annuity system.

It is agreed by most economists that the central cause of unemployment today is that too large a proportion of our national income is saved and set aside in idle pools of money which are neither spent nor promptly invested by their owners. This would indicate the importance not only of stimulating investment but of accomplishing a transfer of a portion of the funds now held out of use in surplus savings into the stream of active consumer buying power. The best way to do this is by a system of taxation on the one hand and the payment of old-age annuity on the other. In our opinion, such a measure would contribute as much to a restoration of "confidence" as anything that could be done. For all these reasons we believe there should be a national system of pensions established in this country for those people who have passed the age where they can reasonably be expected to secure employment in industry. The particular features of such an old-age annuity system, we believe, should be as follows:

(1) It should be "pay as you go" system. That is to say, all money collected in taxes for the purpose of providing such pensions should be promptly disbursed to those eligible to receive it.

Principal criticism of the present social-security contributory system (title 2) is its serious deflationary influence. In the fiscal year 1940 both the unemployment-insurance system and the old-age annuity system will be taking money out of circulation at a net rate of $50,000,000 a month. That is, over the whole year those two programs will collect in tax $1,200,000,000 more than they pay out in benefits. This literally means that $1,200,000,000 worth of goods produced in 1940 will not be able to be sold unless the Government unbalances its Budget by $1,200,000,000 to compensate for this deflationary influence.

Furthermore, those population groups, such as farmers, farm laborers, domestic servants, and others who do not participate in any way in the benefits from either the unemployment-insurance or old-age annuity systems, must constantly pay a portion of the pay-roll taxes (indirectly through higher prices) to make possible the payments to the special groups which are covered. Therefore, our next point is:

(2) Pensions should be paid to all American citizens over 60 years of age who are retired from industry. (If desired to deny the pension to persons who clearly do not need it, it could be required that persons who are liable to the payment of a Federal income tax must return, at the time the tax is paid, any money received as pension payments during the previous year. This would leave the pension system as simple as possible, requiring no investigator staff or individual records.)

(3) There should be no difference in the amount of payments made by the Federal Government to people in different States. The States may, of course, supplement Federal payments as they see fit, but the basic pension system should be a straight Federal system supported by Federal taxes and with payments made directly by the Federal Government.

(4) The revenue for such a system should be derived first from broad general taxes whereby practically everyone in the population will pay at least a small amount to support this national system of old-age security. Another portion of the revenue should come from such taxes as will operate to reduce the volume of hoarded funds and to accomplish the necessary shift out of those holdings into active consuming buying power. The gross-income tax is an example of the first kind of tax, whereas income taxes, inheritance, estate, and gift taxes are examples of the second kind.

(5) The size of the pension should be determined by prorating the tax revenue derived from the special taxes levied for this purpose among all those eligible to receive the pension. But the policy should be to fix the tax rates at such a point as to yield to each pension recipient his proportionate share of the national income.

Such a system as we have outlined would avoid the complicated system of bookkeeping now required, both on the part of the individual employers and on the part of the Social Security Board itself. It would make possible elimination of the pay-roll taxes and of the attempt to maintain individual records on upward of 40,000,000 workers. It would make possible the inclusion of all occupational groups of citizens and it would bring to an end the serious deflationary influence of the current attempt to accumulate reserve funds.

Mr. Speaker, in connection with these studies of old-age security and unemployment, I draw attention to the fact that the old-age insurance and unemployment-insurance provisions of the Social Security Act have not worked out satisfactorily. I do not at this time desire to take the time of the House to discuss the failures of the Social Security Act in this respect, but I do call attention to a brief summary of the deflationary features of the act which are a serious handicap to economic recovery, and instead of aiding in the solution of the unemployment problem only increase the unemployment rolls:

OPERATION OF THE SOCIAL SECURITY ACT

I. INTRODUCTION

America suffers today from an acute deficiency of consumer buying power relative to her power to produce. The operations of the Social Security Act must be considered in the light of the above statement.

In 1937 the effects of the pay-roll taxes were first felt. No doubt this contributed to the sharp "recession" of that year.

In 1938 tax collections (for old-age annuities and unemployment insurance) exceeded benefit outpayments by $1,000,000,000.

In 1939 approximately the same figures.

In 1940 about $1,200,000,000 in excess of tax collections over benefits.

II. SIZE OF RESERVE FUNDS

Representing excess of collections over payments (in millions)

	Dec. 31, 1939	June 30, 1940	Dec. 31, 1940	June 30, 1941
Old-age insurance	$1,442	$1,753	$2,032	$2,333
Unemployment insurance	1,510	1,797	2,097	2,382
Total	2,952	3,550	4,129	4,715

Each fund will thus account for a deflation of about $50,000,000 each month.

III. SUMMARY OF 1½ YEARS, DEC. 31, 1939, TO JUNE 30, 1941

(a) *Old-age insurance*

Collections of taxes	$941,000,000
Interest accumulation	108,000,000
Total	1,049,000,000
Benefits paid out	158,000,000
Net deflation	891,000,000
Cost of administration per year	43,000,000

III. SUMMARY OF 1 1-2 YEARS, DEC. 31, 1939, TO JUNE 30, 1941—Con.

(b) *Unemployment insurance*

Collection of taxes	$1,482,000,000
Benefits paid (State controlled)	610,000,000
Net deflation	872,000,000

(c) *Total net deflation for both funds for 1½-year period*

Old-age insurance	$891,000,000
Unemployment insurance	872,000,000
Total net deflation	1,763,000,000

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein a letter and resolution from the Los Angeles Building Trades Council, of Los Angeles County, concerning the W. P. A.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

AIRPLANE CONTRACTS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, step by step the war moves toward our doorstep or we move toward it. During the hearings before the Appropriations Committee for the War Department members of the committee were told that delays in the delivery on Government orders of aircraft were subject to a penalty of 15 percent. In answer to some direct questions on that point, it also developed that foreign purchasing commissions could get priority in the delivery of planes by paying their contract price plus a bonus to cover the penalty. General Arnold, Chief of the Air Corps, testified, however, that he believed the American manufacturers were patriotic enough not to delay our planes in that manner.

It develops now, however, that their patriotism will not be tested. The administration has not only decided to release certain new ships for sale but will change the delivery dates, surrendering, in effect, the 15-percent penalty. In order to determine the facts in the situation, I wrote General Arnold last week, asking specifically what effect the new policy would have on the payment of the penalty for liquidated damages. The nub of the situation is given in this sentence from a letter by him to me under date of April 13:

> The liquidated-damage clauses as now included in existing contracts will not be deleted, but the computation of monetary penalty to be imposed will be computed upon the revised delivery dates as included in the changed order, and not the delivery dates as guaranteed in the original contract.

In other words, Mr. Speaker, the Government by changing delivery dates will surrender the 15 percent and ease the cost to the foreign purchasers by that much.

The step may be legal. It may even be wise to let today's belligerents try out these planes which a year ago we were told we must have immediately. I am not passing judgment on that at this time, but the revision of delivery dates for our planes in such a way as to reduce by 15 percent the cost that foreign purchasers would otherwise have paid is definitely compromising the cash-and-carry, no-credit-aid policy which was advertised last autumn.

I hope, Mr. Speaker, that it is not a step toward our involvement in the war.

[Here the gavel fell.]

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, on last Thursday as part of his Reorganization Plan No. IV, the President proposed among other things to transfer the functions of the Civil Aeronautics Authority back to the Department of Commerce.

Mr. Speaker, one of the most rapidly growing and most important industries in this country is the aviation industry.

It was a turmoil and there was accident after accident, lives lost by the thousands in the years in which the aviation industry was growing up. I strenuously protest this proposed transfer back to the Department of Commerce, and further in my remarks I propose to cite statistics indicating the decrease in accidents in the aviation industry in this country and in air transportation brought about in large measure by the Air Safety Board. [Applause.]

Mr. Speaker, the Civil Aeronautics Authority together with the Air Safety Board started to function August 22, 1938, at that time taking over the duties formerly performed by the so-designated Bureau of Air Commerce of the Department of Commerce. I do not wish to detract from much valuable work done by the personnel of the Bureau of Air Commerce. In fact much of its personnel found its way into the new agency.

I do contend, however, and in that contention I am borne out generally by leaders in aviation, that this is a new method of transportation that has little in common with other forms of transportation. In the construction of its operating equipment, it has little in common with the construction of the media of other forms of transportation. It was felt proper, therefore, that aeronautics had reached a stage in our national life when it was entitled to separate recognition and regulation.

It took 4 long years of earnest effort on the part of Senator MCCARRAN and others to get through the legislative act creating the Civil Aeronautics Authority and the Air Safety Board. This set-up was somewhat original in several of its features. In the first place, it separated executive functions from judicial and legislative ones, putting the former in the hands of an Administrator, and, in addition, setting up an independent Safety Board charged solely with the duty of investigation and prevention of accidents. The Civil Aeronautics Authority itself is nonpartisan in its make-up, and from the day of its inception has in the main been manned by a competent staff of highly trained experts, in most cases active pilots of many years' experience.

This regulatory organization has been in operation now approximately 20 months, and let us look at the record to see just what it has accomplished in that time. On March 26 last, for the first time in history, our commercial air lines completed 1 full year of scheduled operation, transporting more than 2,000,000 persons over a total number of air-line miles flown of 87,325,145 without a single fatality to operating personnel, passengers, or even bystanders. The passenger-miles flown total 814,906,250. At the exact moment this record had been established at 3:50 a. m., March 26, there were then in the air some 208 air-line planes in actual flight, carrying approximately 3,000 passengers.

I want to include in the record at this point, Mr. Speaker, a chart showing what a remarkable increase in safety this represented over the preceding two 1-year periods.

Domestic air carrier operations and accident statistics for the yearly periods Mar. 27, 1937, to Mar. 26, 1938; Mar. 27, 1938, to Mar. 26, 1939; and Mar. 27, 1939, to Mar. 26, 1940

	For 12 months ending Mar. 26—		1940
	1938	1939	
Miles flown	67,002,154	71,080,308	87,325,145
Total passengers carried	1,157,738	1,389,818	2,028,817
Total passenger miles	503,484,761	565,220,938	814,906,250
Fatal accidents	4	5	0
Fatal passenger accidents	4	5	0
Passenger fatalities	32	20	0
Crew fatalities	10	8	0
Miles flown per fatal accident	16,750,539	14,216,062	———
Miles flown per fatal passenger accident	16,750,539	14,216,062	———
Passenger miles flown per passenger fatality	15,733,899	28,261,047	———
Miles flown per crew fatality	6,700,215	8,885,039	———

The President of the United States was one of the first to congratulate those who had made this remarkable record possible. In a letter to Chairman Robert H. Hinckley, of the Civil Aeronautics Authority, he made this statement:

Looking behind this record, in which we can all take such pardonable pride, we find it has been achieved through cooperation and teamwork between the personnel of the air-transport lines and workers in the Federal Government. I trust that this cooperation may continue with like satisfactory results through the years ahead.

And yet, after that recognition only 3 weeks ago, it is now proposed by our Executive that this organization be cut up and broken up and its functions transferred back to the Department of Commerce where it will again be subject to political manipulation.

Mr. Speaker, this was truly a remarkable record. Let me quote an announcement by Mr. Hinckley under date of March 26:

It was not accomplished at a sacrifice of the services offered by the air lines to the American public. Quite the contrary. During the 12 months just ended our common carriers of the air flew more than 87,000,000 miles. That is equivalent to flying 10 times around the world at the equator every day of the year. It is roughly equal to the total of air-line flying logged during the same period in all the rest of the world put together. It is 16,000,000 more miles of flying than was ever done in this country in any preceding year.

The domestic air-line system of the United States is the only one in the world that flies as much by night as by day. This past year it flew almost as many miles each 24 hours during the winter as during the best weather of last summer. In fact, it set its all-time monthly record in December. Yet, in spite of this intense activity, not one passenger, not one crew member, not one bystander was so much as seriously injured through the operation of this transport system.

It has been said by the President that objections to this transfer are "a lot of spinach." Let me say to you that the men who actually made this record, the men who sit in the cockpits of these airplanes, who flew night and day, through good weather and bad, the men who carried their aluminum-clad cargoes of air-line passengers, air-line express, and air-line mail safely through to their destination seem to feel differently about this unexpected attempt to revert to past practices.

Yesterday I received the following telegram from Mr. David L. Behncke, president of the Air Line Pilots Association:

WASHINGTON, D. C., *April 16, 1940.*

Hon. FRED BRADLEY,
House Office Building, Washington, D. C.:

In this day and age so many startling things are constantly happening that we have become accustomed to the unusual, and we are not easily startled or aroused. The air-line pilots, due to the nature of their work, are not easily excitable, yet only a few days ago, when the President announced his fourth reorganization plan abolishing the Air Safety Board and stripping the new Air Authority of its identity and independence, and proposed that air-accident investigation and civil air regulation generally be placed back under the Department of Commerce, the pilots were not only startled but they were utterly flabbergasted. The regulation of air transportation and civil aviation by the Department of Commerce is something that the pilots, and, in fact, most everyone in the industry, look back upon with abhorrence. It is not even a pleasant story to recount. Crash upon crash, needless sacrificing of human life. During this dark period the pilots lost 146 of their number by reason of crash deaths. And a startling total of 473 persons lost their lives in air crashes. Everyone, especially Congress, fought long and tirelessly to free the industry from this era of chaos and create an independent agency to give the industry the kind of regulation and air-accident investigation procedure that it so sorely needed. The pilots pointed out that safety was vital to the success of the industry, and that accident investigation would have to be done by an independent air safety board, free from all influence and control by those who made the industry's regulations. This Congress did when it passed the Civil Aeronautics Act of 1938; we all know the results. Crashes were cut to a minimum. There have been no fatalities in the past 12 months. When Congress established the Air Safety Board it restored public confidence in air travel with one stroke. If the President's reorganization plan is approved to place regulation and air-accident investigation back under the Department of Commerce, public confidence will be destroyed, because where humans' own lives are involved they have a long memory. The line pilots to a man plead with you that you do everything possible to prevent this. I am explaining further in a special-delivery letter today. Your cooperation is respectfully and earnestly solicited.

AIR LINE PILOTS ASSOCIATION,
DAVID L. BEHNCKE, *President.*

Mr. Speaker, I have been in personal contact with a number of airport managers, with commercial pilots not on the air lines, with private pilots, and with private-plane owners. Not one of these people actively interested in the flying business of this Nation look upon this plan with favor. Not one of them but fears that it will cause confusion and, per-

haps, chaos in the aviation industry. Aviation is too important to this Nation in peacetime as well as in wartime to upset it again at this moment when things have been running so smoothly. I will admit, Mr. Speaker, that it has been said that the air-line operators themselves and even the airplane manufacturers have not voiced their objections. It has been my experience that one seldom voices an objection when he is effectively muzzled. When these operators and manufacturers have to look to the Government for much of their financial support, it is not difficult to realize why they must of necessity remain quiet. Give them a chance to continue to operate in safety, to continue to build up confidence in the minds of the traveling public, and they will be able to continue to operate at a profit without dependence on our Treasury for funds—and they might then be able to speak more freely.

Mr. Speaker, I am vigorously opposed to this part of reorganization plan No. IV. I propose later to discuss its possible effects on commercial nonscheduled operation and on private and sport flying, but for the moment let me say to you that we have no right to tamper with the safety of our air-line passengers or their pilots. The remarkable safety record that they have achieved over the past year speaks for itself. [Applause.]

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER. Mr. Speaker, I ask unanimous consent that on today after the conclusion of the business for the day and other special orders I may address the House for 45 minutes on the subject of H. R. 9000.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

DIVERSION OF LAKE MICHIGAN WATERS BY CHICAGO

Mr. GUYER of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GUYER of Kansas. The gentleman from Michigan [Mr. DONDERO] just referred to the decision of the Supreme Court in regard to the waters of Lake Michigan. Judge Kenesaw Mountain Landis was the district judge before whom this case came on for hearing in Chicago. I had lunch with that most interesting gentleman in Chicago last summer. He took me out from the Wrigley Building and showed me the lake and the locks of the drainage canal. I referred to the fact that he was the judge of the United States district court in that case. He said, "GUYER, that was the easiest decision I ever rendered. There were experts there who said that if you take water out of the lake the level of the lake would not be affected, and there were others who said that if you took water out of the lake it lowered its level. I decided that if you took water out it was not in." [Applause.]

[Here the gavel fell.]

THE DECENNIAL CENSUS

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DISNEY. Mr. Speaker, we have been entertained in recent weeks with a discussion of the census and the questions involved in the taking of the census. The matter to me seemed to assume undue proportions. The public, nevertheless, took great interest in it down my way, as in other districts.

It has occurred to me that this matter ought to be fought out a little further in advance of the taking of the census and in advance of the campaigns that occur in the year of the decennial census. So I have introduced a resolution requiring that the Census Department file at least 1 year in advance of the taking of the next decennial census a list of the questions intended to be asked of the citizens of the country, that list to be filed with the Senate and the House and to be made public. [Applause.]

[Here the gavel fell.]

AMAZING STORY OF TREASON THAT OPENED NORWAY TO GERMANS

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FERGUSON. Mr. Speaker, I want to read an article that shocked me and I know shocked the majority of the people in the United States. That was the true story of what happened in Norway and what can happen in a democracy. This is contained in the story by Leland Stowe. I ask unanimous consent—I have never asked consent before to insert a newspaper article in the RECORD—that this article may appear in full at this point in the RECORD.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I think articles of this size should go in the Appendix. We are going to take up a very important bill here directly and I do not think these long articles should be put in the RECORD ahead of the proceedings on that bill. The majority leader has announced that policy in respect to these extensions.

Mr. FERGUSON. I modify my request, Mr. Speaker, but I want to read this one paragraph:

> Norway's capital and great seaports were not captured by armed force. They were seized with unparalleled speed by means of a gigantic conspiracy which must undoubtedly rank among the most audacious, most perfectly oiled political plots of the past century.
>
> By bribery and extraordinary infiltration on the part of Nazi agents and by treason on the part of a few highly placed Norwegian civilian and defense officials, the German dictatorship built a Trojan horse inside of Norway.

[Here the gavel fell.]

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent that I may extend my remarks and place the entire article in the Appendix of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

EXTENSION OF REMARKS

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain portions of an approved report from the conference on unemployment.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to announce to the House that there is a map of the North American Continent in the lobby——

The SPEAKER pro tempore. Does the gentlewoman from Massachusetts desire to submit a consent request? The Chair cannot recognize the gentlewoman to speak for another minute.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I do not want a minute to speak. There is a map in the lobby showing——

The SPEAKER pro tempore. The gentlewoman is not presenting a unanimous-consent request.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make a point of order that there is not a quorum present.

The SPEAKER pro tempore. Evidently there is not a quorum present.

Mr. COOPER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 72]

Bates, Ky.	Cartwright	Darrow	Elliott
Bell	Casey, Mass.	Dies	Gifford
Buckley, N. Y.	Cole, N. Y.	Dingell	Gilchrist
Burgin	Connery	Ditter	Green
Carter	Crosser	Durham	Healey

Hoffman	Lemke	Sacks	Taylor
Hook	Maloney	Scrugham	Thomas, N. J.
Horton	Massingale	Shafer, Mich.	Tibbott
Houston	Merritt	Sheridan	Ward
Jarman	Murdock, Utah	Somers, N. Y.	Wheat
Jennings	O'Day	Starnes, Ala.	Whelchel
Keefe	Patton	Steagall	White, Idaho
Kelly	Plumley	Sullivan	
Kirwan	Rabaut	Sweeney	

The SPEAKER pro tempore. Three hundred and seventy-five Members have answered to their names. A quorum is present.

On motion of Mr. COOPER, further proceedings under the call were dispensed with.

CREATION OF BOARD OF INSPECTORS, MIAMI, FLA.

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of an order which I send to the Clerk's desk.

The Clerk read as follows:

Ordered, That the Clerk be directed to request the Senate to return to the House the bill of the Senate (S. 2661) entitled "An act to create a board of inspectors, Bureau of Marine Inspection and Navigation, at Miami, Fla.," together with the accompanying message.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

Mr. MICHENER. Mr. Speaker, reserving the right to object, may I inquire of the gentleman if this is the bill that was presented to the House yesterday?

Mr. BLAND. This bill was considered by the House on Monday under a unanimous-consent request and when the bill was considered the Senate bill was taken from the desk and substituted for the House bill. The bill was amended, but inadvertently the Senate bill was sent back with an erroneous message and we want to recall it in order to make the message conform exactly to what the House did.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia [Mr. BLAND].

There was no objection.

The order was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF SECTION 8 (E) OF SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3800) to amend section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended, with Senate amendments thereto, disagree to the Senate amendments, and request a conference.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas [Mr. JONES]?

There was no objection.

The SPEAKER pro tempore appointed the following conferees: Mr. JONES of Texas, Mr. FULMER, Mr. DOXEY, Mr. HOPE, and Mr. KINZER.

EXTENSION OF REMARKS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a couple of letters.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. GEYER]?

There was no objection.

THE LOGAN-WALTER BILL

Mr. WALTER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6324) to provide for the more expeditious settlement of disputes with the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6324, with Mr. KERR in the chair.

The Clerk read the title of the bill.

Mr. GUYER of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Chairman, the enormous volume, variety, and extent of administrative regulation is amazingly portrayed in the advertisement now being sent out by the Superintendent of Documents, offering for purchase the Code of Federal Regulations.

This code has been compiled under the provisions of the Federal Register Act (50 Stat. 304). These provisions call for filing—

> With the administrative committee a complete codification of all documents which, in the opinion of the agency, have general applicability and legal effect and which have been issued or promulgated by such agency and are in force and effect and relied upon by the agency as authority for, or invoked or used by it in the discharge of, any of its functions or activities on June 1, 1938.

The Superintendent of Documents states that this entire Code of Federal Regulation will be available sometime during April 1940.

He states:

> The Code will embrace all documents of the various administrative agencies which had general applicability and legal effect on June 1, 1938. It will consist of 50 titles, bound in 17 books, each book containing approximately 1,000 to 1,200 pages.

The Superintendent states:

> The term "document" means any Presidential proclamation or Executive order and any order, regulation, rule, certificate, code of fair competition, license, notice, or similar instrument issued, prescribed, or promulgated by a Federal agency.

This gives a fair idea of the enormous body of administrative law affecting the rights and property of the citizen, promulgated under statutory authority by the various boards, bureaus, commissions, and agencies of the Government, which the Walter-Logan bill seeks to bring under uniform procedure and review.

Mr. MICHENER. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD and to include certain excerpts from the code and certain statements made by the Superintendent of Documents.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

Mr. GUYER of Kansas. Mr. Chairman, I yield to the gentleman from Illinois [Mr. CHIPERFIELD] such time as he may desire.

Mr. CHIPERFIELD. Mr. Chairman, the pending bill, H. R. 6324, commonly known as the Logan-Walter bill, is, in my opinion, one of the most important bills we have considered during this session of Congress. No measure has had more careful study by the Congress over a period of years than has this bill. It has been endorsed by the American Bar Association, the American Federation of Labor, the National Grange, and many business groups throughout the United States.

During the last few years there has been a mushroom growth in the field of administrative law which has brought into being hundreds of boards, bureaus, agencies, and commissions, and we have rapidly become a nation governed by decrees, rules, and regulations of these agencies, rather than governed by law. Consequently we have become a nation governed, to a large extent, by men rather than by laws.

To remedy this situation, this bill simply proposes that certain orders, regulations, and decrees issued by executive agencies shall be subject to appeal to a court of law. Under these circumstances, any person who feels he is aggrieved by one of these orders or regulations has the right to have his day in court. This is simply following out the fundamental purpose of our Government as established under the Constitution that every person shall have his day in court and equal justice under the law.

I, for one, do not believe in the infallibility of the bureaucratic agencies, nor do I believe that any governmental agency should be the judge of its own case. If it is a choice of my rights being passed upon by the courts or by the bureaucrats, I place my faith in the courts of this Nation.

This bill merely requires that these agencies act within the powers granted to them by the basic laws that created them, and that they shall not abuse the powers that Congress granted to them. As is stated in the report of the Judiciary Committee, "the law must provide that the Governors shall be governed and the regulators shall be regulated, if our present form of government is to endure." To me this principle is basically sound, and I have heard no valid or logical argument against it.

About the only argument that opponents of this bill have used is that this law would permit dilatory suits and delays. May I call attention to the language of the bill on page 14, section 6, where it is provided:

> The courts shall have jurisdiction and power to impose damages in any case where the decision of the agency or independent agency is affirmed and the court finds that there was no substantial basis for the petition for review. In all cases the cost on review shall be allowed the prevailing party after final judgment, to be collected according to law.

This, in my opinion, is a complete answer to such specious arguments. Those who oppose this bill apparently prefer to be governed by bureaucrats rather than by law and the orderly processes of our courts and do not wish any restraint placed upon these bureaus that will confine their powers to those granted by the Congress.

Mr. Chairman, I earnestly hope that this bill will pass, as I firmly believe it will help preserve the democratic processes of our Government and will tend to correct many of the abuses created by bureaucratic agencies. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. EDWIN A. HALL].

Mr. EDWIN A. HALL. Mr. Chairman, I want to express my appreciation to the members of the committee for allowing me a limited amount of time, even though I am not a member of this committee. At the outset I wish to disclose that I am unable to yield because of my limited time and will consequently have to refuse to yield for any question or remarks.

I wish to take this opportunity to report a recent incident which was brought to my attention and which I believe will challenge every Member of this House and of the Senate to a realization that not only his prerogatives but his self-respect are being encroached upon. I say this because I am absolutely in favor of the passage of the Walter-Logan bill.

In a conversation recently with two under officials of the Bureau of the Census, it was mentioned that the Senator from New Hampshire was guilty of interference with and trespass upon that department. In answer, another under official made this remark, "Well, the Senator from New Hampshire is an old fossil."

I am not disputing the right of any citizen throughout the land to make such a reference as he wishes to any Member of this House or of the United States Senate, and that is his privilege, but I do believe it is entirely unbecoming for any member of any governmental bureau to cast aspersions upon any Member of this Congress. I believe it is high time that this Frankenstein which we as a Congress, have created, be controlled so that it will not rise up and smite the very functions of this House and of the United States Senate. You have all heard of Dr. Cyclops. You know it was his custom to make men minuscule beings of an inferior quality. I do not wish to compare the executive department to Dr. Cyclops, but I will say here and now that the methods that have been introduced and used have been strikingly like the methods used by that doctor.

It is high time that this octopus, to use the simile of the gentleman from Mississippi, be regulated so that its vicious and far-reaching tentacles can be controlled in the affairs of this Government. I believe it is high time that such a measure as the Logan-Walter bill be passed. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, my objection to this bill can be summed up in this phrase: You cannot give the same prescription to every patient, and just so, you cannot prescribe the same remedy for all the diverse 130 departments of Government.

I should like in the brief time allotted to me to point out something of the ambiguity which emanates from this bill. If you will read section 7, concerning appeals to interagency appellate media and appeal to the courts, you will find that it reads as follows:

> Nothing contained in this act shall operate to modify or repeal any rights or procedure as now provided by law for any person to have his controversy with the United States heard and determined in any district court or circuit court of appeals of the United States.

This is what is known in law as a saving clause. It tends to save the judicial appellate rights you now have, for example, in the Veterans' Bureau, in the Department of Agriculture, in the Labor Department, in the Examining and Retiring Board of the Navy Department, and in the Board of Review of the Tennessee Valley Authority, and a few other bureaus or agencies. That is all very well and good, but it does not meet the problem for two reasons:

First. It does not relate at all to procedure within the agencies. This bill, as you may recall, not only permits an appeal to the court but as a condition precedent to the appeal to the court you appeal to the interagency board. This saving clause, however, does not relate to the procedure within the agencies and is only directed to court review; consequently it constitutes no answer to the objection that the bill would result in completely scrapping such procedures within the various Government departments and agencies as now exist, and many of which, especially in the old-line departments like the Veterans' Bureau, have been found entirely adequate and satisfactory.

Second. As to court review, the section creates an additional ambiguity rather than dispelling ambiguity that would exist if the section were not in the bill. Does it mean that a person aggrieved by the decision of an agency may secure a court review under procedure now existing in cases where such review is accorded and that he may also, in addition, secure a court review in the manner provided in the bill? In other words, is there a double-barreled remedy? If so, does he have the option of pursuing one or the other procedure? That would seem to be an unnecessary source of additional confusion. It also demonstrates the impracticability of dealing with the matter of court review by means of a single pattern for all agencies. Why, for example, should there be two types of court review as to some agencies and only one type as to others? And yet I firmly believe that will be the effect of this bill. I have tried to work out an amendment, but the subject matter is so intricate and difficult that you cannot adequately within this bill's framework fashion an amendment to meet the exigencies of the situation. For that reason I do honestly hope that we will wait until the Attorney General makes his report on this bill and which report will undoubtedly outline different procedures for appeal in each different class of bureaus or departments or agencies.

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I yield myself the balance of the time on this side.

I yield myself this time in order to endeavor to answer the argument advanced by the gentleman from New York [Mr. CELLER]. It is, indeed, a novel one. Certainly, no language in any statute could be any plainer than section 7 of this bill. Under that language it is contemplated that no right that any citizen has to have his matter tried in the courts, as provided by an existing statute, shall be affected. It does not provide an additional remedy, and under the terms of this bill, H. R. 6324, if the procedure in the act is adopted, then, of course, if a citizen goes into court under existing law, it is a matter of res adjudicata, and the court would certainly not pass on the same matter twice.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield, gladly.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. O'CONNOR. Assuming the necessity for the passage of this or similar legislation, what would be the objection to waiting and acting upon the matter when we get a complete report from the Attorney General concerning the investigation he is now making on this very subject?

Mr. WALTER. May I say to the gentleman that we have been promised this report for a long while. The committee does not believe there will be a report made for some time to come, and may I say to the gentleman in this connection, in an ad interim report made by the Attorney General, he states:

> We are much encouraged by knowledge that some agency made conscious of procedural problems by the committee's inquiries have already substantially altered existing practice whether as a result of their own thinking or in accordance with informal suggestions of the committee or its staff.

I say that if the existence of a committee that functions through one young college professor has improved the administrative processes, then, a fortiori, the mere existence of this law will improve the administrative processes.

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. VREELAND].

Mr. VREELAND. Mr. Chairman, I wish to congratulate the chairman of my subcommittee, the gentleman from Pennsylvania [Mr. WALTER], for his patriotism and Americanism in preparing and introducing a bill of this character, as I believe it is one of the greatest steps toward returning representative government to the people.

Mr. George Washington, in his farewell address, advised his young Nation and warned it of the pitfalls of a future. In his farewell address, in referring to the maintaining of the three branches of government, he said:

> It is important, likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism.

Let us not forget that this country, under the Constitution, has overcome most obstacles, and in the shortest time in the history of any country has become the greatest nation on earth.

Let us stop for a minute and consider what we have done with that sacred trust placed in our hands by the founders of this Nation. Let no one think that I am criticizing in any way our form of government, because I believe that our system is the finest in the world, and I am firmly of the opinion that if anyone does not agree with it or desires to change it or is dissatisfied with the constitutional provisions he should leave this country and go to the nation he believes is more to his liking. We fondly look on the United States as a government of the people, by the people, and for the people, with very few realizing that there are over 2,000,000 persons on the Federal pay roll protected by civil service, and I firmly believe in civil service, but who are subservient to no one but their immediate superior who, in practically every instance, is under the executive part of the Government, and are not directly or indirectly responsible to any citizen of this country. In that entire 2,000,000 we, the people, have a choice of only 3 directly and 2 indirectly. We elect 2 Senators, 1 Representative, and indirectly a President and a Vice President; so while this Government is theoretically of the people and by the people, there are only the 3 who are directly voted for by the people and who are subservient to the citizens. It is for the citizens to say their representatives are the type and the kind they wish to be their only contact with a government which partially controls their everyday life and their desires, or soon there will be no contact, and the Government will become all powerful and wind up in a distinct bureaucracy.

In the past few years, and particularly under the present administration, Congress, with the increasing complexity of governmental functions and industry, has gradually delegated to the administration, through agencies, the power to regulate industry, agriculture, radio, commerce, and many other activities of our everyday life. As these commissions and agencies have been formed Congress gave them the right to make rules and regulations for the governing of the particular functions for which they were created, and, as it was necessary to enforce such regulations, Congress further delegated the power to punish for a violation of such rules and regulations; but in order to punish it was necessary to create a quasi-judicial power in the agencies, so we have the unusual situation of an agency of the Government investigating an alleged violation, and when satisfied that a violation has occurred the same agency prosecutes and acts as judge and jury. There are 123 such agencies in the Federal Government today, from which there are only 7 from which an appeal to a higher tribunal can be taken, and then only on a question of law—a strange procedure in a democratic form of government, striking right at the root of the basis upon which this Government was formed, and fast becoming a government by the government and not by the people, and on the verge of the despotism Mr. Washington warned us against.

The bill now under consideration returns to the people the rights given under the Constitution for a trial by a fair and impartial court, and takes away from the Executive the heretofore delegated power to legislate and to judge, and places the judging back in the courts where the Constitution said it should lie.

We, who represent the people, should be most careful with the sacred trust which is ours to maintain and keep, as we stated in our oath of office, the Constitution as well as to maintain the rights of the individual citizen so that this Government will truly be of the people, by the people, and for the people.

It was most interesting to read a report forwarded to me on February 3, of the Attorney General's committee on administrative procedure, which was formed by the Attorney General to study the effects of the Walter-Logan bill now under consideration, which, after 11 pages, containing very little information but merely asking for more time to consider it, I noted among the members on the committee, Mr. A. T. Vanderbilt, a resident of Essex County, N. J., with whom I am very well acquainted, and who was president of the American Bar Association the year when this Walter-Logan bill was considered and approved by that association. I have a letter of February 9, from Mr. Vanderbilt where, among other things, he says:

> The item I have mentioned refers you to page 518 [of the annual report of the American Bar Association (vol. 64; 1939)] where you will see that, after a full day's discussion and following an amendment offered by me, a resolution to approve the bill was adopted, along with an amendment authorizing the committee to present a bill in substantially the form approved to the proper legislative representatives, with power to the committee to make any verbal or editorial changes found by it to be necessary or desirable. That stands as the action of the association, and if there is any one thing on which the American Bar Association is in agreement I think it is in their support of this measure.

I think this speaks for itself in at least indicating that while his name appeared as a member of the committee criticizing this bill in the report of the Attorney General, nevertheless, Mr. Vanderbilt, in all probability, was not present when the report was written, nor subscribed to it.

I hope and trust that there will be a sufficient number of good Americans in Congress who will believe in the Constitutional system of government and vote in favor of the passage of this bill. [Applause.]

Mr. GUYER of Kansas. Mr. Chairman, I yield the remainder of my time to the gentleman from Iowa [Mr. GWYNNE.]

Mr. GWYNNE. Mr. Chairman, one argument has been made against this bill which I think should be, in part at least, answered, and that has to do with the exceptions provided in section 7. I wish you would turn to page 15 of the bill, where the exceptions are noted, and I wish to advise the Members of the House that every one of these exceptions has been carefully considered by the committee, and particu-

larly by the subcommittee which considered this bill in the first instance.

I would like to point out now the considerations that were reviewed by the subcommittee in making these exceptions. The first exception is that matters concerning or relating to the conduct of military or naval operations are out of the bill. Now why is that exception here? We know that under the Constitution Congress declares war, but the actual conduct of the armies and the navies is an executive function and Congress and the courts have very little, if anything, to do with it.

The same is true of the next exception, and going on down to the Interstate Commerce Commission, which was mentioned here Monday, it has been very truthfully pointed out by the majority leader that we do not provide the same procedure here as has been provided in the Interstate Commerce Commission. I trust, however, we will keep in mind that this bill has two great objectives, first, we wish to provide in every tribunal a full and fair hearing; second, we wish to provide, so far as possible, a limited, but adequate, review in the courts. It was my opinion, at least, and I believe the opinion of the subcommittee, that this has already been done in the law and the decisions involving the Interstate Commerce Commission.

The same thing is true of the Federal Trade Commission.

Now, with respect to the conduct of the Department of State, the control of foreign affairs, of course, is in the hands of the President and he operates largely through the Secretary of State. Congress and the courts have little to do with it.

Going on down the list there was mentioned, "Any matter concerning or relating to the internal revenue." Taxes are collected by the Bureau of Internal Revenue. We have provided there by law for appeals. A taxpayer, as you know, may pay any tax illegally assessed under protest and sue in the courts to recover it or he may appeal to the Board of Tax Appeals. Other taxes are collected through the customs, and in regard to customs, patent, trade-mark, copyright, or longshoremen and harbor workers' laws, we have now provided for full and fair hearings by a tribunal and for a broader appeal than is allowed in this law.

Now, I suggest to the Members that I am not claiming these exceptions are what they should be, but I trust before we make further exceptions or destroy these exceptions which have been carefully considered, we give careful consideration to each particular case.

In this connection I know that some statement has been recently made by the General Accounting Office. We had hearings on this bill. All of these tribunals were given an opportunity to appear. I do not recall that the objections now being made were made by the General Accounting Office. There is some exception in the bill relating to the General Accounting Office.

I suggest that this bill has yet to pass the Senate. It will be in conference. A further study can be made so far as the objections made by the General Accounting Office are concerned, and I would prefer that that should be done rather than make hasty exceptions.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman has stated the procedure we have set up for the various agencies that the gentleman has referred to.

Mr. GWYNNE. That is right.

Mr. COCHRAN. Have you not also provided for an appeal from the decision of the General Accounting Office to the Court of Claims, therefore why should not the General Accounting Office be exempt the same as the Interstate Commerce Commission and others?

Mr. GWYNNE. Before we make up our minds on that, let us read the portion of the bill that has to do with appeals now to be handled in the Court of Claims. That may satisfy the gentleman that no further amendment is necessary.

Mr. O'CONNOR. Why is not the Security and Exchange Commission excepted?

Mr. GWYNNE. Why should it be? I see no reason why it should be. The Securities and Exchange Commission appeared before the subcommittee and they pointed out to us that the part of the bill they objected to was that portion requiring rules to be made within 1 year and they advised us that they have been functioning 4 years, and have not made any rules or regulations. I submit that an organization that cannot make rules and regulations within 4 years has something wrong with it.

Mr. LEAVY. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. Yes.

Mr. LEAVY. The gentleman made reference to various exceptions. The Department of Agriculture, however, is not excepted, except in one instance and that is where it has to do with the purchase or sale of agricultural products.

Mr. GWYNNE. That is correct.

Mr. LEAVY. I am wondering why, if a farmer feels aggrieved at a regulation concerning the grading of his wheat or his cotton or any other product, he should not be permitted likewise to come under the provisions of this act if it will do what its proponents claim it will do.

Mr. GWYNNE. Let me say to the gentleman as to that very exception, I think that is one that might be questioned, and I hope the gentleman, if he is familiar with the system of the department at present will give us a little light on that.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. Yes.

Mr. KELLER. I want to know how long we have been waiting on the general committee to study out and work on this report. How long has it been at work?

Mr. GWYNNE. They were working at least as long as the subcommittee has. They were appointed some time last year, and the principal thing they have done so far is to make a study of these various departments. I think we have made a full study of the subject.

Mr. GUYER of Kansas. Mr. Chairman, I now yield to the gentleman from Illinois [Mr. REED].

Mr. REED of Illinois. Mr. Chairman, I am happy to support this much-needed legislation. It is sound. It is worthy. It is constructive. It comes as a welcome remedy to relieve an existing ailment—an ailment that in the past decade has increased in its intensity by leaps and bounds. The steady growth of our Nation and the complex problems of trade and commerce, industrial relations, finance, and conservation of natural resources made it necessary for Congress to legislate generally on these subjects while delegating to specific commissions and bureaus legislative power to fill in the details. During the past few years the demand for social security, the development of air transportation and the invention of radio communication are pertinent examples of additional problems that have confronted us requiring national regulation. We now have more than 130 governmental agencies exercising quasi-legislative and quasi-judicial functions. While I believe there are entirely too many of these bureaus, agencies, and commissions, I realize that many of them are here to stay, and a proper and efficient administration of our National Government demands that they shall stay. The necessity for the legislation contained in the pending bill comes not from the delegation of legislative power, but from the abuse of that power after it has been delegated. Some, but not all of the agencies to whom quasi-legislative authority has been granted, have gone so far to the extreme in their construction of public laws that the intent of Congress has been thwarted and the Constitution itself has been disregarded. The rights of individual citizens have been arrogantly disregarded. It is to remedy this evil that the Logan-Walter bill is before us today. It seeks not to hamstring or embarrass any agency or department of the Government in the exercise of its legitimate functions. It merely insures the promulgation of rules and procedure in a uniform and orderly manner and permits the United States circuit court of appeals to determine if such rules and regulations transgress the Constitution and the statutes of the United States. The bill likewise provides for a review by the Circuit Court of Appeals of the decision of any agency or independent agency exercising quasi-judicial powers and if such decision is frivolous, erroneous, unlawful, unfair, or not founded upon fact

it may be set aside and reversed. This is as it should be and no person who believes in fair play can seriously object to this feature of the bill.

On the whole, Mr. Chairman, it is a progressive step forward in the development of administrative efficiency. The citizen will have more confidence in his Government when he knows that no matter how humble he may be, he still has his day in court. It will encourage fairness and consideration for individual rights and discourage arrogance and tyrannical despotism. It will substitute for the rule of man, the rule of law.

Mr. GUYER of Kansas. Mr. Chairman, I now yield to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, the Walter bill is worthy of our support as a reasonable, timely, and desirable effort to protect our citizens against the arbitrary and ruthless administration of our many departments, bureaus, and other agencies.

For the past several years those who have been engaged in the practice of law have observed the growing size and importance of the field of administrative law. With this rapid and extensive growth of administrative agencies, it is inevitable that we should come face to face with the problem of control of these agencies with a view to curbing their usurpation of the legislative and judicial functions.

As I view our problem today of safeguarding our citizenry against the possible usurpation of legislative and judicial powers by administrative bodies, there is no desire on the part of the sponsors of the bill here under consideration to abolish or even seriously restrict their functioning. The struggle is rather to safeguard against undue encroachment upon the functions of Congress and the judiciary and to do so through bringing the administrative bodies within the purview of judicial review.

It is true that this proposed plan would require of our various administrative bodies a more careful proceeding, which, however, would not involve serious delay. I am not at all alarmed by the hue and cry that the extension of judicial review of administrative findings and decisions would paralyze the functions of government. Furthermore, the preservation of individual rights, and the importance of the judicial review of any administrative action affecting those rights, places the burden of proof upon the advocates of unrestricted expansion and extension of administrative agencies that such unrestricted expansion and extension is justifiable.

As I view the bill here under discussion, it is a measure primarily designed to assure the citizen of fair play when he appears before any of the Government's administrative agencies. That objective is far more worthy of our support than speed of administration for speed's sake only. The bugaboo of delay and congestion can largely be dissipated if the administrative agencies themselves set their hearts upon achieving efficient administration under the restrictions of this bill. There is a vast difference between the requirement that administrative agencies follow court procedure and adhere to the rules of evidence and the requirement that they submit to judicial review of their administrative proceedings. Far beyond this point in importance, however, is the need for the protection of our citizens against possible arbitrary proceedings by an administrative agency. It is entirely true that in some bills legislative protection can and has been extended against such arbitrary invasion of rights, but Congress has not provided a uniform protection in this regard.

The tremendous growth in the field of administrative law and the tremendous expansion in departmental and bureaucratic administration of that law within recent years, together with the prospective graduation of numerous administrative bodies from a temporary emergency status to that of a permanent status, has brought this bill, H. R. 6324, to the forefront in importance much more rapidly and emphatically than was anticipated even by those of us who have had occasion to anticipate expansion in this field.

As I have heretofore stated, the burden of proof is upon the advocates of unrestrained extension of the jurisdiction of the various boards, bureaus, and commissions of the administrative branch of our Federal Government to prove that freedom from judicial review is so necessary that we should depart so far from the clear-cut division of governmental functions into legislative, executive, and judicial functions in the administration of these various agencies. It seems to me that it is time now to place reasonable checks upon the extent of power vested in our administrative agencies, which have been referred to by our President as a headless "fourth branch" of Government.

The Walter bill is worthy of our support as a reasonable, timely, and desirable effort to protect our citizens only against such wrongs as may come their way in this "fourth branch" of Government and to make this protection as uniform as possible. [Applause.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.—

DEFINITIONS

SECTION 1. As used in this act, unless the context otherwise requires—

(1) "Administrative rules" include rules, regulations, orders, and amendments thereto of general application issued by officers in the executive branch of the United States Government interpreting the terms of statutes they are respectively charged with administering.

(2) "Administrative officers" means officers and employees in the executive branch, except the President of the United States.

(3) "Agency" means any department, independent establishment, administration, corporation, or other subdivision of the executive branch of the United States Government with one chief officer as the immediate head thereof.

(4) "Independent agency" means any board, commission, authority, corporation, or other subdivision of the executive branch of the United States Government with two or more officers at the head thereof as board, commission, or other members.

(5) "Circuit court of appeals" means the United States Circuit Court of Appeals and the United States Court of Appeals for the District of Columbia.

(6) "Days" means calendar days exclusive of Sundays and national holidays.

(7) "Person" includes individuals, corporations, partnerships, or other organizations.

(8) "Decision" means any affirmative or negative decision, order, or act in specific controversies which determines the issue therein involved.

(9) "Controversy" means any dispute or disagreement concerning any claim, right, or obligation for or against the United States and any refusal to grant any license, permit, or other privilege.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last word. We have heard a great deal about reactionaries, conservatives, and radicals. It seems to me that the reactionaries and the conservatives have turned radical insofar as this bill is concerned. It is in my opinion the most revolutionary measure that could be conceived by a committee of the House of Representatives. It is a departure from our form of government. If you will read some of the decisions of the Supreme Court—and they were unanimous decisions—you will find where the Court specifically stated that there is a line beyond which the judiciary should not go in the review of administrative decisions.

In one of those decisions, in the Pottsville case, the court referred to and quoted from an address delivered by Elihu Root at the time Mr. Root was president of the American Bar Association and in that part of the address that was referred to the court quoted Mr. Root, as follows:

> There is one special field of law development which has manifestly become inevitable. We are entering upon the creation of a body of administrative law quite different in its machinery, its remedies, and its necessary safeguards from the old methods of regulation by specific statutes enforced by the courts. * * * There will be no withdrawal from these experiments. * * * We shall go on; we shall expand them, whether we approve theoretically or not, because such agencies furnish protection to rights and obstacles to wrongdoing which under our new social and industrial conditions cannot be practically accomplished by the old and simple procedure of legislatures and courts as in the last generation.

Those were the words of that great lawyer, Elihu Root.

The gentleman who just preceded me, the gentleman from Iowa [Mr. GWYNNE], made some reference to the General Accounting Office. I have a memorandum from the General Accounting Office which shows that it will cost at least a million dollars to carry out the purposes of this bill insofar as that agency is concerned, and it will also make for indefi-

nite delay. Nearly 500,000 claims were considered last year by the General Accounting Office. Under the provisions of this legislation there can be a review of all of them. It will be necessary to set up at least 30 boards in the General Accounting Office, with three members each. The gentleman stated that exemption has been provided for certain agencies in this bill. That is true, but you make the provisions of this bill affect decisions of the General Accounting Office when the law now provides for an appeal to the Court of Claims. There is no reason why it should not be exempted from this legislation.

Personally, I am opposed to the legislation. I propose to vote against it.

I want to refer to another matter. I say without reservation, there is no Member of this House who has authority to state that the President of the United States favors this legislation. I have no authority to say that he does not; but I know that no Member of this House has authority to say that he does.

There is an outstanding committee that has studied this question. It has been working for almost a year, and the least we can do is to wait until that committee makes its report. We are doing nothing now but wasting our time, because I would be willing to wager anything I have that this bill will never become law during this session of the Congress.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. LUTHER A. JOHNSON. Is the committee to which the gentleman refers the Attorney General's committee that is investigating all these matters?

Mr. COCHRAN. That is the committee to which I refer, headed by Dean Acheson.

Mr. LUTHER A. JOHNSON. How many agencies have they reported on now?

Mr. COCHRAN. I do not know how many agencies they have reported on, but in due time they will make a complete report. I believe the least we can do is to wait until that committee does make its report.

Mr. LUTHER A. JOHNSON. And then we will have intelligent information as to what they have done and as to what abuses exist?

Mr. COCHRAN. Exactly. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

Mr. WALTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I agree entirely with the gentleman from Missouri [Mr. COCHRAN] when he takes the position that Mr. Elihu Root took with respect to progressive legislation; but let me say to you that the quickest and surest way to get off the statute books the legislation that you and I are interested in is the perpetuation of the manner of administering that we now know. [Applause.]

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. WALTER. No; I do not yield. I only have 5 minutes. The gentleman can get all the time he wants.

The gentleman from Missouri mentioned the Pottsville radio case, and that decision contains as clear a challenge to the Congress as it possibly could. In that decision Mr. Justice Frankfurter said:

> It is always easy to conjure up extreme and even oppressive possibilities in the exertion of authority. But the courts are not charged with general guardianship against all potential mischief in the complicated tasks of government. The present case makes timely the reminder that "legislatures are ultimate guardians of the liberties and welfare of the people in quite as great a degree as the courts." * * * Congress, which creates and sustains these agencies, must be trusted to correct whatever defects experience may reveal.

In that case the Supreme Court admitted that the administrative agency had not administered the law properly and in accordance with the wishes that we expressed. The Supreme Court admitted that the agency had acted in violation of the terms and spirit of the statute, but it went on and said:

> Here the Congress must have intended that we should not review this action. Congress must have intended that whatever this administrative agency did should not be subject to review because Congress did not provide a method for review in the statute setting up this agency.

Let me call your attention to the decision in the case of Morgan against United States, one of the many cases that has been in the Supreme Court of the United States, and the latest one, if you please, appealed in this year. It is the judgment of our committee that if this statute had been on the books when that case first went to the Supreme Court, that would have been the end of it.

But let me call your attention to the opinion in the circuit court:

> My colleagues, I think, have not been able to accept a certain new philosophy—nor do I accept it, although I recognize it, and I bow to it when Congress incorporates it into a valid statute—a philosophy that exalts the administrative agency and correspondingly lessens the powers of courts of justice. Congress has said that, on judicial review, findings of fact made by such an agency, if supported by evidence, shall be conclusive. And so the judicial review becomes largely without significance. It looks, not to substance, but to form. The overwhelming weight of the evidence—the testimony of 20 witnesses—may support one finding, a minimum of substantial evidence—the testimony of a single witness may support the opposite finding. If the administrative agency, actuated by pique or prejudice or class interest or a consideration of the number of votes to be gained by "the party," finds against the weight of the evidence, the reviewing court is helpless. And if, under compulsion of law, the reviewing court affirms the agency, it is proclaimed to the world that the United States district court or the circuit court of appeals or the Supreme Court of the United States has endorsed and approved what the agency has done. It is not unnatural that judges should look with disfavor on such a consequence.
>
> How superficial it is to compare such an arbitrary—possibly even dictatorial—fact-finding power with the fact-finding power of a jury.

That is it. There it is, there is the crux of this situation.

This problem is accentuated by the arbitrary preparation of records before commissions in accordance with their own views. Just recently an examiner for one of the agencies informed me that before he held a hearing a memorandum was furnished him by the legal department and in that memorandum was pointed out to him that which ought not to appear in the record. He said that after he had held a hearing he was informed by the head of that agency that his findings were not in accordance with the instructions he received from the legal officers of that agency. [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I rose before and raised a very important question. The gentleman from Pennsylvania has sought to answer it, but I do not think he answered it adequately. I am going to repeat somewhat of what I said before, because it is highly important.

Section 7 of the bill is the saving clause and in a word says that any existing court appellate media or procedure shall not be modified or appealed. Thus any judicial machinery for court appeals from any administration order shall remain intact. The result is this: You have set up in this bill a new and additional method of appeal separate and distinct from those methods that now exist, as I said before; for example, in the Veterans' Administration and various other departments. As to these departments, anybody aggrieved would have two methods of court appeal. He could appeal in pursuance of the methods of this bill which, as far as the weight of evidence is concerned, is much more favorable to him, or he could appeal under the existing statutes. Let me read with reference to the weight of evidence, which is the guide for the court to pursue, under the provisions of this bill:

> Any decision of any agency or independent agency shall be set aside if it is made to appear to the satisfaction of the court (1) that the findings of fact are clearly erroneous; or (2) that the findings of fact are not supported by substantial evidence; or (3) that the decision is not supported by the findings of fact; or (4) that the decision was issued without due notice and a reasonable opportunity having been afforded the aggrieved party for a full and fair hearing; or (5) that the decision is beyond the jurisdiction of the agency or independent agency, as the case may be; or (6) that the decision infringes the Constitution or statutes of the United States; or (7) that the decision is otherwise contrary to law.

That gives the court uttermost discretion, whereas, under existing statutes, the court has not uttermost discretion but

can in general only upset the ruling of the agency or bureau if the ruling is not supported by substantial evidence. The result is that I have a choice in a few agencies to take the easier route or the more difficult route with reference to the weight of the evidence; whereas in 120 or so agencies where there has been no provision for specific court appellate jurisdiction, I am compelled to take the hard route, where the court cannot upset the ruling unless it be not supported by the substantial weight of evidence. This is a rather anomalous situation, and I cannot conceive of any amendment I could offer to correct the proposal, because the situation is fraught with so much difficulty.

What about appeals in the agencies themselves? There is set up in this bill a new and novel procedure about appeals in the agencies. I am not talking now of judicial appeals. We already have certain types of appeals in the various agencies. There is no saving clause like section 7 with reference to appeals in the agencies themselves, and there you have a sort of hiatus—one does not know whether there are two types of appeal in the agencies or only one type of appeal. I should like enlightenment on that score.

Do you want to pass a bill of that character with so much ambiguity and no ability to perfect the bill with amendments? I do not know how in the world I could offer an amendment that would make the appropriate changes. If I could, I would gladly do so. The bill is so complex and is related to so many diverse orders in all these diverse departments that it is beyond human understanding to perfect it. [Applause.]

[Here the gavel fell.]

Mr. RANKIN. Mr. Chairman, the gentleman from Missouri a moment ago correctly emphasized the fact that this is one of the most radical pieces of legislation ever offered to Congress. Let me say to my Republican friends that should the country go so far wrong as to elect a Republican administration in the November elections and this law should be passed now, you will be paralyzed; you will be under the domination of the Supreme Court of the United States virtually as now constituted.

Did you read in the paper on yesterday where the chief justice of the Supreme Court of Norway assumed the prerogatives of the King and appointed a prime minister—a government, if you please? We Democrats will have the Senate, no matter what happens, at least until 1942, and in my opinion until 1952. You would never get this law changed. If it ever gets on the statute books you would be paralyzed permanently, even if you should have a Republican House and a Republican President.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I will admit there is no such danger, but I will yield for a question.

Mr. MICHENER. The question is, Does the gentleman contend that in case the House and the administration should go Republican but the Senate remain Democratic, and it had been demonstrated that a bad and injurious law was on the statute books, that the Democratic Senate would prevent its removal?

Mr. RANKIN. No; because I believe the Democratic Senate would feel that any law would be better than one the Republicans would likely pass. They would therefore "rather bear the ills they had than fly to others they know not of." Now, let me go on; let me read some of the provisions of this bill.

No such power as this has ever been placed in the hands of the courts of this country. You Republicans who have been quoting Thomas Jefferson so much recently should remember that it was Thomas Jefferson who said that if this Government was ever destroyed, it would be destroyed by the courts. Now, listen to what you are doing. I am reading from the bill, page 12:

> Any decision of any agency or independent agency shall be set aside if it is made to appear to the satisfaction of the court—

That means to the satisfaction of one majority of the Court. What? "That the finding of facts are clearly erroneous." Erroneous from what standpoint? Why, you men from the South read the recent decisions of the Supreme Court of the United States invading, if not overthrowing, the governments of the States of Alabama and Florida. Under those decisions it will be absolutely impossible to enforce the criminal laws of the United States if the same rule is applied to the other States of the Union. Yet they say what we have done is erroneous. They say that what the Supreme Court of Florida did was erroneous. How easy it would be when you go counter to some of their political philosophies, for them to say that what this Bureau did is clearly erroneous. It does not say "illegal." It does not say "unconstitutional;" merely "erroneous." I am showing you the danger you are getting into in case this bill should ever become law, and I guarantee it never will in its present form.

On the other hand, this bill leaves out those agencies that were built up back yonder to serve special interests, and that have served special interests as against the American people; but when it comes to those agencies that have been set up within the last 10 years, that threw aside the legal camouflages in order to protect the individual citizen that gave the citizen some rights he should have enjoyed for the last 50 years, this bill would paralyze those agencies. I do not see how any Member, Democratic or Republican, can vote for this measure in its present form.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, I do not propose to enter into any debate or controversy in these 5 minutes, but I should like to ask a few questions about a matter in which I am very much interested. I have studied this bill very carefully, and I am not sure just how it applies to the matter I have in mind. I have looked over the bill, and I note that it is—

> A bill to provide for the more expeditious settlement of suits with the United States, and for other purposes.

I have listened to the debates during the last several days, and I find that throughout the debate runs the thread that this is a bill to curb the arrogant and dictatorial action of bureaucrats, and to curb those who have dictatorial inclinations in the various Government departments. I want to propound a question of those who are proponents of this bill and are familiar with it. My matter deals with both a claim against the Government and a claim arising because of the dictatorial, unfair, and tyrannical action of a bureaucrat. I refer to the claim that the State of Ohio has against the United States Government by reason of the failure of the Federal Government to pay Ohio $1,338,000 which it owes Ohio. I should like to ask some of the experts on this bill whether the bill as it now stands applies to our case? Can we be reached under the provisions of this bill?

Mr. WALTER. Yes; I think very clearly the situation suggested by the gentleman can be reached. An appeal from the decision lies to the circuit court of appeals.

Mr. JENKINS of Ohio. I was not so sure about that. I hope it can be. I am glad of the reassurance of the gentleman. May I have the attention of the gentleman from Pennsylvania further, because I am very much interested in this matter? I had doubts as to whether this bill would reach our case because, as I understand it, the fabric of this whole bill is built up on the matter of rules.

Mr. WALTER. No.

Mr. JENKINS of Ohio. A rule must have been issued and an application must have been made in compliance with the rule.

Mr. WALTER. The gentleman is not correct in that statement. This bill treats two phases of the administration of law. The first is the quasi-legislative feature, and that has to do with the rule-making power. The other is the quasi-judicial feature. The second phase deals with disputes between the citizens of the United States and the United States and provides a method of taking a case into court where the citizen feels he has been aggrieved by a decision.

Mr. CELLER. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from New York.

Mr. CELLER. I think the gentleman would have to amend the act to include within the act as a party who may bring the case into court or before the agency or bureau the word "State." I am familiar with the gentleman's claim because I acted favorably upon it. I wanted to help Ohio.

Mr. JENKINS of Ohio. I thank the gentleman, and I appreciate what the gentleman did for the people of Ohio when this matter was before Congress.

Mr. CELLER. The word "party" or "person" is used throughout. That may be interpreted to mean citizen, it might include corporations, but I do not think it could be interpreted to include a State and I think you would have to amend so as to include a State.

Mr. JENKINS of Ohio. I have prepared an amendment which I will offer in due time. I think it would properly apply to subsection (f) at the bottom of page 10. When we reach that point I am going to ask the indulgence of the two gentlemen who have spoken, as well as other experts on this bill, to give the amendment consideration, because we are interested. We want to vote for this bill. I do not know that any of us are opposed to it.

Mr. WALTER. I do not think the gentleman has in mind the right section for his amendment. I think it would come on page 6, to (b) of section 4.

Mr. JENKINS of Ohio. I hope so, for the reason that the designation is not so much to be considered as the claim involved. In other words, if a State has a claim, the word "claim" is the key to the situation and I hope we would be included. Section (f) excludes us, however, because it provides a time limitation and the claim must have been filed or must have been made within a year and must have been made in writing. I do not know that we made our claim in writing because it was not a matter that should be made in writing.

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. McGRANERY].

Mr. McGRANERY. Mr. Chairman, I regret exceedingly that I find myself in opposition to this bill brought in by my friend and colleague the distinguished chairman of the subcommittee. However, in going over the bill I find that it has been brought in rather hastily, and, in my opinion, badly drafted. I cannot find any other words to use to describe the bill other than to say it has been ill-considered by the committee itself.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does not the gentleman know that this bill and similar measures have been considered by the Committee on the Judiciary for over 2 years?

Mr. McGRANERY. That may well be; but I will point out some things to the House and see if they agree with me in my opinion.

The first point is that the ambiguity contained in section 7, to which the gentleman from New York [Mr. CELLER] so ably pointed out, is absolutely all that he said it is. I cannot conceive of any mind in this House capable of drafting an amendment which might cover and protect these various organizations or departments and at the same time clearly state the remedy to be followed. I know the temper of the House against the so-called plutocrats, aristocrats, dictators, and so forth, who run these agencies, and I at times feel with you that there may be one here or there who does not treat us as we feel he should. But is the method the House should adopt to correct that situation found in this bill? I doubt it very much.

As to whether or not the bill was hastily drawn, let us turn to page 15. We find there:

> Nothing contained in this act shall apply to or affect any matter concerning or relating to the conduct of military or naval operations; the trial by courts martial of persons otherwise within the jurisdiction of such courts martial.

The committee has already seen fit to accept an amendment, and they realize they have done something rather drastic and hasty with respect to that provision. Any officer of the Navy who did not like the treatment that he received at the hands of the selection board in the way of promotion would have the right to walk right out and go into the circuit court of appeals and let that court pass upon his case, thus substituting the circuit court of appeals in every instance for the Army and the Navy Departments. I believe nobody will disagree with me that "military or naval operations" is a very clearly defined phrase. The committee now has seen fit to accept some change with respect to that provision. I do not know how the other departments will be affected by the same thing.

There is nothing that I can find in the hearings where the committee went into the question of the number of additional judges that might be required to take on this multitudinous set of appeals they will find before them. Everybody is going to run right into the court, and then what will happen? The calendars of the courts will be very crowded. Only a few weeks ago we discussed here in the House the calendars of the courts and found they were crowded in many instances, and additional judges were provided. These judges were provided certainly without any reference to this bill. There is not a single word in the hearings, I am told, in connection with any inquiry relating to the number of judges that may be required to pass on these appeals.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. McGRANERY. I yield to the gentleman from Iowa.

Mr. GWYNNE. On this question of frivolous and unnecessary appeals, will the gentleman refer to section 6 on page 14 of the bill?

Mr. McGRANERY. Yes, but what do we find there? I have no quarrel with the gentleman about what might be considered a frivolous appeal, but any man who feels that he has an honest and sincere right to file an appeal I would not say is frivolous. You cannot impose costs simply because you give an individual a right and a remedy and he follows that remedy. That is not being frivolous. If there is any frivolity, it is the frivolity of this House in passing this bill, and I sincerely trust the House will vote down the bill. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I regret that I find myself in opposition to this bill sponsored by the chairman of my own delegation, but I believe I agree with the gentleman from Missouri [Mr. COCHRAN] when he terms this the most drastic and radical piece of legislation that has been considered by this House for a long while.

I should like to ask my friend the gentleman from Pennsylvania, the distinguished chairman of the subcommittee, just how much time was consumed in the hearings on this bill.

Mr. WALTER. This is the volume of the hearings in the Senate, and there are two large volumes of the hearings that were held in the House.

Mr. BRADLEY of Pennsylvania. I am asking the gentleman how much time was consumed in the hearings on this House bill which is now before the House.

Mr. WALTER. On this particular bill?

Mr. BRADLEY of Pennsylvania. By his committee.

Mr. WALTER. I should say about 5 days.

Mr. BRADLEY of Pennsylvania. Five days is not very much, but the committee hearings state that only 2 days were consumed, March 17 and April 5. For 2 days they held hearings on a piece of legislation which is going to change our system and our courts more radically than anything ever proposed in the history of this country; 2 days. The members of the committee offering this legislation are

all lawyers. I should like to ask the gentleman if the committee considered the present print and draft now before this House.

Mr. WALTER. Yes; and I am quite certain that the gentleman would have been for this bill wholeheartedly if he had not been reading some articles by a man who does not believe that facts ought to go into the court.

Mr. BRADLEY of Pennsylvania. The gentleman cannot make up my mind for me. I concede to the gentleman the purity of his motives, but I certainly resent it when the gentleman tries to tell me what is in my mind. He perhaps is going to some of the fortune tellers in the District of Columbia that we hear so much about these days. We hear a lot about Members of Congress running to these soothsayers and crystal gazers. Maybe the gentleman is going to some of them.

Mr. WALTER. I would have to go further than that to find out what is in the gentleman's mind.

Mr. BRADLEY of Pennsylvania. The gentleman will have to do more than that to find out what is in my mind. [Laughter.]

Mr. WALTER. That is right.

Mr. BRADLEY of Pennsylvania. I will grant the gentleman that he will have to have more than a fortuneteller or a soothsayer to find out what is in my mind, because my mind is just a little bit deeper than that.

I should like to ask the gentleman if the committee considered the present print of the bill which is before the House and if the committee is satisfied with the language appearing in the present bill.

Mr. WALTER. I may say to the gentleman that after the extensive hearings on this entire subject were completed by both the Senate and the House, the House committee, together with Senator LOGAN and Senator MCCARRAN and other Senators, agreed that the Senate bill, which was the American Bar Association proposal, should be amended.

Mr. BRADLEY of Pennsylvania. The gentleman should not take up all my time. I am simply asking the gentleman if the committee approved this draft that we are now considering.

Mr. WALTER. Yes; and not only our committee but the Senate was so well pleased with our work that they struck out all after the enacting clause in their bill and substituted this bill.

Mr. BRADLEY of Pennsylvania. Is the gentleman satisfied with everything in the language of this bill at the present time?

Mr. WALTER. Had the gentleman been in Washington when the debate was going on, he would have known the answers to all these questions.

Mr. BRADLEY of Pennsylvania. Let me say to the gentleman, I am always in Washington when important legislation is being considered. I am asking the gentleman if he is satisfied with everything in this bill, because there is such a conglomeration of language on page 10 that nobody in the world could know just what is meant. Perhaps it is a typographical error, but if the gentleman's committee did not give any more attention to the draft of the bill as a whole than he gave to this particular language, then I do not believe we have the right to consider that they gave this legislation adequate time and attention in the hearings of only 2 days.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. EDELSTEIN] for 5 minutes.

Mr. EDELSTEIN. Mr. Chairman, the title of the bill now being considered by this body is "to provide for the more expeditious settlement of disputes with the United States, and for other purposes." I believe that the bill is primarily "for other purposes." In the two terms in which the Democratic Party has been in power it has succeeded in enacting much legislation intended to benefit the great body of citizens in this country—legislation intended to carry us farther along the road toward achieving an American standard of living for American labor. This legislation in the interest of labor met with bitter and powerful opposition. The opposition found support in this body. But that legislation is upon our statute books today, and it is there to stay.

The opponents have not given up. Legislation which they could not prevent they seek to frustrate. They suddenly become friends of such legislation, anxious to see it succeed, and offer amendments to clarify ambiguities which only their clear vision can perceive. When this tactic fails, they urge care in developing a program for the application of the law and fight for small appropriations, so that there will be no wasteful expenditure of public funds while the law is still in an experimental stage. These methods are used concurrently.

This bill represents still another and more ingenious method of frustration. It certainly cannot be conceived to be a bill for the expeditious handling of disputes with the Government, since it would tie up every agency whose activities were not exempt from the provisions of the act. It means that anyone subject to Government regulations in any way is guaranteed not 1 day in court but 2. The first attack would be made upon the promulgation of the rule or regulation. If that failed, the second attack could be made when the regulation would be invoked in a particular case.

Every time an agency proposed to change its regulations, or issue new ones, it would have to give notice of its intention, and then hold hearings, if requested. If the outcome proved unsatisfactory, the enforcement of the regulation could be suspended by appealing to the Court of Appeals for the District of Columbia. Only after a hearing and approval by that court could the United States enforce the regulation. But the regulation would still be subject to attack. To say that this protracted course of litigation represents expedition is to assume, without any supporting facts, that most Government regulations are illegal and will be struck down on the first attack.

When an administrative agency has successfully run the gantlet of the procedure provided by sections 2 and 3 of the bill and has handed down a decision in a particular matter under the complicated procedure provided in section 4, the aggrieved party may appeal to the circuit court of appeals for a review, in all cases, not only on questions of law but on questions of fact. The courts are to review all the evidence to see if the findings of fact are or are not clearly erroneous. Many are the administrative hearings which produce records running into the thousands of pages. Yet the courts, in every appeal from an administrative decision under this bill, will have to sit as courts of equity and review the facts, as well as the law. Can this be a bill to provide for expeditious settlement of disputes with the Government? It is not intended to give a party a day in court but years.

Every decision of the Wage and Hour Division of the Labor Department, of its Public Contracts Division, of the Treasury relating to social-security and railroad-retirement taxes, and the National Labor Relations Board will be held up endlessly while the appellate courts sit as juries upon the evidence presented in the record on appeal. A writer who supports this misguided bill said that "justice delayed is justice denied." There is no doubt that that will be the effect of this bill.

New York State in 1938 held a constitutional convention. One of the proposals submitted by the convention to the people provided for judicial review of administrative decisions both on the facts and the law. That amendment was separately voted upon, and decisively defeated. The common people, despite the tear-jerking speeches of delegates who wanted to give them protection from bureaucracy, knew that the proposal had no such purpose, and easily saw the sham and the subterfuge embodied in it. I feel confident that the Members of this House will be no less discerning and will vote down this bill to strangle the executive branch of the Government, to substitute anarchy and chaos for effective administration of the law.

Those who are sincerely interested in improving the administration of our laws, should consider the interim report of the Attorney General's Committee on Administrative Procedure, which is a part of the minority report on this bill. Its one main conclusion, thus far, is that uniformity for con-

trolling administrative procedure is not practicable. This committee will have completed its work and submitted its final report, based on individual studies of the various Federal agencies, to the Attorney General before Congress reconvenes. The desirability of this statute, or any other general statute to deal with this problem, can then be determined. To take action without considering the mass of material which this committee will make available, is to destroy blindly our administrative system.

If this bill is passed now, my belief is, to put it plainly, that it has only one purpose and object in view and that is to stab in the back New Deal legislation and make New Deal legislation unworkable, so that the opponents of such legislation will have accomplished indirectly what they have been unable thus far to accomplish directly.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. EDELSTEIN. I yield.

Mr. WALTER. I would like to call the gentleman's attention to the fact that this bill was proposed in 1932, before there was anything known as the New Deal.

Mr. EDELSTEIN. I might answer that by saying that that does not change the situation, and in my humble opinion, as a Member of this House, I feel that as the bill stands now those people who are interested in passing the bill have no other object in mind than to destroy the efficiency of the various New Deal agencies. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. KELLER] for 5 minutes.

Mr. KELLER. Mr. Chairman, on Monday last I intervened in the debate on this bill, whereupon my friend from Georgia [Mr. Cox] made the remark that he "had no intention of dropping his bucket into my intellectual well." Whether the motive back of it was similar I cannot say, but it reminded me of an occurrence in one of the hospitals for the insane in my State. The superintendent of the hospital had taken a number of the patients out to give them something to do, to try the effect of that upon them. One of the patients saw a wheelbarrow. He took it and turned it over and went wheeling it around upside down. Somebody said to him, "Why don't you turn it over," and he replied, "Oh, no; if I did that somebody would put something in it for me to wheel around."

Mr. Chairman, this bill is a lawyers' bill, pure and simple, and nobody else's. It ought to be entitled "The lawyers' emergency relief bill." To my mind it is more than ridiculous that we have a committee studying this subject that has been at work upon it only a few months, and that that committee should come here and make a report upon the bill before the other committee reports.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. KELLER. Yes; the gentleman would not yield to me, but I yield to him.

Mr. WALTER. I do not want to interrupt the gentleman in his very informative remarks, but my desire is to straighten him out. He said this committee had been functioning for only 2 months. It was appointed January of last year, and we were promised reports twice last year and have not received any yet, so that it has been functioning a year and a half.

Mr. KELLER. The gentleman misunderstood me. I said a few months. I can understand perfectly well, if you are going to investigate a subject that covers every one of the different agencies of the Government, you cannot do it in 6 months, and if your subcommittee had studied more than 2 months upon it you would not have brought in this bill. The gentleman from New York [Mr. EDELSTEIN], who just preceded me, told the truth about this bill. It is for the purpose of hamstringing the New Deal measures. That is the purpose of the men who fathered it, and that is what it will do, whether that is the intention of the gentleman from Pennsylvania or not. It would have that effect, and there can be no doubt about that. That that was the intention of some of the gentlemen sponsoring this bill on the floor of this House was clearly indicated by the gentleman from Georgia [Mr. Cox] who, in his opening address on the rule, referred to the great abuses that had been accomplished under the N. L. R. B., and that they must be stopped. He does not tell what these terrible abuses are, for there are none. But what he does mean is that American men and women under the N. L. R. B. actually have the right to organize and bargain collectively, and that is a bitter pill for the gentleman from Georgia. To nullify that law is the evident desire of the gentleman from Georgia and the knowing ones around him, not by repealing it out in the open but to stab the American workers in the back by this smart lawyers' bill. That is the intention of this bill—not only to stop the N. L. R. B., but the Security and Exchange Commission, and a lot of others that the big fellows in this country do not want.

That is what it is intended to do. They admit that it will delay. They may as well admit the evident fact that if this bill should become the law the delay will be so great as to tie the hands of all these commissions, and delay often means defeat. Where you have to have a court review of everything the Commission does, and all of these other things, one after the other, you know as well as I do that you will never get through with it. It will stop the whole process of government along those lines, and I hope the gentlemen will understand that this is a lawyers' bill, put out by the American Bar Association. It is opposed by the New York Bar Association, which is a better association than the American Bar Association. The lawyers' guild opposes this bill vehemently as a sinister attempt to annul all these agencies which are serving humanity so well. If you would also turn it over to a few other bar associations of the country, who have no special interest in the matter, and ask their opinion and advice, you would find out that other bar associations would oppose this bill also.

The fact that this bill is sponsored by the American Bar Association ought to have aroused the suspicions of this subcommittee and put them on guard, when there is at the head of that association at the present time one of the 58 conspirators who stood up as soon as we passed the N. L. R. B. and contrary to every precedent and ideal of American Government, advised the employers of this country to disobey that law. That is exactly the outfit that is actually behind this Walter-Logan bill, and you may as well understand and know that.

By unanimous consent Mr. KELLER was granted leave to extend his remarks in the RECORD, including a quotation from his own statement from the hearings before the Labor Committee. The whole statement, mentioned in Mr. KELLER'S statement, on the constitutionality of the National Labor Relations Act, as originally issued by the Liberty League, including the names of those 58 lawyers, will be found in volume 8 of the hearings before the Committee on Labor of the House of Representatives (76th Cong., 1st sess., pp. 2239–2245).

The quotation referred to in the permission granted is as follows:

In offering the so-called brief of the "Fifty-eight Liberty League Lawyers" for the record, I do so with the hope that the connection between this iniquitous document and the consequent trouble the National Labor Relations Board experienced may not be lost.

As I have so often said during the course of these hearings, immediately after the Board commenced its functions in 1935 a veritable wave of injunction suits were instituted in Federal district courts. That was some time in the late summer of 1935. Just prior to this resort to "the principles that are measured by the length of the chancellor's foot," the Liberty League set its legal leeches upon the National Labor Relations Act. By September of 1935 they had completed their "brief" and declared, what nobody doubted they would declare—that the Wagner Act in all its phases was unconstitutional.

Had individual lawyers made the research for purposes of a suit no one would have a right to complain. But this document was intended to supply lawyers all over the country with a model brief on which to base attacks on the Wagner Act. This was a conspiracy to wreck the execution of the supreme law of the land. It had the backing of the moneyed press of the country, and was received with warm thanks by the great majority of the corporations and corporation lawyers. That the conspiracy succeeded for a time is amply demonstrated. Within a short time 96 injunction suits had been instituted in the district courts of the United States and they were almost all spun from the same wool—the golden fleece of the Liberty League.

With their brief already prepared for them, the lawyers of the country went into the lower courts and completely stopped the functions of the Labor Board. As later events proved, these district courts had not the least shadow of jurisdiction over the

Board's functions. Mr. Justice Brandeis so declared in the Newport News case. But by the time that case was decided the harm had been done.

It was more than 14 months from the time the Board began its functions until it was free from the bonds of the injunctions by the decisions of the Supreme Court in April 1937. Thus was the conspiracy able to cripple the operation of the law of the land. But the great tragedy lay in the fact that the laboring men of this country were denied a right which Congress had said they were entitled to. Quite naturally they resisted, resisted by whatever means were at hand. And while I repeat that neither I nor anyone else justifies violence, we must consider the outraged feelings of the men who had rights under the law but were denied them by a conspiracy of lawyers of many large employers.

Let me call attention to a comparable situation. Suppose Congress should pass a law relating to labor and 58 prominent labor leaders of the country should join in a pronunciamento declaring the law to be null and void and recommending to their followers that they willfully disobey it. The money-controlled press would be justified in denouncing them as anarchists for conspiring against the Government, and the press would not hesitate to do so in the most virulent language. That is exactly what these 58 lawyer conspirators did. I am not going to forget, nor permit to be forgotten, the disgrace these men brought to their profession and the great harm they did to the country. I hope never again to see any profession undertake a treasonable conspiracy against the country.

Let us not forget that the workers of this country had been promised collective-bargaining rights under N. R. A. That promise proved illusory. When the Wagner Act became law the men placed their hopes in it. Had employers approached the problem of collective bargaining with the same good faith that characterized labor's attitude, there would never have been any trouble over the N. L. R. B. Instead of following the spirit of the law, the large employers of labor took refuge in what was formerly their strongest citadel—the courts. They approached the bench with horrified countenances, clutching the Wagner Act in one hand and brandishing the Liberty League brief in the other. The Board was enjoined from holding hearings, from inspecting employer records, and warned not to proceed lest "irreparable injury" be done an employer. Rarely was the injury that was being done to the workers of the country considered.

What seems to have been overlooked, is that the blame for the state of affairs that existed from September 1935, to April 1937, in the field of labor relations, cannot be justly laid at the door of labor. The blame must rest squarely on those who sought to thwart the expressed will of the National Congress. The largest share of that blame must rest squarely on the shoulders of these 58 Liberty League lawyers and their sponsors. The consequences of their action can scarcely be measured. But it should be remembered as a conspiracy to wreck a duly enacted law.

This question of the acceptance of a law when duly passed was considered in the Constitutional Convention. It was the expressed belief of the members of that convention that when a law was passed it should and would be accepted by everybody as the law, unless and until the highest court in the land, having the case properly presented to it, should decide the law was contrary to the Constitution and therefore void. This principle had from the beginning been accepted not only in national but in State affairs. No set of men, lawyers or otherwise, had ever presumed to deny the binding force of law until the Supreme Court had itself nullified that law. These 58 lawyers were among the most noted lawyers in the United States. They knew and understood the force of this principle. They therefore set themselves willfully either to usurp the power and authority of the Supreme Court, or what is equally heinous, to advocate open disobedience to a law which the Congress had passed.

It naturally followed that if one set of lawyers could in effect suspend a law, another set might do the same. In short, this would lead to a general recognition of the idea that no law need be obeyed until the Supreme Court should sustain it in a regularly arrived-at decision.

Stated in another way—no law would be a law in effect until the Supreme Court said it was the law.

Such an idea if generally accepted would bring about a state of chaos in government and anarchy would prevail. Such would be the ultimate result of any successful supplanting of government by powerful selfish interests.

What these men advocated actually was that no law need be obeyed until the Supreme Court should pass on it. The effect of that would be that every law passed by Congress might be suspended until the Supreme Court should approve it in a decision. What these 58 corporation lawyers proposed was that a committee of lawyers acting for selfish interests were justified in assuming the authority to pass on the validity of any law they chose, and suspend its enforcement until the Supreme Court should sustain the law.

Mr. KELLER. Let us remember that the Supreme Court which declared the National Labor Relations Act valid and binding under the Constitution was still the old Supreme Court of whom my friends, the gentleman from Georgia [Mr. Cox] and the gentleman from Michigan [Mr. MICHENER], were so fond, not the new Supreme Court whom they confess they do not love so ardently.

Now let us look for a moment at these Government agencies over which the proponents of this bill are so excited: The abuses in freight and passenger rates, the rebates, the discrimination of one city or section over another, the destructive effect of these and other railroad abuses justified and compelled the formation of the Interstate Commerce Commission.

The taking often by fraud, chicanery, and force of power sites along our streams justified and compelled the formation of the Federal Power Commission to protect the people in their rights to these natural resources.

The terrible cheating, defrauding, stealing, robbing, and otherwise getting five and a half million people to gambling on the stock exchanges justified and compelled the formation of the Securities and Exchange Commission. Along with the Stock Exchange Act of 1934 was the result of the Nation-wide panic which resulted largely from these shameless abuses.

The right of American men and women to organize as they please without any interference from employers and to bargain collectively is a right which labor and rational employers have recognized and fought for for 50 years resulted in the National Labor Relations Act, and woe to the politician who has free-voting working people for constituents and transgresses that right.

The wage and hour law was the result of competition among chiseling employers, to the financial ruin of the large proportion of employers who want to pay fair wages during reasonable hours and under decent conditions compelled the passing and enforcing of that law, both for the benefit of the workers and fair-minded employers as well.

Let us see that every one of these agencies came from the new necessities arising under the constantly changing conditions in industry. And only the man without vision or understanding will be found conspiring against them.

If anyone thinks these laws need revision let him introduce a bill setting forth in simple language the changes he thinks ought to be made. Then fight it out like a man in the open. This Walter-Logan bill is so complicated that even the sponsors of it cannot agree on what it means. And any bill that hides its purposes under a cover ought to have the mask torn from its face and made to stand out in its own true light.

This bill would benefit no one except a lot of lawyers, wherefore it is properly referred to as the lawyers' emergency relief bill.

The proponents of this measure started out with the old outworn statement that anyone who is not for this "hide and seek" measure is "against our form of government." And one a little bolder and more foolish than the others had the hardihood to say at the very beginning of the debate, "Oh, you start the argument which is always advanced by these fellows who want to make America over again. And most of them want to make it over along the pattern set by Russia."

I might retort that these two statements are characteristic of the proponents of bills which seek to do by indirection what they know they dare not undertake by direction. But I am unwilling to imply any such thing to any Member of this House. I might resent those statements about the opponents of this bill. I do not, however, because, with Cowper, I hold now as always that "a thoroughly educated, well-bred man will not insult me, and no other can." A Member asserts "that the President is not opposed to this bill; that the President is misinformed." Well, what modesty and what assurance this is, especially since the Attorney General has a committee of the ablest men along this line devoting a great deal of time investigating the facts in relation to all these Government agencies, and that committee is making a thorough job of it. But our subcommittee got into a terrible hurry and just could not wait another minute. No, sirree. Could not wait.

In closing I want to call the attention of this House to the quotations made by Major Bulwinkle, taken from the book just published by the Brookings Institution on Federal Regulatory Action and Control, the very subject we are discussing

here. This study has been under way for many months. It is a complete and perfect refutation of arguments of the protagonists of this bill. No man can read it and think it over and then vote for the bill. It is an ill-considered, unjustified, but certain attempt to destroy these governmental agencies which experience and misfortune have compelled us to create by law.

Mr. RAMSPECK. Mr. Chairman, I direct the attention of the Committee to page 75 of the hearings for the purpose of saying to you that the gentleman who made that statement, Ashley Sellers, who is designated as the head attorney in the office of the Solicitor of the Department of Agriculture, is personally known to me, and has been for many, many years; that he is a professor of law in the University of Georgia, on leave, employed by the Department of Agriculture especially to study the question of administrative procedure under the acts administered by that Department. If you have not read that statement, I urge you to do so. I have not the time to go into it, but it will open your eyes to the extent and scope of this proposed legislation.

What I rise to discuss is the effect of this legislation on the relationship between the Government and its employees. I am going to offer an amendment to exempt the Civil Service Commission and to provide that the employees shall not have the right to go into the circuit court with every grievance they may have against their supervisory official.

Under the language in section 4 of this bill any employee who may be dissatisfied with any decision made by supervisory officials can get a hearing before one of these intra-agency boards, and under section 5, appeal from that hearing to the circuit court of appeals wherever he may be located, or in the District of Columbia.

In addition to that, as I construe the act, any of the several hundred thousand people who take civil-service examinations each year and fail to make a passing grade could demand a hearing before the intra-agency board and appeal that decision to the circuit court of appeals. Any citizen near a rural route out in the country could demand a hearing before the Post Office Department, under this bill, because a route was not extended. If this bill were confined to what I thought it was when I read about it in the newspapers, which was the regulation of the power of agencies to make rules having the effect of law, and, second, to the regulation of the extent to which the courts might review findings of fact of agencies like the N. L. R. B., I would be 100 percent for it. But it does not stop there. Under section 4, any decision of any agency, except those which are specifically exempted, under section 7, no matter how trivial that decision may be, can be taken before one of these intradepartmental boards, a hearing demanded, and an appeal can be taken from that decision to the circuit court of appeals. When that happens the Department of Commerce Building down here will not be half large enough to hold the Circuit Court of Appeals of the District of Columbia. [Applause.]

Mr. ZIMMERMAN. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. ZIMMERMAN. I will ask the gentleman from Georgia if in his opinion every veteran case which he or I or any other Congressman may file would have to go to the circuit court of appeals and a hearing held on every one of those claim cases?

Mr. RAMSPECK. That is my understanding and that is the opinion of the representative of the Veterans' Administration who appeared and made a statement, according to the hearings. General Hines' representative, as I understand it, said it would upset the procedure which had been worked out by the Veterans' Administration.

That is my fear about this bill, that it undertakes to take in not only the rule-making power, which we all feel should be safeguarded where it has the effect of law, but the question of whether or not decisions as to the facts shall be binding upon the courts, by these so-called quasi-judicial agencies. With those two problems I think I could agree with the committee. They need some attention. But this bill does not stop there. That is a minor part of this bill. Any action of any employee in any branch of the Government, no matter what the question is, raises a question on which they can get a hearing before a three-person board in the Department, under section 4, and then under section 5, if they are not satisfied with that decision they can go to the circuit court of appeals. Talk about bureaucracy! The 900,000 employees that we have now would not be a drop in the bucket to what you would have to have to carry on that system of intradepartmental appeals on every question, and appeals to the circuit court of appeals all over the United States.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I yield.

Mr. CELLER. I will say that the bill goes so far that if the head of an agency refuses to promote an employee, he can carry his case to the circuit court of appeals.

Mr. RAMSPECK. Unquestionably. His pay scales, even the question of whether he can park his automobile in a certain spot—all those questions.

Mr. WALTER. How is he aggrieved by that sort of a rule? Is that a substantial interest in the rule?

Mr. RAMSPECK. Read the language of your own act.

Mr. WALTER. Now, look on page 15, line 19, "or has failed to receive appointment or employment by any agency or independent agency." The people who discussed this phase of the bill felt that that applied to promotion.

Mr. RAMSPECK. I do not yield further. I do not agree with the gentleman's interpretation and I do not believe it meets the problem I have cited. It does not relate to classification. There is a special act on that. It does not relate to the question of transfer from one agency to another. It does not have anything to do with the question of whether or not a man can be admitted to a civil-service examination. It does not regulate the question of retirement under the Retirement Act. All of those problems of the Civil Service Commission would be subject to be taken into court under the language of this bill. [Applause.]

Section 4 of the bill says that any person aggrieved by any decision of any employee or officer of the Government may demand a hearing with the right of appeal from the decision made at this hearing.

This would mean that every farmer participating in the farm program, every veteran filing a case with the Veterans' Administration, every W. P. A. project worker, and every other person dealing with any agency of the Government would be entitled to have a hearing with the right to appeal to the circuit court of appeals.

I cannot conceive of any proposal that could be made which would be more revolutionary. It would break down the orderly processes of administration in the executive branch of the Government and those matters certainly have no relation to the problem of controlling the rule-making power of agencies authorized to issue regulations having the force of law. Neither have these problems any relation to the question of the weight which should be given to findings of fact by boards and commissions.

The questions I have raised relate exclusively to execution and administration of statutes which differ radically from those administered by such agencies as the Labor Board and the Securities and Exchange Commission.

We ought not to pass a law which interferes with the orderly administration of government simply because we feel the necessity of curbing the power of the boards and commissions to whom we have given authority to promulgate rules and regulations.

The bill should be recommitted to the Committee on the Judiciary for further study.

[Here the gavel fell.]

Mr. HARE. Mr. Chairman, to my mind the gentleman from Georgia [Mr. RAMSPECK] has suggested a very, very pertinent question, and I rise for the purpose of enlarging on the suggestion by propounding an inquiry to the author of the bill. I would like to know whether or not the appeals referred to in this bill apply only to orders issued by a governmental agency, or whether they apply simply to every decision made by a governmental agency. In other words, does this proposed law apply only to such orders as may be

issued by the individual agency or does it apply to various decisions arising under such orders?

Mr. WALTER. It applies to both.

Mr. HARE. Then I would say, Mr. Chairman, the question raised is tremendously important.

The fundamental principle involved in this piece of legislation is excellent, but if we are going to enact a law that will require every person in the United States to file his complaint with a special board in order to protect his rights, although similar decisions may have been made dozens and dozens of times where the same facts are involved, we shall complicate the matter and make it absolutely impossible to enforce, and for persons who have a grievance to obtain their rights.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. HARE. I yield.

Mr. GWYNNE. I hope the gentleman will keep in mind that the courts have many times said that many activities, many relationships between the citizen and his Government, are not the subject of judicial review. No law we could pass would affect that; that is constitutional. The matter of pensions and the matter of payments made to veterans and soldiers is quite largely a matter with which the courts would not interfere. You have never heard of an injunction or a mandamus being granted in the matter of the payment of a pension or some other benefit granted by Congress because the courts have held that that is a gratuity.

Mr. HARE. Mr. Chairman, the gentleman may be correct in what he is saying, but I do not yield further on that because I arose to ask the particular question as to whether or not these people would have the right and the privilege under the proposed legislation to bring these complaints and have them adjudicated under the law.

Mr. GWYNNE. Certainly not.

Mr. HARE. But the author of the bill says they would. If they have to do this, I can see the possibility and the probability of the creation of 250,000 or more boards in the United States. There are 130 agencies involved, and one board in each of the 2,000 counties would amount to 260,000 boards. I stated at the outset that I felt there was a great deal of wisdom in the proposed legislation, but I am convinced that there should be such amendments to it as to obviate the necessity of every dissatisfied person having to bring an action into court, because that would mean an unlimited number of persons bringing similar actions contesting the same decision and presenting the same facts.

As already stated, I am strongly in favor of the purpose of the proposed legislation because I am convinced we have reached a point in the increased number and complexity of administering many of our governmental agencies that those in charge of such agencies are frequently writing into law many matters never contemplated by Congress, and the people involved should have some redress. That is, under the authority to issue rules and regulations to administer an act of Congress, the heads of various departments or agencies have issued rules and regulations providing for plans and policies far out of line from what Congress really intended; and I think provision should be made whereby such orders, rulings, and regulations may be judicially reviewed before they are placed into execution and thousands of people have sustained losses or damages under a law really intended for their benefit; but in an effort to be of service to them if we enact legislation that will require them to file their complaint with a board or boards to be set up in these many agencies to hear the complaints and then have to go to court and file for adjudication, it seems to me we are complicating the matter rather than simplifying it; and this seems to be what will have to be done according to the answer given to my question by the author of the bill, the gentleman from Pennsylvania [Mr. WALTER].

There is no doubt but what a person, for illustration, who has been denied what he feels he is entitled to by a seed-loan agent, a county demonstration agent, a representative of the A. A. A., the Soil Conservation Service, the W. P. A., the N. Y. A., or any other governmental agency, should have a right of redress somewhere, but if you have to set up a board in each county for each agency or subdivision thereof, I can see as we have already indicated, where the cost and expense involved would be much more than the benefit obtained.

For example, on page 6, line 23, we find:

When any person is aggrieved by a decision of any officer or employee of any agency, such person may notify the head of the agency in writing of objections thereto, specifically requesting that the controversy be referred to a board—

To hear and determine the matter, and if the board should decide against such person then it would be necessary to appeal to the court, and the only way he could appeal would be to hire a lawyer and pay the expense and 99 cases out of 100 he would be no better off than before.

I find further on page 6 where it says that at least one person of each board shall be a lawyer, who shall act as chairman of the board. I can easily see where there may be a dozen persons from a dozen different agencies asking that their grievances be considered at the same time and in this case it would be necessary to have a board for each agency which would mean a dozen or more boards in each county, and if I am correct in this there would be a lot of counties where it would be necessary to import lawyers to fill the job.

Mr. Chairman, the real purpose behind the proposed legislation, I admit, is excellent, it is sound, and it is fundamental, but the machinery set up is absolutely absurd. I think it ought to be referred back to the committee with instructions that the whole thing be simplified and clarified and reported back to the House for further consideration. [Applause.]

[Here the gavel fell.]

Mr. JENKINS of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: On page 2, line 18, after the word "individuals", insert "States and their political subdivisions."

Mr. JENKINS of Ohio. Mr. Chairman, this amendment is in line with what I had to say awhile ago. If we are to perfect this bill to protect all claimants interested, as I indicated the State of Ohio was, we shall have to commence here at this place, and another amendment will have to be offered on page 10. If the author of the bill is satisfied that the word "State" amply covers the matter I have in mind, we could strike out the words "and their political subdivisions." I want to cooperate rather than to obstruct.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS of Ohio. I yield.

Mr. CELLER. In the interest of good legislative draftsmanship, I do not think it would be well, perhaps, to say that a person is a State. I think it would be better if the gentleman reserved the amendment to offer at some later place in the bill. To state in this paragraph that a person means a State would seem to me to be a strained contruction and a mistake.

Mr. JENKINS of Ohio. I do not quite agree with the gentleman for the reason that this is the only place in the bill where it will fit properly, because here we are attempting to define what "person" means and who and what shall be included within the purview of that word. The section says, for instance, that "person" includes "individuals, corporations, partnerships, or other organizations." If the phrase "other organizations" would admit of the construction that it included a State, I would not have offered this amendment, but I am afraid it would not bear any such legal interpretation, and I think this amendment should pass. If it passes, it will strengthen our case.

Mr. MICHENER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask the gentleman from Ohio if he has given any consideration to the constitutional question involved as to whether or not a State may sue the Federal Government?

Mr. JENKINS of Ohio. I do not think the action here contemplated would quite rise to the dignity of a suit. This

applies only to the filing or presentation of a claim. The word "person" is defined to include certain groups, but I do not believe that any of the definitions given would include a State. I want to make it specific that a State is included. In other words, if we do not insert this it will be a question if a State is included in any of these groups.

Mr. MICHENER. I have no objection to the gentleman's amendment other than this, that the committee has given most careful consideration to this whole bill, and amendments of this importance, it seems to me, should never be placed in a technical bill of this kind on the floor of the House without very serious consideration. A constitutional question may be involved. We should not therefore act hastily. If this matter goes to the Senate and the gentleman wants to make a suggestion to the Senate committee, consideration can then be given to any constitutional question involved.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MICHENER. Surely.

Mr. JENKINS of Ohio. The gentleman was not present—I think he had just stepped out momentarily—when I presented this matter an hour or so ago. It was agreed then by those who participated in the colloquy that it might be wise if we were to amend this bill so as to permit the State of Ohio, or any other State to come within its terms. As far as the claim that this raises a question as to the power of a State to sue the United States, I can only say that a private person has no right to sue the Federal Government unless permitted to do so by law. The same is true as to a State. I think the word "persons" should be made to include States. The description there is not all-inclusive of a State, and I think it ought to be there. I have no desire to emasculate the bill in any way, shape, or form, or to delay it, but this perfecting word can be inserted without any harm.

Mr. GWYNNE. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from Iowa.

Mr. GWYNNE. I am in accord with the view expressed by the gentleman from Michigan [Mr. MICHENER]. I think it is probably true that something should be done to enable States to present their claims and litigate their rights; but the question we are confronted with here is that the matter of the States' right to sue the Federal Government or its agencies is more or less regulated by the Constitution. I think the suggestion of the gentleman from Michigan that the matter be allowed to go over should be accepted, so that the Senate or perhaps the conferees may try to work out something which will be constitutional and also acceptable.

Mr. CELLER. Will the gentleman yield?

Mr. JENKINS of Ohio. I yield to the gentleman from New York.

Mr. CELLER. Are there any other claims of the character that Ohio has against the Government?

Mr. JENKINS of Ohio. I do not think there are any that come in that category.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The amendment was rejected.

The Clerk read as follows:

IMPLEMENTING ADMINISTRATIVE RULES

SEC. 2. (a) Hereafter administrative rules and all amendments or modifications or supplements of existing rules implementing or filling in the details of any statute affecting the rights of persons or property shall be issued by the head of the agency and by each independent agency respectively charged with the administration of any statute only after publication of notice and public hearings. All such rules shall be published in the Federal Register within 10 days after the date of their approval by the head of the agency or the independent agency concerned, and shall not become effective until such publication, except when the President declares that a public emergency exists.

(b) Administrative rules under all statutes hereafter enacted shall be issued as herein provided within 1 year after the date of the enactment of the statute subject to the adoption thereafter of further rules from time to time as provided in this act.

(c) Any person substantially interested in the effects of an administrative rule in force on the date of the approval of this act may petition the head of the agency or the independent agency which administers any statute under which the rule was issued for a reconsideration of any such rule; and the head of such agency or the independent agency shall, after publication of notice and public hearing, if requested within 10 days thereafter, determine whether such rule shall be continued in force, modified, or rescinded. All amendments of such rules shall be in accordance with the procedure provided in subsection (a) of this section, and all action of the head of such agency or the independent agency on such petitions and all new or amended rules shall be published in the Federal Register as prescribed in said subsection (a) for the publication of rules.

(d) No person shall be penalized or subjected to any forfeiture or prosecuted for any act done or omitted to be done in good faith in conformity with a rule which has been rescinded or declared invalid by any final judgment entered as hereinafter provided, unless the act was done or omitted to be done more than 30 days after the publication in the Federal Register of the rescission or final judicial determination of the invalidity of such rule.

Mr. VOORHIS of California. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. VOORHIS of California: Page 3, line 21, after the word "act", insert "and which has not been in force for a period of 2 years or more."

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. VOORHIS]?

There was no objection.

Mr. VOORHIS of California. Mr. Chairman, this amendment would affect only one of the features that I have become extremely worried about in connection with this bill since the debate on it began. As I understand the language of section 2, subsection (c), it would permit anyone to contest any rule promulgated by any agency at any time in the past. I think this is too much territory, and it justifies the fear of certain gentlemen who have risen on the floor and said that this bill is so broad and all-inclusive in its language that it would not only clog the courts but would have the effect of hamstringing the effectiveness of a great many governmental agencies, some of them not so-called New Deal agencies at all but long-established ones.

I came over here at the beginning of the debate on this bill strongly inclined to vote in favor of it for the reason that I was then, as I am now, in favor of the objectives which are supposed to be accomplished by it. I want a government of law, not of men; I want proper rights of appeal; I want proper safeguards against administrative error or abuse. I have read the writings of Mr. Lawrence, for example; I have read much editorial discussion of the bill, and I have talked to a number of Members about it. I was convinced myself, and I am still convinced, that it is important that we have a government of law and not a government of men, that it is important for Congress to legislate much more specifically than it has in the past; that it is important that administrative officials be held to account; but I cannot answer, and apparently no one else can answer the question asked a couple of days ago by the gentleman from North Carolina [Mr. BULWINKLE], when he asked how long a holding company could protract legislation under this bill and thus circumvent the justifiable purposes of legislation. No one has been able to answer what the gentleman from Georgia [Mr. RAMSPECK] asked this afternoon about the effect of the bill on civil-service examinations, and I am afraid nobody can. Had I been able to ask a question earlier, it would have been phrased in simpler language.

I am not an attorney and I sometimes find it difficult to follow the lawyer's argument. I have had to struggle pretty hard with this bill. I have read everything I could get hold of pertaining to it, including the hearings. I would have asked, for example, whether under the bill a ruling of an agency having the effect of law and comparable to a general rule laid down by a schoolteacher to govern the conduct of her school was covered by the terms of the bill. I think such a ruling should be covered. Court review in such a case would be as if the teacher's general rule might be submitted to the board of parents of the school, in the first instance.

That seems to me to be all right. But it appears this bill means that every time one of the kids wants to complain about a rule of the school, that complaint has got to be submitted to the higher tribunal, and I can see that a teacher would never get anything done. Neither, I am afraid, would a Government agency.

I submit to you Members who are afraid that executive agencies may become a law unto themselves and thus threaten democracy that it might also be true if you hamstring those agencies set up to do a constructive piece of work, you would thereby threaten democracy and prevent their carrying out a worthwhile objective because of introduction of a continuing succession of unjustified complaints and long protracted litigation. I think the solution of this problem lies in judicious and probably rather specific action on the part of Congress, and I am afraid this bill does not do the thing I want to do quite as much as anybody else. The very able gentleman from Iowa, in connection with the exceptions, had this to say in defending those exceptions: He explained that the reason those exceptions were put in the bill was because in connection with those agencies, over a period of a reasonable length of time, methods had been worked out to prevent the errors or abuses of which people complain. That is, methods of review of appeal, and so on, have been worked out specifically to fit each individual case of each individual agency. I am afraid that is the only way this job can be done. I am afraid you cannot lump them all together.

I would like to read briefly from the hearings from the criticism of the Brookings Institution on this bill:

> Thus you have the same process of notice, hearing, subpena of witnesses, a formal hearing, a stenographic transcript of the record, a decision of the head of the agency, and an appeal to the circuit courts of appeals, for a simple act such as the suspension of an employee, or the passing upon the quality of a consignment of tea, as you have in respect to the establishment of rate and services for stockyards or the establishment of quotas under the Sugar Control Act.

So I am afraid that the bill includes not only major matters, which should be included, but minor ones which should not be included. It includes matters not only of basic importance, but is also loaded down with the possibility of litigation over a tremendous number of subjects and inconsequential matters so that it will not accomplish the purpose that we are trying to accomplish and will instead lead to a discrediting of the effort to bring about a decent balance as between these matters.

May I say that what we are trying to do here is to make up for the fact that Congress has not legislated more specifically than it has. What ought to have happened is that in the case of each of these agencies at the time the legislation was originally passed matters of this kind should have been provided for, or, at any rate, in the course of time they should be provided for in as specific and careful a manner as possible. There are special problems connected with each agency. They should be so dealt with.

I sincerely regret that I have to make this speech about this bill, because, as I say, I am in deep sympathy with the major objectives that apparently are attempted to be accomplished.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from New York.

Mr. CELLER. I thoroughly agree with the gentleman, and what the gentleman points out is exactly what the Attorney General's committee is doing. They are considering each department and bureau separately and making separate and distinct recommendations as to appeal in each one of those diverse and separate bureaus.

Mr. VOORHIS of California. I thank the gentleman.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from New York.

Mr. REED of New York. What I believe has concerned and excited the whole House is the experience that many have had, where a committee, for instance, has formulated language specifically, just as the gentleman suggests, with the idea of restraining these bureaus from encroaching and from going beyond the intent of Congress, where the Congress has used every possible means the English language provides to try to restrict them, yet because we have let them run loose and have not called them to account they have seen fit to ignore absolutely the will of Congress. That is why the public is so excited about it.

Mr. VOORHIS of California. I may say to the gentleman that I do not believe the Congress has exerted every effort to do that thing carefully.

Mr. REED of New York. I do not say in every case, but in many cases.

Mr. VOORHIS of California. I have heard it said on the floor here in the course of this debate that there are some agencies where no appeal is allowed. Perhaps that is wrong. Perhaps it ought to be changed. I am inclined personally to think that appeal to the courts should be possible under almost every circumstance where an administrative ruling of major scope is made and has the force of law. But if so it seems to me the act setting up the agency should be changed with regard to those specific cases, and we should do a careful job.

This little amendment of mine would say, "You cannot go back beyond 2 years in calling in question a rule," on the theory that if it has been in effect for 2 years it is probably all right, or we would have heard a whole lot of complaint about it. Furthermore there must, as I see it, be a limit somewhere; otherwise we will have matters brought into question and before the courts having to do with rulings made 10, 15, or any number of years ago.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I wish to say that I am in sympathy with the gentleman's amendment. We hear a great deal said about the possibility of dictatorial methods on the part of bureaucrats, but cannot justice be delayed and thwarted to just as great an extent by the long, drawn out, and tedious procedure in the courts which would inevitably result from this measure in operation?

Mr. VOORHIS of California. I am perfectly frank to say that I believe the truth lies between the two extremes. I do not believe we have arrived at it yet. I believe we have to arrive at it. I am convinced in my own mind that a measure seeking the objectives which are claimed for this measure is certain to be passed in the near future, but I am afraid that this particular bill is not the bill that is going to do the thing its proponents claim it will do.

Mr. MURDOCK of Arizona. Again I agree, for there is need of the basic idea of this bill, but I am afraid of the extreme possibility of the bill in its present form.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Alabama.

Mr. PATRICK. The gentleman does not claim that even if his amendment is added to the bill and becomes law it will remedy all the measure is deficient in?

Mr. VOORHIS of California. No. I am afraid my amendment is only an example, or only one way in which it seems to me the language of the bill is so broad that it makes it so that it will bog down the work not only of the newer agencies of government, but for example, of the Department of Agriculture, Civil Service Commission, and many more and will cause terrible congestion in the courts and be unworkable. I wish I could avoid that conclusion, but I cannot. [Applause.]

[Here the gavel fell.]

Mr. KNUTSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in the time allotted to me I wish to read an editorial that appears in today's Washington News. It is entitled "Reactionary Liberals." I shall read it without comment:

> In the light of American history, it is a strange thing that the principles of the Logan-Walter bill should be attacked by those who call themselves liberals.

Yet the debate in Congress is producing just such attacks on this proposal to safeguard and make uniform the exercise of legislative and judicial powers by Federal administrative agencies. It is argued that these agencies must be left free to attain desirable ends; that to subject them to the checks and balances provided by the bill would hamper their efficiency. It amounts to saying that agencies created by Congress, and manned by appointed officials, must have more concentrated and unrestricted power than Congress itself.

That is reactionary doctrine—the doctrine rejected by true American liberals, who saw clearly that bureaucracy could not be trusted to work only toward desirable ends, but must be controlled if liberty was to survive. To those who oppose the Logan-Walter bill in the name of liberalism we commend the words of Thomas Jefferson:

"In a free country every power is dangerous which is not bound up by general rules. * * * It is not by consolidation or concentration of powers, but by their distribution that good government is effected. * * * Consolidation is but toryism in disguise.

[Applause.]

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hold in my hand a copy of H. R. 8935, which was introduced on March 14, 1940. Instead of referring to laws that are already on the statute books I should like to refer to one that might under circumstances existing in several preceding Congresses have been already on the statute books under suspension of the rules.

I have not been able to count accurately how many times in this bill these words, which I shall quote, or words similar to them occur, but I believe it is somewhere in the neighborhood of between 25 and 40 times in these 104 pages.

The Commission shall have authority by rules and regulations in the public interest or for the protection of investors.

This phrase recurs and recurs.

Mr. KELLER. What bill is it?

Mr. HINSHAW. This is the investment trust bill, pending before my committee, the Committee on Interstate and Foreign Commerce.

Subsection (c) of section 6 of this bill states:

The Commission, by rules and regulations upon its own motion, or by order upon application, may conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of this title or of any rule or regulation thereunder, if and to the extent that the Commission finds such exemption necessary or appropriate in the public interest and consistent with the protection of investors.

You talk about liberal law. That certainly is liberal insofar as the Commission is concerned, because they can exempt anybody or anything for any reason if they see fit. But, Mr. Chairman, that paragraph makes it possible for the Commission to play favorites or to hold another on the end of a rope with a noose.

Further in the bill we find this language. Section 38 (a) states:

The Commission, in its discretion, may investigate any facts, conditions, practices, or matters which it may deem necessary or appropriate to determine whether any person has violated or is about to violate any provision of this title or any rule or regulations thereunder.

I ask you in all sincerity if they cannot conduct any kind of a fishing expedition they may see fit to conduct if this bill is passed in its present form, because it states here that they may investigate not only whether any person has violated but whether any person is about to violate the law. Just think of it. Nobody is protected from investigation under those terms. It sounds like an edict of King George III or the Nazi Gestapo.

In this connection, I hold in my hand a book which is authored by Mr. J. Edward Jones, and to which the chairman of the subcommittee, the distinguished gentleman from Pennsylvania [Mr. WALTER], referred yesterday. The case of Mr. Jones was twice taken into the courts of the United States. The title of this book is "And So They Indicted Me." I do not know anything about Mr. J. Edward Jones. I never had heard of him before reading this book. I have never met him and never expect to. The only things I know about his case are contained in the Supreme Court decision and inside of this volume which he had the temerity to write. Mr. Jones, in his own words, tells his case. He sets it forth here and tells exactly what happened to him after he had the temerity to ask the President of the United States to fire Mr. Harold L. Ickes for what he believed to be ample cause. I think every Member of Congress has received a copy of this book, but I have found only a few who have read it.

I should like to quote to you from page 108, where he says:

Arriving at the offices of the Commission—

That is, the Securities and Exchange Commission—

at 120 Broadway, with my counsel, Mr. George S. Leisure, I found the Commission represented in its action against me by their new lawyer, the hostile young Mr. Flynn, supported by a staff of assistants.

I would like to quote the rest of it and I shall ask for permission in the House to insert some of these words.

[Here the gavel fell.]

Mr. HINSHAW. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. I just wanted to read this to you. When he asked what he was accused of, the trial examiner answered:

As to the nature of that complaint I am not advised. I do not know what the information is.

In other words, he was brought up before the Commission purely and simply on a fishing expedition, and without any rhyme or reason whatsoever other than to be persecuted, and in due course of his long tests before the courts he was entirely vindicated in his denial of having committed any crime under any law, but it took him 3 years to get out from under the capricious acts of the United States in their persecution of him.

Mr. Chairman, under leave granted me, I quote the following paragraph from page 104 of Mr. Jones' book entitled "And So They Indicted Me":

The wrath of the American Government on the warpath against any particular individual is something with which to cope. When orders "to get a man" originate at the top and go down the line through all the cogs of governmental machinery, there is a force, a power, an influence let loose that almost baffles opposition. The only thing that can successfully withstand it is the might of truth, ably and, of course, expensively presented, and supported by those fundamental principles of the American governmental system which still stand as mighty bulwarks against tyrannical abuses of power to the detirment of individual freedom in this country.

Commencing on page 107, Mr. Jones states as follows:

The hearing that started, its method of conduct, the indignities to which I was subjected in spite of my rights as a citizen, and the knowledge gained as to the high source of origination of the case which had been launched all contributed, along with the sequence of events that followed, to a long and bitter struggle for my individual freedom, my liberty, my very existence. Eventual victory for me—costly beyond a measure never to be realized—came in two great legal actions, one culminating in a final decision of the United States Supreme Court and one ending in the final verdict of a jury of 12 men of my peers. In the Supreme Court's own words, my victory proves that in America "arbitrary power and the rule of the Constitution cannot both exist. They are antagonistic and incompatible forces; and one or the other must of necessity perish whenever they are brought into conflict." That ruling alone is so basically important to the safeguarding of freedom for individual citizens as against the tyrannical acts and despotic power of usurpers in government in this country that the sacrifice made is willingly laid down.

Arriving at the offices of the Commission at 120 Broadway with my counsel, Mr. George S. Leisure, I found the Commission represented in its action against me by their new lawyer, the hostile young Mr. Flynn, supported by a staff of assistants.

I was informed by another lawyer of the Commission's staff, who acted as the judge or trial examiner, that the investigation was to be conducted by authority of an "order" of the Securities and Exchange Commission. At the very outset I asked to be apprised of the nature of the complaint which, I was advised for the first time, the Commission had against me.

Strange as it may seem, the Securities and Exchange Commission insisted upon conducting its investigation of me, but refused to advise me of the nature of its complaint, if any of such it had. I desired to know, of course, what it was I should defend myself against and I therefore said: "This being the first time that I have heard from the Commission that there was any complaint whatsoever lodged against any of my operations, I do not know whether I am within my rights to ask the nature of the complaint. * * *

I am not aware of any complaint. I do not know the nature of it. I would ask you to let me know what that is. * * * I appear to have been summoned here to give you information, and I would think—my instinct would tell me, at least, that I should be apprised of the nature of the complaint."

But the trial examiner advised me that he himself didn't know what the complaint was. He said, "As to the nature of that complaint, I am not advised. I do not know what the information is."

I then asked, "What is the nature of the violation alleged or otherwise?" The trial examiner answered, "That I am not informed of, other than what is stated in the order. I would not be informed as the trial examiner."

I therefore was compelled to subject myself to a searching, brutal, and hostile investigation of many complicated aspects of my private and personal business affairs without knowing of any charge against me except that the Commission had "ordered" the investigation. The Supreme Court later, in my own case, condemned "fishing expeditions" and the Commission, saying: "The citizen when interrogated about his private affairs, has a right before answering to know why the inquiry is made; and if the purpose disclosed is not a legitimate one he may not be compelled to answer." The Court further stated that, "An investigation not based upon specified grounds is quite as objectionable as a search warrant not based upon specific statements of fact. Such an investigation or such a search, is unlawful in its inception."

I was handed, at this first appearance before the trial examiner, a subpena requiring the production by me of voluminous books, files, and records, among which particularly was demanded the names and addresses of my clients.

Mr. Chairman, many of our people wonder why it is that we suffer unemployment, why capital is in hiding, why it seems necessary for the Government to step in with public works and relief in order to fill the gap caused by the lack of employment of idle funds. I have endeavored to show some of the reasons why capital is in hiding. I have quoted from a proposed law which is typical of many that have been passed. Anyone with half an eye can see that capital is in hiding, put away on the top shelf in a cracker can because of the fear that people have of their Government, fear of what it may and can and has done to them for little else than purposes of punitive persecution.

We hear lots of talk about crooked businessmen. Some have been indicted and many have been threatened but with all of the shouting and tumult, the charges, investigations, and threats, only a meager handful have been brought to trial, found guilty, and put behind bars. In the meantime businessmen are lost in a maze of "such rules and regulations as the administration may promulgate," not knowing from which agency they may be shot at next, not knowing when they may unwittingly violate one of the thousands of such rules and regulations that have been promulgated, and not knowing whether the next set of rules and regulations may wipe them out entirely. Is it any wonder that unemployment remains at near the highest point on record and that "new money" is not venturing forth in this cockeyed scheme of things? The Walter-Logan bill will help to clear the air and give courage to those who need it in order that we may go forward to new heights of prosperity and the employment of our people and their resources. I am convinced that at least 95 percent of all our people are honest, hard working, and earnest in their wish to see our country prosper as a whole. If there are a few crooks let us deal with them swiftly and surely, but why should all of the people take a beating in order to make sure that a few worthy sinners are punished?

[Here the gavel fell.]

Mr. CREAL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I went into a country-town circus show, lured by a picture on the outside of parents and their son. On the inside were two dwarfs of about 30 pounds each, a man and a woman, and the son, who weighed 320 pounds. They were seated there. I think it was a fake, but nevertheless the illustration comes back to my mind.

First, we had legislative, executive, and judicial government, and that was all. Since then we have had bureaucratic departmental government that, at a glance, looks like the way that son looked beside those parents. It is exercising legislative, executive, and judicial functions and increasing those functions year by year.

I wanted to answer very briefly some of the remarks made by some of the so-called new dealers, and I want to throw down this challenge to the new dealer if he is present with his ears, and say that you will not find a man in this body who has followed closer the New Deal in the entire record than I have.

I am well aware of the fact that I would like to be as optimistic as you are that the New Deal and some of its agencies would go on forever, and I know that you say this is an attempt to hamstring the New Deal and its agencies. Tell me what assurance you have that the present New Deal itself will go on or that the personnel of those agencies that you select will continue. Let us suppose that you put the shoe on the other foot and you get a reactionary set of personnel operating those agencies and they are applying the screws to you. You will be praying for some relief in the courts and will be unable to get it from a reactionary set of men administering those same agencies which you are commending. [Applause.]

This is a permanent law. I shudder to think of a change of administration and personnel in the New Deal agencies which you commend and those agencies being placed in the hands of reactionaries, which they will be, and there will be no more recourse at any time than we have now. So there is something to think about along that line when you talk about the New Deal.

Let us keep the record straight, too, if you please. Mills Logan, the Senator from Kentucky, was not a corporation lawyer. He was a new dealer, and I am going to say, with all due charity to the Members of this House, although it may be a fault of my judgment or overadmiration, that he was a better lawyer than any Member that sits on this floor, by reason of long experience in the practice of the law, because some of you lawyers have been here in Congress for 20 years and did not have the practice that he had as attorney general and as chief justice of the supreme court when he came here. He was a new dealer, and I want to recall to you the fact that Mills Logan, the author of this bill, was for the President's Court bill, and yet some of you people say that this is an attempt to hamstring the New Deal. I want to say to the gentleman from Mississippi that Mills Logan was a T. V. A. man from A to Z, and to say that this is an attempt to hamstring the T. V. A. in western Kentucky, where he came from, hardly bears reasoning.

Let us keep the record straight as we go along. This is not something born to throttle the New Deal. It is true that in 1932, before the New Deal came into existence, it was up then, but long before 1932 it was the result of the mumblings and the grumblings of the people affected.

Then you say they will congest the courts with litigation, but as I go over the country and step into any courthouse in the land I see hundreds of people on trial. What about? The constitutionality of the law? No; not at all; neither the States nor the Federal Constitution nor the city ordinances are being attacked. It is a question of fact altogether. That is what they are litigating about; but this bill only permits the attacking of a general rule of a Government department. Do you suppose that every man who is aggrieved by any department will go into the courts on a question of fact? Not at all; he only goes into court with respect to a rule to see whether or not that rule is good for the 48 States; and if the courts say that rule is bad, who would say that it ought to continue? He is questioning the right of the people of 48 States to test such a rule, and the question that we bring into use here by the processes of this bill is whether or not a rule promulgated for the benefit of 120,000,000 people is a good rule or a bad rule. If it is good, it remains. If it is bad, it ought to go out. So this question of cluttering up the courts every time somebody gets fired or raises some question of fact no more pertains here than it does to the State courts, where you see hundreds of people being tried on questions of fact and not one of them questioning the statute or the constitutionality of the law, and that is the way this will operate. [Applause.]

[Here the gavel fell.]

Mr. MURDOCK of Arizona. Mr. Chairman, I move to strike out the last two words.

Mr. WALTER. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection?

Mr. KELLER. I object.

Mr. WALTER. Then, Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

Mr. MURDOCK of Arizona. Mr. Chairman, the members of a legislative body are often spoken of today as solons. There was another lawgiver in ancient Greece, down in Sparta, named Lycurgus. I presume we are not called by that name because it is hard to pronounce and harder to spell. No doubt there is another reason why we modern lawmakers ought not to be called by that name. Lycurgus thought that all laws ought to be simply written so that the most ignorant citizen could understand them. He felt that the body of laws ought to be drafted in such brief form that every citizen could memorize them and know them. That certainly would not apply to legislation today. So complex is our legislation now that even a Philadelphia lawyer cannot understand it.

In discussing this measure we are told that we must bring some regulation to the regulators. We pass laws in this Congress setting up certain agencies, and assign some powers to them, and we are told that they are running away with those powers and that we are in grave danger of being ruled by a bunch of bureaucrats. Just a few days ago, when I was talking loosely about the evils of bureaucrats, I was asked by a lady to define the term. I had considerable embarrassment and no little trouble explaining it, although, of course, I have heard very much concerning them. However, when I go down Pennsylvania Avenue or Constitution Avenue, I have some difficulty putting my fingers upon a real, honest-to-goodness bureaucrat. I imagine a bureaucrat is a man downtown in one of the departments who rules contrary to my wishes. I think he must be a real bureaucrat. I do not wish to name any of them, but assume that they exist, assume that they make rulings having the force of law and are sometimes arbitrary in the enforcement of those rulings.

A real question is, How much will we save ourselves by subjecting this same arbitrary ruling to interpretation of another group—a legalistic group of highly trained lawyers who require time as well as money? Would it not be like—well, a mythical term I would use, if I could pronounce the name; but are we not between two evils? I think we are between the devil and the deep blue sea. Yes; Charybdis and Scylla—I thank the scholarly gentleman from New York—we must be careful to shun both Charybdis and Scylla. Being a plebeian myself, my mind also turns back to the early days of Rome, to a time when Roman law was unwritten and when Roman law was whatever the magistrate said it was. In those very early days of Rome, the plebeians felt that something was put over on them because they did not make the laws and because they did not know clearly what the laws were. Accordingly they insisted that the decemvirs make the laws so very definitely that even the humblest citizen might know the law and his exact rights under the law. I find that I have a great sympathy for those early plebeians who had to live under the law without having any say as to what that law should be. It is almost as bad today to have to live under law that may be so variously interpreted to satisfy the whims of someone other than those most vitally affected by the law. It seems to me that confusion must result from bureaucratic lawmaking on the one hand, or legalistic lawmaking through interpretation on the other.

I favor the principle of this legislation. I have made some study, although I am not a lawyer, of constitutional government. I want to see to it that the departments down yonder carry out the laws as intended by the Congress—that they do not exceed their authority. We have to delegate some authority to them. Wherever human rights are jeopardized, I want to see those rights properly safeguarded by judicial review.

Ever since I have been a Member of this body I have said in the Well of this House a number of times that I favor judicial review. I have never objected to the highest court of the land overruling acts passed by Congress when such acts were really unconstitutional. Although there is no provision in the Constitution of the United States saying specifically that the Supreme Court may nullify the acts of the national lawmaking body, that Court has been doing it from the time of John Marshall down, and I approve of it. I favor continuation of judicial review, but I do not want to see some big violators of the law override the law through technicalities and long-drawn-out delays, and that is why I favor the amendment offered by the gentleman from California [Mr. VOORHIS] so that the man with the longest purse shall not win his cases in this or any other matter when it comes to a trial in our courts. I hope the amendment will be agreed to.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent that in the amendment about to be voted upon the words "2 years" be changed to "3 years."

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I understand that the Committee accepts the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. VOORHIS of California) there were—ayes 66, noes 35.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

JUDICIAL REVIEW OF RULES

SEC. 3. In addition to the jurisdiction heretofore conferred upon the United States Court of Appeals for the District of Columbia, that court shall have jurisdiction, upon petition filed within 30 days from the date any administrative rule is published in the Federal Register, to hear and determine whether any such rule issued or continued in force in accordance with section 2 of this act is in conflict with the Constitution of the United States or the statute under which issued. No rule shall be held invalid except for violation of the Constitution or for conflict with a statute or for lack of authority conferred upon the agency issuing it by the statute or statutes pursuant to which it was issued or for failure to comply with section 2 of this act. A copy of the petition, and copies of all subsequent pleadings shall be served upon the Attorney General of the United States, who shall direct the defense of the rule. The court may refer such petition and any reply thereto for the taking of such evidence as shall be material and relevant thereto. The court shall give preference to such petitions and shall have no power in the proceedings except to render a declaratory judgment holding such rule legal and valid or holding it contrary to law and invalid. If the rule is held contrary to law and invalid, the rule thereafter shall not have any force or effect except to confer immunity as provided in section 2 of this act. Nothing contained in this section shall prevent the determination of the validity or invalidity of any rule which may be involved in any suit or review of an administrative decision or order in any court of the United States as now or hereafter authorized by law.

STATUTORY APPROVAL AND AUTHORITY FOR ADMINISTRATIVE BOARDS AND PRESCRIBING THEIR PROCEDURE

SEC. 4. (a) Every head of an agency shall from time to time designate three employees of his agency for such intra-agency boards (including the field service of such agency) as may be necessary and desirable. Where there are intra-agency boards existing on the date of approval of this act, they shall be reestablished and function in accordance with this act. Wherever practicable, such boards shall be designated in various sections of the United States to hear any controversy which may have there arisen. At least one employee designated for each such board shall be a lawyer, who shall act as chairman of the board. When the members of any board are not engaged in the hearing of administrative appeals as hereinafter provided, such employees shall be assigned to other duties in the service of the agency concerned. No member of a board who has participated in a particular case or in the preparation, draft, or approval of any rule which may be involved, shall sit in appeal of the case or application of the rule. Each board shall be impartial, free, and independent in the hearing and determination of administrative appeals.

(b) When any person is aggrieved by a decision of any officer or employee of any agency, such person may notify the head of the agency in writing of objections thereto specifically requesting that the controversy be referred to a board, constituted as hereinbefore provided, for hearing and determination. Such notice shall be given not more than 20 days after the date of receipt of a registered letter notifying him of the decision, act, or failure to act. Such written objections shall be referred promptly to an intra-agency board for the agency concerned. At a time and place to be designated and communicated to the aggrieved person, he shall have an opportunity at an early day for a full and fair hearing before said board, at which time there shall be introduced into the record the testimony and any documents or objects relating to the appeal before said board. Any person having a substantial interest in the controversy shall have the right to intervene therein. A stenographer shall be assigned to the hearings before the board to take and transcribe the testimony. All testimony, other evidence, and all proceedings before the board, shall be reduced to a written record and filed in the agency concerned and a copy thereof shall be furnished to the aggrieved person upon his written request therefor at a charge not exceeding the actual cost thereof. Within 30 days after the day the evidence and arguments are closed, the board shall make written findings of facts and separate decision thereon, which shall be subject to the written approval, disapproval, or modification of the head of the agency concerned or of such person as he shall designate in writing to act for him. A copy of the findings of fact and decision, showing the action if any, of the head of the agency concerned or his representative, shall be filed in the agency as a part of the written record in the case and a copy shall be mailed to the aggrieved person and to the intervenors, if any. The United States shall take such action as may now or hereafter be provided by law to enforce the decision of the agency unless there be pending judicial review thereof as hereinafter provided.

(c) The chairman of any board, upon request of any party to the proceedings, shall require by subpena the attendance and testimony of witnesses and the production of documents and all other objects before said board without other showing than required by the rules in United States district courts for the issuance of subpenas by such courts. Any witness subpenaed or whose deposition is taken shall receive the same fees and mileage as witnesses in courts of the United States, to be paid by the party at whose instance the witness appears or depcsition is taken. In the event of disobedience of a subpena issued as herein provided, the chairman, or any party to the proceedings, may apply to any district court of the United States of the jurisdiction in which the witness may be found for an order requiring his attendance and testimony and the production of all documents and objects described in the subpena. The chairman of the board shall be authorized to administer oaths to witnesses and there shall be a right of examination and cross-examination of witnesses.

(d) When the matter in controversy is such that the delay incident to the hearing and decision of the case would create an emergency contrary to the public interest and there is administrative action or inaction, prior to or without such hearing and determination, resulting in the destruction of the property or damage to the aggrieved person involved in such controversy, the findings of fact and decision when made by the board shall state the amount of pecuniary damage suffered by the aggrieved person and upon approval thereof by the head of the agency concerned, the amount of damages so approved, if acceptable to the aggrieved person, shall be certified to the Congress for an appropriation with which to pay the same.

(e) Where any matter arises out of the activities of any independent agency, it may be provided by rule that such matter may be heard in the first instance by one of its trial examiners, who shall file with the independent agency the written record and his written findings of fact and separate decision, which shall be made in all instances, whether by the examiner or the independent agency, after reasonable public notice and a full and fair hearing as hereinbefore in this section provided. A copy or copies thereof shall be sent by registered mail to the aggrieved party. The independent agency shall enter at the expiration of 30 days such appropriate decision as may be proper unless within said 30 days the aggrieved party shall signify his written consent to the entry of the decision or shall file by registered mail with the independent agency his written objections to the findings of fact and decision of the examiner, in which event the independent agency shall not enter its decision without first according a public hearing upon reasonable notice to such party. Such hearing shall be before the members of the independent agency, if it has not less than three members, or before any three of such members. If the independent agency has less than three members, an intra-agency board shall be constituted in the manner provided in subsection (a) of this section, upon which the member or members of such agency may serve at his or their election.

(f) No hearing shall be permitted before any agency or independent agency seeking affirmative relief against the United States concerning any controversy which arose more than 1 year prior to the date on which there was filed with such agency or independent agency a written request for such hearing as provided in this section.

With the following committee amendment:

Page 6, line 20, after the word "rule", strike out the remainder of line 20 and all of lines 21 and 22.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to return to pages 4 and 5 for the purpose of offering an amendment.

The CHAIRMAN. Is there objection?

Mr. WALTER. Mr. Chairman, I reserve the right to object. What does the gentleman propose as an amendment?

Mr. CELLER. On page 4, the first amendment on line 22, after the word "Register", I seek to add the words "by any person with demonstrable interest which is threatened."

Mr. WALTER. I have no objection.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York [Mr. CELLER].

The Clerk read as follows:

Amendment offered by Mr. CELLER: Page 4, line 22, after the word "Register", insert "by any person with a demonstrable interest which is threatened."

Mr. CELLER. Mr. Chairman, unlike all of the other provisions in the bill, I am heartily in favor of this particular section which is called the provision for declaratory judgment—that gives the right to the court to pass upon a rule or regulation prior to actual controversy. I am thoroughly in accord with that principle. I am thoroughly in accord with this particular section which sets up this right to have a declaratory judgment pronounced by the courts concerning rules and regulations. However, I am a little concerned with the wording, in this sense: Any Tom, Dick, or Harry might petition to have a declaratory judgment on any one of these rules or regulations. While it is true that section 3 must be read with section 2, particularly subdivision (c), which speaks of "any persen substantially interested," those words, "substantially interested," are absent in section 3. I think it would be better if we would limit the right to bring these judicial proceedings to somebody who had some sort of actual or substantial interest in the rule or regulation. I use the words "demonstrable interest which is threatened." Otherwise any interloper, anybody, under the present wording, whether he had an interest or not, might be permitted to bring these proceedings.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. MICHENER. I have not given any consideration to the amendment, but would it be necessary to show an interest different than the public interest, under the gentleman's amendment?

Mr. CELLER. I think it would be.

Mr. MICHENER. If that is true, it would be very dangerous.

Mr. CELLER. I do not think it would necessarily mean what the gentleman says. I think if anybody has a substantial demonstrable interest, without consideration of the public interest, under my amendment he could bring these proceedings. Under the present ruling the individual could bring his proceedings to test the rule whether his interest was or was not consistent with the public interest.

Mr. MICHENER. May I suggest to the gentleman that he take this matter up with the Senate, where it could be given consideration.

Mr. CELLER. I think we have a right to bring it up here. I raised the question before, and this is the proper forum in which to debate a matter as important as this. We are embarking upon a novel proceeding and we should not be relegated to the Senate. We are able-bodied and able-minded, and we know what we are doing. I think it is within our rights—nay, more, it is our duty to determine a question of this character. For that reason I press this amendment.

Mr. MICHENER. The only reason I suggested what I did suggest was because the matter is so important. It has not had the consideration it should have.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WALTER. May I ask the gentleman where he got that language?

Mr. CELLER. I got that language from one of the officials of the Attorney General's office.

Mr. WALTER. Is it taken from any judicial decision?

Mr. CELLER. Yes, it is. I do not have the decision with me.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WOLCOTT. I do not know the meaning of the word "demonstrable." It is seldom, if ever, you will hear that word used in any judicial inquiry. Why does not the gentleman use the same language that is used in subsection (c) on page 3? Why does he not use the term "substantially interested"?

Mr. CELLER. If the chairman of the subcommittee would be willing to compromise and use those words, that is perfectly satisfactory to me, but nevertheless I do not think the words "substantially interested" go far enough, when it comes to a proceeding involving judicial review of the rules. In the one instance, section 2, you have a proceeding before an agency, whereas under section 3 you have a proceeding before a court.

Mr. WOLCOTT. I understand the proceeding before a court is to review the finding of the agency. In order to get before the agency you must show a substantial interest. Why do we set up a new rule——

Mr. CELLER. I would be agreeable to have the language consistent with the language contained in section 2. We ought to have something there, however, to indicate a limitation.

Mr. WOLCOTT. As far as I am concerned, I cannot see any substantial objection if the gentleman uses the words "substantially interested," because the courts have defined the word "substantial," and we all know what that means.

Mr. WALTER. May I say it is not necessary, because section 3 refers back to paragraph (c) of section 2.

Mr. WOLCOTT. I do not think it is necessary, but if it is going to be adopted, it should be adopted in language that has already been interpreted by the courts. The word "substantial" has been interpreted and we know what it means. I dare say there is not a lawyer on this floor who has heard the term "demonstrable interest" used.

Mr. CELLER. I am perfectly willing to substitute the words appearing in section 2. I think it should appear there in section 3 for safety's sake.

Mr. Chairman, I ask unanimous consent that my amendment may be further amended by substituting the words "substantially interested."

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as amended.

Mr. SABATH. Mr. Chairman, I desire to ask a question of the gentleman.

The CHAIRMAN. The Clerk will report the amendment as amended.

The Clerk read as follows:

Amendment offered by Mr. CELLER as modified: On page 4, line 22, after the word "Register", insert "by any person with a substantial interest which is threatened."

Mr. CELLER. The language should be exactly as in line 19, page 3, "by any person substantially interested."

Mr. SABATH. Would the phrase "substantial interest" include any stockholder in any corporation that might be involved?

Mr. CELLER. I think that if a stockholder were affected by the particular rule or regulation, he would be permitted to take the proceeding.

Mr. SABATH. That would be a far-reaching thing.

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the amendment, as amended.

The Clerk read as follows:

Amendment offered by Mr. CELLER, as modified: On page 4, line 22, after the word "Register", insert "by any person substantially interested."

Mr. GWYNNE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope this amendment, even as amended, will not be adopted. I am afraid we are getting a confused situation here which is not necessary. No amendment is needed here. The language of the bill and the decisions of the courts, I think, take care of any situation that might arise. Bear in mind that the appeals which lie under this section are not appeals in cases or controversy where someone has a direct specific interest and goes into court on the ground that it is a case or controversy.

We have provided here for an appeal to ask for an advisory opinion. That is what it should be called, rather than declaratory judgment. We all know that in order to get into any court at any time on any subject one must prove that he has a right to be there, that he has some interest he is entitled to appear in the court to defend. It is true even here that any person coming in to contest the rule would have to show that he had a sufficient interest in the rule to allow him to appear in court and ask for this advisory opinion.

I do not believe the wording of the amendment offered by the gentleman from New York clarifies the situation. I would rather it be left in accordance with the general rules of this bill and the general principles of law. If that is done, I think this will be the situation: A tribunal makes a ruling, some person comes into court; he is not required to show at that moment that he has a specific right that is going to be violated that would make a case or controversy; but he has got to show such a sufficient interest that the court would hold that he was entitled, under the rules of law as long explained and interpreted by the courts, to defend his interest.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. CELLER. Does the gentleman mean to imply that when he takes an appeal within the agency he shall have one status as to substantial interest, but that when he takes the appeal to the court he shall have a different status, which may be inconsistent or different than is implied in the words "substantial interest"?

Mr. GWYNNE. When we get into appeals from decisions that is an entirely different matter.

Mr. CELLER. That is what you are considering when you take up section 3; that is, appeals from decisions.

Mr. GWYNNE. No; that is a judicial review of the rules.

Mr. CELLER. I meant of the rules. I beg the gentleman's pardon.

Mr. SMITH of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield.

Mr. SMITH of Connecticut. Does not the fact that this is a novel type of procedure make it all the more necessary that we define here the type of interest necessary to make a litigant eligible to request this review from the court?

Mr. GWYNNE. I agree with the gentleman; but the point I make is that I think the courts already understand it. I think they have defined it. If we are going to define it legislatively, we should take sufficient time to do it so that the courts will know exactly what we mean.

Mr. SMITH of Connecticut. It seems to me that in acts providing for declaratory judgments a definition is always provided of the litigants who may take advantage of declaratory-judgment legislation, and it seems to me that in setting up something analogous here we should in this particular paragraph define the interest a litigant should have in order to come in under its provisions. I think some such language should be included.

Mr. GWYNNE. It is my contention that if we are going to do it legislatively, we should not do it hastily on the floor by way of amendment but should rather let it be considered in some other body.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. CELLER. Mr. Chairman, under the same request, I offer an amendment to page 5.

The Clerk read as follows:

Amendment offered by Mr. CELLER: On page 5, line 10, after the word "who", insert "in conjunction with the attorney for the department, agency, bureau, or establishment."

Mr. CELLER. Mr. Chairman, this amendment would permit the attorney for the particular establishment involved to prosecute the judicial review of the rule. To my mind there is no reason why that process should be limited to the Attorney General. I think there should be an express provision that the legal head of the agency should, in conjunction with the Attorney General, act.

Mr. WALTER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. CELLER].

Mr. Chairman, the language on page 5, line 10, that the gentleman from New York [Mr. CELLER] complains about was changed from the bill he originally introduced. Under that bill the Attorney General would have to conduct the defense of the rule. The committee considering the bill felt that the legal advisor for the department affected should be permitted to participate in the proceedings, but it also recognized the fact that the Attorney General is the chief law officer of the United States; so we changed the language of Mr. CELLER's bill so that the bill now reads "who shall direct the defense of the rule." Obviously this permits anyone that the Attorney General wishes to associate himself with in the defense of a rule to participate. The language in the amendment is entirely unnecessary.

Mr. CELLER. Does the gentleman think the agency should be precluded from participating in the proceeding?

Mr. WALTER. Indeed not, and that is not intended.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. CELLER].

The amendment was rejected.

Mr. JENKINS of Ohio. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. JENKINS of Ohio: At the end of section F, in line 24, page 10, strike out the period and insert semicolon, and the following: *"Provided, however,* That a hearing shall be permitted concerning any controversy which arose not more than 3 years prior to the date of the passage of this act if, on behalf of the claimant in such controversy, in an effort to secure affirmative relief, there has been introduced a bill in Congress seeking such relief."

Mr. JENKINS of Ohio. Mr. Chairman, the language of my amendment at first reading would appear to be cumbersome, but it has been carefully prepared so as to conform with the language in section (f). We have attempted to supply every necessary element that that language would suggest. Furthermore, we tried to limit the amendment to apply only to the one case. We have to have general language, of course, but the general language, when boiled down, applies only to the case of the State of Ohio. At the present time, if this bill passes with the time limitation of 1 year it will not include the Ohio case, because this provides that to come within this bill the controversy must not have arisen more than 1 year prior to the time when a written request had been filed. This amendment will permit Ohio to file its claim. It clarifies the situation.

I am not going to throw a scare into anybody, but those who have prepared this bill will find, if they do not amend this section, many people who think they have a right to take advantage of the law will not have that right because you have a 1-year limitation, to follow a written request, and very few people that have any claims now will be protected. They will be excluded because of the 1-year limitation and the requirement of having to file a written application. However, my amendment is not aimed to raise that question. We are simply acting to provide that that one claim may be considered. We are not providing for other claims, but if there are any other claims which come within the language, it would be proper and right to consider them.

Mr. Chairman, there is no use making a speech to the full membership of the Committee because in a proceeding like this the amendments go up or down on the sanction of those who sit behind those tables and have charge of the passing of the bill. If those who now sit behind the table want to do justice, now is the time to do it. There is no question, and there never has been any question about the justice of Ohio's case. Originally it was passed by the House by unanimous consent. It passed the Senate by unanimous consent, and it came very near passing with a two-thirds vote over the President's veto. So there is no question about the justice of the Ohio case. It is just a question for those who sit behind the table to consider and to say if they want this amendment adopted so that this one case may be included. I know that the membership of the House favors this amendment. If those who sit behind the tables think that our claim will come within the provisions of the bill as now written we are happy for that and hope that time will justify their views. I have offered these amendments so as to protect the interests of the people of Ohio in case the bill does not cover our case. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. JENKINS].

The amendment was rejected.

Mr. BULWINKLE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this opportunity to call the attention of the membership of the House to a book which has just been issued by the Brookings Institution called Federal Regulatory Action and Control. The subject of the pending bill, the Logan-Walter bill, is completely covered in this book. I would deem it advisable that each Member who wishes to be informed about this subject read at least parts of the book.

May I call attention to the critique of the proposals in this book? First, as to the implementation of the statutes, and I have to hurry on. Next, as to the constitutional difficulties. In the third place, the practical difficulties, and let me just quote one section from this book:

Many practical difficulties appear in connection with the requirements of the bar association bill respecting the implementation of statutes. The chief of these arises from the provisions that rules and regulations are to be made after public notice and opportunity for hearing, and that they are to be issued within 1 year from the enactment of the statute to which they appertain. For a number of reasons such provisions seem unwise. Modern administrative rule making is a highly technical and complicated thing which often demands much study, the extensive use of statistics in order to see whether a new rule is needed or whether one already, in effect, is working properly, or even a scientific investigation covering a long period of time. A blanket formulation in advance of actual experience might result in ill-considered and hasty regulations, which could be corrected only after the hearing and notice procedure, and so ad infinitum.

* * * * * * *

The burden laid upon administrative officers under this provision would be very heavy because of the large number of matters to be considered; and the benefit would be negligible, since most existing regulations have passed the test of actual experience, from the viewpoint of the administrator and the general public.

Then on the question of judicial control over rules and regulations, this is said:

The crippling of administrative activities which would probably result from the foregoing provisions, should they become law, deserves mature consideration. It seems at first sight almost meaningless to bestow upon one court the power to pass upon the validity or invalidity of rules and regulations without simultaneously withdrawing such power from other courts. But upon careful consideration the question arises whether this jurisdictional device does not hamper administration while leaving the individual unrestrained by the decision.

The proposed arrangement seems dangerous because it means that statutes as well as rules may be declared unconstitutional by an agency which is not performing true judicial functions.

As to general difficulties:

In case this burden of rendering declaratory judgments under the bar association bill—

Or Walter-Logan bill—

were thrown upon the Court of Appeals for the District of Columbia, it would be necessary to increase the personnel of the court.

Increases in personnel would also be needed for the Department of Justice and practically all other agencies of the Government. Whether the added cost and delay would yield any real benefits is highly questionable.

Finally, general judicial review of rules and regulations, whether real or pretended, is unnecessary. It adds nothing to the substantial effect of the remedies now available. Under existing laws, if an administrative rule or regulation threatens immediate injury to a legal right, the proper court may issue an injunction or other process which will prevent the injury from being done or becoming irremediable. Any rule which appears unconstitutional, illegal, or ultra vires may now be attacked when the administration seeks to apply it, since an actual case or controversy then arises.

Mr. COX. Who is the author of the study which the gentleman is reading?

Mr. BULWINKLE. Frederick F. Blachly. Everybody has been quoting the Brookings Institution books around here for a long time.

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is very significant that this book, entitled "Federal Regulatory Action and Control," should be signed by Frederick F. Blachly and Miriam E. Oatman. The fact of the matter is that Miriam E. Oatman is Mrs. Blachly. This book is not a recommendation of the Brookings Institution. The ideas expressed therein are Mr. Blachly's individual ideas. And why? He recognizes that there is a very serious problem confronting us today, but he has suggested a different solution. Mr. Blachly and Miriam Oatman suggest that we ought to set up in the District of Columbia a new court called an administrative review court, and they would give to that court through legislation all the power the circuit court of appeals now has. They would set up downtown another bureau, another agency costing the taxpayers considerably more than it would ever cost them for the few additional judges that could conceivably be required under this proposed act.

The provision with respect to this special court was submitted to the Judiciary Committee of the House by the gentleman from New York [Mr. CELLER] at the same time he introduced the original recommendation of the American Bar Association. That idea has been given thought for a long period of time. I do not know of anyone who agrees with it. Certainly the Committee on the Judiciary could not be persuaded to provide the solution that Mr. Blachly thinks is a feasible one, namely the erection of a new court.

Let me point out to you some of the inconsistencies. My very dear friend the gentleman from North Carolina [Mr. BULWINKLE] has pointed out through this book that it would be unwise to hold public hearings on proposed changes in rules or the adoption or promulgation of rules. Have we ever found it difficult to conduct a hearing when we were considering a statute? If it is feasible to hold hearings when statutes are being considered, certainly we ought to insist that hearings be held when rules are being considered.

May I point out another thing that is entirely wrong in this work? The gentleman from North Carolina [Mr. BULWINKLE] said that a rule should be permitted to be changed. We recognize that. On page 3, line 16, it is provided that rules may from time to time after the adoption of the original rule be adopted as the need requires. I cannot conceive of a work more full of errors than is this one. Mr. Blachly appeared before the Judiciary Committees of the Senate and of the House and presented a chart showing the agencies and their functions. Every single agency was broken down. The chart shows how the agency was created, whether or not there is a review, and how much of a review can be had in the courts. It is a complete study over a long period of time on the very question that the Attorney General's committee is today taking up.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. The gentleman just now spoke about hearings. I wish to ask the gentleman about the Supreme Court. Did it have a hearing in connection with the issuance of its rules on civil procedure?

Mr. WALTER. No. The House adopted a resolution calling on the Supreme Court to promulgate a uniform system of rules. A similar provision with respect to administrative agencies was contained in the original proposal of the American Bar Association.

Mr. BULWINKLE. Well, they did not have it.

Mr. WALTER. That is correct.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman stated that the authors of that book want a sort of a legislative court set up in the District of Columbia?

Mr. WALTER. Yes.

Mr. COCHRAN. If the provisions of the gentleman's bill ever get to be law, is it not a fact that he is setting up 25 additional circuit courts in the United States?

Mr. WALTER. Of course not.

Mr. BULWINKLE. Is not the gentleman setting up 60 more?

Mr. WALTER. Of course, he is not.

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I want to point out, as the gentleman from North Carolina [Mr. BULWINKLE] pointed out a moment ago, that the Supreme Court, for example, is authorized by statute to adopt and promulgate rules of civil procedure for the district courts of the United States. There is no provision whatsoever that any litigant or prospective litigant who thinks some rule should be changed may petition the Supreme Court for a modification of the rule and insist upon a public hearing on his application. I want to get that matter cleared up.

Much mention has been made of a bill which I offered. I did offer some time ago a bill that was handed to me and which was somewhat like the American Bar Association bill, the Walter bill. After mature reflection and careful study I felt that that bill should not receive any further consideration. I changed my mind on the bill, and in that connection I will say this: "A wise man altereth his purpose, but a foole persevereth in his foly." I refused to persevere in any kind of error, and I refused to have anything more to do with the bill insofar as giving it favorable consideration either in the committee or by this House. When I first offered the bill, by request, I did not realize its import. I, like most of you, wanted some relief from bureaucratic abuses. But I discovered that the bill gave a cure worse than the disease. I dropped it like a hot potato.

Now, with reference to the report of the Brookings Institution, the statement has been made that this is not the report of the Brookings Institution but the report of a man named Blachly. I took the trouble yesterday to find out from an official of the Brookings Institution whether this was or was not the report of the Brookings Institution. It has been published under the name and under the aegis of the Brookings Institution, and I was told in no uncertain language that every bit of this book is the pronouncement of the Brookings Institution; and, frequently, we have heard on this floor men quote the Brookings Institution for this or that proposition. I am willing usually to abide by the decision of the Brookings Institution, one of the finest organizations of its kind in the world. Nonpartisan, unbiased, and thoroughly enlightened are its publications, and I am pleased that the Brookings Institution has taken a position consistent with my own position, and that is against this bill.

Mr. BARNES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. BARNES. Does not the book show the need of some appellate procedure, though?

Mr. CELLER. Certainly, there is need of appellate procedure, and the book rightfully says there should be such; but it says you cannot apply the same procedure to all these departments and bureaus, and every one should be considered separately.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this bill was reported by the Committee on the Judiciary after having been studied by the Committee on the Judiciary while I was in the hospital last year. I am not as familiar with the details of the bill as I would like to be and therefore speak with hesitancy with regard to its provisions, but may I observe, referring to the statement the gentleman from New York just made, that while it is true the Supreme Court has been granted authority to promulgate rules, those rules do not become effective until the agency of the Government, which is the people in Congress assembled, shall have an opportunity to examine those rules and an opportunity to object to those rules, as my distinguished friend here will agree; in other words, those rules are only tentative rules. They are submitted to the Houses of Congress, and if disapproved by the Houses of Congress, the rules do not become effective. I feel this statement ought to be made to clarify the situation insofar as that is concerned.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. WOLCOTT. If I remember my elementary law correctly, it distinguishes clearly between what they term "adjective law" and "substantive law" and the rules of procedure in the United States Supreme Court are known as adjective laws and have to do solely with the machinery by which the rights and prerogatives of litigants are reviewed, but the review, as provided in this bill, goes, perhaps, into the very merits of the dispute itself and not the machinery.

Mr. SUMNERS of Texas. Yes; but may I say to my friend I did not want to go into that distinction. Congress has not turned over to the members of the Supreme Court the power to make rules in the first instance—binding rules upon the people of this country. Congress simply asks the Supreme Court, with authority, to do its best to get together the proper rules to govern procedure in the Federal courts and to submit those rules to the Congress. The Congress has the right to disapprove, and if it disapprove them, they do not become effective.

I now want to say this much with regard to the Brookings Institution, and I do this not in criticism of the fine work done by the Brookings Institution, but I regret to have my distinguished friend from New York make the statement that he is willing to be guided by the Brookings Institution in the discharge of his legislative responsibilities. I feel we should get assistance from every outside agency, including this agency, but not direction. We have had entirely too much back-seat driving in America. [Applause.] Legislating is a responsibility that rests upon the Congress, and we must meet it. I feel pretty sure that is what my distinguished friend really would have said if he had had more than 5 minutes to speak. [Laughter and applause.]

[Here the gavel fell.]

Mr. WHITE of Ohio. Mr. Chairman, under the New Deal the Federal Government has become a complicated network of boards, agencies, administrations, bureaus, and commissions. They have spread doubt and confusion; they have stifled business enterprise; they have kept the unemployed men and women of America out of jobs.

It is bad enough for the country to suffer the handicaps of this mad onrush of bureaucracy, but even worse than their increased numbers is their increased powers by which they invariably assume the role of prosecutor, judge, and jury in their dealings.

The Walter-Logan bill, which we are considering today, is designed to regulate the regulators.

Under the New Deal there are 182 Federal departments, not to speak of numerous bureaus into which the departments are divided. Most of these agencies have become what might be termed "kangaroo courts," and the number of their binding decisions and of their current rules each month has been estimated to be five times as great as the decisions rendered by the courts of law.

Their innumerable rules are subject to constant change and additions. One set of rules may apply today and another set tomorrow. Is it any wonder that the American people who have to transact business with these agencies are unable to tell what to figure on from one day to the next? Many concerns find it necessary to maintain representatives in Washington for the sole purpose of trying to keep posted regarding new bureaucratic prescriptions—decisions which carry the force of law, yet frequently without the permanency of law or the right of review and appeal through the courts, which simple justice requires.

Before his election the President was greatly concerned over the comparatively small number of regulatory executive agencies. Since then he has vastly increased them and has invested them with unprecedented authority, and yet his concern has changed to complacency.

No compilation of the mass of rules exists. The Government is now publishing the regulations in a codified form. They will fill 23 volumes of approximately 1,200 pages each. The first daily duty of every businessman is to try to learn what new rules Washington has given out overnight.

The Walter-Logan bill proposes to regulate these regulations and provide a fair code of procedure for securing court review. The bill provides for a hearing upon petition by an individual or concern with respect to any rule and for court review to determine whether the rule complied with the Constitution and statutes under which it was issued. It further protects the individual or concern as to any action taken in good faith under any rule for a period of 30 days after notice in case the rule is rescinded or held invalid.

The bill is sponsored by the American Bar Association and is so plainly a necessary measure that it was passed favorably by the Judiciary Committees of both the Senate and House of Representatives. It is this bill that is to be brought to a vote in the House today.

We have learned in recent years that there is decided danger to our American form of government from a President and his bureaucratic autocrats who would centralize power in the Executive and regiment the Nation in planned economy. In his annual message to Congress in January 1936, Mr. Roosevelt said that in 34 months we have built up new instruments of public power which, in the hands of wrong people, would provide shackles for the liberties of the people.

There is a growing number of us who do feel it is not safe to leave such power in the hands of Mr. Roosevelt. His greed for power never ceases. He understands the power of billions at his disposal. Of all the emergency powers granted as long as 7 years ago not one has ever been surrendered by him. With this in view the passage of the Walter-Logan bill seems vitally important.

Mr. SABATH. Mr. Chairman, I rise in opposition to the pro forma amendment. I agree with the gentleman from Texas [Mr. SUMNERS] that there is altogether too much back-seat driving, especially as to this bill. Everybody concedes that this is a bill drafted and advocated by the American Bar Association, and those representing the United States Chamber of Commerce and similar organizations, who are endeavoring to nullify all the laws that we have passed in the interest of labor.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Not now. I feel that any Member of the House who votes for this bill is voting to nullify the acts for which he has voted that are in the interest of labor in America. The other body was imposed upon, and they have rescinded their action in reporting the bill, and I hope that the House will not be imposed upon in voting for this legislation. The gentleman from Pennsylvania [Mr. WALTER] is fearful that we will establish additional courts in the District, but the bill provides for additional circuit courts in all the circuits in the United States.

This bill will cost the Government millions of dollars, because it will require from two to three hundred lawyers in addition to these additional courts. Why? Merely for the purpose of giving some gentlemen, who could not control some of the bureaus, the opportunity to go to their friends, the courts. I concede that we have wonderful, splendid honest judges in the United States, but we also have judges who are

not so fair-minded when it comes to passing on legislation in which labor is interested.

The corporation lawyers who drafted this bill are closer to and they know the judges better than they know some of these gentlemen who have charge of the various bureaus or departments, and that is the reason they want to get the thing into the hands of the judges, to whom they can more easily appeal, and with whom they associate, and in whom they have great confidence that they will protect the rights of property in the United States. I think this is a most dangerous piece of legislation, and please do not be mistaken about it.

Mr. Chairman, the title of the bill states it provides for the more expeditious settlement of disputes. Anyone reading and understanding this bill must concede that it will definitely tend to delay and prolong settlements because it provides for the consideration and appeal of all kinds of violations. It gives not only the party in interest the right to appeal, but anyone who may be in any way interested. Section 5 (a) (2) provides that an appeal can be taken in the jurisdiction of such aggrieved party or where he maintains his principal place of business or in which the controversy arose. Under this provision any shareholder or bondholder in any part of the country would have the right to appeal.

Taking advantage of this provision the corporations would find stockholders in such sections of the country where the courts might be easier misled or influenced than in the jurisdiction where the principal place of business is situated. In fact, every provision in this bill tends to delay, prolong, and increase litigations so that willful violators and evaders of the law could indefinitely continue their operations.

Mr. Chairman, the gentleman from Pennsylvania [Mr. WALTER], who advocates this legislation, appears to me to have failed to recognize the fact that we have three distinct branches of government—the executive, the legislative, and the judicial. He fails to realize that this bill, if enacted, not only encroaches upon the legislative branch but also upon the executive branch.

This because it gives the existing circuit courts and those which can be created by the circuit courts themselves the right to nullify the acts of Congress and the rules and regulations promulgated by departments and agencies which are familiar with the needs and requirements of the enforcement of given laws.

Mr. Chairman, it appears to me that the aim of the proponents of this bill is to give the judicial branch of our Government powers never contemplated by the framers of the Constitution. For the reasons given I cannot and shall not vote for the bill. It deserves to be defeated, and those voting for it will not be able in the near future to say that they are the friends of labor or of the administration.

Mr. RANKIN. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto be now closed.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

JUDICIAL REVIEW OF DECISIONS OR ORDERS OF ADMINISTRATIVE AGENCIES

SEC. 5. (a) Any party to a proceeding before any agency or independent agency as provided in section 4 of this act who may be aggrieved by the final decision or order of any agency, or independent agency, as the case may be, within 30 days after the date of receipt of a copy thereof, may at his election file a written petition (1) with the clerk of the United States Court of Appeals for the District of Columbia; or (2) with the clerk of the circuit court of appeals within whose jurisdiction such aggrieved party resides or maintains his principal place of business or in which the controversy arose, for review of the decision. Before filing a petition such party may within 10 days make a motion to the agency or independent agency concerned for a rehearing, tendering a statement of any further showing to be made thereon which shall constitute a part of the record, and the time for appeal shall run from the order on such motion if denied or the order made on such rehearing if a rehearing shall be had. The petition shall state the alleged errors in the decision of the agency or independent agency concerned. The Attorney General of the United States and the agency or independent agency shall each be served with a copy of the petition and it shall be the duty of the Attorney General of the United States to cause appearance to be entered on behalf of the United States within 30 days after the date of receipt by him of a copy of the petition and it shall be the duty of the agency or independent agency, as the case may be, within 30 days or such longer time as the court may by order direct, after receipt of a copy of the petition to cause to be prepared and filed with the clerk of such court the original or a full and accurate transcript of the entire record in such proceeding before such agency or independent agency. The court may affirm or set aside the decision or may direct the agency or independent agency concerned to modify its decision. Any case may be remanded for such further evidence as in the discretion of the court may be required but no objection not urged before the agency or independent agency, as the case may be, shall be considered by the court unless the failure or neglect to urge such objection shall be excused by the court for good cause shown. To facilitate the hearing of such appeals and avoid delay in the hearing of other matters before the court, such court may constitute special sessions thereof to consist of any three judges competent in law to sit as judges of a circuit court of appeals, which special sessions may be held concurrently with the regular sessions of said court. Any decision of any agency or independent agency shall be set aside if it is made to appear to the satisfaction of the court (1) that the findings of fact are clearly erroneous; or (2) that the findings of fact are not supported by substantial evidence; or (3) that the decision is not supported by the findings of fact; or (4) that the decision was issued without due notice and a reasonable opportunity having been afforded the aggrieved party for a full and fair hearing; or (5) that the decision is beyond the jurisdiction of the agency or independent agency, as the case may be; or (6) that the decision infringes the Constitution or statutes of the United States; or (7) that the decision is otherwise contrary to law.

(b) The judgments of the circuit courts of appeals shall be final, except that they shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

(c) Where the cause of action is otherwise within the jurisdiction of the United States Court of Claims as provided in sections 136 to 187, inclusive, of the Judicial Code, as amended (U. S. C., title 28, secs. 241 to 293, inclusive), the petition provided in this section may be to the said Court of Claims at the election of the aggrieved party.

(d) Where a circuit court of appeals or the Court of Claims finds itself in disagreement with a previously rendered decision of another court having jurisdiction under this section, it shall certify to the Supreme Court of the United States a distinct and definite statement of the question or proposition of law upon which such disagreement rests, with a statement of the nature of the cause and of the facts on which such question or proposition of law arises, together with a statement of the reasons in support of such disagreement. Such further proceedings shall be as provided in section 239 of the Judicial Code, as amended (U. S. C., title 28, sec. 346).

Mr. HOBBS. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HOBBS: Page 13, lines 3 and 4, strike out the word "substantial" and insert in lieu thereof "the preponderance of the."

Mr. HOBBS. Mr. Chairman, the amendment just read would simply substitute for the word "substantial" the word "preponderance."

Substantial evidence is evidence which, if true, has probative force on the issues (*Shaw* v. *Brinkhoff*, Missouri Appeals, 119 Southwestern, 2d, 444–446).

More than a scintilla. It means such relevant evidence as a reasonable man might accept as adequate to support the conclusion (*Consolidated Edison Co. of New York* v. *National Labor Relations Board, United States*, New York, 59 Supreme Court, 206–216, 217).

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HOBBS. Certainly, I should be happy to yield to the distinguished gentleman from Mississippi at any time.

Mr. RANKIN. Does not the gentleman think this more important. Take line 2, providing that a court may set aside a ruling of one of these boards or bureaus if it finds or if it appears to the satisfaction of the court that the findings of fact are clearly erroneous? Does not the gentleman think that it goes a great deal further than the provisions providing for substantial evidence in the next subdivision?

Mr. HOBBS. Of course I do, but these provisions are in the disjunctive; not in the conjunctive. Each of the grounds under consideration is separated from the next by the word "or."

So that for any of these reasons the court may set aside the decision of the board.

Now, I want to read definitions from the Supreme Court of "preponderance":

Preponderance of the evidence is such proof as satisfies the conscience and carries conviction to an intelligent mind (*Cole* v. *Town of Miami, Ariz.*, 83 Pac. (2d) 997, 1001).

Preponderance means "greater weight" (*Great Atlantic & Pacific Tea Co.* v. *Custin, Indiana*, 13 N. E. (2d) 542, 545).

Greater weight of evidence and preponderance of evidence are synonymous (*Cincinnati Butchers' Supply Co.* v. *Conoly* 169 S. E. 415, 416).

The terms "preponderance of evidence" and "greater weight of evidence" do not mean the greater number of witnesses, but evidence entitled to greater weight in respect to credibility (*Missouri Pacific Railroad Co.* v. *Hancock*, 113 S. W. (2d) 489, 493).

I have given you these decisions of the Supreme Court with respect to the meaning of these two terms. When you say "substantial evidence," just as the Supreme Court said on the 9th day of this month in the Morgan case, you mean any evidence which is more than a scintilla, from which a reasonable mind might deduce a conclusion. That will not do. That is not the proper criterion. What we want is justice, what is right; not what a reasonable mind might decide but what a reasonable mind, weighing all the evidence, considering it all, would be driven to conclude. Justice demands adjudications based upon nothing less than the preponderance of the credible evidence.

Therefore, I beg you not to regard this amendment as trivial, because it would change only one word. This is right. We ought to require nothing less than that the decrees, decisions, and orders of any inferior body, whether board or court, should be supported by a preponderance of the evidence before a dollar should be taken out of the pocket of an American citizen or his right to liberty be taken. Ladies and gentlemen, as you love justice, I beg you to support this amendment. [Applause.]

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not think the gentleman from Alabama [Mr. HOBBS] would accomplish his purpose by changing the word from "substantial" to "preponderance." As I understand this bill, as it is written, if the court finds that an agency or an independent agency has based its conclusions upon any substantial evidence, they cannot disturb it. Now, is that not what you want? Is that not what the gentleman wants? He does not want to disturb these rulings of an agency or an independent agency. They would not be disturbed and could not be disturbed by a court on review if there was any substantial evidence upon which the agency or the independent agency based its findings.

That is the rule which prevails universally in the courts of last resort in appeals. If the supreme court of a State or the circuit courts of appeal of the United States, or the Supreme Court of the United States finds that a lower court has come to a decision on the facts, that decision being based upon any substantial evidence, it will not disturb it. So in this case if the court finds that there is any substantial evidence upon which the agency or independent agency based its finding, it cannot disturb it.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. RANKIN. In other words, if you require preponderance of the evidence to substantiate a decision of the Board, you put the Board on trial. You are trying the Board and not the rulings of the Board?

Mr. WOLCOTT. That is largely true, but it would change the issue entirely. The court would have to hold, if the language of the proposed amendment is adopted, that a ruling of the Board was based upon a preponderance of the evidence. The court would have to hold that there was a preponderance of the evidence in favor of the ruling, which I think negatives the purpose of the gentleman from Alabama [Mr. HOBBS], because as the bill is now written, if the court holds that there is any evidence of a substantial nature, it cannot disturb the ruling.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. GWYNNE. Would not this amendment completely change the purpose of the bill?

Mr. WOLCOTT. Yes. The appellate court in this instance, and for the first time perhaps in the annals of American jurisprudence, would sit as a jury, a trier of the facts instead of the law. The situation is clearly protected in other limitations contained in sections 1, 3, 4, 5, 6, and 7.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Miss SUMNER of Illinois. Does not the gentleman think it well to explain it this way: There is a distinction between a court of original jurisdiction and a court of appeal. In a court of original jurisdiction it is always wise to demand a preponderance of the evidence in order to give the person on trial a proper chance; but when it comes to a court of appeal, the court of original jurisdiction may have had the evidence evenly divided, yet he may have looked at the witnesses; he may have seen, for instance, that he was hesitant; that he looked guilty; that perhaps he even had prison pallor. Those things would not show in a record. So that in a court of appeal one does not demand a preponderance of the evidence, but asks that there be a substantial showing that the record is correct?

Mr. WOLCOTT. I think the lady is correct.

Miss SUMNER of Illinois. I think that is the universal theory.

Mr. WOLCOTT. Although I am very much in favor of this bill, I am more concerned about the preservation of these simple rules which have been in existence from time immemorial. Even though it might help the bill from my point of view, I would not want to see any material change made in the procedure concerning the findings of fact by courts of appeal.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HOBBS. I wonder if the gentleman from Michigan and the distinguished gentlewoman from Illinois are not reciting the law as it relates to trials by jury rather than trials by courts or boards without the intervention of a jury?

Mr. WOLCOTT. That is the point, if I may say so to the gentleman from Alabama; we do not want to put these courts of review in the same position as a jury is put in weighing evidence. The jury must usually find a preponderance of evidence in favor of their verdict. In this case we are protecting the courts, protecting the boards, protecting these agencies, by saying that the courts cannot disturb a ruling if there is any substantial evidence upon which they base their decision.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 13, line 2, strike out all of line 2.

Mr. RANKIN. Mr. Chairman, this is the provision that would authorize the court to set aside a ruling of one of these boards if the court determined that the findings of fact were clearly erroneous. In other words, you transfer the physical operations of one of these boards to the courts. That is one step further in court government than I believe you want to go.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. WALTER. The committee will agree to the amendment. As a matter of fact, I have prepared a similar amendment myself, to strike out line 2 on page 13. Was that the gentleman's amendment?

Mr. RANKIN. Yes.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. For a short question.

Mr. BULWINKLE. The gentleman seems to be right successful. Will he look at 6 and 7 and tell me what they mean?

Mr. RANKIN. Let us dispose of this one first.

Mr. Chairman, I yield back the balance of my time. The committee has agreed to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 62, noes 63.

Mr. RANKIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. RANKIN and Mr. GWYNNE.

The Committee again divided; and the tellers reported that there were—ayes 70, noes 106.

So the amendment was rejected.

Mr. RAYBURN. Mr. Chairman, I move to strike out the last word, and do so simply to ask a question of those in charge of the bill.

The language appearing at the bottom of page 12 and on page 13 deals with the power of the court to set aside any decision of any agency or any independent agency upon certain enumerated grounds. Among the enumerated grounds are these:

(6) That the decision infringes the Constitution or statutes of the United States; or (7) that the decision is otherwise contrary to law.

I have no amendment to offer, but, frankly, to me this is amazing legislative terminology, and I do not understand why the committee put it in or what it means. I might say further, Mr. Chairman, that there are other paragraphs and subparagraphs in this bill about which, had I the desire to take the time of the Committee, I could have asked similar questions. Will not the gentleman in charge of the bill explain the effect of these subparagraphs and what they mean? I am asking these questions not in a critical sense but in the interest of legislative integrity.

Mr. WALTER. I may say to the gentleman from Texas that the language appears to me and to all the members of the committee to be very plain. It merely provides that the Supreme Court of the United States as well as the circuit court of appeals can set aside the decision of an agency where the decision makes the statute unconstitutional. It is a well-known principle of interpretation, of course, that where a statute is capable of two interpretations, one making it constitutional and the other unconstitutional, that interpretation must be given it that will uphold its constitutionality. But the court in these cases may pass on the question of whether or not the interpretation placed upon the statute renders the statute unconstitutional and in this way it is entirely possible that a different interpretation could be given statutes so as to preserve the constitutionality of our actions.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. GWYNNE. Under subparagraph (6) a decision might be reversed if it infringes the Constitution or a statute of the United States, and under subparagraph (7) a decision may be set aside where the decision is otherwise contrary to law.

A decision might be contrary to law under some general principles of common law not embodied in the Constitution and not embodied in a statute.

Mr. RAYBURN. I feel, however, that the gentleman will search the statutes in vain to find language just exactly like that.

Mr. GWYNNE. Oh, no. On the contrary, this is taken from many statutes.

Mr. RANKIN. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Mississippi.

Mr. RANKIN. I thought all the lawyers of the House knew it was against the law for an agency of the Government to infringe the Constitution or violate the law. I am surprised the Committee on the Judiciary put that language in the bill.

The Clerk read as follows:

JURISDICTION OF COURTS TO IMPOSE DAMAGES WHERE APPEAL WAS FOR DELAY AND FOR COSTS

SEC. 6. The courts shall have jurisdiction and power to impose damages in any case where the decision of the agency or independent agency is affirmed and the court finds that there was no substantial basis for the petition for review. In all cases the costs on review shall be allowed the prevailing party after final judgment, to be collected according to law.

Mr. BULWINKLE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I desire to comment on the so-called Jones case (*Jones* v. *Securities and Exchange Commission*, 298 U. S. 1).

Frequent reference has been made to the language of Mr. Justice Sutherland in the case of Jones against the Securities and Exchange Commission, accusing the Commission of "unreasonable and arbitrary" action.

A clear understanding of the narrow issue in the case is essential. Jones had filed with the Commission a registration statement covering securities which he proposed to offer to the public. The Commission instituted a proceeding to determine whether his registration statement was false or misleading. At the Commission's hearing Jones appeared by his counsel and tried to avoid the proceeding by withdrawing his registration statement. A rule of the Commission, with which Jones and his counsel were familiar, permitted withdrawal of registration statements only upon consent of the Commission, such consent to be given "with due regard to the public interest and the protection of investors." The Commission denied the consent required by its rule, and issued a subpena to Jones to give evidence in the proceeding. Jones refused to comply with the subpena, and, since the Commission's subpenas could be enforced only by the courts, the Commission applied to a Federal court for an order to compel Jones to comply with the subpena. This application presented for judicial consideration the question whether the Commission's rule prohibiting withdrawal of a registration statement was a valid rule, consistent with the statute and with the Constitution.

The Commission's rule, on judicial consideration, was held valid by Judge Patterson (now of the Circuit Court of Appeals for the Second Circuit). On appeal to the circuit court of appeals, the decision of Judge Patterson, and the action of the Commission, were upheld by a unanimous court.

The decision of the courts below was reversed by the Supreme Court in a 6-to-3 decision rendered by Mr. Justice Sutherland. The language quoted from Mr. Justice Sutherland's opinion, however, referred only to the Commission's action in asking the courts to enforce its subpena—that is, in seeking judicial approval of its interpretation of the law. Twisting the opinion of the Supreme Court into a criticism of the Commission's administrative procedure involves a plain distortion of the facts before the Supreme Court.

Mr. Justice Sutherland's opinion has been referred to as a unanimous decision of the Court. This statement is incorrect. A dissenting opinion from Justices Cardozo, Brandeis, and Stone upheld and praised the action of the Commission. More, this dissenting opinion represents as vigorous and devastating a criticism of the conservative majority of the Court as can be found in legal literature. If we are to hear the critical language of Mr. Justice Sutherland, we should also listen to the language of Mr. Justice Cardozo, talking in the same case of the Securities and Exchange Commission:

A commission which is without coercive powers, which cannot arrest or amerce or imprison though a crime has been uncovered, or even punish for contempt, but can only inquire and report, the propriety of every question in the course of its inquiry being subject to the supervision of the ordinary courts of justice, is likened with denunciatory fervor to the star chamber of the Stuarts. Historians may find hyperbole in the sanguinary simile.

The rule now assailed was wisely conceived and lawfully adopted to foil the plans of knaves intent upon obscuring or suppressing the knowledge of their knavery.

So, against the widely quoted language of Mr. Justice Sutherland, we have to set the fact that the Commission's action which Mr. Justice Sutherland criticized was no more than the action of asking judicial determination of the validity of its rule. That action, upheld and praised by Justices Cardozo, Brandeis, and Stone, had also been sustained by Judge Patterson of the southern district of New York, and by unanimous decision of the Circuit Court of Appeals for the Second Circuit. And in a recent case involving the same rule

the Court of Appeals for the District of Columbia, in a unanimous opinion, stated that if the question were before it as a matter of first instance it would find no difficulty in reaching a decision opposite to that of Mr. Justice Sutherland.

In its 6 years of existence the Commission has achieved a record of approval by the appellate courts which cannot be matched by any other agency of the Government. Decision has been given against the contentions of the Commission in the appellate courts only four times in those 6 years, and no quasi-judicial order of the Commission has even been upset on its merits by any court. [Applause.]

Mr. DONDERO. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, a few years ago a very brilliant and distinguished Member of this body, who will be remembered by many on this floor; a man who rose to the top in his profession; a man who became Solicitor General of the United States, wrote a book. The title of that book is "Our Wonderland of Bureaucracy." He might have entitled that book "Our Growing Bureaucracy."

The very thing that distinguished gentleman inveighed against in his book is the very thing that this bill aims to correct. He was the Honorable James M. Beck, of Pennsylvania.

The myriad rules, regulations, and orders promulgated by the various boards, bureaus, agencies, and commissions set up by Congress never see the inside of Congress. They become in effect and have the effect of law. Nobody knows what they are until they are in force. This bill at least requires notice to be given and publication thereof before they become valid and effective.

Mr. Chairman, the question that confronts us in reference to this bill is whether or not we have more confidence in the bureaus and commissions in the administration of the law entrusted to them than we have in the courts established under the judicial system of this Government.

This bill puts a bridle on the many agencies set up under acts of Congress. In too many cases boards, bureaus, and commissions have assumed more powers in the administration of the laws than the Congress has conferred upon them. There is no authority for any agency of the Government to arrogate to itself powers which Congress never conferred upon them. Too many of our citizens have found themselves in the toils of despotic rules never intended by the legislative department of the Government and from which they had no appeal.

This bill opens the doors of the courts of the land, which have heretofore been closed to them, in their effort to secure justice from the imposition of regulations issued by various agencies of the Government. Bureaucracy under our system of government has increased out of all proportion. It is becoming greater as a lawmaking institution than the Congress of the United States itself. This process, if continued, will have a tendency to undermine the fundamental principles of this Nation and destroy the confidence of the people in the three departments of our Government as provided in the Constitution of the United States.

This bill does not bestow any new rights on the people, but restores old rights which have been taken away, namely, the right of their day in court.

I have not lost faith or confidence in the judicial system of the United States. I am going to support the pending bill and hope it will pass the House. [Applause.]

Mr. WHITE of Idaho. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in considering the bill now before the House, from my experience in dealing with the Government departments in the interests of the people whom I have the honor to represent and the irresponsible attitudes that exist in many of these departments where the interests of the common people are concerned, I most certainly welcome the opportunity to support practical legislation to curb the bureaucratic control of many of these governmental agencies and make them more responsible to the needs of the people and the public welfare.

But in studying the provisions of this bill, I am thoroughly convinced that its enactment would increase the difficulties of our Government in carrying out many of its undertakings in constructive programs for the advancement of our people. In the light of recent experience it is easily to be seen that the enactment of this bill will provide a means of obstructing and delaying the Federal Government in carrying out many of its constructive projects.

For this reason, I am unable to support this measure and shall vote against it. I might add that in my opinion it is only a question of time until some means will have to be devised by the Congress to enlarge its control over the policies of the Federal agencies and make them more responsive to the needs of the people they are created to serve. [Applause.]

Mr. RANKIN. Will the gentleman yield?

Mr. WHITE of Idaho. I yield to the gentleman from Mississippi.

Mr. RANKIN. That is the duty of Congress.

Mr. WHITE of Idaho. Does not the gentleman think the Congress is overlooking its duty in letting these governmental departments dictate most of the laws that we pass here? Most of them are drafted down in some Government department.

Mr. RANKIN. What the Congress is doing is "passing the buck" and transferring the government of our country over to the courts.

Mr. WHITE of Idaho. Mr. Chairman, I yield back the balance of my time.

Mr. SMITH of Connecticut. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, this bill was drafted to meet a real need, and I believe the bill was brought in here to meet a real need, which is a uniform method of review so that we may be able to know what our rights are under the many statutes that have been passed and under the administrative agencies which have been set up. I wish I could support the bill in its present form, but when the committee voted down the amendment offered by the gentleman from Mississippi, which, by the way, was agreed to by the chairman of the subcommittee, the author of the bill, which would have stricken from the bill line 2, page 13, it seems to me that we have completely changed the meaning of the bill from what most of us who want to support it desire to have in this legislation. When we left that language in the bill, we have made the courts the tryers of the facts. We eliminated some other wording with the purpose of making it plain that the courts were not to be the tryers of the facts but were to try the law on appeal. When we left in that language which is in line 2, "If it is made to appear to the satisfaction of the court that the findings of fact are clearly erroneous," it seems to me that we leave to the courts the question of trying the facts which, of course, we intended should be tried by the administrative agencies. If they have any function at all, they should try the facts, and unless they have violated the law or have acted without any support or substantial evidence, the facts should remain as found by the administrative agency.

We now have in the bill a provision which passes on to our appellate courts the trial of questions of fact along with the trial of questions of law, and I do not think most of us intended that. It should not be in the bill, and I believe it has changed the entire foundation of the legislation from what we started out with. For this reason, with that language in the bill I cannot support it.

Mr. KEEFE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I cannot refrain from speaking a word in answer to the statement made by the gentleman from Connecticut [Mr. SMITH]. It seems to me that any lawyer who sits in this House, whether he be a member of the American Bar Association or the Lawyers' Guild, must know it to be a fact that in the trial of cases before a court or before an administrative tribunal charged with the responsibility of ascertaining the facts, there are frequently tenders and offers of testimony that under the law the tryer of the fact, whether it be a court or an administrative tribunal, is precluded from receiving in evidence. I have in mind situations that have

arisen whereby evidence that has been obtained illegally, in violation of the law, in violation of the law prohibiting wiretapping, and in violation of the Constitution, which prohibits unlawful searches and seizures, has been permitted to be introduced by administrative tribunals and courts, in violation of the Constitution and the law. Such testimony if received, over objection, would constitute substantial evidence. I have known cases that have been determined on evidence which was obtained in an illegal manner, but upon appeal the court has uniformly held in such cases that findings of fact based on that type of testimony would be clearly erroneous, even though if the testimony were received properly it would constitute substantial evidence.

Therefore, I feel that paragraph (1) should very definitely be in this bill as a protection to all parties, whether they be labor or capital or what not, so that they may be guarded against an erroneous finding of fact based on testimony that has been received erroneously.

I believe the second paragraph, which would give the court the right to challenge findings of fact not supported by substantial evidence, is not sufficient to protect us properly in the situation I have described. Testimony may be introduced in court that would fall in the description of substantial evidence, but every bit of the evidence may have been received by the tryer of the fact in violation of established rules of law or in violation of constitutional prohibitions.

I am unable to ascertain or understand how the gentleman from Connecticut can base his opposition to this bill on that mere statement of fact.

I also wish to call attention, while I have the floor, to the statement made by the gentleman from Illinois, who based his contention in opposition to this bill on the fact, as he alleged, that we would have to create a lot of new courts. The gentleman referred to section 12 as a justification and authority for that statement. There is not a person in this House who can read the language on page 12 of this bill—

> To facilitate the hearing of such appeals and avoid delay in the hearing of other matters before the court, such court may constitute special sessions thereof to consist of any three judges competent in law to sit as judges of a circuit court of appeals.

And not realize that it does not mean the creation of new courts at all. [Applause.]

[Here the gavel fell.]

Mr. WALTER. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 7 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. McGRANERY].

Mr. McGRANERY. Mr. Chairman, I was quite interested in the statement of the gentleman from Connecticut and the answer thereto of the gentleman from Wisconsin. The gentleman from Wisconsin certainly got a different idea of what the gentleman from Connecticut said than did I or any of the Members who were sitting around me, when he enunciated from the floor what I believe every lawyer will agree is Hornbook law. If the trier of fact or the administrative agency admits testimony which is not competent as evidence, that certainly would be considered a question of law, and, on review, any court would take cognizance of it and reverse the decision on that ground. That is exactly what I understood the gentleman from Connecticut to say, and I wish to ask the gentleman from Connecticut now if I understood him correctly. The gentleman from Wisconsin, I believe, missed the point entirely.

Mr. SMITH of Connecticut. The gentleman is correct. I believe we had no intention of setting up the appellate court as a trier of fact in this case. Of course, if any decision on rulings on evidence is contrary to law, it is covered in other sections besides the section to which I took exception, and, of course, there would be a ruling on law, and the appellate court would have the power to make the rulings on law.

Mr. McGRANERY. That was my understanding.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, in these days we are either liberals or conservatives, radicals or reactionaries. I like to think that I am a liberal. I believe the majority of the Democratic Party in this House prides itself on its liberalism. I am glad to see that this bill has come from the Democratic side of the House, as I should like to believe that the Democratic Party is the liberal party it claims to be. In that respect I can go along with it. However, I do not want a misunderstanding of my stand in respect to this bill.

No one who is a liberal can vote against this bill. Why? Because a liberal is one who favors greater freedom in political matters as distinguished from one who favors a monarchical or an aristocratic form of government, so a liberal form of government is one which protects the right of the people to rule themselves, as distinguished from a form of government which concentrates the power and the control over the people into the hands of a bureaucracy or a single individual.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I cannot yield at the present moment; I am sorry.

I am a liberal in that I would provide the machinery for the review of bureaucratic regulations. If you are liberal and want to return to the people of the United States the right to judicial review which is given them as an inherent right under the Constitution, you have to vote for this bill, because you cannot be a liberal and at the same time be an aristocrat. An aristocrat, you know, is one who is of the best, or thinks so, who sets himself apart from all the rest and considers himself ever so much better qualified to rule the people than the people themselves. I am not an aristocrat. I am a liberal, in that I believe the people should have the right to be heard in their courts.

Now, no one in the United States, no citizen, can get into the courts of the United States to test the constitutionality or the legality of an assumed or delegated power of the administrative branch of the Government unless he has an exclusive franchise to a particular activity in a particular community. This is in accordance with the decision of the Supreme Court in one of the T. V. A. cases. Therefore, unless this bill is passed, the only institutions or persons who can get into the Federal courts to test the constitutionality of competitive enterprises set up by the administrative branch of the Government are those big utilities which are given exclusive franchises under the constitutions of States which authorize the giving of exclusive franchises; and you and I and 99.44 percent of the constituents whom you represent are denied by that decision from contesting the constitutionality or legality of acts setting up such competitive enterprises.

In other words, if a decision or a regulation in one of the departments sets up a furniture factory to compete with a furniture concern in Grand Rapids, Mich., that furniture concern in Grand Rapids cannot test the constitutionality of that regulation. Why? Because, they have not an exclusive franchise to that particular activity, the furniture business not being one of the classes of businesses in which a State can give an exclusive franchise. However, if you are a great big utility controlling power, controlling electric power [laughter], you can get into the Federal courts and we, as consumers of that power or as manufacturers of furniture or as manufacturers of anything else, cannot contest the constitutionality or legality of the administrative order or regulation by which the Government controlled and managed enterprise was set up.

Now, I want to vote for any bill which is going to remove this discrimination against our citizens which now favors the big utilities.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MAY. The gentleman understands, of course, that the Government's own utility, known as the T. V. A., has been exempted by both the States in which it operates from regulation by the State institutions and therefore it is not subject to State or Federal regulation.

Mr. WOLCOTT. I am pleased to have the gentleman make that contribution.

[Here the gavel fell.]

The pro forma amendments were withdrawn.

The Clerk read as follows:

EXCEPTIONS AND RESERVATIONS

SEC. 7. Nothing contained in this act shall operate to modify or repeal any rights or procedure as now provided by law for any person to have his controversy with the United States heard and determined in any district court or circuit court of appeals of the United States.

(b) Nothing contained in this act shall apply to or affect any matter concerning or relating to the conduct of military or naval operations; the trial by courts martial of persons otherwise within the jurisdiction of such courts martial; the conduct of the Federal Reserve Board, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Interstate Commerce Commission; the conduct of the Department of State; the conduct of the Department of Justice and the offices of the United States attorneys, except as otherwise herein specifically provided; or any matter concerning or relating to the internal revenue, customs, patent, trade-mark, copyright, or longshoremen, and harbor workers' laws; or any case where the aggrieved party was denied a loan, or may be dissatisfied with a grading service in connection with the purchase or sale of agricultural products, or has failed to receive appointment or employment by any agency or independent agency. Sections 2 and 3 of this act shall not apply to the General Accounting Office.

With the following committee amendment:

Page 15, after line 9, insert "all Federal lending agencies, the Federal Trade Commission."

Mr. WALTER. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER to the committee amendment: On page 15, in line 10, strike out "all Federal lending agencies" and insert "the Federal Loan Agency and all agencies and independent agencies grouped thereunder, the National Mediation Board."

Mr. RAMSPECK. Mr. Chairman, a parliamentary inquiry. What becomes of the Federal Trade Commission?

Mr. COCHRAN. The Federal Trade Commission remains in, does it not?

Mr. WALTER. Yes.

Mr. DIRKSEN. Mr. Chairman, I think the members of the committee are first of all entitled to a little explanation of this amendment, because as I conceive of the Home Owners' Loan Corporation, which is a lending agency doing business with 857,000 mortgagees in the country, I would like to know just what the import of this amendment will be so far as the rights of the mortgagees are concerned, and any orders relating thereto.

Mr. WALTER. Mr. Chairman, it was the judgment of the committee that the courts ought not to pass on the refusal——

Mr. RAYBURN. Mr. Chairman, without having it taken out of the gentleman's time, I ask unanimous consent that the amendment offered by the gentleman from Pennsylvania [Mr. WALTER] may be again reported.

There being no objection, the Clerk again reported the Walter amendment to the committee amendment.

Mr. MAY. Mr. Chairman, will the gentleman from Pennsylvania yield? What is the Federal Loan Agency referred to?

Mr. WALTER. The Federal Loan Agency includes all the lending agencies grouped in the President's reorganization plan. It includes the Home Owners' Loan Corporation, the Home Loan Bank Board, the R. F. C., and all the agencies under the R. F. C.

Mr. MAY. And it does not go beyond the group that was placed there by the Executive order?

Mr. WALTER. That is right, and the reason this language was changed was because the reorganization order was issued after the bill was reported in its present form.

Mr. JONES of Texas. Would it apply to the Farm Credit Administration?

Mr. WALTER. Yes; it would apply.

Mr. JONES of Texas. The Farm Credit Administration is not in a separate lending agency now, but is under the Department of Agriculture.

Mr. WALTER. I have a list of the agencies here.

Mr. JONES of Texas. I think it would be included in the original committee amendment, but I do not think it would be comprehended in the terms of the gentleman's substitute amendment.

Mr. WALTER. It was intended to come within this amendment.

Mr. JONES of Texas. Of course I just heard the amendment read from the desk.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WALTER. Yes.

Mr. JONES of Texas. One of the purposes is, is it not, to make it impossible for one who makes application for the loan and is denied, to carry that matter to the courts?

Mr. WALTER. Yes; precisely.

Mr. JONES of Texas. I am inclined to think that the term he has used would not include the land-bank system, the Production Credit Corporation, the cooperative banks, or any other lending agencies that have been transferred to one of the departments.

Mr. COX. Mr. Chairman, will the gentleman from Pennsylvania yield?

Mr. WALTER. Certainly.

Mr. COX. Do I understand the gentleman to say that this bill gives the individual the right to litigate with one of the lending agencies over the question of granting him a loan?

Mr. WALTER. Oh, no.

Mr. COX. If it is, then the bill is entirely too broad.

Mr. WALTER. Oh, no; the amendment is to correct that situation.

Mr. JONES of Texas. Under the terms of the gentleman's amendment it would do just that.

Mr. WALTER. Oh, no.

It is the intention of the committee to exclude all Federal lending agencies.

Mr. JONES of Texas. The gentleman is striking out that provision. The whole Farm Credit Corporation has been transferred to the Department of Agriculture.

Mr. BULWINKLE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. I want to know if it would be in order to move that the Committee rise in order that the Committee on the Judiciary may have time to study the bill?

Mr. SUMNERS of Texas. Mr. Chairman, I rise to submit a unanimous-consent request, and that is that in view of the serious questions which have very naturally arisen in the minds of gentlemen here—and we want to do the best we can about the bill with these amendments—that this particular amendment go over until the morning or to the heel of the bill. That is the thing that anybody with common sense would do in a situation such as we are in at the present time.

Mr. RANKIN. Does the gentleman not think it would be better to strike out the enacting clause?

Mr. SUMNERS of Texas. Oh, no; we are really trying to perfect this bill.

Mr. RAYBURN. Mr. Chairman, if the gentleman will permit, I want to make a suggestion. Here it is now 5 o'clock. I have no desire to delay a vote upon this bill. A great many of us have said nothing about the bill at all up to now, but certainly will have something to say about section 7. The committee has several amendments of its own that must be discussed for some length, as we have found out from the questions of the gentleman from Texas [Mr. JONES], the chairman of the Committee on Agriculture, the questions raised by the gentleman from Georgia [Mr. RAMSPECK], and by the gentleman from North Carolina [Mr. BULWINKLE], and many others. If it is the intention to stay here and complete the bill today, then we will do so; but we will be here quite some time, because in all probability there will be two roll calls. I shall do what the Committee desires. If the Committee desires to stay here, it is all right with me; but I think it would be inconvenient for a great many Members of the House to stay here and try to complete the bill tonight. If the gentleman from Pennsylvania [Mr. WALTER],

in charge of the bill, desires to move to rise, I will be glad to vote for such a motion.

Mr. WALTER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. KERR, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 6324, and had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a series of very short statements from editorials.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GARTNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement by Colonel Carroll, of Philadelphia.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a chart or table of the United States Department of Commerce.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. KELLER. Mr. Speaker, I ask unanimous consent to extend my remarks and include certain quotations from the testimony before the Labor Committee last year.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

By unanimous consent, Mr. PATRICK was granted permission to revise and extend his own remarks.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a letter received from Jerome R. Frank, Chairman of the Securities and Exchange Commission, in relation to the costs for the registration and issuance of securities of the so-called smaller corporations.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

HOUR OF MEETING TOMORROW

Mr. WALTER. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to allow our colleague the gentleman from Texas [Mr. MANSFIELD] to extend his remarks on the Wheeler-Lea bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

HON. HYDE SWEET, A MEMBER-ELECT

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House:

APRIL 17, 1940.

The SPEAKER,
House of Representatives, Washington, D. C.

DEAR SIR: The certificate of election, in due form of law, of Hon. HYDE SWEET as a Representative-elect to the Seventy-sixth Congress from the First Congressional District of Nebraska, to fill the vacancy caused by the death of Hon. GEORGE H. HEINKE, is on file in this office.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives,
By H. NEWLIN MEGILL.

SWEARING IN OF A MEMBER

Hon. HYDE SWEET appeared at the bar of the House and took the oath of office.

COMMEMORATION OF AMERICAN CITIZENSHIP

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the resolution (H. J. Res. 437) authorizing the President of the United States of America to proclaim Citizenship Day for the recognition, observance, and commemoration of American citizenship, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the House joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and appoints the following conferees: Mr. SUMNERS of Texas, Mr. HOBBS, and Mr. GUYER of Kansas.

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks made in Committee of the Whole today and include therein certain quotations.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks by including an article by Gen. Hugh S. Johnson appearing in the Washington Daily News of April 12.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, after the regular business of the day has been disposed of on Tuesday next, I ask unanimous consent to address the House for 1 hour.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a radio speech by Colonel Knox.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER. Mr. Speaker, I ask unanimous consent that I be permitted to yield back the time granted to me this afternoon, and that I may have the same time on Friday next.

The SPEAKER pro tempore. Is there objection?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BURGIN (at the request of Mr. BULWINKLE), for 15 legislative days, on account of illness.

To Mr. FADDIS, for 1 week, on account of important business.

To Mr. DEMPSEY, for 3 days, on account of illness.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 20 minutes.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. VAN ZANDT. Mr. Speaker, there is lying on the desk of the Speaker at the present time discharge petition No. 29, filed a few days ago by the Honorable JOHN RANKIN, of Mississippi, chairman of the House Committee on World War Veterans' Legislation.

This discharge petition was filed for the purpose of discharging the House Committee on Rules as to House Resolution No. 444, to provide for immediate consideration of H. R.

9000, a bill to provide pensions to dependent widows and orphans and parents of certain World War veterans.

H. R. 9000 compels the Federal Government to assume the sole responsibility—where it properly belongs—of providing pensions for the dependent widows and orphans and parents of certain deceased World War veterans. It would transfer the tax burden of caring for them from the property-tax payers of your State to the income-tax payers of the Federal Government. The shifting of this burden from local communities and States to the Federal Government would enable each State to provide more adequately for its other needy aged, handicapped, and dependent citizens—by more generous old-age assistance, aid to the blind, and aid to dependent children benefits—thus entitling your State to more matching money from the Federal Social Security Board and again increasing the social-security benefits to such other destitute citizens.

Every local community, every State, and millions of their destitute citizens, in addition to the dependent widows and orphans and parents of deceased World War veterans, would directly and indirectly benefit by this legislation, and thus enhance security for America.

Up until this minute 176 Members of this House have signed this petition. Two hundred and eighteen names are required, and it is the hope of the American Legion, Disabled American Veterans, and Veterans of Foreign Wars, whose combined membership represents more than a million and a half veterans of the World War, that the required number of names may be secured, permitting consideration of H. R. 9000.

Mr. VOORHIS of California. Mr. Speaker, it is not my purpose to use the time that I asked for today. The hour is late, and I am afraid the Members of the House are hardly in a frame of mind at this time to listen to the speech which I proposed to deliver. I wanted to discuss a number of matters connected with the whole broad question of the defense of liberty, the investigation of un-American activities, the importance of basic rights of the people, and other things in that connection. I would prefer to wait, Mr. Speaker, until another time to deliver this speech when the occasion seems more propitious than it does now.

Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SHANLEY asked and was given permission to revise and extend his own remarks.

SENATE ENROLLED BILLS SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 2993. An act to authorize an exchange of lands between the city of San Diego, Calif., and the United States, and acceptance by gift of certain lands from the city of San Diego, Calif.;

S. 3067. An act authorizing appropriations to be made for the disposition of the remains of personnel of the Navy and Marine Corps and certain civilian employees of the Navy, and for other purposes; and

S. 3440. An act to amend the Locomotive Inspection Act of February 17, 1911, as amended, so as to change the title of the chief inspector and assistant chief inspectors of locomotive boilers.

ADJOURNMENT

Mr. BOLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Thursday, April 18, 1940, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold hearings on the following resolution on Wednesday, April 24, 1940:

House Joint Resolution 509, to suspend section 510 (g) of the Merchant Marine Act, 1936, during the present European war. Hearings will be held at 10 a. m.

The Committee on Merchant Marine and Fisheries will hold hearings on the following bill on Tuesday, April 30, 1940:

H. R. 8855, to admit the American-owned steamship *Port Saunders* and steamship *Hawk* to American registry and to permit their use in coastwise and fisheries trade. Hearing will be held at 10 a. m.

COMMITTEE ON THE CIVIL SERVICE

Hearings on boards and courts of appeals bills will begin on Thursday, April 18, 1940, at 10 a. m., room 246, House Office Building.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds Friday, April 19, 1940, at 10:30 a. m., for the consideration of House Joint Resolution 487. Important. The hearings will be held in room 1501, New House Office Building.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the bridge subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, April 18, 1940, for the consideration of H. R. 7864, to authorize the construction of a bridge across the Ohio River at or near Cannelton, Perry County, Ind.

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs on Thursday, April 18, 1940, at 10 a. m., for the continued consideration of H. R. 8239, creating the Puerto Rico Water Resources Authority, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

1554. Under clause 2 of rule XXIV a letter from the Assistant Secretary of Commerce, transmitting a draft of a proposed bill to apply laws covering steam vessels to certain passenger-carrying vessels, was taken from the Speaker's table and referred to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. VINSON of Georgia: Committee of conference. H. R. 4929. A bill to amend the act of June 23, 1938 (52 Stat. 944) (Rept. No. 1964). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Resolution 464. Resolution to pay a gratuity to Mary Agnes McMahon (Rept. No. 1965). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. H. R. 7696. A bill to amend the United States Grain Standards Act to provide for the grading of soybeans, and for other purposes; without amendment (Rept. No. 1966). Referred to the Committee of the Whole House on the state of the Union.

Mr. DOXEY: Committee on Agriculture. S. 229. An act to authorize the withdrawal of national-forest lands for the protection of watersheds from which water is obtained for municipalities, and for other purposes; with amendment (Rept. No. 1967). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. Senate Joint Resolution 217. Joint resolution to amend the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair, 1939, authorizing an appropriation therefor, and for no other purposes," approved July 9, 1937, to provide for participation in the New York World's Fair, 1940, to authorize an appropriation therefor, and for other purposes; without amendment (Rept. No. 1969). Referred to the Committee of the Whole House on the state of the Union.

Mr. KEE: Committee on Foreign Affairs. House Joint Resolution 501. Joint resolution for the relief of the distressed and starving men, women, and children of Poland, and

other similarly afflicted areas; with amendment (Rept. No. 1970). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 3654. An act to amend section 10, National Defense Act, as amended, with relation to the maximum authorized enlisted strength of the Medical Department of the Regular Army; without amendment (Rept. No. 1971). Referred to the Committee of the Whole House on the state of Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 9271. A bill to extend the existence of the Alaskan International Highway Commission for an additional 4 years, and for other purposes; without amendment (Rept. No. 1972). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 3470. An act to amend the National Defense Act of June 3, 1916, as amended, to provide for enlistments in the Army of the United States in time of war, or other emergency declared by Congress, and for other purposes; without amendment (Rept. No. 1973). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. S. 3633. An act to amend section 24e, National Defense Act, as amended, so as to add an alternative requirement for appointment in the Dental Corps; without amendment (Rept. No. 1974). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK of Arizona: Committee on the Public Lands. S. 2980. An act providing for the sale of certain lands to the Arizona State Elks Association Hospital; without amendment (Rept. No. 1975). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 9394. A bill to provide for the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia; with amendment (Rept. No. 1976). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. S. 3338. An act for the relief of Alice C. Wainwright; without amendment (Rept. No. 1968). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 9076) for the relief of Bruno Capogrecco, and the same was referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COCHRAN:

H. R. 9420. A bill to authorize the transportation of employees of the Alaska Road Commission, and to validate payments made for that and other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. DARDEN:

H. R. 9421. A bill providing for the acquisition of additional lands for the Nansemond Ordnance Depot, Nansemond County, Va.; to the Committee on Military Affairs.

By Mr. DIMOND:

H. R. 9422. A bill to exempt the University of Alaska from existing statutory minimum limitations upon the numbers of students in units of the Reserve Officers' Training Corps; to the Committee on Military Affairs.

By Mr. DISNEY:

H. R. 9423. A bill requiring a report of census questions to be submitted to Congress and to be made public at least 1 year prior to the beginning of the census and restricting census questions to questions set forth in such report; to the Committee on the Census.

By Mr. KRAMER:

H. R. 9424. A bill to amend the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on the Civil Service.

By Mr. MAY:

H. R. 9425. A bill to authorize appropriations for construction at the Army Medical Center, District of Columbia; to the Committee on Military Affairs.

By Mr. STEAGALL:

H. R. 9426. A bill providing for the refund of taxes collected under Public Law No. 169, Seventy-third Congress, known as the Bankhead Act; to the Committee on Agriculture.

By Mr. HAVENNER:

H. R. 9427. A bill providing for the establishment of a junior division of the Naval Reserve Officers' Training Corps; to the Committee on Naval Affairs.

By Mr. PAGÁN:

H. R. 9428. A bill to extend original jurisdiction to district courts in civil suits between citizens of the District of Columbia, the Territory of Hawaii, Puerto Rico, Alaska, and any State or Territory; to the Committee on the Judiciary.

By Mr. BYRON:

H. R. 9429. A bill to authorize members of the police force and fire department of the District of Columbia to reside at a distance of not more than 12 miles from the District of Columbia; to the Committee on the District of Columbia.

By Mr. HAVENNER:

H. J. Res. 518. Joint resolution for the designation as "Borah Circle" of a certain plot of public property in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SHEPPARD:

H. Con. Res. 59. Concurrent resolution creating a joint committee to study and report with respect to the feasibility of establishing standing House and Senate committees on civil aviation; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 9430. A bill for the relief of A. V. Allen, individually, and as representative of the Columbia Boat & Barge System, Inc.; to the Committee on Claims.

By Mr. BUCKLEY of New York:

H. R. 9431. A bill for the relief of Theresa Ruggieri, nee Amandola; to the Committee on Immigation and Naturalization.

By Mr. DISNEY:

H. R. 9432. A bill to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to certain counsel; to the Committee on Indian Affairs.

By Mr. CLAYPOOL:

H. R. 9433. A bill granting a pension to Grover Keplar; to the Committee on Invalid Pensions.

By Mr. JARRETT:

H. R. 9434. A bill for the relief of David J. Williams, Jr.; to the Committee on Claims.

By Mr. MASON:

H. R. 9435. A bill granting an increase of pension to Laura McBratney; to the Committee on Invalid Pensions.

H. R. 9436. A bill granting a pension to Mabel McBratney; to the Committee on Invalid Pensions.

H. R. 9437. A bill granting a pension to Eva Case; to the Committee on Invalid Pensions.

By Mr. PETERSON of Florida:

H. R. 9438. A bill for the relief of E. M. Conroy; to the Committee on Claims.

By Mr. WELCH:

H. R. 9439. A bill for the relief of William Schoeb; to the Committee on Claims.

By Mr. WHITE of Idaho:

H. R. 9440. A bill for the relief of J. E. Boothe; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

7474. By Mr. CULLEN: Petition of the Atlantic States Shippers Advisory Board, expressing its opposition to the proposed St. Lawrence seaway and power project; to the Committee on Foreign Affairs.

7475. By Mr. MICHAEL J. KENNEDY: Petition of the Clothing Manufacturers Association of the United States of America, suggesting that the men's and boys' clothing industry inform the Congress of the irrevocable injury that will be perpetrated upon the employers engaged in the manufacture of men's and boys' clothing if amendment 2, requiring the Board to designate a craft as an appropriate unit, etc., as provided in the Norton bill (H. R. 9195); to the Committee on Labor.

7476. Also, petition of Comrade Post, No. 987, Veterans of Foreign Wars of the United States, advocating a 6-hour day, 30-hour-week program for all workers in the United States for the purpose of eliminating unemployment and increasing the standard of living of those persons taken off relief and emergency employment; to the Committee on Labor.

7477. Also, petition of the American Communications Association, Congress of Industrial Organizations, Marine Division Local 2, expressing opposition to both the Smith and Norton amendments to the Wagner Act, also to any amendments to the Wagner Act and wage-hour law, except those proposed by the Congress of Industrial Organizations; to the Committee on Labor.

7478. By Mr. KEOGH: Petition of the United Furniture Workers of America, New York City, opposing the Norton and Smith bills amending the National Labor Relations Act; to the Committee on Labor.

7479. Also, petition of the Atlantic States Shippers Advisory Board, New York City, concerning the St. Lawrence Waterway treaty; to the Committee on Foreign Affairs.

7480. Also, petition of the State, County, and Municipal Workers of America, opposing the Norton and Smith bills amending the National Labor Relations Act; to the Committee on Labor.

7481. Also, petition of the Transport Workers' Union of America, opposing the Norton and Smith bills to amend the Wagner Labor Relations Act; to the Committee on Labor.

7482. Also, petition of the New York Committee to Aid Agricultural Workers, opposing the Barden amendments to the wages-and-hours laws; to the Committee on Labor.

7483. Also, petition of the United Mine Workers of America, Washington, D. C., concerning amendments to the National Labor Relations Act, presented in House bill 8813; to the Committee on Labor.

7484. Also, petition of the National Maritime Union of America, concerning the Norton amendments to the National Labor Relations Act; to the Committee on Labor.

7485. Also, petition of the Texas Sheep and Goat Raisers' Association, Del Rio, Tex., concerning the Wheeler-Lea omnibus transportation bill (S. 2009); to the Committee on Interstate and Foreign Commerce.

7486. Also, petition of Local 802, American Federation of Musicians, favoring the passage of Senate bill 280; to the Committee on Interstate and Foreign Commerce.

7487. Also, petition of the Central Trades and Labor Council of Greater New York and Vicinity, favoring the passage of House bill 9195, amending the National Labor Relations Act; to the Committee on Labor.

7488. Also, petition of the Merchants' Association of New York, concerning the Smith bill (H. R. 8813); to the Committee on Labor.

7489. By Mr. KRAMER: Resolution of the executive council of the California State Federation of Labor, relative to Work Projects Administration activities; to the Committee on Appropriations.

7490. Also, resolution of the Los Angeles Building and Construction Trades Council, relative to Work Projects Administration activities in construction work; to the Committee on Appropriations.

7491. Also, resolution of the Los Angeles County Democratic Central Committee, relative to recent appointments in Home Owners' Loan Corporation in Los Angeles of persons not residents of Los Angeles County, etc.; to the Committee on Banking and Currency.

7492. By Mr. LAMBERTSON: Petition of W. D. Reilly and seven other citizens of Leavenworth, Kans., urging the enactment of House bills 7980 and 7950 into law to provide for disabled veterans and their dependents; to the Committee on World War Veterans' Legislation.

7493. Also, petition of S. G. Kelly and 40 other veterans of Wadsworth, Kans., urging the enactment of House bills 7980 and 7950 into law to provide for disabled veterans and their dependents; to the Committee on Interstate and Foreign Commerce.

7494. Also, petition of Gertrude Hubbard and 22 other members of American Legion Auxiliary, Springer Unit 332, Waterville, Kans., pleading that Congress do all in its power to keep America out of war; to the Committee on Foreign Affairs.

7495. Also, petition of C. F. Markley and 81 other citizens of Leavenworth County, Kans., urging the enactment of House bills 7980 and 7950 into law to provide for disabled veterans and their dependents; to the Committee on World War Veterans' Legislation.

7496. Also, petition of Albert E. Cowder and 28 other citizens of Leavenworth, Kans., urging the enactment of House bills 7980 and 7950 into law to provide for disabled veterans and their dependents; to the Committee on World War Veterans' Legislation.

7497. By Mr. LEAVY: Resolution of the Davenport Sportsmen's Association, Davenport, Wash., adopted at their convention on April 11, 1940, requesting United States Public Health Service and other authorities to take steps to require the city of Spokane and others above and below said city situated on the Spokane River to desist from dumping sewage and other contaminating matter in the said river, pointing out that the river had been polluted by such practices to the extent that it is now a menace to public health, and the continued practice would destroy the entire territory for recreational purposes and would pollute the water of the lake now being formed by the backwater of Grand Coulee Dam and prevent said lake from ever becoming a habitat of game fish; to the Committee on Rivers and Harbors.

7498. By Mr. WHITTINGTON: Petition of the Legislature of the State of Mississippi, advocating the passage of the Connally amendment to provide a more liberal appropriation for old-age pensions; to the Committee on Ways and Means.

7499. By the SPEAKER: Petition of the United Brotherhood of Carpenters and Joiners of America, Union No. 1380, Bedford, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7500. Also, petition of the International Brotherhood of Chauffeurs, Teamsters, Stablemen, and Helpers of America, American Federation of Labor Local No. 369, Muncie, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7501. Also, petition of the Glass Bottle Blowers Association, Branch 201, Marion, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7502. Also, petition of the Glass Bottle Blowers Association, No. 64, Indianapolis, Ind., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

7503. Also, petition of Pro America, Salt Lake City, Utah, petitioning consideration of their resolution with reference to the Federal Bureau of Investigation; to the Committee on the Judiciary.